

Ministry of  
Transportation

Office of the Minister

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Ministère des  
Transports

Bureau du ministre

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**JAN 03 2008**

Mr. Emil Kolb  
Chair  
The Regional Municipality of Peel  
10 Peel Centre Drive  
Brampton, ON  
L6T 4B9

Dear Chair Kolb:

**RE: Letter of Agreement between Her Majesty the Queen in right of the Province of Ontario, represented by the Minister of Transportation for the Province of Ontario (the "Ministry") and the Regional Municipality of Peel (the "Municipality") Related to Funding Provided by the Province of Ontario (the "Province") to the Municipality under the Dedicated Gas Tax Funds for Public Transportation Program (this "Letter of Agreement")**

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This Letter of Agreement sets out the terms and conditions for the use of dedicated gas tax funds by municipalities for public transportation.

As the Province desires to increase public transportation ridership to support the development of strong communities, the Ministry has created the Dedicated Gas Tax Funds for Public Transportation Program (the "program") under which two (2) cents of the existing provincial gas tax will be provided to municipalities for public transportation expenditures.

Any funding to the Municipality by the Ministry will be provided in accordance with the terms and conditions set out in this Letter of Agreement and the Dedicated Gas Tax Funds for Public Transportation Program – 2007/2008 Guidelines and Requirements (the "guidelines and requirements").

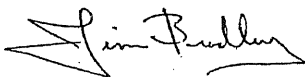
In consideration of the mutual covenants and agreements contained in this Letter of Agreement and the guidelines and requirements, which have been reviewed and are understood by the Municipality and are hereby incorporated by reference, the Ministry and the Municipality covenant and agree as follows:

1. To support increased public transportation ridership in the Municipality, and in recognition of the Municipality's need for predictable and sustainable funding to support investments in the renewal and expansion of public transportation systems, the Ministry agrees to provide funding to the Municipality under the program in the amount of \$681,339 in accordance with and subject to the terms set out in this Letter of Agreement and the guidelines and requirements, with \$340,670 payable on receipt of this signed Letter of Agreement and related authorizing municipal by-law, and remaining quarterly payments thereafter beginning in April, 2008.
2. Despite Section 1, the Municipality understands and agrees that any amount payable under this Letter of Agreement may be subject, in the Minister's opinion, to adjustment to reflect final gas tax receipts and any other adjustments as set out in the guidelines and requirements.
3. If the Municipality is involved with other municipalities in jointly providing public transportation services, and the other municipalities have agreed to the Municipality collecting the dedicated gas tax funds on their behalf, the Municipality agrees that it shall provide, in compliance with the requirements set out in the guidelines and requirements, the applicable by-law and legal agreement to the Ministry prior to the payment of any dedicated gas tax funds by the Ministry under this Letter of Agreement.
4. The Municipality agrees that the funds received under this Letter of Agreement are to be deposited by the Municipality in a dedicated gas tax funds reserve account, and are to be used only in accordance with the guidelines and requirements.
5. The Municipality agrees that it will adhere to the reporting and accountability measures set out in the guidelines and requirements, and shall provide all requested documents to the Ministry.
6. The Municipality understands and agrees that the funding provided under this Letter of Agreement represents the full extent of the Ministry's and Province's financial contribution under this Program and that no additional funds will be provided by either the Ministry or the Province for such purposes to the Municipality for the years 2007/2008.
7. The Municipality hereby consents to the execution by the Ministry of this Letter of Agreement by means of an electronic signature.

If the Municipality is satisfied with and accepts the terms and conditions of this Letter of Agreement, please secure the required signatures for the four enclosed copies of this Letter of Agreement and return two fully signed copies to the Transit Policy Branch, 2<sup>nd</sup> Floor, Building B, 1201 Wilson Avenue, Downsview, ON, M3M 1J8 for the Ministry records.

Once the Ministry has received the signed copies together with a copy of the authorizing municipal by-law, the Ministry will make arrangements for the payment of the dedicated provincial gas tax funds to the Municipality.

Yours sincerely,



Jim Bradley  
Minister of Transportation

I have read and understand the terms of this Letter of Agreement, as set out above, and by signing below I am signifying the Municipality's consent to be bound by these terms.

**The Corporation of the Regional Municipality of Peel**

Per: \_\_\_\_\_ Date: \_\_\_\_\_  
Mayor

Per: \_\_\_\_\_ Date: \_\_\_\_\_  
Chief Financial Officer/Treasurer