



P.O. Box 1749
HRM, Nova Scotia
B3J 3A5 Canada

Item No. 9.1.1
Audit & Finance Standing Committee
December 17, 2014

TO: Chair and Members of Audit & Finance Standing Committee

SUBMITTED BY: Original Signed

Jane Fraser, Director, Operations Support

DATE: October 31, 2014

SUBJECT: Award – Unit Price Tender No. 13-401 – Halifax Ferry Terminal & Law Courts Wastewater Collection

ORIGIN

The proposed expenditure relates to Halifax Regional Water Commission's Schedule of Rules and Regulations and certain provincial and federal regulatory requirements.

LEGISLATIVE AUTHORITY

HRM Charter

- Under Section 79(1)(x) the Municipality may expend money on lands and buildings required for a municipal purpose, which necessarily includes wastewater systems servicing such lands and facilities.
- Under Section 35(2) the Chief Administrative Officer may enter into contracts on behalf of the Municipality where the amount of the expenditure is budgeted and may delegate this authority to another employee of the Municipality.
- Under section 10(3) the Mayor and Clerk may sign a deed, or other document to which the Municipality is a party, on behalf of the Municipality.

Administrative Order #35 - The Procurement Policy

- Section 9(4)(f) requires Council to approve the award of contracts exceeding \$500,000 which result from a Tender. While HRM's contribution to the project is under this threshold, the total value of the proposed award (before contribution of the Province of Nova Scotia) exceeds the threshold.

RECOMMENDATION

It is recommended that the Audit and Finance Standing Committee recommends that Regional Council, by motion:

1. a) authorize and direct the Chief Administrative Officer, or his delegate, to negotiate and enter into a Memorandum of Agreement (the "**MOA**") (Attachment A) between the Province of Nova Scotia Department of Transportation & Infrastructure Renewal (the "**Province**") and the Halifax Regional Municipality, to commit the parties to a 50/50 cost share arrangement relative to the proposed Halifax Ferry Terminal and Provincial Law Courts wastewater collection laterals;

RECOMMENDATION CONTINUED ON NEXT PAGE

- b) subject to the execution of the MOA, award Tender No. 13-401 - Halifax Ferry Terminal & Law Courts Wastewater Collection, to the lowest bidder meeting specifications, Brycon Construction Limited, for a total tender price of \$596,098.78 (net HST included), with HRM funding from Project No. CB000044 – Halifax Ferry Terminal/Law Courts Wastewater Collection, as outlined in the Financial Implications section of this report;
- c) authorize and direct the Mayor and Municipal Clerk to enter into a Lease Amendment with Armour Group Limited, (“**Armour**”) as outlined in the discussion section of this report; and
- d) authorize and direct the Mayor and Municipal Clerk to enter into a license agreement, if necessary, with Heritage Gas Limited, to provide natural gas connections to Historic Properties;
2. a) authorize an increase to PO # 2070583188 for Construction Administration Services of Tender No. 13-401 - Halifax Ferry Terminal & Law Courts Wastewater Collection, to CBCL Ltd., on an hourly rate to the maximum value of \$83,845.94 (net HST included) with funding from Project No. CB000044 – Halifax Ferry Terminal/Law Courts Wastewater Collection, as outlined in the Financial Implications section of this report;
- b) authorize a budget transfer from Project No. CBX01343 – Facility Maintenance, to Project No. CB000044 – Halifax Ferry Terminal/Law Courts Wastewater Collection, in the amount of \$342,736.50;
- c) approve an increase to Project No. CB000044 - Halifax Ferry Terminal/Law Courts Wastewater Collection, in the amount of \$60,000, with funding from Reserve Q328 – Operating Surplus Reserve; and
- d) authorize an increase to Project No. CB000044 – Halifax Ferry Terminal/Law Courts Wastewater Collection, in the amount of \$400,657, to reflect cost sharing to be outlined in the MOA;
3. The authorization to enter into the MOA with the Province and to award Tender No. 13-401 – Halifax Ferry Terminal & Law Courts Wastewater Collection to Brycon Construction Limited is subject to HRM receiving confirmation from the Province of its commitment to cost share as set out in Attachment “A” to this report and its recommendations.

BACKGROUND

During the construction of the Harbour Solutions Project, the sanitary sewer lines from the Halifax Ferry Terminal and Provincial Law Courts were severed. This was not discovered until 2010 when structural repairs were underway to the Halifax Ferry Terminal, due to washout from Hurricane Juan. Since 2012, Staff has been working with the Province to secure the necessary permissions and negotiating with Armour to perform the remediation work on this portion of the wastewater system.

The Halifax Regional Water Commission has taken the position that sanitary sewer lines coming from the Halifax Ferry Terminal property and the Provincial Law Courts (Supreme Court) property are discharging wastewater in a manner that does not comply with applicable regulations. Staff has been working with the Province to secure a cost sharing agreement to address this matter and to enter into an Easement Agreement with the Province.

Part of the new sanitary wastewater lateral will be located on HRM property currently under lease with Armour. Armour leases the Historic Properties from HRM. Staff has been working with Armour to secure an Access Agreement to permit construction of the new sanitary wastewater laterals and also a Lease Amendment to legally document the arrangement.

DISCUSSION

Tenders were called and posted to the Province of Nova Scotia's Procurement website on August 6, 2013, and closed on September 5, 2013. Bids were received from the following companies:

Table #1

Name of Company	Total Price (net HST included)
Brycon Construction Ltd.*	\$596,098.78
Dexter Construction Ltd.	\$812,127.23

***recommended bidder**

Delay in awarding this tender was due to prolonged negotiations with Armour and NSTIR as well as additional investigation and updates to reflect existing natural gas changes on the site.

Scope of Work and Schedule:

The scope of work of this tender includes trenching, backfilling, manholes, piping and traffic control. Work is expected to commence within three weeks from date of award and will take approximately twenty weeks to complete. This is a **unit price** contract and the cost will be dependent upon the actual quantities measured and approved by the HRM Project Manager.

Memorandum of Agreement:

The Nova Scotia Department of Transportation and Infrastructure Renewal (NSTIR) have negotiated a MOA that outlines the specific terms and conditions that NSTIR and HRM will be responsible for with respect to the project.

Scope:

- NSTIR will be installing a new 200mm sanitary wastewater lateral to service the Provincial Law Courts and HRM will be installing a new 150mm sanitary wastewater lateral to service the Halifax Ferry Terminal property; and
- A majority of all design and construction costs will be shared 50/50 between HRM and NSTIR. Costs not cost shared are generally those associated with Armour compensation and preliminary investigations which were also performed by NSTIR prior to converging on the current solution.

Easements:

- NSTIR will grant easements (Parcel SE-CA & Parcel SE-CB; Parcel SE-CD & Parcel SE-CE) on its property, in favour of HRM, for the sum of \$1.00 and HRM will be responsible to register subject easements;
- HRM will grant easements (Parcel SE-FC2 & Parcel SE-HRM1) on its property, in favour of NSTIR, for the sum of \$1.00 and NSTIR will be responsible to register subject easements; and
- HRM may grant, if necessary, Heritage Gas Limited a license permitting natural gas service to Historic Properties.

Budget Increase:

As per the terms of the proposed MOA, a majority of all design and construction costs related to this project will be shared 50/50 between HRM and NSTIR. The estimated project budget is outlined as follows:

Table #2

Project Component	Estimated Total Cost	Estimated Cost Share	Estimated Cost to HRM
Permits	\$1,000	\$0	\$1,000
Surveying & Investigation	\$24,000	\$0	\$24,000
Parking – displaced by construction (3 months)	\$27,360	\$0	\$27,360
Parking compensation	\$6,000	\$0	\$6,000
Consulting & Design	\$135,605	\$67,803	\$67,803
Archaeological	\$10,000	\$5,000	\$5,000
Construction (award value + 10% contingency)	\$655,708	\$327,854	\$327,854
Estimated Total Project Costs	\$859,674	\$400,657	\$459,017

Grant of Easements:

Due to existing underground infrastructure, and the location of the Law Courts, Halifax Ferry Terminal and the Historic Properties buildings, the proposed new wastewater laterals are required to be installed underneath the rear of the Law Courts building and then onto the HRM owned Historic Properties that are leased to Armour, before turning back onto the Law Courts property at the entrance of the Law Courts parking garage. Both new wastewater laterals will connect to the Halifax Water main transmission lines located under Lower Water Street. See Appendix 1 of Attachment A – MOA for reference.

As such, HRM will require two service easements (Parcel SE-CA & Parcel SE-CB; Parcel SE-CD & Parcel SE-CE) from NSTIR and NSTIR will require two service easements (Parcel SE-HRM-1 & Parcel FC2) from HRM, for each party to perform future maintenance. HRM may also be required to grant a license agreement to Heritage Gas Limited to permit natural gas service to Historic Properties.

Historic Properties:

In response to the above-noted regulatory requirements, the construction of wastewater laterals must, in part, take place on HRM land, which is subject to a long term lease with Armour. HRM will need to access this land in order to construct the laterals. Should any costs arise to address these requirements with Armour, these will not be cost shared with the Province. HRM and Armour have successfully negotiated an Access Agreement, wherein HRM will be responsible for Armour's out of pocket cost (alternate parking spaces and parking compensation). Staff has obtained approval of the Access Agreement from the CAO, in an effort to expedite construction, by providing Armour the minimum thirty (30) day notification period prior to this Tender Award Report being approved by Regional Council. HRM and Armour will also enter into a Lease Amendment outlining the legal grant of the new easement.

FINANCIAL IMPLICATIONS

Based on the lowest bid price for Tender No. 13-401-Halifax Ferry Terminal & Law Courts Wastewater Collection, of \$571,600, plus net HST of \$24,498.78, for a total cost of \$596,098.78, and an increase to PO # 2070583188/ CBCL for Construction Administration Services of \$80,400, plus net HST of \$3,445.94, for a total of \$83,845.94, funds are available in Project No. CB000044–Halifax Ferry Terminal/Law Courts Wastewater Collection. The budget availability has been confirmed by Finance.

Budget Summary:	Project No. CB000044 – Halifax Ferry Terminal/Law Courts	
	Wastewater Collection:	
	Cumulative Unspent Budget	\$ 342,736.50
	Plus: Cost Sharing	\$ 400,657.00
	Plus: Increase to Budget	\$ 60,000.00
	Less: Tender No. 13-401	\$ 596,098.78
	Less: Construction Administration	\$ 83,845.94
	Balance	\$ 123,448.80

The balance of funds in Project No. CB000044, will be used for easement and access agreements, contingency funding, and other related expenses.

This project was not estimated in the approved Project Budget.

COMMUNITY ENGAGEMENT

Not applicable.

ENVIRONMENTAL IMPLICATIONS

There are no negative environmental implications anticipated with this work. Should the work not go ahead, ongoing environmental impacts will be seen.

ALTERNATIVES

The Committee could choose not to move this report forward to Council; however, this is not recommended because not completing the tender work allows a condition to continue to exist which violates provincial regulations and is contrary to Council's commitment to infrastructure.

ATTACHMENTS

Attachment A: Memorandum of Agreement (the MOA)

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

Report Prepared by: Kevin Rideout, Superintendent, Construction Services, Facility Development, 490-4821
Chad Renouf, Real Estate Officer, Corporate Real Estate, OS 490-6798

Report Reviewed by: John MacPherson, Sr Project Manager, Facility Development, P&I, 209-0763

Report Approved by: Original Signed
Terry Gallagher, Manager, Corporate Facility Design & Construction, OS, 490-6056

Report Reviewed by: Original Signed
Peter Stickings, Manager, Corporate Real Estate, OS 490-7129

Financial Approval by: Original
Greg Keefe, Director of Finance & ICT/CFO, 490-6308

Legal Approval by: Original Signed
John Traves, Q.C. Director of Legal, Insurance & Risk Management Services, 490-4219

MEMORANDUM of AGREEMENT
Between
HALIFAX REGIONAL MUNICIPALITY and HER MAJESTY THE
QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA

WHEREAS Her Majesty the Queen in Right of the Province of Nova Scotia, as represented by the Minister of Transportation and Infrastructure Renewal ("TIR"), requires an extension to its existing sanitary sewer line, as requested by the Halifax Regional Water Commission ("HRWC"), at the Halifax Law Courts, located at 1815 Upper Water Street, Halifax, PID 40293268, within lands owned by Halifax Regional Municipality ("HRM"), being a portion of lands located at Historic Properties, 1869 Upper Water Street, Halifax, PID 00003459, in order to connect to the main sanitary sewer system line in Upper Water Street owned by HRWC;

AND WHEREAS a portion of the lands owned by HRM located at Historic Properties, 1869 Upper Water Street, Halifax, PID 00003459 are subject to a lease granted by HRM to the Armour Group Limited ("Armour Group");

AND WHEREAS TIR requires a new 200mm sanitary sewer line within its property, being a portion of lands located at 1815 Upper Water Street, Halifax, PID 40293268, as recommended by CBCL Limited to improve its sanitary sewer services to the Halifax Law Courts property and in order to connect to the main sanitary sewer system in Upper Water Street owned by HRWC;

AND WHEREAS HRM requires a new 150 mm sanitary sewer line within portions of TIR property located at 1815 Upper Water Street, Halifax, PID 40293268, as recommended by CBCL Limited and within HRM property, being a portion of lands located at Historic Properties, 1869 Upper Water Street, Halifax, PID 00003459, to improve its sanitary sewer services to the Halifax Ferry Terminal property owned by HRM located at 5077 George Street, Halifax, PID 40293284, in order to connect to the main sanitary sewer system line in Upper Water Street owned by HRWC;

AND WHEREAS HRM requires a new natural gas pipeline within portions of the TIR property located at 1815 Upper Water Street Halifax, PID 40293268, and within the HRM property, being a portion of lands situate at Historic Properties, Upper Water Street, Halifax, PID 00003459, to allow for the relocation of the natural gas line connection to service Historic Properties and to permit the installation of the aforementioned new sanitary lines.

NOW THEREFORE this Memorandum of Agreement ("MOA") witnesses that in consideration of the mutual covenants set out herein, and subject to the terms and conditions set out herein, HRM and TIR agree as follows:

1. HRM will, subject to receipt of HRM Council approval, grant two sanitary service easements to TIR (collectively the "HRM Easements") each for the sum of \$1.00 over the properties shown on the survey plan (the "Survey Plan") dated August 6, 2014, prepared by David J. Whyte N.S.L.S, attached as Appendix "1" to each of the HRM Easements Agreement and the TIR Easements Agreement that are annexed hereto as Schedules "A" and "B" respectively, specifically identified on the Survey Plan as Parcel SE-HRM1 at PID 00003459 and Parcel SE-FC2 at PID 40572240, for the new sanitary sewer line servicing the Halifax Law Courts building.
2. TIR will, subject to receipt of Executive Council approval and the issuance of an Order in Council, grant one sanitary service easement and one natural gas service easement to HRM (collectively the "TIR Easements") each for the sum of \$1.00. Subject to the foregoing, the sanitary service easement to be granted by TIR will be over the properties, specifically identified on the Survey Plan as Parcel SE-CA and Parcel SE-CB at PID 40293268, servicing the Halifax Ferry Terminal, and the easement for the relocation of the natural gas pipeline servicing Historic Properties will be over the properties specifically identified on the Survey Plan. as Parcel SE-CD and SE-CE at PID 40203268.
3. HRM will be responsible for preparation and completion of all documentation necessary for the HRM Easements and all costs associated therewith, as well as the costs associated with the registration by HRM of the TIR Easements Agreement.

TIR will be responsible for the preparation and completion of all documentation necessary for the TIR Easements and all costs associated therewith, as well as the costs associated with the registration by TIR of the HRM Easements Agreement.

4. HRM will be solely responsible for all costs incurred in the preparation and completion of the Survey Plans and legal descriptions to be attached to the HRM Easements Agreement and to the TIR Easements Agreement.
5. HRM will be solely responsible for all costs associated with the supervision and administration of all third party contracts entered into for the construction related work as outlined in this MOA that is to be carried out in respect of both the HRM Easements and the TIR Easements.
6. (a) The costs associated with the design, construction, infrastructure, installation and inspection of the 200 mm wastewater collection sewer line, the 150 mm wastewater collection sewer lines and any manhole covers shown on the Survey Plan to service the Halifax Law Courts building and the Halifax Ferry Terminal, as recommended by CBCL Limited, will be shared by HRM and TIR on an equal basis. In addition, the costs associated with the design, construction, infrastructure installation and inspection of the natural gas pipeline and related infrastructure as required in order to permit the installation of the aforementioned sewer lines will be shared by HRM and TIR on an equal basis. HRM will provide TIR with such backup documentation as TIR may reasonably require to substantiate the costs to be shared by TIR at the time of each request from HRM for payment by TIR.

(b) Except in the case of maintenance or repair work that is to be covered by any warranties that are provided by HRM pursuant to Section 9 (c) hereof, and except as may be otherwise provided in the TIR Easements Agreement or the HRM Easements Agreement, each party shall be responsible at its sole cost and expense, for the ongoing maintenance and repair costs attributable to the easement infrastructure referred to in this MOA that is to be installed to meet its requirements.
7. All meetings for the design, work, planning and implementation of the projects described in this MOA, and any meetings with the HRWC or the Contractor, will include the appropriate parties from TIR, HRM, and CBCL Limited. HRM agrees that it will not schedule any such meetings without first contacting TIR to ensure the availability of a TIR representative for each meeting.
8. (a) All of the construction required for the sanitary sewer lines, relocation of the natural gas pipeline and manhole covers as may be shown on the Survey Plan has been tendered, and will be planned, managed and supervised by HRM. The tenders for all such work shall be awarded by HRM.

(b) The parties to the contract awarded by HRM for the project work will be HRM and the successful bidder (the "Contractor").
9. (a) The tender documents issued by HRM for the work described herein required that the Contractor agree as follows:
 - i) to indemnify HRM, its agents, representatives and employees on the terms and in the circumstances described in General Conditions GC 25 contained in the tender documents;
 - ii) to obtain, maintain and pay such insurance and such assessments as will protect the Contractor and HRM from claims under the Workers' Compensation Act (Nova Scotia) and from any other claims for damages for bodily injury, sickness or disease, including death and from claims for property damage which may arise from the award by HRM of the contract to the Contractor, with the minimum limits of such insurance to be not less than \$ 2, 000,000 with respect to each occurrence or incident;
 - (iii) to name HRM as an additional insured on all liability insurance policies the Contractor is required to maintain which liability insurance policies shall be written in such terms as will fully protect the Contractor; and
 - (iv) to provide various warranties to HRM on the terms as contained in the tender documents, including without limitation, the two (2) year warranty contained in General Conditions GC25 in the tender documents.

(b) HRM shall request that the Contractor agree to and comply with the following covenants in favour of TIR:

- (i) provide an indemnity to TIR on the same terms and conditions as the indemnity being given by the Contractor to HRM pursuant to General Conditions GC 25 contained in the tender documents;
- (ii) name TIR as an additional insured on all liability insurance policies the Contractor is required to obtain and maintain in favour of HRM (as more particularly described in Section 9 (a) hereof), provided however that the Contractor shall agree that the minimum limits of such insurance shall be increased to an amount of not less than \$5,000,000 with respect to each occurrence or incident;
- (iii) consent to the assignment by HRM of all warranties given by the Contractor to HRM pursuant to the terms of the tender documents, on the same terms and conditions, as more particularly described in the tender documents, including without limitation, the two (2) year warranty contained in General Conditions GC25 in the tender documents; and
- (iv) provide the same covenants to TIR, as given by the Contractor to HRM pursuant to Section 32 91 10 of the tender documents, in respect of damage or unauthorized removal of TIR trees on PID 40293268, except that all references in Section 32 91 10 to "HRM Urban Forestry" and all references to "HRM policy" shall be replaced with "TIR".

(c) In the event that the Contractor does not provide TIR, prior to receipt of the requisite approval referred to in Section 1 hereof, with written covenants (and in the case of Section 9 (b) (iii) a written assignment of all such warranties) on terms acceptable to TIR, that the Contractor will comply with all of the items specified in Section 9 (b), HRM agrees that it shall provide written covenants to TIR, on terms acceptable to TIR, that HRM will assume sole responsibility, at its own cost and expense, for each of the obligations referred to in Section 9 (b) (i) to (iv), inclusive, that the Contractor fails to provide to TIR within the time prescribed. The requirements of this Section 9 (c) must be fulfilled as a condition precedent to TIR executing the TIR Easements Agreement.

(d) HRM shall require, and be responsible for ensuring, that the Contractor carry out the construction of the sanitary sewer lines and manhole covers shown on the Survey Plan or tender documents that will be within the parking lot of the Halifax Law Courts building in accordance with the following requirements:

- work must be carried out in such a manner as to minimize the amount of parking spaces needed for construction
- the number of parking spaces needed for construction must be identified prior to commencement of construction taking place to allow alternate parking for staff to be arranged in advance
- work that will, in the opinion of TIR, be disruptive to the operations of the Halifax Law Courts will only be carried out outside of normal business, hours being 8:00 am to 5:00 pm ("Normal Business Hours"), or alternatively on weekends/holidays
- safe access and egress must be maintained through the Judges' parking lot entrance to the Halifax Law Courts building during Normal Business Hours
- any work that would require the closure of the Judges' entrance to the Halifax Law Courts building must be scheduled by the Contractor following prior consultation with TIR building operations staff and must be carried out by the Contractor at times other than during Normal Business Hours
- any trenches within the work area must be plated at the end of each work shift
- the use of gas or diesel powered equipment must be undertaken in such a way as to prevent the infiltration of exhaust gases into the Halifax Law Courts building and to ensure that there is no disruption to the regular operations of the building
- all work scheduling must be reviewed with and approved by TIR building operations staff in advance. Some scheduling delays can be expected by the Contractor due to operation requirements of the Halifax Law Courts building.

10. (a) HRM agrees that notwithstanding anything contained in the General Conditions in the tender documents, it shall not, without the prior written consent of TIR, settle any "Disputes", or agree to any "Delay Claim", any "Changes in the Work" or to any "Extra Work", as those terms are defined and/ or described in the General Conditions contained in the tender documents. TIR agrees that it will respond promptly to a request that it receives from HRM to consent to any of the matters for which TIR's consent is required under this Section 10 (a).
 - (b) Notwithstanding anything contained in the tender documents, HRM agrees that all historically relevant items recovered on PID 40293268, shall remain the absolute property of TIR and will be promptly turned over to TIR. HRM agrees that it shall remit to TIR, within five (5) days of receipt, one half of any portion of the archeological allowance that is credited back to HRM by the Contractor pursuant to the terms of the tender documents.
 - (c) HRM agrees that it will remit to TIR, within five (5) days of receipt, all liquidated damages or other costs payable by the Contractor pursuant to the terms of the tender documents in respect of any TIR related sanitary sewer line work to be carried by the Contractor.
 - (d) HRM agrees to provide to TIR, within five (5) days following receipt, copies of all information, drawings, test results, data and documentation in respect of all work carried out by the Contractor that the Contractor is required under the tender documents to submit to HRM, including without limitation, in respect of all work carried out on Parcel SE-HRM1 at PID 00003459, Parcel SE-FC2 at PID 40572240, Parcel SE-CA and Parcel SE-CB at PID 40293268, and Parcel SE-CD and SE-CE at PID 40293268.
11. (a) The HRM Easements Agreement and the TIR Easements Agreement will contain the terms and conditions as set out in the attached Schedule "A" and Schedule "B" respectively, and, subject to the provisions of Section 9 (c), shall be concurrently executed by HRM and TIR not later than ten (10) days following the date on which all requisite approvals described in Sections 1 and 2 of this MOA have been received.
 - (b) HRM agrees to register the executed TIR Easements Agreement and TIR agrees to register the executed HRM Easements Agreement, in each case, within sixty (60) days following the date that they are executed.
12. Pending receipt by TIR of the approval referred to in Section 2 hereof, TIR agreed to permit HRM to commence limited construction in the Parcel identified as SE-CB at PID 40293268, pursuant to the terms and conditions of a Restricted Early Access Agreement, which has been executed by TIR and HRM, a copy of which is attached as Schedule "C" hereto.
13. HRM shall at all times hereafter, indemnify and hold TIR its employees, servants and agents harmless from and against any and all costs losses, expenses, claims, demands, actions, suits or proceedings (each a "Claim"), incurred or arising as a result of or from the Armour Group, or its successors or assigns, directly or indirectly preventing, interfering, or attempting to prevent or interfere in any way at any time hereafter with TIR's access to PID 00003459 for the purposes of the construction, maintenance, repair or replacement of any portion of the sanitary sewer line on the HRM property PID 00003459. Without limiting the foregoing, the indemnity obligations of HRM to TIR pursuant to this Section 13 shall also extend to and cover any Claim at any time hereafter against TIR by HRWC or by any provincial or regulatory entity as a result of any effluent, contaminant or discharge of any kind being released due to TIR's inability to either construct or repair or maintain the sanitary sewage system on the HRM property PID 00003459 because of the Armour Group, or any successor or assign of the Armour Group, directly or indirectly preventing, interfering, or attempting to prevent or interfere with any such construction, maintenance or repairs.
14. Subject to the obligations of HRM pursuant to Section 13 of this MOA, all costs incurred to remediate any environmental contamination or dangerous materials which currently exists on any of the properties for which the TIR Easements and the HRM Easements are being granted herein, shall be shared equally by HRM and TIR.
15. This MOA shall be governed by and construed in accordance with the laws of Scotia and the laws of Canada applicable therein.

16. This Agreement, the HRM Easements Agreement, the TIR Easements Agreement, and the Restricted Early Access Agreement, shall constitute the entire agreements between HRM and TIR with respect to the subject matter hereof and shall supersede all other agreements, contracts, or understandings, whether oral or in writing. This Agreement shall not be assignable by either of the parties and may only be amended by a written agreement duly executed by HRM and TIR.
17. In the event that either HRM or TIR is unable to obtain the approvals required to execute the HRM Easements Agreement or TIR Easements Agreement, as applicable, or if such approvals have been obtained and the HRM Easements Agreement and the TIR Easements Agreement are not executed and delivered by the parties within the time period prescribed in Section 11 (a) hereof, this MOA shall become null and void and shall have no further force or effect, provided however that notwithstanding the foregoing, HRM's obligations to TIR under the Restricted Early Access Agreement shall nevertheless survive and continue to be binding on HRM.

IN WITNESS WHEREOF HRM and TIR have duly executed this Memorandum of Agreement as of the _____ day of _____, 2014.

SIGNED, SEALED AND DELIVERED
In the presence of:

Witness

Witness

) HER MAJESTY THE QUEEN IN RIGHT OF
) THE PROVINCE OF NOVA SCOTIA, AS
) REPRESENTED BY THE MINISTER OF
) TRANSPORTATION AND
) INFRASTRUCTURE RENEWAL

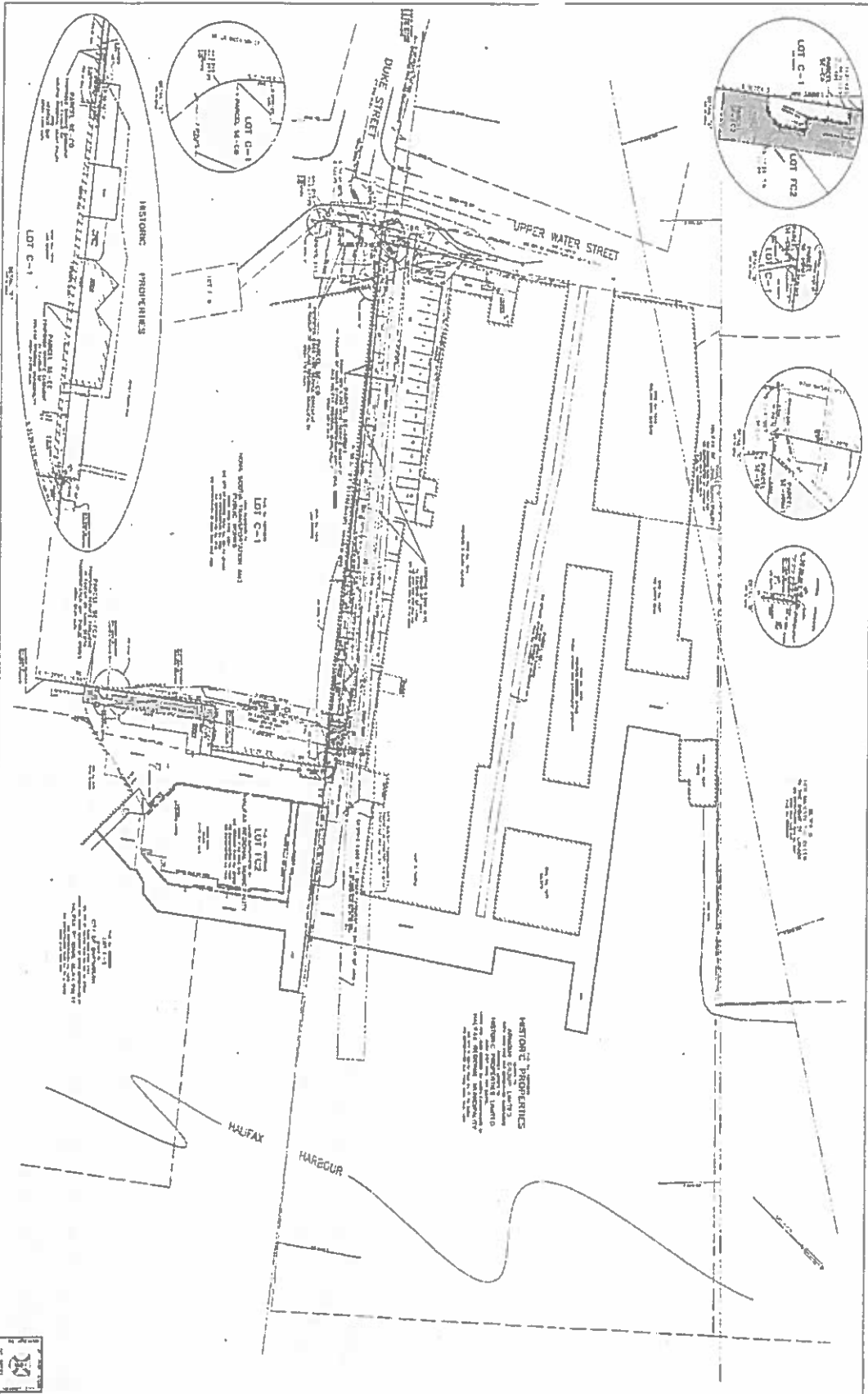
) Per: _____
) Geoff MacLellan, Minister

) **HALIFAX REGIONAL MUNICIPALITY**

) Per: _____
) Mike Savage, Mayor

) Per: _____
) Cathy Mellet, Municipal Clerk

Appendix '1'



HALIFAX

Historic Properties and Lot FC
 1000 Water Street
 Halifax, N.S. B3H 2Y9

LOT C-1
 and a portion of
 Lot C-2

NOVA AND PARTIAL INTEREST
 IN THE PROPERTY
 DESCRIBED IN THE
 PROSPECTUS OF INVESTMENT

DATE OF ISSUE: 1991-08-15

REGISTRATION NO.: 91-01-0115-088

SHANTON CLERK

HALIFAX ASSOCIATES LTD.

2500...
 Halifax, N.S. B3H 2Y9

NOTES

1. The plan is for the development of the property described in the prospectus of investment.
2. The plan is subject to the provisions of the Halifax Zoning By-law and the Halifax Planning Act.
3. The plan is subject to the provisions of the Halifax Building Code and the Halifax Fire Code.
4. The plan is subject to the provisions of the Halifax Municipal Act and the Halifax Charter.
5. The plan is subject to the provisions of the Halifax Land Use By-law and the Halifax Planning Act.
6. The plan is subject to the provisions of the Halifax Building Code and the Halifax Fire Code.
7. The plan is subject to the provisions of the Halifax Municipal Act and the Halifax Charter.
8. The plan is subject to the provisions of the Halifax Land Use By-law and the Halifax Planning Act.
9. The plan is subject to the provisions of the Halifax Building Code and the Halifax Fire Code.
10. The plan is subject to the provisions of the Halifax Municipal Act and the Halifax Charter.

LEGEND

- Existing Buildings
- Proposed Buildings
- Proposed Lot Lines
- Proposed Street Lines
- Proposed Utility Lines
- Proposed Fences
- Proposed Landscaping
- Proposed Parking
- Proposed Driveways
- Proposed Sidewalks
- Proposed Paths
- Proposed Stormwater Management
- Proposed Sewerage Management
- Proposed Water Management
- Proposed Other

Schedule "A" to Memorandum of Agreement

THIS EASEMENT AGREEMENT made the day of , 2014

BETWEEN:

HALIFAX REGIONAL MUNICIPALITY, a body corporate under the laws of Nova Scotia

(hereinafter called the "Grantor")

OF THE FIRST PART

and

HER MAJESTY THE QUEEN in Right of the Province of Nova Scotia, as Represented by the Minister of Transportation and Infrastructure Renewal

(hereinafter called the "Grantee")

OF THE SECOND PART

WHEREAS the Grantor is the owner of certain lands located at Historic Properties, 1869 Upper Water Street, Halifax, Nova Scotia, bearing PID Number 00003459 as shown on Plan 5P11-05SW-7 dated August 6, 2014 prepared by David J. Whyte N.S.L.S. (the "Plan") attached hereto as Appendix "1;"

AND WHEREAS the Grantor is the owner of certain lands located at Upper Water Street, Halifax, Nova Scotia, bearing PID Number 40572240 as shown on the Plan;

AND WHEREAS the lands bearing PID Number 0003459 and PID Number 40572240 owned by the Grantee, are collectively referred to in this Easement Agreement as the "HRM Lands";

AND WHEREAS the Grantee, is the owner of certain lands bearing PID Number 40293268 at the Halifax Law Courts, 1815 Upper Water Street, Halifax, Nova Scotia, bearing PID Number 40293268 ("TIR Lands"), and requires two new sanitary sewer lines within portions of the HRM Lands to service and benefit the Halifax Law Courts building and in order to connect to the main sanitary sewer system line in Upper Water Street owned by Halifax Regional Water Commission ("HRWC");

AND WHEREAS the Grantor has agreed to grant two perpetual easements to the Grantee over certain specified portions of the HRM Lands, as more particularly described in Schedules "A" and "B" attached hereto, for the benefit of the TIR Lands and for the purpose and on the terms and conditions set out herein;

AND WHEREAS the Grantee is managing the initial construction and installation of the equipment and appurtenances for the two sanitary sewer lines that are required by the Grantee on the Easement Lands, and the Grantee has retained a contractor to carry out such work.

NOW THIS INDENTURE WITNESSES that in consideration of the sum of one dollar (\$1.00) of lawful money of Canada now paid by the Grantee to the Grantor, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Grantor, the Grantor and Grantee agree as follows:

1. The Grantor hereby grants to the Grantee, a perpetual easement over that portion of the HRM Lands shown as Parcel "SE-HRM1" at PID Number 00003459 (the "First Sewer Easement Land"), outlined on the Plan, and more particularly described in the legal description attached hereto as Schedule "A" for the purpose of constructing, laying down, maintaining, repairing and replacing an underground pipeline and necessary appurtenances thereto on the First Sewer Easement Land, and for no other purpose, pursuant to the terms and conditions contained herein.
2. The Grantor hereby grants to the Grantee, a perpetual easement over that portion of the HRM Lands shown as Parcel "SE-FC2" at PID Number 40572240 (the "Second Sewer Easement Land") outlined on the Plan, and more particularly described in the legal description attached hereto as Schedule "B" for the purpose of constructing, laying down, maintaining, repairing and replacing an underground pipeline and necessary appurtenances thereto on the Second Sewer Easement Land, and for no other purpose, pursuant to the terms and conditions contained herein.
3. The First Sewer Easement Land and the Second Sewer Easement Land are hereinafter sometimes collectively referred to as the "Easement Lands."
4. The Grantee shall have the right, for the purposes set out in Section 1 and Section 2 hereof, to access and to enter upon that portion of the HRM Lands immediately adjacent to the Easement Lands, with vehicles, equipment and materials as may be reasonably necessary to carry out any work it is permitted to carry out on the Easement Lands pursuant to the terms of this Easement Agreement. The Grantee shall be responsible, at its sole cost and expense, to promptly repair any damage caused to the HRM Lands, the First Sewer Easement Land or the Second Sewer Easement Land arising from any entry thereon for such purposes, by the Grantee, or its contractors, agents or representatives, other than any damage resulting from the construction work that is being carried out by the Grantor's contractor.
5. All work to be carried out by the Grantee pursuant to the terms of this Easement Agreement, shall, other than in the case of an emergency, be approved in writing by the Grantor in advance of any such work commencing. Except in the event of an emergency, the Grantee shall not be permitted to carry out any work on any portion of the Easement Lands except during such times as may be authorized by the Grantor in writing from time to time. In the event that an emergency situation arises that requires the Grantee to perform remedial work on the pipelines or any appurtenances located on either the First Sewer Easement Land or the Second Easement Land, as applicable, the Grantee shall promptly notify the Grantor and provide detailed information to the Grantor as to the reason for the emergency entry and the remedial work that was carried out.

6. The Grantee shall be responsible at all times, at its sole cost and expense, after each entry thereon by the Grantee, its contractors, agents or representatives, other than entry by the Grantor's contractor to construct the lines and appurtenances that are the subject of this Easement Agreement, to restore the Easement Lands and the HRM Lands to the same condition as the Easement Lands and the HRM Lands, as applicable, were in at the date of this Easement Agreement, and to make good any damage that has been caused thereto by the Grantee, or any of its contractors, agents or representatives.
7. The Grantee covenants that, other than in respect of construction related work that is carried out by the Grantor's contractor, all work carried out by the Grantee on the Easement Lands shall comply with all applicable laws, including without limitation, applicable environmental legislation. The Grantee shall not at any time permit, cause or create any environmental contamination on the First Sewer Easement Land, the Second Easement Lands or the HRM Lands. The Grantee shall at all times hereafter indemnify and hold harmless the Grantor, its officers, employees and agents, from and against all actions, suits or other proceedings, costs, claims, losses or liabilities, including without limitation, remediation costs, third party claims, regulatory directives or orders, arising from any contamination that occurs on the First Sewer Easement Land, the Second Sewer Easement Land, the HRM Lands or any lands or water adjacent thereto, which is attributable in whole or in part to the use of the First Sewer Easement Land, the Second Sewer Easement Land, or the HRM Lands by the Grantee, or its contractors, agents or representatives.
8. The Grantee shall at all times hereafter indemnify and hold harmless the Grantor, its officers, employees and agents, from and against all actions, suits or other proceedings, costs, claims, losses or liabilities, (including personal injury or death) suffered, made or brought against any of them that arise or occur from the exercise by the Grantee of any rights granted to it hereunder, a breach by the Grantee of any of the terms of this Easement Agreement or as a result of any work constructed or placed on any portion of the Easement Lands by or on behalf of the Grantee, excluding however any work carried out thereon by the Grantor's contractor.
9. The Grantee covenants and agrees that in exercising its rights to repair, maintain, replace, remove or relocate the underground pipelines and necessary appurtenances on the First Sewer Easement Land and the Second Sewer Easement Land, it shall proceed with due dispatch and diligence, and shall have due regard for any improvements or the current use being made of the HRM Lands and take reasonable measures to prevent damage or interference with same.
10. The Grantor shall have the right at any time, and from time to time, to transfer title to all or a portion of the lands comprising the First Sewer Easement Land and all or a portion of the Second Sewer Easement Land.
11. The Grantor reserves the right to grant to third parties, at any time and from time to time, one or more rights of way, licenses, leases or easements to all or a portion of the HRM Lands, including all or a portion of the First Sewer Easement Land and the Second Sewer Easement Land for such purpose and on such terms as the Grantor may in its discretion

determine, and each such third party shall be required to agree with the Grantor that it will not interfere with or impede the rights granted by the Grantor to the Grantee hereunder. The Grantee shall not interfere with or impede the Grantor's right to access and utilize the Easement Lands or the rights of any third party that has or will acquire rights from the Grantor to access and use the Easement Lands.

12. The Grantee shall pay all charges, taxes, rates and assessments of any kind which become payable with respect to any works constructed or placed on the Easement Lands.
13. The Grantee shall, at its sole cost and expense, maintain all works of any kind constructed or placed on the Easement Lands by or on behalf of the Grantee in a state of good repair.
14. All works of any kind constructed or placed on the Easement Lands by the Grantee are entirely at the risk of the Grantee.
15. The Grantor may, at any time, inspect any works constructed or placed on the Easement Lands by or on behalf of the Grantee.
16. The Grantee shall be solely responsible for placing and maintaining, at its own cost and expense, any signs, structures and warning devices necessary to ensure the safety of the public within the Easement Lands.
17. The Grantee shall not at any time, permit or allow a lien or any other encumbrance to be filed or attached to the Easement Lands, or the HRM Lands, including without limitation, any liens or encumbrances in respect of any work being carried out by the Grantee on the Easement Lands or any materials delivered in connection therewith.
18. Except as otherwise expressly provided in this Easement Agreement, the Grantee shall not be permitted to alienate, transfer or convey by way of license, sub-easement or otherwise, any interest in the easements granted to it under this Easement Agreement.
19. This Easement Agreement shall be binding upon and enure to the benefit of each of the Grantor, its successors in title to the HRM Lands and its assigns and the Grantee and its successors in title to the TIR Lands and its assigns.
20. This Easement Agreement shall be governed by and construed in accordance with the laws of Nova Scotia and the laws of Canada applicable therein.
21. This Easement Agreement shall be construed as running with the Easement Lands, the HRM Lands and the TIR Lands.

22. The Grantor warrants and confirms that it has the authority to grant the easements to the Grantee on the terms herein set out.

IN WITNESS WHEREOF the Grantor and Grantee have duly executed this Easement Agreement as of the day and year first above written.

SIGNED, SEALED AND DELIVERED

In the presence of:

Witness

Witness

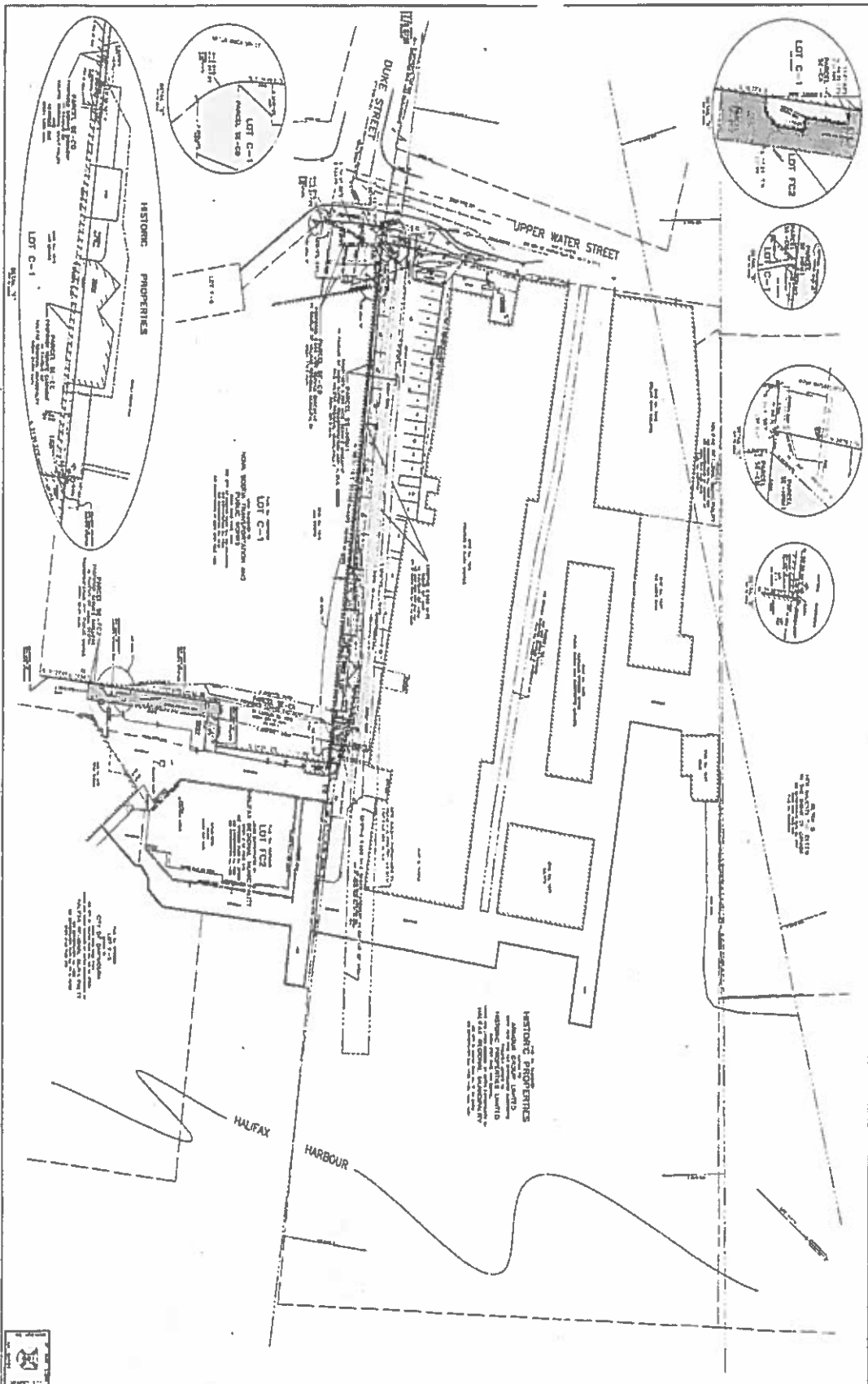
) **HER MAJESTY THE QUEEN IN RIGHT OF**
) **THE PROVINCE OF NOVA SCOTIA, AS**
) **REPRESENTED BY THE MINISTER OF**
) **TRANSPORTATION AND**
) **INFRASTRUCTURE RENEWAL**

)
)
) Per: _____
) **Geoff MacLellan, Minister**

) **HALIFAX REGIONAL MUNICIPALITY**

)
) Per: _____
) **Mike Savage, Mayor**

) Per: _____
) **Cathy Mellett, Municipal Clerk**
)
)
)



HALIFAX

ARCHITECTS

HALIFAX REGIONAL MUNICIPALITY

Lot C-1

NOVA SCOTIA TRANSPORTATION

PLANS SC-1, SC-2, SC-3, SC-4 AND SC-5

PROJ. NO. 2007-01

DATE: 12/11/2007

HAZARD CONSULTING

2007

HAZARD CONSULTING

2007

PLANS LISTING

NOVA SCOTIA TRANSPORTATION

PLANS SC-1, SC-2, SC-3, SC-4 AND SC-5

PROJ. NO. 2007-01

DATE: 12/11/2007

SCALE: AS SHOWN

DATE: 12/11/2007

Schedule "A"

Legal Description of Parcel SE-HRM1

ALL that certain easement situate, lying and being over a portion of Historic Properties off the northeastern side of Upper Water Street in Halifax, Halifax County, Nova Scotia, said parcel being shown as Parcel SE-HRM1, Proposed 6.096 wide Service Easement, on a plan entitled "Plan Showing Certain Boundaries of Historic Properties and Lot FC2, Lands Expropriated by Halifax Regional Municipality and Lot C-1, Land Assessed to Nova Scotia Transportation and Public Works and Parcels SE-CA, SE-CB, SE-CD, SE-CE, SE-FC2 and SE-HRM1, Proposed Service Easements" prepared by Whyte, McElmon & Associates Limited dated August 6, 2014 and signed by David J. Whyte, NSLS, said parcel being more particularly described as follows:

BEGINNING on the southeastern boundary of Historic Properties at a point being North 58 degrees 30 minutes 38 seconds East, a distance of one decimal zero four nine (1.049) metres from the southern corner thereof, as shown on said plan;

THENCE North 01 degrees 30 minutes 22 seconds West, a distance of seven decimal zero three eight (7.038) metres to a point;

THENCE North 58 degrees 30 minutes 38 seconds East, a distance of thirty-three decimal zero three three (33.033) metres to a point;

THENCE North 55 degrees 47 minutes 19 seconds East, a distance of fifty-five decimal eight seven zero (55.870) metres to a point;

THENCE South 28 degrees 49 minutes 17 seconds East, a distance of eight decimal seven five nine (8.759) metres to the southeastern boundary of Historic Properties;

THENCE South 58 degrees 30 minutes 38 seconds West along said boundary, six decimal one zero three (6.103) metres to a point thereon;

THENCE North 28 degrees 49 minutes 17 seconds West, a distance of two decimal three four five (2.345) metres to a point;

THENCE South 55 degrees 47 minutes 19 seconds West, a distance of forty-nine decimal three one seven (49.317) metres to the southeastern boundary of Historic Properties;

THENCE South 58 degrees 30 minutes 38 seconds West along said boundary, thirty-six decimal six nine five (36.695) metres to the point of beginning.

CONTAINING an area of 567.0 square metres.

ALL BEARINGS in the foregoing description being based on the Nova Scotia Coordinate System, Zone 5, central meridian Longitude 64 degrees 30 minutes West.

Schedule "B"

Legal Description of Parcel SE-FC2

ALL that certain easement situate, lying and being over a portion of Lot FC2 off the northeastern side of Upper Water Street in Halifax, Halifax County, Nova Scotia, said parcel being shown as Parcel SE-FC2, Proposed Service Easement, on a plan entitled "Plan Showing Certain Boundaries of Historic Properties and Lot FC2, Lands Expropriated by Halifax Regional Municipality and Lot C-1, Land Assessed to Nova Scotia Transportation and Public Works and Parcels SE-CA, SE-CB, SE-CD, SE-CE, SE-FC2 and SE-HRM1, Proposed Service Easements" prepared by Whyte, McElmon & Associates Limited dated August 6, 2014 and signed by David J. Whyte, NSLS, said parcel being more particularly described as follows:

BEGINNING at a western corner of Lot FC2 at the most southern corner of Parcel SE-CA, as shown on said plan;

THENCE North 58 degrees 32 minutes 17 seconds East along a northwestern boundary of Lot FC2, zero decimal nine six zero (0.960) metres to a northwestern corner thereof;

THENCE North 05 degrees 26 minutes 00 seconds East along a western boundary of Lot FC2, one decimal three two zero (1.320) metres to a southwestern corner thereof;

THENCE North 31 degrees 27 minutes 43 seconds West along a southwestern boundary of Lot FC2, two decimal one seven six (2.176) metres to a southern corner thereof;

THENCE South 58 degrees 32 minutes 17 seconds West along a southeastern boundary of Lot FC2, zero decimal eight zero two (0.802) metres to a southern corner thereof;

THENCE North 31 degrees 27 minutes 43 seconds West along a southwestern boundary of Lot FC2, three decimal three four four (3.344) metres to a southern corner thereof;

THENCE South 58 degrees 32 minutes 17 seconds West along a southeastern boundary of Lot FC2, zero decimal nine five one (0.951) metres to a southern corner thereof;

THENCE North 31 degrees 27 minutes 43 seconds West along a southwestern boundary of Lot FC2, twenty decimal eight two one (20.821) metres to a western corner thereof;

THENCE North 58 degrees 32 minutes 22 seconds East along a northwestern boundary of Lot FC2, two decimal eight three four (2.834) metres to a point thereon;

THENCE South 31 degrees 51 minutes 35 seconds East, a distance of thirty decimal eight seven zero (30.870) metres to a point;

THENCE South 58 degrees 32 minutes 17 seconds West, a distance of three decimal zero four eight (3.048) metres to the point of beginning.

CONTAINING an area of 82.36 square metres.

ALL BEARINGS in the foregoing descriptions being based on the Nova Scotia Co-ordinate System, Zone 5, central meridian Longitude 64 degrees 30 minutes West.

Schedule "B" to Memorandum of Agreement

THIS EASEMENT AGREEMENT made the _____ day of _____, 2014

BETWEEN:

**HER MAJESTY THE QUEEN in Right of the Province of Nova Scotia,
as Represented by the Minister of Transportation and Infrastructure
Renewal**

(hereinafter called the "Grantor")

OF THE FIRST PART

and

**HALIFAX REGIONAL MUNICIPALITY, a body corporate under the laws
of Nova Scotia**

(hereinafter called the "Grantee")

OF THE SECOND PART

WHEREAS the Grantor is the owner of certain lands known as the Halifax Law Courts situated at or near 1815 Upper Water Street, Halifax, Nova Scotia, bearing PID Number 40293268 (the "TIR Lands") as shown on Plan 5P11-05SW-7 dated August 6, 2014 prepared by David J. Whyte N.S.L.S. (the "Plan"), attached hereto as Appendix "1";

AND WHEREAS the Grantee is the owner of certain lands shown on the Plan known as the Halifax Ferry Terminal situated at or near 5077 George Street, Halifax, Nova Scotia bearing PID Number 40293284 ("Ferry Terminal") and is also the owner of certain lands known as Historic Properties situated at or near 1869 Upper Water Street, Halifax, Nova Scotia, bearing PID Number 00003459 ("Historic Properties"), the Ferry Terminal and Historic Properties hereinafter collectively referred to as the "HRM Lands";

AND WHEREAS the Grantee requires a new sanitary sewer line within portions of the TIR Lands and within Historic Properties and the Ferry Terminal to service and benefit the Ferry Terminal and in order to connect to the main sanitary sewer system line in Upper Water Street owned by Halifax Regional Water Commission ("HRWC");

AND WHEREAS the Grantee requires a new natural gas pipeline within portions of the TIR Lands and within Historic Properties to allow for the relocation of an existing natural gas line connection to service and benefit Historic Properties and to permit the installation of the aforementioned new sanitary lines;

AND WHEREAS the Grantor has agreed to grant a perpetual easement to the Grantee over certain specified portions of the TIR Lands, as more particularly described in Schedules "A" and "B" attached hereto, for the benefit of the HRM Lands and for the purpose and on the terms and conditions set out herein;

NOW THIS INDENTURE WITNESSES that in consideration of the sum of one dollar (\$1.00) of lawful money of Canada now paid by the Grantee to the Grantor, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Grantor, the Grantor and Grantee agree as follows:

1. The Grantor hereby grants to the Grantee, a perpetual easement over that portion of the TIR Lands shown as Parcel "SE-CA" and Parcel "SE-CB" (the "Sewer Easement Land"), outlined on the Plan, and more particularly described in the legal description attached hereto as Schedule "A" for the purpose of constructing, laying down, maintaining, repairing and replacing an underground pipeline and necessary appurtenances thereto on the Sewer Easement Land, for the purpose of connecting the underground pipeline to the main sanitary sewer system owned by HRWC, and for no other purpose, pursuant to the terms and conditions contained herein.
2. The Grantor hereby grants to the Grantee, a perpetual easement over that portion of the TIR Lands shown as Parcel "SE-CD" and Parcel "SE-CE" (the "Gas Easement Land") outlined on the Plan, and more particularly described in the legal description attached hereto as Schedule "B," for the purpose of constructing, laying down, maintaining, repairing and replacing an underground pipeline and necessary appurtenances thereto on the Gas Easement Land, for the purpose of connecting the pipeline to the gas system owned by Heritage Gas Limited ("Heritage"), and for no other purpose, pursuant to the terms and conditions contained herein.
3. The Sewer Easement Land and the Gas Easement Land are hereinafter sometimes collectively referred to as the "Easement Lands".
4. The Grantee shall be permitted to grant a non assignable revocable license ("License") to the Gas Easement Land to Heritage for the sole purpose of enabling Heritage to carry out work described in Section 2 hereof, subject to the Grantor approving the terms and conditions of such License prior to its execution, and provided also that in no event shall the License be amended or assigned without the prior written consent of the Grantor.
5. The Grantee shall have the right, for the purposes set out in Section 1 and Section 2 hereof, to access and to enter upon that portion of the TIR Lands immediately adjacent to the Easement Lands, with vehicles, equipment and materials as may be reasonably necessary to carry out any work it is permitted to carry out on the Easement Lands pursuant to the terms of this Easement Agreement. The Grantee shall be responsible, at its sole cost and expense, to promptly repair any damage caused to the TIR Lands, the Sewer Easement Land or the Gas Easement Land arising from any entry thereon for such purposes, by the Grantee, Heritage, or any of their respective contractors, agents or representatives.
6. All work to be carried out by the Grantee pursuant to the terms of this Easement Agreement, and all work to be carried out by Heritage shall, other than in the case of an

emergency, be approved in writing by the Grantor in advance of any such work commencing. Except in the event of an emergency, neither the Grantee nor Heritage shall be permitted to carry out any work on any portion of the Easement Lands except during such times as may be authorized by the Grantor in writing from time to time. In the event that an emergency situation arises that requires the Grantee or Heritage to perform remedial work on the pipelines or any appurtenances located on either the Sewer Easement Land or the Gas Easement Land, as applicable, the Grantee shall promptly notify the Grantor and provide detailed information to the Grantor as to the reason for the emergency entry and the remedial work that was carried out.

7. The Grantee shall be responsible at all times, at its sole cost and expense, after each entry thereon by the Grantee or Heritage, or their respective contractors, agents or representatives, to restore the Easement Lands and the TIR Lands to the same condition as the Easement Lands and the TIR Lands, as applicable, were in at the date of this Easement Agreement, and to make good any damage that has been caused thereto by the Grantee, Heritage, or any of their respective contractors, agents or representatives.
8. The Grantee covenants that all work carried out by the Grantee or by Heritage on the Easement Lands shall comply with all applicable laws, including without limitation, applicable environmental legislation. Neither the Grantee nor Heritage shall at any time permit, cause or create any environmental contamination on the Sewer Easement Land, the Gas Easement Lands or the TIR Lands. The Grantee shall at all times hereafter indemnify and hold harmless the Grantor, its officers, employees and agents, from and against all actions, suits or other proceedings, costs, claims, losses or liabilities, including without limitation, remediation costs, third party claims, regulatory directives or orders, arising from any contamination that occurs on the Sewer Easement Land, the Gas Easement Land, the TIR Lands or any lands or water adjacent thereto, which is attributable in whole or in part to the use of the Sewer Easement Land, the Gas Easement Land, or the TIR Lands by the Grantee, Heritage or any of their respective contractors, agents or representatives.
9. The Grantee covenants and agrees that in exercising their respective rights to repair, maintain, replace, remove or relocate the underground sewer pipelines, gas pipelines and necessary appurtenances thereto on the Sewer Easement Land and Gas Easement Land, as applicable, each of the Grantee and Heritage shall proceed with due dispatch and diligence, and shall have due regard for any improvements or the current use of the TIR Lands, and take reasonable measures to prevent damage or interference with same.
10. The Grantee shall at all times hereafter indemnify and hold harmless the Grantor, its officers, employees and agents, from and against all actions, suits or other proceedings, costs, claims, losses or liabilities, (including personal injury or death) suffered, made or brought against any of them that arise or occur from the exercise by the Grantee of any rights granted to it hereunder, a breach by the Grantee or Heritage of any of the terms of this Easement Agreement or as a result of any work constructed or placed on any portion of the Easement Lands by or on behalf of the Grantee or Heritage.
11. The Grantor shall have the right at any time, and from time to time, to transfer title to all or a portion of the lands comprising the Sewer Easement Land and all or a portion of the lands comprising the Gas Easement Land.

12. The Grantor reserves the right to grant to third parties, at any time and from time to time, one or more rights of way, licenses, leases or easements to all or a portion of the TIR Lands, including all or a portion of the Sewer Easement Land and the Gas Easement Land for such purpose and on such terms as the Grantor may in its discretion determine, and each such party shall be required to agree with the Grantor that it will not interfere with or impede the easement rights granted by the Grantor to the Grantee hereunder. Neither the Grantee nor Heritage shall interfere with or impede the Grantor's right to access and utilize the Easement Lands or the rights of any third party that has or will acquire rights from the Grantor to access and use the Easement Lands.
13. The Grantee shall pay all charges, taxes, rates and assessments of any kind which become payable with respect to any works constructed or placed on either the Sewer Easement Land or the Gas Easement Land.
14. The Grantee shall, at its sole cost and expense, maintain all works of any kind constructed or placed on the Easement Lands by or on behalf of the Grantee or Heritage in a state of good repair.
15. All works of any kind constructed or placed on the Easement Lands by the Grantee or Heritage are entirely at the risk of the Grantee.
16. The Grantor may, at any time, inspect any works constructed or placed on the Easement Lands by or on behalf of the Grantee or Heritage.
17. The Grantee shall be solely responsible for placing and maintaining, at its own cost and expense, any signs, structures and warning devices necessary to ensure the safety of the public within the Easement Lands.
18. The Grantee shall not at any time, permit or allow a lien or any other encumbrance to be filed or attached to the Sewer Easement Land, the Gas Easement Land or the TIR Lands, including without limitation, any liens or encumbrances in respect of any work being carried out by the Grantee or Heritage on the Easement Lands or any materials delivered in connection therewith.
19. Except as otherwise expressly provided in this Easement Agreement, the Grantee shall not be permitted to alienate, transfer or convey by way of license, sub-easement or otherwise, any interest in the easements granted to it under this Easement Agreement..
20. This Easement Agreement shall be binding upon and enure to the benefit of each of the Grantor, its successors in title to the TIR Lands and assigns and the Grantee and its successors in title to the HRM Lands and its assigns.
21. This Easement Agreement shall be governed by and construed in accordance with the laws of Nova Scotia and the laws of Canada applicable therein.
22. This Easement Agreement shall be construed as running with the Easement Lands, the TIR Lands and the HRM Lands.

23. The Grantor warrants and confirms that it has the authority to grant the easements to the Grantee on the terms herein set out.

IN WITNESS WHEREOF the Grantor and Grantee have duly executed this Easement Agreement as of the day and year first above written.

SIGNED, SEALED AND DELIVERED

In the presence of:

Witness

Witness

) **HER MAJESTY THE QUEEN IN RIGHT OF**
) **THE PROVINCE OF NOVA SCOTIA, AS**
) **REPRESENTED BY THE MINISTER OF**
) **TRANSPORTATION AND**
) **INFRASTRUCTURE RENEWAL**

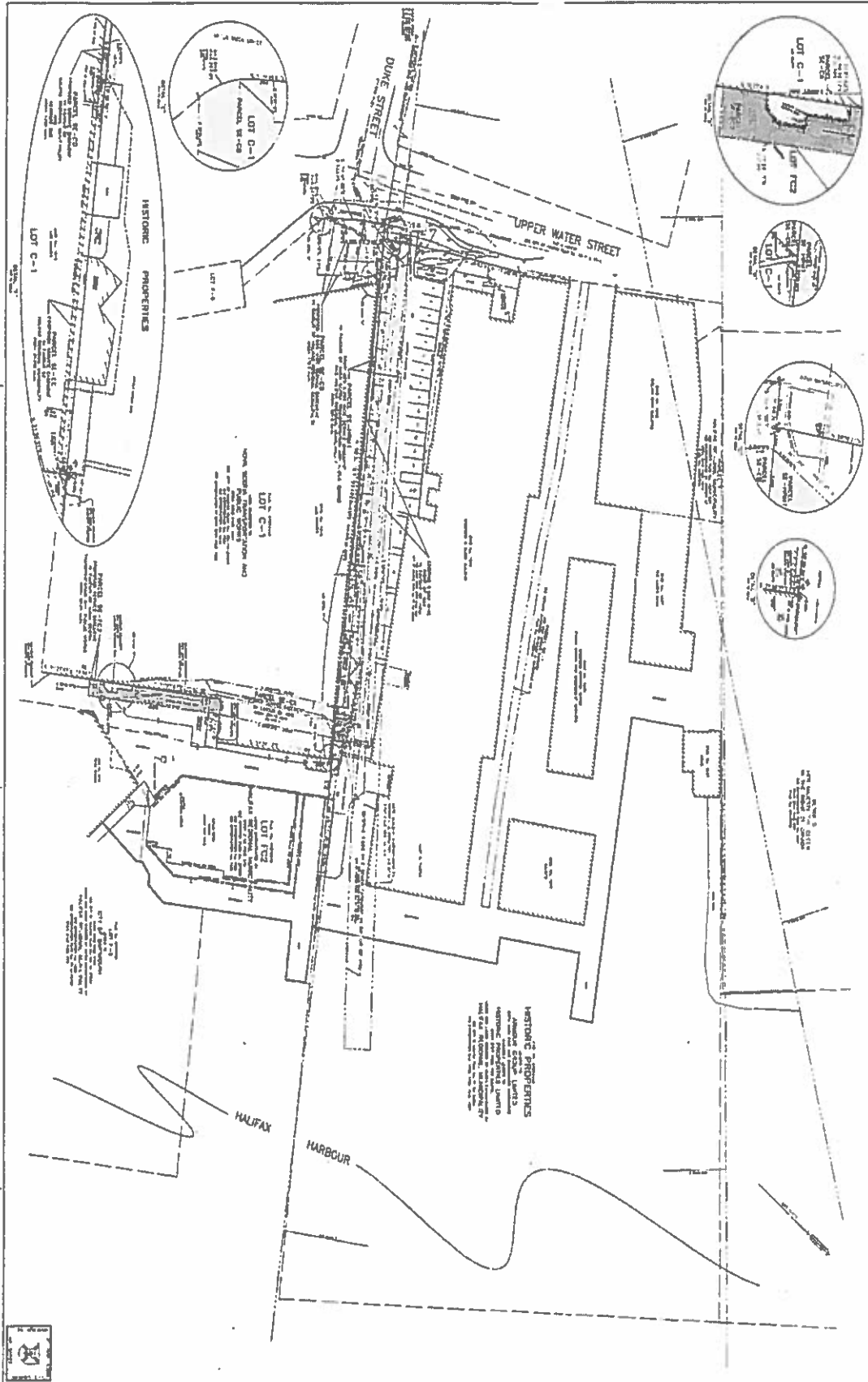
) Per: _____
) Geoff MacLellan, Minister

) **HALIFAX REGIONAL MUNICIPALITY**

) Per: _____
) Mike Savage, Mayor

) Per: _____
) Cathy Mellett, Municipal Clerk

Appendix '1'



	<p>4-173</p> <p>Scale: 1/4" = 1'-0"</p> <p>DATE: 1/15/73</p> <p>PROJECT: HISTORIC PROPERTIES</p> <p>DESIGNED BY: [Signature]</p> <p>PREPARED BY: [Signature]</p>	<p>MUNICIPALITY OF HALIFAX</p> <p>HALIFAX REGIONAL MUNICIPALITY</p> <p>LOT C-1</p> <p>NOVA SCOTIA TRANSPORTATION</p> <p>PROCESSES & METHODS</p> <p>PROPOSED CONSTRUCTION</p>	<p>HALIFAX</p> <p>Historic Properties Association of Halifax Regional Municipality</p> <p>LOT C-1</p> <p>NOVA SCOTIA TRANSPORTATION</p> <p>PROCESSES & METHODS</p> <p>PROPOSED CONSTRUCTION</p>
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Schedule "A"

Legal Description of Parcels SE-CB and SE-CA

ALL that certain easement situate, lying and being over a portion of Lot C-1 on the northeastern side of Upper Water Street in Halifax, Halifax County, Nova Scotia, said parcels being shown as Parcel SE-CB and Parcel SE-CA, on a plan entitled "Plan Showing Certain Boundaries of Historic Properties and Lot FC2, Lands Expropriated by Halifax Regional Municipality and Lot C-1, Land Assessed to Nova Scotia Transportation and Public Works and Parcels SE-CA, SE-CB, SE-CD, SE-CE, SE-FC2 and SE-HRM1, Proposed Service Easements" prepared by Whyte, McElmon & Associates Limited dated August 6, 2014 and signed by David J. Whyte, NSLS, and said Parcel SE-CB being more particularly described as follows:

BEGINNING on the southeastern boundary of Historic Properties at a point being North 58 degrees 30 minutes 38 seconds East, a distance of one decimal zero four nine (1.049) metres from the southern corner thereof, as shown on said plan;

THENCE North 58 degrees 30 minutes 38 seconds East along the southeastern boundary of Historic Properties, seven decimal zero three eight (7.038) metres to a point thereon;

THENCE South 01 degrees 30 minutes 22 seconds East, a distance of one decimal five six five (1.565) metres to a point;

THENCE South 37 degrees 01 minutes 06 seconds East, a distance of thirteen decimal two four seven (13.247) metres to a point;

THENCE South 52 degrees 35 minutes 10 seconds West, a distance of nine decimal nine one one (9.911) metres to a point on the northeastern boundary of Upper Water Street, said point being the beginning of a curve having a radius of four decimal two six seven (4.267) metres;

Thence northwesterly along said curve and curving to the right and being along the northeastern boundary of Upper Water Street, two decimal eight one six (2.816) metres to the end of said curve;

THENCE North 34 degrees 45 minutes 00 seconds West along the northeastern boundary of Upper Water Street, three decimal four four three (3.443) metres to a point thereon;

THENCE North 52 degrees 35 minutes 10 seconds East, a distance of four decimal four seven one (4.471) metres to a point;

THENCE North 37 degrees 01 minutes 06 seconds West, a distance of nine decimal one four five (9.145) metres to the point of beginning.

CONTAINING an area of 118.8 square metres.

TOGETHER WITH all that certain easement lying over a portion of said Lot C-1 and being shown as Parcel SE-CA, Proposed Service Easement on the aforementioned plan, said parcel being more particularly described as follows:

BEGINNING on a southeastern boundary of Lot C-1 at the northern corner of Parcel SE-FC2, as shown on said plan;

THENCE South 58 degrees 32 minutes 22 seconds West along a southeastern boundary of Lot C-1, two decimal eight three four (2.834) metres to an eastern corner thereof;

THENCE South 31 degrees 27 minutes 43 seconds East along a northeastern boundary of Lot C-1, twenty decimal eight two one (20.821) metres to a northern corner thereof;

THENCE North 58 degrees 32 minutes 17 seconds East along a northwestern boundary of Lot C-1, zero decimal nine five one (0.951) metres to a northern corner thereof;

THENCE South 31 degrees 27 minutes 43 seconds East along a northeastern boundary of Lot C-1, three decimal three four four (3.344) metres to a northern corner thereof;

THENCE North 58 degrees 32 minutes 17 seconds East along a northwestern boundary of Lot C-1, zero decimal eight zero two (0.802) metres to a northern corner thereof;

THENCE South 31 degrees 27 minutes 43 seconds East along a northeastern boundary of Lot C-1, two decimal one seven six (2.176) metres to an northeastern corner thereof;

THENCE South 05 degrees 26 minutes 00 seconds West along an eastern boundary of Lot C-1, one decimal three two zero (1.320) metres to a southeastern corner thereof;

THENCE South 58 degrees 32 minutes 17 seconds West along a southeastern boundary of Lot C-1, zero decimal nine six zero (0.960) metres to an eastern corner thereof;

THENCE North 39 degrees 00 minutes 52 seconds West, a distance of twenty-five decimal five eight four (25.584) metres to a point;

THENCE North 28 degrees 49 minutes 17 seconds West, a distance of twenty-nine decimal three two seven (29.327) metres to a northwestern boundary of Lot C-1;

THENCE North 58 degrees 30 minutes 38 seconds East along said boundary, six decimal one zero three (6.103) metres to a point thereon;

THENCE South 28 degrees 49 minutes 17 seconds East, a distance of twenty-seven decimal two nine four (27.294) metres to the point of beginning.

CONTAINING an area of 224.18 square metres.

ALL BEARINGS in the foregoing descriptions being based on the Nova Scotia Co-ordinate System, Zone 5, central meridian Longitude 64 degrees 30 minutes West.

Schedule "B"

Legal Description of Parcels SE-CD and SE-CE

ALL that certain easement situate, lying and being over a portion of Lot C-1 on the northeastern side of Upper Water Street in Halifax, Halifax County, Nova Scotia, said parcels being shown as Parcel SE-CD and Parcel SE-CE, on a plan entitled "Plan Showing Certain Boundaries of Historic Properties and Lot FC2, Lands Expropriated by Halifax Regional Municipality and Lot C-1, Land Assessed to Nova Scotia Transportation and Public Works and Parcels SE-CA, SE-CB, SE-CD, SE-CE, SE-FC2 and SE-HRM1, Proposed Service Easements" prepared by Whyte, McElmon & Associates Limited dated August 6, 2014 and signed by David J. Whyte, NSLS. Said parcel shown as Parcel SE-CD, Proposed Service Easement on the aforementioned plan, and being more particularly described as follows:

BEGINNING on the northwestern boundary of Lot C-1 at the western corner of Parcel SE-CE, as shown on said plan;

THENCE South 31 degrees 29 minutes 22 seconds East along the southwestern boundary of Parcel SE-CE, zero decimal three one zero (0.310) metres to the face of a wall;

THENCE South 58 degrees 28 minutes 48 seconds West along said face of wall, three decimal five zero zero (3.500) metres to a point thereon;

THENCE North 31 degrees 29 minutes 22 seconds West, a distance of zero decimal three one two (0.312) metres to the northwestern boundary of Lot C-1;

THENCE North 58 degrees 30 minutes 38 seconds East along said boundary, three decimal five zero zero (3.500) metres to the point of beginning.

CONTAINING an area of 1.088 square metres.

ALSO TOGETHER WITH all that certain easement lying over a portion of said Lot C-1 and being shown as Parcel SE-CE, Proposed Service Easement on the aforementioned plan, said parcel being more particularly described as follows:

BEGINNING at the northern corner of Lot C-1, as shown on said plan;

THENCE South 31 degrees 36 minutes 37 seconds East along a northeastern boundary of Lot C-1, zero decimal six three six (0.636) metres to a point thereon;

THENCE South 58 degrees 34 minutes 26 seconds West, a distance of thirty-four decimal four seven three (34.473) metres to a point on the face of a wall;

THENCE North 31 degrees 25 minutes 34 seconds West along said face of wall, zero decimal two eight nine (0.289) metres to the northern corner thereof;

THENCE South 58 degrees 28 minutes 48 seconds West along the northwestern face of said wall, two decimal two two eight (2.228) metres to the eastern corner of Parcel SE-CD;

THENCE North 31 degrees 29 minutes 22 seconds West along the northeastern boundary of Parcel SE-CD, zero decimal three one zero (0.310) metres to the northwestern boundary of Lot C-1;

THENCE North 58 degrees 30 minutes 38 seconds East along said boundary, thirty-six decimal six nine nine (36.699) metres to the point of beginning.

CONTAINING an area of 21.959 square metres.

ALL BEARINGS in the foregoing descriptions being based on the Nova Scotia Co-ordinate System, Zone 5, central meridian Longitude 64 degrees 30 minutes West.