

From: Jordan.Owens
Sent: February 14, 2024 13:23
To: Elisha.Sidoun; Kathleen.Smith; Aaron.Casselman
CC: Kim.Stavert; Laura.Seeley; Aurora.Bicudo
Subject: RE: YP NR: Territorial Liberals Need to Support Investments in Critical Road Infrastructure

I've called PMO 76(1)

From: Elisha.Sidoun <Elisha.Sidoun@yukon.ca>
Sent: Wednesday, February 14, 2024 1:22 PM
To: Jordan.Owens <Jordan.Owens@yukon.ca>; Kathleen.Smith <Kathleen.Smith@yukon.ca>; Aaron.Casselman <Aaron.Casselman@yukon.ca>
Cc: Kim.Stavert <Kim.Stavert@yukon.ca>; Laura.Seeley <Laura.Seeley@yukon.ca>; Aurora.Bicudo <Aurora.Bicudo@yukon.ca>
Subject: Re: YP NR: Territorial Liberals Need to Support Investments in Critical Road Infrastructure

Hey Aaron,
 Thank you for the scoop. Can you please talk to Jordan about this?
 Thanks
 e

Sent from my Bell Samsung device over Canada's largest network.

From: Jordan.Owens <Jordan.Owens@yukon.ca>
Sent: Wednesday, February 14, 2024 1:20:00 PM
To: Elisha.Sidoun <Elisha.Sidoun@yukon.ca>; Kathleen.Smith <Kathleen.Smith@yukon.ca>
Cc: Kim.Stavert <Kim.Stavert@yukon.ca>; Laura.Seeley <Laura.Seeley@yukon.ca>; Aurora.Bicudo <Aurora.Bicudo@yukon.ca>; Aaron.Casselman <Aaron.Casselman@yukon.ca>
Subject: RE: YP NR: Territorial Liberals Need to Support Investments in Critical Road Infrastructure

Do you have any more info on that?

From: Elisha.Sidoun <Elisha.Sidoun@yukon.ca>
Sent: Wednesday, February 14, 2024 1:07 PM
To: Jordan.Owens <Jordan.Owens@yukon.ca>; Kathleen.Smith <Kathleen.Smith@yukon.ca>
Cc: Kim.Stavert <Kim.Stavert@yukon.ca>; Laura.Seeley <Laura.Seeley@yukon.ca>; Aurora.Bicudo <Aurora.Bicudo@yukon.ca>; Aaron.Casselman <Aaron.Casselman@yukon.ca>
Subject: Re: YP NR: Territorial Liberals Need to Support Investments in Critical Road Infrastructure

74(1)(a)

PM Trudeau just said in Parliament today that we are building a bridge in Dawson



Sent from my Bell Samsung device over Canada's largest network.

From: Jordan.Owens <Jordan.Owens@yukon.ca>
Sent: Wednesday, February 14, 2024 1:04:24 PM
To: Elisha.Sidoun <Elisha.Sidoun@yukon.ca>; Kathleen.Smith <Kathleen.Smith@yukon.ca>
Cc: Kim.Stavert <Kim.Stavert@yukon.ca>; Laura.Seeley <Laura.Seeley@yukon.ca>; Aurora.Bicudo <Aurora.Bicudo@yukon.ca>
Subject: YP NR: Territorial Liberals Need to Support Investments in Critical Road Infrastructure

We've gotten a few media requests about this; I've reached out to PMO for clarification and messaging, as it seems that the feds are walking back Minister Guilbeault's comments, but wanted to ensure everyone is aware.

J.

Territorial Liberals Need to Support Investments in Critical Road Infrastructure

FOR IMMEDIATE RELEASE

February 14, 2024

WHITEHORSE – The Yukon Party Official Opposition is calling on the territorial Liberal government to engage with their federal counterparts following misguided comments from the federal environment minister that Ottawa will not invest in any new road infrastructure.

Minister Steven Guilbeault is quoted in a Montreal Gazette article as saying: “Our government has made the decision to stop investing in new road infrastructure. Of course we will continue to be there for cities, provinces and territories to maintain the existing network, but there will be no more envelopes from the federal government to enlarge the road network.”

“The comments from the federal minister are quite frankly shocking and once again show the Liberals are out of touch with rural and northern communities,” said Highways and Public Works Critic Stacey Hassard. “The territorial Liberals need to immediately clarify with their federal cousins what this means for the Yukon. How would it affect roads identified in the Resource Gateway Project or new projects to improve our highway system? There are many reasons for new road projects, including safety, access to critical minerals, and the continued development of the North.”

Just like the federal carbon tax, refusing to invest in road infrastructure is yet another policy position that unfairly hurts rural Canadians and the North.

“Public transit options are limited in the Yukon,” said Hassard. “Rural Yukoners depend on our roads and highways for the transport of essential goods and services. The Yukon’s Highways and Public Works Minister needs to assure Yukoners that the territorial government will continue to invest in new roads and highways and tell the federal government the Yukon needs money from Ottawa to make that happen.”

From: Jordan.Owens

Sent: February 15, 2024 10:21

To: cabinet-com; cab-sr; Aurora.Bicudo; Nils.Clarke; Elisha.Sidoun

Subject: YP NR: Questions Arise after Prime Minister Announces Dawson City Bridge Project

Questions Arise after Prime Minister Announces Dawson City Bridge Project

FOR IMMEDIATE RELEASE

February 15, 2024

WHITEHORSE – The Yukon Party Official Opposition is wondering when the territorial Liberal government asked for, and was made aware of, federal funding for a new bridge over the Yukon River at Dawson City.

During question period in the House of Commons on Wednesday, February 14, the Prime Minister let it slip that the federal government was funding a new bridge.

From Hansard:

“Through the national trade corridors fund alone, we are building projects like a **new bridge over the Yukon River in Dawson City**, new interchanges on Highways 101 and 103 in Nova Scotia...”

The project is listed on the federal government’s website under the National Trade Corridors Fund as part of a \$135 million expenditure on the North Klondike Highway, which also includes 110 km of road construction. That amount appears insufficient to pay for the full scope of the work.

“With an aging ferry and annual challenges with building an ice bridge, Dawson needs a long-term plan for a river crossing,” said Economic Development Critic Geraldine Van Bibber. “However, public consultation on a bridge was concluded just a few weeks ago, and I wonder if that input was considered. Also, the bridge is not in the territorial Liberals’ 5-year capital plan, so more details are needed regarding the total project costs and timelines.”

The territorial Liberals’ track record on bridge construction and budgeting is poor. The Nisutlin Bay Bridge project is tens of millions of dollars over budget, and the Big Creek Bridge project west of Watson Lake sits partially completed. Both projects are years behind schedule.

“The Liberals need to share when they requested funding for this project,” added Van Bibber. “Yukoners need to know if the project will be completely funded by the federal government or will Yukon taxpayers be

responsible for any costs. There is potential for a win for Dawson, but this announcement will come as a surprise to many in the community and they deserve answers from the government.”

See Backgrounder.

-30-

Contact:

Tim Kucharuk

Press Secretary

(867) 393-7026

Backgrounder:

Here is a link to the Prime Minister’s comments from question period in the House of Commons on February 14, 2024.

[Debates \(Hansard\) No. 282 - February 14, 2024 \(44-1\) - House of Commons of Canada \(ourcommons.ca\)](#)

Here is a link to the project on the National Trade Corridors fund website. The project is listed on page 7.

[Projects funded by the National Trade Corridors Fund \(canada.ca\)](#)

From: Kim.Stavert
Sent: February 15, 2024 10:31
To: cabinet-com; Jason.Cunning
Subject: Fwd: 2024-02-14 NTCF North Klondike and Dawson Bridge
Attachments: NTCF - NKH AGREEMENT_2019.pdf; NTCF - NKH AMENDED AND RESTATED AGREEMENT_2021.pdf; FW: NTCF: Arctic & Northern Call | Approval-In-Principle (4-002R) | Government of Yukon | North Klondike Highway Corridor Strategic Upgrades – Phase 2; NTCF - NISUTLIN BAY BRIDGE REPLACEMENT - MILESTONE AGREEMENT.pdf; 2024-02-15 NTCF North Klondike and Dawson Bridge.docx

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From: Catherine.Harwood <Catherine.Harwood@yukon.ca>
Sent: Thursday, February 15, 2024 10:20:13 AM
To: Kim.Stavert <Kim.Stavert@yukon.ca>
Cc: Richard.Gorczyca <Richard.Gorczyca@yukon.ca>; Elisha.Sidoun <Elisha.Sidoun@yukon.ca>; Victoria.Zeppa <Victoria.Zeppa@yukon.ca>
Subject: FW: 2024-02-14 NTCF North Klondike and Dawson Bridge

Hi Kim,

Please find signed agreements and an email and an info note attached.

I will also send you an email with 3 past emails that HPW sent to Transport Canada, asking them to update their website.

This morning I will let you know whether we have received any recoveries for NBB before now. I know we have a claim in with Canada right now for NBB recoveries (\$30M).

Lastly, 74(1)(a)

Please let me know if you have any questions.

Catherine

From: Richard.Gorczyca <Richard.Gorczyca@yukon.ca>
Sent: Thursday, February 15, 2024 8:25 AM
To: Catherine.Harwood <Catherine.Harwood@yukon.ca>
Cc: Victoria.Zeppa <Victoria.Zeppa@yukon.ca>; Katie.Munroe <Katie.Munroe@yukon.ca>
Subject: FW: 2024-02-14 NTCF North Klondike and Dawson Bridge

Catherine,

Please see the fact-checked version of the information note and agreement copies. I left Adam's comments in the document as they add some context.

I will send an email to Stephanie Hebert this morning and will forward to you after its sent.

Regards,

**Richard J. Gorczyca**

Assistant Deputy Minister |
Highways and Public Works | Transportation |
C 867-336-1080 | Yukon.ca

I respectfully acknowledge that I work within the Traditional Territories of the Kwanlin Dün First Nation and the Ta'an Kwäch'än Council.

**CANADA – GOVERNMENT OF YUKON
NATIONAL TRADE CORRIDORS FUND**

AGREEMENT FOR

NORTH KLONDIKE HIGHWAY RECONSTRUCTION KM 418.0 TO KM 646.0

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 Transport ("Canada")

AND **THE GOVERNMENT OF GOVERNMENT OF YUKON**, as represented by the Minister of Highways and Public Works (the "Recipient"),

individually referred to as a "Party" and collectively referred to as the "Parties".

RECITALS

WHEREAS the Minister of Transport is responsible for the Program entitled the National Trade Corridors Fund ("Program");

WHEREAS the Recipient has submitted to Canada a proposal for the funding of the Project which qualifies for support under the Program;

AND WHEREAS the Recipient is responsible for carrying out the Project and Canada wishes to provide financial support for the Project and its objectives;

NOW THEREFORE, the Parties agree as follows:

1. INTERPRETATION

1.1 DEFINITIONS

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

"**Agreement**" means this contribution agreement and all its schedules, as may be amended from time to time.

"**Agreement End Date**" means September 30, 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 funds contributed by Canada under the terms and conditions of this Agreement.

"**Asset Disposal Period**" means the period commencing from the Effective Date and ending twenty-five (25) years after the Project Completion Date.

"**Committee**" means the Agreement Monitoring Committee established pursuant to Section 5.1 (Establishment and Dissolution).

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

"**Declaration of Substantial Completion**" means a declaration in the form substantially prescribed in Schedule F (Declaration of Substantial Completion).

"**Effective Date**" means the date of last signature of this Agreement.

"**Eligible Expenditures**" means those costs incurred that are directly related to the Project and which are considered eligible by Canada and may include cash-equivalent expenditures associated with In-Kind Contributions as set out in Schedule A (Eligible and Ineligible Expenditures).

"**Fair Value**" means the amount that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

"Final Claim Date" means the earlier of eighteen (18) months after the Project Completion Date of the Project and January 31, 2028.

"Fiscal Year" means the period beginning April 1 of a year and ending March 31 of the following year.

"In-Kind Contributions" means non-monetary contributions of goods, services or other support provided by the Recipient, or to the Recipient by a third party for the Project, for which Fair Value is assigned, but for which no payment occurs. The associated cash-equivalent expenditures may be considered Eligible Expenditures in accordance with Schedule A (Eligible and Ineligible Expenditures).

"Project" means the project as described in Schedule B (The Project).

"Project Completion Date" means the date at which all funded activities of the Project under this Agreement have been completed and which must be no later than October 1, 2027.

"Project Component" means any of the components of the Project as described in Schedule B.2 (Project Components and Cashflow).

"Substantial Completion Date" means the date at which the Project can be used for its intended use as described in Schedule B.1 (Project Description) as will be set out in Schedule F (Declaration of Substantial Completion).

"System" means a secure, self-contained, collaborative web application developed by Canada for the management and monitoring of federal contribution agreements.

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

"Total Financial Assistance" means funding from all sources towards Eligible Expenditures of the Project, including funding from the Recipient and federal, provincial, territorial, and municipal governments as well as funding from all other sources, including In-Kind Contributions.

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 Canada to the Recipient except as expressly set out in this Agreement.

1.3 DURATION OF AGREEMENT

This Agreement will be effective as of the Effective Date 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 – Eligible and Ineligible Expenditures

Schedule B – The Project

Schedule C – Reporting Requirements

Schedule D – Certificate(s) of Compliance for Claims

Schedule E – Communications Protocol

Schedule F – Declaration of Substantial Completion

2. PURPOSE OF AGREEMENT

The purpose of this Agreement is to establish the terms and conditions whereby Canada will provide funding to the Recipient for the Project.

3. OBLIGATION OF THE PARTIES

3.1 CONTRIBUTION BY CANADA

- a) Canada agrees to pay a contribution to the Recipient of not more than seventy-five percent (75%) of the total Eligible Expenditures for the Project but only up to a maximum of one hundred eighteen million, two hundred twelve thousand, and four

hundred twenty-eight dollars (\$118,212,428).

- b) Canada will pay the contribution in accordance with the terms and conditions of this Agreement and the Fiscal Year breakdown in Schedule B.2 (Project Components and Cashflow).
- c) If Canada's total contribution towards the Project exceeds seventy-five percent (75%) of the Project's total Eligible Expenditures 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 the Recipient or reduce its contribution by an amount equal to the excess.
- d) The Parties acknowledge that Canada's role in the Project is limited to making a financial contribution to the Recipient for the Project and that Canada will have no involvement in the implementation of the Project or its operation. Canada is neither a decision-maker nor an administrator to the Project.

3.2 COMMITMENTS BY THE RECIPIENT

- a) The Recipient will complete the Project in a diligent and timely manner, within the costs and deadlines specified in this Agreement and in accordance with the terms and conditions of this Agreement.
- b) The Recipient will be responsible for all costs of the Project including cost overruns, if any.
- c) The Recipient will inform Canada promptly of the Total Financial Assistance received or due for the Project.
- d) The Recipient will repay to Canada any payment received for disallowed costs, unexpended contributions and overpayments made under and according to the terms and conditions of this Agreement.
- e) The Recipient will ensure the ongoing operation, maintenance, and repair of any Asset in relation to the Project as per appropriate standards, during the Asset Disposal Period.
- f) The Recipient will inform Canada immediately of any fact or event that could compromise wholly or in part the Project.
- g) Upon Canada's request and throughout the term of the Agreement, the Recipient will promptly provide Canada with updates to the Project status and the Project expenditures and forecasts set out in Schedule B (The Project).

3.3 APPROPRIATIONS AND FUNDING LEVELS

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 promptly advise the Recipient of any reduction or termination of funding once it becomes aware of any such situation. 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.

3.4 FISCAL YEAR BUDGETING

- a) The amount of the contribution payable by Canada for each Fiscal Year of the Project is set out in Schedule B.2 (Project Components and Cashflow).
- b) If the actual amount payable by Canada in respect of any Fiscal Year of the Project is less than the estimated amount in Schedule B.2 (Project Components and Cashflow), the Recipient may request that Canada re-allocate the difference between the two amounts to a subsequent Fiscal Year. Subject to Section 3.3 (Appropriations and Funding Levels), Canada agrees to make reasonable efforts to accommodate the Recipient's request. The Recipient acknowledges that requests for re-allocation of Project funding will require appropriation adjustments or federal Crown approvals.
- c) In the event that any requested re-allocation of Project funding is not approved, the amount of Canada's contribution payable pursuant to Section 3.1 (Contribution by

Canada) may be reduced by the amount of the requested re-allocation. If the contribution payable by Canada pursuant to Section 3.1 (Contribution 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.

3.5 CHANGES DURING THE LIFE OF THE PROJECT

- a) Where a change to this Agreement is contemplated, the Recipient will submit to Canada a request for a change.
- b) Where the change is approved by Canada and in accordance with Section 18.14 (Amendments):
 - i. Committee Co-chairs nominated in accordance with Section 5.1 (Establishment and Dissolution) will execute the corresponding amendment to the Agreement in the System for insignificant changes to the Project; or
 - ii. the Parties will execute the corresponding amendment to the Agreement for significant changes to the Project.
- c) Canada will determine whether the change is significant or insignificant.

3.6 INABILITY TO COMPLETE PROJECT

If, at any time during the term of this Agreement, one or all of the Parties determine that it will not be possible to complete the Project for any reason, the Party will immediately notify the other Party of that determination and Canada may suspend its funding obligation. The Recipient will, within thirty (30) business days of a request from Canada, provide a summary of the measures that it proposes to remedy the situation. If Canada is not satisfied that the measures proposed will be adequate to remedy the situation, then this will constitute an Event of Default under Section 15 (Default) and Canada may declare a default pursuant to Section 15 (Default).

3.7 GUIDELINES

The Recipient will complete the Project, or cause the Project to be completed, in accordance with all the applicable laws, regulations and prevailing industry standards (e.g. the Transportation Association of Canada's Geometric Design Guide for Canadian Roads) for such design and construction and all applicable building and design codes.

4. RECIPIENT REPRESENTATIONS AND WARRANTIES

The Recipient represents and warrants to Canada that:

- a) the Recipient has the capacity and authority to carry out the Project;
- b) the Recipient has the requisite power to own the Assets;
- c) this Agreement constitutes a legally binding obligation of the Recipient, enforceable against it in accordance with its terms and conditions;
- d) all information submitted to Canada as set out in this Agreement is true, accurate, and was prepared in good faith to the best of its ability, skill, and judgment;
- e) the Recipient has not made a payment to any individual required to be registered under the federal *Lobbying Act* or to any legal entity with which that individual is engaged in doing business, 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 the contribution under this Agreement by or on behalf of Her Majesty in right of Canada; and
- f) there are no actions, suits, investigations or other proceedings pending or, to the knowledge of the Recipient, threatened and there is no order, judgment or decree of any court or governmental agency which could materially and adversely affect the Recipient's ability to carry out the activities contemplated by this Agreement. The Recipient will inform Canada immediately if any such action or proceedings are threatened or brought during the term of this Agreement.

5. AGREEMENT MONITORING COMMITTEE

5.1 ESTABLISHMENT AND DISSOLUTION

- a) Within thirty (30) business days of the Effective Date, the Parties will establish a

Committee of four (4) members, including one Federal Co-chair and other federal member, and one Recipient Co-chair and other Recipient member, to administer and monitor this Agreement.

- b) The Parties agree to notify the other of the appointment within the thirty (30) day period. Any change to the appointment will be communicated to the other Party in writing.
- c) The Committee will exist until both Parties agree in writing that the Committee is no longer needed and that the Committee may be dissolved.
- d) A Party, with the consent of the other Party, may invite a representative of the core delivery team, support team, or departmental subject matter experts to attend the Committee meetings as an observer.

5.2 MANDATE

The Committee will:

- a) monitor the progress of the Project;
- b) act as a forum to resolve potential issues and address concerns regarding the implementation of the Agreement;
- c) monitor compliance with the terms and conditions of this Agreement;
- d) review the reports set out in Schedule C (Reporting Requirements);
- e) review and amend the information in Schedule B (The Project) for changes that are insignificant;
- f) attend to any other function required by this Agreement or as mutually agreed to by the Parties;
- g) review and amend Schedule F (Declaration of Substantial Completion) to ensure that the list of required documents included therein is appropriate;
- h) establish sub-committees, as needed, for carrying out this Agreement.

5.3 MEETINGS, RECOMMENDATIONS AND DECISIONS

- a) The Committee may meet as often as necessary but must meet at least once a year.
- b) All recommendations and decisions of the Committee must be unanimous and recorded in writing.
- c) If the Committee cannot arrive at a unanimous decision or recommendation, the Committee will refer the matter to the Parties for resolution.

6. CONTRACT PROCEDURES

6.1 AWARDING OF CONTRACTS

- a) The Recipient will ensure that Contracts are awarded in a way that is transparent, competitive, 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 the Recipient has awarded a Contract in a manner that is not in compliance with the foregoing, upon notification to the Recipient, Canada may consider the expenditures associated with the Contract to be ineligible.

6.2 CONTRACT PROVISIONS

The Recipient will ensure that all Contracts are consistent with, and incorporate, the relevant provisions of this Agreement. More specifically but without limiting the generality of the foregoing, the Recipient agrees to include terms and conditions in all Contracts to ensure that:

- a) the Third Party will keep proper and accurate financial accounts and records, including but not limited to its contracts, invoices, statements, receipts, and vouchers, in respect of the Project for at least six (6) years after the Agreement End Date and that the Recipient has the contractual right to audit them;
- b) all applicable labour, environmental, and human rights legislation are respected; and
- c) Canada and its designated representatives, to the extent permitted by law, will at all times be permitted to inspect the terms and conditions of the Contract and any records and accounts respecting the Project and will have free access to the Project sites and

to any documentation relevant for the purpose of audit.

7. ENVIRONMENT AND IMPACT ASSESSMENT

7.1 REQUIREMENTS UNDER APPLICABLE ENVIRONMENTAL OR IMPACT ASSESSMENT LEGISLATION

The Recipient agrees that construction or any other physical activity that is carried out in relation to the Project, including site preparation, will not be undertaken or will be suspended and no funds or additional funds will be payable by Canada to the Recipient for the Project unless and until the requirements under the applicable federal environmental or impact assessment legislation are met and continue to be met:

- a) where the Project is a "designated project" under the applicable federal environmental or impact assessment legislation,
 - i. a decision pursuant to that legislation is made indicating that no environmental or impact assessment is required for the Project; or
 - ii. a decision statement in respect of the Project is issued to the Recipient indicating that:
 - 1. the Project is not likely to cause significant adverse environmental effects;
 - 2. the Project is likely to cause significant adverse environmental effects that the Governor in Council decides are justified in the circumstances, which decision statement may contain conditions in respect of the Project; or
 - 3. the adverse effects with respect to the impact assessment of the Project are in the public interest,
- b) where the Project is a "project" under the applicable federal environmental or impact assessment legislation, a determination that the carrying out of the Project:
 - i. is not likely to cause significant adverse environmental effects; or
 - ii. is likely to cause significant adverse environmental effects and the Governor in Council decides that those effects are justified in the circumstances,
- c) the requirements under the *Yukon Environmental and Socio-Economic Assessment Act* (YESAA), and
- d) the requirements under any applicable agreements between Canada and Aboriginal groups.

7.2 COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS

The Recipient will comply with, to the satisfaction of Canada and at the Recipient's own expense, all conditions related to the Project referred to in paragraph 7.1 (a) (Environmental and Impact Assessment) and will ensure access to Project sites, facilities, and documentation in accordance with section 11.6 (Access).

7.3 CHANGES TO PROJECT OR OTHERWISE

If, as a result of changes to the Project or otherwise, Canada is of the opinion that an environmental or impact assessment or a subsequent determination is required for the Project, the Recipient agrees that construction of the Project or any other physical activity that is carried out in relation to the Project, including site preparation, will not be undertaken or will be suspended and no funds or additional funds will become or will be payable by Canada to the Recipient for the Project unless and until:

- a) where the Project is "designated project" under the applicable federal environmental or impact assessment legislation,
 - i. a decision pursuant to that legislation is made indicating that no environmental assessment is required for the Project; or
 - ii. a decision statement in respect of the Project is issued to the Recipient indicating that:

1. the Project is not likely to cause significant adverse environmental effects;
 2. the Project is likely to cause significant adverse environmental effects that the Governor in Council decides are justified in the circumstances, which decision statement may contain conditions in respect of the Project; or
 3. the adverse effects with respect to the impact assessment of the Project are in the public interest,
- b) where the Project is a "project" under the applicable federal environmental or impact assessment legislation and a determination is made pursuant to that legislation stating that the carrying out of the Project:
- i. is not likely to cause significant adverse environmental effects; or
 - ii. is likely to cause significant adverse environmental effects and the Governor in Council decides that those effects are justified in the circumstances,
- c) the requirements under the *Yukon Environmental and Socio-Economic Assessment Act* (YESAA), and
- d) the requirements under any applicable agreements between Canada and Aboriginal groups,

are met and continue to be met.

8. ABORIGINAL CONSULTATION

The Recipient agrees that:

- a) it will consult with Aboriginal groups that might be affected by the Project, explain the Project to them, including Canada's role, and will provide a report to Canada, which will include:
 - i. a list of all Aboriginal groups contacted;
 - ii. a summary of all communications to date with the Aboriginal groups, indicating which groups support or object to the Project, and whether their positions are final, preliminary, or conditional in nature;
 - iii. a summary of any issues or concerns that the Aboriginal groups have raised and an indication of how the Recipient has addressed or proposes to address those issues or concerns; and
 - iv. any other information Canada may deem appropriate.
- b) no construction of the Project will occur and Canada has no obligation to reimburse Eligible Expenditures until Canada is satisfied that any legal duty to consult with, and where appropriate, to accommodate Aboriginal groups have been met and continue to be met;
- c) the Recipient must inform Canada promptly of any changes to the Project or otherwise, that may affect Canada's legal duty to consult for this Project; and
- d) if, as a result of changes to the Project or otherwise, Canada determines that further consultation is required, the Recipient will work with Canada to ensure that the legal duty to consult, and where appropriate, to accommodate Aboriginal groups, have been met and continue to be met to Canada's satisfaction.

9. CLAIMS AND PAYMENTS

9.1 PAYMENT CONDITIONS

- a) Canada will not pay interest for failing to make a payment under this Agreement.
- b) Canada may delay making a payment to the Recipient in any given Fiscal Year until a sufficient appropriation has been provided by Parliament of Canada.
- c) Canada will not pay any claims submitted after the Final Claim Date, unless otherwise

accepted by Canada.

- d) Canada will not pay any claims until the requirements under Section 7 (Environment) and Section 8 (Aboriginal Consultation), if applicable, are, in Canada's opinion, satisfied to the extent possible at the date the claim is submitted to Canada.
- e) Canada will not pay any claims until the requirements under Schedule C (Reporting Requirements) are, in Canada's opinion, satisfied to the extent possible at the time the claim is submitted to Canada.

9.2 PROGRESS CLAIMS

- a) The Recipient will submit progress claims to Canada in the System, at a minimum bi-annually, covering the Recipient's Eligible Expenditures in a form acceptable to Canada. Each progress claim must include the following:
 - i. a certification by the Recipient Co-chair in the form set out in the System stating that the information submitted in support of the claim is accurate;
 - ii. a breakdown of Eligible Expenditures claimed, in accordance with Schedule B.2 (Project Components and Cashflow) and a listing of invoices or supporting documentation for Eligible Expenditures being claimed, in the form set out by Canada;
 - iii. any reporting due in accordance with Schedule C (Reporting Requirements);
 - iv. upon request by Canada, any documentation in support of Eligible Expenditures claimed.
- b) Canada will make a payment upon review and acceptance of a progress claim, subject to the terms and conditions of the Agreement.

9.3 FINAL CLAIM AND FINAL ADJUSTMENTS

- a) The Recipient will submit a final claim to Canada in the System by the Final Claim Date covering the Recipient's Eligible Expenditures in a form acceptable to Canada. The final claim must include the following:
 - i. a certification by the Recipient Co-chair in the form set out in Schedule D.2 (Certificate of Compliance for Final Claim) stating that the information submitted in support of the claim is accurate;
 - ii. a breakdown of Eligible Expenditures claimed in accordance with Schedule B.2 (Project Components and Cashflow) and a listing of invoices or supporting documentation for Eligible Expenditures being claimed, in the form set out by Canada;
 - iii. confirmation of the Total Financial Assistance in accordance with Section 3.2 c) (Commitments by the Recipient) in the form set out in Schedule D.1 (Certificate of Compliance for Final Claim);
 - iv. any reporting due in accordance with Schedule C (Reporting Requirements);
 - v. a completed Declaration of Substantial Completion in accordance with Section 9.5 (Declaration of Substantial Completion);
 - vi. upon request by Canada, any of the documents referenced in Schedule F (Declaration of Substantial Completion); and
 - vii. upon request by Canada, any documentation in support of Eligible Expenditures claimed.
- b) Upon receipt of the final claim, but before issuing the final payment, the Parties will jointly carry out a final reconciliation of all claims and payments in respect of the Project and make any adjustments required in the circumstances.

9.4 WITHHOLDING OF CONTRIBUTION

Canada may withhold up to ten percent (10%) of its contribution towards Eligible Expenditures claimed under the Agreement. A portion of the amount withheld by Canada may be released at Canada's discretion on or after the Substantial Completion Date. Any remaining amount withheld by Canada will be released when the final adjustments have been completed under Section 9.3 (Final Claim and Final Adjustments) and the Recipient fulfills all its obligations under this Agreement.

9.5 DECLARATION OF SUBSTANTIAL COMPLETION

- a) Prior to executing the Declaration of Substantial Completion, the Recipient will request confirmation in writing from Canada as to whether the Declaration of Substantial Completion lists all relevant documents.
- b) The Declaration of Substantial Completion must be signed by an authorized official of the Recipient as deemed acceptable by Canada, and it must list all relevant documents as determined by Canada.

9.6 THE SYSTEM

The Parties will use the System to process claims and payments, monitor progress, and adjust and amend Schedule B (The Project) under this Agreement. The System will be available to the Recipient in both official languages.

10. REPORTING

Any Project and performance reporting requirements will be undertaken and completed in accordance with Schedule C (Reporting Requirements).

11. AUDIT, EVALUATION AND MONITORING FOR COMPLIANCE

11.1 RECIPIENT AUDIT

Canada may, at its discretion, conduct a Recipient audit related to this Agreement during the term of this Agreement and up to two years after the Agreement End Date, in accordance with the Canadian Auditing Standards and Section 18.3 (Accounting Principles).

11.2 [INTENTIONALLY OMITTED]

11.3 EVALUATION

The Recipient agrees to cooperate with Canada in the conduct of any evaluation of the Program during or after the term of this Agreement.

11.4 CORRECTIVE ACTION

The Recipient agrees to ensure that prompt and timely corrective action is taken in response of any audit findings and recommendations conducted in accordance with this Agreement.

11.5 RECORD KEEPING

The Recipient will keep proper and accurate financial accounts and records, including but not limited to its Contracts, invoices, statements, receipts, and vouchers, in respect of the Project, for at least six (6) years after the Agreement End Date.

11.6 ACCESS

The Recipient will provide Canada and its designated representatives with reasonable and timely access, at no cost, to the Project sites, facilities, and any documentation for the purposes of audit, evaluation, inspection and monitoring compliance with this Agreement.

12. COMMUNICATIONS

12.1 COMMUNICATIONS PROTOCOL

The Parties will comply with Schedule E (Communications Protocol).

12.2 RECOGNITION OF CANADA'S CONTRIBUTION

The Recipient will acknowledge Canada's contribution in all signage and public communication produced as part of the Project or Agreement, in a manner acceptable to Canada, unless Canada communicates in writing to the Recipient that this acknowledgement is not required.

12.3 PUBLIC INFORMATION

The Recipient acknowledges that the following may be made publicly available by Canada:

- a) its name, the amount awarded by Canada, and the general nature of the Project; and
- b) any evaluation or audit report and other reviews related to this Agreement.

12.4 OFFICIAL LANGUAGES

- a) The Recipient will ensure that basic information on the Project is available in both official languages.
- b) The Recipient will communicate in such a manner as to address the needs of both official languages communities.

13. INTELLECTUAL PROPERTY

- a) All intellectual property that arises in the course of the Project will vest in the Recipient.
- b) The Recipient will obtain the necessary authorizations, as needed, for the implementation of the Project, from third parties who may own the intellectual property rights or other rights in respect of the Project. Canada will assume no liability in respect of claims from any third party in relation to such rights and to the Agreement.

14. DISPUTE RESOLUTION

- a) The Parties will keep each other informed of any issue that could be contentious by exchanging information and will, in good faith and reasonably, attempt to resolve potential disputes.
- b) If a contentious issue arises, the Co-chairs will examine it together and will, in good faith and reasonably, attempt to resolve potential disputes within the Committee as soon as possible and in any event within twenty (20) business days within receipt of notice of such contentious issue. Where the 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.
- c) Where the Parties cannot agree on a resolution, the Parties may explore any alternative dispute resolution mechanisms available to them to resolve the issue.
- d) Any payments related to the issue in dispute will be suspended, 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.

15. DEFAULT

15.1 EVENTS OF DEFAULT

The following events constitute Events of Default under this Agreement:

- a) the Recipient has not complied with one or more of the terms and conditions of this Agreement;
- b) the Recipient has not completed the Project in accordance with the terms and conditions of this Agreement;
- c) the Recipient has submitted false or misleading information to Canada or made a false or misleading representation in respect of the Project or in this Agreement, except for an error in good faith, demonstration of which is incumbent on the Recipient, to Canada's satisfaction;
- d) the Recipient has neglected or failed to pay Canada any amount due in accordance with this Agreement.

15.2 DECLARATION OF DEFAULT

Canada may declare a default if:

- a) In Canada's opinion, one or more of the Events of Default occurs;
- b) Canada gave notice to the Recipient of the event which constitutes an Event of Default; and
- c) the Recipient has failed, within thirty (30) business days of receipt of the notice from Canada, either to remedy the Event of Default or to notify Canada and demonstrate, to the satisfaction of Canada, that it has taken such steps as are necessary to remedy the Event of Default.

15.3 REMEDIES ON DEFAULT

In the event that Canada declares a default under Section 15.2 (Declaration of Default), Canada may exercise one or more of the following remedies, without limiting any remedy available to it at law:

- a) suspend any obligation by Canada to contribute or continue to contribute funding to the Project, including any obligation to pay an amount owing prior to the date of such suspension;
- b) terminate any obligation of Canada to contribute or continue to contribute funding to the Project, including any obligation to pay any amount owing prior to the date of such termination;
- c) require the Recipient to reimburse Canada all or part of the contribution paid by Canada to the Recipient;
- d) terminate the Agreement.

16. LIMITATION OF LIABILITY AND INDEMNIFICATION

16.1 DEFINITION OF PERSON

In this section, "Person" includes, without limitation, a person, the Recipient, a Third Party, a corporation, or any other legal entity, and their officers, servants, employees or agents.

16.2 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 the Project.

16.3 INDEMNIFICATION

The Recipient 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 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.

17. ASSETS

- a) Assets acquired, purchased, constructed, rehabilitated or improved, in whole or in part, through the course of the Project will be the responsibility and remain the property of the Recipient.
- b) Notwithstanding any other provision of this Agreement, the Recipient will preserve, maintain, and use any Assets for the purposes of the Project, and will not dispose of any Asset during the Asset Disposal Period, unless the Recipient notifies Canada in writing and Canada consents to the Asset's disposal.
- c) Unless otherwise agreed to by Canada, upon alternate use or disposal of any Asset, which includes selling, leasing and encumbering an Asset whether directly or indirectly, during the Asset Disposal Period, the Recipient will reimburse Canada, at Canada's discretion, in whole or in part, an amount of funds contributed by Canada to the Asset under this Agreement.

18. GENERAL

18.1 PUBLIC BENEFIT

The Parties acknowledge that their contributions to the Project are meant to accrue to the public benefit.

18.2 SURVIVAL

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

18.3 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 Generally Accepted Accounting Principles (GAAP) in effect in Canada as defined in the Chartered Professional Accountants (CPA) Canada Handbook - Accounting or, where applicable, the CPA Canada Public Sector Accounting Handbook.

18.4 DEBTS DUE TO THE FEDERAL CROWN

Any amount owed to Canada under this Agreement by the Recipient will constitute a debt due to the federal Crown, which the Recipient will reimburse in a manner agreed to between the Parties.

18.5 INTEREST ON DEBTS DUE TO THE FEDERAL CROWN

Debts due to the federal Crown by the Recipient will not accrue interest in accordance with the federal *Interest and Administrative Charges Regulations*.

18.6 SET-OFF BY CANADA

Any debt due to the federal Crown by the Recipient may be set-off against any amounts payable by Canada to the Recipient under this Agreement.

18.7 MEMBERS OF THE HOUSE OF COMMONS AND SENATE

No member of the House of Commons or the Senate of Canada will be admitted to any share or part of this Agreement, or to any benefit arising from it that is not otherwise available to the public. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

18.8 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. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

18.9 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 the Recipient or between Canada and a Third Party.

- b) The Recipient will not represent itself, including in any agreement with a Third Party, as a partner, employee or agent of Canada.

18.10 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. The Recipient will take the necessary action to ensure that any Contract between the Recipient and any Third Party contains a provision to that effect.

18.11 ASSIGNMENT

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

18.12 COUNTERPART SIGNATURE

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

18.13 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.

18.14 AMENDMENTS

This Agreement, including its schedules, can only be amended in writing by the Parties. Notwithstanding, insignificant changes made to Schedule B (The Project) in accordance with Section 3.5 (Changes during the Life of the Project) may be done through the System.

18.15 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.

18.16 NOTICE

- a) Any notice, information or required documentation provided for under this Agreement must be delivered in person or sent by mail to the identified representatives of the Parties at the following coordinates, unless otherwise specified by Canada:

Canada:

Director, Transportation Infrastructure Programs
Transport Canada
Place de Ville, Tower C, 19th Floor
330 Sparks Street
Ottawa, ON K1A 0N5

Recipient:

Director, Transportation Engineering Branch
Government of Yukon
Box 2703 (W-13)
Whitehorse, YK Y1A 2C6

- b) Such notice will be deemed to have been received:
 - i. in person, when delivered;
 - ii. if sent by mail, email or facsimile, when receipt is acknowledged by the other Party;
 - iii. if sent by messenger or registered mail, when the receiving Party has signed the acknowledgment of reception.
- c) If a Party changes its representative or the coordinates for that representative, it will

advise the other Party as soon as possible.

18.17 COMPLIANCE WITH LAWS

The Recipient will comply with all applicable laws and regulations and all requirements of regulatory bodies having jurisdiction over the subject matter of the Project.

18.18 GOVERNING LAW

This Agreement is governed by, and is to be interpreted in accordance with, the applicable federal laws and the laws in force in the Yukon Territory. The Parties attorn to the jurisdiction of the Courts of Yukon and all courts competent to hear appeals from the Courts of Yukon.

18.19 SUCCESSORS AND ASSIGNS

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


19. SIGNATURES

This Agreement has been executed on behalf of Her Majesty the Queen in right of Canada by the Minister of Transport and on behalf of the Government of Yukon by the Minister of Highways and Public Works,

HER MAJESTY THE QUEEN IN RIGHT
OF CANADA

THE GOVERNMENT OF YUKON

Per: Anuradha Marisetti
Assistant Deputy Minister, Programs
Transport Canada



Per: Honorable Richard Mostyn
Minister of Highways and Public Works

Date



Date

19. SIGNATURES

This Agreement has been executed on behalf of Her Majesty the Queen in right of Canada by the Minister of Transport and on behalf of the Government of Yukon by the Minister of Highways and Public Works.

HER MAJESTY THE QUEEN IN RIGHT
OF CANADA

THE GOVERNMENT OF YUKON

A. Marisetti

Per: Anuradha Marisetti
Assistant Deputy Minister, Programs
Transport Canada

Per: Honorable Richard Mostyn
Minister of Highways and Public Works

2019-09-04

Date

Date

SCHEDULE A – ELIGIBLE AND INELIGIBLE EXPENDITURES

SCHEDULE A.1: ELIGIBLE EXPENDITURES

Eligible Expenditures must:

- be reasonable and directly related to the Project, as determined by Canada;
- be incurred between the Effective Date and the Final Claim Date; and
- consist of the following categories of expenditures:
 - a. Staff salaries and benefits (such as wages; employer's portion of: Employment Insurance, Canada Pension Plan/Quebec Pension Plan, and disability insurance; private insurance; and benefits paid to staff working on the project/activities) where the recipient can demonstrate value for money
 - b. Professional fees for contracted services
 - c. Expenditures related to preparation (e.g., site preparation), construction, rehabilitation and improvement of assets
 - d. Purchase or lease of technologies, equipment, software, data and systems
 - e. Licenses and permits
 - f. Expenditures related to public outreach and Indigenous engagement, dissemination of information, communications materials and other associated costs
 - g. Travel expenditures (including the cost of accommodations, vehicle rental and kilometric rates, bus, train, airplane or taxi fares, allowances for meals and incidentals in accordance with established policies and directives)
 - h. Administrative expenditures (including expenditures for general administration, rent, insurance, and office equipment rental)
 - i. Rental of meeting rooms and audio/video equipment
 - j. Hospitality, in accordance with federal government policies and directives
 - k. Honoraria payments for Indigenous persons
 - l. Expenditures related to telecommunication, data analysis, and data validation services
 - m. Training costs related to new technologies, equipment, software and systems
 - n. For projects administered as public-private partnerships (P3), expenditures for the development of a P3 business case, and other costs related to the delivery of a project through a P3
 - o. Costs of engineering and environmental reviews, including environmental assessments, follow-up programs, and the cost of remedial activities, mitigation measures and follow-up identified in any environmental assessment
 - p. Costs of environmental consultations
 - q. Expenditures for Aboriginal consultations, specifically project-related consultation activities pursuant to the Crown's legal duty to consult
- For capital infrastructure projects, Transport Canada will contribute no more than 15% of its total contribution to expenditures encompassed under sub-paragraphs b, f, g, h, i, j, o, p, and q.
- Unless otherwise accepted by Canada, accommodation, travel and per diem expenses are as set out in the Travel Directive of the National Joint Council
- Expenditures related to hospitality are eligible but must form part of the recipient's share of the total eligible expenditures for the Project

Eligible Expenditures can be cash-equivalent expenditures associated with In-Kind Contributions. These expenditures may be reimbursed so long as the following three criteria are met:

- 1) The associated costs are deemed as Eligible Expenditures and have been approved by Canada;
- 2) The associated costs are not a donation received from a third party; and
- 3) The associated costs are related to goods, services or other support that would otherwise be purchased and paid for by the Recipient as essential for the Project.

In-Kind Contributions received from a third party are considered donations and may form part of the total Eligible Expenditures of the Project, but are not reimbursable.

SCHEDULE A.2: INELIGIBLE EXPENDITURES

Certain expenditures are not eligible for funding and therefore will not be considered in the calculation of the total eligible expenditures of the Project. These ineligible expenditures include, but are not limited to:

- a. costs incurred before the Effective Date and after the Final Claim Date
- b. expenditures related to purchasing land, buildings and associated real estate and other fees, financing charges and interest payments on loans
- c. expenditures related to leasing land, buildings, and other facilities except for equipment directly relating to the construction of the project
- d. legal fees
- e. expenditures related to developing a business case or proposal for funding
- f. expenditures for provincial sales tax and Goods and Services Tax, or the Harmonized Sales Tax, where applicable, for which the recipient is eligible for a rebate, and any other costs eligible for rebates
- g. general repairs and maintenance of a project work and related structures, unless they are part of a larger capital expansion project
- h. services or works normally provided by the applicant (e.g., employee wages, benefits, overhead costs or any other direct or indirect operating, maintenance or administrative costs) incurred in the course of implementation of the project except those specified as eligible costs
- i. expenditures related to any goods and services which are received through donations or in kind

SCHEDULE B – THE PROJECT

SCHEDULE B.1: PROJECT DESCRIPTION

Project Description:

This Project is located between km 418.0 and km 646.0 of the North Klondike Highway and involves reconstructing a total of 98.8 km of highway to provide a stronger roadway, two bridges rehabilitations and one bridge replacement.

The North Klondike Highway connects Whitehorse (km 191.8) to Dawson City (km 716.0). It provides a vital highway link between Dawson, Mayo, Stewart Crossing, Pelly Crossing, Carmacks, Whitehorse, and Carcross, which collectively account for 89% of Yukon's population. It also connects Canada's highway network to the Arctic Ocean in Tuktoyaktuk, Northwest Territories (NWT) via the Dempster Highway and Inuvik-Tuktoyaktuk Highway.

Objective(s):

The Project, once complete, will achieve the following NTCF program objectives.

Address the transportation needs of Northern communities, including safety and economic development

The North Klondike Highway is a critical transportation corridor for several Yukon communities and is the key access route for over 50% of Yukoners who live outside of Whitehorse. It is also a key element of the only route for transporting liquid natural gas and other goods to Fort McPherson, Inuvik and Tuktoyaktuk. This Project aligns with and supports the Yukon Resource Gateway project, which in turn supports a number of largescale mining developments. The Klondike Highway is the only practical route connecting Yukon's largest active mines and area of mineralization potential to international markets by means of the Port of Skagway in Alaska or Prince Rupert in B.C. Unlike most southern regions in Canada, Yukon's road network lacks reliable redundancies, e.g., if the North Klondike Highway is closed south of Carmacks, it is an 800 km detour to Whitehorse via Campbell and Alaska Highways; if it is closed north of Carmacks, no alternative route exists besides air travel.

Increase the resilience of the Canadian transportation system to a changing climate and its adaptability to new technologies and future innovation

The North Klondike Highway will be reconstructed to address ongoing concerns with drainage and settlement as a result of climate change. It will be reconstructed to DST-3 (BST meaning Bituminous Surface Treatment), which has a significantly more resilient road structure. In areas of permafrost, ice lenses, or swampy low-lying areas, culverts will be designed to either a Muskeg II or Permafrost standard. Furthermore, some culverts will be oversized or elongated, or additional culverts will be added at new locations. In addition to providing a wider roadway with paved shoulders, improved highway geometrics and upgraded roadside barrier/guiderail, the proposed improvements will include a raised roadway grade, wider roadside ditches and engineered backslopes to protect against flooding and slope erosion as a result of climate change.

The elimination of weight restrictions on the reconstructed segments during the spring thaw will potentially result in a reduction in the number of trucks on the road and the improved pavement and roadway geometry will allow for trucks to maintain speed with less variation, thus resulting in a reduction in fuel consumption and associated GHGs. The replacement of existing BST-2 with BST-3 will reduce the amount and frequency of maintenance required, resulting in a reduction in life cycle costs.

Activities:

The Project is broken down into 10 distinct segments: seven road segments, one bridge replacement with road realignment, and two bridge rehabilitation projects, for a total length of 98.8 km. Construction segments were then selected and prioritized based on maintenance costs, pavement structure, drainage, subgrade strength, safety, geometry, surface width, and level of service. Bridges were selected based on inspections, assessment reports and safety issues. The Project is broken down into four zones and ten segments as outlined in the following table:

Zone	Kilometer Range	Reconstruction segments and bridges	Work performed
1	km 418.0 to km 428.0 & km 446.0 to km 470.0	<ul style="list-style-type: none">km 418.0 to km 428.0McCabe Creek Bridge km 421.3km 446.0 to km 456.5km 456.5 to km 470.0	Three segments of reconstruction and McCabe Creek Bridge rehabilitation
2	km 520.5 to 522.0	<ul style="list-style-type: none">km 520.5 to km 522.0Crooked Creek Bridge km 521.4	Crooked Creek Bridge replacement and road realignment
3	km 545.9 to 576.0	<ul style="list-style-type: none">km 545.9 to km 562.0Moose Creek Bridge km 561.0km 562.0 to km 576.0	Two segments of reconstruction and Moose Creek Bridge rehabilitation
4	km 613.0 to 646.0	<ul style="list-style-type: none">km 613.0 to 630.0km 630.0 to 646.0	Two segments of reconstruction

The following defines the work to be carried out under each activity component:

Design: Detailed and final designs will commence in Year 1 (2019–20) and be completed in Year 5 (2023–24). Preliminary designs have been completed for five of the seven road segments. For scheduling purposes, completion of detailed design and tender packages will occur during the winter months prior to contract award. Designs and tender packages will be completed by Transportation Engineering Branch (TEB) of the Minister of Highways and Public Works (Yukon).

Geotechnical: Activities include drilling, soil and aggregate testing, pit development, and crushing (aggregate crushing costs are included in the construction costs). These activities will be completed at the same time as design and permitting. Contractors and consultants will be hired to undertake most of the geotechnical activities; TEB will play a project management role.

Environmental: Activities include environmental assessment, First Nations consultation, and regulatory authorizations. These activities will be completed within the two years prior to construction commencement. Environmental assessments will be packaged by zone. The compilation and submission of the required environmental permits and authorizations will be completed by both TEB staff and consultants.

Road Construction: Construction for each segment will be undertaken by an approved contractor over a three-year construction period. TEB intends to undertake the construction supervision using in-house resources with support from specialist contractors/consultants when required.

Project Outcomes:

In order to illustrate how the Project will contribute to address the transportation needs of Northern communities and increase the resilience of the Canadian transportation system to a changing climate and its adaptability to new technologies and future innovation, the Recipient will collect performance data and report on the following performance indicators that the Project will contribute to:

- Horizontal and vertical design (radius and k value) to meet the geometric design for 90km/h.
- Eliminate culvert washouts due to failing or undersized culverts.
- Number of washouts or flooding incidents resulting in highway closure.
- Improve drainage culvert condition rating.
- Reduced maintenance costs.
- BST Condition Index (BCI)
- Collisions/ year and severity index (CSI)

SCHEDULE C – REPORTING REQUIREMENTS

SCHEDULE C.1: PROGRESS REPORT

The Recipient will submit a progress report on an annual basis, unless otherwise communicated by Canada. The progress report must include the following information:

- a) general description of the Project progress and major achievements to date;
- b) updated data on performance indicators listed in Schedule B.1 (Project Description) compared to the start of the Project. The Recipient will ensure that appropriate data collection processes are in place to enable the capture and reporting of the performance indicators used to measure the achievement of Project outcomes;
- c) overview about the status of environmental issues and monitoring requirements related to the Project, both expected and unexpected, and the conditions proposed to address these concerns;
- d) report on the implementation of mitigation measures, activities and follow-up measures that are required to be performed during the Project implementation as a result of Aboriginal consultations;
- e) issues, areas of concern or risk factors that may affect completion, the schedule or the budget of the Project as per original plans and the proposed mitigation strategies to correct the situation; and
- f) highlights of communication activities of the Project during the reporting period.

SCHEDULE C.2: FINAL REPORT

The Recipient will submit a final report to Canada with the final claim. The final report will include:

- a) general description of the Project's major achievements, including any variations to the original activities and timelines;
- b) updated data on performance indicators listed in Schedule B.1 (Project Description) compared to the start of the Project. The Recipient will ensure that appropriate data collection processes are in place to enable the capture and reporting of the performance indicators used to measure the achievement of Project outcomes; and
- c) lessons learned about how issues were addressed or solutions were found.

SCHEDULE D – CERTIFICATE(S) OF COMPLIANCE FOR CLAIMS

SCHEDULE D.1: CERTIFICATE OF COMPLIANCE FOR FINAL CLAIM

In the matter of the Agreement entered into between Her Majesty the Queen in right of Canada, as represented by the Minister of Transport, and the Government of Yukon (the "Recipient"), represented by _____ (Name), concerning the North Klondike Highway reconstruction km 418.0 to km 646.0 Project (the "Agreement").

I, _____ (Name), of the City/Town of _____, Province/Territory of _____, declare as follows:

1. That I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2. I am duly authorized by the Recipient to give this Certificate under [RECIPIENT INSERTS THE COMPLETE REFERENCE TO THE BY LAW OR INTERNAL POLICY AUTHORITY THAT ALLOWS THEM TO PROVIDE THIS CERTIFICATION] dated [DATE].
3. I have read and understood the Agreement and the final claim submitted by the Recipient thereunder dated the same date as this Certificate and have knowledge of the business and affairs of the Recipient and have made such examinations or investigations as are necessary to give this Certificate and to ensure that the information contained herein is true and accurate.
4. The Recipient, at the date of this Certificate, has performed all covenants under the Agreement that are required to be performed by it on or prior to that date.
5. The expenditures claimed are Eligible Expenditures in accordance with the Agreement.
6. All representations and warranties of the Recipient contained in the Agreement are true and accurate in all respects at the date of this Certificate as though such representations and warranties had been made at the date of this Certificate.
7. The Project as defined in the Agreement has been completed.

[If applicable, add:]

1. The Project, to the best of my knowledge and belief, conforms to the applicable federal environmental or impact assessment legislation.
2. *[If applicable, add:]*
3. All applicable mitigation measures, accommodation measures and follow-up measures required to be performed during the Project implementation as a result of Aboriginal consultations have been implemented.
4. The Total Financial Assistance received or due for the Project in accordance with Section 3.2 c) (Commitments by the Recipient) is as follows:
[INCLUDE ALL TOTAL FINANCIAL ASSISTANCE RECEIVED OR DUE]
5. This Certificate of Compliance does not preclude any rights of Canada to verify, audit or inspect as per the terms and conditions of the Agreement.
6. The Recipient is not entitled to payment of any amount under the Agreement, other than any amount requested by the Recipient in accordance with the Agreement on or prior to the date of this Certificate.

Dated, this _____ day of _____ 20____

Signature

SCHEDULE E – COMMUNICATIONS PROTOCOL

SCHEDULE E.1: PURPOSE

This Communications Protocol outlines the roles and responsibilities of each of the Parties to this Agreement with respect to communications activities related to the funded Project.

This Communications Protocol will guide all communications activity planning, development and implementation with a view to ensuring efficient, structured, continuous and coordinated communications to the Canadian public.

The provisions of this Communications Protocol apply to all communications activities related to any Program funding and the Project funded under this Agreement. Such communications activities may include, but are not limited to, public or media events, news releases, reports, web and social media products or postings, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, and multi-media products.

SCHEDULE E.2: GUIDING PRINCIPLES

The Parties recognize the importance of managing the delivery of coherent communications activities based on the principle of transparent and open discussion and collaboration.

Communications activities undertaken through this 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 the funded Project and its benefits from each Party.

The communication activities undertaken jointly by Canada and the Recipient should recognize the funding of all contributors to the Project.

SCHEDULE E.3: GOVERNANCE

At Canada's request, the Parties may form a communications subcommittee that will be responsible for preparing the Project's communications plan and overseeing its implementation.

SCHEDULE E.4: PROGRAM COMMUNICATIONS

Canada retains the right to meet its obligations to communicate information to Canadians about the Program and the use of funding through its own communications products and activities.

Canada and the Recipient may also include general program messaging and an overview of this Project as an example in their own communications products and activities. The Party undertaking these activities will recognize the funding of the Parties.

Canada and the Recipient agree that they will not unreasonably restrict the other Party or other funding contributors from using, for their own purposes, public communications products related to the Project that were prepared collectively or individually by the Parties, and if web-based, from linking to them.

SCHEDULE E.5: OPERATIONAL COMMUNICATIONS

The Recipient is solely responsible for operational communications with respect to the Project, including, but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official language policy.

Canada and the Recipient will share information promptly with the other Party should significant media inquiries be received or if major stakeholder issues relating to the Project arise.

SCHEDULE E.6: MEDIA EVENTS AND PROJECT ANNOUNCEMENTS

Media events include, but are not limited to, news conferences, public announcements, official events or ceremonies, and news releases.

The Parties agree to have regular media events about the funding and status of the

Project. Key milestones may be marked by public events, news releases and/or other mechanisms.

Either of the Parties or other funding contributors may request a media event.

Media events related to the Project will not occur without the prior knowledge and agreement of both Parties.

The requestor of a media event will provide at least fifteen (15) business days of notice to the other Party of their intention to undertake such an event. Both Parties will agree on the event location and date.

The Party undertaking these activities will provide the opportunity for the other Party to participate through a designated representative and will recognize the funding of all contributors. Canada and the Recipient will choose their own designated representative.

The conduct of all joint media events and products will follow the *Table of Precedence for Canada* as outlined on the Canadian Heritage website.

All joint communications material related to media events must be approved by Canada and recognize the funding of the Parties (Canada, Provinces/Territories, Recipient and others as appropriate).

All joint communications material must reflect Canada's *Policy on Official Languages* and the Federal Identity Program.

SCHEDULE E.7: SIGNAGE

Canada, the Recipient and other funding contributors may each have a sign recognizing their funding contribution to the Project.

Unless otherwise agreed upon by Canada, the Recipient will produce and install a federal sign to recognize federal funding at each Project site in accordance with current federal signage guidelines. Federal signage will be at least equivalent in size and prominence to Project signage for contributions made by other orders of government. The current federal sign design, content, and installation guidelines will be provided by Canada.

Where the Recipient decides to install a permanent plaque or other suitable marker with respect to the Project, it must recognize the federal contribution and be approved by Canada.

The Recipient agrees to inform Canada of federal sign installations.

Federal signage should be installed at the Project site(s) thirty (30) business days prior to the start of construction, be visible for the duration of the Project, and remain in place until thirty (30) business days after the Substantial Completion Date.

Signage should be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.

SCHEDULE E.8: COMMUNICATIONS COSTS

The eligibility of costs related to communication activities that provide public information on this Agreement will be subject to Schedule A (Eligible and Ineligible Expenditures) and must be agreed to in advance by Canada.

SCHEDULE E.9: DISPUTES, MONITORING AND COMPLIANCE

The Committee will monitor the Parties' compliance with this Schedule, and may, at its discretion, advise the Parties of issues and required adjustments. Should there be any disagreement or contentious issues, Section 14 (Dispute Resolution) of the Agreement will be followed.

SCHEDULE E.10: ADVERTISING CAMPAIGNS

Recognizing that advertising can be an effective means of communicating with the public, Canada and the Recipient may, at their own cost, organize an advertising or public information campaign related to the Program or the Project. However, such a campaign must respect the provisions of this Agreement. In the event of such a campaign, each Party agrees to inform the other Party of its intention, no less than twenty (20) business days prior to the campaign launch.

SCHEDULE F – DECLARATION OF SUBSTANTIAL COMPLETION

In the matter of the Agreement entered into between Her Majesty the Queen in right of Canada, as represented by the Minister of Transport, and the Government of Yukon (the "Recipient"), represented by _____ (Name), concerning the North Klondike Highway reconstruction km 418.0 to km 646.0 Project (the "Agreement").

I, _____ (Name), of the City/Town of _____,
Province/Territory of _____, declare as follows:

1. I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2.
 - a) I have received the following documents for the North Klondike Highway reconstruction km 418.0 to km 646.0 Project:
 - i. [LIST NAME OF RELEVANT DOCUMENT(S), e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] signed by _____ (Name), a _____ (Profession, e.g. professional engineer, professional architect or other applicable professional) for the Project.
 - ii. [ADD SAME TEXT AS IN i FOR EACH DOCUMENT]
 - b) Based on the above documents and the representations made to me by the professionals identified in section 2(a) above, I declare to the best of my knowledge and belief that the Project has been substantially completed, in that it can be used for its intended use, as described in Schedule B.1 (Project Description), as defined in the Agreement, on the _____ day of the _____ 20__.

[Insert #3, if applicable:]

3. I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with the guidelines referenced in Section 3.7 (Guidelines) of the Agreement:
 - i. [LIST NAME OF RELEVANT DOCUMENT(S), e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] signed by _____ (Name), a _____ (Profession, e.g. professional engineer, professional architect or other applicable professional) for the Project.
 - ii. [ADD SAME TEXT AS IN i FOR EACH DOCUMENT]

[Insert #4, if applicable:]

4. I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with, as applicable, the [LIST THE APPLICABLE ENVIRONMENTAL REVIEW OR ASSESSMENT e.g., the Canadian Environmental Assessment Act, 2012 or Northern Regime]:
 - i. [LIST NAME OF RELEVANT DOCUMENT(S)] signed by _____ (Name), an _____ (Profession, e.g. environmental consultant or other applicable professional).
 - ii. [ADD SAME TEXT AS IN i FOR EACH DOCUMENT]

5. All terms and conditions of the Agreement that are required to be met as of the date of this declaration have been met.

Declared at _____ (City/Town), in _____
(Province/Territory)
this _____ day of _____, 20_____.

Signature

SCHEDULE B.2: PROJECT COMPONENTS AND CASHFLOW

Project Component	Description of Project Component (Main technical and financial stages, location, construction methods, etc.)	Estimated Total Project Expenditures	Estimated Total Eligible Project Expenditures	Estimated Contribution by Canada	Estimated contribution to Eligible Expenditures per Party, per Fiscal Year									
					Contributor	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
1 Zone 1: km 418 to km 470														
1.1 Segment 1 Soft costs	Segment 1: km 418 to km 428 Engineering, planning and design (soft) costs	746,467	746,467	559,850	Canada	246,503	78,337	78,337	78,337	78,337	75(1)(a)(ii)			
					Recipient	82,168	26,112	26,112	26,112	26,112				
1.2 Segment 1 Construction	Segment 1: km 418 to km 428 Civil Construction Costs	9,101,642	9,101,642	6,826,231	Canada	0	2,048,187	2,098,211	2,149,485	530,348				
					Recipient	0	682,729	699,404	716,495	176,783				
1.3 Segment 2 Soft costs	Segment 2: km 421.3 (McCabe Creek Bridge Rehabilitation) Engineering, planning and design (soft) costs	134,487	134,487	100,865	Canada	0	0	100,865	0	0				
					Recipient	0	0	33,622	0	0				
1.4 Segment 2 Construction	Segment 2: km 421.3 (McCabe Creek Bridge Rehabilitation) Civil Construction Costs	2,069,649	2,069,649	1,552,237	Canada	0	0	0	1,552,237	0				
					Recipient	0	0	0	517,412	0				
1.5 Segment 3 Soft costs	Segment 3: km 446 to km 456.5 Engineering, planning and design (soft) costs	830,603	830,603	622,952	Canada	0	93,677	237,303	72,993	72,993				
					Recipient	0	31,226	79,101	24,331	24,331				
1.6 Segment 3 Construction	Segment 3: km 446 to km 456.5 Civil Construction Costs	10,180,848	10,180,848	7,635,636	Canada	0	0	0	2,293,707	2,349,726				
					Recipient	0	0	0	764,569	783,242				
1.7 Segment 4 Soft costs	Segment 4: km 456.5 to km 470 Engineering, planning and design (soft) costs	1,287,852	1,287,852	965,889	Canada	0	0	147,608	336,886	120,349				
					Recipient	0	0	49,203	112,295	40,116				
1.8 Segment 4 Construction	Segment 4: km 456.5 to km 470 Civil Construction Costs	16,867,656	16,867,656	12,650,742	Canada	0	0	0	0	3,864,744				
					Recipient	0	0	0	0	1,288,248				
2 Zone 2: km 520.1 to 522.4														
2.1 Segment 5 Soft costs	Segment 5: km 520.1 to km 522.4 (Crooked Creek Bridge Replacement) Engineering, planning and design (soft) costs	1,905,802	1,905,802	1,429,351	Canada	512,548	258,418	219,462	219,462	219,462				
					Recipient	170,849	86,139	73,154	73,154	73,154				
2.2 Segment 5 Construction	Segment 5: km 520.1 to km 522.4 (Crooked Creek Bridge Replacement) Civil Construction Costs	25,683,761	25,683,761	\$19,262,821	Canada	0	206,842	530,032	8,873,621	9,652,326				
					Recipient	0	68,947	176,677	2,957,874	3,217,442				

Project Component	Description of Project Component (Main technical and financial stages, location, construction methods, etc.)	Estimated Total Project Expenditures	Estimated Total Eligible Project Expenditures	Estimated Contribution by Canada	Estimated contribution to Eligible Expenditures per Party, per Fiscal Year							
					Contributor	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
3 Zone 3: km 545.9 to 576												
3.1 Segment 6 Soft costs	Segment 6: km 545.9 to km 562 Engineering, planning and design (soft) costs	1,398,244	1,398,244	\$1,048,683	Canada	159,600	374,454	128,657	128,657	128,657	75(1)(a)(ii)	
					Recipient	53,200	124,818	42,886	42,886	42,886		
3.2 Segment 6 Construction	Segment 6: km 545.9 to km 562 Civil Construction Costs	18,010,642	18,010,642	\$13,507,982	Canada	0	0	4,109,855	4,210,090	4,312,831		
					Recipient	0	0	1,369,952	1,403,363	1,437,610		
3.3 Segment 7 Soft costs	Segment 7: km 561 to km 561 (Moose Creek) Engineering, planning and design (soft) costs	134,487	134,487	\$100,865	Canada	0	0	100,865	0	0		
					Recipient	0	0	33,622	0	0		
3.4 Segment 7 Construction	Segment 7: km 561 to km 561 (Moose Creek) Civil Construction Costs	2,069,649	2,069,649	\$1,552,237	Canada	0	0	0	1,552,237	0		
					Recipient	0	0	0	517,412	0		
3.5 Segment 8 Soft costs	Segment 8: km 562 to km 576 Engineering, planning and design (soft) costs	1,307,736	1,307,736	\$980,802	Canada	0	0	0	149,251	350,447		
					Recipient	0	0	0	49,750	116,816		
3.6 Segment 8 Construction	Segment 8: km 562 to km 576 Civil Construction Costs	16,836,762	16,836,762	\$12,627,572	Canada	0	0	0	0	0		
					Recipient	0	0	0	0	0		
4 Zone 4: km 613.6 to 646												
4.1 Segment 9 Soft costs	Segment 9: km 613.6 to km 630 Engineering, planning and design (soft) costs	1,735,639	1,735,639	\$1,301,729	Canada	0	190,403	414,329	174,249	174,249		
					Recipient	0	63,468	138,110	58,083	58,083		
4.2 Segment 9 Construction	Segment 9: km 613.6 to km 630 Civil Construction Costs	24,551,136	24,551,136	\$18,413,352	Canada	0	0	0	5,698,198	5,832,068		
					Recipient	0	0	0	1,899,399	1,944,023		
4.3 Segment 10 Soft costs	Segment 10: km 630 to km 646 Engineering, planning and design (soft) costs	1,524,906	1,524,906	\$1,143,679	Canada	419,387	181,073	181,073	181,073	181,073		
					Recipient	139,795	\$60,358	60,358	60,358	60,358		
4.4 Segment 10 Construction	Segment 10: km 630 to km 646 Civil Construction Costs	21,238,604	21,238,604	15,928,953	Canada	0	4,908,523	5,025,821	5,146,053	848,556		
					Recipient	0	1,636,174	1,675,274	1,715,351	282,852		
TOTAL		157,616,571	157,616,571	118,212,428	Canada	1,338,038	8,339,914	13,372,418	32,816,536	28,716,166		
					Recipient	446,012	2,779,971	4,457,475	10,938,844	9,572,056		

For greater certainty, Canada's total contribution cannot exceed the amount set out in Section 3.1 (Contribution by Canada).

**CANADA – GOVERNMENT OF YUKON
NATIONAL TRADE CORRIDORS FUND**

AMENDED AND RESTATED AGREEMENT FOR

NORTH KLONDIKE HIGHWAY RECONSTRUCTION AND STRATEGIC UPGRADES

This Amended and Restated Agreement is made as of the date of last signature

BETWEEN: **HIS MAJESTY THE KING IN RIGHT OF CANADA**, as represented by the Minister of Transport ("Canada")

AND **THE GOVERNMENT OF GOVERNMENT OF YUKON**, as represented by the Minister of Highways and Public Works (the "Recipient"),

individually referred to as a "Party" and collectively referred to as the "Parties".

RECITALS

WHEREAS the Minister of Transport is responsible for the Program entitled the National Trade Corridors Fund ("Program");

AND WHEREAS the Recipient and the Minister entered into an agreement dated September 20, 2019 (the "Original Agreement") pursuant to which the Minister agreed to fund the Recipient's proposal known as the Phase One Project, which qualified for support under the Program;

AND WHEREAS the Recipient has submitted to Canada a proposal for the funding of the Phase Two Project which also qualifies for support under the Program;

AND WHEREAS the Phase Two Project will no longer include funding for a new Yukon River crossing in Dawson City, as originally approved, and the allocated funding for a new Yukon River crossing in Dawson City would be removed and allocated towards a future stand-alone project to fund the Nisutlin Bay Bridge;

AND WHEREAS the Recipient is responsible for carrying out the Phase One Project and the Phase Two Project and Canada wishes to also provide financial support to the Recipient for the Phase Two Project and its objectives;

AND WHEREAS the Parties have agreed to amend and restate the Original Agreement in order to give effect to Canada's intention to fund the Phase Two Project;

NOW THEREFORE, the Parties agree as follows:

1. INTERPRETATION

1.1 DEFINITIONS

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

"Agreement" means this amended and restated contribution agreement and all its schedules, as may be amended from time to time.

"Agreement End Date" means March 31, 2028 for each of the Phase One Project, and the Phase Two Project.

"Asset" means any real or personal property or immovable or movable asset acquired, purchased, constructed, rehabilitated or improved, in whole or in part, with funds contributed by Canada under the terms and conditions of this Agreement.

"Asset Disposal Period" means, for each of the periods commencing from the applicable Effective Date for each Project and ending twenty-five (25) years after the applicable Project Completion Date.

"Committee" means the Agreement Monitoring Committee established pursuant to Section 5.1 (Establishment and Dissolution).

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

"Declaration of Substantial Completion" means a declaration in the form substantially prescribed in Schedule F (Declaration of Substantial Completion).

"Effective Date" means, for the Phase One Project, September 20, 2019, and for the Phase Two Project, the date of last signature of this Agreement.

"Eligible Expenditures" means those costs incurred that are directly related to a Project and which are considered eligible by Canada as set out in Schedule A (Eligible and Ineligible Expenditures).

"Fair Value" means the amount that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

"Final Claim Date" means: (i) for the Phase One Project, the earlier of eighteen (18) months after the Project Completion Date of the Phase One Project and January 31, 2028; and (ii) for the Phase Two Project, the earlier of eighteen (18) months after the Project Completion Date of the Phase Two Project and January 31, 2028.

"Fiscal Year" means the period beginning April 1 of a year and ending March 31 of the following year.

"In-Kind Contributions" means non-monetary contributions of goods, services or other support provided by the Recipient, or to the Recipient by a third party for a Project, for which Fair Value is assigned, but for which no payment occurs.

"Phase One Project" means the project as described in Schedule B.1.1 (The Phase One Project Description) and Schedule B.2.1 (The Phase One Project Components and Cashflow).

"Phase Two Project" means the project as described in Schedule B.1.2 (The Phase Two Project Description) and Schedule B.2.2 (The Phase Two Project Components and Cashflow).

"Project" means either the Phase One Project or the Phase Two Project, as the context requires, and the term "Projects" refers to both the Phase One Project and the Phase Two Project.

"Project Completion Date" means: (i) for the Phase One Project, the date at which all funded activities of the Phase One Project under this Agreement have been completed and which must be no later than October 1, 2027; and (ii) for the Phase Two Project, the date at which all funded activities of the Phase Two Project under this Agreement have been completed and which must be no later than December 31, 2027.

"Project Component" means any of the components of a Project as described in Schedule B.2 (Project Components and Cashflow), as the case may be.

"Substantial Completion Date" means the date at which a Project can be used for its intended use as described in Schedule B.1 (Project Description), as the case may be, as will be set out in Schedule F (Declaration of Substantial Completion).

"System" means a secure, self-contained, collaborative web application developed by Canada for the management and monitoring of federal contribution agreements.

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

"Total Financial Assistance" means funding from all sources towards Eligible Expenditures of a Project, including funding from the Recipient and federal, provincial, territorial, and municipal governments as well as funding from all other sources, including In-Kind Contributions.

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 Canada to the Recipient except as expressly set out in this Agreement.

1.3 DURATION OF AGREEMENT

This Agreement will be effective as of the Effective Date 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 – Eligible and Ineligible Expenditures

Schedule B – The Projects

Schedule C – Reporting Requirements

Schedule D – Certificate(s) of Compliance for Claims

Schedule E – Communications Protocol

Schedule F – Declaration of Substantial Completion

2. PURPOSE OF AGREEMENT

The purpose of this Agreement is to establish the terms and conditions whereby Canada will provide funding to the Recipient for the Projects.

3. OBLIGATION OF THE PARTIES

3.1 CONTRIBUTION BY CANADA

- a) Canada agrees to pay a contribution to the Recipient of: (i) not more than seventy-five percent (75%) of the total Eligible Expenditures for the Phase One Project but only up to a maximum of one hundred eighteen million, two hundred twelve thousand, and four hundred twenty-eight dollars (\$118,212,428); and (ii) not more than seventy-five percent (75%) of the total Eligible Expenditures for the Phase Two Project but only up to a maximum of eighty-two million, five hundred thousand dollars (\$82,500,000).
- b) Canada will pay the contribution in accordance with the terms and conditions of this Agreement and the Fiscal Year breakdown in Schedule B.2 (Project Components and Cashflow), as applicable.
- c) If Canada's total contribution towards a Project exceeds seventy-five percent (75%) of the Project's total Eligible Expenditures 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 the Recipient or reduce its contribution by an amount equal to the excess.
- d) The Parties acknowledge that Canada's role in the Projects is limited to making a financial contribution to the Recipient for the Projects and that Canada will have no involvement in the implementation of the Projects or its operation. Canada is neither a decision-maker nor an administrator to the Projects.

3.2 COMMITMENTS BY THE RECIPIENT

- a) The Recipient will complete each Project in a diligent and timely manner, within the costs and deadlines specified in this Agreement and in accordance with the terms and conditions of this Agreement.
- b) The Recipient will be responsible for all costs of each Project including cost overruns, if any.
- c) The Recipient will inform Canada promptly of the Total Financial Assistance received or due for each Project.
- d) The Recipient will repay to Canada any payment received for disallowed costs, unexpended contributions and overpayments made under and according to the terms and conditions of this Agreement.
- e) The Recipient will ensure the ongoing operation, maintenance, and repair of any Asset in relation to each Project as per appropriate standards, during the applicable Asset Disposal Period.
- f) The Recipient will inform Canada immediately of any fact or event that could compromise wholly or in part a Project.
- g) Upon Canada's request and throughout the term of the Agreement, the Recipient will promptly provide Canada with updates to the status of the Projects and the Projects' expenditures and forecasts set out in Schedule B (The Projects), as applicable.

3.3 APPROPRIATIONS AND FUNDING LEVELS

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 promptly advise the Recipient of any reduction or termination of funding once it becomes aware of any such situation. 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.

3.4 FISCAL YEAR BUDGETING

- a) The amount of the contribution payable by Canada for each Fiscal Year of each Project is set out in Schedule B.2 (Project Components and Cashflow), as applicable.
- b) If the actual amount payable by Canada in respect of any Fiscal Year of a Project is less than the estimated amount in Schedule B.2 (Project Components and Cashflow), as the case may be, the Recipient may request that Canada re-allocate the difference between the two amounts to a subsequent Fiscal Year. Subject to Section 3.3 (Appropriations and Funding Levels), Canada agrees to make reasonable efforts to accommodate the Recipient's request. The Recipient acknowledges that requests for re-allocation of Project funding will require appropriation adjustments or federal Crown approvals.
- c) In the event that any requested re-allocation of Project funding is not approved, the amount of Canada's contribution payable pursuant to Section 3.1 (Contribution by Canada) may be reduced by the amount of the requested re-allocation. If the contribution payable by Canada pursuant to Section 3.1 (Contribution 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.

3.5 CHANGES DURING THE LIFE OF A PROJECT

- a) Where a change to this Agreement is contemplated, the Recipient will submit to Canada a request for a change.
- b) Where the change is approved by Canada and in accordance with Section 18.14 (Amendments):
 - i. Committee Co-chairs nominated in accordance with Section 5.1 (Establishment and Dissolution) will execute the corresponding amendment to the Agreement in the System for insignificant changes to the Project; or
 - ii. the Parties will execute the corresponding amendment to the Agreement for significant changes to the Project.
- c) Canada will determine whether the change is significant or insignificant.

3.6 INABILITY TO COMPLETE PROJECTS

If, at any time during the term of this Agreement, one or all of the Parties determine that it will not be possible to complete a Project for any reason, the Party will immediately notify the other Party of that determination and Canada may suspend its funding obligation. The Recipient will, within thirty (30) business days of a request from Canada, provide a summary of the measures that it proposes to remedy the situation. If Canada is not satisfied that the measures proposed will be adequate to remedy the situation, then this will constitute an Event of Default under Section 15 (Default) and Canada may declare a default pursuant to Section 15 (Default).

3.7 GUIDELINES

The Recipient will complete the Projects, or cause the Projects to be completed, in accordance with all the applicable laws, regulations and prevailing industry standards (e.g. the Transportation Association of Canada's Geometric Design Guide for Canadian Roads) for such design and construction and all applicable building and design codes.

4. RECIPIENT REPRESENTATIONS AND WARRANTIES

The Recipient represents and warrants to Canada that:

- a) the Recipient has the capacity and authority to carry out the Projects;
- b) the Recipient has the requisite power to own the Assets;
- c) this Agreement constitutes a legally binding obligation of the Recipient, enforceable against it in accordance with its terms and conditions;
- d) all information submitted to Canada as set out in this Agreement is true, accurate, and was prepared in good faith to the best of its ability, skill, and judgment;
- e) the Recipient has not made a payment to any individual required to be registered under the federal *Lobbying Act* or to any legal entity with which that individual is engaged in doing business, 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 the contribution under this Agreement by or on behalf of His Majesty in right of Canada; and
- f) there are no actions, suits, investigations or other proceedings pending or, to the knowledge of the Recipient, threatened and there is no order, judgment or decree of any court or governmental agency which could materially and adversely affect the Recipient's ability to carry out the activities contemplated by this Agreement. The Recipient will inform Canada immediately if any such action or proceedings are threatened or brought during the term of this Agreement.

5. AGREEMENT MONITORING COMMITTEE

5.1 ESTABLISHMENT AND DISSOLUTION

- a) Within thirty (30) business days of the Effective Date, the Parties will establish a Committee of four (4) members, including one Federal Co-chair and other federal member, and one Recipient Co-chair and other Recipient member, to administer and monitor this Agreement.
- b) The Parties agree to notify the other of the appointment within the thirty (30) day period. Any change to the appointment will be communicated to the other Party in writing.
- c) The Committee will exist until both Parties agree in writing that the Committee is no longer needed and that the Committee may be dissolved.
- d) A Party, with the consent of the other Party, may invite a representative of the core delivery team, support team, or departmental subject matter experts to attend the Committee meetings as an observer.

5.2 MANDATE

The Committee will:

- a) monitor the progress of the Projects;
- b) act as a forum to resolve potential issues and address concerns regarding the implementation of the Agreement;
- c) monitor compliance with the terms and conditions of this Agreement;
- d) review the reports set out in Schedule C (Reporting Requirements);
- e) review and amend the information in Schedule B (The Projects) for changes that are insignificant;
- f) attend to any other function required by this Agreement or as mutually agreed to by the Parties;
- g) review and amend Schedule F (Declaration of Substantial Completion) to ensure that the list of required documents included therein is appropriate;
- h) establish sub-committees, as needed, for carrying out this Agreement.

5.3 MEETINGS, RECOMMENDATIONS AND DECISIONS

- a) The Committee may meet as often as necessary but must meet at least once a year.
- b) All recommendations and decisions of the Committee must be unanimous and recorded in writing.
- c) If the Committee cannot arrive at a unanimous decision or recommendation, the

Committee will refer the matter to the Parties for resolution.

6. CONTRACT PROCEDURES

6.1 AWARDING OF CONTRACTS

- a) The Recipient will ensure that Contracts are awarded in a way that is transparent, competitive, 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 the Recipient has awarded a Contract in a manner that is not in compliance with the foregoing, upon notification to the Recipient, Canada may consider the expenditures associated with the Contract to be ineligible.

6.2 CONTRACT PROVISIONS

The Recipient will ensure that all Contracts are consistent with, and incorporate, the relevant provisions of this Agreement. More specifically but without limiting the generality of the foregoing, the Recipient agrees to include terms and conditions in all Contracts to ensure that:

- a) the Third Party will keep proper and accurate financial accounts and records, including but not limited to its contracts, invoices, statements, receipts, and vouchers, in respect of the Project for at least six (6) years after the Agreement End Date and that the Recipient has the contractual right to audit them;
- b) all applicable labour, environmental, and human rights legislation are respected; and
- c) Canada and its designated representatives, to the extent permitted by law, will at all times be permitted to inspect the terms and conditions of the Contract and any records and accounts respecting the Project and will have free access to the Project sites and to any documentation relevant for the purpose of audit.

7. ENVIRONMENTAL AND IMPACT ASSESSMENT

7.1 REQUIREMENTS UNDER APPLICABLE ENVIRONMENTAL OR IMPACT ASSESSMENT LEGISLATION

- a) The Recipient agrees that no construction, physical activity or site preparation may be carried out in relation to a Project Component, and no funds or additional funds for any Eligible Expenditure for a Project Component will be payable by Canada to the Recipient, unless and until the requirements under the applicable federal environmental or impact assessment legislation are met and continue to be met.
- b) Canada may consent in writing that the construction, physical activity or site preparation be carried out for the portion of a Project Component not subject to federal environmental or impact assessment and funds or additional funds for any Eligible Expenditure will be payable by Canada for the portion of a Project Component not subject to federal environmental or impact assessment.

7.2 COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS

The Recipient will comply with, to the satisfaction of Canada and at the Recipient's own expense, any conditions related to a Project Component referred to in paragraph 7.1 (Requirements Under Applicable Environmental or Impact Assessment Legislation) and will ensure access to Project Component sites, facilities, and documentation in accordance with paragraph 11.6 (Access).

7.3 CHANGES TO PROJECT, PROJECT COMPONENT OR OTHERWISE

- a) If, as a result of changes to the Project, a Project Component or otherwise, Canada is of the opinion that requirements under the applicable federal environmental or impact assessment legislation are required for the Project and/or Project Component, the Recipient agrees that construction of the Project Component or any other physical activity that is carried out in relation to the Project Component, including site preparation, will not be undertaken or will be suspended and no funds or additional funds for any Eligible Expenditure for the Project Component will become or will be payable by Canada to the Recipient unless and until those requirements are met and continue to be met.

- b) Canada may consent in writing that the construction, physical activity or site preparation be carried out for the portion of a Project Component not subject to federal environmental or impact assessment and funds or additional funds for any Eligible Expenditure will be payable by Canada for the portion of a Project Component not subject to federal environmental or impact assessment.

8. INDIGENOUS CONSULTATION

The Recipient agrees that:

- a) it will consult with Indigenous groups that might be affected by a Project, explain the Project to them, including Canada's role, and will provide a report to Canada, which will include:
 - i. a list of all Indigenous groups contacted;
 - ii. a summary of all communications to date with the Indigenous groups, indicating which groups support or object to the Project, and whether their positions are final, preliminary, or conditional in nature;
 - iii. a summary of any issues or concerns that the Indigenous groups have raised and an indication of how the Recipient has addressed or proposes to address those issues or concerns; and
 - iv. any other information Canada may deem appropriate.
- b) no construction of a Project will occur and Canada has no obligation to reimburse Eligible Expenditures until Canada is satisfied that any legal duty to consult with, and where appropriate, to accommodate Indigenous groups have been met and continue to be met;
- c) the Recipient must inform Canada promptly of any changes to a Project or otherwise, that may affect Canada's legal duty to consult for this Project; and
- d) if, as a result of changes to a Project or otherwise, Canada determines that further consultation is required, the Recipient will work with Canada to ensure that the legal duty to consult, and where appropriate, to accommodate Indigenous groups, have been met and continue to be met to Canada's satisfaction.

9. CLAIMS AND PAYMENTS

9.1 PAYMENT CONDITIONS

- a) Canada will not pay interest for failing to make a payment under this Agreement.
- b) Canada may delay making a payment to the Recipient in any given Fiscal Year until a sufficient appropriation has been provided by Parliament of Canada.
- c) Canada will not pay any claims submitted after the Final Claim Date, unless otherwise accepted by Canada.
- d) Canada will not pay any claims until the requirements under Section 7 (Environmental and Impact Assessment) and Section 8 (Indigenous Consultation), if applicable, are, in Canada's opinion, satisfied to the extent possible at the date the claim is submitted to Canada.
- e) Canada will not pay any claims until the requirements under Schedule C (Reporting Requirements) are, in Canada's opinion, satisfied to the extent possible at the time the claim is submitted to Canada.

9.2 PROGRESS CLAIMS

- a) The Recipient will submit progress claims to Canada for each Project in the System, at a minimum bi-annually, covering the Recipient's Eligible Expenditures for that Project in a form acceptable to Canada. Each progress claim for each Project must include the following:
 - i. a certification by the Recipient Co-chair in the form set out in the System stating that the information submitted in support of the claim is accurate;
 - ii. a breakdown of Eligible Expenditures claimed for each Project, in accordance with Schedule B.2 (Project Components and Cashflow), as applicable, and a listing of invoices or supporting documentation

for Eligible Expenditures being claimed, in the form set out by Canada;

- iii. any reporting due in accordance with Schedule C (Reporting Requirements);
 - iv. upon request by Canada, any documentation in support of Eligible Expenditures claimed.
- b) Canada will make a payment upon review and acceptance of a progress claim, subject to the terms and conditions of the Agreement.

9.3 FINAL CLAIM AND FINAL ADJUSTMENTS

- a) The Recipient will submit a final claim to Canada for each Project in the System by the Final Claim Date for that Project covering the Recipient's Eligible Expenditures in a form acceptable to Canada. The final claim for each Project must include the following:
- i. a certification by the Recipient Co-chair in the form set out in Schedule D.1 (Certificate of Compliance for Final Claim) stating that the information submitted in support of the claim is accurate;
 - ii. a breakdown of Eligible Expenditures claimed in accordance with Schedule B.2 (Project Components and Cashflow), as applicable, and a listing of invoices or supporting documentation for Eligible Expenditures being claimed, in the form set out by Canada;
 - iii. confirmation of the Total Financial Assistance in accordance with Section 3.2 c) (Commitments by the Recipient) in the form set out in Schedule D.1 (Certificate of Compliance for Final Claim);
 - iv. any reporting due in accordance with Schedule C (Reporting Requirements);
 - v. a completed Declaration of Substantial Completion in accordance with Section 9.5 (Declaration of Substantial Completion);
 - vi. upon request by Canada, any of the documents referenced in Schedule F (Declaration of Substantial Completion); and
 - vii. upon request by Canada, any documentation in support of Eligible Expenditures claimed.
- b) Upon receipt of the final claim for a Project, but before issuing the final payment, the Parties will jointly carry out a final reconciliation of all claims and payments in respect of that Project and make any adjustments required in the circumstances.

9.4 WITHHOLDING OF CONTRIBUTION

Canada may withhold up to ten percent (10%) of its contribution towards Eligible Expenditures claimed under the Agreement for a Project. A portion of the amount withheld by Canada may be released at Canada's discretion on or after the Substantial Completion Date. Any remaining amount withheld by Canada will be released when the final adjustments have been completed under Section 9.3 (Final Claim and Final Adjustments) for a Project and the Recipient fulfills all its obligations under this Agreement.

9.5 DECLARATION OF SUBSTANTIAL COMPLETION

- a) Prior to executing the Declaration of Substantial Completion for each Project, the Recipient will request confirmation in writing from Canada as to whether that Declaration of Substantial Completion lists all relevant documents.
- b) The Declaration of Substantial Completion for each Project must be signed by an authorized official of the Recipient as deemed acceptable by Canada, and it must list all relevant documents as determined by Canada.

9.6 THE SYSTEM

The Parties will use the System to process claims and payments, monitor progress, and adjust and amend Schedule B (The Projects) under this Agreement. The System will be available to the Recipient in both official languages.

10. REPORTING

Any Project and performance reporting requirements will be undertaken and completed in accordance with Schedule C (Reporting Requirements).

11. AUDIT, EVALUATION AND MONITORING FOR COMPLIANCE

11.1 RECIPIENT AUDIT

Canada may, at its discretion, conduct a Recipient audit related to this Agreement during the term of this Agreement and up to two years after each applicable Agreement End Date, in accordance with the Canadian Auditing Standards and Section 18.3 (Accounting Principles).

11.2 [INTENTIONALLY OMITTED]

11.3 EVALUATION

The Recipient agrees to cooperate with Canada in the conduct of any evaluation of the Program during or after the term of this Agreement.

11.4 CORRECTIVE ACTION

The Recipient agrees to ensure that prompt and timely corrective action is taken in response of any audit findings and recommendations conducted in accordance with this Agreement.

11.5 RECORD KEEPING

The Recipient will keep proper and accurate financial accounts and records, including but not limited to its Contracts, invoices, statements, receipts, and vouchers, in respect of each of the Projects, for at least six (6) years after each applicable Agreement End Date.

11.6 ACCESS

The Recipient will provide Canada and its designated representatives with reasonable and timely access, at no cost, to the Project sites, facilities, and any documentation for the purposes of audit, evaluation, inspection and monitoring compliance with this Agreement.

12. COMMUNICATIONS

12.1 COMMUNICATIONS PROTOCOL

The Parties will comply with Schedule E (Communications Protocol).

12.2 RECOGNITION OF CANADA'S CONTRIBUTION

The Recipient will acknowledge Canada's contribution in all signage and public communication produced as part of the Project or Agreement, in a manner acceptable to Canada, unless Canada communicates in writing to the Recipient that this acknowledgement is not required.

12.3 PUBLIC INFORMATION

The Recipient acknowledges that the following may be made publicly available by Canada:

- a) its name, the amount awarded by Canada, and the general nature of each Project; and
- b) any evaluation or audit report and other reviews related to this Agreement.

12.4 OFFICIAL LANGUAGES

- a) The Recipient will ensure that basic information on each Project is developed and is available in both official languages.
- b) The Recipient will communicate in such a manner as to address the needs of both official languages communities.

13. INTELLECTUAL PROPERTY

- a) All intellectual property that arises in the course of a Project will vest in the Recipient.
- b) The Recipient will obtain the necessary authorizations, as needed, for the implementation of a Project, from third parties who may own the intellectual property rights or other rights in respect of the Project. Canada will assume no liability in respect of claims from any third party in relation to such rights and to the Agreement.

14. DISPUTE RESOLUTION

- a) The Parties will keep each other informed of any issue that could be contentious by exchanging information and will, in good faith and reasonably, attempt to resolve potential disputes.
- b) If a contentious issue arises, the Co-chairs will examine it together and will, in good faith and reasonably, attempt to resolve potential disputes within the Committee as soon as possible and in any event within twenty (20) business days within receipt of notice of such contentious issue. Where the 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.
- c) Where the Parties cannot agree on a resolution, the Parties may explore any alternative dispute resolution mechanisms available to them to resolve the issue.
- d) Any payments related to the issue in dispute will be suspended, 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.

15. DEFAULT

15.1 EVENTS OF DEFAULT

The following events constitute Events of Default under this Agreement:

- a) the Recipient has not complied with one or more of the terms and conditions of this Agreement;
- b) the Recipient has not completed a Project in accordance with the terms and conditions of this Agreement;
- c) the Recipient has submitted false or misleading information to Canada or made a false or misleading representation in respect of a Project or in this Agreement, except for an error in good faith, demonstration of which is incumbent on the Recipient, to Canada's satisfaction;
- d) the Recipient has neglected or failed to pay Canada any amount due in accordance with this Agreement.

15.2 DECLARATION OF DEFAULT

Canada may declare a default if:

- a) In Canada's opinion, one or more of the Events of Default occurs;
- b) Canada gave notice to the Recipient of the event which constitutes an Event of Default; and
- c) the Recipient has failed, within thirty (30) business days of receipt of the notice from Canada, either to remedy the Event of Default or to notify Canada and demonstrate, to the satisfaction of Canada, that it has taken such steps as are necessary to remedy the Event of Default.

15.3 REMEDIES ON DEFAULT

In the event that Canada declares a default under Section 15.2 (Declaration of Default), Canada may exercise one or more of the following remedies, without limiting any remedy available to it at law:

- a) suspend any obligation by Canada to contribute or continue to contribute funding to one or more Projects, including any obligation to pay an amount owing prior to the date of such suspension;

- b) terminate any obligation of Canada to contribute or continue to contribute funding to one or more Projects, including any obligation to pay any amount owing prior to the date of such termination;
- c) require the Recipient to reimburse Canada all or part of the contribution paid by Canada to the Recipient;
- d) terminate the Agreement.

16. LIMITATION OF LIABILITY AND INDEMNIFICATION

16.1 DEFINITION OF PERSON

In this section, "Person" includes, without limitation, a person, the Recipient, a Third Party, a corporation, or any other legal entity, and their officers, servants, employees or agents.

16.2 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 to any Project.

16.3 INDEMNIFICATION

The Recipient 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 to 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.

17. ASSETS

- a) Assets acquired, purchased, constructed, rehabilitated or improved, in whole or in part, through the course of a Project will be the responsibility and remain the property of the Recipient.
- b) Notwithstanding any other provision of this Agreement, the Recipient will preserve, maintain, and use any Assets for the purposes of a Project, and will not dispose of any Asset during the applicable Asset Disposal Period, unless the Recipient notifies Canada in writing and Canada consents to the Asset's disposal.
- c) Unless otherwise agreed to by Canada, upon alternate use or disposal of any Asset, which includes selling, leasing and encumbering an Asset whether directly or indirectly, during the applicable Asset Disposal Period for that Project, the Recipient will reimburse Canada, at Canada's discretion, in whole or in part, an amount of funds contributed by Canada to the Asset under this Agreement.

18. GENERAL

18.1 PUBLIC BENEFIT

The Parties acknowledge that their contributions to the Projects are meant to accrue to the public benefit.

18.2 SURVIVAL

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

18.3 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 generally accepted accounting practices and principles in effect in Canada as defined in the Chartered Professional Accountants (CPA) Canada Handbook - Accounting or, where applicable, the CPA Canada Public Sector Accounting Handbook.

18.4 DEBTS DUE TO THE FEDERAL CROWN

Any amount owed to Canada under this Agreement by the Recipient will constitute a debt due to the federal Crown, which the Recipient will reimburse in a manner agreed to between the Parties.

18.5 INTEREST ON DEBTS DUE TO THE FEDERAL CROWN

Debts due to the federal Crown by the Recipient will not accrue interest in accordance with the federal *Interest and Administrative Charges Regulations*.

18.6 SET-OFF BY CANADA

Any debt due to the federal Crown by the Recipient may be set-off against any amounts payable by Canada to the Recipient under this Agreement.

18.7 MEMBERS OF THE HOUSE OF COMMONS AND SENATE

No member of the House of Commons or the Senate of Canada will be admitted to any share or part of this Agreement, or to any benefit arising from it that is not otherwise available to the public. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

18.8 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. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

18.9 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 the Recipient or between Canada and a Third Party.
- b) The Recipient will not represent itself, including in any agreement with a Third Party, as a partner, employee or agent of Canada.

18.10 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. The Recipient will take the necessary action to ensure that any Contract between the Recipient and any Third Party contains a provision to that effect.

18.11 ASSIGNMENT

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

18.12 COUNTERPART SIGNATURE

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (including by electronic signature, facsimile or other means of electronic transmission, such as by electronic mail in "PDF" form), with the same effect as if all Parties had signed

and delivered the same document, and all counterparts shall together constitute one and the same original document.

18.13 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.

18.14 AMENDMENTS

This Agreement, including its schedules, can only be amended in writing by the Parties. Notwithstanding, insignificant changes made to Schedule B (The Projects) in accordance with Section 3.5 (Changes during the Life of the Project) may be done through the System.

18.15 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.

18.16 NOTICE

- a) Any notice, information or required documentation provided for under this Agreement must be delivered in person or sent by mail to the identified representatives of the Parties at the following coordinates, unless otherwise specified by Canada:

Canada:

Director, Transportation Infrastructure Programs
Transport Canada
Place de Ville, Tower C, 19th Floor
330 Sparks Street
Ottawa, ON K1A 0N5

Recipient:

Director, Transportation Engineering Branch
Government of Yukon
Box 2703 (W-13)
Whitehorse, YK Y1A 2C6

- b) Such notice will be deemed to have been received:
- i. in person, when delivered;
 - ii. if sent by mail, email or facsimile, when receipt is acknowledged by the other Party;
 - iii. if sent by messenger or registered mail, when the receiving Party has signed the acknowledgment of reception.
- c) If a Party changes its representative or the coordinates for that representative, it will advise the other Party as soon as possible.

18.17 COMPLIANCE WITH LAWS

The Recipient will comply with all applicable laws and regulations and all requirements of regulatory bodies having jurisdiction over the subject matter of the Projects.

18.18 GOVERNING LAW

This Agreement is governed by, and is to be interpreted in accordance with, the applicable federal laws and the laws in force in the Yukon Territory. The Parties attorn to the jurisdiction of the Courts of Yukon and all courts competent to hear appeals from the Courts of Yukon.

18.19 SUCCESSORS AND ASSIGNS

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

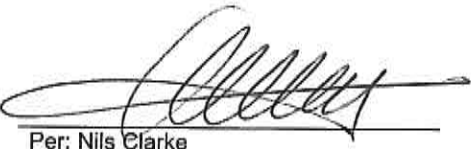
19. SIGNATURES

This Agreement has been executed on behalf of His Majesty the King in right of Canada by the Minister of Transport and on behalf of the Government of Yukon by the Minister of Highways and Public Works.

HIS MAJESTY THE KING IN RIGHT OF
CANADA

THE GOVERNMENT OF YUKON

Per: Stephanie Hébert
Assistant Deputy Minister, Programs
Transport Canada



Per: Nils Clarke
Minister of Highways and Public Works

Date



Date

SCHEDULE A – ELIGIBLE AND INELIGIBLE EXPENDITURES

SCHEDULE A.1: ELIGIBLE EXPENDITURES

Eligible Expenditures must:

- be reasonable and directly related to the Project, as determined by Canada;
- be incurred between the Effective Date and the Final Claim Date; and
- consist of the following categories of expenditures:
 - a. Staff salaries and benefits (such as wages; employer's portion of: Employment Insurance, Canada Pension Plan/Quebec Pension Plan, and disability insurance; private insurance; and benefits paid to staff working on the project/activities) where the recipient can demonstrate value for money
 - b. Professional fees for contracted services
 - c. Expenditures related to preparation (e.g., site preparation), construction, rehabilitation and improvement of assets
 - d. Purchase or lease of technologies, equipment, software, data and systems
 - e. Licenses and permits
 - f. Expenditures related to public outreach and Indigenous engagement, dissemination of information, communications materials and other associated costs
 - g. Travel expenditures (including the cost of accommodations, vehicle rental and kilometric rates, bus, train, airplane or taxi fares, allowances for meals and incidentals in accordance with established policies and directives)
 - h. Administrative expenditures (including expenditures for general administration, rent, insurance, and office equipment rental)
 - i. Rental of meeting rooms and audio/video equipment
 - j. Hospitality, in accordance with federal government policies and directives
 - k. Honoraria payments for Indigenous persons
 - l. Expenditures related to telecommunication, data analysis, and data validation services
 - m. Training costs related to new technologies, equipment, software and systems
 - n. For projects administered as public-private partnerships (P3), expenditures for the development of a P3 business case, and other costs related to the delivery of a project through a P3
 - o. Costs of engineering and environmental reviews, including environmental assessments, follow-up programs, and the cost of remedial activities, mitigation measures and follow-up identified in any environmental assessment
 - p. Costs of environmental consultations
 - q. Expenditures for Indigenous consultations, specifically project-related consultation activities pursuant to the Crown's legal duty to consult
- For capital infrastructure projects, Transport Canada will contribute no more than 15% of its total contribution to expenditures encompassed under sub-paragraphs b, f, g, h, i, j, o, p, and q.
- Unless otherwise accepted by Canada, accommodation, travel and per diem expenses are as set out in the Travel Directive of the National Joint Council
- Expenditures related to hospitality are eligible but must form part of the recipient's share of the total eligible expenditures for the Project

Eligible Expenditures can be cash-equivalent expenditures associated with In-Kind Contributions. These expenditures may be reimbursed so long as the following three criteria are met:

- 1) The associated costs are deemed as Eligible Expenditures and have been approved by Canada;
- 2) The associated costs are not a donation received from a third party; and
- 3) The associated costs are related to goods, services or other support that would otherwise be purchased and paid for by the Recipient as essential for the Project.

In-Kind Contributions received from a third party are considered donations and may form part of the total Eligible Expenditures of the Project, but are not reimbursable.

SCHEDULE A.2: INELIGIBLE EXPENDITURES

Certain expenditures are not eligible for funding and therefore will not be considered in the calculation of the total eligible expenditures of the Project. These ineligible expenditures include, but are not limited to:

- a. costs incurred before the Effective Date and after the Final Claim Date
- b. expenditures related to purchasing land, buildings and associated real estate and other fees, financing charges and interest payments on loans
- c. expenditures related to leasing land, buildings, and other facilities except for equipment directly relating to the construction of the project
- d. legal fees
- e. expenditures related to developing a business case or proposal for funding
- f. expenditures for provincial sales tax and Goods and Services Tax, or the Harmonized Sales Tax, where applicable, for which the recipient is eligible for a rebate, and any other costs eligible for rebates
- g. general repairs and maintenance of a project work and related structures, unless they are part of a larger capital expansion project
- h. services or works normally provided by the applicant (e.g., employee wages, benefits, overhead costs or any other direct or indirect operating, maintenance or administrative costs) incurred in the course of implementation of the project except those specified as eligible costs
- i. expenditures related to any goods and services which are received through donations or in kind

SCHEDULE B – THE PROJECTS

SCHEDULE B.1: PROJECT DESCRIPTION

SCHEDULE B.1.1: THE PHASE ONE PROJECT DESCRIPTION

Project Description:

The North Klondike Highway extends from the City of Whitehorse (km 191) to Dawson City (km 716). It provides a vital highway link between the remote northern communities of Dawson City, Mayo, Stewart Crossing, Pelly Crossing, and Carmacks to the City of Whitehorse, which collectively account for 89% of Yukon's population. It also links Canada's highway network to the Arctic Ocean in Tuktoyaktuk, Northwest Territories via the Dempster Highway and Inuvik-Tuktoyaktuk Highway.

The Phase One Project is located approximately between km 418 and km 716 of the North Klondike Highway and involves the reconstruction of a minimum of 98 kilometers of highway. Highway reconstruction will address issues with capacity, safety and performance, and correct design deficiencies in order to meet applicable structural and geometric standards, with improvements such as road surface widening, roadside barrier upgrades and additions, alignment correction, slope stabilization, resurfacing and paving, and culvert replacement. Additional sections for reconstruction may be identified for reconstruction during the term of the project, subject to budget availability, as climate change related degradation of the highway occurs.

The Phase One Project also includes the rehabilitation of two bridges (the McCabe Creek Bridge and the Moose Creek Bridge), and the replacement of one bridge (the Crooked Creek Bridge). Rehabilitation of the McCabe Creek Bridge and the Moose Creek Bridge, both reinforced concrete bridges, will involve curb replacement and new bridge rail system installation, partial deck concrete repairs, new concrete approach slab construction, abutment crack repair and riprap placement, and girder crack repair. The Crooked Creek Bridge, a single-span subdivided Warren pony truss bridge, will be replaced with a new bridge upstream consisting of steel I-girders, concrete abutments and steel pipe piles, as well as roadway realignment at both approaches and connecting guiderails in-line with applicable standards and guidelines.

Objective(s):

The Phase One Project, once complete, will achieve the following NTCF program objectives.

Address the transportation needs of Northern communities, including safety and economic development

The North Klondike Highway is a critical transportation corridor for several Yukon communities, is the key access route for over 50% of Yukoners who live outside of Whitehorse, is part of the only available route for the transportation of liquid natural gas and other goods to Fort McPherson, Inuvik and Tuktoyaktuk, and is the only practical route connecting Yukon's largest active mines and areas of mineralization potential to international markets by means of the Port of Skagway, Alaska or Prince Rupert, B.C. Yukon's road network lacks reliable redundancies; partial closures to the North Klondike Highway may result in detours of up to several hundred kilometers along the Robert Campbell and Alaska Highways, or air travel as the only viable alternatives for travelers.

The Phase One Project will address several critical issues that affect capacity, safety, and performance of the North Klondike Highway, including but not limited to, resurfacing and slope stabilization to address settlement from increasing rates of permafrost thaw due to climate change, and road surface widening and realignment to address structural and geometric design deficiencies. Furthermore, the Phase One Project will support the advancement of major mining developments in the Dawson Range area, as well as the Yukon Resource Gateway Project funded under Infrastructure Canada's New Building Canada Fund – National Infrastructure Component (NBCF-NIC).

Increase the resilience of the Canadian transportation system to a changing climate and its adaptability to new technologies and future innovation

The Government of Yukon's, Transportation Engineering Branch (TEB) led research projects have revealed that maintenance and capital expenditures on Yukon's major highways, such as the Dempster Highway, have increased up to three times in the last decade or so as a direct result of climate change. The North Klondike Highway has on-going concerns with flooding, settlement, embankment erosion, aufeis and landslides attributable to increased precipitation and runoff, and permafrost thaw due to climate change. The Phase One Project will improve highway resiliency and reduce life cycle costs with approaches including, but not limited to: gabions, geotextiles and/or riprap to manage up-slope and embankment erosion; raised roadway grade and wider roadside ditches to prevent flooding; oversized, elongated and/or additional culverts to

manage increasingly variable levels of precipitation and runoff; and roadway structure reconstruction to prevent settlement. Additionally, geotechnical investigations will be undertaken in select permafrost zones to identify thaw-sensitive soil that may impact the integrity of the highway embankment. Where feasible, construction methods and embankment materials will be utilized to mitigate permafrost thawing and geo-hazard formation. All locations where climate change adaptations and technologies are deployed will be monitored so that performance can be tracked.

Support the fluidity of Canadian trade by alleviating capacity constraints and bottlenecks, and strengthen modal interconnectivity and operability

The North Klondike Highway is subject to annual seasonal legal load restrictions during periods of spring thaw as highway foundations are weakened and susceptible to damage from heavy vehicle loads, presenting safety issues where the road is damaged and critical capacity issues by reducing efficiency of transport through the corridor. Restrictions are applied between Carmacks (km 360) and Dawson City (km 716) for an average of 60 days per year, and only permit 75% of legal loads. By upgrading the highway structure, the Phase One Project will improve connections to several Yukon communities and key northern corridors, including the Dempster and Inuvik-Tuktoyaktuk highways, and improve the flow of goods and services by eliminating seasonal legal load restrictions and allowing users to travel at the posted speed where it would have been previously dangerous to do. Phase One Project objectives to increase capacity will support Yukon's expanding mining sector, and an increase in volume and value of exports from Yukon mines.

Activities:

Highway Reconstruction

- Planning and Design: environmental assessment, baseline environmental monitoring, First Nations consultation, permitting and regulatory approvals, stakeholder engagement, geotechnical and hydrotechnical studies, preliminary and detailed designs and procurement.
- Site Preparation: grading within the right-of-way, brushing and clearing within the right-of-way, detour construction, river training and bank stabilization.
- Construction: widening, shoulder reconstruction, ditch construction, slope stabilization, resurfacing and paving, culvert replacement and channel realignment, and gravel pit expansion.
- Decommissioning and Restoration: decommissioning of ineffective culverts; armouring and addition of riprap for bank stabilization.

Detailed and final designs for the reconstruction segments will be completed over a five-year period. For scheduling purposes, completion of detailed design and tender packages will occur during the winter months prior to tender. Designs and tender packages will be completed by TEB.

Geotechnical activities will include drilling, soil and aggregate testing, pit development, and crushing. Geotechnical activities will be completed at the same time as design and permitting. Contractors and consultants will be hired to undertake most of the geotechnical activities. TEB will play a project management role.

Environmental assessment, First Nations consultation, and regulatory authorizations will be completed within the two years prior to construction commencement. The compilation and submission of the required environmental permits and authorizations will be completed by both TEB staff and consultants.

Construction for each segment will be undertaken by a qualified contractor, typically over a one or two year construction period. TEB intends to undertake construction supervision using in-house resources with support from specialist contractors/consultants as required.

Rehabilitation of McCabe Creek Bridge and Moose Creek Bridge

- Replace curbs and install a new bridge rail system.
- Partially repair delaminated deck concrete. Install waterproofing membrane on the deck and warm-mix asphalt (WMA) overlay.
- Construct new concrete approach slabs to meet current design standard. Approach roadways will be paved north and south of the bridge.
- Repair vertical cracks by injecting sealing product. Some riprap will be placed for erosion protection.
- Repair existing cracked girder with additional reinforcement and cast in place concrete.

Bridge rehabilitation planning and design will be completed the prior to tender with assistance from contracted structural engineering services. Environmental permitting will be completed by TEB. Delivery of construction projects may be bundled with adjacent road construction sections for efficiency, if and when possible.

Reconstruction of Crooked Creek Bridge and Road Realignment

- Traffic control
- Pile driving
- Abutment construction
- Bearing and girder installation
- Riprap replacement
- Deck construction and road construction (concurrent), including WMA overlay
- Switch traffic from existing to new bridge
- Demolish and dispose of existing bridge and decommission section of road

Bridge replacement planning and design will be completed prior to tendering with assistance from contracted structural engineering services. Environmental permitting will be completed by TEB. Delivery of the construction project will be by a stand-alone construction contract. The decision to replace rather than rehabilitate was based on the deficiencies and road alignment issues that have played a factor in multiple accidents. The new bridge will be a 46.4 meter span bridge located upstream of the existing bridge. The bridge width will be 12.0 meter allowing for two 3.7 meter lanes, a 3.3 meter inside shoulder and a 1.3 meter outside shoulder. The road will be realigned at both north and south bridge approaches; total realignment length is 2.3 kilometers and will be built to TAC-RAU 90 low volume standard.

Project Outcomes:

The Phase One Project will contribute to addressing the transportation needs of Northern communities; increase the resilience of the Canadian transportation system to a changing climate and its adaptability to new technologies and future innovation; and support the fluidity of Canadian trade by alleviating capacity constraints and bottlenecks, and strengthen modal interconnectivity and operability.

The Recipient will collect performance data and report on the following performance indicators that the Phase One Project will contribute to:

- Number of kilometers of highway reconstructed to meet TAC RAU-90 standard (collected annually in number of kilometers)
- Average increase in bituminous surface treatment (BST) condition index (BCI) (collected annually as a percentage increase for highway segments with completed BST application)
- Average reduction in maintenance costs (collected annually in dollars per kilometer)
- Average reduction in collision severity index (CSI) (collected annually as a percentage increase)
- Number of culverts replaced, elongated and/or resized to prevent washout (collected annually in number of culverts)
- Average increase to culvert sufficiency rating (collected as a percentage increase for all replaced, elongated and/or resized culverts)

This data is collected only for the purpose of performance measurement and reporting to Canadians.

SCHEDULE B.1.2: THE PHASE TWO PROJECT DESCRIPTION

Project Description:

The North Klondike Highway extends from the City of Whitehorse (km 191) to Dawson City (km 716). It provides a vital highway link between the remote northern communities of Dawson City, Mayo, Stewart Crossing, Pelly Crossing, and Carmacks to the City of Whitehorse, which collectively account for 89% of Yukon's population. It also links Canada's highway network to the Arctic Ocean in Tuktoyaktuk, Northwest Territories via the De'pster Highway and Inuvik-Tuktoyaktuk Highway.

The Phase Two Project is located approximately between the communities of Carmacks (km 388) and Stewart Crossing (km 532) and involves the reconstruction of a minimum 110 kilometers of highway. The Phase Two Project does not include the Phase One Project sections from km 418 to 428 including McCabe Creek Bridge (km 421.3), km 446 to 470 or Crooked Creek Bridge (km 520.1 to 522.4). It also includes the installation of intelligent transportation system (ITS) instruments, the provision of electric vehicle (EV) charging stations, and the installation of a new commercial vehicle weigh-in-motion system in the North Klondike Highway corridor.

Highway reconstruction will address issues with capacity, safety and performance in order to eliminate seasonal legal load restrictions along the corridor as far north as Stewart Crossing, with improvements such as culvert replacement and realignment, armouring and addition of riprap for bank stabilization, geometric upgrades, BST application, and revegetation.

Installation of ITS will involve equipment that will assist in the collection of traffic, environmental, weather-related and road condition data in order to provide information about road conditions and hazards to travelers before they encounter them. ITS equipment may include dynamic messaging signs, frost depth monitoring devices, traffic classifiers and cameras, road weather information systems (mini-RWIS), and early warning systems for water crossing and wildlife, provision of EV charging stations will be completed with upgrades to existing highway rest stops, and installation of associated equipment necessary for communication and electrical distribution to ultimately extend the range of EVs in the North. Lastly, a new commercial vehicle weigh-in-motion location will be implemented in the corridor to improve monitoring and enforcement of legal load requirements for bulk haul transport, particularly for sections of the North Klondike Highway where seasonal legal load restrictions will remain in place following Phase Two Project completion.

Objective(s):

The Phase Two Project, once complete, will achieve the following NTCF program objectives.

Address the transportation needs of Northern communities, including safety and economic development

Reconstruction of the North Klondike Highway under the Phase Two Project will include the implementation of design improvements to enhance the safety and efficiency of travel through the corridor for locals, tourists, and commercial vehicles. The reconstructed highway infrastructure will allow for year-round legal loads as far north as Stewart Crossing to improve efficiency of transport from resource development areas to tidewater ports, will support future increases to traffic volumes and load weights from expected growth in natural resource development in northern and central Yukon, and will provide safer, more comfortable and more efficient routes for travellers.

The Phase Two Project will also provide real-time road condition monitoring and reporting for travelers with ITS instruments, greater options to travel by EV with additional charging stations, and automated weigh scale operations to further enhance safety and efficiency along the corridor.

Increase the resilience of the Canadian transportation system to a changing climate and its adaptability to new technologies and future innovation

The Phase Two Project will strengthen the North Klondike Highway corridor's resilience to current and future climate vulnerabilities. Improvements to drainage and sub-grade structures will reduce settlement and deformation from permafrost thaw, as well as long-term capital maintenance costs; drainage structures will be enlarged, elongated or added to accommodate increases in stream and river flows during spring and periods of higher precipitation; and raised roadway grades, wider roadside ditches and engineered backslopes will protect against flooding and slope erosion due to increased precipitation and extreme weather events.

The Phase Two Project will also implement innovative ITS technology to enhance data collection and real-time access for travelers, will provide innovative and cost-effective transportation options by installing EV charging stations and extending the range of EVs in the North, and will allow for the improved enforcement of commercial vehicle load restrictions with a new weigh-in-motion system near Stewart Crossing (km 532) and eliminating the requirement for compliant vehicles to stop at weigh scales near the City of Whitehorse and Watson Lake.

Support the fluidity of Canadian trade by alleviating capacity constraints and bottlenecks, and strengthen modal interconnectivity and operability

Improvements to the North Klondike Highway as part of the Phase Two Project are anticipated to accelerate the pace of natural resource development by eliminating seasonal legal load restrictions between Stewart Crossing (km 532) and Whitehorse (km 191). Year-round legal loads will allow for additional heavyweight in-bound traffic and supplies, as well as increases in out-bound bulk haul transit and expansion of multimodal container and bulk haul shipping from Whitehorse to international markets via the Port of Skagway, Alaska or Prince Rupert, B.C. Project improvements will also benefit transport from natural resource development areas in the Yukon and the Northwest Territories to the South. Furthermore, the new commercial vehicle weigh-in-motion system near Stewart Crossing (km 532) will enhance the fluidity of commercial transport by eliminating the requirement to stop at a weigh scale. Carriers with a demonstrated compliance history will have fewer requirements for inspection stops.

Activities:

Highway Reconstruction

- Planning and Design: environmental assessment, baseline environmental monitoring, First Nations consultation, permitting and regulatory approvals, stakeholder engagement, geotechnical and hydrotechnical studies, preliminary and detailed designs and procurement.
- Site Preparation: grading within the right-of-way, brushing and clearing within the right-of-way, detour construction, river training and bank stabilization.
- Construction: widening, shoulder reconstruction, base and sub-base reconstruction, ditch construction, slope stabilization, resurfacing and paving, culvert replacement and channel realignment, and gravel pit expansion.
- Decommissioning and Restoration: decommissioning of ineffective culverts; armouring and addition of riprap for bank stabilization.

Highway reconstruction will be delivered in segments over five years, with each segment constructed under a stand-alone construction contract. Each segment will proceed through approximately two years of planning (e.g., assessments, design, consultation), followed by one or two years of construction and a final year to complete BST application. Construction activities will generally take place between May and October. Some construction activities will be carried out during winter months as appropriate, as part of the strategy to deliver the road works on schedule. Production of geotechnical materials (e.g., aggregates, riprap) will be ongoing during the first few years of the project to stockpile the necessary quantities for all years of construction.

Installation of Intelligent Transportation System (ITS) Instruments

ITS equipment will help with the collection of traffic, environmental and weather-related data, road condition information, as well as the provision of public information to travelers. ITS equipment will include dynamic messaging signs, frost depth monitoring systems, traffic classifiers, traffic cameras, road weather information systems (mini-RWIS), and early warning system for water crossings and wildlife. Installation of ITS equipment will include any required site construction, communication, electrical distribution, and testing.

Provision of Electric Vehicle (EV) Charging Stations

Provision of EV charging stations will involve upgrades to existing highway rest stops, construction of new rest stops to provide EV charging stations, as well as installation of associated components for communication and electrical distribution. Planning and design work is necessary for selected upgrade and construction sites, as well as electrical distribution and communications and will be completed by the Government of Yukon's Department of Highways and Public Works (HPW).

Installation of New Commercial Vehicle Weigh-In-Motion System location in the North Klondike Highway corridor. A new commercial vehicle weigh-in-motion system location will improve enforcement of legal load restrictions, and enhance fluidity of transport by eliminating the requirement to stop at a weigh scale. Installation of a new commercial vehicle weigh-in-motion system will involve design, construction, and implementation by TEB staff. Installation of the system will include any required site construction, communications, electrical distribution, software and testing.

Project Outcomes:

The Project will contribute to addressing the transportation needs of Northern communities; increase the resilience of the Canadian transportation system to a changing climate and its adaptability to new technologies and future innovation; and support the fluidity of Canadian trade by alleviating capacity constraints and bottlenecks; and strengthen modal interconnectivity and operability.

The Recipient will collect performance data and report on the following performance indicators that the Phase Two Project will contribute to:

- Number of kilometers of highway reconstructed to meet TAC RAU-90 standard (collected annually in number of kilometers)
- Average increase in BST Condition Index (BCI) (collected annually as a percentage increase for highway segments with completed BST application)
- Average reduction in maintenance costs (collected annually in dollars per kilometer)
- Average reduction in Collision Severity Index (CSI) (collected annually as a percentage increase)
- Number of culverts replaced, elongated and/or resized to prevent washout (collected annually in number of culverts)
- Number of EV charging stations installed at highway rest stops (collected annually in number of highway stops and EV charging stations)
- Number of ITS instrument installations completed (collected annually in number of instruments)
- Number of commercial vehicles weighed using weigh-in-motion system near Stewart Crossing

This data is collected only for the purpose of performance measurement and reporting to Canadians.

SCHEDULE B.2: PROJECT COMPONENTS AND CASHFLOW

SCHEDULE B.2.1: THE PHASE ONE PROJECT COMPONENTS AND CASHFLOW

Project Component	Description of Project Component (Main technical and financial stages, location, construction methods, etc.)	Estimated Total Project Expenditures	Estimated Total Eligible Project Expenditures	Estimated Contribution by Canada	Estimated contribution to Eligible Expenditures per Party, per Fiscal Year									
					Contributor	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
1 – Highway Reconstruction														
1.1 Soft Costs (km 418 to km 666)	Engineering, planning and design (soft) costs from km 418 to km 666.	\$ 8,831,446	\$ 8,831,446	\$ 6,623,584	Canada	\$ 256,402	\$ 1,260,450	\$ 1,503,168	\$ 2,222,128	\$ 477,687	75(1)(a)(ii)			
					Recipient	\$ 85,467	\$ 420,150	\$ 501,056	\$ 740,710	\$ 159,229				
1.2 Construction Costs (km 418 to km 666)	Civil construction costs from km 418 to km 666.	\$ 116,787,290	\$ 116,787,290	\$ 87,590,468	Canada	\$ 279,125	\$ 7,630,542	\$ 16,332,489	\$ 17,304,655	\$ 9,750,000				
					Recipient	\$ 93,042	\$ 2,543,514	\$ 5,444,163	\$ 5,768,218	\$ 3,250,000				
1.3 Soft Costs (km 666 to km 716)	Engineering, planning and design (soft) costs from km 666 to km 716 (Dawson City).	\$ 0	\$ 0	\$ 0	Canada	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				
					Recipient	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				
1.4 Construction Costs (km 666 to km 716)	Civil construction costs from km 666 to km 716 (Dawson City).	\$ 0	\$ 0	\$ 0	Canada	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				
					Recipient	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				
1 - Subtotal		\$ 125,618,736	\$ 125,618,736	\$ 94,214,052		\$ 714,036	\$ 11,854,657	\$ 23,780,676	\$ 26,035,710	\$ 13,636,917				
2 – McCabe Creek Bridge Rehabilitation														
2.1 Soft Costs	Engineering, planning, and design (soft) costs for McCabe Creek Bridge (km 421.3) Rehabilitation.	\$ 134,487	\$ 134,487	\$ 100,865	Canada	\$ 0	\$ 16,086	\$ 12,287	\$ 72,492	\$ 0				
					Recipient	\$ 0	\$ 5,362	\$ 4,096	\$ 24,164	\$ 0				
2.2 Construction Costs	Civil construction costs for McCabe Creek Bridge (km 421.3) Rehabilitation.	\$ 2,069,649	\$ 2,069,649	\$ 1,552,237	Canada	\$ 0	\$ 0	\$ 0	\$ 187,500	\$ 1,364,737				
					Recipient	\$ 0	\$ 0	\$ 0	\$ 62,500	\$ 454,912				
2 – Subtotal		\$ 2,204,136	\$ 2,204,136	\$ 1,653,102		\$ 0	\$ 21,447	\$ 16,383	\$ 346,657	\$ 1,819,649				
3 – Crooked Creek Bridge Reconstruction & Road Realignment														
3.1 Soft Costs	Engineering, planning, and design (soft) costs for Crooked Creek Bridge Replacement & Road Realignment (km 520.1 to km 522.4).	\$ 1,905,802	\$ 1,905,802	\$ 1,429,351	Canada	\$ 5,243	\$ 97,561	\$ 466,840	\$ 450,000	\$ 409,708				
					Recipient	\$ 1,748	\$ 32,519	\$ 155,613	\$ 150,000	\$ 136,571				
3.2 Construction Costs	Civil construction costs for Crooked Creek Bridge Replacement & Road Realignment (km 520.1 to km 522.4).	\$ 25,683,761	\$ 25,683,761	\$ 19,262,821	Canada	\$ 0	\$ 294,679	\$ 5,386,596	\$ 10,350,000	\$ 3,231,546				
					Recipient	\$ 0	\$ 98,226	\$ 1,795,532	\$ 3,450,000	\$ 1,077,182				
3 - Subtotal		\$ 27,589,563	\$ 27,589,563	\$ 20,692,172		\$ 6,990	\$ 522,986	\$ 7,804,581	\$ 14,400,000	\$ 4,855,006				

75(1)(a)(ii)

Project Component	Description of Project Component (Main technical and financial stages, location, construction methods, etc.)	Estimated Total Project Expenditures	Estimated Total Eligible Project Expenditures	Estimated Contribution by Canada	Estimated contribution to Eligible Expenditures per Party, per Fiscal Year							
					Contributor	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
4 – Moose Creek Bridge Rehabilitation												
4.1 Soft Costs	Engineering, planning, and design (soft) costs for Moose Creek Bridge (km 561) Rehabilitation.	\$ 134,487	\$ 134,487	\$ 100,865	Canada	\$ 0	\$ 0	\$ 22,466	\$ 78,399	\$ 0	75(1)(a)(ii)	
					Recipient	\$ 0	\$ 0	\$ 7,489	\$ 26,133	\$ 0		
4.2 Construction Costs	Civil construction costs for Moose Creek Bridge (km 561) Rehabilitation.	\$ 2,069,649	\$ 2,069,649	\$ 1,552,237	Canada	\$ 0	\$ 0	\$ 76,598	\$ 712,237	\$ 763,402		
					Recipient	\$ 0	\$ 0	\$ 25,533	\$ 237,412	\$ 254,467		
4 - Subtotal		\$ 2,204,136	\$ 2,204,136	\$ 1,653,102		\$ 0	\$ 0	\$ 132,085	\$ 1,054,182	\$ 1,017,869		
TOTAL		\$ 157,616,571	\$ 157,616,571	\$ 118,212,428	Canada	\$ 540,769	\$ 9,299,318	\$ 23,800,444	\$ 31,377,411	\$ 15,997,080		
					Recipient	\$ 180,256	\$ 3,099,772	\$ 7,933,481	\$ 10,459,138	\$ 5,332,361		

For greater certainty, Canada's total contribution cannot exceed the amount set out in Section 3.1 (Contribution by Canada).

SCHEDULE B.2.2: THE PHASE TWO PROJECT COMPONENTS AND CASHFLOW

Project Component	Description of Project Component (Main technical and financial stages, location, construction methods, etc.)	Estimated Total Project Expenditures	Estimated Total Eligible Project Expenditures	Estimated Contribution by Canada	Estimated contribution to Eligible Expenditures per Party, per Fiscal Year					
					Contributor	2022-23	2023-24	2024-25	2025-26	2026-27
1 – Highway Reconstruction										
1.1 Soft Costs (km 388 to km 532)	Engineering, planning and design (soft) costs from km 388 to km 532.	\$ 6,000,000	\$ 6,000,000	\$ 4,500,000	Canada	\$ 0	\$ 0			
					Recipient	\$ 0	\$ 0			
1.2 Construction Costs (km 388 to km 532)	Civil construction costs from km 388 to km 532.	\$ 94,000,000	\$ 94,000,000	\$ 70,500,000	Canada	\$ 0	\$ 0			
					Recipient	\$ 0	\$ 0			
1 – Subtotal		\$ 100,000,000	\$ 100,000,000	\$ 75,000,000		\$ 0	\$ 0			
2 – Scalable Components										
2.1 Soft Costs	Engineering, planning, and design (soft) costs for Scalable Components.	\$ 800,000	\$ 800,000	\$ 600,000	Canada	\$ 0	\$ 75,000			
					Recipient	\$ 0	\$ 25,000			
2.2 Intelligent Transportation System (ITS)	Equipment acquisition, site preparation, installation, electrical distribution, communications, and testing for ITS instrumentation.	\$ 4,100,000	\$ 4,100,000	\$ 3,075,000	Canada	\$ 0	\$ 75,000			
					Recipient	\$ 0	\$ 25,000			
2.3 Electric Vehicle (EV) Charging Stations	Equipment acquisition, site preparation, installation, electrical distribution, communications, and testing for EV charging stations.	\$ 1,000,000	\$ 1,000,000	\$ 750,000	Canada	\$ 0	\$ 375,000			
					Recipient	\$ 0	\$ 125,000			
2.4 Commercial Vehicle Weigh-In-Motion System	Equipment acquisition, site preparation, installation, electrical distribution, communications, and testing for commercial vehicle weigh-in-motion system.	\$ 4,100,000	\$ 4,100,000	\$ 3,075,000	Canada	\$ 0	\$ 0			
					Recipient	\$ 0	\$ 0			
2 – Subtotal		\$ 10,000,000	\$ 10,000,000	\$ 7,500,000		\$ 0	\$ 700,000			
TOTAL		\$ 110,000,000	\$ 110,000,000	\$ 82,500,000	Canada	\$ 0	\$ 525,000			
					Recipient	\$ 0	\$ 175,000			

75(1)(a)(ii)

For greater certainty, Canada's total contribution cannot exceed the amount set out in Section 3.1 (Contribution by Canada).

SCHEDULE C – REPORTING REQUIREMENTS

SCHEDULE C.1: PROGRESS REPORT

The Recipient will submit a progress report for each Project on an annual basis, unless otherwise communicated by Canada. The progress report must include the following information:

- a) general description of the Project progress and major achievements to date;
- b) updated data on performance indicators listed in Schedule B.1 (Project Description), as applicable, compared to the start of the Project. The Recipient will ensure that appropriate data collection processes are in place to enable the capture and reporting of the performance indicators used to measure the achievement of Project outcomes;
- c) overview about the status of environmental issues and monitoring requirements related to the Project, both expected and unexpected, and the conditions proposed to address these concerns;
- d) report on the implementation of mitigation measures, activities and follow-up measures that are required to be performed during the Project implementation as a result of Indigenous consultations;
- e) issues, areas of concern or risk factors that may affect completion, the schedule or the budget of the Project as per original plans and the proposed mitigation strategies to correct the situation; and
- f) highlights of communication activities of the Project during the reporting period.

SCHEDULE C.2: FINAL REPORT

The Recipient will submit a final report for each Project to Canada with that Project's final claim. The final report will include:

- a) general description of the Project's major achievements, including any variations to the original activities and timelines;
- b) updated data on performance indicators listed in Schedule B.1 (Project Description), as applicable, compared to the start of the Project. The Recipient will ensure that appropriate data collection processes are in place to enable the capture and reporting of the performance indicators used to measure the achievement of Project outcomes; and
- c) lessons learned about how issues were addressed or solutions were found.

SCHEDULE D – CERTIFICATE(S) OF COMPLIANCE FOR CLAIMS

SCHEDULE D.1: CERTIFICATE OF COMPLIANCE FOR FINAL CLAIM

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Transport, and the Government of Yukon (the "Recipient"), represented by _____ (Name), concerning the North Klondike Highway Reconstruction and Strategic Upgrades Project (the "Project") under the Agreement.

I, _____ (Name), of the City/Town of _____, Province/Territory of _____, declare as follows:

1. That I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2. I am duly authorized by the Recipient to give this Certificate under [RECIPIENT INSERTS THE COMPLETE REFERENCE TO THE BY LAW OR INTERNAL POLICY AUTHORITY THAT ALLOWS THEM TO PROVIDE THIS CERTIFICATION] dated [DATE].
3. I have read and understood the Agreement and the final claim submitted by the Recipient thereunder dated the same date as this Certificate and have knowledge of the business and affairs of the Recipient and have made such examinations or investigations as are necessary to give this Certificate and to ensure that the information contained herein is true and accurate.
4. The Recipient, at the date of this Certificate, has performed all covenants under the Agreement that are required to be performed by it on or prior to that date.
5. The expenditures claimed are Eligible Expenditures in accordance with the Agreement.
6. All representations and warranties of the Recipient contained in the Agreement are true and accurate in all respects at the date of this Certificate as though such representations and warranties had been made at the date of this Certificate.
7. The Project as defined in the Agreement has been completed.

[If applicable, add:]

1. The Project, to the best of my knowledge and belief, conforms to the applicable federal environmental or impact assessment legislation.
2. *[If applicable, add:]*
3. All applicable mitigation measures, accommodation measures and follow-up measures required to be performed during the Project implementation as a result of Indigenous consultations have been implemented.
4. The Total Financial Assistance received or due for the Project in accordance with Section 3.2 c) (Commitments by the Recipient) is as follows:
[INCLUDE ALL TOTAL FINANCIAL ASSISTANCE RECEIVED OR DUE]
5. This Certificate of Compliance does not preclude any rights of Canada to verify, audit or inspect as per the terms and conditions of the Agreement.
6. The Recipient is not entitled to payment of any amount under the Agreement, other than any amount requested by the Recipient in accordance with the Agreement on or prior to the date of this Certificate.

Dated, this _____ day of _____, 20____

Signature

SCHEDULE E – COMMUNICATIONS PROTOCOL

SCHEDULE E.1: PURPOSE

This Communications Protocol outlines the roles and responsibilities of each of the Parties to this Agreement with respect to communications activities related to the funded Projects.

This Communications Protocol will guide all communications activity planning, development and implementation with a view to ensuring efficient, structured, continuous and coordinated communications to the Canadian public.

The provisions of this Communications Protocol apply to all communications activities related to any Program funding and the Projects funded under this Agreement. Such communications activities may include, but are not limited to, public or media events, news releases, reports, web and social media products or postings, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, and multi-media products.

SCHEDULE E.2: GUIDING PRINCIPLES

The Parties recognize the importance of managing the delivery of coherent communications activities based on the principle of transparent and open discussion and collaboration.

Communications activities undertaken through this 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 the funded Projects and its benefits from each Party.

The communication activities undertaken jointly by Canada and the Recipient should recognize the funding of all contributors to the Projects.

SCHEDULE E.3: GOVERNANCE

At Canada's request, the Parties may form a communications subcommittee that will be responsible for preparing a Project's communications plan and overseeing its implementation.

SCHEDULE E.4: PROGRAM COMMUNICATIONS

Canada retains the right to meet its obligations to communicate information to Canadians about the Program and the use of funding through its own communications products and activities.

Canada and the Recipient may also include general program messaging and an overview of a Project as an example in their own communications products and activities. The Party undertaking these activities will recognize the funding of the Parties.

Canada and the Recipient agree that they will not unreasonably restrict the other Party or other funding contributors from using, for their own purposes, public communications products related to the Project that were prepared collectively or individually by the Parties, and if web-based, from linking to them.

SCHEDULE E.5: OPERATIONAL COMMUNICATIONS

The Recipient is solely responsible for operational communications with respect to the Project, including, but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official language policy.

Canada and the Recipient will share information promptly with the other Party should significant media inquiries be received or if major stakeholder issues relating to a Project arise.

SCHEDULE E.6: MEDIA EVENTS AND PROJECT ANNOUNCEMENTS

Media events include, but are not limited to, news conferences, public announcements, official events or ceremonies, and social media messages news releases.

The Parties agree to have regular media events about the funding and status of the

Project. Key milestones may be marked by public events, news releases and/or other mechanisms.

Either of the Parties or other funding contributors may request a media event.

Media events related to the Project will not occur without the prior knowledge and agreement of both Parties.

The requestor of a media event will provide at least fifteen (30) business days of notice to the other Party of their intention to undertake such an event. Both Parties will agree on the event location and date.

The Party undertaking these activities will provide the opportunity for the other Party to participate through a designated representative and will recognize the funding of all contributors. Canada and the Recipient will choose their own designated representative.

The conduct of all joint media events and products will follow the *Table of Precedence for Canada* as outlined on the [Canadian Heritage](#) website.

All joint communications material related to media events must be approved by Canada and recognize the funding of the Parties (Canada, Provinces/Territories, Recipient and others as appropriate).

All joint communications material must reflect Canada's *Policy on Official Languages* and the Federal Identity Program.

SCHEDULE E.7: SIGNAGE

Canada, the Recipient and other funding contributors may each have a sign recognizing their funding contribution to the Projects.

The Recipient may produce and install a Project sign to recognize federal funding at the Project site in accordance with current Federal Identity Program guidelines, in both official languages, specifying that the Project is financed by contributions from the Government of Canada and the Recipient, and must be reviewed and approved by Canada.

Where the Recipient decides to install a permanent plaque or other suitable marker with respect to the Project, it must recognize the federal contribution and be approved by Canada.

The Recipient agrees to inform Canada of federal sign installations.

Federal signage should be installed at a Project site(s) thirty (30) business days prior to the start of construction, be visible for the duration of the Project, and remain in place until thirty (30) business days after the Substantial Completion Date.

Signage should be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.

SCHEDULE E.8: COMMUNICATIONS COSTS

The eligibility of costs related to communication activities that provide public information on this Agreement will be subject to Schedule A (Eligible and Ineligible Expenditures) and must be agreed to in advance by Canada.

SCHEDULE E.9: DISPUTES, MONITORING AND COMPLIANCE

The Committee will monitor the Parties' compliance with this Schedule, and may, at its discretion, advise the Parties of issues and required adjustments. Should there be any disagreement or contentious issues, Section 14 (Dispute Resolution) of the Agreement will be followed.

SCHEDULE E.10: ADVERTISING CAMPAIGNS

Recognizing that advertising can be an effective means of communicating with the public, Canada and the Recipient may, at their own cost, organize an advertising or public information campaign related to the Program or a Project. However, such a campaign must respect the provisions of this Agreement. In the event of such a campaign, each Party agrees to inform the other Party of its intention, no less than thirty (30) business days prior to the campaign launch, the campaign must follow the guidelines of the Federal Identity Program and be approved by Canada.

SCHEDULE F – DECLARATION OF SUBSTANTIAL COMPLETION

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Transport, and the Government of Yukon (the "Recipient"), represented by _____ (Name), concerning the North Klondike Highway Reconstruction and Strategic Upgrades (the "Project") under the Agreement.

I, _____ (Name), of the City/Town of _____,
Province/Territory of _____, declare as follows:

1. I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
- 2.
- a) I have received the following documents for the North Klondike Highway Reconstruction and Strategic Upgrades Project:
 - i. [LIST NAME OF RELEVANT DOCUMENT(S), e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] signed by _____ (Name), a _____ (Profession, e.g. professional engineer, professional architect or other applicable professional) for the Project.
 - ii. [ADD SAME TEXT AS IN i FOR EACH DOCUMENT]
- b) Based on the above documents and the representations made to me by the professionals identified in section 2(a) above, I declare to the best of my knowledge and belief that the Project has been substantially completed, in that it can be used for its intended use, as described in Schedule B.1 (Project Description), as defined in the Agreement, on the _____ day of the _____ 20__.

[Insert #3, if applicable:]

3. I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with the guidelines referenced in Section 3.7 (Guidelines) of the Agreement:
 - i. [LIST NAME OF RELEVANT DOCUMENT(S), e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] signed by _____ (Name), a _____ (Profession, e.g. professional engineer, professional architect or other applicable professional) for the Project.
 - ii. [ADD SAME TEXT AS IN i FOR EACH DOCUMENT]

[Insert #4, if applicable:]

4. I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with, as applicable, the [LIST THE APPLICABLE ENVIRONMENTAL REVIEW OR ASSESSMENT e.g., the Canadian Environmental Assessment Act, 2012 or Northern Regime]:
 - i. [LIST NAME OF RELEVANT DOCUMENT(S)] signed by _____ (Name), an _____ (Profession, e.g. environmental consultant or other applicable professional).
 - ii. [ADD SAME TEXT AS IN i FOR EACH DOCUMENT]

5. All terms and conditions of the Agreement that are required to be met as of the date of this declaration have been met.

Declared at _____ (City/Town), in _____
(Province/Territory)

this _____ day of _____, 20_____.

Signature

From: Adam.Luciano

Sent: July 27, 2021 09:34

To: Andrea.Carrigan

Subject: FW: NTCF: Arctic & Northern Call | Approval-In-Principle (4-002R) | Government of Yukon | North Klondike Highway Corridor Strategic Upgrades – Phase 2

FYI

From: National Trade Corridor Fund / Fonds national des corridors commerciaux (TC) <TC.NTCF-FNCC.TC@tc.gc.ca>

Sent: July 27, 2021 8:10 AM

To: Paul.Murchison <Paul.Murchison@yukon.ca>; Amanda.Price <Amanda.Price@yukon.ca>

Subject: NTCF: Arctic & Northern Call | Approval-In-Principle (4-002R) | Government of Yukon | North Klondike Highway Corridor Strategic Upgrades – Phase 2

*** External email: Do not click on links or attachments except from trusted senders. ***

Good day,

We are pleased to inform you that the **North Klondike Highway Corridor Strategic Upgrades – Phase 2** project (the 'Project') submitted by **Government of Yukon, Department of Highways and Public Works (Transportation Engineering Branch)** (the 'Recipient') has received approval in principle for funding under the National Trade Corridors Fund (NTCF) – Arctic and Northern Call for Proposals.

At this time, we ask that you do not communicate this information outside of your organization, in anticipation of a Ministerial announcement. We are sharing this news with you in advance of a formal announcement to ensure that you may begin preparatory work. This news will also be shared with the Minister's cabinet colleagues.

It is important to note that project costs incurred before a Contribution Agreement (CA) is signed with Transport Canada (TC) are not eligible for reimbursement under the NTCF program. A project manager has been assigned to your project and will be in touch with you shortly to start working on an agreement.

This communication does not constitute formal approval of the Project by the Government of Canada (GoC), which will only be effective when the Government signs the CA to fund the Project. We are providing this information to initiate the development of the CA and to assist you in your planning. Once signed, the contribution agreement represents the formal federal commitment to the Project.

Federal funding of the Project from the NTCF will be up to 75 percent of total eligible project costs, to a maximum federal contribution of \$135,000,000 under this program. Canadian government funding for this Project from all sources (i.e., federal, municipal, provincial, and territorial) cannot exceed 100 percent of the Project's total eligible costs.

As we move to the CA stage, the following conditions will apply:

- No costs incurred before the last party signs the CA will be considered eligible for reimbursement;
- Regardless of the outcome of any of the project tendering processes, all ineligible costs, cost increases or overruns, and any costs related to the ongoing operation and maintenance of the Project, will be the responsibility of the Recipient;
- The Recipient and the GoC will work to complete a CA in a timely manner. To that end, you are asked to provide any additional project details (e.g., scope and cost details) requested by TC in a timely fashion; and
- For capital infrastructure projects, the GoC cannot contribute more than 15 percent of its funding towards non-capital or "soft costs". These costs include planning and assessment costs specified in the CA, such as those related to

environmental planning, surveying, engineering, architectural supervision, testing, and management consulting services.

As your Project is being approved in principle on the basis of the information in your comprehensive proposal, please notify TC as soon as possible, in writing, should you expect delays of more than six months in either the start or completion date.

We look forward to working with you to complete the project approval process and to deliver a successful project.

Best regards,

The NTCF Team

**CANADA – THE GOVERNMENT OF YUKON
NATIONAL TRADE CORRIDORS FUND
AGREEMENT FOR NISUTLIN BAY BRIDGE REPLACEMENT**

This Agreement is made as of the date of last signature

BETWEEN: **HIS MAJESTY THE KING IN RIGHT OF CANADA**, as represented by the Minister of Transport ("Canada")

AND **THE GOVERNMENT OF YUKON**, as represented by the Minister of Highways and Public Works (the "Recipient"),

individually referred to as a "Party" and collectively referred to as the "Parties".

RECITALS

WHEREAS the Minister of Infrastructure, Communities and Intergovernmental Affairs is responsible for the Program entitled the 2014 New Building Canada Fund: Provincial-Territorial Infrastructure Component, Small Communities Fund ("NBCF-PTIC-SCF");

AND WHEREAS the Recipient and the Minister of Infrastructure, Communities and Intergovernmental Affairs entered into an agreement dated January 19, 2015, as amended (the "NBCF Agreement"), pursuant to which the Minister agreed to fund the Recipient's project titled "Nisutlin Bridge" which qualified for support under NBCF-PTIC-SCF (the "NBCF Project");

AND WHEREAS the Minister of Transport is responsible for the program entitled the National Trade Corridors Fund ("NTCF" or the "Program");

AND WHEREAS the Recipient's Project qualifies for support under the NTCF;

AND WHEREAS the Project under the NTCF and the NBCF Project are related projects, concerning different stages of construction for the same asset over the Nisutlin Bay along the Alaska Highway, in the Village of Teslin;

AND WHEREAS \$52,500,000 in funding that had initially been allocated by Canada to fund part of the North Klondike Highway Corridor Strategic Upgrades (Phase 2) project under the NTCF Arctic and Northern Call for Proposals has been reallocated to fund this Project under this Agreement;

AND WHEREAS the Recipient is responsible for carrying out the Project and Canada wishes to provide financial support for the Project and its objectives;

NOW THEREFORE, the Parties agree as follows:

1. INTERPRETATION

1.1 DEFINITIONS

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

"Agreement" means this contribution agreement and all its schedules, as may be amended from time to time.

"Agreement End Date" means March 31, 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 funds contributed by Canada under the terms and conditions of this Agreement.

"Asset Disposal Period" means the period commencing from the Effective Date and ending twenty-five (25) years after the Substantial Completion Date of the Project.

"Committee" means the Agreement Monitoring Committee established pursuant to Section 5.1 (Establishment and Dissolution).

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

"Declaration of Milestone Completion" means a declaration in the form substantially prescribed in Schedule D.3 (Declaration of Milestone Completion).

"Declaration of Substantial Completion" means a declaration in the form substantially prescribed in Schedule F (Declaration of Substantial Completion).

"Effective Date" means the date of last signature of this Agreement.

"Eligible Expenditures" means those costs incurred that are directly related to the Project and which are considered eligible by Canada as set out in Schedule A (Eligible and Ineligible Expenditures).

"Fair Value" means the amount that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

"Final Claim Date" means the earlier of eighteen (18) months after the Project Completion Date of the Project and July 31, 2026.

"Fiscal Year" means the period beginning April 1 of a year and ending March 31 of the following year.

"In-Kind Contributions" means non-monetary contributions of goods, services or other support provided by the Recipient, or to the Recipient by a third party for the Project, for which Fair Value is assigned, but for which no payment occurs.

"Milestone" means an element of the Project to be completed by the Recipient and to which Canada will contribute funding as determined by the Parties as set out in Schedule B.2 (Project Milestones and Cashflow).

"Milestone Completion" occurs when all works undertaken for a specific Milestone as set out in Schedule B.2 (Project Milestones and Cashflow) are completed and can be used for the purpose intended, as evidenced by Schedule D.3 (Declaration of Milestone Completion).

"Project" means the project as described in Schedule B (The Project).

"Project Completion Date" means the date at which all funded activities of the Project under this Agreement have been completed and which must be no later than April 30, 2026.

"Project Engineer" means a professional engineer as outlined in Section 3.7 (Project Engineer), duly licensed in the Yukon Territory, who will provide engineering services to the Recipient in respect of the Project and professional certification of the reasonableness of the valuation of Milestones and certification of the completion of Milestones.

"Substantial Completion Date" means the date at which the Project can be used for the purpose for which it was intended as described in Schedule B.1 (Project Description) as such date will be set out in Schedule F (Declaration of Substantial Completion).

"System" means a secure, self-contained, collaborative web application developed by Canada for the management and monitoring of federal contribution agreements.

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

"Total Financial Assistance" means funding from all sources towards Eligible Expenditures of the Project, including funding from the Recipient and federal, provincial, territorial, and municipal governments as well as funding from all other sources, including In-Kind Contributions.

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 Canada to the Recipient except as expressly set out in this Agreement.

1.3 DURATION OF AGREEMENT

This Agreement will be effective as of the Effective Date 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 – Eligible and Ineligible Expenditures

Schedule B – The Project

Schedule C – Reporting Requirements

Schedule D – Certificate(s) of Compliance for Claims and Declaration of Milestone Completion

Schedule E – Communications Protocol

Schedule F – Declaration of Substantial Completion

2. PURPOSE OF AGREEMENT

The purpose of this Agreement is to establish the terms and conditions whereby Canada will provide funding to the Recipient for the Project.

3. OBLIGATION OF THE PARTIES

3.1 CONTRIBUTION BY CANADA

- a) Canada agrees to pay a contribution to the Recipient of not more than thirty-two point eight two percent (32.82%) of the total Eligible Expenditures for the Project but only up to a maximum of fifty-two million, five hundred thousand dollars (\$52,500,000).
- b) Canada will pay the contribution in accordance with the terms and conditions of this Agreement and the Fiscal Year breakdown in Schedule B.2 (Project Milestones and Cashflow).
- c) If the federal Crown's total contribution towards the Project exceeds fifty-eight point six one percent (58.61%) of the Project's total Eligible Expenditures 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 the Recipient or reduce its contribution by an amount equal to the excess.
- d) The Parties acknowledge that Canada's role in the Project is limited to making a financial contribution to the Recipient for the Project and that Canada will have no involvement in the implementation of the Project or its operation. Canada is neither a decision-maker nor an administrator to the Project.

3.2 COMMITMENTS BY THE RECIPIENT

- a) The Recipient will complete the Project in a diligent and timely manner, within the costs and deadlines specified in this Agreement and in accordance with the terms and conditions of this Agreement.
- b) The Recipient will be responsible for all costs of the Project including cost overruns, if any.
- c) The Recipient will inform Canada promptly of the Total Financial Assistance received or due for the Project.
- d) The Recipient will repay to Canada any payment received for disallowed costs, unexpended contributions and overpayments made under and according to the terms and conditions of this Agreement.
- e) The Recipient will ensure the ongoing operation, maintenance, and repair of any Asset in relation to the Project as per appropriate standards, during the Asset Disposal Period.
- f) The Recipient will inform Canada immediately of any fact or event that could compromise wholly or in part the Project.
- g) Upon Canada's request and throughout the term of the Agreement, the Recipient will promptly provide Canada with updates to the Project status and the Project expenditures and forecasts set out in Schedule B (The Project).

3.3 APPROPRIATIONS AND FUNDING LEVELS

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 promptly advise the Recipient of any reduction or termination of funding once it becomes aware of any such situation. 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.

3.4 FISCAL YEAR BUDGETING

- a) The amount of the contribution payable by Canada for each Fiscal Year of the Project is set out in Schedule B.2 (Project Milestones and Cashflow).
- b) If the actual amount payable by Canada in respect of any Fiscal Year of the Project is less than the estimated amount in Schedule B.2 (Project Milestones and Cashflow), the Recipient may request that Canada re-allocate the difference between the two amounts to a subsequent Fiscal Year. Subject to Section 3.3 (Appropriations and Funding Levels), Canada agrees to make reasonable efforts to accommodate the Recipient's request. The Recipient acknowledges that requests for re-allocation of Project funding will require appropriation adjustments or federal Crown approvals.
- c) In the event that any requested re-allocation of Project funding is not approved, the amount of Canada's contribution payable pursuant to Section 3.1 (Contribution by Canada) may be reduced by the amount of the requested re-allocation. If the contribution payable by Canada pursuant to Section 3.1 (Contribution 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.

3.5 CHANGES DURING THE LIFE OF THE PROJECT

- a) Where a change to this Agreement is contemplated, the Recipient will submit to Canada a request for a change.
- b) Where the change is approved by Canada and in accordance with Section 18.14 (Amendments):
 - i. the Committee Co-chairs nominated in accordance with Section 5.1 (Establishment and Dissolution) will execute the corresponding amendment to the Agreement in the System for insignificant changes to the Project; or
 - ii. the Parties will execute the corresponding amendment to the Agreement for significant changes to the Project.
- c) Canada will determine whether the change is significant or insignificant.

3.6 INABILITY TO COMPLETE PROJECT

If, at any time during the term of this Agreement, one or all of the Parties determine that it will not be possible to complete the Project for any reason, the Party will immediately notify the other Party of that determination and Canada may suspend its funding obligation. The Recipient will, within thirty (30) business days of a request from Canada, provide a summary of the measures that it proposes to remedy the situation. If Canada is not satisfied that the measures proposed will be adequate to remedy the situation, then this will constitute an Event of Default under Section 15 (Default) and Canada may declare a default pursuant to Section 15 (Default).

3.7 PROJECT ENGINEER

- a) The Recipient will secure the services of a Project Engineer to provide to the Recipient:
 - i. a certification of the reasonableness of the valuation of a Milestone in a form acceptable to Canada;
 - ii. a certification of Milestone Completion in a form substantially prescribed at Schedule D.3 (Declaration of Milestone Completion).
- b) The Recipient will submit to Canada the certification of the reasonableness of the valuation of Milestones in a form acceptable to Canada.

- c) The Recipient agrees that Canada has no obligation to make payments under this Agreement unless and until Canada receives and accepts the certification of the reasonableness of the valuation of Milestones in a form acceptable to Canada.

3.8 GUIDELINES

The Recipient will complete the Project, or cause the Project to be completed, in accordance with the Canadian Highway Bridge Design Code (CHDBC), the Transportation Association of Canada Highway Geometric Design Guidelines, and any other standards or regulatory requirements applicable to the design of bridges, roadways, and auxiliary works in the Yukon.

4. RECIPIENT REPRESENTATIONS AND WARRANTIES

The Recipient represents and warrants to Canada that:

- a) the Recipient has the capacity and authority to carry out the Project;
- b) the Recipient has the requisite power to own the Assets;
- c) this Agreement constitutes a legally binding obligation of the Recipient, enforceable against it in accordance with its terms and conditions;
- d) all information submitted to Canada as set out in this Agreement is true, accurate, and was prepared in good faith to the best of its ability, skill, and judgment;
- e) the Recipient has not made a payment to any individual required to be registered under the federal *Lobbying Act* or to any legal entity with which that individual is engaged in doing business, 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 the contribution under this Agreement by or on behalf of His Majesty in right of Canada;
- f) there are no actions, suits, investigations or other proceedings pending or, to the knowledge of the Recipient, threatened and there is no order, judgment or decree of any court or governmental agency which could materially and adversely affect the Recipient's ability to carry out the activities contemplated by this Agreement. The Recipient will inform Canada immediately if any such action or proceedings are threatened or brought during the term of this Agreement; and
- g) the Recipient is in compliance with all obligations and has performed all covenants that are required to be performed by it under the NBCF Agreement.

5. AGREEMENT MONITORING COMMITTEE

5.1 ESTABLISHMENT AND DISSOLUTION

- a) Within thirty (30) business days of the Effective Date, the Parties will establish a Committee of four (4) members, including one Federal Co-chair and other federal member, and one Recipient Co-chair and other Recipient member, to administer and monitor this Agreement.
- b) The Parties agree to notify the other of the appointment within the thirty (30) day period. Any change to the appointment will be communicated to the other Party in writing.
- c) The Committee will exist until both Parties agree in writing that the Committee is no longer needed and that the Committee may be dissolved.
- d) A Party, with the consent of the other Party, may invite a representative of the core delivery team, support team, or departmental subject matter experts to attend the Committee meetings as an observer. For greater certainty, in the case of Canada, its observer representative may be an employee from the department of Intergovernmental Affairs, Infrastructure and Communities, and in the case of the Recipient, its observer representative may be an employee from the department of Highways and Public Works.

5.2 MANDATE

The Committee will:

- a) monitor the progress of the Project;
- b) act as a forum to resolve potential issues and address concerns regarding the implementation of the Agreement;
- c) monitor compliance with the terms and conditions of this Agreement;

- d) review the reports set out in Schedule C (Reporting Requirements);
- e) review and amend the information in Schedule B (The Project) for changes that are insignificant;
- f) attend to any other function required by this Agreement or as mutually agreed to by the Parties;
- g) review and amend Schedule F (Declaration of Substantial Completion) to ensure that the list of required documents included therein is appropriate;
- h) establish sub-committees, as needed, for carrying out this Agreement.

5.3 MEETINGS, RECOMMENDATIONS AND DECISIONS

- a) The Committee may meet as often as necessary but must meet at least once a year.
- b) All recommendations and decisions of the Committee must be unanimous and recorded in writing.
- c) If the Committee cannot arrive at a unanimous decision or recommendation, the Committee will refer the matter to the Parties for resolution.

6. CONTRACT PROCEDURES

6.1 AWARDING OF CONTRACTS

- a) The Recipient will ensure that Contracts are awarded in a way that is transparent, competitive, 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 the Recipient has awarded a Contract in a manner that is not in compliance with the foregoing, upon notification to the Recipient, Canada may consider the expenditures associated with the Contract to be ineligible.

6.2 CONTRACT PROVISIONS

The Recipient will ensure that all Contracts are consistent with, and incorporate, the relevant provisions of this Agreement. More specifically but without limiting the generality of the foregoing, the Recipient agrees to include terms and conditions in all Contracts to ensure that:

- a) the Third Party will keep proper and accurate financial accounts and records, including but not limited to its contracts, invoices, statements, receipts, and vouchers, in respect of the Project for at least six (6) years after the Agreement End Date and that the Recipient has the contractual right to audit them;
- b) all applicable labour, environmental, and human rights legislation are respected; and
- c) Canada and its designated representatives, to the extent permitted by law, will at all times be permitted to inspect the terms and conditions of the Contract and any records and accounts respecting the Project and will have free access to the Project sites and to any documentation relevant for the purpose of audit.

7. ENVIRONMENTAL AND IMPACT ASSESSMENT

7.1 REQUIREMENTS UNDER APPLICABLE ENVIRONMENTAL OR IMPACT ASSESSMENT LEGISLATION

- a) The Recipient agrees that no construction, physical activity or site preparation may be carried out in relation to the Project, and no funds or additional funds for any Eligible Expenditure for the Project will be payable by Canada to the Recipient, unless and until the requirements under the applicable federal environmental or impact assessment legislation are met and continue to be met.
- b) Canada may consent in writing that the construction, physical activity or site preparation be carried out for the portion of the Project not subject to federal environmental or impact assessment and funds or additional funds for any Eligible Expenditure will be payable by Canada for the portion of the Project not subject to federal environmental or impact assessment.

7.2 COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS

The Recipient will comply with, to the satisfaction of Canada and at the Recipient's own expense, any conditions related to the Project referred to in paragraph 7.1 (Requirements

Under Applicable Environmental or Impact Assessment Legislation) and will ensure access to Project sites, facilities, and documentation in accordance with paragraph 11.6 (Access).

7.3 CHANGES TO PROJECT OR OTHERWISE

- a) If, as a result of changes to the Project or otherwise, Canada is of the opinion that requirements under the applicable federal environmental or impact assessment legislation are required for the Project, the Recipient agrees that construction of the Project or any other physical activity that is carried out in relation to the Project, including site preparation, will not be undertaken or will be suspended and no funds or additional funds for any Eligible Expenditure for the Project will become or will be payable by Canada to the Recipient unless and until those requirements are met and continue to be met.
- b) Canada may consent in writing that the construction, physical activity or site preparation be carried out for the portion of the Project not subject to federal environmental or impact assessment and funds or additional funds for any Eligible Expenditure will be payable by Canada for the portion of the Project not subject to federal environmental or impact assessment.

8. INDIGENOUS CONSULTATION

The Recipient agrees that:

- a) it will consult with Indigenous groups that might be affected by the Project, explain the Project to them, including Canada's role, and will provide a report to Canada, which will include:
 - i. a list of all Indigenous groups contacted;
 - ii. a summary of all communications to date with the Indigenous groups, indicating which groups support or object to the Project, and whether their positions are final, preliminary, or conditional in nature;
 - iii. a summary of any issues or concerns that the Indigenous groups have raised and an indication of how the Recipient has addressed or proposes to address those issues or concerns; and
 - iv. any other information Canada may deem appropriate.
- b) no construction of the Project will occur and Canada has no obligation to reimburse Eligible Expenditures until Canada is satisfied that any legal duty to consult with, and where appropriate, to accommodate Indigenous groups have been met and continue to be met;
- c) the Recipient must inform Canada promptly of any changes to the Project or otherwise, that may affect Canada's legal duty to consult for this Project; and
- d) if, as a result of changes to the Project or otherwise, Canada determines that further consultation is required, the Recipient will work with Canada to ensure that the legal duty to consult, and where appropriate, to accommodate Indigenous groups, have been met and continue to be met to Canada's satisfaction.

9. CLAIMS AND PAYMENTS

9.1 PAYMENT CONDITIONS

- a) Canada will not pay interest for failing to make a payment under this Agreement.
- b) Canada may delay making a payment to the Recipient in any given Fiscal Year until a sufficient appropriation has been provided by Parliament of Canada.
- c) Canada will not pay any claims submitted after the Final Claim Date, unless otherwise accepted by Canada.
- d) Canada will not pay any claims until the requirements under Section 7 (Environmental and Impact Assessment) and Section 8 (Indigenous Consultation), if applicable, are, in Canada's opinion, satisfied to the extent possible at the date the claim is submitted to Canada.
- e) Canada will not pay any claims until the requirements under Schedule C (Reporting Requirements) are, in Canada's opinion, satisfied to the extent possible at the time the claim is submitted to Canada.

9.2 MILESTONE CLAIMS

- a) The Recipient will submit Milestone claims to Canada following completion of a Milestone in the System covering the Recipient's Eligible Expenditures in a form acceptable to Canada. Each Milestone claim must include the following:
 - i. a request for payment;
 - ii. a description of the Milestone claimed;
 - iii. Declaration of Milestone Completion by a Project Engineer in a form substantially prescribed in Schedule D.3 (Declaration of Milestone Completion);
 - iv. a certification by the Recipient Co-chair in the form set out in the System and Schedule D.1 (Certificate of Compliance for Milestone Claim) stating that the information submitted in support of the claim is accurate;
 - v. a breakdown of Eligible Expenditures claimed, in accordance with Schedule B.2 (Project Milestones and Cashflow) and a listing of invoices or supporting documentation for Eligible Expenditures being claimed, in the form set out by Canada;
 - vi. any reporting due in accordance with Schedule C (Reporting Requirements); and
 - vii. upon request by Canada, any documentation in support of Eligible Expenditures claimed.
- b) Canada will make a payment upon review and acceptance of a progress claim, subject to the terms and conditions of the Agreement.

9.3 FINAL MILESTONE CLAIM AND FINAL ADJUSTMENTS

- a) The Recipient will submit a final Milestone claim to Canada in the System by the Final Claim Date covering the Recipient's Eligible Expenditures in a form acceptable to Canada. The final claim must include the following:
 - i. a request for payment;
 - ii. a description of the Milestone claimed;
 - iii. Declaration of Milestone Completion by a Project Engineer in a form substantially prescribed in Schedule D.3 (Declaration of Milestone Completion);
 - iv. a certification by the Recipient Co-chair in the form set out in Schedule D.2 (Certificate of Compliance for Final Milestone Claim) stating that the information submitted in support of the claim is accurate;
 - v. a breakdown of Eligible Expenditures claimed in accordance with Schedule B.2 (Project Milestones and Cashflow) and a listing of invoices or supporting documentation for Eligible Expenditures being claimed, in the form set out by Canada;
 - vi. confirmation of the Total Financial Assistance in accordance with Section 3.2 c) (Commitments by the Recipient) in the form set out in Schedule D.2 (Certificate of Compliance for Final Milestone Claim);
 - vii. any reporting due in accordance with Schedule C (Reporting Requirements);
 - viii. a completed Declaration of Substantial Completion in accordance with Section 9.5 (Declaration of Substantial Completion);
 - ix. upon request by Canada, any of the documents referenced in Schedule F (Declaration of Substantial Completion); and
 - x. upon request by Canada, any documentation in support of Eligible Expenditures claimed.
- b) Upon receipt of the final Milestone claim, but before issuing the final payment, the Parties will jointly carry out a final reconciliation of all claims and payments in respect of the Project and make any adjustments required in the circumstances.

9.4 WITHHOLDING OF CONTRIBUTION

Canada may withhold up to ten percent (10%) of its contribution towards Eligible Expenditures claimed under the Agreement. A portion of the amount withheld by Canada may be released at Canada's discretion on or after the Substantial Completion Date. Any remaining amount withheld by Canada will be released when the final adjustments have been completed under Section 9.3 (Final Milestone Claim and Final Adjustments) and the Recipient fulfills all its obligations under this Agreement.

9.5 DECLARATION OF SUBSTANTIAL COMPLETION

- a) Prior to executing the Declaration of Substantial Completion, the Recipient will request confirmation in writing from Canada as to whether the Declaration of Substantial Completion lists all relevant documents.
- b) The Declaration of Substantial Completion must be signed by an authorized official of the Recipient as deemed acceptable by Canada, and it must list all relevant documents as determined by Canada.

9.6 THE SYSTEM

The Parties will use the System to process claims and payments, monitor progress, and adjust and amend Schedule B (The Project) under this Agreement. The System will be available to the Recipient in both official languages.

10. REPORTING

Any Project and performance reporting requirements will be undertaken and completed in accordance with Schedule C (Reporting Requirements).

11. AUDIT, EVALUATION AND MONITORING FOR COMPLIANCE

11.1 RECIPIENT AUDIT

Canada may, at its discretion, conduct a Recipient audit related to this Agreement during the term of this Agreement and up to two years after the Agreement End Date, in accordance with the Canadian Auditing Standards and Section 18.3 (Accounting Principles).

11.2 [INTENTIONALLY OMITTED]

11.3 EVALUATION

The Recipient agrees to cooperate with Canada in the conduct of any evaluation of the Program during or after the term of this Agreement.

11.4 CORRECTIVE ACTION

The Recipient agrees to ensure that prompt and timely corrective action is taken in response of any audit findings and recommendations conducted in accordance with this Agreement.

11.5 RECORD KEEPING

The Recipient will keep proper and accurate financial accounts and records, including but not limited to its Contracts, invoices, statements, receipts, and vouchers, in respect of the Project, for at least six (6) years after the Agreement End Date.

11.6 ACCESS

The Recipient will provide Canada and its designated representatives with reasonable and timely access, at no cost, to the Project sites, facilities, and any documentation for the purposes of audit, evaluation, inspection and monitoring compliance with this Agreement.

12. COMMUNICATIONS

12.1 COMMUNICATIONS PROTOCOL

The Parties will comply with Schedule E (Communications Protocol).

12.2 RECOGNITION OF CANADA'S CONTRIBUTION

The Recipient will acknowledge Canada's contribution in all signage and public communication produced as part of the Project or Agreement, in a manner acceptable to Canada, unless Canada communicates in writing to the Recipient that this acknowledgement is not required.

12.3 PUBLIC INFORMATION

The Recipient acknowledges that the following may be made publicly available by Canada:

- a) its name, the amount awarded by Canada, and the general nature of the Project; and
- b) any evaluation or audit report and other reviews related to this Agreement.

12.4 OFFICIAL LANGUAGES

- a) The Recipient will ensure that basic information on the Project is developed and is available in both official languages.
- b) The Recipient will communicate in such a manner as to address the needs of both official languages communities.

13. INTELLECTUAL PROPERTY

- a) All intellectual property that arises in the course of the Project will vest in the Recipient.
- b) The Recipient will obtain the necessary authorizations, as needed, for the implementation of the Project, from third parties who may own the intellectual property rights or other rights in respect of the Project. Canada will assume no liability in respect of claims from any third party in relation to such rights and to the Agreement.

14. DISPUTE RESOLUTION

- a) The Parties will keep each other informed of any issue that could be contentious by exchanging information and will, in good faith and reasonably, attempt to resolve potential disputes.
- b) If a contentious issue arises, the Co-chairs will examine it together and will, in good faith and reasonably, attempt to resolve potential disputes within the Committee as soon as possible and in any event within twenty (20) business days within receipt of notice of such contentious issue. Where the 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.
- c) Where the Parties cannot agree on a resolution, the Parties may explore any alternative dispute resolution mechanisms available to them to resolve the issue.
- d) Any payments related to the issue in dispute will be suspended, 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.

15. DEFAULT

15.1 EVENTS OF DEFAULT

The following events constitute Events of Default under this Agreement:

- a) the Recipient has not complied with one or more of the terms and conditions of this Agreement;
- b) the Recipient has not completed the Project in accordance with the terms and conditions of this Agreement;
- c) the Recipient has submitted false or misleading information to Canada or made a false or misleading representation in respect of the Project or in this Agreement, except for an error in good faith, demonstration of which is incumbent on the Recipient, to Canada's satisfaction;
- d) the Recipient has neglected or failed to pay Canada any amount due in accordance with this Agreement.

15.2 DECLARATION OF DEFAULT

Canada may declare a default if:

- a) In Canada's opinion, one or more of the Events of Default occurs;
- b) Canada gave notice to the Recipient of the event which constitutes an Event of Default; and
- c) the Recipient has failed, within thirty (30) business days of receipt of the notice from Canada, either to remedy the Event of Default or to notify Canada and demonstrate, to the satisfaction of Canada, that it has taken such steps as are necessary to remedy the Event of Default.

15.3 REMEDIES ON DEFAULT

In the event that Canada declares a default under Section 15.2 (Declaration of Default), Canada may exercise one or more of the following remedies, without limiting any remedy available to it at law:

- a) suspend any obligation by Canada to contribute or continue to contribute funding to the Project, including any obligation to pay an amount owing prior to the date of such suspension;
- b) terminate any obligation of Canada to contribute or continue to contribute funding to the Project, including any obligation to pay any amount owing prior to the date of such termination;
- c) require the Recipient to reimburse Canada all or part of the contribution paid by Canada to the Recipient;
- d) terminate the Agreement.

16. LIMITATION OF LIABILITY AND INDEMNIFICATION

16.1 DEFINITION OF PERSON

In this section, "Person" includes, without limitation, a person, the Recipient, a Third Party, a corporation, or any other legal entity, and their officers, servants, employees or agents.

16.2 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 the Project.

16.3 INDEMNIFICATION

The Recipient 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 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.

17. ASSETS

- a) Assets acquired, purchased, constructed, rehabilitated or improved, in whole or in part, through the course of the Project will be the responsibility and remain the property of the Recipient.
- b) The Recipient will ensure that any Asset will be preserved, maintained, and used for the purposes of the Project, and that no Asset will be sold, leased, encumbered or otherwise disposed of, directly or indirectly, during the Asset Disposal Period, unless the Recipient notifies Canada in advance and in writing, and Canada consents to such Asset disposal.
- c) Upon alternate use or disposal of any Asset, which includes selling, leasing and encumbering, or otherwise disposing of, directly or indirectly, during the Asset Disposal Period, the Recipient will reimburse Canada, at Canada's discretion, all or part of the contribution paid under this Agreement by Canada to the Recipient.

18. GENERAL

18.1 PUBLIC BENEFIT

The Parties acknowledge that their contributions to the Project are meant to accrue to the public benefit.

18.2 SURVIVAL

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

18.3 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 generally accepted accounting practices and principles in effect in Canada as defined in the Chartered Professional Accountants (CPA) Canada Handbook - Accounting or, where applicable, the CPA Canada Public Sector Accounting Handbook.

18.4 DEBTS DUE TO THE FEDERAL CROWN

Any amount owed to Canada under this Agreement by the Recipient will constitute a debt due to the federal Crown, which the Recipient will reimburse in a manner agreed to between the Parties.

18.5 INTEREST ON DEBTS DUE TO THE FEDERAL CROWN

Debts due to the federal Crown by the Recipient will not accrue interest in accordance with the federal *Interest and Administrative Charges Regulations*.

18.6 SET-OFF BY CANADA

Any debt due to the federal Crown by the Recipient may be set-off against any amounts payable by Canada to the Recipient under this Agreement.

18.7 MEMBERS OF THE HOUSE OF COMMONS AND SENATE

No member of the House of Commons or the Senate of Canada will be admitted to any share or part of this Agreement, or to any benefit arising from it that is not otherwise available to the public. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

18.8 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. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

18.9 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 the Recipient or between Canada and a Third Party.

- b) The Recipient will not represent itself, including in any agreement with a Third Party, as a partner, employee or agent of Canada.

18.10 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. The Recipient will take the necessary action to ensure that any Contract between the Recipient and any Third Party contains a provision to that effect.

18.11 ASSIGNMENT

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

18.12 COUNTERPART SIGNATURE

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (including by electronic signature, facsimile or other means of electronic transmission, such as by electronic mail in "PDF" form), with the same effect as if all Parties had signed and delivered the same document, and all counterparts shall together constitute one and the same original document.

18.13 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.

18.14 AMENDMENTS

This Agreement, including its schedules, can only be amended in writing by the Parties. Notwithstanding, insignificant changes made to Schedule B (The Project) in accordance with Section 3.5 (Changes During the Life of the Project) may be done through the System.

18.15 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.

18.16 NOTICE

- a) Any notice, information or required documentation provided for under this Agreement must be delivered in person or sent by mail, email, messenger or facsimile to the identified representatives of the Parties at the following coordinates, unless otherwise specified by Canada:

Canada:

Director, Transportation and Infrastructure Programs

Transport Canada

330 Sparks Street, Place de Ville – Tower C, 19th Floor

Ottawa, ON K1A 0N5

TC.NTCF-FNCC.TC@tc.gc.ca

Recipient:

Director, Transportation Engineering Branch

Government of Yukon

Box 2703 (W-13)

Whitehorse, YT Y1A 3A4

- b) Such notice will be deemed to have been received:
- i. in person, when delivered;
 - ii. if sent by mail, email or facsimile, when receipt is acknowledged by the other Party;
 - iii. if sent by messenger or registered mail, when the receiving Party has signed the acknowledgment of reception.
- c) If a Party changes its representative or the coordinates for that representative, it will advise the other Party as soon as possible.

18.17 COMPLIANCE WITH LAWS

The Recipient will comply with all applicable laws and regulations and all requirements of regulatory bodies having jurisdiction over the subject matter of the Project.

18.18 GOVERNING LAW

This Agreement is governed by, and is to be interpreted in accordance with, the applicable federal laws and the laws in force in Yukon. The Parties attorn to the jurisdiction of the Courts of Yukon and all courts competent to hear appeals from the Courts of Yukon.

18.19 SUCCESSORS AND ASSIGNS

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

19. SIGNATURES

This Agreement has been executed on behalf of His Majesty the King in right of Canada by the Minister of Transport and on behalf of the Government of Yukon by the Minister of Highways and Public Works.

HIS MAJESTY THE KING IN RIGHT OF
CANADA

THE GOVERNMENT OF YUKON

Per: Stephanie Hébert
Assistant Deputy Minister, Programs
Transport Canada



Per: Nils Clarke
Minister of Highways and Public Works

Date

5/9/23
Date

SCHEDULE A – ELIGIBLE AND INELIGIBLE EXPENDITURES

SCHEDULE A.1: ELIGIBLE EXPENDITURES

Eligible Expenditures must:

- be reasonable and directly related to the Project, as determined by Canada;
- be incurred between the Effective Date and the Final Claim Date; and
- consist of the following categories of expenditures:
 - a. Staff salaries and benefits (such as wages; employer's portion of: Employment Insurance, Canada Pension Plan/Quebec Pension Plan, and disability insurance; private insurance; and benefits paid to staff working on the project/activities) where the recipient can demonstrate value for money
 - b. Professional fees for contracted services
 - c. Expenditures related to preparation (e.g., site preparation), construction, rehabilitation and improvement of assets
 - d. Purchase or lease of technologies, equipment, software, data and systems
 - e. Licenses and permits
 - f. Expenditures related to public outreach and Indigenous engagement, dissemination of information, communications materials and other associated costs
 - g. Travel expenditures (including the cost of accommodations, vehicle rental and kilometric rates, bus, train, airplane or taxi fares, allowances for meals and incidentals in accordance with established policies and directives)
 - h. Administrative expenditures (including expenditures for general administration, rent, insurance, and office equipment rental)
 - i. Rental of meeting rooms and audio/video equipment
 - j. Hospitality, in accordance with federal government policies and directives
 - k. Honoraria payments for Indigenous persons
 - l. Expenditures related to telecommunication, data analysis, and data validation services
 - m. Training costs related to new technologies, equipment, software and systems
 - n. For projects administered as public-private partnerships (P3), expenditures for the development of a P3 business case, and other costs related to the delivery of a project through a P3
 - o. Costs of engineering and environmental reviews, including environmental assessments, follow-up programs, and the cost of remedial activities, mitigation measures and follow-up identified in any environmental assessment
 - p. Costs of environmental consultations
 - q. Expenditures for Indigenous consultations, specifically project-related consultation activities pursuant to the Crown's legal duty to consult
- For capital infrastructure projects, Transport Canada will contribute no more than 15% of its total contribution to expenditures encompassed under sub-paragraphs b, f, g, h, i, j, o, p, and q.
- Unless otherwise accepted by Canada, accommodation, travel and per diem expenses as set out in the Travel Directive of the National Joint Council.
- Expenditures related to hospitality are eligible but must form part of the recipient's share of the total eligible expenditures for the Project.

Eligible Expenditures can be cash-equivalent expenditures associated with In-Kind Contributions. These expenditures may be reimbursed so long as the following three criteria are met:

- 1) The associated costs are deemed as Eligible Expenditures and have been approved by Canada;
- 2) The associated costs are not a donation received from a third party; and
- 3) The associated costs are related to goods, services or other support that would otherwise be purchased and paid for by the Recipient as essential for the Project.

In-Kind Contributions received from a third party are considered donations and may form part of the total Eligible Expenditures of the Project, but are not reimbursable.

SCHEDULE A.2: INELIGIBLE EXPENDITURES

Certain expenditures are not eligible for funding and therefore will not be considered in the calculation of the total eligible expenditures of the Project, including:

- a. costs incurred before the Project Approval Date and after the Final Claim Date
- b. expenditures related to purchasing land, buildings and associated real estate and other fees, financing charges and interest payments on loans
- c. expenditures related to leasing land, buildings, and other facilities except for equipment directly relating to the construction of the project
- d. legal fees
- e. expenditures related to developing a business case or proposal for funding
- f. expenditures for provincial sales tax and Goods and Services Tax, or the Harmonized Sales Tax, where applicable, for which the recipient is eligible for a rebate, and any other costs eligible for rebates
- g. general repairs and maintenance of a project work and related structures, unless they are part of a larger capital expansion project
- h. services or works normally provided by the applicant (e.g., employee wages, benefits, overhead costs or any other direct or indirect operating, maintenance or administrative costs) incurred in the course of implementation of the project except those specified as eligible costs

SCHEDULE B – THE PROJECT

SCHEDULE B.1: PROJECT DESCRIPTION

Project Description:

The 67-year-old Nisutlin Bay Bridge is the longest bridge in Yukon with a span of 585m across the Nisutlin Bay. Located at KM 1242.7 along the Alaska Highway in the Village of Teslin, within the Traditional Territory of Teslin Tlingit Council. The bridge is critical to supplying the North, including communities in Yukon, northern British Columbia, the Northwest Territories, and Alaska. The bridge forms part of the Watson Lake/Stewart-Cassiar gateway into Yukon, the main point of entry for inbound highway freight to Yukon originating in southern Canada and the U.S., and is the main gateway for through freight destined for Interior Alaska or Inuvik and surrounding communities in Northwest Territories (NWT) via the Dempster Highway.

The Project involves the replacement of the Nisutlin Bay Bridge as it nears the end of its 75-year service life, and will prevent impending weight and service restrictions that would obstruct the fluidity of Canadian trade on an inter-provincial trade corridor. The new bridge will have increased resiliency to climate change, increased capacity for traffic, improved safety for pedestrians and cyclists, and is an earthquake proof design.

The Project will be partially funded by Infrastructure Canada (INFC) under NBCF-PTIC-SCF in the amount of \$41.25 million for the:

- Preconstruction Stage: Including planning, design engineering, geotechnical investigations, environmental permitting and assessment, public engagement and First Nations consultations; and
- Construction Stage 1: Including mobilization, camp setup, utility works and construction of temporary structure (trestle bridge, production of granular materials, cofferdams and road approaches).

The Project will be partially funded by Transport Canada (TC) under NTCF in the amount of \$52.5 million for the:

- Construction Stages 2 and 3: Including production of granular materials, civil works for the new bridge substructure (piles, piers, abutments, bearings) and superstructure (girders, deck, sidewalk), causeway construction, highway approaches and fish habitat construction.

The total combined federal contribution toward the Project is \$93.75 million or approximately 59% of total eligible project expenditures.

Objective(s):

Support the fluidity of Canadian trade by alleviating capacity constraints and bottlenecks, and strengthen modal interconnectivity and operability

The Alaska Highway connects to three major gateways that link Yukon to external markets: Watson Lake/Stewart-Cassiar gateway for truck transport, Inside Passage (Skagway) gateway for marine transport, and Interior Alaska (Beaver Creek) gateway for truck transport. The Nisutlin Bay Bridge forms part of the Watson Lake/Stewart Cassiar gateway into Yukon. The vast majority of Yukon's interprovincial trade (\$1,729.2 million in 2018) and a portion of the international (\$838.7 million in 2018) that originates from the U.S. relies on truck transport via the Watson Lake/Stewart-Cassiar gateway, which is vital for Yukon's mining industry. The total volume of goods transported in 2021-22 via the Nisutlin Bay Bridge was approximately 780,600 tonnes, and included household goods, dangerous goods (i.e. bulk fuel), machinery/equipment, construction materials, and vehicles as the primary material classifications.

A 2016 study of the economic value of the Alaska Highway identified reduced salaries and wages of \$30.8 million, reduced GDP of \$63.6 million, and a decrease of 890 annualized jobs (full-time equivalents) as impacts that would occur if this highway did not exist or was unnavigable. Replacement of the Nisutlin Bay Bridge is necessary to prevent impending weight restrictions that would severely impact supply truck transport efficiency and capacity, and to maintain the viability of the Alaska Highway as the Territorial North's primary trade and supply chain route.

Increase the resilience of the Canadian transportation system to a changing climate and its adaptability to new technologies and future innovation

In June of 2021, the village of Teslin was placed under a flood advisory as water levels rose to the 50-year return level, and climate change models have shown that precipitation levels can be expected to increase in the region. The following design considerations have been made for the Nisutlin Bay Bridge replacement to increase resiliency to climate change: Q200 design flood elevation will be utilized with 1.94-meter freeboard to accommodate additional flow; bridge scour and riprap will be designed to mitigate any future additional erosive force; 350AT structural steel will be utilized to increase resistance to atmospheric corrosion; and deck drainage will be designed to accommodate additional runoff.

Furthermore, replacement of the Nisutlin Bay Bridge will improve resiliency of the overall trade corridor to climate change by preventing bridge weight restrictions and subsequent detours of up to 345 additional kilometers along the Robert Campbell and Klondike Highways which are prone to unpredictable washout closures during periods of spring thaw and high precipitation due to narrow segments with soft shoulders and suboptimal geometry.

Address the transportation needs of Northern communities, including safety and economic development

A January 2022 report issued by WSP consulting engineers stated that the floor system was exposed to an aggressive environment, that stringers were found to be heavily corroded in many locations, and that new stringers were identified each year for repair or replacement to maintain safe passage of traffic over the bridge. To monitor bridge conditions, safety inspections have been carried out every six months since 2016 due to the corroding floor system and structural deficiencies. A minimum of \$500,000 worth of necessary repairs are completed each year. Replacement of the Nisutlin Bay Bridge, which is nearing the end of its 75-year service life, will ensure public safety and continuity of service.

Additionally, the Project will provide economic opportunities for Yukoners and the Teslin Tlingit Council as part of construction activities. The contractor, Graham Infrastructure LP, has made significant efforts to engage Yukon-based First Nation contractors, allocating \$76.5 million in the original bid package for the subcontracting of Yukon First Nations businesses over a four-year period beginning in 2022-23.

Activities:

Activities Funded by INFC under NBCF-PTIC-SCE:

- Preconstruction Stage: Includes contractor mobilization and site setup, fabrication and delivery of materials, pit development, traffic control and submittal reviews.
- Construction Stage 1: Includes all early earthworks prior to the one-year settlement period, creation of fish habitat, cofferdams, south shore trestle bridge substructure construction, and early utility works.

Activities Funded by TC under NTCF:

- Construction Stage 2:
 - Milestone #1 – Completion of south shore construction (trestle and cofferdams). South shore trestle bridge superstructure construction for spans 1 to 5 and finger joint 1. Installation of cofferdams from south trestle access for new bridge piers 1 to 3 including walers and frame, cofferdam sheet piles, fish salvage and ongoing dewatering of cofferdams.
 - Milestone #2 – South shore new substructure (piling, abutments and piers). Installation of piles and concrete work for piers 1 and 2 and south abutment.
 - Milestone #3 – Late earthworks (north and south shores). Includes all earthworks following the one-year settlement period. Activities include removing preloading material, installing geotextile, placing rip rap, trenching, and backfilling.
- Construction Stage 3:
 - Milestone #4 – North shore construction (trestle and cofferdams). North shore trestle bridge construction including driving piles and erecting trestle for spans 6 to 9 and finger joint 2. Installation of cofferdams from north trestle access for new bridge piers 4 to 6 including walers and frame, cofferdam sheet piles, fish salvage and ongoing dewatering of cofferdams.
 - Milestone #5 – North shore new substructure (piling, abutments and piers). Installation of piles and concrete work for piers 3 to 6 and north abutment.

Activities Funded by Recipient:

- **Construction Stage 4:**
 - **Bridge Construction Completion:** Complete all remaining construction of new bridge.
 - **Roadwork Completion:** Complete all remaining construction of roadworks connecting to new bridge.
 - **Project Completion:** Removal of temporary structure, demolition of old bridge, demobilization, site take down and contract end.

Project Outcomes:

In order to illustrate how the Project will contribute to supporting the fluidity of Canadian trade by alleviating capacity constraints and bottlenecks, and strengthen modal interconnectivity and operability; increasing the resilience of the Canadian transportation system to a changing climate and its adaptability to new technologies and future innovation; and addressing the transportation needs of Northern communities, including safety and economic development the Recipient will collect performance data and report on the following performance indicators that the Project will contribute to:

- Jobs created directly (collected annually in number of jobs)
- Jobs created indirectly (collected annually in number of jobs)
- Average daily traffic volumes (collected annually in number of passenger vehicles, large vehicles, and trucks (3 or more axles, 1 or more trailers))
- Average daily pedestrian and cyclist traffic (collected annually in number of pedestrians and cyclists)
- Increase in freight throughput capacity (collected annually in Metric Tonnes (MT))
- Increase in freeboard above high-water surface elevation (collected annually in meters)
- Increased useful life of asset (in years)

This data is collected only for the purpose of performance measurement and reporting to Canadians.

SCHEDULE B.2: PROJECT MILESTONES AND CASHFLOW

Name of Milestone	Description of Milestone (Main technical and financial stages, location, construction methods, etc.)	Estimated Total Project Expenditures	Estimated Total Eligible Project Expenditures	Estimated Contribution by Canada	Estimated Contribution to Eligible Expenditures per Party, per Fiscal Year				
					Contributor	2022-23	2023-24	2024-25	2025-26
Preconstruction Stage & Construction Stage 1	Preconstruction stage includes contractor mobilization and site setup, fabrication and delivery of materials, pit development, traffic control and submittal reviews.	\$ 41,250,000	\$ 41,250,000	\$ 0	Canada			75(1)(a)(ii)	
	Construction Stage 1 includes all early earthworks prior to the one-year settlement period, creation of fish habitat, cofferdams, south shore trestle bridge substructure construction, and early utility works.				Recipient	\$ 35,403,000	\$ 5,847,000		
Milestone #1 (Construction Stage 2) – Completion of South Shore Construction (Trestle and Cofferdams)	South shore trestle bridge superstructure construction for spans 1 to 5 and finger joint 1. Installation of cofferdams from south trestle access for new bridge piers 1 to 3 including walers and frame, cofferdam sheet piles, fish salvage and ongoing dewatering of cofferdams.	\$ 20,000,000	\$ 20,000,000	\$ 15,000,000	Canada		\$ 15,000,000		
					Recipient		\$ 5,000,000		
Milestone #2 (Construction Stage 2) – Completion of South Shore New Substructure (Piling, Abutments, and Piers)	Installation of piles and concrete work for piers 1 and 2 and south abutment.	\$ 19,000,000	\$ 19,000,000	\$ 14,250,000	Canada		\$ 14,250,000		
					Recipient		\$ 4,750,000		
Milestone #3 (Construction Stage 2) – Completion of Late Earthworks (North and South Shores)	Includes all earthworks following the one-year settlement period. Activities include removing preloading material, installing geotextile, placing rip rap, trenching and backfilling.	\$ 5,000,000	\$ 5,000,000	\$ 3,750,000	Canada				
					Recipient				
Milestone #4 (Construction Stage 3) – Completion of North Shore Construction (Trestle and Cofferdams)	North shore trestle bridge construction including driving piles and erecting trestle for spans 6 to 9 and finger joint 2. Installation of cofferdams from north trestle access for new bridge piers 4 to 6 including walers and frame, cofferdam sheet piles, fish salvage and ongoing dewatering of cofferdams.	\$ 20,000,000	\$ 20,000,000	\$ 15,000,000	Canada		\$ 15,000,000		
					Recipient		\$ 5,000,000		

Name of Milestone	Description of Milestone (Main technical and financial stages, location, construction methods, etc.)	Estimated Total Project Expenditures	Estimated Total Eligible Project Expenditures	Estimated Contribution by Canada	Estimated Contribution to Eligible Expenditures per Party, per Fiscal Year 75(1)(a)(ii)		
					Contributor	2022-23	2023-24
Milestone #5 (Construction Stage 3) – Completion of North Shore New Substructure (Piling, Abutments, and Piers)	Installation of piles and concrete work for piers 3 to 6 and north abutment	\$ 6,000,000	\$ 6,000,000	\$ 4,500,000	Canada		\$ 4,500,000
					Recipient		\$1,500,000
Construction Stage 4 – Bridge, Roadwork & Project Completion	Complete all remaining construction of new bridge, complete all remaining construction of roadworks connecting to new bridge, removal of temporary structure, demolition of old bridge, demobilization, site take down and contract end.	\$ 48,710,512	\$48,710,512	\$ 0	Canada		
					Recipient	\$ 3,250,000	\$ 2,750,000
TOTAL		\$ 159,960,512	\$ 159,960,512	\$ 52,500,000	Canada		\$ 48,750,000
					Recipient	\$ 38,653,000	\$ 24,847,000

For greater certainty, Canada's total contribution cannot exceed the amount set out in Section 3.1 (Contribution by Canada).

SCHEDULE B.3: OTHER CONTRIBUTORS TO THE PROJECT

OTHER CONTRIBUTORS*	
Name of contributor	Amount to be contributed to the Project
Infrastructure Canada (INFC), 2014 New Building Canada Fund: Provincial-Territorial Infrastructure Component, Small Communities Fund (NBCF-PTIC-SCF)	\$ 41,250,000

*These amounts are included as part of the Recipient share in Schedule B.2 (Project Components and Cashflow).

SCHEDULE C – REPORTING REQUIREMENTS

SCHEDULE C.1: MILESTONE PROGRESS REPORT

The Recipient will submit a Milestone progress report on an annual basis, unless otherwise communicated by Canada. The Milestone progress report must include the following information:

- d) general description of the Project progress and major achievements to date;
- e) updated data on performance indicators listed in Schedule B.1 (Project Description) compared to the start of the Project. The Recipient will ensure that appropriate data collection processes are in place to enable the capture and reporting of the performance indicators used to measure the achievement of Project outcomes;
- f) overview about the status of environmental issues and monitoring requirements related to the Project, both expected and unexpected, and the conditions proposed to address these concerns;
- g) report on the implementation of mitigation measures, activities and follow-up measures that are required to be performed during the Project implementation as a result of Indigenous consultations;
- h) issues, areas of concern or risk factors that may affect completion, the schedule or the budget of the Project as per original plans and the proposed mitigation strategies to correct the situation; and
- i) highlights of communication activities of the Project during the reporting period.

SCHEDULE C.2: FINAL REPORT

The Recipient will submit a final report to Canada with the final claim. The final report will include:

- a) general description of the Project's major achievements, including any variations to the original activities and timelines;
- b) updated data on performance indicators listed in Schedule B.1 (Project Description) compared to the start of the Project. The Recipient will ensure that appropriate data collection processes are in place to enable the capture and reporting of the performance indicators used to measure the achievement of Project outcomes; and
- c) lessons learned about how issues were addressed or solutions were found.

SCHEDULE D – CERTIFICATE(S) OF COMPLIANCE FOR CLAIMS AND DECLARATION OF MILESTONE COMPLETION

SCHEDULE D.1: CERTIFICATE OF COMPLIANCE FOR MILESTONE CLAIM

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Transport, and [RECIPIENT] (the "Recipient"), represented by _____ (Name), concerning the [PROJECT NAME] Project (the "Agreement").

I, _____ (Name), of the City/Town of _____, Province/Territory of _____, declare as follows:

1. That I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2. I am duly authorized by the Recipient to give this Certificate under [RECIPIENT INSERTS THE COMPLETE REFERENCE TO THE BY LAW OR INTERNAL POLICY AUTHORITY THAT ALLOWS THEM TO PROVIDE THIS CERTIFICATION] dated [DATE].
3. I have read and understood the Agreement and the Milestone claim for the work identified as Milestone [_____] under the Agreement submitted by the Recipient thereunder dated the same date as this Certificate and have knowledge of the business and affairs of the Recipient and have made such examinations or investigations as are necessary to give this Certificate and to ensure that the information contained herein is true and accurate.
4. The expenditures claimed are Eligible Expenditures in accordance with the Agreement.
5. The Recipient, at the date of this Certificate, has performed all covenants under the Agreement that are required to be performed by it on or prior to that date.
6. All representations and warranties of the Recipient contained in the Agreement are true and accurate in all respects at the date of this Certificate as though such representations and warranties had been made at the date of this Certificate.

Dated, this _____ day of _____ 20____

Signature

SCHEDULE D.2: CERTIFICATE OF COMPLIANCE FOR FINAL MILESTONE CLAIM

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Transport, and [RECIPIENT] (the "Recipient"), represented by _____ (Name), concerning the [PROJECT NAME] Project (the "Agreement").

I, _____ (Name), of the City/Town of _____, Province/Territory of _____, declare as follows:

1. That I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2. I am duly authorized by the Recipient to give this Certificate under [RECIPIENT INSERTS THE COMPLETE REFERENCE TO THE BY LAW OR INTERNAL POLICY AUTHORITY THAT ALLOWS THEM TO PROVIDE THIS CERTIFICATION] dated [DATE].
3. I have read and understood the Agreement and the final Milestone claim for the work identified as Milestone [_____] under the Agreement submitted by the Recipient thereunder dated the same date as this Certificate and have knowledge of the business and affairs of the Recipient and have made such examinations or investigations as are necessary to give this Certificate and to ensure that the information contained herein is true and accurate.
4. The Recipient, at the date of this Certificate, has performed all covenants under the Agreement that are required to be performed by it on or prior to that date.
5. The expenditures claimed are Eligible Expenditures in accordance with the Agreement.
6. All representations and warranties of the Recipient contained in the Agreement are true and accurate in all respects at the date of this Certificate as though such representations and warranties had been made at the date of this Certificate.
7. The Project as defined in the Agreement has been completed.
- [If applicable, add:]*
 8. The Project, to the best of my knowledge and belief, conforms to the applicable federal environmental or impact assessment legislation.
- [If applicable, add:]*
 9. All applicable mitigation measures, accommodation measures and follow-up measures required to be performed during the Project implementation as a result of Indigenous consultations have been implemented.
10. The Total Financial Assistance received or due for the Project in accordance with Section 3.2 c) (Commitments by the Recipient) is as follows:
[INCLUDE ALL TOTAL FINANCIAL ASSISTANCE RECEIVED OR DUE]
11. This Certificate of Compliance does not preclude any rights of Canada to verify, audit or inspect as per the terms and conditions of the Agreement.
12. The Recipient is not entitled to payment of any amount under the Agreement, other than any amount requested by the Recipient in accordance with the Agreement on or prior to the date of this Certificate.

Dated, this _____ day of _____ 20____

Signature

SCHEDULE D.3: DECLARATION OF MILESTONE COMPLETION

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Transport, and [RECIPIENT] (the "Recipient"), represented by _____ (Name), concerning the [PROJECT NAME] Project (the "Agreement").

I, _____ (Name), of the City/Town of _____, Province/Territory of _____, declare as follows:

1. That I am a Project Engineer for the [PROJECT NAME] and as such have knowledge of the matters set forth in this declaration;
2. That the work identified under the [PROJECT NAME] as Milestone [_____] described in the Agreement has been completed as of the ____ day of ____ 20__, in accordance with Schedule B of this Agreement;
3. That the Milestone has not changed in scope, unless such a scope change has been approved in advance and in writing by the Committee;
4. That the Milestone has been completed as per the standards indicated in subsection 3.8 (Guidelines).

Dated, this ____ day of ____ 20__

Signature

SCHEDULE E – COMMUNICATIONS PROTOCOL

SCHEDULE E.1: PURPOSE

This Communications Protocol outlines the roles and responsibilities of each of the Parties to this Agreement with respect to communications activities related to the funded Project.

This Communications Protocol will guide all communications activity planning, development and implementation with a view to ensuring efficient, structured, continuous and coordinated communications to the Canadian public.

The provisions of this Communications Protocol apply to all communications activities related to any Program funding and the Project funded under this Agreement. Such communications activities may include, but are not limited to, public or media events, news releases, reports, web and social media products or postings, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, and multi-media products.

SCHEDULE E.2: GUIDING PRINCIPLES

The Parties recognize the importance of managing the delivery of coherent communications activities based on the principle of transparent and open discussion and collaboration.

Communications activities undertaken through this 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 the funded Project and its benefits from each Party.

The communication activities undertaken jointly by Canada and the Recipient should recognize the funding of all contributors to the Project.

SCHEDULE E.3: GOVERNANCE

At Canada's request, the Parties may form a communications subcommittee that will be responsible for preparing the Project's communications plan and overseeing its implementation.

SCHEDULE E.4: PROGRAM COMMUNICATIONS

Canada retains the right to meet its obligations to communicate information to Canadians about the Program and the use of funding through its own communications products and activities.

Canada and the Recipient may also include general program messaging and an overview of this Project as an example in their own communications products and activities. The Party undertaking these activities will recognize the funding of the Parties.

Canada and the Recipient agree that they will not unreasonably restrict the other Party or other funding contributors from using, for their own purposes, public communications products related to the Project that were prepared collectively or individually by the Parties, and if web-based, from linking to them.

SCHEDULE E.5: OPERATIONAL COMMUNICATIONS

The Recipient is solely responsible for operational communications with respect to the Project, including, but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official language policy.

Canada and the Recipient will share information promptly with the other Party should significant media inquiries be received or if major stakeholder issues relating to the Project arise.

SCHEDULE E.6: MEDIA EVENTS AND PROJECT ANNOUNCEMENTS

Media events include, but are not limited to, news conferences, public announcements, official events or ceremonies, social media messages and news releases.

The Parties agree to have regular media events about the funding and status of the Project. Key milestones may be marked by public events, news releases and/or other mechanisms.

Either of the Parties or other funding contributors may request a media event.

Media events related to the Project will not occur without the prior knowledge and agreement of both Parties.

The requestor of a media event will provide at least thirty (30) business days of notice to the other Party of their intention to undertake such an event. Both Parties will agree on the event location and date.

The Party undertaking these activities will provide the opportunity for the other Party to participate through a designated representative and will recognize the funding of all contributors. Canada and the Recipient will choose their own designated representative.

The conduct of all joint media events and products will follow the *Table of Precedence for Canada* as outlined on the [Canadian Heritage](#) website.

All joint communications material related to media events must be approved by Canada and recognize the funding of the Parties involved.

All joint communications material must reflect Canada's *Policy on Official Languages* and the Federal Identity Program.

SCHEDULE E.7: SIGNAGE

Canada, the Recipient and other funding contributors may each have a sign recognizing their funding contribution to the Project.

The Recipient may produce and install a Project sign to recognize federal funding at the Project site in accordance with current Federal Identity Program guidelines, in both official languages, specifying that the Project is financed by contributions from the Government of Canada and the Recipient, and must be reviewed and approved by Canada.

Where the Recipient decides to install a permanent plaque or other suitable marker with respect to the Project, it must recognize the federal contribution and be approved by Canada.

The Recipient agrees to inform Canada of federal sign installations.

Federal signage should be installed at the Project site(s) thirty (30) business days prior to the start of construction, be visible for the duration of the Project, and remain in place until thirty (30) business days after the Substantial Completion Date.

Signage should be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.

SCHEDULE E.8: COMMUNICATIONS COSTS

The eligibility of costs related to communication activities that provide public information on this Agreement will be subject to Schedule A (Eligible and Ineligible Expenditures) and must be agreed to in advance by Canada.

SCHEDULE E.9: DISPUTES, MONITORING AND COMPLIANCE

The Committee will monitor the Parties' compliance with this Schedule, and may, at its discretion, advise the Parties of issues and required adjustments. Should there be any disagreement or contentious issues, Section 14 (Dispute Resolution) of the Agreement will be followed.

SCHEDULE E.10: ADVERTISING CAMPAIGNS

Recognizing that advertising can be an effective means of communicating with the public, Canada and the Recipient may, at their own cost, organize an advertising or public information campaign related to the Program or the Project. However, such a campaign must respect the provisions of this Agreement. In the event of such a campaign, each Party agrees to inform the other Party of its intention, no less than thirty (30) business days prior to the campaign launch, the campaign must follow the guidelines of the Federal Identity Program and be approved by Canada.

SCHEDULE F – DECLARATION OF SUBSTANTIAL COMPLETION¹

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Transport, and [RECIPIENT] (the "Recipient"), represented by _____ (Name), concerning the [PROJECT NAME] Project (the "Agreement").

I, _____ (Name), of the City/Town of _____, Province/Territory of _____, declare as follows:

1. I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2.
 - a) I have received the following documents for the [PROJECT NAME] Project:
 - i. [LIST NAME OF RELEVANT DOCUMENT, e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] [INSERT if applicable "signed by _____ (Name), a _____ (Profession, e.g. professional engineer, professional architect or other applicable professional) for the Project."]
 - ii. ...
 - b) Based on the above documents and the representations made to me by the professionals identified in section 2(a) above, I declare to the best of my knowledge and belief that the Project has been substantially completed, in that it can be used for its intended use, as described in Schedule B.1 (Project Description), as defined in the Agreement, on the _____ day of the _____, 20__.

[Insert #3, if applicable:]

3. I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with the guidelines referenced in Section 3.7 (Guidelines) of the Agreement:
 - i. [LIST NAME OF RELEVANT DOCUMENT, e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] [INSERT if applicable "signed by _____ (Name), a _____ (Profession, e.g. professional engineer, professional architect or other applicable professional) for the Project."]
 - ii. ...

[Insert #4, if applicable:]

4. I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with, as applicable, the [LIST THE APPLICABLE ENVIRONMENTAL REVIEW OR ASSESSMENT e.g., the Canadian Environmental Assessment Act, 2012, Impact Assessment Act, or Northern Regime]:
 - i. [LIST NAME OF RELEVANT DOCUMENT] signed by _____ (Name), an _____

¹ Include known documents required under the program in in the space provided. Use a separate line for each document using the same text/approach as in subparagraph i of each section. Additional documents may be added to this schedule over the course of the agreement on concurrence of the Parties. As per Section 5 (Agreement Monitoring Committee), the AMC may review and recommend at any point over the duration of the Agreement that notice be provided to change this schedule. As per Section 9 (sub-section 9.3 or 9.5 depending on the circumstance) - Declaration of Substantial Completion - the Recipient is to request confirmation in writing from Canada as to whether the list of documents is complete prior to signing the Declaration and submitting it to Canada with the final claim.

(Profession, e.g. environmental consultant or other applicable professional).

ii. ...

5. All terms and conditions of the Agreement that are required to be met as of the date of this declaration have been met.

Declared at _____ (City/Town), in _____
(Province/Territory)

this _____ day of _____, 20____.

Signature

Information Note

Dawson River Crossing Statement in House of Commons

Highways and
Public Works

Issue:

- On February 14, 2024, the Prime Minister made reference to the construction of a new bridge over the Yukon River in Dawson City as part of the National Trade Corridors Fund in the House of Commons.

Proposed Response:

- While the construction of a new bridge in Dawson City was included in the original funding proposal, the \$52.5 million secured under this program was re-profiled to the Nisutlin Bay Bridge Replacement project in 2022.
- This scope change was approved by Federal Minister Alghabra in June, 2022 and formalized in updated agreements for the North Klondike Highway Reconstruction in May 2023 and for the Nisutlin Bay Bridge Replacement in September 2023.
- Yukon undertook community engagement in 2023 to better understand the needs of Dawson City residents related to the methods of a river crossing. Following this public meeting, a Yukon Bureau of Statistics survey was sent to Dawson residents. A What We Heard report outlining community interests was released to the public on January 12, 2024.
- Feedback on a crossing options are mixed and Yukon has not made an official decision on the type of river crossing that best fits the needs of the community.
- Yukon is appreciative of Canada's support in constructing critical infrastructure in the territory.

74(1)(a)

Information Note

Dawson River Crossing Statement in House of Commons

Highways and
Public Works

Background NTCF:

- Through the federal government's National Trade Corridors Fund, the Department of Highways and Public Works is upgrading critical sections of the North Klondike Highway over a 10-year period.
- In 2019, the governments of Yukon and Canada announced a total of \$157 million in funding over ten years to upgrade critical sections of the North Klondike Highway.
- In 2021, a further \$110 million in funding over seven years was announced to upgrade the North Klondike Highway between Carmacks and Stewart Crossing.
- This funding proposal included upgrades to additional sections of the North Klondike highway, a bridge in Dawson City, EV charging stations along the North Klondike Highway and Intelligent Transportation Systems.
- The total combined cost for the project is \$267 million. The National Trade Corridors Fund will contribute \$200 million and the Yukon government will contribute \$67 million.
- Since 2019, we have completed the reconstruction of approximately 57 kilometres total of the highway.
- Since 2019, the department has received approximately \$69.5 million in federal recoveries for the NTCF North Klondike Highway Reconstruction project
- A scope change request to reallocate Yukon River Bridge in Dawson City funding under the NTCF program towards the Nisutlin Bay Bridge Replacement was approved by federal Minister of Transport Canada in June 2022.
- An amended agreement reflecting these changes in the North Klondike Highway NTCF program was signed on May 9, 2023.
- A stand-alone Milestone agreement for Nisutlin Bay Bridge Replacement project was signed on September 14, 2023.

74(1)(a)

Information Note

Dawson River Crossing Statement in House of Commons

Highways and
Public Works

Background Dawson River Crossing:

- In spring and summer of 2023, the Government of Yukon collected feedback from Dawson residents on the current methods of crossing the Yukon River and what is important to them when planning for the future of this crossing.
- During the engagement, approximately 600 residents provided feedback via online survey and public open houses.
- The feedback collected will help guide Government of Yukon staff in discussions on the future of the Yukon River crossing in Dawson City. Engagement with impacted communities, First Nations, stakeholders and audiences will continue as the project progresses.
- Currently, Yukoners rely on the George Black Ferry and the ice bridge to cross the Yukon River in Dawson.
- The George Black Ferry typically operates between May and October. Ice bridge construction begins in mid-December. This is dependent on environmental conditions.
- This means that twice a year there is a gap in service affecting residents of West Dawson, including the ability to access emergency services.

From: Kim.Stavert
Sent: February 15, 2024 10:33
To: cabinet-com; Jason.Cunning
Subject: Fwd: NTCF - requests to update TC's website
Attachments: RE: [EXT] FOR SIGNATURE - NTCF North Klondike Highway Reconstruction and Strategic Upgrades - Amended and Restated Agreement; RE: NTCF - Website Update - Government of Yukon (ENWIA); [EXT] RE: [External/Externe]: NTCF website update - Yukon projects

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From: Catherine.Harwood <Catherine.Harwood@yukon.ca>
Sent: Thursday, February 15, 2024 10:20:27 AM
To: Kim.Stavert <Kim.Stavert@yukon.ca>
Cc: Richard.Gorczyca <Richard.Gorczyca@yukon.ca>; Elisha.Sidoun <Elisha.Sidoun@yukon.ca>; Victoria.Zeppa <Victoria.Zeppa@yukon.ca>
Subject: FW: NTCF - requests to update TC's website

As promised.

From: Richard.Gorczyca <Richard.Gorczyca@yukon.ca>
Sent: Thursday, February 15, 2024 8:59 AM
To: Catherine.Harwood <Catherine.Harwood@yukon.ca>
Cc: Victoria.Zeppa <Victoria.Zeppa@yukon.ca>; Paityn.Mountain <Paityn.Mountain@yukon.ca>
Subject: FW: NTCF - requests to update TC's website

See attached,

We requested updates to the website on 3 separate occasions that are documented via email.

- July 12, 2022
- April 18, 2023
- October 5, 2023



Richard J. Gorczyca
 Assistant Deputy Minister |
 Highways and Public Works | Transportation |
 C 867-336-1080 | Yukon.ca

I respectfully acknowledge that I work within the Traditional Territories of the Kwanlin Dün First Nation and the Ta'an Kwäch'än Council.

From: Katie.Munroe <Katie.Munroe@yukon.ca>
Sent: Thursday, February 15, 2024 9:55 AM
To: Richard.Gorczyca <Richard.Gorczyca@yukon.ca>
Subject: Fwd: NTCF - requests to update TC's website

See below

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From: Adam.Luciano <Adam.Luciano@yukon.ca>
Sent: Thursday, February 15, 2024 9:54:37 AM
To: Katie.Munroe <Katie.Munroe@yukon.ca>
Subject: NTCF - requests to update TC's website

Hi Katie,

I've found three separate email requests to Transport Canada to update their website in July 2022, April 2023 and October 2023. I've attached the emails with responses.

Not sure how much we need to dwell on this, but I'm certain there have been some verbal requests at AMC meetings over the past 18 months, but we are still missing minutes from TC for those meetings.



Adam Luciano
Manager, Planning and Programming
Highways and Public Works | Transportation Engineering Branch
867-633-7943

From: Sullivan, Diane (TC/TC)
Sent: April 19, 2023 06:43
To: Adam.Luciano; Khan, Maria (AHSF) (TC/TC)
CC: Nouhi, Mohamed (TC/TC); Lamoureux, Makenzie (TC/TC); Andrea.Carrigan
Subject: RE: [EXT] FOR SIGNATURE - NTCF North Klondike Highway Reconstruction and Strategic Upgrades - Amended and Restated Agreement

Hi Adam,

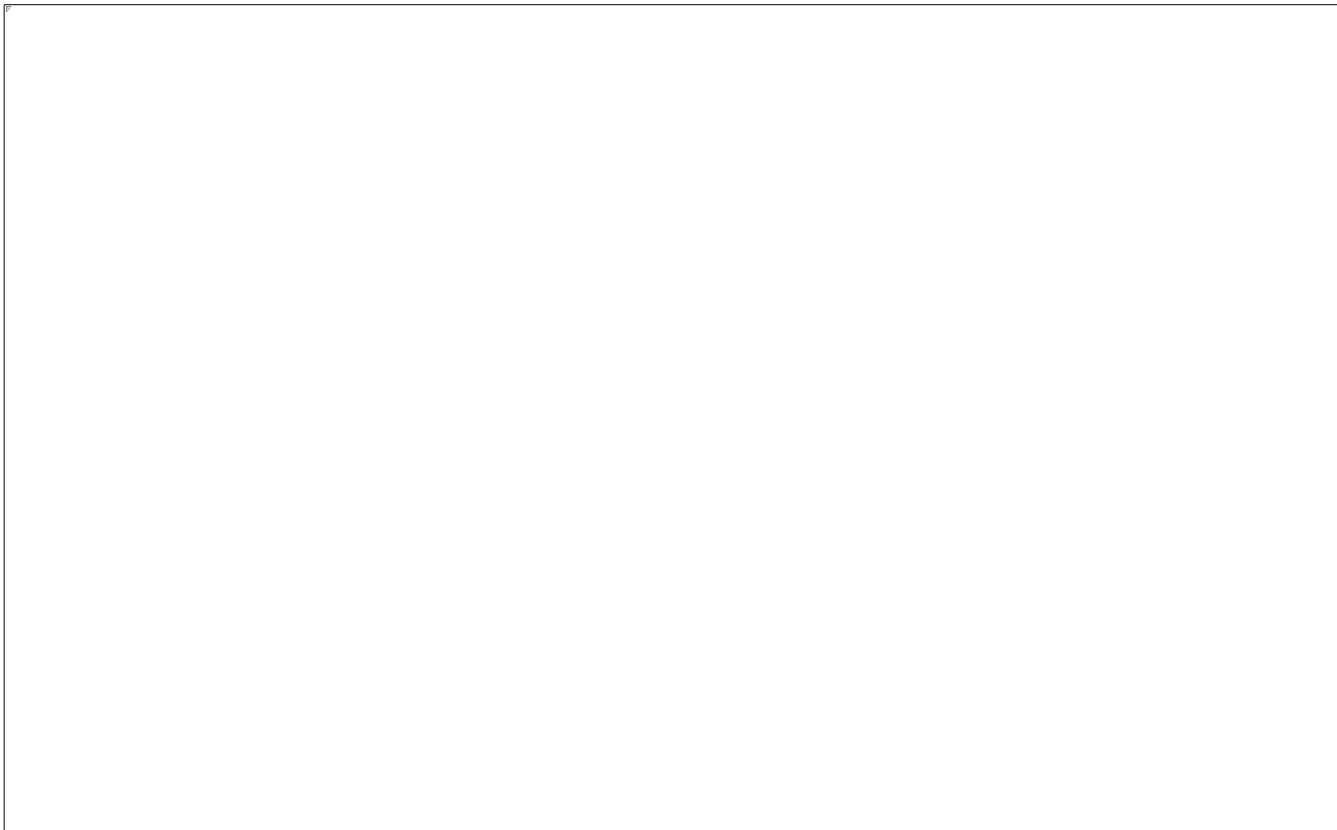
Yes we can certainly work with Comms once we have approval of the amendment to update the site.

Many thanks

Diane

From: Adam.Luciano <Adam.Luciano@yukon.ca>
Sent: Tuesday, April 18, 2023 7:19 PM
To: Sullivan, Diane (TC/TC) <diane.sullivan@tc.gc.ca>; Khan, Maria (AHSF) <Maria.N.khan@tc.gc.ca>
Cc: Nouhi, Mohamed (TC/TC) <mohamed.nouhi@tc.gc.ca>; Lamoureux, Makenzie (TC/TC) <makenzie.lamoureux@tc.gc.ca>; Andrea.Carrigan <Andrea.Carrigan@yukon.ca>
Subject: RE: [EXT] FOR SIGNATURE - NTCF North Klondike Highway Reconstruction and Strategic Upgrades - Amended and Restated Agreement

Thanks Diane. Once the agreement is signed, could we have the NTCF website updated? It still includes a bullet about a new bridge in Dawson City that should be removed.



From: Sullivan, Diane (TC/TC) <diane.sullivan@tc.gc.ca>

Sent: Tuesday, April 18, 2023 11:56 AM

To: Adam.Luciano <Adam.Luciano@yukon.ca>; Khan, Maria (AHSF) <Maria.N.khan@tc.gc.ca>

Cc: Nouhi, Mohamed (TC/TC) <mohamed.nouhi@tc.gc.ca>; Lamoureux, Makenzie (TC/TC) <makenzie.lamoureux@tc.gc.ca>; Andrea.Carrigan <Andrea.Carrigan@yukon.ca>

Subject: RE: [EXT] FOR SIGNATURE - NTCF North Klondike Highway Reconstruction and Strategic Upgrades - Amended and Restated Agreement

Hi Adam,

Great news, thanks so much!

We'll move this up the line on our end accordingly.

Cheers

Diane

From: Adam.Luciano <Adam.Luciano@yukon.ca>

Sent: Tuesday, April 18, 2023 2:18 PM

To: Khan, Maria (AHSF) <Maria.N.khan@tc.gc.ca>

Cc: Sullivan, Diane (TC/TC) <diane.sullivan@tc.gc.ca>; Nouhi, Mohamed (TC/TC) <mohamed.nouhi@tc.gc.ca>; Lamoureux, Makenzie (TC/TC) <makenzie.lamoureux@tc.gc.ca>; Andrea.Carrigan <Andrea.Carrigan@yukon.ca>

Subject: RE: [EXT] FOR SIGNATURE - NTCF North Klondike Highway Reconstruction and Strategic Upgrades - Amended and Restated Agreement

Good afternoon Maria,

Please find attached the agreement signed by HPW Minister Clarke.

Adam



Adam Luciano
Manager, Planning and Programming
Highways and Public Works | Transportation Engineering Branch
867-633-7943

From: Khan, Maria (AHSF) <Maria.N.khan@tc.gc.ca>

Sent: Monday, March 27, 2023 7:27 AM

To: Adam.Luciano <Adam.Luciano@yukon.ca>

Cc: Sullivan, Diane (TC/TC) <diane.sullivan@tc.gc.ca>; Nouhi, Mohamed (TC/TC) <mohamed.nouhi@tc.gc.ca>; Lamoureux, Makenzie (TC/TC) <makenzie.lamoureux@tc.gc.ca>; Andrea.Carrigan <Andrea.Carrigan@yukon.ca>

Subject: [EXT] FOR SIGNATURE - NTCF North Klondike Highway Reconstruction and Strategic Upgrades - Amended and Restated Agreement

Importance: High

Good morning Adam,

I am pleased to inform you that the Amended and Restated Agreement for the NTCF *North Klondike Highway Reconstruction and Strategic Upgrades* project is now ready for signature. The contribution agreement includes both

Phase One and Phase Two, and, as part of their approval, the scope change requests (attached) to expand the Phase One limits from km 646 to km 716 and remove the Dawson Bridge from the Phase Two scope of work.

I have attached both a PDF copy so you can reference the finalized version of the document, as well as an editable word document so you can modify the signature blocks if needed.

Do not hesitate to reach out if you have any questions or concerns.

Best,

Maria N Khan (she/elle)

Program Officer

Transportation and Infrastructure Programs (North)

Transport Canada

Maria.n.Khan@tc.gc.ca ← **Please use this e-mail address**

Tel. : (613) 314-9566

Agente de programmes

Programmes d'infrastructure et de transport (Nord)

Transports Canada

Maria.n.Khan@tc.gc.ca ← **SVP utilisez ce courriel**

Tél. : (613) 314-9566

From: Sullivan, Diane (TC/TC)
Sent: July 12, 2022 13:40
To: Adam.Luciano
CC: Andrea.Carrigan; Khan, Maria (AHSF) (TC/TC)
Subject: RE: NTCF - Website Update - Government of Yukon (ENWIA)

UNCLASSIFIED / NON CLASSIFIÉ

Hi Adam

I understand that the announcement for this project is planned for later this month. The NTCF website will be updated at the end of July with all projects announced this month and those from the end of June.

Regarding your other question about the NTCF project number, the CPP number would not be relevant anymore. Once the CA is developed, a number will be created for the project/ agreement which would be referenced in SIS also.

Diane

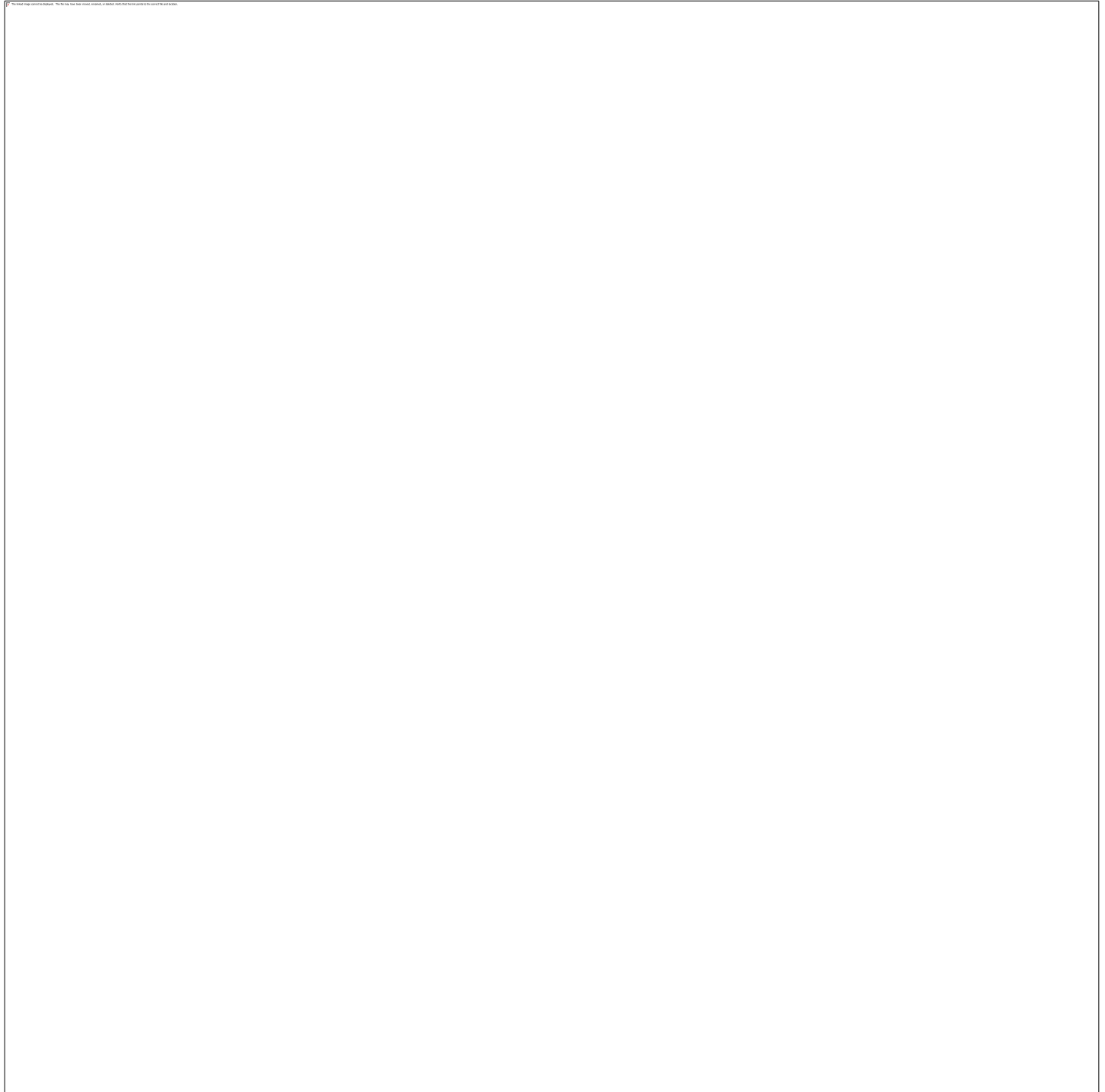
From: Adam.Luciano@yukon.ca <Adam.Luciano@yukon.ca>
Sent: Tuesday, July 12, 2022 1:34 PM
To: Sullivan, Diane <diane.sullivan@tc.gc.ca>; Khan, Maria (AHSF) <Maria.N.khan@tc.gc.ca>
Cc: Andrea.Carrigan@yukon.ca
Subject: RE: NTCF - Website Update - Government of Yukon (ENWIA)

Hi Diane and Maria,

I checked the NTCF project website and noticed that it has not been updated yet. Do you have a timeline for this? Our Comms team is planning some communications for the project.

Also, I noticed a few corrections for the existing text (snip below).

Another question: Is there an NTCF project number that we should reference? I know that the CPP was assigned **3-170R**, but I'm not sure if this number is still relevant moving forward.



From: Sullivan, Diane <diane.sullivan@tc.gc.ca>

Sent: Friday, June 10, 2022 12:49 PM

To: Adam.Luciano <Adam.Luciano@yukon.ca>; Andrea.Carrigan <Andrea.Carrigan@yukon.ca>

Cc: Khan, Maria (AHSF) <Maria.N.khan@tc.gc.ca>

Subject: NTCF - Website Update - Government of Yukon (ENWIA)

UNCLASSIFIED / NON CLASSIFIÉ

Good afternoon Adam and Andrea,

This email is to inform you that Transport Canada is updating the National Trade Corridors Fund (NTCF) website on **Monday, June 13, 2022**. We wanted to take this opportunity to let you know that your project under the NTCF Continuous Call for the Erik Nielsen Whitehorse International Airport Improvement Program will be posted on our NTCF website [Projects funded by the National Trade Corridors Fund](#).

As with all approved NTCF projects, this update will inform the public that your project has received funding and the disclosed information will include the project name, the recipient name, a short project description and the amount of federal funding approved for the project. Our website is updated regularly, and this will allow you to speak publicly about your project.

The Minister of Transport may still make public announcements for your project over the summer months, however no exact date and time has been confirmed at the moment.

If you have any questions, please feel free to reach out to me.

Diane M. Sullivan, M.Sc.

Manager | Gestionnaire

Transportation and Infrastructure Programs (North) | Programme d'infrastructure de transport (Nord)

Transport Canada | Transports Canada

330 Sparks Street, Tower C, Ottawa ON | 330 rue Sparks, Tour C, Ottawa ON

Telephone | Téléphone : 819-921-2933 (mobile)

Diane.Sullivan@tc.gc.ca

Government of Canada | Gouvernement du Canada

From: Khan, Maria (AHSF) (TC/TC)

Sent: October 10, 2023 07:52

To: Adam.Luciano

CC: Andrea.Carrigan

Subject: [EXT] RE: [External/Externe]: NTCF website update - Yukon projects

Hi Adam,

Thanks for flagging this again. Diane and I had discussed this with the team responsible for updating the site a few months back. We had agreed that the following changes would be made to the site to reflect the actual situation with agreements.

Changes	Name of Project	Applicant	Work being done	Federal Funding
Remove project	North Klondike Highway Corridor Strategic Upgrades — Phase 2	Government of Yukon	<ul style="list-style-type: none"> Reconstruction of 110 km of highway between Carmacks and Stewart Crossing Construction of a new bridge over the Yukon River in Dawson City Implementation of innovative technologies such as an Intelligent Transportation System, electric vehicle charging stations and a weigh-in-motion system 	\$ 135,000,000
Update name, description, and funding amount to include Phase 2	North Klondike Highway Reconstruction and Strategic Upgrades	Government of Yukon	<ul style="list-style-type: none"> Reconstruction of nearly 210 km of the North Klondike Highway, which connects Whitehorse to Dawson City Rehabilitation of the McCabe Creek and Moose Creek Bridges, and reconstruction of the Crooked Creek Bridge Implementation of innovative technologies such as an Intelligent Transportation System, electric vehicle charging stations and a weigh-in-motion system 	\$ 200,712,428
Add project	Nisutlin Bay Bridge Replacement	Government of Yukon	<ul style="list-style-type: none"> Replacement of the Nisutlin Bay Bridge as it nears the end of its 75-year service life, and prevent weight and 	\$ 52,500,000

service restrictions that
would obstruct the fluidity
of Canadian trade on an
inter-provincial trade
corridor

I've followed-up again with the team, and hoping these changes will be reflected soon. Let me know if you have any other questions or concerns in the meantime.

Best,

Maria

From: Adam.Luciano <Adam.Luciano@yukon.ca>
Sent: Thursday, October 05, 2023 5:09 PM
To: Khan, Maria (AHSF) (TC/TC) <Maria.N.khan@tc.gc.ca>
Cc: Andrea.Carrigan <Andrea.Carrigan@yukon.ca>
Subject: [External/Externe]: NTCF website update - Yukon projects

Hi Maria, can we update the information on the NTCF website related to the Yukon projects? The information is very out of date.

[Projects funded by the National Trade Corridors Fund \(canada.ca\)](#)



Adam Luciano
Manager, Planning and Programming
Highways and Public Works | Transportation Engineering Branch
867-633-7943

From: Victoria.Zeppa
Sent: February 16, 2024 15:17
To: Elisha.Sidoun
CC: cabinet-com
Subject: RE: Ministerial request: PM Trudeau about Dawson Bridge???

Phew! Hope the Forum is going well!

From: Elisha.Sidoun <Elisha.Sidoun@yukon.ca>
Sent: Friday, February 16, 2024 3:16 PM
To: Victoria.Zeppa <Victoria.Zeppa@yukon.ca>
Cc: cabinet-com <cabinet-com@yukon.ca>
Subject: Re: Ministerial request: PM Trudeau about Dawson Bridge???

Good to close on my end lol.

Thank you,
e

Sent from my Bell Samsung device over Canada's largest network.

From: Victoria.Zeppa <Victoria.Zeppa@yukon.ca>
Sent: Friday, February 16, 2024 3:13:50 PM
To: Elisha.Sidoun <Elisha.Sidoun@yukon.ca>
Subject: RE: Ministerial request: PM Trudeau about Dawson Bridge???

Hi Elisha,

There has been a lot of traffic on this file with Cab Comms this week. Do you feel like you need additional information or can we consider this request resolved?

Thanks,

Victoria

From: Elisha.Sidoun <Elisha.Sidoun@yukon.ca>
Sent: Wednesday, February 14, 2024 1:33 PM
To: Victoria.Zeppa <Victoria.Zeppa@yukon.ca>
Subject: Re: Ministerial request: PM Trudeau about Dawson Bridge???

Sent from my Bell Samsung device over Canada's largest network.

From: Elisha.Sidoun
Sent: Wednesday, February 14, 2024 1:19:20 PM
To: Victoria.Zeppa <Victoria.Zeppa@yukon.ca>
Subject: Ministerial request: PM Trudeau about Dawson Bridge???

Hi Victoria

PM Trudeau spoke today at parliament and said we are building a bridge over the Yukon River in Dawson.

What could have led to this?
Thanks
e