



AGENDA
Regular Council Meeting
August 18, 2026, at 7:00 p.m.
Council Chambers

- 1 CALL TO ORDER**
- 2 ROLL CALL**
- 3 DISCLOSURE OF PECUNIARY INTEREST**
- 4 DELEGATIONS AND PRESENTATIONS**
 - 4.1 Sgt Cedric Proulx, RCMP Ross River/Faro Detachment Commander
- 5 BUSINESS ARISING FROM DELEGATIONS AND PRESENTATIONS**
- 6 MINUTES**
 - 6.1 The review and passing of the Minutes of the previous Meetings.
 - 6.1.1 Minutes of the July 28, 2026, Regular Meeting of Council
- 7 REPORTS**
 - 7.1 Reports from Members of Council
 - 7.2 Finance Report
 - 7.3 Administrative Reports
 - 7.3.1 Chief Administrative Officer
 - 7.3.2 Manager of Operations
 - 7.3.3 Manager of Recreation and Culture
- 8 BYLAWS**
- 9 MOTIONS / ITEMS FOR DIRECTION**
 - 9.1 Mitchell Road Industrial Park – Street Names
 - 9.2 Transfer Payment Agreement – ICIP Faro Water, Sewer and Road Upgrades Phase 3A (ICIP #123446) (Dawson Drive – Engineering)
 - 9.3 Pecuniary Interest Legal Opinion
 - 9.4 Asset Disposals / Asset Sale
 - 9.5 Property Standards / Maintenance Bylaw - Process to update
 - 9.6 Request to Waive Fee for Town of Faro Equipment Rental – Sarah and Hayden McHugh
- 10 PUBLIC QUESTION PERIOD**

11 IN-CAMERA MEETING

11.1 Legal Matter – in accordance with Municipal Act Section 213 (3)(e) re:
Arena Concession Lease Agreement

11.2 Planning Matter – in accordance with Municipal Act Section 213 (3)(e) re:
Intergovernmental Relations

11.3 Employment Matter – in accordance with Municipal Act Section 213 (3)(d)
re: Employment Matter

12 IN-CAMERA MEETING REPORT

13 ADJOURNMENT



**Minutes
Regular Council Meeting
July 28, 2026, at 7:00 p.m.
Council Chambers**

PRESENT:

Mayor	Jack Bowers	CAO	Kimberly Ballance
Councillors	Gary Jones	Executive Assistant/	Trudy Amos
	Wendy Michell-Larocque	Finance Assistant	
	Michelle Vainio		
	Neil Yee		

Delegation: Cst. James Whidden and Cst. Joshua Van Eyk, RCMP Ross River/Faro Detachment

Public Present: 6

Public on Zoom: 4

1. CALL TO ORDER

Mayor Bowers called the meeting to order at 7:00 p.m.

2. ADOPTION OF AGENDA

2.1 Council Meeting Agenda

Resolution No 26-281

Vainio, Yee

RESOLVED THAT the Agenda for the July 28, 2026, Regular Meeting of Council be adopted as presented.

Carried

Resolution No 26-282

Jones, Vainio

RESOLVED THAT Council do now move into Committee of the Whole to hear from the delegation.

Carried

3. DELEGATIONS & HEARINGS

3.1 Cst. James Whidden and Cst. Joshua Van Eyk, RCMP Ross River/Faro Detachment

The new constables introduced themselves. Josh advised that he has come to Faro from Grande Prairie and has brought his family and three children who have already participated in local camps and programs. Noted that he is

excited to be posted to Faro. James advised that he came from Coronation, Alberta and since he is coming from a smaller community thinks he will be able to build a good relationship with the communities here. He arrived with his wife and 2 kids and is excited to see all that the communities have to offer. Both Constables play hockey and are interested in experiencing all that the Yukon has to offer.

Resolution No 26-283

Michell-Larocque, Vainio

RESOLVED THAT Council do now revert into Regular Meeting of Council.

Carried

4. BUSINESS ARISING FROM DELEGATIONS & HEARINGS

5. ADOPTION OF MINUTES

5.1 Minutes of the July 7, 2026, Regular Meeting of Council

Resolution No 26-284

Jones, Vainio

RESOLVED THAT the Minutes of the July 7, 2026, Regular Meeting of Council be adopted as presented.

Carried

5.2 Minutes of the July 9, 2026, Special Meeting of Council

Resolution No 26-285

Jones, Yee

RESOLVED THAT the Minutes of the July 9, 2026, Special Meeting of Council be adopted as presented.

Carried

6. BUSINESS ARISING FROM MINUTES

7. FINANCIAL

7.1 Finance Report

Resolution No 26-286

Jones, Yee

RESOLVED THAT Council receive for information the Finance Manager's report, including the Budget to Actual Variance Report. Payment Register Summary and acknowledge the Cheque Register for the period June 24 – July 21, 2026.

Carried

8. REPORTS

8.1 Mayor's Report
None.

8.2 Council Reports
Councillor Jones

- 27th Annual Faro Golf Club Tournament was a successful event, with 188 golfers and more than 55 volunteers. Very thankful for municipal staff for all their assistance to make this event a success.

Councillor Vainio

- 27th Annual Faro Golf Club Tournament was a great event for the community and region
- Attended the Special Meeting on July 9, 2026 and the Minutes identify what happened really well. Recommended that the public review them for additional details.
- A Golf Pro, sponsored by the Yukon Golf Association provided free lessons locally which was great.
- Yukon Energy will be hosting two public meetings this week and recommended that the public attend to learn more and ask any questions that they have about these topics. The meetings will be held:
 - July 29 – Noise Information session
 - July 30 – Billing / Customer Service session

Councillor Michell-Larocque

- Softball has been going very well with Ross River's team coming to Faro to play with the Ravens. Attended a tournament recently in Carmacks and some of the Ravens played with other teams from the region.
- Girls at Bat event was great to see and well attended.
- Attended the Golf Tournament and heard so many great compliments about the course.

Councillor Yee

- Remains concerned about the Population Information being used by the Town in its official documents. Distributed a handout titled Faro Zoning and the Official Community Plan (OCP). He noted that he originally distributed it in January 2026 but updated it in July 2026. Recommended that Council consider this information when updating its OCP.
- Yukon Energy Public Meeting will be held this week and encouraged the public to attend as the noise modelling information and billing will be discussed.

8.3 Administration's Reports

8.3.1. Chief Administrative Officer

8.3.2. Manager of Operations

8.3.3. Manager of Recreation and Culture

The CAO responded to questions from Council on the Administrative Reports.

9. BYLAWS

- 9.1 2025-08 – Procedures Bylaw – Third Reading
Resolution No 26-287 Jones, Michell-Larocque
RESOLVED THAT Council provide Third Reading of Bylaw 2025-08, being the
Procedures Bylaw.

Carried

10. UNFINISHED BUSINESS

11. NEW BUSINESS

- 11.1 Town of Faro's Top Three Infrastructure Priorities
Resolution No 26-288 Yee, Michell-Larocque
THAT Council accept the Recommendation to Council, dated July 22, 2026,
re: Top Three Infrastructure Priorities.

Carried

- 11.2 Swim Yukon Swim Meet in Faro – August 7 – 9, 2026
Resolution No 26-289 Jones, Yee
THAT Council waive the fees for participants in the Swim Yukon Swim Meet
to use space in the Recreation Centre for overnight accommodation during
their event; and
FURTHER THAT Swim Yukon will be responsible to provide supervision of all
participants in the facility during the event.

Carried

- 11.3 Ballfield Gazebo
Resolution No 26-290 Michell-Larocque, Vainio
THAT Council accept the Recommendation to Council, dated July 24, 2026,
re: Ballfield Gazebo.

Carried

12. CORRESPONDENCE FOR INFORMATION (OUT & IN)

- 12.1 Letter from Yukon Energy, dated June 30, 2026, re: Air Emissions Permit No.
60-010-01 – Part 5 – and Inspection Report No. 2026-003 Response
Council discussed the Yukon Energy Meeting being held on July 29, 2026, at
the Faro Recreation Centre, recommended attendance at the meeting to
better understand the report content as presented.
- 12.2 Letter from Honourable Brad Cathers, Minister of Health and Social Services,
dated July 22, 2026, re: Electronic Medical Records (EMR) for Community
Health Centres
Council discussed this letter and was hopeful that this would have
improvements on the provision of health care delivery, while maintaining
secure records for patients.

13. PUBLIC QUESTION PERIOD

Resolution No 26-291

Jones, Vainio

RESOLVED THAT Council do now move into Committee of the Whole for public question period.

Carried

Public Questions

Resolution No 26-292

Jones, Vainio

RESOLVED THAT Council do now revert into Regular Meeting of Council.

Carried

Resolution No 26-293

Jones, Vainio

RESOLVED THAT Council recess at 8:15 p.m. for five minutes and reconvene in-camera.

Carried

14. IN-CAMERA

14.1 Employment Matter - in accordance with Municipal Act Section 213 (3)(d) re: Performance Appraisal

14.2 Legal Matter - in accordance with Municipal Act Section 213 (3)(f) re: S.C. No. 26-A0017

Resolution No 26-294

Vainio, Michell-Larocque

RESOLVED THAT Council revert into the Regular Meeting of Council at 8:56 p.m.

Carried

15. ADJOURNMENT

Resolution No 26-295

Jones, Vainio

RESOLVED THAT the July 28, 2026, Regular Meeting of Council be adjourned at 8:56 p.m.

Carried

Approved at the Regular Meeting
Council held on August 18, 2026, by
Resolution # 26-___

Jack Bowers, Mayor

Kimberly Ballance, CAO



TOWN OF FARO MEMORANDUM

To: Mayor & Council
From: Akram Shah, Manager of Finance
Re: Finance Report to Council - August 18 2026, Regular Meeting

August 12, 2026

Payroll:

06/09/2026	- 61,560.05	Covering Period 06/03 – 06/16
06/23/2026	51,721.98	Covering Period 06/17 – 06/30
07/07/2026	59,292.74	Covering Period 07/01 – 07/15

Payment Register Summary Jul 23, 2026 – Aug 4, 2026

Administration	- 7,716.68
Environmental Services	- 741.30
Fire Dept and Protective Services	-
Professional Fees & Remittance	- 39,465.90
Public Works and Gardening	- 12,998.88
Recreation and CRIC	- 3,715.60
Utilities	- 40,881.00

Total	-105,519.36
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Town of Faro
Profit & Loss Budget vs. Actual
 January through December 2026

	Jan - Dec 26	Budget	% of Budget
Ordinary Income/Expense			
Income			
0302 · Administrative	3,585,003.22	3,746,914.80	95.7%
0333r · Protective Service	22,837.36	34,256.00	66.7%
0338r · Public Works r	14,515.67	118,480.00	12.3%
0345r · Environmental Use & Protection	376,771.62	615,600.00	61.2%
0355r · Economic Development	5,732.70	6,000.00	95.5%
0362r · Recreation and Culture	43,127.42	86,307.00	50.0%
4600000 · Other Revenues	0.00	0.00	0.0%
4900000 · Transfer from Reserves	0.00	-22,036.65	0.0%
4950000 · Amortization not Funded	0.00	1,200,000.00	0.0%
Total Income	4,047,987.99	5,785,521.15	70.0%
Gross Profit	4,047,987.99	5,785,521.15	70.0%
Expense			
0333e · Protective Services e	55,653.65	158,118.00	35.2%
0338e · Public Works e	968,503.83	1,766,693.20	54.8%
0345e · Environmental Use and Protectio	316,640.83	671,121.00	47.2%
0355e · Economic Development e	32,663.37	58,053.00	56.3%
0362e · Recreation & Culture	467,217.20	790,978.95	59.1%
0370 · Council / Legislative	92,795.27	160,176.00	57.9%
0375 · Administrative e	605,502.71	980,381.00	61.8%
5200000 · Public Works	0.00		
5670000 · Amortization	0.00	1,200,000.00	0.0%
5900000 · Inventory write-off	7,081.05		
Total Expense	2,546,057.91	5,785,521.15	44.0%
Net Ordinary Income	1,501,930.08	0.00	100.0%
Other Income/Expense			
Other Income			
7000000 · Capital Funding	22,958.61	1,049,690.00	2.2%
Total Other Income	22,958.61	1,049,690.00	2.2%
Other Expense			
8000000 · Capital Expenditures	157,120.64	1,049,690.00	15.0%
Total Other Expense	157,120.64	1,049,690.00	15.0%
Net Other Income	-134,162.03	0.00	100.0%
Net Income	1,367,768.05	0.00	100.0%



TOWN OF FARO MEMORANDUM

To: Mayor & Council
From: Kimberly Ballance, CAO
Re: CAO's Report to Council – August 18, 2026, Regular Meeting

Phase 3A Infrastructure Replacement

- Received the Draft TPA for the engineering work for Phase 3A which is included in the Agenda as a separate item for Council's consideration.
- Administration has re-initiated the Engineering selection process with consideration for the procurement terms identified in the TPA. A Special Meeting is being scheduled for September 1, 2026, at 6 pm for presentations from the two (2) shortlisted firms eligible to provide the full slate of engineering services.
- Environmental Engineering services have already been procured for the 2026 calendar year to ensure continuity of operations and will be subsequently reassessed.

Parsons Mine Site Tour for Council

- Has been set for the afternoon of September 15.

Emergency Management

- Managers and the Executive Assistant completed training on the Town of Faro's Voyent Alert System to enable all members to create and issue emergency and informational alerts. Additional work to engage the public on registering for use of the system will be forthcoming.

Upper Bench Dust Control

- This was scheduled for completion at the end of June. Timeline has now been extended with grading and application set for the end of August, but a firm timeline remains unknown.

Chateau Jomini Demolition

- The Project Manager for the project has advised that it has been deferred to the Territorial Government's 2028-2029 Fiscal Year.

Action Items:

- Develop drafts of the following for Council's consideration:

- Zoning Bylaw – Final Draft was planned for 3rd reading presentation at the August 18 Council Meeting but the final reading will need to align with the final reading of the OCP. These will be planned for coordinated adoption.
- Code of Conduct for Employees– Union has reviewed without any changes being recommended; Employee review to follow.
- Code of Conduct for Council – draft completed being reviewed by a known 3rd party investigator; alternate 3rd party investigators are also being identified for a future public procurement process.
- Communications Policy – draft underway and planned for presentation to Council prior to training event.
- Municipal Vehicle Use Policy – draft underway
- Snow Plowing Policy – draft underway; awaiting receipt of input from Public Works Department
- Arrears Collection Policy – new
- Fit for Work Policy – new (and repeal current Alcohol and Drug Use Policy)
- CAO Bylaw – new
- Solid Waste Bylaw – review
- Traffic / Speed Bylaw – review
- Snowmobiles, Motorcycles, Vehicles Bylaw – review
- Mobile Home Park - update
- Firearms bylaw - review
- Fire Department Enactment – review
- Water and Wastewater Bylaw (2025 adoption) – amendment
- Maintenance Bylaw - update
- Cemetery Bylaw – update
- Animal Control Bylaw – update



TOWN OF FARO MEMORANDUM

To: Mayor & Council
From: Danny Granberg, Manager of Operations
Re: Operations Report to Council –Aug 18, 2026, Regular Meeting

Aug 12, 2026

Current Priorities

- Roads: Pothole repairs with cold patch, ongoing as needed
- Golf course irrigation repairs ongoing to water lines and sprinklers
- Sea-can site prep. work for Rangers in the public works yard
- Ongoing monitoring of the Pelly riverbanks by Bridge and Lagoon
- Upgrades to public works chain link fence around shop yard
- Construction waste dump site clean up and design improvements
- Contractors and Public Works are performing service and maintenance on our equipment fleet
- 2 new half-ton trucks have been purchased, should be ready for delivery and pick-up next month
- Water treatment plant project improvements have started, work to be completed later this fall
- Mitchell rest stop project, 2 precast washrooms have been ordered, delivery and installation to be completed later this fall
- Douglass and Yates dust control application to be completed by the Government of Yukon and Public Works later this fall
- Staff House chimney replacement (363/365 Dawson)

Gardening Department

- Mowing to continue as needed
- Flower beds and garden, weeding, fertilizing, maintenance
- Brushing and Pruning
- Debris clean-up
- Grass seeding and site preparation

Planning Work

- Lagoon brushing and mowing on cell banks slope
- Lagoon cell 3 leveling pipe to cell 4 maintenance
- Lagoon cell access roads maintenance
- 2026 Firesmart
- Clinton Eagles Memorial Park play structure and fence removal

Training

- EOCP training for Public Works as dates and course availability to be determined for the fall and winter



TOWN OF FARO MEMORANDUM

To: Mayor & Council
From: Morgan Manuel, Manager of Recreation and Culture
Re: August 18, 2026 - Report to Council

Current Priorities

- Ball fields
 - Assessing fences on both fields to identify necessary repairs
- Summer Programs
 - Jr Golf
 - Partnering with the Golf Club
 - Started August 11th with 10 kids participating
 - Every Tuesday night from 4:00-5:30
 - Youth Softball
 - Running every Monday and Wednesday from 5:30-6:30
 - Youth Softball started Aug 3rd. Overall, we have had 12 kids participate
- Carmacks Golf Trips
 - Working with Carmacks/LSCFN Rec Department to organize and facilitate two groups of golfers from Carmacks next week
 - Wednesday, August 19th: 10-15 Youth
 - Friday, August 21st: 10-12 Adults
- Mini Art Retreat in partnership with ARAS
 - Saturday, August 15th at the Sheep Cabin
 - Town is providing transportation using the bus
- Pool Closing
 - The last day for the pool will be Saturday, August 22nd
- Rec Softball
 - Numbers at softball have been excellent this year and we have continued to practice after the Effy Croft Memorial Tournament
 - We have seen several athletes travelling from Ross River to join us for practices/games
 - The Faro Ravens have been approved for the Lotteries Yukon Travel Assistance Program to attend the annual Dawson City Labour Day Slo-Pitch Tournament. Thank you to Softball Yukon for their support with this application.
- Hiring
 - Recreation Programmer – Conducting interviews

- Recreation Student – We are excited to welcome MJ Villaver
- Recreation Assistant – Job Posted

Planning Work

- Kids Club/Fall Program planning
- Budgeting to replace all of the Rec Centre's folding chairs and purchasing more tables
- Improving seasonal storage in the curling rink
- Asset management
 - Taking inventory of items stored in the curling rink
 - Unused equipment
- Seniors Trip Planning
 - Mid September
 - Setting a date for a planning meeting – Friday August 14th

Program / Event Evaluation

- Territorial Swim Meet – August 7-9 in Faro
 - We hosted a very successful swim meet last weekend with over 15 athletes travelling to Faro to compete.
 - All athletes on our swim team medaled in their age groups
 - Plans to start our Swim Team program earlier next year to extend the season and travel to other communities
- Summer Camps
 - We wrapped up 6 weeks of Summer Day Camps at the beginning of August
 - All camps were well attended, and we received a lot of positive feedback from the community
 - Staff have already debriefed and made notes for next year with plans to increase offerings and improve communications with parents
- Girls at Bat
 - 9 individual participants took part with many continuing to attend Youth Softball
 - The Jays Care Foundation has announced additional equipment will be sent out and that each participant will receive a new personal glove to keep at the end of the Summer.

Training

- Most rec staff have completed WHMIS training with others expected to be finished by the end of the month
- MJ is currently completing NCCP Safe Sport and Intro to Coaching courses online

PUBLIC NOTICE

STREET NAMING

Council is looking for your Road Naming suggestions!

Names will be considered for the two new roads that will be created in the Mitchell Industrial Park.



If you have a suggestion for a road name please submit a Street Naming Application Form to the Town Office or admin-faro@faroyukon.ca. Applications will be received until Wednesday, August 12, 2026 at noon.

If you have any questions, contact Trudy at 994-2728 ext. 5 or admin-faro@faroyukon.ca.

**Scan here for the
Street Naming
Application Form**





Street Naming Policy "Schedule A" Street Naming Application Form

This form is to be used to when Council has advertised that new street name(s) are needed.

Applicant: Sally Baker

Address: Box 389, Faro, YT Y0B 1K0

Proposed Street Name: McLachlan Rd.

This Street Name is named after: *(check one)*

- ☐ A deceased person who provided "extraordinary public service or some exemplary contribution" to the public and the Town of Faro
- ☒ An elected official who is no longer in office and who provided "extraordinary public service or some exemplary contribution" to the public and the Town of Faro
- ☐ A company that is no longer in business or no longer has business ties to Faro and that made an "extraordinary public service or some exemplary contribution" to the public and the Town of Faro

Please provide a description of "extraordinary public service or some exemplary contribution" to the public and the Town of Faro or Campbell Region.

Jim McLachlan, one of the founding fathers, has served Faro as a resident entrepreneur, had his own house built with plans to make Faro his permanent home, back in the 70s he provided bus service, opened a theater with weekly current movies, served several times as Faro's MLA as well as mayor. Health issues forced him to move, but he faithfully returned every summer to keep an eye on Faro.



ROAD NAMING POLICY

(2026-10-P)

Approved by Resolution No: 26-265

July 7, 2026

Next Review - 2030

A. PURPOSE

- To set out the process for naming roads within the Town of Faro
- To ensure that road names are defined by the Town and can be reliably used by residents, businesses, utility companies, other orders of government and emergency services.

B. DEFINITIONS

Chief Administrative Officer (CAO) – shall mean the person appointed to this position by Council, or their delegate.

Council – shall mean the Council of the Town of Faro.

Road – shall mean land that:

- is used as a highway, roadway, or street for the passage of cars, trucks and other vehicles which the public is ordinarily entitled or permitted to use for the passage or parking of vehicles; and,
- is surveyed or declared by the Town of Faro to be a highway, roadway, or street.

C. GENERAL PROVISIONS

1. All roads will be named by Council by bylaw.
2. Council will consider the following best practices prior to approving a Road Name.
 - a. Street names should not be duplicated or be overly similar to street names already assigned (e.g. McDonald Road vs MacDonald Street). Using the same names with different spellings will not be considered unique names.
 - b. Special characters should be avoided to prevent issued in emergency services databases (e.g. apostrophes, hyphens). Special characters to correctly spell any name written in Dene or Kaska will be permitted.

- c. A street should only have one name and should have the same name throughout its entire length.

D. PROCESS

1. When a new road name is required, the Town will advertise for submissions from the public.
2. Many roads within the municipal boundary have been named after individuals who have made a significant contribution to the Town of Faro or the region. While the Town would like to continue this tradition, it is not a requirement.
3. Individuals submitting suggestions for a road name will complete and submit the Application Form in Schedule A to this policy.
4. Road names will be presented to Council at a public meeting for consideration.

E. ROAD RENAMING

1. Individuals who would like to request that Council rename a road, shall bring forward a request to Council for its consideration.
2. Council shall consider the costs associated with road renaming, including signage, mapping, and any resident costs associated with address updates prior to initiating a road renaming process.
3. If Council deems the request reasonable, the standard process for naming a road will be followed, however the process will allow for the public to dispute the renaming.

**Town of Faro Road Naming Policy
Application Form
Schedule A**

Applicant Name: _____

Phone: _____ Email: _____

Proposed Road Name: _____

This Road Name is proposed to be named after: *(check one)*

- ☐ A deceased person who made a significant contribution to the community and/or the Town of Faro
- ☐ An elected official who is no longer in office or an employee of the Town of Faro and who made a significant contribution to the community and/or the Town of Faro
- ☐ A company that is no longer in business or no longer has ties to Faro and that made a significant contribution to the community and/or the Town of Faro
- ☐ Other (describe):

Please describe the significant contribution to the community and/or the Town of Faro. Provide as much detail as possible (add additional page if needed).

Signature: _____ Date: _____

Transfer Payment Agreement for Project Funding for ICIP Faro Water, Sewer and Road Upgrades – 3A (TXXXXX)

THIS AGREEMENT made at Whitehorse, Yukon on _____, 2026

BETWEEN:

GOVERNMENT OF YUKON, as represented by the Executive Council member responsible for the Department of Community Services ("YG")

AND:

The Town of Faro, as represented by the Mayor (the "Recipient")

being collectively the parties (the "Parties") to this Transfer Payment Agreement (the "Agreement").

WHEREAS

- A. The Recipient wishes to undertake design of the project titled Faro Water, Sewer and Road Upgrades-3A (ICIP #123446);
- B. YG wishes to provide the Recipient with financial assistance to support this endeavour; and
- C. The Government of Canada ("Canada") and YG have agreed to the *Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program* ("ICIP"), which provides funding based on certain terms and conditions for infrastructure investment that supports sustainable and inclusive communities, while driving economic growth.

IN CONSIDERATION of the mutual promises contained in this Agreement, the Parties agree as follows:

1.0 Definitions and Interpretation

.1 In this Agreement:

"Budget" means the total budget for the Project and use of Funds as described under Schedule C: Budget, Eligible Expenses, and Ineligible Expenses, including: any 'in-kind' and 'own-resources' assistance, Eligible Expenses, and Ineligible Expenses;

"Business Day" means a day that is not a Saturday, a Sunday or statutory holiday in the Yukon;

"Eligible Expenses" means the costs or expenses which are eligible for reimbursement from the Funds, as described under Schedule C: Budget, Eligible Expenses, and Ineligible Expenses;

"Financial Report(s)" means the report(s) described under section 7.0 – Financial Reporting and the Reporting Schedule, and includes any final or interim financial report;

"Fiscal Year" means a year that commences on April 1st and ends on March 31st in the following calendar year;

"Funds" means the financial assistance provided by YG under or in relation to this Agreement;

"Ineligible Expenses" means the costs or expenses which are not eligible for funding or reimbursement under this Agreement as described under Schedule C: Budget, Eligible Expenses, and Ineligible Expenses;

"Payment Schedule" means the payment schedule as described under Schedule D: Payment Schedule;

"Project" means the project as described under Schedule B: Project;

"Project Approval Date" means July 30, 2025, the date that Canada approved the Project under the Canada-Yukon Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program;

"Project Report(s)" means the report(s) described under section 8.0 – Project Reporting and the Reporting Schedule, and includes any final or interim project report; and

"Supplementary Terms" means the supplementary terms under Schedule A: Supplementary Terms.

.2 This Agreement shall be interpreted according to the following provisions:

- .1 words importing the singular include the plural and vice versa as the context requires, and each of the masculine, feminine and neuter genders all include the other genders;
- .2 a schedule, appendix or attachment includes all of the sub-schedules, appendices and other attachments attached to the schedule, appendix or attachment;
- .3 words and abbreviations with well-known technical or trade meanings in the Agreement are used in accordance with such recognized meanings;
- .4 headings are inserted only for convenience of reference and shall not affect the construction or interpretation of this Agreement;
- .5 "includes" and "including", whether or not used with the words "without limitation" or "but not limited to", shall not be deemed limited by the specific enumeration of items but shall in all cases be deemed to be without limitation and construed and interpreted to mean "includes without limitation" and "including without limitation"; and
- .6 no term of this Agreement will be construed against or interpreted to the disadvantage of any Party because the Party is deemed to have drafted the provision.

2.0 Term

- .1 With the exception of terms or obligations that are expressly stated to survive the expiry or termination of this Agreement or that remain outstanding, this Agreement shall be effective on the date both Parties sign this Agreement, and if signed on different dates, then the later of those dates, and ends on **December 31, 2027**.

3.0 The Project

- .1 The Recipient shall carry out the Project in a proper, careful, diligent, and professional manner and in accordance with the terms of this Agreement, and shall be solely responsible for supervising and coordinating the Project and the means, methods, techniques, sequences, and procedures for the various parts of the Project.

- .2 The Recipient shall be solely responsible for providing or obtaining all necessary labour, materials, equipment, tools, and approvals, permits and licenses to perform the Project and this Agreement
- .3 The Recipient shall ensure that its officers, employees, contractors, and agents are qualified and competent to perform the Project and have the necessary skills, knowledge, certification, and ability to perform the Project.
- .4 For greater certainty, YG's only involvement with respect to the Project is to provide funding in accordance with the terms of this Agreement, unless otherwise agreed to by YG in writing.
- .5 The Recipient shall ensure that YG has reasonable access to the Project at all times, and is permitted to examine the Project to ensure it meets the terms and objectives stated in this Agreement.
- .6 The Recipient shall promptly provide YG with written notice of any changes, issues, events, delays or additional costs or expenses that would materially affect the cost, completion date, or progress of the Project. The Recipient will obtain YG's prior written consent, prior to making any material change to the Budget or the total cost of the Project or the nature or scope of the Project.
- .7 Any information released or announced to the public in any form by either Party in respect of the Project shall adequately acknowledge the contribution made by the other Party.

4.0 Provision of Financial Assistance

- .1 Subject to section 4.2, YG shall provide the Recipient with funds in accordance with the terms of this Agreement in an amount not to exceed **\$150,000**.
- .2 The obligation of YG to provide any and all Funds and the Recipient's entitlement to the Funds (whether paid or unpaid to the Recipient) is subject to the following:
 - .1 the cost or expenses to be paid from the Funds is an Eligible Expense, and is not an Ineligible Expense;
 - .2 the *Financial Administration Act* (Yukon), RSY 2002, c. 87 and its regulations (as amended), and money being appropriated by the Legislature for the fiscal year in which any payment is to be made for the purpose of this Agreement;
 - .3 Canada approving and providing funding for the Project; and
 - .4 the Recipient abiding by the terms and conditions of this Agreement and any terms and conditions imposed by Canada under ICIP or agreements related thereto.
- .3 YG shall pay the Funds to the Recipient in accordance with any Payment Schedule stated in this Agreement.
- .4 Upon the prior written approval of YG, the Recipient may reallocate dollar amounts between Eligible Expenses within the approved Budget.
- .5 The Recipient shall be solely responsible for any additional costs or expenses related to or arising from the Project, including: any Ineligible Expenses, claims for additional costs or expenses or delay costs, or any other cost or expense related to or arising from the Project in any way or for any reason.

- .6 If advance payment is explicitly authorized under this Agreement, no advance payment in excess of \$10,000.00 shall be made to the Recipient in one Fiscal Year when the related expenditures of the Recipient are not likely to be incurred until the following Fiscal Year, and any advance of Funds required for expenditures that are to be incurred in the following Fiscal Year must be issued in the following Fiscal Year.
- .7 To help manage YG's budget, the Recipient acknowledges and agrees that time is of the essence for the Recipient to submit claims to YG on or before December 31 of each Fiscal Year for the provision of Funds and reimbursement of Eligible Expenses as soon as they are invoiced or charged to the Recipient. The Recipient shall make best efforts to promptly submit claims for the provision of Funds and reimbursement for Eligible Expenses that are invoiced or charged to the Recipient during performance of the Project no later than December 31 of each Fiscal Year.
- .8 The Recipient shall promptly, no later than December 1 of each Fiscal Year, and at any time upon request by YG, in a form and with content acceptable to YG, provide YG with a cash flow and claim forecast for any Eligible Expenses or payment of Funds anticipated to be incurred, claimed, or paid between January 1 to March 31 of each Fiscal Year (the "Cash Flow Forecast"). The Recipient represents and warrants that the Cash Flow Forecast is true and accurate to the best of the Recipient's knowledge and belief. The Cash Flow Forecast and its contents shall not be changed or amended, without the prior written consent of YG. Failure to provide the Cash Flow Forecast will be deemed to be breach of a material term of this Agreement. If the Recipient fails to provide the Cash Flow Forecast within the time frame provided by YG or in this Agreement, YG may, at its discretion, withhold from the Recipient payment of all Funds under this Agreement and/or terminate this Agreement.
- .9 Despite any other term of this Agreement, the Recipient acknowledges and agrees that if the Recipient submits any claims for Eligible Expenses or payment of Funds that: :
- .1 differ from the Cash Flow Forecast submitted on or before December 1 of each Fiscal Year;
 - .2 exceed the amounts for Eligible Expenses or payment of Funds stated in the Cash Flow Forecast; or
 - .3 were not included/forecasted in the Cash Flow Forecast ,

then, YG reserves the right, at its sole discretion, to deny or delay payment of the Funds or reimbursement for Eligible Expenses until April 1 of the next Fiscal Year, and the Recipient shall be solely responsible for any and all additional costs or expenses related to or arising from the delay in payment of Funds and delays in the performance of the Project.

5.0 Financial Accountability

- .1 The Recipient shall:
- .1 only use and spend the Funds on Eligible Expenses;
 - .2 ensure that the Funds are used and allocated solely for the purposes of the Project and in accordance with the terms of this Agreement;

- .3 ensure that the Project is carried out in accordance with the Payment Schedule and Budget and within the limits and amounts stated thereunder, unless otherwise agreed to in writing by the Parties; and
- .4 ensure that all costs or expenses are reasonably supported by sufficient evidence.
- .2 The Recipient represents and warrants that all factual matters and materials submitted to YG are true and accurate, and that all budgets, estimates, forecasts, and other related matters involving judgment were prepared in good faith.
- .3 The Recipient represents and warrants that it has declared all sources of funding for or related to the Project to YG.
- .4 The Recipient will preserve and protect the rights of YG under this Agreement with respect to the Project, so that any performance of the Project or work, obligations, or commitments thereunder do not prejudice YG's rights under this Agreement.
- .5 In addition to any rights YG may have under this Agreement, in law or in equity, YG may set off any liability or potential liability arising from the Recipient to YG under this Agreement.
- .6 The Parties acknowledge and agree that any Funds provided to the Recipient that are:
 - .1 not used or expended at the expiry or termination of this Agreement;
 - .2 not properly expended for the purposes of or in accordance with the terms of this Agreement, including the terms of any Payment Schedule or Budget; or
 - .3 in excess of the Funds reduced under 6.2
 shall be deemed to constitute a debt due to YG and shall, upon request by YG, be repaid by the Recipient to YG upon demand by YG. Interest at the current Bank of Canada rate (as it may change from time to time) shall be applied to such debt amounts calculated from the date the debt is demanded by YG until paid, compounded monthly.

6.0 Reduction of the Funds

- .1 The Recipient shall immediately advise YG in writing if:
 - .1 the Recipient receives additional payments or any other form of contribution, gift, or grant in respect of the Project other than those described in the Budget, with the exception of non-paid volunteer time; or
 - .2 the Recipient or any other contributor reduce their contribution (financial or otherwise) to the Project.
- .2 If the Recipient receives additional assistance or resources (financial or otherwise) under section 6.1, then YG may, in its sole and absolute discretion, reduce the Funds by such amount as it may decide upon 30 calendar days prior written notice to the Recipient. The Funds shall be adjusted accordingly to account for any such reduction.

7.0 Financial Reporting

- .1 The Recipient shall submit to YG a well organized and detailed financial report to be delivered in accordance with the terms of this Agreement. The Recipient shall submit any Financial Reports,

in a form and with content acceptable to YG, and shall ensure that each Financial Report includes a sufficient description of all of the following:

- .1 all costs and expenses related to the Project, including any adjustments or changes to the total cost of the Project;
 - .2 all copies of invoices, receipts and vouchers for costs and expenses related to the expenditure and allocation of Funds, including: Eligible Expenses and items described in the Budget;
 - .3 any amounts, debts, or payments outstanding on the Project; and
 - .4 sufficient evidence or any other information, documentation, or materials that are reasonably required by YG to assess and ensure that the Funds have been used in accordance with this Agreement, including any requirements under section 7.3.
- .2 The Recipient shall deliver to YG a Financial Report in accordance with the following timelines and schedule:
- .1 Three Financial Reports in a Fiscal Year by June 30, September 30, and December 31.
- .3 If circumstances or conditions arise which in YG's opinion make it necessary, upon written request by YG, the Recipient shall, in a form and with content reasonably acceptable to YG, submit to YG a well-organized and detailed interim Financial Report with the information, documentation or materials stated under section 7.1 to assess and ensure that the Funds have been properly used or used in accordance with this Agreement.
- .4 If circumstances or conditions arise which in YG's opinion make it necessary, upon written request by YG, the Recipient shall, at its own cost, include with any Financial Report one or more of the following:
- .1 invoices, receipts, or vouchers to sufficiently support the expenditure of the Funds;
 - .2 certification of any revenues or expenditures by an independent Chartered Accountant, Certified General Accountant or Certified Management Accountant;
 - .3 certification of any revenues or expenditures by the Recipient's Director of Finance or Treasurer;
 - .4 future projected monthly cashflow or expenditures by the Recipient over the term of the Agreement or Project (in whole or in part);
 - .5 an audited statement of all revenues and expenses related to or arising from Project or Funds;
 - .6 a statutory declaration from an authorized officer or senior management employee of the Recipient stating that the Funds have been properly used in accordance with this Agreement; and/or
 - .7 any other information, documentation, or materials that are reasonably required by YG, or by any Party on behalf of YG to confirm and substantiate that any amounts submitted for payment are sufficiently supported and in accordance with the terms of this Agreement.

8.0 Project Reporting

- .1 The Recipient shall submit to YG a well organized, detailed, written status report on the progress of the Project to be delivered in accordance with the terms of this Agreement. The Recipient shall submit Project Reports, in a form and with content reasonably acceptable to YG, and shall ensure that each Project Report sufficiently describes the progress of the Project to assess and ensure that the Project: is adequately progressing and will meet any applicable timeframes explicitly stated in the Agreement; will achieve its intended objectives or results; and/or is in compliance with the terms of this Agreement.
- .2 The Recipient shall deliver to YG a Project Report in accordance with the following timelines and schedule:
 - .1 submit to YG a monthly Project Report;
 - .2 a final Project Report for the term of this Agreement to be delivered within 30 calendar days after total completion of the Project;
 - .3 provide data points on the number of hours worked by a target population and/or value of contracts provided as applicable to the targets set at the time of project submission to demonstrate the Community Employment Benefits of the Project - A qualitative narrative around progress to date by the project in meeting its targets is also required. The report is due October 31 annually.
- .3 If circumstances or conditions arise which in YG's reasonable opinion make it necessary, upon written request by YG, the Recipient shall, in a form and with content reasonably acceptable to YG, submit to YG a well-organized and detailed interim Project Report that sufficiently describes the progress of the Project to assess and ensure that the Project: is adequately progressing and will meet any applicable timeframes explicitly stated in the Agreement; will achieve its intended objectives or results; and/or is in compliance with the terms of this Agreement.
- .4 If circumstances or conditions arise which in YG's reasonable opinion make it necessary, upon written request by YG, the Recipient shall, at its own cost, include with any Project Report sufficient evidence, including any other information, documentation, or materials that are reasonably required by YG to assess and ensure that the Project: is adequately progressing and will meet any applicable timeframes explicitly stated in the Agreement; will achieve its intended objectives or results; and/or is in compliance with the terms of this Agreement.
- .5 Upon request by YG, the Recipient shall promptly provide YG with a list of all contractors and suppliers that will be used in the performance of the Project.
- .6 The Recipient shall, at its own expense, fully cooperate with YG with respect to any evaluation of this Project, and shall provide copies of any information, data, statistics, documents, or other materials that YG may reasonably require or request to carry out such evaluation.
- .7 Within 30 calendar days after certification of total completion of the Project, the Recipient shall, provide YG with a written, well organized, and detailed final Project Report. The Recipient shall submit Project Reports using the form included under the Reporting Schedule, or such other form and with content reasonably acceptable to YG, and shall include in the final Project Report: a sufficient description of how the Project has met its intended objectives or results; and is in compliance with the terms of this Agreement.

9.0 Records

- .1 Upon request by YG, the Recipient shall, in a well-organized manner, keep and make available to YG, in an accessible, readable, and unlocked format, any information, documents, or materials that are reasonably necessary to ensure that the Funds have been properly used in accordance with this Agreement, and that the objectives and results of the Project have been met. YG may retain and use copies of such information, documents, or materials.
- .2 The Recipient shall, in a well-organized manner, retain for a minimum of 6 years after the expiry or termination of this Agreement, a full and detailed account of all revenues and expenses related to or arising from the Project, Funds, and this Agreement, including:
 - .1 all payments, books, bank statements, records, invoices, receipts, vouchers, staff and premises for purposes related to monitoring, reviewing or auditing, or other financial information or materials related to or arising from the Project, Funds, or this Agreement; and related to the evaluation of the effectiveness, or the efficiency of the Project; and
 - .2 all notices, reports, testing results, and certificates relating to the design, construction, and commissioning of any work related to the Project.
- .3 Upon request by YG, or in the case of a dispute between the Parties, the Recipient will provide or allow YG, its auditors, employees, representatives, or agents to inspect and copy any or all information, documents, or materials reasonably required by YG to sufficiently support or resolve any application for Funds, dispute, or compliance with the terms of this Agreement.
- .4 YG shall own all rights and title to any reports provided by the Recipient to YG under this Agreement, including any Financial Reports or Project Reports.
- .5 The Recipient shall grant to YG a non-exclusive, royalty-free, fully paid, world-wide, perpetual and irrevocable licence to fully use, copy, or translate all Financial Reports, Project Reports, and any other works or materials acquired, produced, or provided under this Agreement for any government purpose, including for audit or review purposes under Sections 9.0 – Records and 10.0 - Audit. Any full or partial payment of Funds under this Agreement in no way changes the effect of this license.
- .6 The Recipient fully consents to the use and disclosure of any Financial Reports, Project Reports, and any other works or materials acquired, produced, or provided under this Agreement by and to Canada or third parties for review or audit purposes, or for the purposes of ensuring that the terms of this Agreement or any related funding program or agreement have been met. The Recipient shall obtain the consent of third parties and execute such further documents and give such further assurances from time to time as are reasonably required to give effect to the use and disclosure of such reports, works, or materials for the purposes herein. Any full or partial payment of Funds under this Agreement in no way changes the effect of this consent.
- .7 For greater certainty, sections 9.1 to 9.7 shall survive the expiry or termination of this Agreement.

10.0 Audit

- .1 Upon written request by YG, the Recipient shall allow YG, its auditors, employees, representatives, or agents to carry out and complete an audit of the Recipient as is necessary to satisfy YG that the Funds have been used or spent in accordance with the terms of this

Agreement; the objectives and activities of the Project have been carried out; and/or the terms of this Agreement have been complied with.

- .2 The Recipient shall fully cooperate with YG in carrying out and complete the audit, including:
 - .1 providing full and unrestricted access to any information, documents, and materials for the purposes of the audit, and permitting YG to audit, inspect, take away, retain, make copies of or take extracts from any such information, documents, or materials OR provide YG with all information necessary to understand such information, documents, and materials;
 - .2 obtaining consents from third parties or executing such further documents that are reasonably required to carry out or complete the audit;
 - .3 providing access to the Recipient's staff and property;
 - .4 providing YG with reasonable facilities to conduct the audit on the Recipient's premises; and
 - .5 providing YG with any other assistance reasonably necessary to carry out and complete the audit.
- .3 Any overpayments, unauthorized, illegitimate, unused, or non-eligible expenditures related to or arising from the Funds as determined by the audit shall be deemed to constitute a debt due to YG and shall be repaid by the Recipient to YG upon notice of demand by YG. Interest at the current Bank of Canada rate (as it may change from time to time) shall be applied to such debt amounts calculated from the date of the notice of demand by YG until paid, compounded monthly.
- .4 For greater certainty, sections 10.1 to 10.4 shall survive the expiry or termination of this Agreement.

11.0 Liability and Indemnity

- .1 The Recipient fully accepts and shall be solely responsible for all risks related to or arising from the performance of the Project and is solely responsible for investigating all facts and conditions that may affect the performance or completion of the Project and satisfy itself as to the practicality of performing and completing the Project.
- .2 The Recipient shall exercise reasonable care in carrying out the Project and in performing its obligations under this Agreement to ensure that it does not cause any injury (including death) to persons, damage or loss to property or infringement of rights.
- .3 YG shall not be liable for any act, error, or omission of the Recipient or its affiliates, subsidiaries, past, present and future partners, directors, officers, employees, members, contractors, agents, successors, liquidators, receivers, receiver managers, trustees, owners, shareholders, assigns, and insurers related to or arising from the Project or this Agreement.
- .4 YG shall not be liable for any injury to or for any damage to or loss of property of the Recipient, or its affiliates, subsidiaries, past, present and future partners, directors, officers, employees, members, contractors, agents, successors, liquidators, receivers, receiver managers, trustees, owners, shareholders, assigns, and insurers caused by, arising from, or in any way related to the performance of the Project or this Agreement.

- .5 The Recipient acknowledges and agrees to fully, permanently, and irrevocably release, remise, waive and forever discharge YG, its elected officials, officers, employees, agents, assigns, insurers, and successors from any and all: indirect, consequential, incidental, general, special or exemplary damages; economic losses; lost profits; or lost opportunities related to or arising from the Project or this Agreement, for any reason or in any way, whether unknown or unforeseen, whether in law or in equity or pursuant to statute or regulation.
- .6 The Recipient shall fully indemnify and hold harmless YG and its elected officials, officers, employees, agents, assigns, insurers, and successors from and against all third party claims, actions, complaints, liabilities, demands, obligations, damages, expenses and costs (including reasonable legal costs), directly or indirectly, related to or arising from the Project, including:
- .1 any act, error, or omission by or arising from the Recipient, including: negligence, gross negligence, or misrepresentation (negligent or otherwise);
 - .2 any breach of contract or breach of any statutory or professional duty by or arising from the Recipient; or
 - .3 any injury (including death) to persons, damage to or loss of property, infringement of rights (including intellectual property rights) or any other claims, actions, complaints, liabilities, demands, obligations, damages, expenses and costs (including reasonable legal costs) for any reason or in any way arising from or related to the Recipient's performance or non-performance of the Project, including: subcontractor claims or any claims for additional costs or expenses, delay costs, or any other costs or expenses related to or arising from the design and construction of the Project.

For the purposes of sections 11.6.1 to 11.6.3, "Recipient" includes any of the Recipient's affiliates, subsidiaries, past, present and future partners, directors, officers, employees, members, contractors, agents, successors, liquidators, receivers, receiver managers, trustees, owners, shareholders, assigns, and insurers.

- .7 For greater certainty, sections 11.1 to 11.7 shall survive any expiry or termination of this Agreement.

12.0 Conflict of Interest

- .1 No member of the Yukon Legislative Assembly shall be allowed to share in any part of this Agreement or any benefit arising from it, unless such benefits are available to the population at large.
- .2 No official or employee of the Government of Yukon shall be allowed to share in any part of this Agreement or any benefit arising from it without the written consent of the official's or employee's Minister, unless such benefits are available to the population at large.
- .3 No current or former public servant or public officer holder to whom the *Conflict of Interest (Members and Ministers) Act* RSY 2002, c. 37, Part 13 of the *Public Service Act* RSY 2002, c. 183, the *Cabinet and Caucus Employees Act* RSY 2002, c. 22, or Policy 3.39 of the YG General Administration Manual (as amended) applies, shall derive any direct benefit from this Agreement, including any employment, payment or gifts, unless the provision and receipt of such benefits is in compliance with such legislation and policy.

.4 The Recipient:

- .1 shall not accept any commission, discount, allowance, payment, gift, or other benefit that is connected, directly or indirectly, with the performance of this Agreement, that causes, or would appear to cause, a conflict of interest; and
- .2 shall, unless otherwise pre-approved by YG, have no financial or personal interest in the business, interest group, or organization of a third party that causes, or would appear to cause, a conflict of interest in connection with the performance of the Project or this Agreement, and if such interest appears or develops, the Recipient shall promptly declare it to YG and take such action as required to eliminate the conflict of interest and prevent future occurrences of the conflict of interest. Such conflict of interest will not relieve the Recipient from its obligations under this Agreement, including under this section.

13.0 Dispute Resolution

- .1 In the case of a dispute, the Parties shall make all reasonable efforts to resolve the dispute by amicable negotiations in a respectful manner. If a dispute has not been resolved by negotiation, a Party may refer the unresolved dispute to the courts or, upon mutual agreement by the Parties, to any other form of dispute resolution, including mediation. Any endeavor to resolve disputes arising out of this Agreement by negotiation, mediation or other means of dispute resolution, will be conducted on a confidential basis and upon rules mutually agreed upon by the Parties. The Parties shall bear the costs of any agreed upon mediation or arbitration process equally.

14.0 Default

- .1 YG may give notice to the Recipient of default under this Agreement if the Recipient:
 - .1 is adjudged bankrupt, makes a general assignment for the benefit of creditors, or a receiver is appointed on account of its insolvency, or fails to make payment to creditors when payment is due;
 - .2 neglects or refuses to perform, or abandons the Project (in whole or in part);
 - .3 breaches a material term or supplementary term under Schedule A: Supplementary Terms of this Agreement;
 - .4 uses or spends Funds on Ineligible Expenses or fails to comply with any terms or conditions in the Payment Schedule or Budget;
 - .5 has delivered information, documentation, materials, reports, certification, statement, or declaration related to the Funds, this Agreement, or the Recipient's application for funding or proposal for funding that is false or materially misleading or inaccurate or makes a misrepresentation of a representation or warranty set out in this Agreement;
 - .6 fails to provide sufficient evidence that the Project can be completed in accordance with this Agreement or meet any critical milestone dates explicitly stated in this Agreement;
 - .7 has made a material change in the nature or scope of the Project or a material change in the Budget to total cost of the Project, without YG's written consent or approval;
 - .8 is no longer in good standing or ceases to operate as a legal entity;

- .9 has made an assignment of this Agreement or any terms thereunder without the required written consent of YG; or
- .10 fails to submit a Project Report, Financial Report, or schedule of values, in accordance with the terms of this Agreement.
- .2 If a default occurs under section 14.1 other than a default referred to under section 14.1.1, then YG may specify in writing a timeframe within which the Recipient will remedy the default. The Recipient will, within such timeframe, provide YG with a well-organized, detailed, and comprehensive schedule acceptable to YG, in a form and with content acceptable to YG, for rectification of the default within such timeframe and correct the default in accordance with that schedule.
- .3 If a default under section 14.1.1 occurs or if the Recipient fails to rectify any default within the timeframe provided by YG, fails to provide an acceptable schedule, , or otherwise fails to rectify the default in accordance with section 14.2, then YG may by written notice to the Recipient and without prejudice to any other right or remedy under this Agreement, in law or in equity terminate this Agreement or take such other action or remedies as YG deems appropriate in the circumstances, or is available under this Agreement, in law or in equity.
- .4 Without prejudice to any other right or remedy YG may have under this Agreement or in law, if this Agreement is terminated by YG for default under Section 14.0 - Default, then:
 - .1 any obligation by YG to provide Funds under this Agreement shall cease immediately, and YG may refuse to pay or withhold all or part of the Funds provided under this Agreement;
 - .2 YG may audit the Recipient pursuant to the audit provisions under this Agreement;
 - .3 any payment of Funds to the Recipient that are determined by YG to be overpayments, unauthorized, illegitimate, unused, or non-Eligible Expenses shall be deemed to constitute a debt due to YG and shall be repaid by the Recipient to YG upon notice of demand by YG. Interest at the current Bank of Canada rate (as it may change from time to time) shall be applied to such debt amounts calculated from the date of the notice of demand by YG until paid, compounded monthly; and
 - .4 YG will be entitled to charge the Recipient for any reasonable costs to cover any audits or recover any outstanding debts due to YG under this Agreement, in law or in equity.

15.0 Termination

- .1 Either Party may terminate this Agreement for convenience and without cause by giving the other Party 30 calendar days' prior written notice of its intention to terminate.
- .2 Despite any other term under this Agreement, the termination of this Agreement under section 15.1 or by default under Section 14.0 - Default, does not relieve or discharge the Recipient from any outstanding obligations under this Agreement and such obligations shall survive and continue in full force and effect and remain outstanding after any termination of this Agreement.

16.0 General

- .1 This Agreement and any supplementary terms, schedules or attachments, constitutes the entire agreement between the Parties in respect of the subject matter of this Agreement and

supersedes all prior representations, negotiations, communications, and other agreements in respect of it (whether written or oral).

- .2 Any change or amendment to this Agreement must be made by written agreement that is duly authorized and signed by representatives of both Parties.
- .3 For greater certainty, nothing in this Agreement shall create the relationship of principal and agent, employer and employee, partnership, or joint venture between the Parties. The Recipient shall not make any representation that the Recipient is an agent of YG and shall ensure that any officers, employees, contractors, members, agents or successors of the Recipient do not make any representation that could reasonably lead any member of the public to believe that the Recipient, its officers, employees, contractors, members, agents or successors are agents of YG.
- .4 The Recipient shall comply with all YG policies, standards, or requirements stated in this Agreement and all applicable laws in the performance of the Project and this Agreement. Upon request by YG, the Recipient shall provide proof of compliance with any applicable law, policy, or standard to the reasonable satisfaction of YG. This Agreement does not operate as a permit, license, approval or other statutory authority which the Recipient may be required to obtain from YG or any of its agencies in order to perform the Project. Nothing in this Agreement is to be construed as interfering with the exercise by YG or its agencies of any statutory power or duty or make YG liable for any exercise of a statutory power or duty. YG shall not be liable for any additional cost or expense or delay related to or arising from the exercise of any statutory power or duty or enforcement of laws.
- .5 No action or failure to act by either Party shall constitute a waiver of any right or duty afforded to them under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically and explicitly agreed to in writing.
- .6 Each provision of this Agreement will be valid and enforceable to the fullest extent permitted by law. If any provision of this Agreement is held to be invalid, unenforceable or illegal to any extent, such provision may be severed and such invalidity, unenforceability or illegality will not prejudice or affect the validity, enforceability and legality of the remaining provisions of this Agreement. If any such provision of this Agreement is held to be invalid, unenforceable or illegal, the Parties will promptly endeavor in good faith to negotiate new provisions to eliminate such invalidity, unenforceability or illegality and to restore this Agreement or provision as nearly as possible to its original intent and effect.
- .7 The Recipient will not, without the prior written consent of YG, assign, either directly or indirectly, any of the Recipient's rights, benefits, or obligations under this Agreement and any such assignment without YG's consent shall be considered void and of no effect. Any assignment may be subject to approval under the Yukon Assignment Regulations OIC 1984/201.
- .8 This Agreement shall be binding upon the Parties hereto and their lawful heirs, executors, administrators, successors and assigns.
- .9 The Parties shall execute such further documents and give such further assurances from time to time as are reasonably required to give effect to this Agreement or the terms therein.
- .10 This Agreement will be deemed to have been made in and will be governed, interpreted and enforced by the laws of the Yukon without regard to forum non conveniens or conflict of law

principles that would impose a law of another jurisdiction, and both Parties irrevocably submit to the exclusive jurisdiction of the courts in Yukon.

- .11 All obligations of the Recipient shall expressly, or by their nature, survive expiry or termination of this Agreement until, and unless, they are fulfilled, or by their nature, expire.
- .12 Time is of the essence in this Agreement.

17.0 Notice

- .1 The Parties will, in writing, each designate an individual to act as their representative who will have authority to communicate and exchange information between the Parties.
- .2 Any written notices referred to, required, or provided under or in relation to this Agreement will be addressed to the Parties at the address set out below. The delivery of such notice will be by hand; courier; mail; or electronic mail. A notice delivered by one Party in accordance with this Agreement will be deemed to have been received by the other Party:
 - .1 if delivered in person or by courier, on the date of delivery;
 - .2 if sent by mail, it shall be deemed to have been received 5 Business Days after the date on which it was mailed;
 - .3 if sent by electronic mail, it shall be deemed to have been received on the date of its transmission if there is no indication of failure of receipt communicated to the sender and the date of transmission is a Business Day and received at the place of receipt during the hours of 8:00 am to 5:00 pm if not received on a Business Day or during the hours of 8:00 am to 5:00 pm, then it shall be deemed to have been received at the opening of business at the place of receipt on the next Business Day following the transmission thereof if there is no indication of failure of receipt communicated to the sender.
- .2 Contact information for a Party may be changed by written notice to the other Party setting out the new contact information in accordance with this notice provision.

YG

Contact Person: Shelby Workman
Director, Infrastructure Development
Address: Community Services C-13
Government of Yukon
PO Box 2703
Whitehorse, Yukon Y1A 2C6.

Recipient

Contact Person: Kimberly Ballance
Chief Administrative Officer, Town of Faro
Address: Town of Faro
P.O. Box 580
Faro, YT, Y0B 1K0

Signing of this Agreement

- .1 Each Party represents and warrants that it has full power and authority to enter into, perform, and execute the terms of this Agreement, and that each person signing this Agreement on behalf of a Party has been properly authorized and empowered to enter into and execute this Agreement and the terms therein.
- .2 This Agreement may be executed in counterparts, each of which will be deemed as an original and all of which will constitute one and the same document.

The Parties have executed this Agreement by their duly authorized representatives below. SIGNED AND DELIVERED in the presence of:

YG – Certified pursuant to section 23 (contracting authority) of the *Financial Administration Act*.

GOVERNMENT OF YUKON
as represented by the
Director of **Community Services**

In the presence of

(name and signature of witness 19 years of age or older)

Shelby Workman

Date

as represented by the **Mayor**

In the presence of

(name and signature of witness 19 years of age or older)

Jack Bowers

Date

Schedule A: Supplementary Terms

A.1 Procurement

- .1 The Recipient will ensure that contracts related to arising from the Project are awarded in a fair, transparent, and competitive manner, consistent with YG's procurement thresholds <https://yukon.ca/en/procurement-policy> or in a manner otherwise acceptable to YG.
- .2 All direct award contracts or contracts issued without a formal competitive procurement process must be pre-approved in writing by YG to be considered an Eligible Expense under this Agreement.
- .3 If the Recipient is in breach of sections A.1 or A.2, upon notification to the Recipient, YG reserves the right to deem any expenditures arising from or related to such breach as Ineligible Expenses and non-reimbursable from the Funds or under this Agreement.
- .4 If, as a result of any procurement process, the total cost to complete the Project exceeds the applicable Budget or any limits stated in this Agreement (in whole or in part), then the Recipient will make commercially reasonable efforts, if necessary, to modify the Project to bring the Project within the applicable Budget or limits.

A.2 ICIP Requirements and Retention of Infrastructure Assets

- .1 The Recipient shall fully cooperate with YG and use best efforts to assist YG in complying with or meeting any requirements required by Canada related to the ICIP or any agreements thereto, including: complying with any reporting requirements, evaluations, or audits required or conducted by Canada. Upon request by YG, the Recipient shall, in a form and with content reasonably acceptable to YG, promptly provide YG with any information, documents or materials that are requested by Canada related to or arising from the ICIP or any agreements thereto.
- .2 The Recipient shall ensure that it retains full title to and ownership of the Project for five (5) years after: the Project has been fully completed and approved in writing by YG, acting reasonably; and a certificate of total performance has been issued for the Project by an independent and qualified consultant ("Asset Disposal Period"), unless otherwise agreed to in writing by the Parties.
- .3 The Recipient shall notify YG in writing, one-hundred eighty (180) calendar days in advance, if, at any time during the Asset Disposal Period, the Recipient, directly or indirectly, intends or proposes to dispose of, sell, lease, encumber, or use the Project in any way or manner other than as described in their request for funding under the ICIP or in this Agreement.
- .4 Subject to section A.2.5, if the Recipient, directly or indirectly, disposes, sells, leases, encumbers, or uses the Project in a manner other than as described in this Agreement, then the Recipient shall promptly and fully reimburse YG for all the Funds received by the Recipient for the Project under this Agreement.
- .5 For greater certainty, section A.2.4 does not apply if the Recipient disposes, sells, or leases the Project to Canada, a Crown corporation acting as agent for Canada, YG, or a Crown corporation acting as agent for YG.
- .6 Sections A.2.1 to A.2.6 shall survive the expiry or termination of this Agreement

A.3 Reporting Forms and Other Reports

- .1 In addition to any other terms of this Agreement, the Recipient shall submit Financial Reports and Project Reports in the forms attached to this Agreement as appendices. The Recipient shall fill out and complete such forms as part of any Financial Report or Project Report (as applicable).
- .2 Within 14 calendar days after signing this Agreement, or, at any time upon request by YG, the Recipient shall, in a form and with content reasonably acceptable to YG, submit to YG for review, a schedule of values as follows:
 1. the schedule of values shall fairly and reasonably aggregate and divide the total amount of any applicable work over the course of the Project in accordance with: any Payment Schedule and Budget set out under this Agreement; and any major Project milestone dates, including the date for Substantial Completion of the Project, so as to facilitate accurate cash flows and allocation of Funds in accordance with the payment schedule under this Agreement and evaluation of payments to the Recipient;
 2. YG may provide comments to the Recipient on the schedule of values, and the Recipient will revise the schedule of values to address the comments, and so on, until such time that YG is reasonably satisfied with the schedule of values;
 3. the schedule of values shall be made out with content and in such form and supported by such evidence as YG may reasonably direct and when accepted by YG, shall be used as the basis for payments for any Eligible Expenses, unless it is found to be in error, in which case it will be corrected by the Recipient at its own cost in accordance with the terms of this Agreement and in consultation with YG; and

If the schedule of values is not submitted to YG in accordance with the terms of this Agreement, or the Recipient does not use, spend, or seek payment of the Funds in accordance with the terms of the Agreement, including any Payment Schedule or Budget, then YG reserves the right, at its discretion, to immediately suspend payment of all Funds under this Agreement without liability or compensation to the Recipient until such time as the schedule of values is submitted to YG in accordance with the terms of this Agreement, or the Recipient uses, spends, or seeks payment of the Funds in accordance with the terms of the Agreement.
- .3 The Recipient will submit a progress report to Infrastructure Development, no later than October 31st of each Fiscal Year, a project progress report to Canada's satisfaction. The progress report shall be in a form and with content acceptable to YG, and will include:
 - i. Canada's contribution funding to the Project by Fiscal Year;
 - ii. Construction start and end dates (forecasted/actual);
 - iii. Progress tracker (e.g. percent completed);
 - iv. Risks and mitigation strategies, as required;
 - v. Confirmation that the Project is on track to achieve expected results, or if Substantially Completed, confirmation of actual results; and
 - vi. Confirmation of installed Project signage, if applicable.

A.4 Environmental Assessment

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

A.5 Aboriginal Consultation

1. No site preparation, vegetation removal or construction will occur for the Project and Canada and YG has no obligation to pay any Eligible Expenditures that are capital costs, as determined by Canada and YG, until Canada and YG is satisfied that any legal duty to consult, or other federal consultation requirement, and where appropriate, to accommodate Aboriginal groups has been met and continues to be met. If required, Canada and YG must be satisfied that for the Project:
 - .1 Aboriginal groups have been notified and, if applicable, consulted;
 - .2 If applicable, a summary of consultation or engagement activities has been provided, including a list of Aboriginal groups consulted, concerns raised, and how each of the concerns have been addressed, or if not addressed, an explanation as to why not;
 - .3 Accommodation measures, where appropriate, are being carried out by the Recipient at their own cost; and
- .4 Any other information has been provided that Canada and YG may deem appropriate.

A.6 Substantial Completion

1. For the purposes of this Agreement:

"Substantial Completion" means all of the following have been completed:

 1. all of the terms and conditions of the Agreement required for Substantial Completion under the Agreement have been fulfilled in accordance with the terms of the Agreement;
 2. the work on the Project is 95% complete and ready for use or is being used for the purposes intended in accordance with the Agreement and is capable of completion.

"Substantial Completion Date" means **March 31, 2027**.

2. The Recipient shall diligently commence and perform the Project and achieve Substantial Completion of the Project on or before the Substantial Completion Date. The Recipient acknowledges and agrees that failure to achieve Substantial Completion by such date may result in repayment of any and all Funds, and any extensions of the Substantial Completion Date may be subject to or require the approval of Canada and YG and may not be granted.
3. The Recipient represents and warrants that it is satisfied as to the practicality of performing the Project in accordance with the terms of this Agreement, including achieving Substantial Completion of the Project by the Substantial Completion Date, and has exercised due diligence

to investigate all facts and conditions that are related to or affect the performance of the Project and this Agreement. The Recipient assumes the full risk and responsibility for meeting the Substantial Completion Date and acknowledges and agrees that achieving Substantial Completion of the Project by the Substantial Completion Date is deemed to be a material term of this Agreement, a material term for any funding from Canada, and time is of the essence. Failure to achieve Substantial Completion of the Project by the Substantial Completion Date will also be deemed to be a default under the Agreement under section 14.0 – Default.

4. In addition to and without prejudice to any other rights and remedies YG may have under this Agreement or in law, the Recipient acknowledges and agrees that if the Project does not achieve Substantial Completion by the Substantial Completion Date, then, upon written notice by YG, the Recipient shall promptly repay all Funds paid to or provided to the Recipient under this Agreement, which shall be deemed to constitute a debt due to YG. The Recipient shall repay such Funds to YG within 90 calendar days after the Substantial Completion Date, unless otherwise agreed to in writing by YG. In addition, if the Project does not achieve Substantial Completion, YG may, at its discretion, do one or more of the following:
1. immediately discontinue all payment of Funds under this Agreement or related to the Project without any liability or compensation to the Recipient; and/or
 2. terminate the Agreement immediately upon written notice to the Recipient.

Schedule B: Project

B.1 Overview and Deliverables

Underground utility infrastructure in the Town of Faro was constructed between the 1960s and 1980s. Infrastructure condition was assessed and replacement was ranked in order to continue to provide safe access to drinking water, adequate firefighting flows, and capacity to convey sewage. Road condition was also assessed and roads in poor condition and those impacted by underground utility upgrades will be reconstructed as part of this project.

Phase 3A includes replacement of the following infrastructure:

- 792 m sanitary sewer main
- 82 m sanitary sewer services
- 304 m water main
- 23 m water services
- 930 m public roads

The below deliverables will be met:

- The Recipient will provide YG with a digital copy of all design documents.
- The Recipient will provide YG a copy of all necessary permits or licenses (ie. Water Licence).
- The Recipient will provide a completed project change if the design documents deviates from the scope above.

B.2 Work Plan

- .1 The Recipient shall carry out the Project in accordance with this Agreement and the following work plan:

Project Schedule

Milestone	Completion Forecast	% current completed
Design – Issued for Tender	March 31, 2027	0%

Estimated FY Breakdown of Transfer Payment Agreement

Year	Project Contribution
2026/27	\$150,000

B.3 Design Review

- .1 The Parties acknowledge that the Recipient, upon signing this Agreement, has or will have design drawings which are 95% complete and ready to be issued for tender (the Design Documents).
- .2 At each remaining phases the Recipient will, in a format and with content acceptable to YG, provide YG with 1 digital copy of the Design Documents in order to facilitate YG's review for general conformance to the funding limitations and knowledge of applicable acts and regulations. YG's comments on the design will be submitted to the Recipient within ten (10) Business Days after the Construction Documents are provided to YG.
- .3 The Recipient will provide YG with a digital copy of the Issued for Tender Documents.
- .4 For greater certainty, the Recipient will be solely responsible for the design of the Project and Design Documents, and YG's review of the Design Documents will only be for the purposes of ensuring that the Design Documents conform to the terms and objectives of this Agreement.
- .5 As the Project proceeds, the Recipient and YG Project Manager will convene such meetings and discussions as may be needed to monitor and facilitate the progress of the Project. Meetings, which may include the design consultant, will be held at mutually convenient times and may be held on site or by other convenient means.
- .6 Design Review meetings are scheduled as follows:

Estimated Design Review Stages and Meetings	Date
Preliminary Design – 35%	TBD, as discussed with YG Project Manager
Design – 65%	TBD, as discussed with YG Project Manager
Design – 95%	TBD, as discussed with YG Project Manager
Design – Issued for Tender	TBD, as discussed with YG Project Manager

Regular meetings may be held in person or by phone in addition to the following regular meetings:

- Quarterly meetings and occasional site meetings.

B.4 Project Communications Protocol

.1 Purpose

- .1 This Communications Protocol outlines the roles and responsibilities of Canada and YG, as well as those of the Recipient, with respect to Communications Activities related to this Agreement and the Projects funded through it.
- .2 This Communications Protocol will guide the planning, development and implementation of all Communications Activities to ensure clear, consistent and coordinated communications to the Canadian public.
- .3 The provisions of this Communications Protocol apply to all Communications Activities related to this Agreement and any Projects funded under this Agreement.

.2 Guiding Principles

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

.3 Joint Communications

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

.4 Individual Communications

- .1 Notwithstanding section B.5.3 of this Communications Protocol (Joint Communications), Canada and YG retain the right to meet their obligations to communicate information to Canadians about the Agreement and the use of funds through their own Communications

Activities.

- .2 Canada will post a copy of this Agreement on its website, in addition to information on any of the projects funded through it.
 - .3 Canada, YG and the Recipient may each include general Program messaging and examples of projects funded through the Agreement in their own Communications Activities. The authoring Party will not unreasonably restrict the use of such products or messaging by the other Parties, and if web or social media based, from linking to it.
 - .4 Canada, YG or the Recipient may issue digital communications to communicate progress of the Project(s).
 - .5 Where a web site or web page is created to promote or communicate progress on a funded Project or Projects, it must recognize federal funding through the use of a digital sign or through the use of the Canada wordmark and the following wording, "This project is funded in part by the Government of Canada." The Canada wordmark or digital sign must link to Infrastructure Canada's website, at www.infrastructure.gc.ca. Canada will provide and publish guidelines for how this recognition is to appear.
 - .6 The Recipient will be required to send a minimum of one photograph to each of the Parties of the construction in progress, or of the completed project, for use in social media and other digital individual communications activities. Sending the photos will constitute permission to use and transfer of copyright. Photographs are to be sent to INFC.photos@canada.ca along with project name and location.
- .5 Operational Communications
- .1 The Recipient is solely responsible for operational communications with respect to Projects, including but not limited to: calls for tender, or construction and public safety notices. Operational communications as described above are not subject to the federal official language policy.
 - .2 Canada does not need to be informed on operational communications. However, such products should include, where appropriate, the following statement, "This project is funded in part by the Government of Canada." As appropriate, operational communications will also recognize the funding of YG in a similar manner.
- .6 Media Relations
- .1 Canada and YG will share information promptly with the other Party should significant media inquiries be received or emerging media or stakeholder issues arise to a Project or the overall fund.
- .7 Signage
- .1 Canada, YG or the Recipient may request a sign recognizing their funding contribution to a Project.
 - .2 The Recipient will erect signage at the site of the Project as required by the Communications Protocol. The signage guideline can be found here: <https://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html>
 - .3 Where a physical sign is to be installed, unless otherwise agreed upon by Canada, it will be the Recipient who will produce and install a joint physical sign that recognizes funding of each Party at each Project site in accordance with current federal signage guidelines.
 - .4 The joint sign design, content and installation guidelines will be provided by Canada.
 - .5 The recognition of funding contributions of each Party and the Recipient will be of equal

- prominence and visibility.
- .6 Digital signage may also be used in addition or in place of a physical sign in cases where a physical would not be appropriate due to project type, scope, location or duration.
 - .7 Where the Recipient decides to install a permanent plaque or other suitable marker with respect to a Project, it must recognize the federal and territorial contribution and be approved by Canada and YG.
 - .8 The Recipient agrees to inform YG sign installations through the Project progress reports referenced in section 14 of this Agreement.
 - .9 Where a physical sign is being installed, signage should be installed at each Project site one (1) month prior to the start of construction, be visible for the duration of that Project, and remain in place until one (1) month after construction is completed and the infrastructure is fully operational or opened for public use.
 - .10 Signage should be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.
- .8 Communicating with Recipients
- .1 YG agrees to facilitate, as required, communications between Canada and the Recipient for Communications Activities.
- .9 Advertising Campaigns
- .1 Recognizing that advertising can be an effective means of communicating with the public, Canada and/or YG may, at their own cost, organize an advertising or public information campaign related to this Agreement or eligible Projects. However, such a campaign will respect the provisions of this Agreement. In the event of such a campaign, the sponsoring Party or Recipient will inform the other Parties or Recipient of its intention no less than twenty-one (21) working days prior to the campaign launch.

Schedule C: Budget, Eligible Expenses, and Ineligible Expenses

C.1 Budget

- .1 The budget for the Project shall be as follows:

Project Budget Breakdown	
Detailed Design	\$150,000
Total	\$150,000

- .2 The Recipient shall carry out the Project in accordance with the Budget.

C.2 Eligible Expenses

- .1 Eligible Projects will support public infrastructure, defined as tangible capital assets primarily for public use and/or benefit.
- .2 Eligible Expenses will include the following:
- .1 All costs considered by Canada and Yukon to be direct and necessary for the successful implementation of the Project, excluding those explicitly identified in section C.3 - Ineligible Expenditures, and which may include capital costs, design and planning, and costs related to meeting specific Program requirements, including completing climate lens assessments as completed to Canada's satisfaction and submitted to Canada prior to Canada's approval of the Project;
 - .2 The incremental costs of employees of a Recipient may be included as Eligible Expenses for the Project under the following conditions:
 - .1 the Recipient is able to demonstrate that it is not economically feasible to tender a Contract for the same work; and
 - .2 the arrangement is approved in advance and in writing by Canada.
 - .3 Costs will only be eligible if incurred after the Project Approval Date, except for costs associated with completing climate lens assessments as outlined and completed to Canada's satisfaction and submitted to Canada prior to Canada's approval of the Project, which are eligible before Project approval, but can only be paid if and when a Project is approved by Canada for contribution funding under this Agreement.
 - .4 Costs will only be eligible when awarded in a fair, transparent, and competitive manner, and in a manner acceptable to YG or Canada. All direct award contracts or contracts issued without a formal competitive procurement process must be pre-approved in writing by YG or Canada to be considered an Eligible Expense under this Agreement.

C.3 Ineligible Expenses

- .1 The following are deemed Ineligible Expenses:
 - .1 Site clearing, preparation and construction.
 - .2 Costs Incurred before the Project Approval Date and any and all expenditures related to contracts signed prior to Project approval, except for expenditures associated with completing climate lens assessments completed to Canada's satisfaction and submitted to Canada prior to Canada's approval of the Project;
 - .3 Costs Incurred for cancelled Projects;
 - .4 Costs of relocating entire communities;
 - .5 Land acquisition;
 - .6 Leasing land, buildings and other facilities; leasing equipment other than equipment directly related to the construction of the Project; real estate fees and related costs;
 - .7 Any overhead costs, including salaries and other employment benefits of any employees of the Recipient, any direct or indirect operating or administrative costs of the Recipient, and more specifically any costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by the Recipient's staff, except in accordance with section C.2.2.3 (Eligible Expenditures) and subject to section C.2.2.2;
 - .8 Financing charges, legal fees, and loan interest payments, including those related to easements (e.g. surveys);
 - .9 Any goods and services costs which are received through donations or in kind;
 - .10 Provincial sales tax, goods and services tax, or harmonized sales tax for which the Recipient is eligible for a rebate, and any other costs eligible for rebates;
 - .11 Costs associated with operating expenses and regularly scheduled maintenance work;
 - .12 Cost related to furnishing, as well as non-fixed assets which are not essential for the operation of the Asset/Project; and
 - .13 All capital costs, including site preparation and construction costs, until Canada has confirmed that environmental assessment and Aboriginal consultation obligations as required under sections A.4 (Environmental Assessment) and A.5 (Aboriginal Consultation) under Schedule A: Supplementary Terms have been met and continue to be met.

Schedule D: Payment Schedule

D.1 Application for Payment of Funds

- .1 The Recipient will promptly make applications for payment of the Funds in accordance with the terms of Schedule D: Payment Schedule and this Agreement. All applications for payment shall fairly and reasonably aggregate and divide the total amount or portion of the Funds over the course of the Project taking into account the Budget and Eligible Expenses.
- .2 Subject to any further information that may be required by YG under this Agreement, applications for payment of Funds will include:
 - .1 the value or amount of Eligible Expenses up to the date the previous Financial Report;
 - .2 Eligible Expenses actually and properly incurred in accordance with the terms of this Agreement up to the date of application for payment and the copies of invoices, receipts and vouchers;
 - .3 any adjustments or changes to the amounts or limits set out for the Funds, Budget, or Eligible Expenses;
 - .4 the amount of any holdbacks or outstanding amounts under this Agreement;
 - .5 any Financial Reports or Project Reports required or requested by YG in accordance with this Agreement
 - .6 a statutory declaration from an authorized officer or senior management employee of the Recipient stating that all amounts being applied for in the application for payment are Eligible Expenses and in accordance with the terms of this Agreement; and
 - .7 any other information, documentation, or materials that are reasonably required by YG, or by any Party on behalf of YG to confirm and substantiate that any amounts submitted for payment are sufficiently supported and in accordance with the terms of this Agreement.
- .3 Subject to the terms of this Agreement, upon receipt of an application for payment by the Recipient in accordance with this Agreement, YG will, not later than 30 calendar days after receipt of the application for payment, review and amend, approve or disapprove of the application for payment. If YG amends or disapproves the application, then YG will promptly advise the Recipient in writing giving reasons for the amendment or disapproval.
- .4 In the event that YG reasonably disputes an amount submitted for payment by the Recipient, YG will pay the undisputed portion within the prescribed time under this Agreement.

D.2 Holdback of Funds

- .1 In addition to any other right or remedy under this Agreement, YG will also retain a separate holdback in the amount of 10% of the total Funds to ensure performance of the terms of this Agreement. The value of such holdback shall be adjusted from time to time proportionate with any adjustment to the Funds.

- .2 The holdback is not: held in trust for the Recipient, the property of the Recipient, earned by the Recipient or due and payable by YG until the conditions for release of the holdback are satisfied. YG reserves the right, at any time, to apply the holdback against any amount properly owing by the Recipient to YG related or arising from the Project or this Agreement
- .3 YG may, in its reasonable discretion, increase the amount of the holdback retained under this Agreement by the amount of any outstanding third party claims, default, deficiency, or amounts sustained or incurred by YG from the Recipient failing to meet the terms under this Agreement.
- .4 YG will release the holdback, less deductions for amounts owing to YG upon the receipt of certificate of total completion for the Project and the fulfillment of all the Recipient's obligations under this Agreement, including submission of the final Project report to YG.
- .5 The Recipient will apply for payment of the holdback and payment will be made in accordance with section C.1.0 - Applications for Payment of Funds.

D.3 Fiscal Year Caps

- .1 Despite any other term in this Agreement, the Funds provided and applied for by the Recipient under this Agreement, shall not exceed the following limits per Fiscal Year:

Year	TPA Contribution
2026/27	\$150,000

- .2 The Recipient fully accepts the risk of and shall be solely responsible for controlling and managing any costs and expenses related to or arising from the Project so as to perform the Project within the limits and Funds available per Fiscal Year under D.3.1.
- .3 If the Recipient does not use, spend, or claim payment for all the Funds allocated to one Fiscal Year, then the Recipient can only transfer or reallocate a maximum of 25% of the remaining Funds for that Fiscal Year to the following Fiscal Year, unless otherwise agreed in writing by YG.
- .4 The Recipient shall be solely responsible for any cost overruns or additional costs or expenses related to or arising from the Project that may be incurred in excess of the available Funds in a Fiscal Year.

Appendix 1 - Project Report

To be submitted Monthly

Report Date:

Period Covered:

Project Name:

1. Work completed – previously reported:

Describe what work was completed under the previous reports. .

2. Work Completed – this reporting period

Describe what new work has been completed since the last Project Report.

3. Contract Information

Please list all contracts awarded for the Project. In cases where contracts were not competitively tendered, please provide a brief rationale below this table.

Provide copies of: public advertisements (tender, RFP, etc.), tender review minutes and scoring tables, where applicable. (Skip this step if these have been submitted with a previous Project Report).

Project Component	Contractor	Competitively Tendered (Y/N)	Award Date	Percentage Complete	Contract Value

4. Environmental Reporting

State any environmental concerns or issues that arose during the performance of the work since the last progress report and how it was addressed. If applicable, please provide the YESAB online registry number for the environmental assessment.

4. Regulatory Reporting

Include any regulatory permits that must be sought for the work and the status of these permits or licenses.

5. Next Steps

Provide a brief description on the next steps on the project and updated work plan if there have been any changes to the work plan since the last report

6. Photos and Site Reports

In an appendix, provide a selection of photos of the project and project signage. Photos to include dates and descriptions and should be of sufficient quantity and variety to demonstrate progress on the project since the last report. Also provide any site inspections or site visit reports prepared by the consultant.

7. Schedule Updates

Provide any updates to the milestone schedule since last report, if applicable. Also state the anticipated date of Substantial Completion...

8. Cash Flow forecast update per fiscal period.

Fiscal Year	Project Contribution
FY	
FY	

9. Challenges and Risks

List challenges and risks the project is currently facing and how these will be addressed. In particular note any challenges/risks that might impact your ability to meet project objectives; project success; and compliance with the terms of this TPA, including schedule and costs.

I certify on behalf of the Recipient that the statements made in this report are accurate, true and complete;

Name/Position	Signature	Date
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I certify on behalf of YG that this report is acceptable to YG;

Name/Position	Signature	Date
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Appendix 2 - Final Project Report

1. Please provide a brief overview of the benefits of the project.
2. Please provide photographs of the project that show the progression of the Project and work. (Photos may be digital via email or storage media)
3. The Recipient, by its authorized representative, certifies the following:
 - .1 The Project was completed and the Issued for Tender Documents were issued on [insert date].
 - .2 I have received the following documents for the [insert name of project] Project:
 - i. [Insert List name of relevant documents, e.g. certificate of completion, certificate of performance, occupancy permit, etc.] signed by [Insert Name], a (Insert Profession, e.g., professional engineer) for the Project.
 - ii. [Insert: Add same text as in i. for each document]
 - .3 All contracts for work on the Project were awarded in a way that was transparent, competitive, fair, impartial and consistent with value for money principles.
 - .4 All contractors for work on the Project have been paid.
 - .5 Any environmental issues that arose during the Project were resolved. YESAA File number (insert number).
 - .6 The Recipient has not sold, leased, transferred, encumbered or otherwise disposed of the land or asset constructed as a result of this Project.

Recipient authorized representative;

Name/Position	Signature	Date
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I certify on behalf of YG that this report is complete;

Name/Position	Signature	Date
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Appendix 3 - Financial Report

Project:

Claim date:

Period covered:

Claim Number:

Calculation of Current Claim

Total Expenses Submitted for this Claim	
Total Payment This Claim	

Calculation of Remaining Balance

Total Agreement Amount	\$
Previous Total Claims Paid	
Total Payment This Claim	
Balance remaining in Agreement	\$

Ineligible Costs

Ineligible Costs	
Total Project Cost (Eligible & Ineligible)	

I certify on behalf of the Recipient that the amounts claimed are Eligible, accurate, true, and complete, and incurred in accordance with the provisions of the Agreement;

Name/Position

Signature

Date

I certify on behalf of YG that I have made a determination on the basis of the evidence presented by the Recipient that the payment being made is for Eligible Expenses as defined in the Agreement;

Name/Position

Signature

Date



Recommendation to Council

Re: Pecuniary Interest Legal Opinion

Date: August 12, 2026

Recommendation

That Council directs Administration to acquire a legal opinion regarding Mayor Bowers' potential Pecuniary Interest in the Faro Mine Remediation Project's Tse Zul Camp Potable Water and Septic Project.

For Information

Excerpt from the July 7, 2026, Regular Meeting of Council (Item 11.4).

- 11.4 *Council's Review of Potential Pecuniary Interests re: Faro Mine Remediation Project's Tse Zul Camp Potable Water and Septic Project*
Council discussed the potential for the Mayor to have a pecuniary interest in relation to the Town's lobbying efforts on this project. The specific question being: Does Mayor Bowers have a pecuniary interest, as a shareholder for his business, in the Town of Faro's lobbying efforts regarding the Faro Mine Remediation Project's Tse Zul Camp Potable Water and Septic Project?

Mayor Bowers will consider this using the Department of Community Services Pecuniary Interest Test Questions and bring forward a determination or a recommendation to Council on whether a legal opinion should be acquired.

A meeting was held on August 11, 2026, including the Town of Faro's Community Services Advisor, Mayor, Deputy Mayor and CAO to walk through the Department of Community Services Pecuniary Interest Test Questions on this matter.

A potential pecuniary interest was identified, however legal clarification on whether the nature of the matter meets the test identified in Section 193.01 (3)(d&e) of the Municipal Act is recommended. An excerpt of this section is identified below:

193.01 (3) A member of council does not have a pecuniary interest by reason only of any interest
(d) that is so remote or insignificant that it cannot reasonably be regarded as likely to influence them; or

(e) that they may have by discussing or voting on a matter that applies to businesses or business activities in addition to those carried out by them, their employer or a member of their family.

Submitted by: Kimberly Ballance, CAO



Recommendation to Council

Re: 2026 Asset Disposal List - Equipment

Date: August 12, 2026

Recommendation

That Council approves the addition of assets for disposal through a public sale process to be held on Saturday, October 24, 2026, at the Recreation Centre and via GovDeals.

For Information

The Town will use two methods for its Asset Sale:

- Public Auction (higher value assets)
 - Items will be added to the GovDeals bidding site (www.govdeals.ca).
 - The site is operated through a 3rd party vendor which will ensure transparency and accountability in the sale process.
 - Items will be sold as-is, and terms for deposits, pick-up requirements etc. will be set out on the GovDeals site for each item.
 - Failure for a purchaser to complete the purchase in accordance with the sale terms will result in the item being readvertised for sale. Items without bids by the deadline will be readvertised with a new end date and/or reduced minimum bid.
 - Bidding will be open on these items for an extended period, ending on the Asset Sale date (October 24, 2026).
 - Item viewing / inspections will be scheduled during the week prior to the sale.
 - Municipal Office Staff will be available to assist residents with the bidding process prior to the sale deadline and will be on site the day of the sale.
- Over-the-counter sales (lower value items)
 - Items of lower value will be made available for purchase through a garage-sale style event at the Recreation Centre. This will primarily include supplies, equipment and items that are not required by the Town's various departments.

Additional assets that have been identified for disposal include:

<u>Item Description</u>	<u>Disposal Value</u>
- Elektra Maxi Commercial Espresso Machine	(\$2,500)
- Chocolate Making / Molding Equipment (various)	(TBD)
- Gymnastics equipment (various)	(TBD)
- Unit 1-04 2009 Ford F250 4x4 Crew Cab*	(\$5,000)
- Airport Fuel Tanks (2)*	(\$10,000)
- Unit 5-01 John Deere Z960A Ztrack Mower*	(TBD)

Background

The following Items were approved for surplus/sale at the November 4, 2025, Regular Meeting by Resolution 25-358. While some were below the required threshold, the resolution approving them provided clear direction of staff for the proposed sale.

<u>Item Description</u>	<u>Disposal Value</u>
- Case Quick attachment – came with loader	(\$2,000)
- Various large backup generators* (running)	(\$3,000)
- Unit 5-04; 1987 Mobil Street Sweeper (running)	(\$1,000)
- Unit 5-03; Old Zamboni (running)	(\$1,000)
- Unit 4-05; 1990 JD 455G Track Loader* (running – good cond)	(\$10,000)
- 3-05 – 1989 Ford Vaccon (running – fair cond)	(\$20,000)
sewer flusher*	
- 3-04 – 1985 GMC Single Axle (not running)	(\$500)
Dump (engine)	
- 1-05 – 1996 Ford F350 Crew Cab * (running)	(\$1,500)
(2-wheel drive)	
- '86 sander	(\$500)

*Indicates removal from Tangible Capital Asset (TCA) listing is required (in full or part) and proceeds will be recorded against the asset.

GST will apply to all purchases.

Submitted by: Kimberly Ballance, CAO



Recommendation to Council

Re: Property Standards / Maintenance Bylaw – Process to Update

Date: August 13, 2026

For Discussion

The Town's current Maintenance Bylaw is due to be updated, following Council's approval of the Zoning Bylaw. A Property Standards / Maintenance Bylaw should align with the Zoning Bylaw to ensure continuity on the Town's application of standards.

Administration is beginning its review process for this bylaw including gathering precedent information from other municipalities in the region. Property Standards / Maintenance Bylaw provisions can be very subjective and therefore controversial. Provisions require clear language to ensure that the bylaw can be enforced.

Some issues that Council should consider when reviewing and adopting provisions in the bylaw are:

- Protection of resident / community safety
- Desired community appearance which will be weighed against individual property owners' desired use of their property
- Enforceability of provisions

In terms of public process, a formal public consultation process is advisable and is recommended to follow Council's first reading of the bylaw. However, an invitation for public comments may be useful in advance of the development of a first draft, to provide residents with an initial opportunity to provide input into any ongoing / longstanding concerns that are not familiar to Administration.

Submitted by: Kimberly Ballance, CAO

Loader time request

From sarah mchugh <867whiterabbit@gmail.com>

Date Thu 2026-08-13 11:34 AM

To Kimberly Ballance <cao-faro@faroyukon.ca>

Caution! This message was sent from outside your organization.

[Allow sender](#) | [Block sender](#)

Hayden and I would like to request that one hour of the loader time be dismissed from the use .

We only need about half an hour of the process to laod a chicken coop on to a trailer.

We have been to Boreal and their loader is down, we also approced Jerry Pilch and Len Faber as they are the only ones who have equipment capable of moving the coop, as it is a heavy good sized building. No one has functioning equipment that is working to do the job.

We considered VanGorda as well, but they do not have the size of equipment required.

Cheers

Sarah