



The Corporation of the Town of Tecumseh
Gary McNamara
Mayor
1562 Carmelita Court
Tecumseh, ON N8N 0E3

Dear Mayor McNamara,

I am pleased to inform you of the approval in principle of the Town of Tecumseh Climate Change and Flooding Resiliency Project (the Project). This approval is given following the successful review of your Project under the terms and conditions of the Disaster Mitigation and Adaptation Fund (DMAF).

Under the DMAF, the cost sharing of eligible project costs is determined based on asset ownership. Federal funding of the Project from the DMAF will be up to 40 percent of the total eligible project costs, to a maximum federal contribution of \$10,700,000 under this program. Federal funding from all sources cannot exceed 40 percent of the Project's total eligible costs.

With this approval in principle, eligible costs as determined under the terms and conditions of the DMAF and incurred as of the date of this letter will be eligible for federal reimbursement subject to the timely execution of a contribution agreement. If a contribution agreement is not signed, the Government of Canada will not reimburse any costs incurred. Once signed, the contribution agreement represents the final federal approval of the Project.

As we move to the contribution agreement stage, the following conditions will also apply:

- Expenditures incurred prior to the date of this letter, as well as any and all expenditures related to contracts signed prior to the date of this letter, are ineligible for reimbursement with the exception of costs incurred to complete the greenhouse gas mitigation assessment which are eligible for a period of up to

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twelve months prior to the project approval in principle date;

- The Corporation of the Town of Tecumseh will satisfy the Government of Canada with respect to the competitive and transparent tendering process to be established;
- 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 Corporation of the Town of Tecumseh;
- The Corporation of the Town of Tecumseh agrees to work with Infrastructure Canada to jointly communicate Canada's funding commitment as soon as possible and to invite Canada to participate in future media announcements or events related to the project's progress and, where appropriate, to produce and erect temporary signage at each of the project sites acknowledging the federal government's contribution to the Project in accordance with the signage guidelines to be provided by the Government of Canada;
- Prior to signing a contribution agreement, the Corporation of the Town of Tecumseh will provide the Government of Canada with evidence that all project funding, other than the federal contribution, has been secured;
- The Corporation of the Town of Tecumseh and the Government of Canada will work to complete the negotiation of a contribution agreement in a timely manner and to this end the Corporation of the Town of Tecumseh will provide cash flows by fiscal year for all project components, a clear indication of how the Project will contribute to one or more of the program outcomes and benefits as well as the indicators that will be used to report on the outcomes and benefits at the Project's substantial completion;
- Please note that approval of the Project is conditional upon Canada being satisfied that the responsibility of the federal authority and/or responsible authority under the *Impact Assessment Act* or other applicable legislation in force are met and continue to be met. Infrastructure Canada officials are determining if the *Impact Assessment Act* applies to the Project. A letter specifying requirements will follow the analysis. All related requirements will need to be met, prior to the start of construction;
- Canada's funding for the project is also conditional upon Canada being satisfied that its obligations are met, with respect to the legal duty to consult, and, if applicable, accommodate Indigenous groups. Infrastructure Canada officials are determining if the Government of Canada has a duty to consult and/or accommodate Indigenous groups for the Project under section 35 of the *Constitution Act*, 1982. A letter specifying requirements will follow. The

Corporation of the Town of Tecumseh will ensure that site preparation work and construction of the Project does not begin prior to confirmation by Infrastructure Canada that these requirements have been met. In the interim, it is recommended that the Corporation of the Town of Tecumseh undertake early engagement with potentially impacted Indigenous groups to ensure they are aware of the forthcoming Project and potential impacts that it may have on their communities;

- A greenhouse gas mitigation assessment must be completed to Canada's satisfaction in accordance with the *Climate Lens General Guidance* and submitted to Canada, prior to Canada paying any claims for the project;
- The Corporation of the Town of Tecumseh will report on community employment benefits provided to at least three of the federal target groups (apprentices, Indigenous peoples, women, persons with disabilities, veterans, youth, recent immigrants, or small-sized, medium-sized and social enterprises);
- The Corporation of the Town of Tecumseh is also encouraged to consider the economic development and employment opportunities of the local and affected Indigenous peoples in the construction of the project.

Due to the competitive nature of DMAF, changes to the scope of the Project require careful review and approval by Canada. In addition, I note that the project application you have submitted specifies that project construction is planned to begin in July 2021 and be completed in December 2027. As your Project is being approved in principle on the basis of this information, please notify my officials, in writing, should you expect delays of more than six months in either the start or completion date. The Project must be completed prior to the end of the program (March 31, 2028), including submission of claims for eligible expenditures.

My officials will contact you shortly to move forward with the negotiation of the contribution agreement.

Thank you for your collaboration to date and I look forward to continuing to work together to conclude a contribution agreement for this project in a timely fashion.

Yours sincerely,

McKenna, Digitally signed by
McKenna, Catherine
Catherine Date: 2020.10.21
10:42:21 -04'00'

The Honourable Catherine McKenna, P.C., M.P.
Minister of Infrastructure and Communities