



MINISTRY OF TRANSPORTATION

**Dedicated Gas Tax Funds For
Public Transportation Program**

2010/2011 Guidelines and Requirements

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DEDICATED GAS TAX FUNDS FOR PUBLIC TRANSPORTATION PROGRAM

2010/2011 GUIDELINES & REQUIREMENTS

1. DEFINITIONS

When used in these guidelines and requirements, the words set out below that import the singular include the plural and vice versa:

“baseline spending” means a municipality’s spending level, which equals the average municipal own spending on public transportation for the years 2001 to 2003 and includes a rate of 2% per year for inflation.

“Canadian content policy” means the Canadian Content for Transit Vehicle Procurement Policy, which is attached as Appendix B (Canadian Content Policy) to these guidelines and requirements.

“dedicated gas tax funds” means the money provided by the Ministry to a municipality to be used strictly towards eligible expenditures that are reasonable, in the opinion of the Ministry, and related directly to the provision of public transportation services, and “dedicated gas tax funding” has the same meaning.

“dedicated gas tax funds reserve account” means an interest bearing account set up by a municipality, under its name and in a Canadian financial institution. Gas Tax funds must be tracked separately from other funds deposited in the same bank account.

“eligible expenditures” means expenditures made by a municipality in direct support of public transportation operating or capital costs in accordance with Article 3 of these guidelines and requirements.

“guidelines and requirements” means these guidelines and requirements entitled “Dedicated Gas Tax Funds for Public Transportation Program – 2010/2011 Guidelines and Requirements”, including Appendices A and B to these guidelines and requirements, which the Ministry may amend from time to time.

“host municipality” means a host municipality as defined in Article 5.2.

“indemnified parties” means Her Majesty the Queen in right of Ontario, her Ministers, agents, appointees and employees.

“letter of agreement” means an agreement entered into between the Ministry and a municipality, including a host municipality, that sets out the terms and conditions under which the Ministry agrees to provide dedicated gas tax funds to the municipality, including those under these guidelines and requirements, and any amendments to the letter of agreement.

“major refurbishment” means: (a) for a rapid transit vehicle, streetcar or trolley, the refurbishment where the life cycle of the rapid transit vehicle, streetcar or trolley is extended a minimum of six years beyond the designed life cycle set out by the manufacturer and (b) for a bus thirty feet in length or over, the refurbishment where the life cycle of the bus at a minimum age of nine years is extended for a minimum of six years.

“Ministry” and “Minister”, respectively, means the Ministry of Transportation who is responsible for the administration of the Dedicated Gas Tax Funds for Public Transportation Program and the Minister responsible for the Ministry.

“municipal own spending on public transportation” means the funds a municipality contributes towards public transportation expenditures, including funds it contributes for operating and capital expenditures, total operating revenue and local public donations.

“program” means the Dedicated Gas Tax Funds for Public Transportation Program set up by the Ministry to provide municipalities with dedicated gas tax funds subject to, and in accordance with, these guidelines and requirements.

“PRESTO Fare System” means the public transportation integrated fare collection system for the Greater Toronto and Hamilton area (“GTHA”), and any other municipality that may be added from time to time, to support more seamless use by public transportation customers and the collection of public transportation fares.

“public transportation” means any service for which a fare is charged for transporting the public by vehicles operated by or on behalf of a municipality or local board as defined in the *Municipal Affairs Act*, R.S.O. 1990, c. M. 46, as amended, or under an agreement between a municipality and a person, firm or corporation, and includes special transportation facilities for the physically disabled, but does not include transportation by special purpose facilities such as school buses or ambulances.

“public transportation vehicle” refers to a street car, bus or trolley bus used for public transportation.

“rapid transit vehicle” refers to subway car or light rail car used for public transportation.

“reporting forms” means the following forms attached as Appendix A (Reporting Forms) to these guidelines and requirements: 1) Dedicated Gas Tax Funds for Public Transportation 2010 Reporting Form (i.e. form MT-O-16); 2) Dedicated Gas Tax Program – Transit 2010 Conventional Transit Reporting Form (i.e. form MT-O-17); and 3) Dedicated Gas Tax Program – Transit 2010 Specialized Transit Reporting Form (i.e. form MT-O-18).

“transit vehicle” means either a public transportation vehicle or rapid transit vehicle.

2. INTRODUCTION

The Province has a vision for a stronger Ontario built around strong communities, a vibrant economy and healthier, more liveable cities with increased access to public transportation, reduced commute times and cleaner air for all Ontarians. By providing a portion of the gas tax for public transportation, the Province will assist municipalities to become more self-sustaining in that regard.

As of October 2004, the Province provided 1 cent/litre of gas tax funds to Ontario municipalities, increasing as of October 2005 to 1.5 cents/litre, and since October 2006 has consistently provided 2 cents/litre annually. This year, the new allocation of funding for 93 public transit systems representing 120 municipalities will amount to \$318 million. The annual program funding amount is subject to change based on actual gas tax revenues.

The program is an important element of the ongoing relationship between the Province and Ontario municipalities. Municipalities receiving dedicated gas tax funds must meet the requirements set out in these guidelines and requirements.

3. GENERAL ELIGIBILITY REQUIREMENTS AND CONDITIONS

The purpose of the program is to provide dedicated gas tax funds to Ontario municipalities to ensure that local public transportation services continue, and to increase overall ridership through the expansion of public transportation capital infrastructure and levels of service. To be eligible to receive dedicated gas tax funds a municipality must contribute financially towards their public transportation services.

For 2010/2011, only municipalities that have submitted their 2009 annual data survey to the Canadian Urban Transit Association (CUTA) will be eligible to receive dedicated gas tax funds, unless otherwise approved by the Ministry.

Subject to the provision of a municipal by-law indicating its intent to provide public transportation services, a municipality that is not currently providing public transportation services, but decides to begin providing such services, may be eligible for funding. Notification of the municipality's intent to provide public transportation services and a specific commitment from the municipality to annual funding support will be required prior to October 1, 2011. After the new system has been implemented, dedicated gas tax funding may then be available, at the discretion of the Ministry.

A municipality receiving dedicated gas tax funds must ensure that all funds received are used exclusively towards the provision of public transportation services.

Public transportation services for which dedicated gas tax funds are provided must be acquired or provided in accordance with the terms and conditions set out in a letter of agreement, and in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the public transportation services. More specifically, all public transportation services must be fully

accessible in accordance with the requirements set out under the *Ontarians with Disabilities Act, 2001*, S.O. 2001, c. 32, as amended, and those under the *Vehicles for the Transportation of Physically Disabled Passengers*, R.R.O. 1990, Reg. 629, passed under the *Highway Traffic Act*, R.S.O. 1990, c. H-8, as amended. In addition to the above, the acquisition of transit vehicles must comply with the Canadian content policy requirements (refer to Appendix B).

The Ministry may withhold payment of dedicated gas tax funds until the reporting requirements under Article 9.4 are met.

Unless the Ministry otherwise approves in writing, in 2010/2011, gas tax revenues can only be used to support municipal public transportation expenditures above a municipality's baseline spending and not to reduce or replace current levels of municipal public transportation funding. External audit and financial reporting costs are not eligible expenditures to which dedicated gas tax funding can be applied or the Ministry may reimburse.

(a) Requirements for All Dedicated Gas Tax Funds Received in 2010/2011 and Beyond

- o Dedicated gas tax funds will need to be spent on:
 - Public transportation capital expenditures that promote increased transit ridership, and are above a municipality's baseline spending;
 - Public transportation operating expenditures that are above a municipality's baseline spending;
 - Capital expenditures for the replacement of any transportation vehicles, and are above a municipality's baseline spending;
 - Capital expenditures that provide improvements to transit security and passenger safety, and are above a municipality's baseline spending; and
 - Major refurbishment on any fully accessible, or to be made fully accessible, public transportation vehicle, and are above a municipality's baseline spending.
- o For municipalities that provide only specialized transit, transit strategies that may not initially result in ridership growth but will provide increased accessibility can be considered as eligible expenditures if approved in writing by the Ministry prior to implementation.

(b) Additional Requirements for the following Municipalities: Regions of Durham and York, the Cities of Brampton, Burlington, Hamilton, Mississauga, Ottawa and Toronto, and the Town of Oakville.

Prior to the release of any dedicated gas tax funds, the municipalities listed under (b) above will, in addition to any other requirements in this Article 3, be required to:

- o participate in the PRESTO Fare System project and, as participants, will be required to meet their financial obligations for that project.

(c) Additional Requirements for GTA Municipalities: Regions of Durham, Halton, Peel and York, and Cities of Hamilton and Toronto.

Prior to the release of any dedicated gas tax funds, the municipalities listed under (c) above will, in addition to any other requirements in this Article 3, be required to:

- o demonstrate that they have met their responsibility for the payment of the growth and expansion capital costs of Metrolinx pursuant to O. Reg. 446/04, *Amendment to Greater Toronto Services Board By-law No. 40*.

The eligibility requirements for dedicated gas tax funds will be determined in accordance with these guidelines, including the Canadian content policy (attached as Appendix B). The eligibility of any dedicated gas tax funds is at the sole discretion of the Ministry. Where a municipality relies on receiving dedicated gas tax funds for expenditure, a municipality should consider consulting with Ministry staff when in doubt as to whether such expenditure is eligible for dedicated gas tax funds prior to making or committing to make it.

4. APPROPRIATION BY THE LEGISLATIVE ASSEMBLY

Despite anything else to the contrary, the annual provincial funding for the program and payment of any dedicated gas tax funds under the program is subject to annual appropriations of such funds by the Legislative Assembly of Ontario, and funds made available by a municipality for that purpose.

5. GENERAL PROGRAM ALLOCATION METHODOLOGY AND PAYMENT PROCESS

5.1 General Program Allocation Methodology

Based on consultation with municipalities, public transportation operators and stakeholders, the Province recognizes the varying needs of public transportation in Ontario municipalities, including those related to large established public transportation systems and communities with different growth rates and levels of public transportation service. Consistent with the above, the Province has established an allocation formula based on a combination of ridership and population. This formula balances the needs of large established public transportation systems, the growth needs of rapidly growing municipalities, and the needs of smaller municipalities that provide public transportation services.

The Province is implementing an allocation based on 70% transit ridership and 30% municipal population. Fully implemented, 70% of \$318 million (\$222.6 million) will be distributed to municipalities on the basis of their public transportation ridership levels. Thirty percent (30%) of \$318 million (\$95.4 million) will be distributed on the basis of population levels. Public transportation ridership will include the totals of both conventional and specialized public transportation services.

Both ridership and population figures are updated and revised annually for use in the calculation of dedicated gas tax funds.

CUTA annually collects and reproduces, on behalf of the Ministry, transit ridership data in its Ontario Urban Transit Fact Book and its Ontario Specialized Transit Services Fact Book (the "CUTA Fact Books"). The Ministry used the 2009 ridership data from the 2009 CUTA Fact Books for the above calculation. Where a municipality's ridership data have not been collected nor reproduced in the 2009 CUTA Fact Books, the Ministry used the 2009 transit ridership data received from the municipality.

The 2010/2011 gas tax allocations were calculated using 2009 population estimates derived from the 2006 census data.

Dedicated gas tax funds provided to each municipality in 2010/2011 are not to exceed, based on 2009 municipal public transportation spending data set out in the CUTA Fact Books, 75% of municipal own spending on public transportation. The Ministry may re-allocate, in support of increasing public transportation ridership, any amounts of moneys dedicated for, but that remains undistributed through, the program.

The Ministry may undertake an annual review of the dedicated gas tax allocation methodology and eligibility requirements to ensure these funds support the desired outcome of increased public transportation ridership. Municipal public transportation spending will be reviewed on an annual basis to determine if the limits of the dedicated gas tax funds need to be applied where the gas tax allocation may exceed 75% of municipal own spending on public transportation.

5.2 Payment Process

The Minister will advise each municipality, on an annual basis, of the amount of dedicated gas tax funds it is eligible to receive. The Minister will send a letter of agreement to each municipality that provides public transportation services. The letter of agreement will set out the terms and conditions upon which the dedicated gas tax funds will be released to the municipality, and by which the municipality will have to agree to be bound.

The Ministry may, on a quarterly basis (or other basis, as the Ministry may decide from time to time), make payments of dedicated gas tax funds only after receipt of the following documents: i) the letter of agreement, provided by the Ministry to the municipality, signed by the head of the municipal council and chief financial officer; and ii) a copy of a municipal by-law permitting the municipality to enter into the letter of agreement.

Any amount of dedicated gas tax funds provided to the municipality under the program will be subject to the remedies set out under Article 8. In addition, any dedicated gas tax funds the Ministry provides to a municipality, including those kept by the municipality in a dedicated gas tax funds reserve account, will have to be used by the municipality exclusively towards public transportation services and in accordance with the requirements set out in these guidelines and requirements, including those related to eligibility and related conditions, acquisition and

disposition, accountability, records, audit and reporting, and liability and indemnity requirements. The above will apply to funds received during the term of a letter of agreement, and will survive such term.

If some municipalities agree for one of them to receive dedicated gas tax funds on their behalf (a "host municipality"), dedicated gas tax funds will be flowed directly to the host municipality. The Ministry, at its sole discretion, may provide such funds to the host municipality. Prior to the Ministry making any payment of dedicated gas tax funds to the host municipality, all of the municipalities that have agreed in the Ministry doing so will be required to provide the Ministry with copies of their respective by-laws designating the host municipality or, as applicable, accepting to act as the host municipality. The host municipality will be required to enter into a dedicated gas tax funds letter of agreement with the Ministry and be in compliance with the terms and conditions set out in these guidelines and requirements.

6. DEDICATED GAS TAX FUNDS RESERVE ACCOUNT AND INTEREST

6.1 Dedicated Gas Tax Funds Reserve Account

Dedicated gas tax funds must be used only towards public transportation service eligible expenditures. A municipality receiving dedicated gas tax funds provided, prior to the municipality having paid for any eligible expenditures, in accordance with these guidelines and requirements, must keep such dedicated gas tax funds, including all interest earned, in a dedicated gas tax funds reserve account. Gas Tax funds received must be reported annually, using the reporting forms, on a cash basis.

6.2 Interest

Interest on funds deposited in a dedicated gas tax funds reserve account must accrue on any carryover funds over the course of the program reporting period. A municipality must calculate interest on its average annual balance of funds. The interest must also be reported annually, using the reporting forms and can only be applied towards public transportation services eligible expenditures.

7. ACQUISITION AND DISPOSITION OF SUPPLIES, MATERIALS, EQUIPMENT, AND SERVICES

If a municipality acquires supplies, materials, equipment or services with dedicated gas tax funds, it should do so through a process that promotes the best value (with due regard for economy, efficiency and effectiveness) for the dedicated gas tax funds it spends.

The municipality must report to the Ministry in writing any funds accrued from the sale, lease or disposal of assets purchased with dedicated gas tax funds, and return such funds to a dedicated gas tax funds reserve account (see Article 6).

8. ADJUSTMENT, WITHHOLDING AND REPAYMENT OF DEDICATED GAS TAX FUNDS AND OTHER REMEDIES

If, once the Ministry and a municipality have entered into a letter of agreement and in the opinion of the Ministry, the municipality: i) fails to comply with any of the requirements set out in the letter of agreement, including these guidelines and requirements; ii) uses any of the dedicated gas tax funds, including any related interest, for a purpose not authorized without the prior written consent of the Ministry; iii) provides erroneous or misleading information; iv) fails to provide information, including requested audit information, to the Ministry for any reason whatsoever; or v) is unable to provide or acquire or has discontinued the provision or acquisition of public transportation services for which dedicated gas tax funds have been provided, or it is not reasonable for the municipality to continue to provide or acquire public transportation services for which such funds have been provided ("event of default"), the Ministry may, unless the Ministry provides the municipality with written notice of an opportunity to correct the event of default: i) immediately terminate the letter of agreement; ii) suspend dedicated gas tax funding for such period as the Ministry determines appropriate; iii) reduce the amount of any dedicated gas tax funds; and/or iv) initiate any action the Ministry considers necessary to ensure the successful provision or acquisition by the municipality of any public transportation services, including capital assets, in accordance with the terms of the letter of agreement.

Where the Ministry gives the municipality an opportunity to correct an event of default by giving it notice of the particulars of the event of default and the date by which the municipality is required to remedy it, and: i) the municipality does not remedy the event of default by the date specified in the notice; ii) it becomes apparent to the Ministry that the municipality cannot completely remedy the event of default by the date specified in the notice; or iii) the municipality is not proceeding to remedy the event of default in a way that is satisfactory to the Ministry, the Ministry may initiate any of the remedies for event of default available to it under this Article.

Upon termination of the letter of agreement pursuant to this Article, the Ministry may: i) cancel all further dedicated gas tax fund payments; ii) demand the repayment of any dedicated gas tax funds, including any related interest, remaining in the possession or under the control of the municipality; and/or iii) demand the repayment of an amount, including any related interest, equal to any dedicated gas tax funds the municipality used for purposes not agreed upon by the Ministry.

Any money due by a municipality in relation to the dedicated gas tax funds is a debt due to the Crown of the Province of Ontario under the *Financial Administration Act*, R.S.O. 1990, c. F.12, as amended, ("FAA") and, in addition to any remedy the Crown may have under the FAA, the Ministry may decide to withhold or adjust the amount of any current or future dedicated gas tax funding, or any other funding program, that may be provided to the municipality in an amount equal to such debt or have the amount of such debt deducted from financial assistance payable on any other project(s) of the municipality under any other initiative in which the Ministry is involved (either current or future).

A municipality must inform the Ministry of any contribution received from any source whatsoever towards costs related to the program. Unless the Minister directs otherwise, the amount of such contribution will be deducted from any amount of dedicated gas tax funding the Minister may provide to the municipality.

Any decision made by the Minister regarding funding under the Dedicated Gas Tax Funds for Public Transportation Program is final.

9. ACCOUNTABILITY, RECORDS, AUDIT AND REPORTING REQUIREMENTS

9.1 Accountability

A municipality receiving dedicated gas tax funds must use such funds, and any interest earned on such funds, exclusively towards public transportation service eligible expenditures and in accordance with these guidelines and requirements. The municipality will not be allowed to use dedicated gas tax funds and related interest to offset other municipal expenditures.

9.2 Records

A municipality receiving dedicated gas tax funds must keep and maintain, for a period of seven years from the date of the termination of a letter of agreement, separate records and documentation related to any dedicated gas tax funds, including invoices and any other financially-related documents relating to the provision or acquisition of public transportation services for which dedicated gas tax funds have been used. The records and documentation must be kept and maintained in accordance with generally accepted accounting principles. Records containing confidential information must be kept in accordance with all applicable legislation. No provision of these guidelines and requirements shall be construed so as to give the Ministry any control whatsoever over the municipality's records.

9.3 Audit

A municipality receiving dedicated gas tax funds may be subject to audit. The Ministry may, at its sole discretion, audit or have audited by any third party, any records and documentation of the municipality related to any public transportation services provided or acquired with dedicated gas tax funds, and such funds. Such audit may require the Ministry, at the municipality's expense (except as provided in the Canadian content policy), to retain external auditors. In addition, the Auditor General may, pursuant to the *Auditor General Act*, R.S.O. 1990, c. A.35, as amended, audit the accounts and records of the municipality relating to any expenditure of dedicated gas tax funds.

In addition to any adjustments the Ministry may make to dedicated gas tax funding under these guidelines and requirements, the Ministry may, upon recommendation in an audit report, adjust future dedicated gas tax fund payments or other payments the Province may make to the municipality under any other program.

9.4 Reporting

Accuracy in the calculation and reporting of municipal transit ridership and dedicated gas tax funds is paramount. When calculating ridership, municipalities have to use one of the acceptable best practices identified in the 2008 Ontario Ridership Data Collection Review Report published jointly by CUTA and iTrans Consultants (retained by CUTA).

A municipality will be accountable to use dedicated gas tax funds towards public transportation expenditures that meet the dedicated gas tax program eligibility requirements. Each municipality will be required to report on how dedicated gas tax funds are spent on an annual basis, including the provision of its Canadian content declaration form(s), in accordance with the Canadian content policy, for any buses funded with dedicated gas tax funds.

For the purpose of the above reporting, municipalities will be required to use the reporting forms (attached as Appendix A), which have been developed in consultation with municipal public transportation stakeholders, and submit these reporting forms to the Ministry prior to Wednesday, June 15, 2011.

10. COMMUNICATIONS

A municipality will be required to give a minimum of thirty (30) days written notice to the Ministry regarding any planned local dedicated gas tax funding communication and/or recognition event. The municipality will also be required to provide the Ministry with detailed information regarding such communication and/or event.

The Ministry and a municipality receiving dedicated gas tax funds will, at all times, remain independent of each other and will not represent themselves to be the agent, joint venturer, partner or employee of the other. Neither the municipality nor the Ministry will be allowed to make representations or take actions which could establish or imply any apparent relationship of agency, joint venture, partnership or employment. In addition, neither the municipality nor the Ministry will be bound in any manner whatsoever by any agreements, warranties or representations made by any of them to any other person or entity, with respect to any other action of the other.

If the municipality publishes any material of any kind, written or oral, relating to public transportation services provided or acquired with dedicated gas tax funds, the municipality will indicate in the material that the views expressed in the material are the views of the municipality and do not necessarily reflect those of the Ministry.

11. CONFLICT OF INTEREST

A municipality receiving dedicated gas tax funds and its contractors and any of their respective advisors, partners, directors, officers, employees, agents and volunteers must carry out the acquisition of transit buses and use the dedicated gas tax funds without a conflict of interest (actually or potentially in the sole opinion of the Ministry) with the terms and conditions set out

in these guidelines and requirements.

A conflict of interest includes any circumstances where the municipality or its contractors or any of their respective advisors, partners, directors, officers, employees, agents and volunteers has outside commitments, relationships or financial interests that could, or could be seen to, interfere with its/her/his objective, unbiased and impartial judgment relating to the provision or acquisition of public transportation services and the use of dedicated gas tax funds.

A municipality will disclose to the Ministry without delay any situation that a reasonable person would interpret as either an actual, potential or perceived conflict of interest, and comply with any terms and conditions that the Ministry may subsequently impose as a result of the disclosure.

12. FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

All applications submitted to the Ministry are subject to the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F. 31, as amended, (the "Act"). The Act provides every person with a right of access to information in the custody or under the control of the Ministry, subject to a limited set of exemptions.

Municipalities are advised that the names of municipalities receiving dedicated gas tax funds, the amount of funds provided, and the purpose for which dedicated gas tax funds are provided is information the Ministry makes available to the public.

13. LIABILITIES AND INDEMNITIES

A municipality receiving dedicated gas tax funds under the program is responsible, in whole and in part, for anything that may arise, directly or indirectly, in relation to the provision or acquisition of public transportation services, including any capital assets, with dedicated gas tax funds. The Ministry's involvement under the program is for the sole purpose of, and is limited to, the provision of dedicated gas tax funds. As such, as a condition of receiving dedicated gas tax funds, a municipality must warrant and agree that under no circumstance will the municipality enter into any contract or commitment in the name or on behalf of the Ministry, and the municipality must acknowledge that it is not, through the program or otherwise, granted any right or authority to assume or create any obligation or responsibility, expressed or implied, in the name or on behalf of the Ministry or to bind the Ministry in any manner whatsoever.

Furthermore, a municipality receiving dedicated gas tax funds must agree to indemnify and hold harmless the indemnified parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, (collectively, "Claims") by whomever made, sustained, incurred, brought or prosecuted, including for third party bodily injury (including death), personal injury and property damage, in any way arising out of or in

connection with anything done or omitted to be done by the municipality, its contractors or any other municipality on behalf of which the municipality receives dedicated gas tax funds or their respective directors, officers, agents, employees, partners, affiliates, volunteers or independent contractors arising out of or in connection with the provision or acquisition of public transportation services, including capital assets, with dedicated gas tax funds or the letter of agreement. The municipality must further agree to indemnify and hold harmless the indemnified parties for any incidental, indirect, special or consequential damages, or loss of use, revenue or profit by any person, entity or organization, including, without limitation, the Ministry, claimed or resulting from such Claims.

A municipality receiving dedicated gas tax funds must acquire, provide and maintain, at its own expense, and require the same from its contractors and any other municipality on behalf of which it receives dedicated gas tax funds, appropriate insurance in order to protect itself and the Ministry, and support the indemnification, as set out above, provided to the Ministry.

14. WHERE TO APPLY AND REQUEST OR PROVIDE INFORMATION

Any questions regarding the program are to be directed to the Ministry Division Services and Program Management Office either by phone at (416) 585-7129 or facsimile at (416) 585-7132.

All forms, agreements and supporting documentation must be forwarded to the following address:

**Ministry of Transportation
Division Services and Program Management Office
27th Floor, Suite #2702
777 Bay Street
Toronto, ON
M7A 2J8**

Facsimile: (416) 585-7132

APPENDIX A: REPORTING FORMS



Ontario

Ministry of
Transportation

Dedicated Gas Tax Funds for Public Transportation 2010 Reporting Form

The Corporation of the _____ of _____

A. Dedicated Gas Tax Funds Available Summary

1. Dedicated gas tax funds reserve account balance carry forward from 2009	\$	
2. Dedicated gas tax funds received in calendar year 2010		
3. Interest earned in 2010		
4. Total Dedicated Gas Tax Funds Available	\$	0.00

B. Dedicated Gas Tax Funds Disbursements in 2010

5. Conventional public transportation capital costs	\$	
6. Conventional public transportation operating costs		
7. Specialized public transportation capital costs		
8. Specialized public transportation operating costs		
9. Total dedicated gas tax funds disbursed in 2010 (If \$0 then forms MT-0-17 + MT-0-18 not required)	\$	0.00
10. Remaining amount of dedicated gas tax funds in gas tax funds reserve account (as of Dec. 31, 2010)	\$	0.00

C. Public Transit Expenditures

	Conventional Transit	Specialized Transit	=	Total
11. Total operating expenses	\$	\$	\$	0.00
12. Total capital expenses	\$	\$	\$	0.00
13. Total transit expenditures (11+12)	\$ 0.00	\$ 0.00	\$	0.00

D. Municipal Contributions

(where more than one, provide municipal names and individual amounts)

1.	\$	\$	\$	0.00
2.				0.00
3.				0.00
4.				0.00
5.				0.00
14. Operating	\$	\$	\$	0.00
15. Capital	\$	\$	\$	0.00
16. Capital reserves	\$	\$	\$	0.00
17. Fare revenue / donations / other (other includes funding from third parties, advertising, etc.)	\$	\$	\$	0.00
18. Total (14+15+16+17)	\$ 0.00	\$ 0.00	\$	0.00

E. Provincial Contributions

(other than gas tax funding)

\$	\$	\$	0.00
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Ontario

Ministry of
Transportation

Dedicated Gas
Conventional T

The Corporation of the _____ of _____

A. System Profile

Description	2010	2009	% Change
Regular scheduled service ridership			
Regular scheduled service ridership/capita (of service area)			
Number of routes			
Regular vehicle kilometres			
Revenue vehicle hours of service (regular schedule)			
Average age of bus fleet			
Spare fleet %			
% Bus fleet accessible			

Municipal official responsible for public transportation (si

B. Summary of 2010 Dedicated Gas Tax Program Initiatives

Describe all 2010 initiatives supported	Effective Date (yyyy/mm/dd)	Objective / Target	Print name	
			\$ 2010 Capital Gas Tax Funds Only	\$ 2010 Operating Gas Tax Funds Only
1.				
2.				
3.				
4.				
5.				
Total			0.00	0.00

C. Transit Vehicle Procurement (Attach Canadian Content declaration for non-exempt vehicles, and retain your records regarding the application of the 5% price pre

Number of Replacement Vehicles: Exempt: Non-exempt: Number of Expansion Vehicles: Exempt: Non-exempt:



Ontario

Ministry of
Transportation

**Dedicated Gas Tax
Specialized Transit**

The Corporation of _____ of _____

A. System Profile

Description	2010	2009	% Change
Total passenger trips			
Total passenger trips/capita (of service area)			
Unaccommodated trip requests			
Total no. show/trips cancelled at door			
Revenue vehicle hours – dedicated service			
Number of registrants			
Advance booking notice – in days/hours			

Municipal official responsible for public transportation (signature)

Print name

B. Summary of 2010 Dedicated Gas Tax Program Initiatives

Describe all 2010 initiatives supported	Effective Date (yyyy/mm/dd)	Objective / Target	2010	
			\$ Capital Gas Tax Funds Only	\$ Operating Gas Tax Funds Only
1.				
2.				
3.				
4.				
5.				
Total			0.00	0.00

C. Transit Vehicle Procurement (Please retain your records regarding the application of the 5% price preference)

Number of Replacement Vehicles: _____

Number of Expansion Vehicles: _____

APPENDIX B: CANADIAN CONTENT POLICY



MINISTRY OF TRANSPORTATION

**Canadian Content for Transit Vehicle Procurement
Policy**

Issued September 2008
Amended November 2010

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Effective Date

The Canadian Content for Transit Vehicle Procurement Policy is effective as of September 1, 2008.

CANADIAN CONTENT FOR TRANSIT VEHICLE PROCUREMENT POLICY

1. DEFINITIONS

When used in this document, the words set out below that import the singular include the plural and vice versa:

“Canadian content policy” means this Canadian Content for Transit Vehicle Procurement Policy”, as amended from time to time, issued by the Ministry of Transportation.

“component” means any article, subcomponent, material, or supply, whether manufactured or unmanufactured, that is directly incorporated into the transit vehicle.

“dealer” means an agent who distributes transit vehicles on behalf of a manufacturer.

“eligible cost” means the compensation paid by a manufacturer for:

- (a) labour performed in Canada that is directly related to the manufacturing process of transit vehicles;
- (b) work performed in Canada in relation to freight, manuals, special tools, test equipment, or warranties; or
- (c) components, subcomponents and raw materials produced in Canada in respect of transit vehicles or any of the items listed in (b) above.

“engineering” means the application of scientific and technical knowledge to the design, analysis, and/or construction of a subcomponent, component or transit vehicle.

“entity” means a person, firm, corporation, municipality, local board of a municipality, or transit or transportation commission, or authority, acquiring transit vehicles on behalf of a transit operator.

“freight” means the cost for transportation within Canada, and/or paid to a Canadian carrier for a) delivering a subcomponent or component to a manufacturer and b) delivering a transit vehicle to a transit operator or an entity.

“GO Transit” means a division of Metrolinx, established pursuant to the *Metrolinx Act, 2006*, S.O. 2001, c.16.

“irreversible manufacturing process” means a manufacturing process which transforms subcomponents into a component which cannot be separated back into the subcomponents without destroying the subcomponents’ integrity.

“labour” means the compensation paid for work performed by a manufacturer or, a

manufacturer's supplier of subcomponents and components, that is directly related to the manufacturing process of transit vehicles, including project management and engineering, plus any benefits paid or general administration and similar expenses recognized and allowed by Canadian accounting rules.

"manual" means a handbook or guidebook, specific to a transit vehicle, that a manufacturer may provide to a transit operator, or an entity.

"manufacturer" means the manufacturer of a subcomponent, component or transit vehicle acquired, or that may be acquired, by a transit operator or an entity and, as applicable, includes a dealer for such manufacturer.

"manufacturing process" means the application of processes to alter the form or function of components or subcomponents to create a component or a transit vehicle.

"Metrolinx" means the corporation continued pursuant to the *Metrolinx Act, 2006*, S.O. 2006, c.16.

"Ministry" means the Ministry of Transportation.

"project management" means the application of knowledge, skills, tools, and techniques to the manufacturing process, distribution and acquisition of transit vehicles.

"public transportation" means any service for which a fare is charged for transporting the public by transit vehicles operated by or on behalf of a transit operator, or under an agreement between a transit operator and an entity, and includes special transportation facilities for the physically disabled, but does not include transportation by special purpose facilities such as school buses or ambulance.

"special tools" means an engineered tool that a manufacturer may provide to a transit operator or an entity to service a transit vehicle after delivery.

"subcomponent" means a part of a component which cannot be further separated into its constituent parts without destroying its integrity.

"submission" means a response from a manufacturer to a fair, open and transparent procurement process.

"test equipment" means the diagnostic equipment a manufacturer provides to a transit operator or an entity.

"transit operator" means a municipality, Metrolinx or GO Transit.

"transit vehicle" refers to a street car, bus, trolley bus, subway car, light rail car, or passenger locomotive used for public transportation, made up of subcomponents and components, and acquired by a transit operator, or an entity under a contract with a manufacturer and for which

the Province of Ontario may provide, in whole or in part, funding.

“warranty” refers to the promise under a contract between a transit operator, or an entity, and a manufacturer that the material and workmanship of the transit vehicle is defect-free and will perform a specified level of performance over a specified period of time.

2. INTRODUCTION

On March 20, 2008, the Government of Ontario announced that all transit vehicles procured with provincial funding must have at least 25 per cent Canadian content. The Canadian content policy is a mandatory requirement for provincial funding of transit vehicles. The policy is expected to promote job retention and creation, foster economic development, protect skilled manufacturing jobs and continue to promote a fair, open and transparent procurement process that ensures value for taxpayers’ dollars.

The Ministry of Transportation has conducted extensive stakeholder consultations with municipalities, transit industry manufacturers, suppliers, dealers, as well as its own transit agencies. As a result of the stakeholder consultations, the 25% Canadian content policy will include exemptions and waivers as laid out in this document.

The Canadian content policy is effective as of September 1, 2008. Procurements issued publicly, prior to September 1, 2008, to solicit submissions from manufacturers are exempt from complying with the terms and conditions of the Canadian content policy. The Province took the lead on implementing this policy, through Metrolinx’s Request For Proposals for Urban Transit Buses under the 2009 Transit Procurement Initiative.

As outlined above, the Ontario government is committed to a transparent, fair and open process for transit vehicle procurement that ensures value for taxpayers’ dollars. The Canadian content policy will apply to the procurement of transit vehicles acquired with funds received from the Province.

Although a minimum of 25% must be achieved and attested to in order to receive provincial funding, a municipality may require a higher percentage of Canadian content for its transit vehicle procurements.

3. CALCULATING CANADIAN CONTENT

Under the Canadian content policy, the overall Canadian content of a transit vehicle is calculated as a percentage of the total final costs to the manufacturer, less any applicable taxes.

The Ministry will only consider, as Canadian content, expenditures for eligible costs in respect of transit vehicles for the items listed below and which are directly related to transit vehicles manufacturing process, distribution and acquisition:

- labour;
- subcomponents and components;
- project management;
- engineering;
- manuals;
- special tools;
- test equipment;
- freight; and
- warranty.

In addition, the percentage of Canadian content for expenditures (see above list of items for which expenditures may be considered eligible) related to transit vehicles, components or subcomponents will be calculated as follows:

1. 100% Canadian for a component that has undergone an irreversible manufacturing process in Canada.
2. 100% Canadian for a component that contains 60% or more Canadian content through any combination of expenditures that may be considered eligible, as described above, if such expenditures are made in Canada.
3. The exact Canadian percentage for a component that contains between 0% and 59% Canadian content through any combination of expenditures that may be considered eligible, as described above, if such expenditures are made in Canada.
4. Where a component or subcomponent is procured from a Canadian supplier, a minimum Canadian content of 15% will be assumed, without the requirement of certifying the percentage of Canadian content of the component or subcomponent in a manufacturer's declaration of compliance with the Canadian content policy. Simply handling the component or subcomponent is not sufficient to qualify. The Canadian supplier must provide added value through the procuring, manufacturing or-after sales support of the component or subcomponent.

4. CANADIAN CONTENT DECLARATION & CONSENT FORM

Transit operators, and entities, must ensure that each manufacturer demonstrates how it will comply with the Canadian content policy requirements, and obtain a written declaration from the manufacturer:

- certifying the percentage of Canadian content of the transit vehicles described in the manufacturer's submission, calculated in accordance with this policy; and
- providing the manufacturer's consent to the disclosure, verification and audit of the information forming the basis of the declaration, both before the contract award and, for the successful manufacturer, during and after the term of the contract. (See Part 9

below for additional details regarding disclosure, verification and audit.)

In addition, transit operators, and entities, must ensure that manufacturers provide such progress reports, during the term of the contract, as they or the Ministry or the Auditor General, or any of their designates, may require, and written declarations of ongoing compliance with the 25% Canadian content requirement.

Should it appear at any time that a manufacturer might not meet the 25% Canadian content level, a transit operator or entity may require the manufacturer to submit a revised plan indicating how it will achieve compliance.

Transit operators, and entities, must ensure that the successful manufacturer demonstrates, upon final delivery of the transit vehicle(s), how it complied with the Canadian content policy requirement, and obtain a written declaration from the manufacturer, certifying the percentage of Canadian content of the transit vehicles, calculated in accordance with this policy.

5. EXEMPTIONS

Through the consultation process, concerns were raised regarding the continued availability of certain types of transit vehicles and the ability to procure transit vehicles in an open and fair and fair procurement process in compliance with the 25% Canadian content requirement.

In consideration of the transit operator's efforts to comply with the *Accessibility for Ontarians with Disabilities Act, 2005*, and to procure specific transit vehicles to meet their individual strategic requirements to improve transit services, the following five vehicle types will be exempted from the 25% Canadian content requirement:

- specialized transit buses;
- conventional transit buses under 40 feet in length;
- diesel multiple units (DMUs);
- double decker buses; and
- passenger locomotives.

Despite the above and to encourage Canadian content for the exempted transit vehicles listed above, transit operators and entities will apply a 5% price preference to the price for the submission with the highest percentage of Canadian content. In practice, this will result in the submission with the highest percentage of Canadian content being evaluated as if the price submitted in the manufacturer's offer were 5% lower than that which was actually submitted. The 5% price preference will be applied for evaluation purposes only, and will not represent an effective reduction in the price submitted by the manufacturer.

6. WAIVERS

In the event that no Canadian content compliant submissions are received as part of a fair, open and transparent procurement process for non-exempted vehicles, a transit operator may formally request a waiver to comply with the Canadian policy from the Ministry by providing:

- a letter from the Chief Administrative Officer or Chief Executive Office to the Deputy Minister of Transportation supporting the request for a waiver;
- a resolution from the transit operator (e.g., municipal Council or Metrolinx Board resolution) requesting a waiver; and
- a detailed report outlining the procurement process that was used.

Upon receipt of the waiver request, the Ministry will have the above-noted documents reviewed by a Ministry-appointed fairness monitor to determine whether a fair, open and transparent procurement process was used. If the procurement process was determined to be fair, open and transparent, the Ministry may waive the requirement for compliance with the Canadian content policy for that specific procurement. The Ministry intends to communicate its decision in writing and within 20 business days upon receipt of the fairness monitor's determination on whether it will provide a waiver. If the Ministry decides that the procurement process is not fair, open and transparent, the transit operator will have to decide to either initiate, or have the entity initiate, a new procurement process or proceed without provincial funding.

Where the Ministry issues a waiver, transit operators and entities will apply a 5% price preference to the price for the submission with the highest percentage of Canadian content. In practice, this will result in the submission with the highest percentage of Canadian content being evaluated as if the price submitted in the manufacturer's submission was 5% lower than actually submitted. The 5% price preference will be applied for evaluation purposes only, and will not represent an effective reduction in the price submitted by the manufacturer.

7. PROVINCIAL ENFORCEMENT

If, in the opinion of the Ministry, a transit operator, or an entity, fails either to comply with or to ensure manufacturers' compliance with any of the Canadian content policy requirements, the Ministry may avail itself of any remedies it may have under the terms of the program or arrangement under which the transit vehicle may be funded, or any other remedies it may have at law or in equity.

8. MUNICIPAL ENFORCEMENT

Transit operators, and entities procuring transit vehicles on their behalf, are responsible for ensuring the manufacturers' compliance with the Canadian content policy. As such, transit operators and entities are expected to include, in their contract documents, provisions that

set out the manufacturers' obligations to comply with the Canadian content policy and remedies should a selected manufacturer default in meeting these obligations. Such remedies may include termination for breach of such requirement. In addition, transit operators and entities may require an indemnity from the selected manufacturer for any liability the transit operator and/or entity might incur in the event of such breach. Transit operators and entities should obtain independent legal advice in order to adequately address related issues.

The Province shall not incur any liability whatsoever, expressed or implied, resulting from a transit operator's or entity's implementation of this Canadian content policy.

9. DISCLOSURE, VERIFICATION AND AUDIT

Transit operators and entities are required to ensure manufacturers from whom they acquire transit vehicles are in compliance with this Canadian content policy. Despite the above, and unless provided otherwise under the terms of a program or arrangement under which provincial funds are provided for a transit vehicle, the Province and/or the Auditor General, or any of their designates, may also perform a verification or compliance audit to ensure manufacturers from whom transit operators and entities procure transit vehicles comply with this Canadian content policy, the costs of which the Province will assume.

10. WHERE TO REQUEST OR PROVIDE INFORMATION

Any questions from transit operators regarding the Canadian content policy are to be directed to the Ministry's Transit Policy Branch at telephone (416) 585-7360 or fax (416) 585-7343.

Any questions from manufacturers regarding the Canadian content policy for a specific transit operators' procurement should be directed to the transit operator, or entity, responsible for the procurement.

CANADIAN CONTENT POLICY PROCUREMENT DOCUMENT AND AGREEMENT PROVISIONS FORM SAMPLE WORDING

Transit operators receiving provincial funding for the acquisition of transit vehicles and entities must comply with the Canadian content policy (the "policy"). To comply with the policy, transit operators, or an entity on behalf of a transit operator, must ensure manufacturers, from whom transit vehicles are acquired, meet the specified Canadian content requirements set out in the policy.

The following sample wording for procurement document provisions is provided to assist transit operators in implementing and complying with the policy. However, the responsibility for implementing and complying with the policy remains with each transit operator regardless of whether or not it chooses, or requires an entity, to use the sample wording provided in this document. As the form and content of each transit operator's and entity's procurement document will differ, modifications to the sample wording provided below should be made to suit the needs of each transit operator and entity, and each transit operator and entity should obtain any necessary independent legal and procurement advice it may require in that regard.

The Ministry shall not incur any liability whatsoever, expressed or implied, resulting from a transit operator or entity having used all or some of the sample wording provided or from implementing the policy.

1. SAMPLE PROCUREMENT DOCUMENTS PROVISIONS

1.1 Definition

The procurement document may define the term "Canadian Content".

Sample Wording

"Canadian content" means the Canadian content of the transit vehicle determined in accordance with Schedule • to this procurement document.

1.2 Evaluation of Submissions

The procurement document should explain how the policy will impact the evaluation of submissions and the selection of the successful manufacturer.

Sample Wording

This procurement document is subject to the Ontario Government's Canadian Content Policy for the procurement of transit vehicles, attached as Schedule ● to this procurement document. Under the terms of this policy, unless the transit vehicles are exempt from this requirement or this requirement is waived in accordance with the policy, only submissions with a minimum 25% Canadian content, determined in accordance with the policy may be considered for evaluation. Where the transit vehicles are exempt or a waiver has been provided, the policy provides that the submission with the highest percentage of Canadian content, as determined in accordance with the policy, will be given a 5% price preference in the evaluation of submissions for any transit vehicle(s). The 5% price preference will be applied for evaluation purposes only, and will not represent an effective reduction in the price submitted by the manufacturer.

1.3 Evaluation of Level of Canadian Content

The procurement document should have provisions specifying how the requirement for Canadian content in a manufacturer's submission will be evaluated.

Unless the procurement is for exempt vehicles or the Canadian content requirement is waived in accordance with the policy, there is no requirement for weighting of Canadian content under the policy; only those manufacturers meeting this threshold will be evaluated.

For procurements of exempt transit vehicles or where a waiver has been provided, a 5% price preference will be given to the manufacturer with the highest level of Canadian content.

Sample Wording

Manufacturers should refer to Schedule ● in order to calculate the Canadian content of their submissions. Unless the procurement is for exempt vehicles or the minimum level of 25% Canadian content requirement is waived in accordance with Schedule ●, to be considered for evaluation, manufacturer's submission must meet the 25% minimum level of Canadian content determined in accordance with Schedule ●.

For the procurement of exempt transit vehicles or where a waiver has been provided in accordance with Schedule ●, a 5% price preference will be given to the manufacturer with the highest level of Canadian content.

For example, a transit operator receives three submissions for a transit vehicle that has been exempted from achieving the 25% Canadian content requirement:

- *Manufacturer #1 submits \$250,000 and attests to achieving a Canadian content level of 22%.*
- *Manufacturer #2 submits \$270,000 and attests to achieving a Canadian content level of 23%.*

- *Manufacturer #3 submits \$260,000 and attests to achieving a Canadian content level of 19%.*

During the evaluation, manufacturer #2 will have its submission evaluated as 5% less during that phase of the evaluations, reducing the price for the offer to \$256,500.

2. Canadian Content Declaration & Consent Forms

Manufacturers should be advised that a Canadian content declaration and consent form, provided by the transit operators or entity to the manufacturers as part of the procurement document, must be included with the form of offer they submit in response to the procurement document. As required by the policy, the declaration and consent form should:

- certify the level of Canadian content of the transit vehicles described in the manufacturer's submission, calculated in accordance with the policy; and
- provide the manufacturer's consent to the disclosure, verification and audit of the information forming the basis of the declaration, both before the contract award and, for the successful manufacturer, during and after the term of the contract.

Manufacturers should also be advised that the successful manufacturer must demonstrate, upon final delivery of the transit vehicle(s), how it complied with the Canadian content policy requirement, and provide a written declaration, certifying the percentage of Canadian content of the transit vehicle(s), calculated in accordance with this policy.

The sample declaration and consent form included in Appendix A to this attachment, assumes that the specific levels of Canadian content are included in the form itself. However, transit operators, and entities, may choose to require that the level of Canadian content be provided in other documentation associated with the procurement document, such as the manufacturer's submission or the form of offer (see Appendix B for sample language).

3. Agreement Provisions

A transit operator or entity, as applicable, should include provisions, similar to those in the procurement document, in any agreement with the selected manufacturer that capture/confirm the selected manufacturer's ongoing obligations related to the Canadian content policy.

In addition, the agreement with the selected manufacturer should include provisions that provide the transit operator with adequate remedies if the manufacturer defaults in its obligations relating to the required level of Canadian content. As each transit operator or entity will need to determine what remedies best address the needs of its particular circumstances, no sample clauses are provided. That said, remedies could include termination for breach of a provision of the contract (which would normally include terms and conditions set out in the agreement, and other documents) relating to the manufacturer's obligations concerning the required level of Canadian content.

A transit operator or entity may also wish to limit its own liability for breach of the manufacturer's Canadian content obligations, and request an indemnity from the manufacturer for any liability the transit operator or entity might incur in that regard.

SAMPLE FORM: CANADIAN CONTENT DECLARATION & CONSENT FORM

The [Transit Operator/Entity] requires all manufacturers to indicate the level of Canadian content in their submissions, determined in accordance with Schedule • to this [Procurement Document]. In this regard, manufacturers are advised that the [Transit Operator/Entity] requires a declaration from all manufacturers setting out and certifying the level of Canadian content. As well, the [Transit Operator/Entity] requires the manufacturers consent to the disclosure and verification of the information certified in the declaration and, if the manufacturer is awarded the contract, to the audit of these levels during the contract term by or on behalf of the [Transit Operator/Entity].

This declaration and consent must be submitted in order to be considered for evaluation

Declaration – Canadian Content Level

On behalf of [Legal Name of Manufacturer], I/we certify that the Canadian content of the transit vehicles, as set out and determined in accordance with Schedule • to this procurement document, is accurate to the best of my/our knowledge.

Dated at this day of 20

(An authorized signing officer with the authority to bind the manufacturer)

(Print Name)

(Title)

(Phone Number)

(Fax Number)

The manufacturer acknowledges that the [Transit Operator/Entity] relies upon this declaration to evaluate submissions and to enter into any contract resulting from this submission. This declaration may be verified or audited in such manner as [the Entity,] the Transit Operator, the Ministry of Transportation or the Auditor General, or any of their designates, may reasonably require. Should such verification or audit disclose a material inaccuracy of the information certified in this declaration, the [Transit Operator/Entity] shall have the right to disqualify the manufacturer or terminate any contract awarded to the manufacturer pursuant to this procurement process.

Consent to Disclosure, Verification & Audit

I/We consent to the [Transit Operator/Entity] releasing the information certified in this declaration to the Ministry of Transportation, as well as any other information necessary for the purpose of verifying the continuing accuracy of the level of Canadian content certified in this declaration.

I/We also consent to [Entity], the Transit Operator, the Ministry of Transportation, and the Auditor General, or any of their designates verifying and auditing the level of Canadian content of the transit vehicles determined in accordance with Schedule • to this procurement document, during the term of any contract awarded by the [Transit Operator/Entity] pursuant to this procurement document to [Legal Name of Manufacturer] and for seven (7) years after such term.

Dated at this day of 20 .

(An authorized signing officer with the authority to bind the manufacturer)

(Print Name)

(Title)

(Phone Number)

(Fax Number)

SAMPLE FORM: CANADIAN CONTENT

Name of Manufacturer:

Submission No.:

The manufacturer must set out below the level of Canadian content for all costs included in the transit vehicle:

Item	Category of Item	Percentage of Total Vehicle Cost (A)	Percentage of Canadian Content for Item (B)	Total Percentage Canadian Content (A*B%)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
Total Percentage of Canadian Content of Vehicle:				

***Note:** Manufacturers will be required to submit this form, along with the declaration form, during the initial submission and the successful manufacturer must submit this form upon final delivery of the transit vehicle(s).