

**This Inter-Municipal Agreement** , effective for a five-year period from September 1, 2020 until August 31, 2025, sets forth a framework for the continuation of a Regional Enterprise Network between:

The **Town of Digby**, a municipal body corporate pursuant to Section 8 of the Municipal Government Act (the "MGA") **AND**

The **Town of Yarmouth**, a municipal body corporate pursuant to Section 8 of the MGA

**AND**

The **Municipality of the District of Argyle**, a municipal body corporate pursuant to  
Section 7 of the MGA **AND**

The **Municipality of the District of Barrington**, a municipal body corporate pursuant to Section 7 of the MGA;                      AND

The **Municipality of the District of Clare**, a municipal body corporate pursuant to Section 7 of the MGA; **AND**

The **Municipality of the District of Digby**, a municipal body corporate pursuant to Section 7 of the MGA; **AND**

The **Municipality of the District of Yarmouth**, a municipal body corporate pursuant to Section 7 of the MGA;

(Collectively, the “Municipalities”)

**WHEREAS** the Municipalities are – together with various agencies and departments of the Provincial and Federal Governments, as well as band councils under the *Indian Act (Canada)* – partners in regional economic development;

**AND WHEREAS** the Municipalities wish to partner to ensure regional economic development strategies that considers assets, business community, sector strengths, regional opportunities and challenges, and takes into account provincial and regional priorities;

**AND WHEREAS** the Municipalities agree that Regional Enterprise Networks (“RENs”) are best positioned to navigate and guide regional economic development in Nova Scotia, while supporting business growth and retention in communities;

**AND WHEREAS** Section 60 of the *MGA* provides authority for municipalities to enter into agreements with other municipalities, villages, service commissions, the Government of the Province of Nova Scotia or of Canada or a department or agency of either of them, or a band council pursuant to the *Indian Act (Canada)* to provide or administer municipal services on such terms and conditions as the municipalities

may agree, and for the municipalities to delegate responsibility for the provision of such services to a body corporate;

**AND WHEREAS** economic development is a service which municipalities in Nova Scotia are empowered to provide under the *MGA*;

**AND WHEREAS** the Municipalities have agreed to establish a REN (the "Western Regional Enterprise Network", or Western REN), as a body corporate, and delegate responsibility for guiding economic development in their region to it;

**AND WHEREAS** the Municipalities wish to set out the terms and conditions for the continuation of the Western Regional Enterprise Network, and for certain matters related thereto;

**AND WHEREAS** the Municipalities are committed to share in the success of the Western REN, and may do so through a property tax sharing agreement that may be formulated under separate agreement.

**AND WHEREAS** the Municipalities are committed to ensuring that each region in the Western REN have adequate representation and access to an economic development officer in their region;

**NOW THIS AGREEMENT WITNESSETH** that in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Municipalities agree as follows:

## **1. Definitions**

In this Agreement:

- (a) "Annual Business Plan" means the annual operational plan for the fiscal year from April 1<sup>st</sup> to March 31<sup>st</sup> that has been developed by the Western REN Chief Executive Officer (CEO) and approved by the Western REN Board of Directors. The Annual Business Plan guides activities and directs resources to advance the goals of the Regional Strategy.
- (b) "Audit Committee" means the Audit Committee for the Western REN as appointed by the Board of Directors hereunder;
- (c) "Auditor" means a registered municipal auditor as this term is used in Section 457 of the *MGA* who is appointed by the Audit Committee to audit the financial affairs of the Western REN;
- (d) "Board of Directors" means the Board of Director of the Western REN;
- (e) "Capital Costs" means the amount expended by the Western REN for the acquisition of lands, construction of buildings and structures upon lands, and equipping and fixturing of lands, buildings and structures, including those amounts which by general practice would typically form

part of an entity's capital costs as designated by those practicing accounting in Canada under GAAP;

- (f) "Contribution Agreement" means an agreement between the Province and the Western REN which outlines a multi-year funding agreement for the Western REN;
- (g) "Federal Government" means Her Majesty the Queen in right of Canada, as represented by various federal ministries and governmental agencies;
- (h) "fiscal year" means the Western REN's fiscal year, which shall be a twelve (12) month period commencing on April 1 of every year and ending on March 31 of every subsequent year;
- (i) "FRAM" means the Financial Reporting and Accounting Manual prescribed from time to time under the *MGA*;
- (j) "GAAP" means Canadian generally accepted accounting principles, as established from time to time by the Canadian Institute of Chartered Accountants or the Public Sector Accounting Board, or any successor institutes, applicable as at the relevant date, and applied on a consistent basis;
- (k) "Liaison and Oversight Committee" means the Liaison and Oversight Committee of the Western REN, as established hereunder;
- (l) "Operating Costs" means the costs associated with operating and administering the Western REN;
- (m) "Province" means Her Majesty the Queen in right of the Province of Nova Scotia, as represented by various provincial ministries and governmental agencies, including the Department of Municipal Affairs and Housing;
- (n) "Recruitment and Nominating Committee" means the Recruitment and Nominating Committee of the Western REN, as appointed by the Liaison and Oversight Committee hereunder;
- (o) "Region" means the geographic region of Nova Scotia that is made up of the Municipalities' respective territorial jurisdictions; and
- (p) "Uniform assessment" has the same meaning as in the *Municipal Grants Act*, R.S.N.S. 1989, c. 302, as amended from time to time.

## **2. Continuation of the Western Regional Enterprise Network**

- (a) The Municipalities hereby agree that they have formed a body corporate, known as the Western Regional Enterprise Network, referred to herein as the "Western REN", in 2014, which shall continue to be governed pursuant to the terms and conditions set out in this Agreement.
- (b) This Agreement, and any amendment thereto, shall be filed with the Registry of Joint Stock Companies, to confirm the terms upon which the body corporate has been established and governed, pursuant to Section 60 of the *MGA*.

- (c) The parties agree that disclosure of documentation, records, and information in the possession of the Western REN, the Board of Directors, and/or the LOC shall be governed in accordance with the provisions of the *Freedom of Information and Protection of Privacy Act*.

### **3. Core Activities**

The core activities of the Western REN are:

- (a) Develop, implement and monitor a regional economic development strategy and a plan of action that is aligned with provincial and regional (participating municipal and First Nation band councils) economic development priorities. The strategy should consider assets, business community, sector strengths and regional challenges and opportunities. The strategy should also align with provincial priorities in order to maximize the Western REN's leverage of programs, policies and services;
- (b) Cultivate close working relationships with the business community and work with key partners to support the development and attraction of new businesses and retain and expand existing businesses. Western RENs will support local businesses in navigating, and making referrals to, programs and services;
- (c) Proactively and assertively seek to connect our strategic assets with new investment and ongoing investments from existing business; and
- (d) Inform partners and stakeholders about local business climate conditions, as well as regional challenges and opportunities. The Western REN will work with partners and stakeholders to provide investment readiness support including site identification and selection information.

### **4. Powers**

The Western REN shall have all powers a Section 60 corporation has under the MGA necessary to deliver the services described herein and to perform any and all things necessary for the achievement of the Western REN's objectives, including and without limiting the generality of the foregoing, the following:

- (a) the full and delegated authority of the Municipalities to contract with any party hereto or any third party for the provision of any service or facility necessary or advisable to carry out the objects of the Western REN, including, but not limited to, contracts of employment with the CEO and any other persons employed by the Western REN; and
- (b) the power to accept gifts, assignments, devises and bequests of real and personal property, as well as the power to apply them to the fulfillment of the objects of the Western REN.
- (c) The Western REN shall not be authorized to initiate or authorize any capital costs.

### **5. Funding**

- (a) It is anticipated that the Western REN and the Province will enter into a Contribution Agreement to establish the level of funding that the Municipalities on the one hand and the Province on the other will provide to the Western REN on an annual basis.
- (b) The municipal share of funding will be divided amongst the Municipalities based on the following formula:
  - i. 20% will be divided equally amongst the Municipalities;
  - ii. 40% will be divided amongst the Municipalities based upon each Municipality's proportionate share of the total uniform assessment of all the Municipalities; and
  - iii. 40% will be divided amongst the Municipalities based upon each Municipality's proportionate share of the total population of all the Municipalities.
- (c) The Municipalities will pay their respective shares to the Western REN in two equal amounts on April 1 and September 1 of the fiscal year. A ten percent (10%) per annum interest rate will be applied to unpaid amounts that are greater than thirty (30) days in arrears.
- (d) The Municipalities commit to funding of \$277,500 for the Western REN. Furthermore, the Municipalities shall commit to minimum funding of \$250,000 to assure its function continues in the event a Municipality or Municipalities decide to withdraw from this agreement. The minimum funding shall be determined using the formula in 5(b).
- (e) Starting in fiscal year 2021, the Municipalities commit an annual increase in alignment with the Stats Canada Consumer Price Index.
- (f) Subject only to the withdrawal and termination provisions of this Agreement, the Municipalities agree to commit to five-year terms of funding the Western REN, which shall expire on August 31, 2025.

## **6. Regional Representation**

- (a) The Municipalities commit to setting up offices, located in each of the regions of the Western REN; specifically, Argyle, Barrington, Clare, Digby Area and Yarmouth Area.
- (b) Each region shall house a Western REN Economic Development Officer, in kind, to ensure that opportunities in the regions are understood, and that businesses have access to an Economic Development Officer.
- (c) Each Municipal unit shall provide in kind access to meeting and office space to economic development officers on an as-needed basis.
- (d) Each Municipal unit shall provide in-kind access to meeting space for the Western REN Board on an as-needed basis.

## **7. Budget and Revenue**

- (a) The Liaison and Oversight Committee shall confirm any changes to the amount of revenue that will be received by the Western REN for the coming fiscal year by January 31<sup>st</sup> of every year.
- (b) On or before April 1<sup>st</sup> of every year, the Board of Directors shall approve a budget and business plan for the Western REN for the coming fiscal year. The budget and business plan are submitted to the Liaison and Oversight Committee for information.
- (c) The budget shall include the anticipated Operating Costs, Capital Costs, transfers to and from internal reserves, revenues, funding contributions from each of the Municipalities and the Province, deficit or surplus from the preceding fiscal year, and such other information as may be required from time to time.
- (d) The budget shall be prepared in accordance with GAAP and FRAM, funding contracts and the Western REN's own financial policies.

## **8. Funding Partners**

- (a) The Municipalities, in collaboration with the Department of Municipal Affairs and Housing, shall provide the Western REN with an Annual Outcome Agreement by January of each fiscal year, for use in the forthcoming fiscal year.

## **9. Liaison and Oversight Committee**

- (a) The main functions of the Liaison and Oversight Committee shall be:
  - i. Strategic input to Board of Directors – providing advice and input to the Board of Directors to develop its Regional Economic Development Strategy.
  - ii. Accountability for outcomes – Ensuring that the Board of Directors achieves the goals it establishes in the Regional Strategy.
  - iii. Financial Accountability – Ensuring that the Western REN has excellent financial management.
  - iv. Self-Governance – Ensuring that it follows and publishes its own rules of governance.
  - v. Communication – Ensuring excellent communication, feedback and strong linkages with the Board of Directors and with municipal units.
- (b) The Liaison and Oversight Committee shall consist of:
  - i. one elected official from the Council of each of the Municipalities, or their voting alternate; and

- ii. two members appointed by the Province.
- (c) A Liaison and Oversight Committee shall be established and will be responsible for
- i. Approving the multi-year regional economic development strategy for the Western REN;
  - ii. Monitoring and evaluating the implementation of the regional economic development strategy;
  - iii. Reviewing and approving any agreements between the Western REN and any other entity which would require the Western REN to expend a sum or sums of money in excess of \$100,000 and directing the CEO to execute same on behalf of the Western REN;
  - iv. Reporting and communicating with the Municipalities and the Province;
  - v. Appointing the members of the Recruitment and Nominating Committee;
  - vi. Appointing the members of the Board of Directors, based upon the recommendations from the Recruitment and Nominating Committee; and
- (d) Those members of the Liaison and Oversight Committee who are elected Council officials (or their voting alternates) are responsible for:
- i. reporting on the Western REN's progress to their respective Councils;
  - ii. communicating their respective Councils' thoughts on the Western REN's progress to the Liaison and Oversight Committee; and
  - iii. soliciting the approval of their respective Councils for continuation of funding to the Western REN.
- (e) Members of the Liaison and Oversight Committee are those members of council, or their designates, who shall serve on the committee at the pleasure of their respective councils.
- (f) The Liaison and Oversight Committee shall meet at least twice a year.
- (g) The Liaison and Oversight Committee shall, on an annual basis, appoint a Chair.
- (h) The Liaison and Oversight Committee shall, on an annual basis, appoint a Vice-Chair.
- (i) The Liaison and Oversight Committee Chair and Vice-Chair shall have written position descriptions.
- (j) Decisions of the Liaison and Oversight Committee shall be made by majority vote with each member having one vote, including the Chair and Vice-Chair.

- (k) All meetings of the Liaison and Oversight Committee require a quorum consisting of three-quarters (75 %) of its total membership. If a quorum is not present, no business may be transacted at a meeting of the Liaison and Oversight Committee.
- (l) All members present at a meeting of the Liaison and Oversight Committee, including the person presiding, shall vote on a question.
- (m) A member of the Liaison and Oversight Committee who fails or refuses to vote on a question is deemed to have voted in the negative.
- (n) In the event of a tie in a vote on a question, the tied vote results in the motion failing.
- (o) Expenses of the Liaison and Oversight Committee shall be provided by the Western REN as approved within the budget.
- (p) The Liaison and Oversight Committee will be responsible for the recruitment and nominating committee.

## **10. Recruitment and Nominating Committee**

- (a) A Recruitment and Nominating Committee shall be appointed annually by the Liaison and Oversight Committee and shall consist of the following members:
  - i. two members of the Liaison and Oversight Committee who are elected officials of the Municipalities (or their designates);
  - ii. one member of the Liaison and Oversight Committee who is appointed by the Province; and
  - iii. member(s) of the Board of Directors at the discretion of the Liaison and Oversight Committee.
- (b) The Recruitment and Nominating Committee shall be responsible for:
  - i. developing director selection criteria and identifying and evaluating potential candidates;
  - ii. recruiting and recommending candidates to serve on the Board of Directors to the Liaison and Oversight Committee; and
  - iii. ensuring (through the recommendation of candidates) that the Board of Directors is made up of individuals who, collectively, have the required competencies and personal attributes to carry out their responsibilities effectively; and

- iv. having a competency matrix that is updated annually and when vacancies arise. The competency matrix is used to identify competency “gaps” on the Board and direct the search for new candidates; and
  - v. ensuring the Board has a board succession plan to ensure the orderly turnover of directors; and
- (c) Unless specified otherwise in the governing legislation, board members are independent from management and have no material interest in the organization; and
  - (d) The Committee shall ensure that the Board publishes the name, appointment term and a comprehensive biography for each director on its web site.
  - (e) The Committee shall have written terms of reference that set out its roles and responsibilities.

## **11. Audit Committee**

- (a) An Audit Committee shall be appointed by the Board of Directors and shall consist of the following members:
  - i. three (3) members of the of the Board of Directors;
  - ii. a CAO from one of the participating municipal units, as selected by the Liaison and Oversight Committee,
  - iii. one (1) Municipal Advisor from the Department of Municipal Affairs and Housing
  - iv. one (1) community member at large as selected by the Liaison and Oversight Committee and;
  - v. the CEO (*non-voting*).
- (b) The Audit Committee shall be responsible for:
  - i. appointing the Auditor;
  - ii. conducting a detailed review of the financial statements of the Western REN with the Auditor on an annual basis;
  - iii. evaluating the adequacy of the internal control systems of the Western REN;
  - iv. reviewing the conduct and adequacy of the audit;
  - v. investigating such matters arising out of the audit as may appear to the Audit Committee to require investigation;

- vi. any other matters determined by the Board of Directors to be the duties of the Audit Committee; and
  - vii. making recommendations to the Board of Directors and/or the Liaison and Oversight Committee.
- (c) In carrying out their duties, the Auditor and the Audit Committee shall have unrestricted access to all activities, records, property, and personnel of the Western REN.
  - (d) The Audit Committee shall, on an annual basis, appoint a Chair.
  - (e) The Audit Committee shall, on an annual basis, appoint a Vice-Chair.
  - (f) The Audit Committee Chair and Vice-Chair shall have written position descriptions.
  - (g) The Committee shall have written terms of reference that set out its roles and responsibilities.
  - (h) The Audit Committee shall meet at least 2 times per year.
  - (i) All meetings of the Audit Committee shall require a quorum consisting of fifty percent (50%) over its total membership. If a quorum is not present, no business may be conducted at the meeting.
  - (j) For certainty, the Western REN is subject to review by the Municipal Auditor General with respect to grants and funding received directly or indirectly from the Municipalities.
  - (k) Committee members are financially literate and at least one member holds a professional or accounting designation, unless such a requirement is waived by the Board.
  - (l) At least one (1) Audit Committee member will participate in training as prescribed by the Department of the Municipal Affairs.
  - (m) Members of the Committee are independent from the external auditors.
  - (n) The Committee annually reviews its terms of reference and assesses its effectiveness in meeting the needs of the Board of Directors.
  - (o) The external auditor reports directly to the Committee, not to management.
  - (p) The Committee has an auditor independence policy and pre-approves all non-audit services to be provided to the organization by the external auditor.
  - (q) The Committee meets from time to time with the external and internal auditors without management present.
  - (r) The Committee reviews any proposed changes to the position of the organization's chief financial officer or financial support person.

## 12. Board of Directors

(a) The main tasks of the Board of Directors shall be:

- a. Regional Economic Development Strategy – Overseeing the development and implementation of the regional economic development strategy, in addition to annual financial and business plans;
- b. Building Relationships – Ensuring excellent communication and sound working relationships with the Liaison and Oversight Committee, and other partners and stakeholders;
- c. Performance Management – Understanding how activities and services align with the mandate and objectives of the regional economic development strategy, and ensuring that there are procedures in place to monitor, measure, review, and improve Western REN performance outcomes;
- d. Strong Financial Stewardship – Stewarding the financial health of the organization by ensuring that strong financial management skills and appropriate accountability measures are in place;
- e. Governance and Policy Development – Ensuring the existence of a sound governance framework, including all the policies, practices, and procedures that define the decision-making process and delineate the roles and responsibilities of the Board and the CEO;
- f. Managing the CEO – Ensuring that there is a process in place to hire, manage and evaluate the CEO;
- g. Executive Limitations – The Board prescribes the boundaries of prudence and ethics within which the CEO makes decisions about the means by which to achieve its objectives.

(b) A Board of Directors shall be established and will be responsible for:

- i. meeting with the Liaison and Oversight Committee at least one time annually to report on all activities of the Western REN, including, but without limiting the generality of the foregoing, progress relative to the mandate, strategies, and objectives outlined in the regional economic development strategy and any Cooperation Agreements entered into between the Western REN, the Municipalities and the Province;
- ii. delivering an annual report and audited financial statements to the Liaison and Oversight Committee by August 30th of the following fiscal year;
- iii. coordinating and holding a joint annual general meeting open to all the Municipalities to report on all activities of the Western REN;

- iv. reviewing and approving Cooperation Agreements, and directing the CEO to execute same on behalf of the Western REN;
  - v. appointing the members of the Audit Committee;
  - vi. subject to the oversight of the Liaison and Oversight Committee as set out in Section 9 of this Agreement, reviewing and approving agreements between the Western REN and other entities that are consistent with the approved regional economic development strategy and that support the work of Nova Scotia Business Inc., Innovacorp, and other economic development agencies of the Municipalities, the Province, or the Federal Government, and directing the CEO to execute same on behalf of the Western REN;
  - vii. subject to the oversight of the Liaison and Oversight Committee as set out in Section 9 of this Agreement, reviewing and approving agreements between the Western REN and any of the Municipalities with respect to the provision of services required by the Western REN including, but not limited to, financial services, information technology services, and office space, and directing the CEO to execute same on behalf of the Western REN;
  - viii. appointing a CEO;
  - ix. setting the terms to evaluate the CEO's performance on an annual cycle;
  - x. developing, reviewing and approving written policies for the Western REN;
  - xi. considering recommendations from the Audit Committee, and implementing those it decides are reasonable to adopt; and
  - xii. subject to the other provisions of this Agreement, such other matters determined by the Board of Directors and/or the Liaison and Oversight Committee that are consistent with the regional economic development strategy.
- (c) The Board of Directors shall consist of eight to twelve business or community members.
  - (d) Appointments to the Board of Directors are for a term of one (1) to three (3) years, with an option to apply to serve a maximum of a total of three (3) consecutive terms.
  - (e) Appointments to the Board of Directors shall be made by the Liaison and Oversight Committee.
  - (f) The Board of Directors shall, on an annual basis, appoint a Chair.
  - (g) The Board of Directors shall, on an annual basis, appoint a Vice-Chair.
  - (h) The Board Chair and Vice-Chair shall have written position descriptions.
  - (i) Decisions of the Board shall be made by majority vote, with each member having one vote, including the Chair and Vice-Chair.

- (j) All meetings of the Board of Directors require a quorum consisting of a majority of current board members. If a quorum is not present, no business may be transacted at the meeting.
- (k) All members of the Board of Directors present at a meeting of the Board, including the person presiding, shall vote on a question.
- (l) A member of the Board of Directors present at a meeting who fails or refuses to vote on a question before the Board is deemed to have voted in the negative.
- (m) In the event of a tie in a vote on a question, the question shall be determined in the negative.

### **13. Chief Executive Officer (CEO)**

- (a) The CEO is the head of the administrative branch of the Western REN and is responsible to the Board of Directors for the proper administration of the affairs of the Western REN in accordance with its policies and procedures.
- (b) The CEO is responsible to ensure that internal, non-audited income statements (both core operations and project reporting) and balance sheets are delivered in a relevant and reliable form in accordance with the Board of Directors' policy manual.
- (c) The CEO is responsible to ensure that quarterly non-audited financial statements and activity reports are presented to the Liaison and Oversight Committee once those documents receive Board approval.
- (d) The members of the Liaison and Oversight Committee and the Board of Directors shall communicate with the employees of the Western REN solely through the CEO, except that the Liaison and Oversight Committee and the Board of Directors may communicate directly with employees of the Western REN to obtain or provide information.
- (e) The Board of Directors shall provide direction on the objectives, policies and programs of the Western REN to the CEO.
- (f) The Board creates and publishes the CEO's position description.
- (g) The Board describes in writing the annual assessment process for the CEO.
  - a. The Board has a job description that sets out in detail the responsibilities of the CEO.
  - b. The Board establishes annual performance expectations for the CEO each year.
  - c. The Board annually assesses the CEO's performance against the position description and the performance expectations agreed upon at the beginning of each year.
  - d. The Board has an established written process for dealing with any complaints/internal and external regarding the conduct of a Board member or a CEO.

## **14. New Municipalities joining the Western REN**

Any new government entity that is not a party to this agreement may, with the unanimous consent of the Municipalities that are then members of the Western REN, join the Western REN, effective the first day of the following fiscal year, as of which date the joining entity shall be a "Municipality" for the purposes of, and subject to all the terms and conditions of, this Agreement, including the funding requirements set out in Section 5.

## **15. Withdrawal and Termination**

- (a) A Municipality may withdraw from the Western REN at the beginning of any fiscal year by giving written notice to the Chair of the Liaison and Oversight Committee and the Chair of the Board of Directors a minimum of twelve (12) months in advance of the fiscal year in which the participating municipality intends to withdraw.
- (b) The Municipalities may unanimously agree to terminate this Agreement and dissolve the Western REN at any time, provided that any such agreement be in writing and signed by the duly authorized representative(s) of each Municipality.
- (c) Upon notification of withdrawal of a Municipality or the execution of a unanimous agreement to dissolve the Western REN, the Board of Directors shall determine each Municipality's share of the assets and liabilities of the Western REN, up to and including the withdrawal date or date of dissolution, in accordance with the following principles:
  - i. Each Municipality's share of the assets of the Western REN shall be based upon the total amount of funding they have provided to the Western REN up to the date of withdrawal, as compared to the total amount of funding provided by all the Municipalities up to the date of withdrawal; and
  - ii. Each Municipality's proportionate responsibility for the liabilities of the Western REN shall be based upon the total amount of funding they have provided to the Western REN up to the date of withdrawal, as compared to the total amount of funding provided by all the Municipalities up to the date of withdrawal
- (d) The Board of Directors shall then provide written notification to all the Municipalities as to how it proposes that the assets and liabilities be distributed in accordance with the principles in clause (c).
- (e) After receiving the notification referred to in clause (d), any Municipality shall have sixty (60) days to challenge the proposed settlement by referring the matter to the dispute resolution process set out in Article 16. If no dispute is brought forward by the expiration of this period, the decision of the Board of Directors will be deemed to be accepted, and shall be final and binding upon all the Municipalities.

## **16. Dispute Resolution**

- (a) If a dispute arises during the term of this Agreement, and if the dispute cannot be settled through negotiation, the parties agree to try in good faith to settle the dispute by mediation.
- (b) Fifty percent (50%) of costs of mediation will be borne by the challenging party to the dispute, with the other fifty percent (50%) of costs borne by the Western REN.
- (c) A mediator shall have all the powers conferred by, and a mediation will take place in accordance with, the provisions of the *Commercial Mediation Act*, S.N.S. 2005, c. 36, except where its provisions are inconsistent with the provisions of this Agreement, in which case the provisions of this Agreement will prevail.
- (d) If the dispute is not resolved by mediation within 90 days of the initiation of that procedure, the dispute may be referred to arbitration by any party thereto. The arbitration decision is final, and is binding upon all the parties to the dispute.
- (e) An arbitrator or arbitral panel shall have all the powers conferred by, and an arbitration will take place in accordance with, the provisions of the *Commercial Arbitration Act 1995, c.5, s1.2*, except where its provisions are inconsistent with the provisions of this Agreement, in which case the provisions of this Agreement will prevail.
- (f) Allocation of the costs of arbitration will be determined by the arbitrator or the arbitral panel.

## **17. Conflict of Interest**

- (a) Where a member of the Liaison and Oversight Committee, the Recruitment and Nominating Committee, the Audit Committee, or the Board of Directors, either on the member's own behalf or while acting for, by, with or through another, has any direct or indirect financial or personal interest in any matter and is present at a meeting of the Committee or Board at which the matter is the subject of consideration, the member shall:
  - i. as soon as practicable after the commencement of the meeting disclose the interest and the general nature thereof;
  - ii. withdraw from their place as member and leave the room in which the meeting is held for the duration of the consideration of the matter;
  - iii. refrain from taking any part in the consideration or discussion of the matter and from voting on any question relating to the matter; and
  - iv. refrain from attempting in any way, whether before, during or after the meeting, to influence the decision of the council or local board with respect to the matter.

(b) Where the member was not present at a meeting at which a matter in which the member, either on the member's own behalf or while acting for, by, with or through another, has any direct or indirect financial or personal interest was the subject of consideration, the member shall disclose the interest at the next meeting the member attends, and the provisions of subsection (1) shall apply to the member in respect of the matter.

(c) A member shall comply with this Section in respect of any matter in which the member intends to obtain a financial interest, either on the member's own behalf or while acting for, by, with or through another.

(d) A member has an indirect financial interest in any matter if the member or the member's nominee:

- i. is a shareholder in, or director or senior officer of, a corporation that does not offer its shares to the public
- ii. has a substantial interest in, or is a director or senior officer of, a corporation that offers its shares to the public; or
- iii. is a member of a body, whether incorporated or not that has an interest in any matter in which the Council or local board is concerned.

## **18. Code of Conduct and Ethics**

- (a) The Board and Liaison and Oversight Committee shall adopt a written Code of Conduct and Ethics for directors, officers and employees.
- (b) The Board and Liaison and Oversight Committee shall make a copy of the Code available to any interested parties.
- (c) The Board and Liaison and Oversight Committee shall describe how each monitors compliance with the code.
- (d) The Board and Liaison and Oversight Committee shall adopt a Code of Conduct and Ethics that is consistent with the Standards of Ethical Conduct for Public Sector Organizations.
- (e) The Board and Liaison and Oversight Committee shall publish its Code of Conduct and Ethics on the Western REN website.

## **19. Notice**

## **20. Notice**

- (a) Any written notice or communication to be given by any party to the other shall be deemed to be duly given when served upon such party or sent by registered mail to such party addressed as follows:

To: Municipality A

To: Town of A

To: First Nation

- (b) Any notice or communication served hereunder by registered mail shall, except for delays caused by interruption of postal service through strikes or lockouts, is deemed delivered on the third business day following the mailing.
- (c) Any party may at any time give notice in writing to the other of any change of address of the party giving notice and from and after the date of giving such notice the address therein specified shall be deemed to be the address of such party for the giving of notices hereunder.

## **21. Governing Law**

This Agreement shall, in all respects, be governed by, and construed and enforced in accordance with, the laws of the Province of Nova Scotia.

## **22. Waiver of Agreement**

Failure by any party to insist upon the strict performance of any of the covenants, terms, provisions or conditions in this Agreement shall not be construed as a waiver or relinquishment of such covenant, term, provision or condition, but the same shall continue and remain in full force. No waiver shall be deemed to have been made unless expressed in writing.

### 23. Amendment or Modification

This Agreement may not be amended except by written instrument signed by all the Municipalities who, as of the date of the amendment, have not withdrawn from the Western REN.

THIS AGREEMENT shall ~~en~~ure to the benefit of and be binding upon the Municipalities and their respective successors and assigns.

By signing THIS AGREEMENT, the Partners acknowledge and agree that this Inter-Municipal Agreement is replacing any previous Inter-Municipal Agreements relating to the Western REN.

SIGNED and sealed in duplicate at Yarmouth, Nova Scotia, Canada, on this 20<sup>th</sup> day of, August 2020.

Witness: Elwin Ossenger

Witness: Lindsay MacRae

Witness: [Signature]

Witness: [Signature]

Witness: [Signature]

Witness: [Signature]

Witness: [Signature]

Town of Digby

Per: [Signature]

Town of Yarmouth

Per: [Signature]

Municipality of the District of Argyle

Per: [Signature]

Municipality of the District of Clare

Per: [Signature]

Municipality of the District of Barrington

Per: [Signature]

Municipality of the District of Digby

Per: [Signature]

Municipality of the District of Yarmouth

Per: [Signature]