

**MTO-HAMILTON-WENTWORTH  
RED HILL CREEK EXPRESSWAY PROGRAM**

THIS AGREEMENT made this 27 day of October, 1998

**BETWEEN:**

HER MAJESTY THE QUEEN IN RIGHT OF  
ONTARIO (herein referred to as "Ministry")  
represented by the Minister of Transportation for  
Ontario.

- and -

THE REGION OF HAMILTON-WENTWORTH (herein  
referred to as "Region") represented by the Regional  
Chairman for Hamilton Wentworth.

On November 29, 1995 the Province announced an important program to assist the Region of Hamilton-Wentworth in the completion of the Red Hill Creek Expressway (RHCE). Since the time of this announcement significant progress has occurred, including the completion of the East-West portion of the expressway in the fall of last year, attainment of an Environmental Exemption Order for the project and agreement on a process to go forward with a number of initiatives on the North-South section and the interchanges of the RHCE at the QEW and Highway 403.

The Ministry and the Region have now concurred on a set of principles and conditions which will form the basis of an agreement between the two parties to effect the completion of the RHCE. These conditions are listed below.

**Principles**

1. The Ministry and Region agree to enter into an agreement whereby the Ministry will contribute \$106.75M towards the implementation costs of the RHCE beyond those expended to December 31, 1995.
2. The Ministry will be financially responsible for the design and construction of the interchange at the Q.E.W. while the Region will be financially responsible for the design and construction of the first phase of the expansion of the interchange at Highway 403 referred to as the Initial Phase in the Ministry's Preliminary Design Report W.P. 522-90-00, dated November 1997.
3. The Ministry and Hamilton Wentworth agree that subject to the terms and conditions of the EEO, the target for completion of the RHCE project shall be 2002.

**Principles (con't)**

4. The Ministry reserves the right to withdraw from the provisions for funding of the RHCE at any time, should the Region not make every reasonable effort to meet the completion date of the project recognizing the terms and conditions of the EEO and subject to the terms of the final agreement.
5. Schedule "A" attached will form the basis of work to be completed on the RHCE showing the proposed highway and interchanges.

**Scope**

6. The Region as proponent, plans to complete, own, and operate the RHCE from the Highway 403 to the south limit of the interchange with the Q.E.W. Construction of the N-S portion is as described in the EEO, and as shown in Figure 8 of the Region's submission for the EEO.
7. The Ministry and Region agree that it is a desirable objective to proceed immediately with the design and construction of the Highway 403 interchange (Phase I) to connect to the recently opened E-W expressway, the target for completion being December 31, 2000.
8. The Ministry agrees to design and construct the interchange of the Q.E.W. with the RHCE. The Region will act as the proponent within the study limits tentatively defined as Brampton Street in the south and the westerly and easterly limits as indicated in the EEO. The final limits of the interchange will be mutually defined by the staff of the Ministry and the Region.
9. The Region shall arrange for the acquisition of land or such interest in land as may be necessary for the implementation of this agreement.

**Administration**

10. The Region will submit a Project Plan indicating a contract schedule, contract content, estimated costs, and a cash flow scenario over the expected life of the project. The Region will submit updates of this schedule on a semi-annual basis to Ministry, indicating completed contracts and any proposed revisions.
11. The Region will submit, in a timely fashion, the contract documents, including plans, general specifications, item form, cost estimates, details of property acquisition, and the bidders summary to the Ministry for information and file purposes.
12. The Ministry will contribute to direct costs for purposes of design, construction and administration of the RHCE, but will not contribute to other unrelated work that may be included in these contracts, due to the convenience that the circumstances may afford.

**Financial Arrangements**

13. The Ministry will be 100% financially responsible for the cost of design and construction of the Q.E.W. interchange with the RHCE.

**Financial Arrangements (cont.)**

14. The Region will be 100% responsible for the cost of design and construction of Phase I of the Highway 403 interchange with the RHCE.
15. In the event that the project has reached completion and the total provincial contribution of \$106.75 M towards the RHCE has not been exhausted, the Ministry will pay to the Region the remaining funds to the limit of the overall maximum within one calendar year of final RHCE project completion.

**Payment Procedures**

16. The Ministry will contribute 60% of the total costs of all projects approved and implemented under this agreement effective starting in the fiscal year 1997, subject to the maximum Ministry contribution of \$106.75 M.
17. The Ministry will pay the Region, in addition to the RHCE project construction costs, sixty (60) percent of the reasonable costs for in-year design engineering, field engineering and supervision provided by qualified consultants.
18. The Ministry will pay the Region seven (7) percent of the Ministry portion of the in-year construction, design engineering, field engineering and supervision costs for the Region's administrative overheads.
19. In the absence of this agreement, the Ministry previously paid to the Region in excess of 60% of the RHCE related costs in fiscal 1996/97 and 1997/98, less development charges. To better reflect the estimated 60% contribution by the Ministry to the RHCE portion of the project, both parties agree to reduce Ministry's total contribution to 60% of actual expenditure by the end of fiscal year 1999.
20. Payment will be provided annually based on reported expenditures submitted to the Ministry by February 1st of each year following the year of incurred expenditures. The Ministry will provide payment to the Region by March 31st of each year.
21. Upon written request by the Region, the Ministry will provide a mid-year payment to a maximum of 60% of the actual expenditure incurred for purposes of RHCE up to June 30 of each year. The request must include an invoice and appropriately supported expenditure summary. The balance of the year's financial commitment would then be provided as the year-end payment.
22. The Region will provide to Ministry an affidavit at year-end (December 31) prepared by Region audit staff verifying that all submitted expenditures were incurred exclusively for the RHCE project. Any discrepancy between amounts paid by either party, and the amounts payable by either party as disclosed by audit, shall be promptly adjusted between the parties.

THIS AGREEMENT shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the Minister of Transportation on behalf of the Ministry has hereunto set his hand and the Region has hereunto affixed its Corporate Seal under the hands of its proper officers duly authorized in that behalf.

SIGNED AND SEALED this 22 day of October, 1998.

HER MAJESTY THE QUEEN, in right of the Province of Ontario  
as represented by the Minister of Transportation for the Province of Ontario,

  
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Minister of Transportation

SIGNED AND SEALED this 22 day of OCTOBER, 1998.

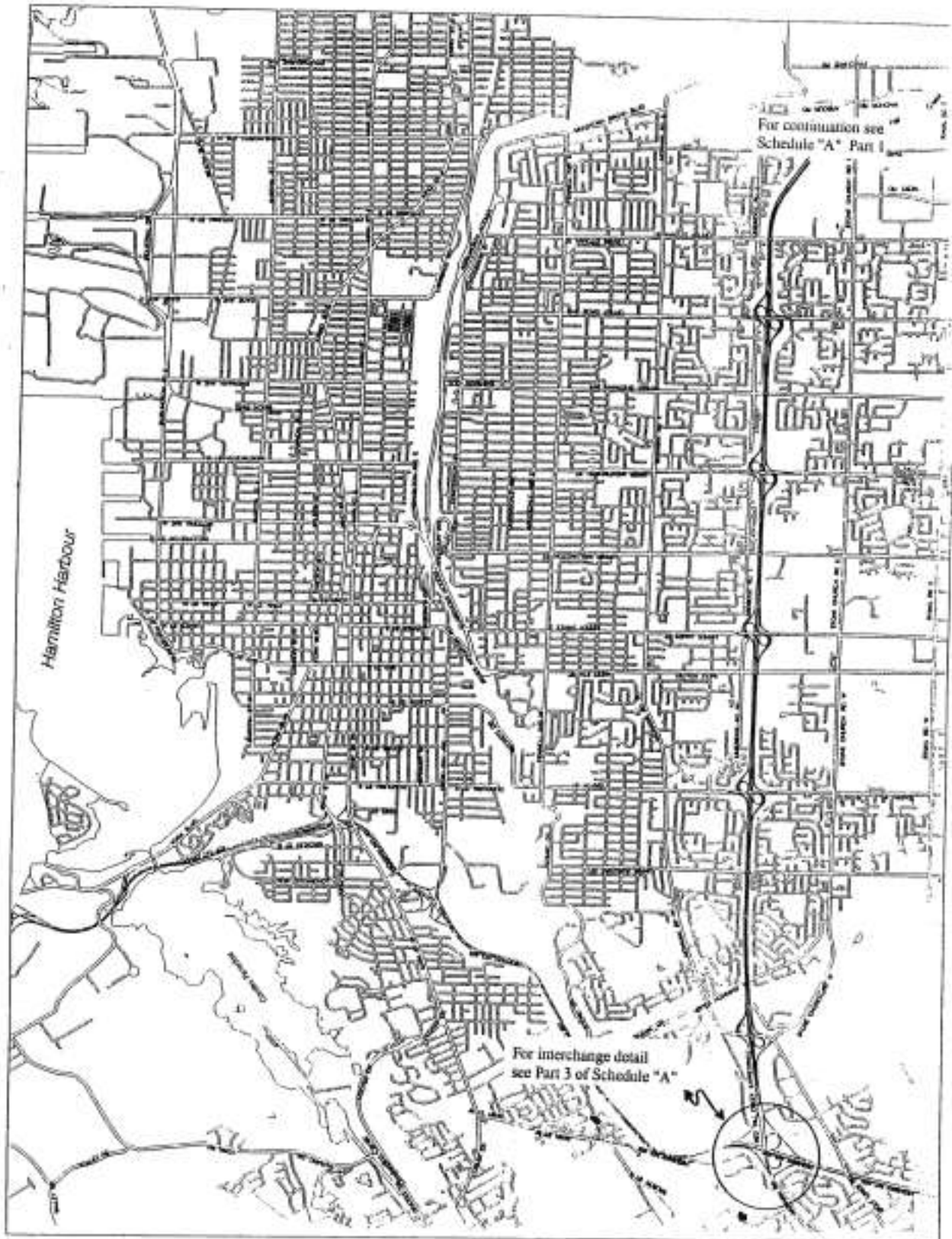
The REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

  
\_\_\_\_\_  
Regional Chair

SCHEDULE "A"  
PART 1



SCHEDULE "A"  
PART 2

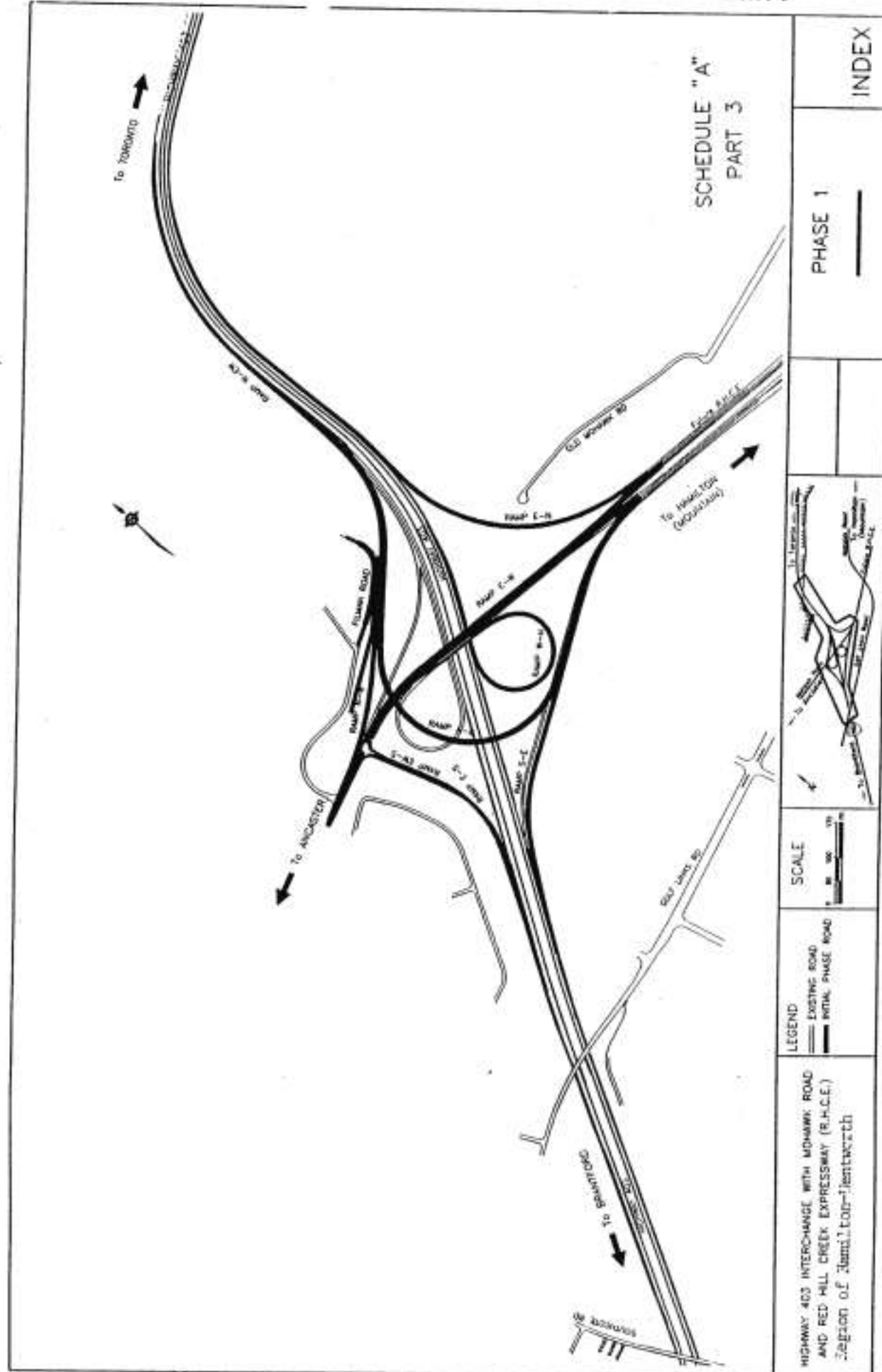


**Red Hill Creek Expressway**

Region of Hamilton-Wentworth Features:

- Minimum 4-lane facility
- Fully Grade Separated
- Controlled Access Highway
- Proposed Roadway: \_\_\_\_\_





SCHEDULE "A"  
PART 3

INDEX

PHASE 1



LEGEND  
 ——— EXISTING ROAD  
 ——— INITIAL PHASE ROAD

HIGHWAY 403 INTERCHANGE WITH MIDMARK ROAD  
 AND RED HILL CREEK EXPRESSWAY (R.H.C.E.)  
 Region of Hamilton-Wentworth