

DECLASSIFIED

FOIPOP Review

Original Signed

Approved to Release

Original Signed

Date

Dec 16, 2019



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 3

Halifax Regional Council

June 15, 2010

June 22, 2010

TO: Mayor Kelly and Members of Halifax Regional Council **In Camera**

SUBMITTED BY: original signed
Wayne Anstey, Acting Chief Administrative Officer

Original signed
Mike Labrecque, Deputy Chief Administrative Officer - Corporate
Services and Strategy

DATE: 9 June 2010

SUBJECT: **Completion of HRM/HW Wastewater and Stormwater Transfer Agreement**

PRIVATE & CONFIDENTIAL

ORIGIN

HRM Council motions of 27 June 2006, 12 December 2006, 24 April 2007 and 24 May 2007 that culminated in the signing of a Transfer Agreement on 12 June 2007 (the "Transfer Agreement") governing the transfer of all of HRM's wastewater and stormwater services and assets (both existing and under construction) to Halifax Water.

RECOMMENDATION

It is recommended that Regional Council:

1. Approve the transfer of Harbour Solutions assets and project management to Halifax Water (HW) as detailed in the attached draft Memorandum of Agreement ("MOA") substantially in the form attached;
2. Request HW to accept the transfer of the Harbour Solutions assets and project management in accordance with the MOA and compile an application to the Nova Scotia Utility and Review Board (NSUARB) for approval of the MOA; and
3. It is further recommended that this report not be released to the public until HW Board agrees to accept the terms of the attached MOA and an application is made to the NSUARB.

BACKGROUND

On 12 June 2007, HRM and HW signed the Transfer Agreement approving the transfer of HRM's wastewater and stormwater services to the HW to create the first regulated combined water/wastewater/stormwater utility in Canada. Council had decided that the utility approach to wastewater and stormwater services best provided for the financial sustainability of water and wastewater services thus ensuring long term protection of the environment and health of HRM citizens.

The Transfer Agreement provided key terms and conditions for the seamless transfer of HRM waste water assets, including HSP assets that were in the process of construction, to HW. All wastewater/stormwater staff and all fully operational assets (non-HSP) were transferred to HW effective 1 August 2007.

Regarding the HSP, the Transfer Agreement provided the following guidance (relative to this specific report):

- HW would provide necessary staff to commission and operate the HSP assets on HRM's behalf until the assets were transferred to HW;
- Assets would transfer to HW within 60 to 180 days of substantial completion of each respective asset;
- Any surplus funds at Project closure would transfer to HW (a project closure date could not be defined at the time of development of the Agreement).

In accordance with the Transfer Agreement, the Halifax Wastewater Treatment Facility (WWTF) and Collection System (with the exception of Pier A Pumping Station and Combined Sewer Overflows as defined below) and the Biosolids Processing Facility (BPF) were transferred to HW effective 1 June 2009. The resultant status of all HSP assets follows:

HSP Asset	Operational Status	Contract Status	Owner/Operator
Halifax Treatment Facility	Operation started November 2007. Plant malfunction due to flood incident on January 14, 2009. Since September 2009, partial operation (screening sewage). Since May 27, 2010, full operation recommissioning	Substantial Completion (December 2008)	HW/HW
Halifax Collection System (except excluded assets)	Operation started November 2007	Substantial Completion December 2008	HW/HW
Pier A Pumping Station/CSO, Upper Water St, Sackville St., Maritime Museum, Atlantic School of Theology, Young St, and North St CSOs (excluded assets)	Operation started November 2007	Commissioning	Dexter/Dexter
Dartmouth Treatment Facility	Operation started August 2008	Substantial Completion April 2010	HRM (HW effective July 1, 2010)/HW
Dartmouth Collection System	Operation started August 2008	Commissioning	Dexter/Dexter
Herring Cove Treatment Facility	Operation started December 2009	Commissioning	D&D Water Solution/D&D Water Solution
Herring Cove Collection System	Operation started December 2009	Commissioning	Dexter/Dexter
Biosolids Processing Facility	Operation started July 2007	Substantial Completion February 2007	HW/N-Viro

At the time of development of the Transfer Agreement, staff did not recommend transferring the HSP assets or Project Office to Halifax Water for the following reasons:

- HW staff did not have sufficient HSP knowledge/experience to assume overall management of the various project contracts and project or to immediately assume the necessary business relationships with all external partners and contractors;
- HSP contracts, securities, and funding agreements are quite complex and there was concern that critical errors could be made in the assignment of the various contracts and agreements;
- The transfer of all of HRM's existing wastewater/stormwater assets was a significant administrative undertaking and it was felt that neither HW or HRM staff had sufficient capacity to also handle the transfer of partially constructed HSP assets without significant business disruption;
- It did not make sense from an accounting or utility management perspective to transfer partially completed assets;
- There were no project issues/concerns foreseen at the time and therefore it was felt that HRM staff could continue to manage the Project without the need for direct access to the wastewater/stormwater staff that were transferred to Halifax Water.

Three years have now passed since the drafting of the Transfer Agreement and the landscape of the HSP has changed significantly. The Project has been delayed, but remains within budget. All HSP assets have since been fully built and put into operation. Some contractual issues have been encountered and are being pursued in close coordination with HW technical staff. As a result, it is time to evaluate HRM's ongoing role in the Project and to determine the most cost efficient and effective approach to closing out the Project.

DISCUSSION

All HSP assets are constructed and are fully operational with the exception of the Halifax treatment plant and collection system which have been partially restored to operation. The focus of the Project now turns toward the closure phase which includes the following activities (not an exhaustive list and not in order of priority or chronology):

- Deficiency rectification
- Warranty work
- Plant efficiency enhancements (if needed)
- Project Administration:
 - Progress Payments (as may be warranted)
 - Release of Holdbacks (Deficiency, Mechanics Lien)
 - Funding Agreement reporting/requirements
 - Recovery of potential amounts owing to delays and any failures to fully meet project requirements with requisite arbitration/litigation as may be required
 - Insurance recoveries

- Project reporting, inclusive of Harbour Water Quality Monitoring, and communications
- Archiving of all documentation and correspondence

Where HRM relies upon HW for its management of all wastewater and stormwater services in HRM and where HW is currently owning and/or operating the HSP assets on HRM's behalf, HW is in the best position to manage the Project going forward. Transferring management of the HSP to HW would have the following benefits:

- Ownership of Project Outcomes – whereby HW will own and operate all HSP facilities it is logical that they would lead the Project deficiency rectification and administrative closure phase to ensure the best possible outcome to suit their future needs
- Protection of Ratepayers – whereby water/wastewater/stormwater rate payers provided the vast majority of funding for the HSP and whereby rate payers will benefit from a project surplus or fund a project deficit, it is logical that HW, as stewards of the rate payers, would be responsible for managing the Project to its final completion to achieve the best possible outcome on behalf of the rate payers.
- Efficiency – In the current project management arrangement, both HW and HRM staff need to attend and review all project matters. This often leads to duplication of effort and sometimes leads to role confusion. Significant internal staff capacity can be saved by transferring project management responsibilities to HW.
- Staffing – HRM's Project Manager, Ted Tam, has retired from HRM and is now working as a contract employee to help transition the Project to the future Project Manager. This represents a good opportunity to transition project management to HW as opposed to HRM reconstituting the necessary technical and project management expertise required only to transfer to HW later.

To facilitate a seamless transfer of responsibilities to HW, HRM staff are recommending that Council approve the Memorandum of Agreement substantially in the form attached to this report. The MOA is designed to work as a follow-on companion to the Transfer Agreement that enabled the transfer of all wastewater/stormwater services and assets to HW.

The core concept of transferring HSP to HW was approved by Council in 2007. The attached MOA completes this transfer. All remaining project funds and assets will be transferred to HW on the Effective Date and HW will manage HSP through to final completion. In consideration of this, and of the fact that HRM will remain as a party to the Project Agreements, HW indemnifies HRM for all HSP issues, obligations, and liabilities that are currently outstanding or that may arise in future. The MOA also provides for the temporary secondment of HSP administrative support staff for a seamless transfer of responsibilities, reporting and accounting. As well, the MOA governs the transfer of all remaining real property, licenses etc. associated with HSP.

Next Steps

Should Regional Council approve the attached draft MOA, staff anticipate that the following steps will occur:

- a. June 30, 2010 – HW Board considers approval of the attached MOA
- b. July 2, 2010 – HW requests approval of MOA by NSUARB
- c. August 1, 2010 or upon receipt of approval by NSUARB, transfer all HHSP assets and liabilities and all responsibility to HW.

BUDGET IMPLICATIONS

As of the anticipated Effective date of August 1, 2010, all Harbour Solutions assets, as described in the Transfer Agreement and MOA substantially in the form attached, will transfer to HW at their recorded book value. The exact value of these assets will be determined as part of the calculation for the year-end inclusion in the financial statements.

The debt associated with these assets has previously been transferred to HW, in accordance with the Transfer Agreement.

As well, the cash balance remaining for the completion of the HSP (anticipated to be \$18,693,000), will transfer to HW assuming an effective transfer date of August 1, 2010. This amount may be adjusted upward or downward, depending on the actual expenditures incurred between now and the transfer date.

The Dartmouth and Herring Cove Community Integration Funds will continue to be administered by HRM, with anticipated balances of \$104,000 and \$47,000 respectively. The amount of \$887,000 has been returned from the Herring Cove Community Integration Fund to the Harbour Solutions Contingency Fund, as per the approved Council Report 11.1.2, dated February 20, 2007, which stated:

“Staff is recommending to transfer an amount of \$1,656,400 from the Harbour Solutions Project Contingency Fund to fund the projected shortfall in Phase 1B, with the understanding that any unused portion of this funding will be returned to the Harbour Solutions Project Contingency Fund upon completion of this phase. This is in accordance with item 2 of Council’s approved motion of February 13, 2007, which authorized ‘a sufficient increase’ to complete Phases 1B and 2A, with funding from the Harbour Solutions Project Contingency Fund.”

Both Phase 1B and 2A are now complete, therefore the unused portion of the \$1,656,400, in the amount of \$887,000 has been returned to the Contingency Fund.

Along with the cash balance to be transferred, there are several outstanding commitments to be assumed by HW, which are summarized in Schedule D of the MOA.

The assumptions for completion of the transfer are as follows:

- Cash will be transferred at its recorded value
- Assets will be transferred at book value
- Accounts payable (Builders' Lien Act and deficiency holdbacks) will remain on HRM's books and will be offset by a corresponding amount receivable from HW
- Any shortfalls incurred by HRM as a result from transferring the remaining balance in the EPC Reserve, will be reimbursed by HW

The net impact to HRM and, therefore, the general taxpayer, will be zero.

All wastewater rate increases pertaining to the HSP, and approved by Regional Council have been implemented, with the last one dated October 1, 2007, which brought it up to 66 cents. This portion of the Environmental Pollution Control rate was implemented to provide funding for the construction of the HSP assets, as well as the operation of these assets.

Significant additional costs have been incurred, both by HRM and HW, such as the use of power, chemicals, and other utilities relating to the commissioning of the Dartmouth WWTF, costs incurred due to the Flood at the Halifax WWTF in January 2009, which are not covered by insurance, expenses payable to the Owner's Engineer, as well as legal, project office and overhead costs. Halifax Water will have the recourse to make claims against the contractors for these costs.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

1. Council could request amendments to the draft Memorandum of Agreement (attached).
2. Council could reject the Memorandum of Agreement and authorize staff to reconstitute HRM's technical and project management capacity to continue to manage the Project for at least another 1.5 years until it is ready for full closure. Full closure is estimated at this time to occur approximately 6 months after the Final Completion milestone is reached for each asset. This alternative is not recommended given that the benefits outlined in the discussion section of the report will not be achieved.

ATTACHMENTS

- A. Draft Memorandum of Agreement.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Original Signed

Report Prepared by:

Brad Anguish, Director, BPIM and Harbour Solutions Project
Carl Yates, General Manager, Halifax Water

Financial Approval by:

Original signed
Cathie O'Toole, CGA, Director of Finance, 490-6308

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT made this ____ day of June, 2010.

BETWEEN:

HALIFAX REGIONAL MUNICIPALITY, a municipal body corporate continued by the *Halifax Regional Municipality Charter* of the Province of Nova Scotia (hereinafter "**HRM**")

- and -

HALIFAX REGIONAL WATER COMMISSION, a body corporate established by the *Halifax Regional Water Commission Act* of the Province of Nova Scotia (hereinafter ("**HW**")

WHEREAS:

- A. HRM and HW, by way of an agreement dated 12 June 2007 (the "**Transfer Agreement**"), transferred all HRM wastewater infrastructure built or in the process of being built, to HW.
- B. The Transfer Agreement included the staged transfer of all assets, liabilities and obligations related to the Halifax Harbour Solutions Project ("**HHSP**"), a multi-component project which was at that time (and remains as of the date hereof) in various stages of construction, commissioning or operation.
- C. By way of letter dated 26 June 2009 (the "**Transfer Letter**"), HRM and HW clarified the logistics and timing of: (i) transferring the biosolids processing facility (the "**BPF**"), the Halifax Sewage Treatment Plant (the "**Halifax STP**") and the Halifax Sewage Collection System ("**Halifax SCS**"), other than excluded components of the Halifax SCS defined in the Transfer Letter as the "Excluded Components", and (ii) assigning HRM's rights and interests in and under the Project Agreements (as hereinafter defined) related to those assets.
- D. The Parties now wish to complete fully the transfer of all remaining HHSP Assets (as hereinafter defined), any and all liabilities and obligations related to the HHSP to Halifax Water and to amend the Transfer Agreement and Transfer Letter as they relate to the transfer of such HHSP Assets, liabilities and obligations and the assumption of responsibility for the HHSP by HW on the terms and conditions set forth in this memorandum of agreement ("**Memorandum of Agreement**").

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained the parties mutually agree as follows:

1.0 DEFINITIONS

1.1 All capitalized terms not otherwise defined herein have the meaning ascribed thereto in the STP Development Agreement dated 15 June 2004.

1.2 In this Memorandum of Agreement, the following words and phrases will, unless there is something in the context inconsistent therewith, have the following meanings:

- (a) **"CSIF Agreement "** means the agreement dated 10 December 2003 between HRM and Her Majesty the Queen in Right of Canada and subsequent amendments thereto;
- (b) **"Effective Date"** shall have the meaning ascribed in Section 3.1;
- (c) **"FCM"** means Federation of Canadian Municipalities;
- (d) **"Funding Sources"** has the meaning ascribed thereto in Section 7.1;
- (e) **"HHSP Assets"** means the following assets, as each is defined in the applicable Project Agreement: (a) the Halifax SCS, (b) the Halifax Outfall and Diffuser, (c) the Halifax Road, (d) the Halifax STP, (e) the Dartmouth Sewage Collection System, (f) the Dartmouth Outfall and Diffuser, (g) the Dartmouth Road, (h) the Dartmouth Sewage Treatment Plant, (i) the Herring Cove Sewage Collection System, (j) the Herring Cove Outfall and Diffuser, (k) the Herring Cove Road, (l) the Herring Cove Sewage Collection System, (m) the BPF, whether or not such HHSP assets have yet achieved the Date of Substantial Completion and been transferred to HRM under the terms of the applicable Project Agreement, and for greater certainty includes: (i) the Excluded Components, (ii) all real property, easements and licenses associated with the foregoing assets, including those real property interests set forth in Schedule M to this Memorandum of Agreement, (iii) all Plant, Material, and Equipment supplied and received by HHSP that is either an, appurtenances and or fixtures forming part of any of the defined terms above, (iv) any and all Equipment that was supplied to HRM under the Project Agreements; save and expressly excluding the Mengoni Avenue Site Expansion and its assets and liabilities, personal property either used or owned by the Company or its agents or partners, during completion of the Works not conveyed to HHSP pursuant to the Project Agreements;
- (f) **"HRM Debentures"** means serial debentures dated 26 August 2004 between HRM and the Nova Scotia Municipal Finance Corporation in the aggregate principal amount of \$110,000,000;
- (g) **"Loan Agreement"** means the loan agreement dated 1 September 2004 between HRM and the FCM under the Green Municipalities Investment Fund pursuant to

which the FCM loaned HRM \$20,000,000 on the terms and conditions set forth therein;

- (h) **"Project Agreements"** means, collectively the Infrastructure Development Agreement, the STP Development Agreement, the BPF Development Agreement, the BPF Operating and Maintenance Agreement and the Dewatered Biosolids Transportation Agreement;
- (i) **"Provincial Agreement"** means the memorandum of agreement dated 26 October 2004 between HRM and the Province of Nova Scotia pursuant to which the Province of Nova Scotia has committed \$30,000,000 to the HHSP in 15 equal annual payments of \$2,000,000 on the terms and conditions set forth therein;
- (j) **"Reinvestment Agreement "** means the reinvestment agreement dated 1 September, 2004 between HRM and the FCM under the Green Municipalities Investment Fund pursuant to which HRM agreed that certain interest savings generated under the Loan Agreement would be invested in or expended on environmentally beneficial initiatives;
- (k) **"Reporting Agreement"** means the reporting agreement dated 1 September, 2004 between HRM and the FCM under the Green Municipalities Investment Fund pursuant to which HRM agreed to provide certain reports on the terms set forth therein; and
- (l) **"Wastewater Agreements "** means collectively the Infrastructure Development Agreement and the STP Development Agreement.

2.0 INTERPRETATION

2.1 Relationship to Transfer Agreement and Transfer Letter

The terms of the Transfer Agreement and the Transfer Letter are hereby confirmed and where there is a conflict between this Memorandum of Agreement and the Transfer Agreement or Transfer Letter, this Memorandum of Agreement shall prevail.

2.2 Transfer Agreement Unaltered

All of the terms, conditions and provisions of the Transfer Agreement remain unaltered except as specifically amended by the provisions of this Memorandum of Agreement.

2.3 Responsibility for Unidentified HHSP Liabilities

The Parties agree that this Memorandum of Agreement will be interpreted and applied by each of the Parties in accordance with the principle that, given that all remaining HHSP cash funds and HHSP Assets are being transferred by HRM to HW, payment of any and all HHSP liabilities or obligations which may arise, not otherwise identified and addressed in this Memorandum of Agreement, shall be the absolute responsibility of HW with no impact upon or recourse to HRM.

2.4 Headings

Headings and the table of contents are inserted for convenience of reference only and shall not affect the construction or interpretation of this Memorandum of Agreement.

2.5 Recitals

The recitals to this Memorandum of Agreement form part hereof and this Memorandum of Agreement is to be construed accordingly.

2.6 Schedules

The following Schedules attached to this Memorandum of Agreement form part of this Memorandum of Agreement and are to be construed accordingly:

- (a) Schedule A1 – CN Lands Adjacent to Barrington Wall, Halifax, CNR29-A;
- (b) Schedule A2 – Irving Shipyard, Halifax, HHSP-2R;
- (c) Schedule A-3 – Irving Land, Pleasant Street, Dartmouth; HHSP-1SB1;
- (d) Schedule A-4 – Killam Investments Property, HHSP-K1;
- (e) Schedule A-5 – Waterfront Development Corporation Limited Property;
- (f) Schedule B – Payments under HRM Debenture;
- (g) Schedule C – Payments under Loan Agreement;
- (h) Schedule D – Cash Flow Projection for Completion of the HHSP;
- (i) Schedule E – Amounts Committed and Projected to be Spent by July 31, 2010;
- (j) Schedule F – Projected Balances to be Withheld in Respect of Commitments to the Community Integration Funds;
- (k) Schedule G – *Builders' Lien Act* Holdback Amounts – Recorded at Net HST;
- (l) Schedule H – Punch List Holdback Amounts;
- (m) Schedule I – Remaining Project Commitments;
- (n) Schedule J – Payments to HRM for Sustainable Community Reserve;
- (o) Schedule K - Additional Costs Incurred by, and due to, HW as a Result of Late Completion of Commissioning, Which Should be Reimbursed by the STP Contractor as Per Section 16.09 of the STP Development Agreement
- (p) Schedule L – Spending Under the CSIF Agreement; and

(q) Schedule M – Real Property Associated with HHSP.

2.7 References

Unless otherwise expressly stated, reference herein to a Schedule or an Article, Section, subsection, clause, subclause or other subdivision is a reference to such Schedule to this Memorandum of Agreement or to such Article, Section, subsection, clause, subclause or other subdivision within this Memorandum of Agreement.

2.8 Parties

References in this Memorandum of Agreement to the "Parties" shall mean the parties to this Memorandum of Agreement and a reference to a "Party" shall mean one (1) of the parties to this Memorandum of Agreement.

2.9 Number and Gender

Whenever the context so requires, words importing the singular only shall include the plural and vice versa and words importing any gender shall include other genders.

2.10 Statutes and Regulations

Any reference in this Memorandum of Agreement to all or any part of any statute, regulation, by-law or other legislative enactment shall, unless otherwise expressly stated, be a reference to that statute, regulation, by-law or legislative enactment or relevant part thereof as amended, substituted, replaced or re-enacted from time to time.

2.11 Monetary References

Whenever an amount of money is referred to herein, such amount shall, unless otherwise expressly stated, be deemed to be Canadian dollars.

2.12 Accounting Terms and Principles

Unless otherwise expressly stated, all accounting terms and principles applicable to this Memorandum of Agreement shall be interpreted and applied in accordance with GAAP which are in effect in Canada.

2.13 Time

Time shall be of the essence of this Memorandum of Agreement. If the last day of any period of days set out herein falls on a day which is not a Business Day, such period of days shall be extended to the first Business Day immediately following the last day of such period of days. Time shall be computed with regard to Atlantic Standard Time.

2.14 Governing Law

This Memorandum of Agreement shall be deemed to have been made in the Province of Nova Scotia and shall be governed by and construed in accordance with the laws in force in the Province of Nova Scotia.

2.15 Amendments in Writing

No amendment, variation or waiver of the provisions of this Memorandum of Agreement shall be effective unless made in writing and signed by each of the parties hereto, either individually by counterpart or collectively.

2.16 No Waiver

(a) Only Matter Specified is Affected

Any waiver by any party of all or any part of any provision, or the breach of any provision of this Memorandum of Agreement shall affect only the matter specifically identified in the instrument granting the waiver and shall not extend to any other matter, provision or breach.

(b) Failure to Give Notice

The failure of any party to give notice to the other party, or to take any other steps in exercising any right in respect of a breach or non-fulfillment of any provision of this Memorandum of Agreement, shall not operate as a release or waiver of that right or as a release of the other party from its obligations and liabilities nor shall any single or partial exercise of any right preclude any other or future exercise of that right or the exercise of any other right, whether in law or in equity or otherwise.

(c) No Waiver

The acceptance by any party of payment or performance of any obligation after the breach or non-fulfillment by the other party of any provision of this Memorandum of Agreement shall not constitute a waiver of the provisions of this Memorandum of Agreement.

2.17 Severability

If any portion of this Memorandum of Agreement or the application thereof to any circumstance shall be held invalid or unenforceable, unless such invalid provision is fundamental to the efficacy of this Memorandum of Agreement, the remainder of the provision in question, or its application to any circumstance other than that to which it has been held invalid or unenforceable, and the remainder of this Memorandum of Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by applicable law.

3.0 CONDITIONS PRECEDENT

3.1 Conditions Precedent to the Memorandum of Agreement

The following are conditions precedent to this Memorandum of Agreement becoming effective, binding and enforceable between the Parties:

- (a) HRM Regional Council shall have approved this Memorandum of Agreement;
- (b) the Board of Commissioners of HW shall approve this Memorandum of Agreement; and
- (c) the Nova Scotia Utility and Review Board shall approve this Memorandum of Agreement.

If any one of the above conditions precedent is not met, this Memorandum of Agreement shall terminate and be of no force or effect.

4.0 EFFECTIVE DATE

4.1 Conditions Precedent

The effective date of this Memorandum of Agreement shall be 1 August 2010 or such other date as the Parties may agree in writing (the "**Effective Date**"), subject to the approval of the Nova Scotia Utility and Review Board.

5.0 REPRESENTATIONS AND WARRANTIES

5.1 Mutual Representations and Warranties

HRM and HW represent and warrant, and such representations and warranties shall survive the conclusion of this Memorandum of Agreement notwithstanding anything to the contrary:

- (a) each has the valid authority to execute this Memorandum of Agreement;
- (b) entering into this Memorandum of Agreement as of the Effective Date will not, to the best of either Party's knowledge, constitute a breach of any other agreement in respect of HHSP to which either HRM or HW is a party;
- (c) third party consents are required and the parties will co-operate with each other in obtaining all authorizations, consents, approvals or clearances of any third party or governmental organization now or in the future;
- (d) neither Party has relied upon any statement or representation, oral or written, made by any other Party with regard to: (i) HHSP, and in particular any of the facts involved in any dispute or possible dispute between the parties to the Project Agreements; (ii) the Project Agreements; (iii) the Funding Sources (as hereinafter defined), (iv) with regard to any of their rights or asserted rights, (v) the performance or adequacy of any of the HHSP Assets or (vi) the advisability of

making and executing this Memorandum of Agreement; each Party has made satisfactory investigation of facts and law pertaining to the HHSP as they determine appropriate and neither has relied upon any promise or representation made by the other or any other third party;

- (e) this Memorandum of Agreement represents the binding intent of the Parties to proceed in accordance herein and this Memorandum of Agreement represents legally enforceable obligations of the parties; and
- (f) each Party agrees to act with diligence and in good faith.

5.2 HRM's Additional Representations and Warranties

HRM represents and warrants to HW, and such representations and warranties shall survive the conclusion of this Memorandum of Agreement notwithstanding anything to the contrary, that to the best of HRM's knowledge, other than as previously disclosed, it is not in breach of any of its obligations under any of the following agreements to be assigned to and assumed by Halifax Water, each of which remains in place, in good standing, and unamended as of the date hereof, other than as disclosed by HRM to HW:

- (a) Loan Agreement;
- (b) Reinvestment Agreement;
- (c) Reporting Agreement;
- (d) HRM Debentures;
- (e) Provincial Agreement; and
- (f) CSIF Agreement.

6.0 ASSIGNMENT OF HHSP ASSETS AND PROJECT AGREEMENT

6.1 Assignment

On the Effective Date, HRM shall assign, transfer, convey and deliver to HW, and HW shall accept, all of HRM's right, title and interest in the HHSP Assets at book value and in the Project Agreements.

6.2 Assumption

On the Effective Date, HW shall assume all rights, liabilities and obligations, including contingent liabilities of HRM in respect of HHSP, including the Project Agreements, the Reinvestment Agreement (except as referenced in Section 8.2) and the Reporting Agreement and agrees faithfully to perform and fulfill, in accordance with their terms the Project Agreements with utmost dispatch. HW will be responsible for all HHSP liabilities regardless of where, when or against whom such liabilities are asserted or determined (including any claims made against

HRM directors, officers, employees or agents) and includes Harmonized Sales Tax consequences. For the avoidance of doubt, HRM's obligations in respect of HHSP under the Transfer Agreement and Transfer Letter shall be complete or deemed complete, or assumed or waived by HW, as of the Effective Date, including clause 12(l) of the Transfer Agreement which is hereby deleted, except such matters related to the transfer and migration, or other disposition of real property which remain to be completed in accordance with Section 6.6 of this Memorandum of Agreement or otherwise under the Transfer Agreement. Any payments made by HRM in respect of HHSP will be reimbursed by HW upon demand.

6.3 Best Interests

HW agrees that it will manage the Project Agreements according to their terms and without delay in the best interests of HRM general tax payers and HW ratepayers and complete the HHSP with due diligence and business efficacy and in accordance with sound engineering, financial and business practices.

6.4 Litigation

HW agrees to have any litigation arising in respect of HHSP, howsoever arising, defended and as such the Parties acknowledge that Section 12(g) of the Transfer Agreement is hereby deleted. All matters relating to such litigation, including indemnification of such claims, will be governed by this Memorandum of Agreement. HRM agrees to provide, upon request, reasonable and timely cooperation with any litigation, including providing qualified HRM staff assistance, information in HRM's possession, and HRM staff as witnesses at no cost to HW.

6.5 Best Efforts to Have HRM Removed

The parties agree that they shall use best efforts to obtain the agreement of the SCS Contractor and the STP Contractor to the amendment and novation of the Wastewater Agreements and the removal of HRM as a party thereto, failing which HW shall indemnify and save harmless HRM in accordance with Section 9 of this Memorandum of Agreement.

6.6 Real Property

The transfer of all real property forming part of the HHSP Assets, as further detailed in Schedule M, shall to the extent practicable be by way of warranty deed with title migration completed in accordance with the *Land Registration Act*, unless the Parties otherwise agree. HRM undertakes to complete all required transfers by warranty deed with title migration as soon as practicable after the Effective Date. HRM and HW agree that all associated costs of such transfers and title migration shall be a HHSP cost.

6.7 Licenses for Parks

Notwithstanding Section 6.6, HRM and HW acknowledge and agree that local residents may wish to establish parks on the following lands:

- (a) 12 Mawiomi Place, Dartmouth (Parcel 2003-1, PID# 41127051), being the green area beside the Dartmouth STP;

- (b) 59 Village Road, Herring Cove (PID# 41117631), being the lands on which the Herring Cove STP is located; and
- (c) 636 Francklyn Street, Halifax (PID# 41152596), being lands used in connection with the AST Pumping Station and CSO,

and that, therefore, HW shall, when called upon by HRM to do so, grant licenses to HRM for access to and use of these lands on the following basis:

- (i) the annual license fee shall be \$1.00 per year or such other nominal consideration as required by law to establish a valid license at the time of grant;
- (ii) the area of land to be covered by the license shall be agreed upon by HRM and HW, both acting reasonably, with regard to HW's operational needs and expansion requirements in connection with operating and maintaining the wastewater infrastructure on the lands; and
- (iii) upon the grant of the license, HRM shall assume all costs and responsibility for the establishment of the parks and their operation and maintenance.

For greater certainty, HW acknowledges and agrees that those portions of the above lands which are not being used by HW for HHSP purposes shall still be HW's responsibility to care and maintain until such time as licenses are granted to HRM at which time HRM shall assume responsibility for their care and maintenance.

6.8 Existing Licenses and Easements

Existing licenses and easements shall be transferred and assigned to HW by HRM in accordance with their terms at HW's cost, if any. HRM shall use all commercially reasonable efforts to obtain all necessary third party consents as soon as practicable to permit such transfers and assignments and, until such time, HRM acknowledges that it holds such licenses and easements in trust for and for the benefit of HW and that HRM will take all necessary action to enforce its rights if requested to do so by HW.

6.9 Licenses and Easements Not Yet Obtained

HRM and HW acknowledge and agree that the real property identified below used in connection with the HHSP is real property in relation to which no license or easement has yet been secured:

- (a) Schedule A-1 – CN lands adjacent to Barrington Street Wall, Halifax;
- (b) Schedule A-2 – Irving Shipyard property, Halifax;
- (c) Schedule A-3 – Irving land near Pleasant and Hwy 111, Dartmouth;
- (d) Schedule A-4 – Killam Investment property; and

(e) Schedule A-5– Waterfront Development Corporation,

and HW agrees that it will pursue appropriate licenses or easements, or expropriations (where possible), in respect of these locations at its cost but with such cooperation and assistance from HRM as it shall reasonably request.

6.10 Licenses or Easements Back to HRM

HRM and HW acknowledge and agree that there may be opportunities which HRM may choose to pursue in the future which, if pursued, may cause HRM to request the grant of licenses or easements over certain parcels of real property transferred to HW under the Transfer Agreement (and as confirmed in this Memorandum of Agreement) for telecommunication and/or heat recovery purposes. HW agrees that, should HRM request such grants of licenses and/or easements in the future, HW shall make such grants for nominal consideration provided that:

- (a) all costs associated with exercising such telecommunication or heat recovery opportunities pursued by HRM shall be HRM's costs to bear;
- (b) all licenses and easements shall be structured in a manner that minimizes the disruption to and adverse impact upon HW's operations; and
- (c) HW shall not be obliged to grant a license or easement in an area if, acting reasonably, HW concludes that to do so would cause an unacceptable level of interference with its operations that cannot be mitigated or otherwise adequately addressed by HRM.

7.0 PROJECT OFFICE AND PROJECT MANAGEMENT

7.1 Assignment of Employment Agreement

HRM shall assign to HW and HW shall assume the employment agreement entered into between HRM and Ted Tam, former Project Manager, dated 31 March 2010, a copy of which has been provided to HW by HRM. HW hereby affirms that any rights or obligations between Ted Tam and HRM are affirmed by HW and survive said assignment and further that the indemnification of Ted Tam survives the expiration of the employment agreement.

7.2 HHSP Office

The HHSP project office located at 88 Alderney Drive, Dartmouth will remain in place and will be provided by HRM to HW for its use and occupation without charge until 1 August 2011. Thereafter, the HHSP project office will be vacated at HW's cost or HW shall commence paying rent to HRM pursuant to a lease on such terms as the parties may negotiate and agree upon at that time. The Parties acknowledge that the space may be reconfigured as tenancies change from time to time.

7.3 Secondment of Employees

Luci Wies and Marlies van der Horst (the "**Seconded Employees**" and each a "**Seconded Employee**") shall be seconded to HW on a full-time basis commencing on the Effective Date for an initial period of six months and the following shall apply:

- (a) HW shall assume all obligations in respect of the Seconded Employees' remuneration, including all salary, vacation, medical/dental and pension contribution benefits;
- (b) if at the end of the initial six month period, HW wishes to extend the secondment of one or both of the Seconded Employees, it shall be free to do so for such further period or periods as it requires; and
- (c) HW will give 45 days' prior written notice to HRM and each Seconded Employee to end her secondment at HW's sole discretion at any time.

7.4 HRM Legal

HRM Legal will provide the services of Stephan Jedynak, and such other staff solicitors to HW as it may reasonably request, at the agreed hourly rate in respect of the provision of such services to HW.

7.5 Third Party Professional Advisors

On and after the Effective Date, the costs of all third party professional advisory fees related to the advice and support provided by project legal counsel, McInnes Cooper, and the Owner's Engineer, O'Halloran Campbell Consultants Limited, or any other advisors engaged by HW and HHSP, shall be the exclusive costs of HW.

7.6 Access to the Former Project Director

HRM shall make available to HW the former Project Director, Brad Anguish, at all reasonable times on reasonable notice to provide strategic advice and continuity of information and background with respect of the HHSP until the Effective Date, and thereafter for arbitration in respect of HHSP, if any, at no cost to HW.

7.7 Records

HRM will maintain existing HHSP documents and records in HRM archives which will be freely accessible to HW for its use and copying. HW shall make all HHSP documents and records available to HRM, from the Effective Date forward as needed upon reasonable notice.

7.8 Notices under Project Agreements

HRM shall forward to HW all Notices received by HRM under the Project Agreements forthwith upon receipt.

8.0 HHSP FINANCING

8.1 Sources of Funding

HRM and HW acknowledge and agree that the following are the sources of funding of the HHSP received and managed by HRM under applicable agreements, resolutions or lawful actions:

- (a) the HRM Debentures;
- (b) the Loan Agreement;
- (c) the CSIF Agreement; and
- (d) the Provincial Agreement,

(collectively, the "**Funding Sources**" and each a "**Funding Source**")

of which only the amounts under subsections 8.1(a) and 8.1(b) are required to be repaid, saving any defaults under the CSIF Agreement or Provincial Agreement which give rise to a requirement to repay any amounts.

8.2 Assignment of Funding Sources

On the Effective Date, HRM shall assign, transfer, convey and deliver to HW, and HW shall accept, all of HRM's right, title and interest to receive and repay Funding Sources. For greater certainty, to the extent that HRM remains a named party on the Funding Sources and receives the payments due thereunder, including for greater certainty the CSIF Agreement and the Provincial Agreement, it shall promptly transfer such payments to HW or apply such payments against repayment obligations assumed by HW pursuant to Section 8.3. This does not include the interest differential under the Reinvestment Agreement which is payable by HW to HRM.

8.3 Assumption of Obligations under Funding Sources

HW agrees that it shall assume all of HRM's liabilities and obligations under the terms and conditions of each of the Funding Sources and shall make all payments due to be made under the HRM Debentures and Loan Agreement without delay when due in accordance with Schedules B and C, respectively or in accordance with the Funding Sources as the case may be. Payments made under the HRM Debentures and Loan Agreement shall be made either directly by HW or at HRM's direction, in accordance with such protocols as HRM and HW may jointly develop. Further, HW agrees that it assumes and will comply with all terms and conditions of the Funding Sources as if it were a named party in the Funding Sources, Reinvestment Agreement and Reporting Agreement regardless of the fact that it is not, including reporting requirements, audits and committee meetings where required and shall maintain proper accounting of HHSP financing in accordance with Canadian GAAP or successor financial accounting standards.

8.4 Cooperation in Respect of Payments under Funding Sources

HRM and HW shall cooperate with each other in all matters related to obtaining payments due under the Funding Sources from the payor thereunder. For greater certainty, HW agrees to provide the documentation requested by HRM in order to obtain said funding and HRM agrees to assist HW in making any enquiries or demands required to enforce the terms of the Funding Sources and to seek timely and orderly flow of payments thereunder.

8.5 Cash Flow Balancing Payment

HRM and HW acknowledge and agree that the Cash Flow Balancing Payment in the amount of \$7,487,000 referenced in subsection 12(k) of the Transfer Agreement has been agreed to stand at approximately \$13,000,000 as of the date hereof and that, in accordance with the assignment and assumption of liabilities and other terms and conditions of this Memorandum of Agreement, HW shall retain the Cash Flow Balancing Payment of approximately \$13,000,000 and shall not make any payment to HRM in respect of previously contemplated Cash Flow Balancing Payment.

8.6 Community Liaison Funds

The community liaison funds in the aggregate rounded amount of \$151,000 in respect of the Community Integration Funds established for Dartmouth and Herring Cove as set forth in Schedule F shall not be transferred to HW and shall remain HRM's responsibility to manage and administer.

8.7 HHSP Net Funds

On the Effective Date, HRM shall irrevocably transfer the HHSP net funds remaining in relation to the HHSP, after withholding payments in accordance with Section 8.6, as set forth in Schedule D (the "**HHSP Net Funds**").

8.8 Transfer of Holdbacks

On the Effective Date, in addition to the HHSP Net Funds, HRM shall transfer to HW all amounts, if any on deposit or credited in respect of the following:

- (a) holdbacks under the *Builders' Lien Act* in the aggregate rounded amount of \$14,847,000 under the Wastewater Agreements as set forth in Schedule G; and
- (b) holdbacks under the Wastewater Agreements in the aggregate amount of \$2,086,000 in respect of deficiencies to be addressed as set forth on the Punch Lists as set forth in Schedule H.

8.9 Assignment and Transfer of HHSP Security

HRM shall cooperate with HW in securing the consents of the SCS Contractor, the STP Contractor, the BPF Operator and all Sureties, insurers, Banks and other relevant third parties under each of the Project Agreements, as applicable, to effect the assignment to HW (or the naming of HW as a named party) in respect of:

- (a) all letters of credit currently issued;
- (b) all Performance Bonds;
- (c) all Labour and Material Bonds; and
- (d) all insurance policies,

(collectively, the "**HHSP Security**").

8.10 HRM's Obligations if HHSP Security Not Assigned and Transferred

Until the requisite consents required to effect the assignment and transfer of some or all of the HHSP Security is obtained, HRM agrees that it shall hold the HHSP Security in trust for and for the sole benefit of HW and shall take all steps necessary to enforce the HHSP Security on HW's behalf when called upon to do so and shall immediately turn over to HW or set off against any amount owed by HW to HRM, any amounts paid to HRM from HHSP Security.

8.11 Unpaid Commitments and Liabilities

As of the date hereof, the known or anticipated commitment or liabilities in respect of the HHSP are as set forth in Schedules E and I hereto.

8.12 Audit and Reporting

HW covenants that it will make records in respect of HHSP, available to HRM upon reasonable notice, for third party audit and that HW will report to HRM Regional Council quarterly on HHSP progress and performance until the Date of Final Completion of the last HHSP Asset.

9.0 INDEMNIFICATION

9.1 Indemnification by HW

HW covenants and agrees to save HRM, its Councillors, officers, employees and agents (collectively the "**HRM Parties**") harmless in respect of any claim, loss, cost, expense, payment, liability, penalty, interest payment and damage (including legal counsel and other professional fees) but expressly excluding any fine or amount payable to a Governmental Authority (a "**Claim**"), directly or indirectly incurred by or asserted against any HRM Party relating to, arising out of, resulting from or in any way connected with any act or omission of HW which is not in compliance with the terms and conditions of this Memorandum of Agreement or relating to, arising out of, resulting from or in any way connected with any Claim arising in respect of the HHSP, the Project Agreements or the Funding Sources.

9.2 Notice

If HRM receives notice of a Claim against it for which it intends to seek indemnification pursuant to this Article 9 it shall give prompt notice to HW and HW shall have the right to elect, subject to the rights of any insurer, to assume the defence of the Claim at its expense.

9.3 Cooperation

HRM will use all reasonable efforts to make available to the party controlling the defence, all employees, documents, records and other materials in its possession or control reasonably required by the party to evaluate and defend the claim.

9.4 Settlement

Until HRM is completely removed as a party to the Project Agreements, HW will not settle a Claim without obtaining the prior written consent of HRM, which shall not be unreasonably withheld notwithstanding the right of HW to assume the defence of a Claim pursuant to Section 9.2.

10.0 LIMITATION OF LIABILITY

The Parties agree that neither Party or its subsidiaries is liable to the other or its subsidiaries for any special, consequential, indirect, incidental or punitive damages or lost profits, howsoever caused on any theory of liability (including negligence) arising in any way from this Agreement whether or not either party has been advised of any possibility of such damages.

11.0 NOTICES AND DELIVERIES

11.1 Any notice, approval, consent, delivery or other communication required or permitted to be given or made pursuant to this Memorandum of Agreement shall be effective and shall be sufficiently given or made if:

- (a) delivered during normal business hours on a business day and left at the relevant address set forth below; or
- (b) telecopied or sent by email;

if to HRM, addressed as follows:

Halifax Regional Municipality
3rd Floor, Duke Tower
5251 Duke Street,
Halifax, NS
Attention: Stephan Jedynak

Telephone: (902) 490-4655
Fax: (902) 490-4232
Email: jedynas@halifax.ca

if to HW, addressed as follows:

Halifax Regional Water Commission
450 Cowie Hill Road
Halifax, NS B3P 2V3
Attention: Carl Yates, General Manager

Telephone: (902) 490-4840
Fax: (902) 490-6939
Email: carl.yates@halifaxwater.ca

Any notice or other communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered as aforesaid or on the date of receipt of the same by telecopy or email, provided such day is a business day and that such notice is received by the person notified prior to 4:00 p.m. AST and, if not, on the first business day thereafter.

Each party may change its address, telephone and telecopier number and email address by notice to the other party pursuant hereto.

12.0 GENERAL

12.1 Time of Essence

Time shall be of the essence in the performance of this Memorandum of Agreement.

12.2 Further Assurances

The parties will execute such further and other documents and do such further and other things as may be necessary or convenient to carry out and give effect to the intent of this Memorandum of Agreement.

12.3 Binding Effect

This Memorandum of Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

12.4 Assignment

Neither party may assign this agreement without the prior written consent of the other party;

12.5 Counterparts and Electronic Execution

This Memorandum of Agreement may be executed by facsimile or other form of electronic signature and in one or more counterparts, each of which will constitute an original hereof and all of which together will constitute one and the same agreement.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF the Parties hereto have executed these presents as of the day and year first above written.

HALIFAX REGIONAL MUNICIPALITY

Per: _____

Per: _____

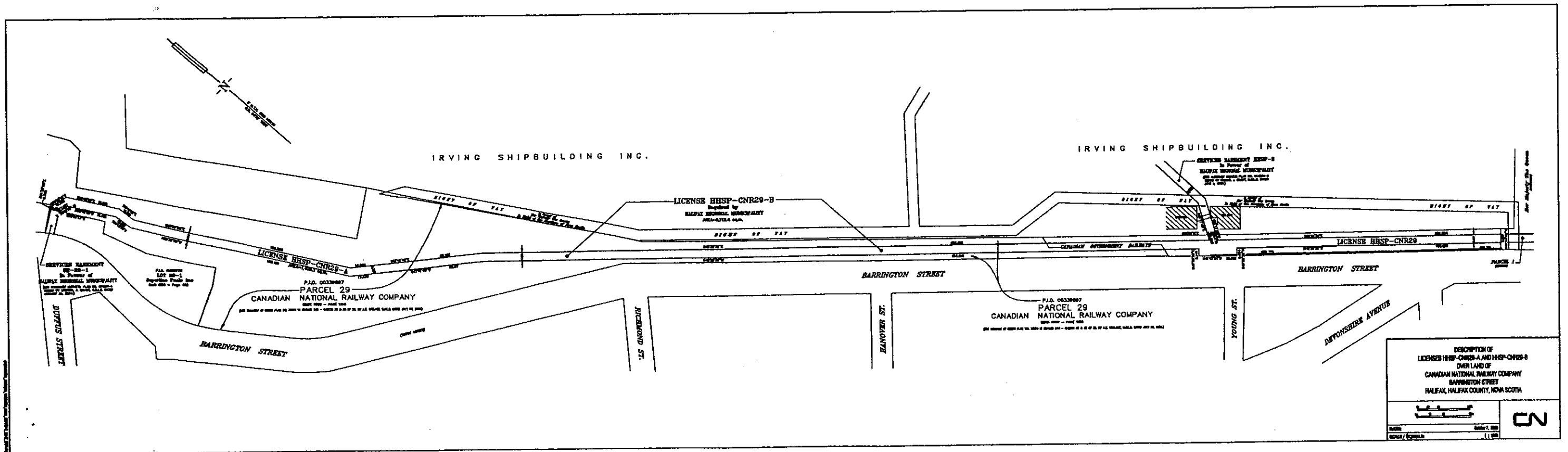
HALIFAX REGIONAL WATER COMMISSION

Per: _____

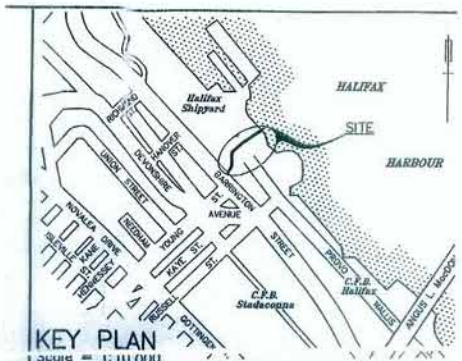
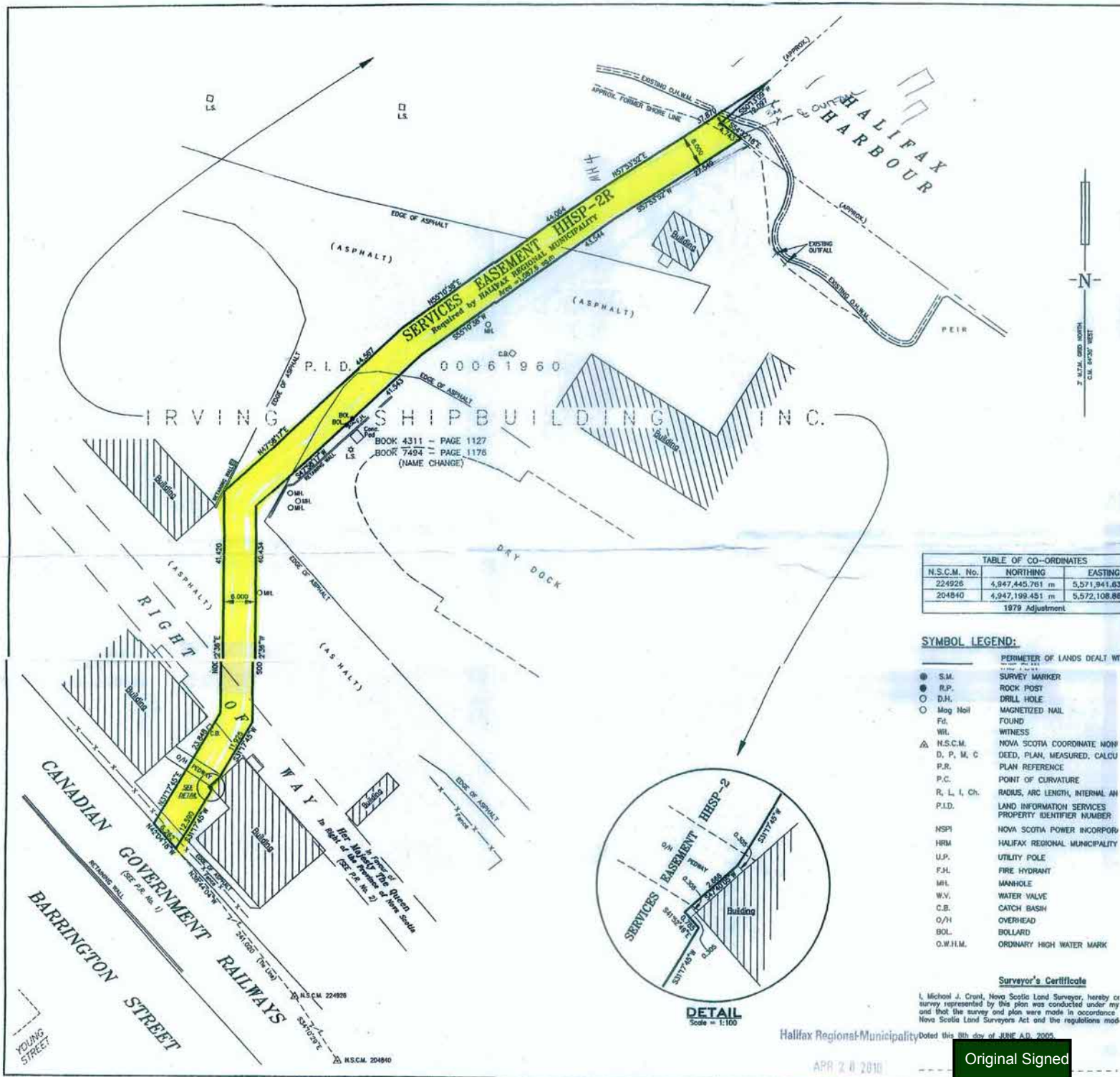
Per: _____

Schedule A-1

CN Lands Adjacent to Barrington Wall, Halifax



Schedule A-2
Irving Shipyard, Halifax



NOTES:

- 1) ALL BEARINGS AND GRD. BASED ON THE NOVA SCOTIA 3' MODIFIED TRANSVERSE MERIDIAN SYSTEM, ZONE 5, CENTRAL MERIDIAN 64°30' WEST LONGITUDE, AND MORE DERIVED FROM NOVA SCOTIA COORDINATE MONUMENT NUMBERS 204840 AND 224926.
- 2) CONTROL TRAVEISE WAS NOT ADJUSTED AND SCALE FACTOR WAS NOT APPLIED.
- 3) FIELD SURVEY WAS CARRIED OUT BETWEEN APRIL 5th & 14th, 2004.

PLAN REFERENCES:

- 1) REGISTRY OF DEEDS PLAN NO. 30876 - SHEET 30 OF 30, BY A.E. WALLACE, H.S.L.S. DATED JULY 26, 1995.
- 2) PLAN SHOWING SURVEY OF RIGHT OF WAY, HALIFAX SHIPYARDS (RE PANAMAX DRY DOCK LEASE) BY IEE JOHNSTON, N.S.L.S. DATED 7th JUNE 1982, RECORDED AS NOVA SCOTIA DEPARTMENT OF NATURAL RESOURCES FIELD PLOT P-059/82'D.
- 3) PLAN SHOWING PARCELS 1, 2, 3 & 4 INCL., TO BE LICENSED BY HALIFAX REGIONAL MUNICIPALITY, LANDS OF ILM. IN RIGHT OF CANADA (C.F.B. HALIFAX DOCKYARD) BY TERRANCE R. DOOGUE, N.S.L.S. DATED JANUARY 23, 2004, BEING SERVANT, DUNBRACK, MCKENZIE & McDONALD LTD. PLAN NO. 14-1112-0.

TABLE OF CO-ORDINATES		
N.S.C.M. No.	NORTHING	EASTING
224926	4,947,445.761 m	5,571,941.634
204840	4,947,199.451 m	5,572,108.868
1979 Adjustment		

SYMBOL LEGEND:

PERIMETER OF LANDS DEALT WITH	
● S.M.	SURVEY MARKER
● R.P.	ROCK POST
○ D.H.	DRILL HOLE
○ Mag Nail	MAGNETIZED NAIL
△ Fd.	FOUND
△ WIL.	WITNESS
△ N.S.C.M.	NOVA SCOTIA COORDINATE MONUMENT
D, P, M, C	DEED, PLAN, MEASURED, CALCULATED
P.R.	PLAN REFERENCE
P.C.	POINT OF CURVATURE
R, L, I, Ch.	RADIUS, ARC LENGTH, INTERNAL ANGLE
P.L.D.	LAND INFORMATION SERVICES PROPERTY IDENTIFIER NUMBER
NSPI	NOVA SCOTIA POWER INCORPORATED
HRM	HALIFAX REGIONAL MUNICIPALITY
U.P.	UTILITY POLE
F.H.	FIRE HYDRANT
M.H.	MANHOLE
W.V.	WATER VALVE
C.B.	CATCH BASIN
O/H	OVERHEAD
BOL.	BOLLARD
O.W.H.M.	ORDINARY HIGH WATER MARK

Surveyor's Certificate

I, Michael J. Grant, Nova Scotia Land Surveyor, hereby certify that the survey represented by this plan was conducted under my supervision and that the survey and plan were made in accordance with the Nova Scotia Land Surveyors Act and the regulations made thereunder.

Halifax Regional Municipality, dated this 8th day of APRIL A.D. 2005.

APR 20 2010

Original Signed



ALDERNEY SURVEYS LIMITED

NOVA SCOTIA LAND SURVEYORS
327 PRINCE ALBERT RD., DARTMOUTH, N.S.

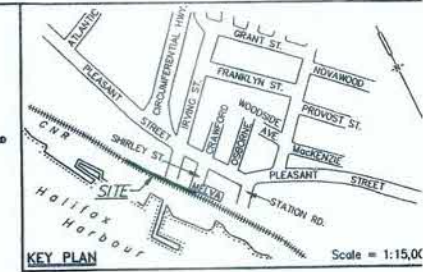
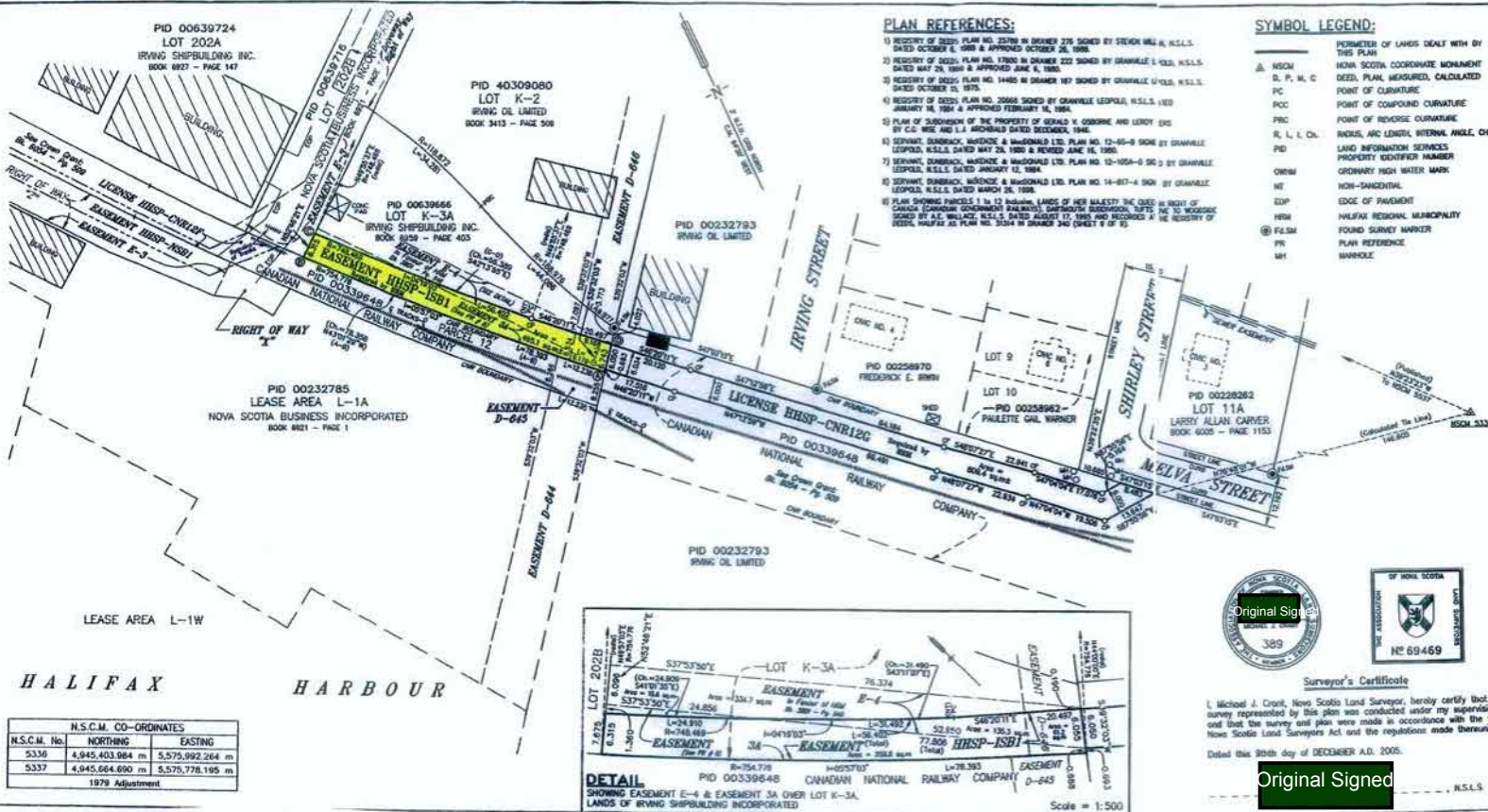
PLAN OF SURVEY OF
SERVICES EASEMENT HHSP-2R
REQUIRED BY
HALIFAX REGIONAL MUNICIPALITY
OVER LANDS OF
IRVING SHIPBUILDING INC.
(HALIFAX SHIPYARD)
BARRINGTON STREET
HALIFAX, HALIFAX COUNTY, NOVA SCOTIA

GRAPHIC SCALE

(IN METERS)



Schedule A-3**Irving Land, Pleasant Street, Dartmouth**



NOTES:

- 1) ALL BEARINGS ARE GRID BASED ON THE NOVA SCOTIA 3rd MODIFIED TRANSVERSE MERCATOR SYSTEM, ZONE 18, CENTRAL MERIDIAN 64°30' WEST LONGITUDE, AND WERE DERIVED FROM NOVA SCOTIA COORDINATE MONUMENT NUMBERS 5336 AND 5337.
- 2) CONTROL TRANSVERSE WAS NOT ADJUSTED AND SCALE FACTOR WAS NOT APPLIED.
- 3) FIELD SURVEY WAS CARRIED OUT BETWEEN AUGUST 4th AND AUGUST 22nd, 2005.

HALIFAX HARBOUR SOLUTIONS PROJECT

ALDERNEY SURVEYS LIMITED
NOVA SCOTIA LAND SURVEYORS
327 PRINCE ALBERT RD, DARTMOUTH, N.S.

PLAN SHOWING
LICENSE HHSP-CNR12G
OVER LANDS OF
CANADIAN NATIONAL RAILWAY COMPANY
AND
EASEMENT HHSP-ISB1
OVER LANDS OF
IRVING SHIPBUILDING INC.
REQUIRED BY
HALIFAX REGIONAL MUNICIPALITY
MELVA STREET AND IRVING STREET
DARTMOUTH, HALIFAX COUNTY, NOVA SCOTIA

GRAPHIC SCALE (metres)
0 10 20 30 40 50
1 : 750

Drawn: M.J.C.
DATE: DECEMBER 9, 2005

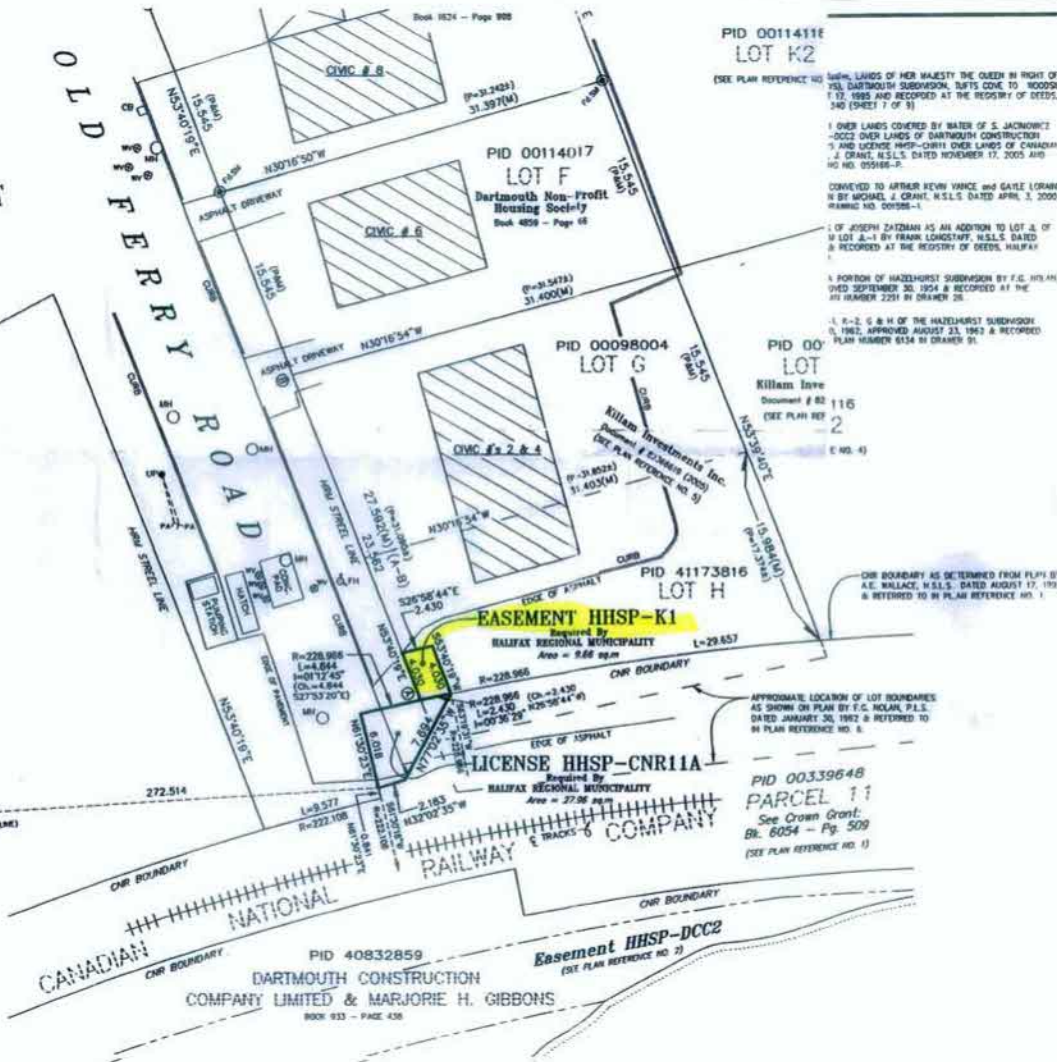
File No.: 055166-1

N.S.C.M. CO-ORDINATES		
N.S.C.M. No.	NORTHING	EASTING
5336	4,945,403.984 m	5,575,992.264 m
5337	4,945,664.600 m	5,575,778.195 m
1979 Adjustment		

Schedule A-4**Killam Investments Property**

HAZELHURST STREET

OLD FERRY ROAD



PID 00114111
LOT K2

(SEE PLAN REFERENCE NO. 1)
LANDS OF HER MAJESTY THE QUEEN IN RIGHT OF THE DARTMOUTH SUBDIVISION, LOTS COKE TO NOODRICK, T. 12, 1985 AND RECORDED AT THE REGISTRY OF DEEDS, 340 (SHEET 7 OF 9)
1. OVER LANDS COVERED BY WATER OF S. JACOBOWITZ - DCC2 OVER LANDS OF DARTMOUTH CONSTRUCTION 3. AND LICENSE HHSP-CNR11 OVER LANDS OF CANADIAN NATIONAL RAILWAY COMPANY
2. GRANT, N.S.L.S., DATED NOVEMBER 17, 2005 AND NO. 055486-2.
CONVEYED TO ARTHUR HEVIN VANCE AND GAYLE (GRANTEE) BY MICHAEL J. GRANT, N.S.L.S. DATED APRIL 3, 2000 HAVING NO. 001985-1.
3. OF JOSEPH ZATZMAN AS AN ADDITION TO LOT J, OF 10 LOT J-1 BY FRANK LONGSTAFF, N.S.L.S. DATED & RECORDED AT THE REGISTRY OF DEEDS, HALIFAX 1.
4. PORTION OF HAZELHURST SUBDIVISION BY F.E. HYSAN, DATED SEPTEMBER 30, 1924 & RECORDED AT THE REGISTRY OF DEEDS, HALIFAX NO. 2251 BY DRAFTER 25.
5. R-2, G & H OF THE HAZELHURST SUBDIVISION, D. 1982, APPROVED AUGUST 23, 1982 & RECORDED AT THE REGISTRY OF DEEDS, HALIFAX NO. 6134 BY DRAFTER 25.

PID 00 LOT
Killam Investments Inc.
Document # 82
(SEE PLAN REF. NO. 1)
2
(E NO. 4)

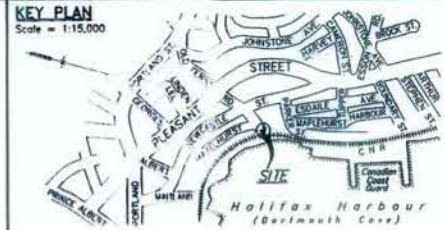
CNR BOUNDARY AS DETERMINED FROM PLANS BY A.E. WALLACE, N.S.L.S., DATED AUGUST 17, 1993 & REFERRED TO IN PLAN REFERENCE NO. 1.

APPROXIMATE LOCATION OF LOT BOUNDARIES AS SHOWN ON PLAN BY F.E. HYSAN, P.L.S., DATED JANUARY 30, 1982 & REFERRED TO IN PLAN REFERENCE NO. 8.

PID 00339648
PARCEL 11
See Crown Grant:
Br. 6054 - Pg. 509
(SEE PLAN REFERENCE NO. 1)

KEY PLAN

Scale = 1:15,000



SYMBOL LEGEND:

- PERIMETER OF LANDS DEALT WITH BY THIS PLAN
- SM SURVEY MARKER
- IB, IP IRON BAP, IRON PIPE
- FOURD FOURD
- NSCM NOVA SCOTIA COORDINATE MONUMENT
- PID LAND INFORMATION SERVICES PROPERTY IDENTIFIED NUMBER
- R, L, I, Ch RADIUS, LENGTH OF ARC, INTERNAL ANGLE, CHORD
- D, P, M DEED, PLAN, MEASURED



HALIFAX HARBOUR SOLUTIONS PROJECT

ALDERNEY SURVEYS LIMITED

Halifax Reg
PR
Halifax Har

PLAN OF SURVEY OF
EASEMENT HHSP-K1
OVER LANDS OF
KILLAM INVESTMENTS INC.
AND
LICENSE HHSP-CNR11A
OVER LANDS OF
CANADIAN NATIONAL RAILWAY COMPANY
REQUIRED BY
HALIFAX REGIONAL MUNICIPALITY
OLD FERRY ROAD
DARTMOUTH, HALIFAX COUNTY, NOVA SCOTIA

Schedule A-5**Waterfront Development Corporation**

Schedule B

Payments Under HRM Debenture

Nova Scotia Municipal Finance Corporation - \$110,000,000

Interest Rate: 2.84% - 5.94%

Due Date	Outstanding Principal	Principal Payment	Interest Payment	Total Payment
1-Mar-05	110,000,000		2,822,600	2,822,600
1-Sep-05	110,000,000	5,500,000	2,822,600	8,322,600
1-Mar-06	104,500,000		2,744,500	2,744,500
1-Sep-06	104,500,000	5,500,000	2,744,500	8,244,500
1-Mar-07	99,000,000		2,647,563	2,647,563
1-Sep-07	99,000,000	5,500,000	2,647,563	8,147,563
1-Mar-08	93,500,000		2,537,975	2,537,975
1-Sep-08	93,500,000	5,500,000	2,537,975	8,037,975
1-Mar-09	88,000,000		2,418,763	2,418,763
1-Sep-09	88,000,000	5,500,000	2,418,763	7,918,763
1-Mar-10	82,500,000		2,291,575	2,291,575
1-Sep-10	82,500,000	5,500,000	2,291,575	7,791,575
1-Mar-11	77,000,000		2,158,338	2,158,338
1-Sep-11	77,000,000	5,500,000	2,158,338	7,658,338
1-Mar-12	71,500,000		2,019,325	2,019,325
1-Sep-12	71,500,000	5,500,000	2,019,325	7,519,325
1-Mar-13	66,000,000		1,876,188	1,876,188
1-Sep-13	66,000,000	5,500,000	1,876,188	7,376,188
1-Mar-14	60,500,000		1,729,475	1,729,475
1-Sep-14	60,500,000	5,500,000	1,729,475	7,229,475
1-Mar-15	55,000,000		1,580,013	1,580,013
1-Sep-15	55,000,000	5,500,000	1,580,013	7,080,013
1-Mar-16	49,500,000		1,428,075	1,428,075
1-Sep-16	49,500,000	5,500,000	1,428,075	6,928,075
1-Mar-17	44,000,000		1,274,900	1,274,900
1-Sep-17	44,000,000	5,500,000	1,274,900	6,774,900
1-Mar-18	38,500,000		1,120,350	1,120,350
1-Sep-18	38,500,000	5,500,000	1,120,350	6,620,350
1-Mar-19	33,000,000		964,425	964,425
1-Sep-19	33,000,000	5,500,000	964,425	6,464,425
1-Mar-20	27,500,000		807,125	807,125
1-Sep-20	27,500,000	5,500,000	807,125	6,307,125
1-Mar-21	22,000,000		648,175	648,175
1-Sep-21	22,000,000	5,500,000	648,175	6,148,175
1-Mar-22	16,500,000		487,850	487,850
1-Sep-22	16,500,000	5,500,000	487,850	5,987,850
1-Mar-23	11,000,000		326,150	326,150
1-Sep-23	11,000,000	5,500,000	326,150	5,826,150
1-Mar-24	5,500,000		163,350	163,350
1-Sep-24	5,500,000	5,500,000	163,350	5,663,350
Total	-	110,000,000	64,093,425	174,093,425

Schedule C

Payments Under FCM Loan Agreement

FCM - Green Municipal Investment Fund - \$20,000,000

Interest rate: 2.774% - 3.127%

Due Date	Outstanding Principal	Principal Payment	Interest Payment	Total Payment
Apr 1/05	20,000,000		277,400	277,400
Oct 1/05	20,000,000	1,000,000	277,400	1,277,400
Apr 1/06	19,000,000		270,655	270,655
Oct 1/06	19,000,000	1,000,000	270,655	1,270,655
Apr 1/07	18,000,000		262,815	262,815
Oct 1/07	18,000,000	1,000,000	262,815	1,262,815
Apr 1/08	17,000,000		253,185	253,185
Oct 1/08	17,000,000	1,000,000	253,185	1,253,185
Apr 1/09	16,000,000		242,035	242,035
Oct 1/09	16,000,000	1,000,000	242,035	1,242,035
Apr 1/10	15,000,000		229,670	229,670
Oct 1/10	15,000,000	1,000,000	229,670	1,229,670
Apr 1/11	14,000,000		216,285	216,285
Oct 1/11	14,000,000	1,000,000	216,285	1,216,285
Apr 1/12	13,000,000		202,080	202,080
Oct 1/12	13,000,000	1,000,000	202,080	1,202,080
Apr 1/13	12,000,000		187,265	187,265
Oct 1/13	12,000,000	1,000,000	187,265	1,187,265
Apr 1/14	11,000,000		171,985	171,985
Oct 1/14	11,000,000	11,000,000	171,985	11,171,985
Total	-	20,000,000	4,626,750	24,626,750

Schedule D

Cash Flow Projection for Completion of the HHSP Project

	<u>HRM</u>	<u>HW</u>
Projected balance in EPC Reserve (Q105) at March 31, 2010	\$15,537,000	
Less:		
Committed and projected expenditures from April 1 – July 31, 2010 (Schedule E)	-794,000	
Amounts Committed for Community Integration Funds (Schedule F)	-151,000	
Plus:		
Amount recovered from SGE for cleaning and disposal costs at BPF	406,000	
Add back amount not paid to Halifax Water for commissioning costs at STPs (Schedule K)	<u>3,695,000</u>	
Projected cash amount to be available for transfer to HW, August 1, 2010	18,693,000	
Transferred from HRM to HW	-18,693,000	18,693,000
Available at HW for HHS Project		<u>13,000,000</u>
Total funds available at for completion of HHS Project		31,693,000
<u>Amounts projected to be spent by HW:</u>		
Builders' Lien Holdback amounts (Schedule G)		-14,847,000
Punch List amounts (Schedule H)		-2,086,000
Additional Project Commitments (Schedule I)		-4,450,000
Payable to HRM for Sustainable Communities Reserve (Schedule J)		-1,100,000
Payable to HW for post 14-week commissioning costs at STPs (Schedule K)		-3,695,000
Recoverable from D&D through set-off against future invoices (Schedule K)		2,195,000
Remaining for completion of HHS Project	<u><u>\$-</u></u>	<u><u>\$7,710,000</u></u>

These amounts are subject to change, if actual amounts are different than projected amounts between now and July 31, 2010.

Schedule E

Amounts Committed and Projected to be Spent by July 31, 2010

	<u>Committed</u>	<u>Projected</u>	<u>TOTAL</u>
HSP Office		193,000	193,000
Administration	41,000	-	41,000
Overflow Incremental Repair Costs		79,000	59,000
Contract Management	8,000	132,000	140,000
Dartmouth Community Integration Fund		75,000	75,000
Sustainable Community Reserve	102,000		102,000
HW Post-Commissioning Costs at HC		164,000	164,000
	<u><u>\$151,000</u></u>	<u><u>\$643,000</u></u>	<u><u>\$794,000</u></u>

These amounts are subject to change, if actual amounts are different than projected amounts between now and July 31, 2010.

Schedule F

Projected Balances to be Withheld in Respect of Commitments to the Community Integration Funds

Dartmouth Community Integration Fund	\$104,000
Herring Cove Community Integration Fund	47,000 *
Total amount withheld	<u>\$ 151,000</u>

These amounts are subject to change, if actual amounts are different than projected amounts between now and July 31, 2010.

* All remaining funds in the Herring Cove Community Integration Funds have been returned to the Harbour Solutions Project Contingency Fund, as per the approved Council Report 11.1.2, dated February 20, 2007, which stated:

“Staff is recommending to transfer an amount of \$1,656,400 from the Harbour Solutions Project Contingency Fund to fund the projected shortfall in Phase 1B, with the understanding that any unused portion of this funding will be returned to the Harbour Solutions Project Contingency Fund upon completion of this phase. This is in accordance with item 2 of Council’s approved motion of February 13, 2007, which authorized ‘a sufficient increase’ to complete Phases 1B and 2A, with funding from the Harbour Solutions Project Contingency Fund.”

Since both Phase 1B and 2A are now complete, the unused portion of the \$1,656,400, in the amount of \$887,000 has been returned to the Contingency Fund.

Schedule G

*Builders' Lien Act Holdback Amounts - Recorded at net HST**

Halifax STP	\$5,924,000
Dartmouth STP	5,068,000
Herring Cove STP	3,605,000
 TOTAL STP	 <u>14,597,000</u>
 Halifax SCS	 150,000
Dartmouth SCS	40,000
Herring Cove SCS	60,000
 TOTAL SCS	 <u>250,000</u>
 TOTAL HOLDBACKS	 <u><u>\$14,847,000</u></u>

*These amounts could be subject to minor changes, but will be completely verified by the date of the transfer (August 1, 2010).

Schedule H**Punch List Holdback Amounts**

Halifax STP Deficiencies	\$1,760,000
SCS Deficiencies	326,000
TOTAL	<u><u>\$2,086,000</u></u>

Schedule I

Remaining Project Commitments

Commitments for Halifax STP	\$ 31,000
Commitments for Dartmouth STP	879,000
Commitments for Herring Cove STP	1,647,000
Commitments for Holdbacks STP	281,000
	<hr/>
Total Commitments for STP	2,838,000 <hr/>
Commitments for Halifax SCS	226,000
Commitments for Dartmouth SCS	2,000
Commitments for Herring Cove SCS	45,000
Commitments for Holdbacks SCS	27,000
	<hr/>
Total Commitments for SCS	300,000 <hr/>
Commitments for BPF	802,000 <hr/>
Commitments for Fournier Press and increased chemical storage	510,000 <hr/>
TOTAL	\$ 4,450,000 <hr/> <hr/>

These amounts are subject to change, if actual amounts are different than projected amounts between now and July 31, 2010.

Schedule J

Payments to HRM for Sustainable Community Reserve

Fiscal 2010/11	\$ 195,000
Fiscal 2011/12	277,000
Fiscal 2012/13	258,000
Fiscal 2013/14	238,000
Fiscal 2014/15	132,000
TOTAL	<u>\$ 1,100,000</u>

FCM's Green Municipal Funds lend money at 1.5% less than the Bank of Canada Bond rate. The interest payments to FCM are made at this special, reduced interest rate.

The difference between this subsidized rate and the rate that is paid on the remainder of Harbour Solutions' permanent financing must be dedicated to activities that support the general objectives of FCM's Green Investment Fund, which is accomplished by contributing this interest differential to the Sustainable Community Reserve.

The table above summarizes the amounts of the interest differential contributed to the Sustainable Communities Reserve.

Schedule K

**Additional Costs Incurred by, and due to, HW as a Result of Late Completion of Commissioning,
Which Should be Reimbursed by the STP Contractor
as Per Section 16.09 of the STP Development Agreement**

Post 14 - week commissioning costs at Dartmouth STP	\$ 3,531,000
Post 14 - week commissioning costs at Herring Cove STP	\$ 164,000
 TOTAL	 <u><u>\$ 3,695,000</u></u>

Costs previously recovered from D&D through offset	\$ 1,500,000
Costs remaining to be recovered	\$ 2,195,000
 TOTAL	 <u><u>\$ 3,695,000</u></u>

These amounts are subject to change, if actual amounts are different than projected amounts between now and July 31, 2010.

Schedule L

Spending Under the CSIF Agreement

All spending under the CSIF Agreement was required to occur before April 1, 2010.

An amount of \$4,562,000 will be claimed before August 1, 2010. Of this amount, \$1,296,220 will be used to fund the required portion of the HHS Project. This completes the \$30,000,000 in funding committed to the HHS Project.

The remainder - \$3,265,780 - will be used to fund projects under the Watershed Protection Program. In addition, \$6,000,000 remains with CSIF until final completion of each of the 3 components (Halifax (\$2,000,000), Dartmouth (\$2,000,000), and Herring Cove (\$2,000,000)). Once this is received, it will be used to fund the balance of projects carried out under the Watershed Protection Program. This completes the \$30,000,000 in funding committed to the Watershed Protection Program.

Schedule M

Real Property Associated with the HHSP

I. LICE NSES			
HHSP License Ref #	License Agreements Property ID	Description	Comments
1	Lic-03-08 40928426 40943730	License Agreement between Halifax Port Authority & HRM; made on Feb 18/04	for STP outfall, Halifax & Dartmouth STP, NS no permit required for HC
2	Lic. HHSP-HDBC1 40244154	License Agreement between Halifax-Dartmouth Bridge Commission and HRM; made on June 12/06; Lyle St. & Shore Rd.	Lot D-4; HX-DT Bridge Commission Drawing #055166-A Lyle St. & Shore Rd
3	Lic. HHSP-4R 00001248	License Agreement between Her Majesty the Queen as represented by Minister of the Environment – Parks Canada Agency; made on July 02/08; Point Pleasant Park, HX	Point Pleasant Park – Francklyn St. Halifax for Balmoral Pump Stn. Halifax
4	Lic. HHSP-CCG1 & HHSP-CCG2 40937203	License Agreement between Her Majesty the Queen as represented by the Minister of Fisheries & Oceans; Canadian Coast Guard Property – dated Aug.04/06	Outfall pipe to Parker CSO, Located at the foot of Parker St
5	Halifax Dockyard Parcels 1, 2, 3, & 4 incl.; Plan S-4885 00174615	License Agreement – Her Majesty the Queen as represented by the Minister of National Defence & HRM; CFB Halifax Dockyard; made on Feb 27/04	Barrington St. & Upper Water St. , Halifax NS
6	HRM/CN Private Crossing Agreement	License Agreement between CN and HRM; Private Crossing over the right of way & tracks of CN; Dartmouth – Agreement entered into on Aug 7/07.	Plan No. HHS-RDS-DT-RDS-026-C-001 CN reference 4705-DRT-13.70
7	Telecommunications Device Placement Lic. Agreement	Halifax Dartmouth Bridge Commission - made on Sept 21/07, MacKay Bridge Top Strut Antenna mount - SCADA	Repeaters atop West Main Tower of MacKay bridge
8	Lic. HHSP-DND6 Defense Research Establishment 00097337	License Agreement – Her Majesty the Queen as represented by the Minister of National Defense & HRM; Defense Research Establishment, Grove St., Dartmouth, NS; made on Sept 29/06.	Parcel HHSP-DND6 Plan S-5188; Grove St. CSO Dartmouth NS
9	Deliberately left blank		
10	Lic. HHSP-DND1, DND-2, DND-3, DND-4, DND-5 Dartmouth Naval Armament Depot	License Agreement – Between Her Majesty the Queen as represented by the Minister of National Defense & HRM; Dartmouth Naval Armament Depot, Dartmouth, NS; made on Nov	Parcels HHSP-DND1, DND2, DND3, DND4 & DND5; Plan S-5135-1 Lands covered by water, Grove St. to Jamieson to Lyle St.

I. LICE NSES			
HHSP License Ref #	License Agreements Property ID	Description	Comments
	00083048	30/05	
11	Lic. HHSP-1 40702102	License Agreement between Her Majesty the Queen as represented by the Minister of Transportation & Public Works made May 03/04	Adjacent to Sackville St. from Hollis to Lr. Water Street Halifax, NS 60 year term license
12	CN Standard Pipe Agreement	License Agreement between CN & HRM; executed in 2010 CN's ROW at various locations in Dartmouth and Halifax, NS.	Lic. HHSP-CNR2, CNR3 , CNR2A, CNR3A, CNR3B (Nivens Ave.), CNR4B, CNR3B (India St.); CNR4, CNR5, CNR4A, CNR6, CNR8, CNR8-B, CNR8C, CNR9, CNR10, CNR11, CNR11A, CNR12A, CNR12B, CNR12C, CNR12D, CNR12E, CNR12F, CNR12G, CNR12GA, CNR12GB, CNR24, CNR25, CNR29-A
13	Deliberately left blank		
14	Deliberately left blank		
15	Lic-00-02 40935561	License between Halifax Ports Authority and HRM for outfall at Point Pleasant Park This is before HHSP.	Expiring in July 31, 2010. HHSP have alerted HW to renew.

II. EASEMENTS			
HRM- HHSP Easement Ref #	Easement Agreements Property ID	Description	Comments
1	HHSP-NSP4 PID #00098582	Easement Agreement between Nova Scotia Power Inc. & HRM; signed on Dec 04/08	Registered Mar 09/09 Doc.# 92908442 India Street, Dartmouth NS
2	HHSP-NSH4, HHSP-NSH5, HHSP-NSH6 PID # 00241687	Easement Agreement between Her Majesty the Queen represented by the Minister of Transportation & Public Works and HRM, signed on Jan 22/08	Registered Jan 28/08 Doc.#89837414 Vicinity of Cuisack St. Dartmouth, NS Easement/License Agreement to perpetuity
3	HHSP-NSB3 PID #00639716	Easement Agreement between NS Business Inc. and HRM; signed on Mar 13/07	Registered on Mar 20/07; Doc. #87438744 Vicinity of Atlantic St. & Irving St. Dartmouth, NS
4	HHSP-NSB1 & HHSP-NSB2 NS PID # 00639732 NS PID #00232785	Easement Agreement between NS Business Inc. and HRM, signed on July 31/06	Registered on Sept 19/06 Doc. #86162931 Atlantic St. area Dartmouth NS
5	HHSP-SJL1 PID #00114132	Easement Agreement between S. Jachimowicz Limited & HRM; signed on July 25/06	Registered on Aug 02/06 Doc #85780295 Water lot, Dartmouth Cove, Canal St. Dartmouth, NS
6	HHSP-DCC1 PID #40832859	Easement Agreement between Dartmouth Construction Company Ltd. And HRM; signed on Mar 13/07	Registered on Mar 20/07; Doc #87438942 Dartmouth Cove, Dartmouth, NS
7	HHSP-WDC2 PID #00114306 Service Easement D-1444 PID #00114306	Release of Easement D-1444 and receive WDC-2 instead. WDC-2 between HRM and Waterfront Dev. Corp.; signed on May 23/06	Over Lot B-1, lands of WDC; Canal St. & Maitland St. Dartmouth, NS Swap done
8	HHSP-NSP1 HHSP-NSP2 HHSP-NSP3 PID #00063677	Easement Agreement between NSPI and HRM signed on July 24/07	HHSP-NSP1 – lands over NSPI HHSP-NSP2 – lands over NSPI, vicinity of Ferguson Rd. & Tufts Cove HHSP-NSP3 – over lands covered by water of NSPI, vicinity of Nivens Ave. DT, NS

II. EASEMENTS			
HRM- HHSP Easement Ref #	Easement Agreements Property ID	Description	Comments
9	HHSP-NSH2 HHSP-NSH3 PID #00241687	Easement Agreement between Her Majesty the Queen as represented by Minister of Transportation & Public Works, signed on Dec 21/05	Registered Mar 14/06 Doc. #84574830; both water lots, Dartmouth, NS
10	HHSP-OPM1 PID #00067934	Easement Agreement between Olympus Properties Management Ltd. And HRM; signed on April 2/07.	Registered Apr 23/07 Doc. #87652864 Olympus Properties Management, Grove St. Dartmouth, NS
11	SE-10R Service Easement PID #40795155	Easement Agreement with Provident Dev. Inc. and HRM; signed Oct 12/04	Registered Oct 18/04 Doc. #76471334 Tower Rd. & Harbourview Dr. Halifax, NS
12	HHSP-WDC1 PID #0097550 HHSP-SMS-1 PID#40612376	Easement Agreement between Waterfront Development Corp. (PID# 0097550) signed on Feb 20/2006 Easement Agreement between Waterfront Development Corp. (PID#40612376) signed on Sept 30/2008	Registered 92241398 Smithers Marine Services Limited – 1 Canel Street, Dartmouth – September 30, 2008
13	Service Easement SE-9 For pipe bridge PID #40795148	Easement Agreement between Dr. Keir M. Stewart and his wife Joanne Nancy Stewart and HRM, signed on Oct 06/04	Registered Oct15/04 Doc. #76467118 Southwood Dr. adjacent to Tower Road Halifax, NS
14	Deliberately left blank		
15	Deliberately left blank		
16	Deliberately left blank		
17	HHSP-WMA1 PID #40175887	Easement Agreement between W.M. Apartments Ltd. And HRM; signed on May 23/06	Vicinity of Grove St. Dartmouth, NS
18	Deliberately left blank		
19	Parcel 2, Lot A Plan S-4885 PID #00174615	Easement Agreement between Halifax-Dartmouth Bridge Commission & HRM; signed July 29/04.; to construct, maintain & remove sewer line and the appurtenances thereto across the lands of HMC dockyard	Barrington St. & Upper water St. (CFB Halifax Dockyard)

II. EASEMENTS			
HRM-HHSP Easement Ref #	Easement Agreements Property ID	Description	Comments
20	Service Easement SE-29-1 PID #41036773	Easement Agreement between Superline Fuels Inc. & HRM; for storm water & sanitary sewage mains, water lines pumping stations, diversion chambers, outfalls, diffusers, conduits, valves, appliances, fittings & related facilities	Registered at Reg. of Deeds on Oct 12/04; Doc. 76443291 Barrington St.
21	Easement 1 & 2 PID #00584185	Easement Agreement between Pine Hill Divinity Hall & HRM, signed on July 15/04	Recorded at Registry of Deeds Aug 20/04; Doc. #76137113
22	HHSP-BJ-1 PID #00097220	Easement Agreement between Strad Realty and HRM; signed on Dec. 05/05	Registered at Registry of Deeds on Dec 12/05 Doc. #83822644
23	PID #40076176 NSP-RJM2 PID #40000218 NSP-RJM1 PID #41241217 NSP-HRM1	Easement Agreement between R.J. MacLennan and NSPI, signed on Oct 16/08 Easement Agreement between R.J. MacLennan and NSPI, signed on Oct 16/08, signed on Oct 16/08 Easement Agreement between HRM and NSPI, signed Jan 20/09	Recorded at Registry of Deeds Dec 17/09; <u>Doc.94958254</u> Recorded at Registry of Deeds Dec 17/09; <u>Doc.94957801</u> <u>Lands over Village Rd. Herring Cove</u> <u>Doc.87405669. This easement is for the benefit of NS Power ONLY</u>
24	PID #41173816 (HHSP-K1)	Killam Property Old Ferry Road	Dexter is negotiating, easement not signed yet
25	PID 00241687 (HHSP-NSH7)	Province of NS. Northwest of Atlantic St. Dartmouth.	Easement negotiated. Document signed by the Mayor and has gone to John Young to arrange for the Province to sign.

III. ACQUI RED PROPERTY			
HRM Property Ref. #	Property acquired for HHSP	Land Ownership & Acquisition	Comments
1	<p>Lot 15, Civic #15 Melva St. PID #00228247</p> <p>Civic #17 Melva St. PID #00228239</p>	<p>The P station site consisted of two properties, not consolidated to one lot. Formal Civic address is #23 Melva St.</p> <p>15 Melva, PID 228247, registry of Deed document #83502535 , Nov 8, 2005</p> <p>17 Melva St. PID 0028239, Registry of Deed document #82380818 (2005) (HHSP property reference #1)</p>	Formal civic # for Melva P station is #23
2	Parcel 2003-1 and Parcel 2003-2	<p>Canada Instrument of Grant Canadian Coast Guard Lands Dartmouth, NS Canada; signed Jan 29/04 (Federal lands)</p> <p>Registered at Registry of Deeds, Nov 24/04</p> <p>Doc #7144 , Book 7617, Pg. 152</p> <p>Plan 4706 PWGS</p>	Parcel 2003-1 is Parkland Parcel 2003-2 is Dartmouth STP site and water lot
3	<p>Lot "S" & Lot "T"</p> <p>PID #00241687</p>	<p>Deed between Her Majesty the Queen represented by the Minister of Transportation & Public Works, signed May 03/04</p> <p>Canadian Coast Guard Lands (Provincial lands)</p> <p>Document #75690488</p> <p>Pleasant Street & Cuisack St. Dartmouth, NS</p>	
4	<p>AST-1B</p> <p>PID #41152596</p>		Including water lot
5	<p>Lot RM-1</p> <p>PID #40000218</p>	<p>Warranty Deed between Roderick Jackson MacLennan and HRM, signed Mar 08/07</p> <p>For CSO/Pumping Station</p>	<p>Registered Mar 14/07</p> <p>Doc. #87405669</p> <p>Village Rd. & Stonewall Rd. Herring Cove, NS</p>
6	<p>HHSP-NPD1</p> <p>PID #40306383</p>	<p>Warranty Deed between New Pioneer Dev. Ltd. And HRM, signed on Jan 23/07</p> <p>Roach's Pond Retention Tank</p>	<p>Registered Jan 29/07</p> <p>Doc. #87121092</p> <p>Princeton Ave. & Old Ferguson Cove Rd. Herring Cove, NS</p>
7	HC STP Site	Warranty Deed for Herring Cove STP Site;– between CVC Acquisition (Canada) Co. (formerly 360 Network) & HRM signed on Sept 19/03	Recorded at Registry of Deeds; Book 7491, Page 1005

III. ACQUI RED PROPERTY			
HRM Property Ref. #	Property acquired for HHSP	Land Ownership & Acquisition	Comments
8	Lot 6B	Warranty deed, between Cook property and HRM, signed on Jan 22/04	Village Rd. Herring Cove, NS
9	Deliberately left blank		
10	Lot AST-1 41152596	Parcel from Atlantic school of Theology, Franklin St.	
11	Pier A P station and CSO 00142620	Barrington St. @ Inglis	