

GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF TRANSPORTATION AND INFRASTRUCTURE
MUNICIPAL INFRASTRUCTURE PROJECT GUIDELINES

5th Edition

Effective April 2019

STATEMENT OF INTENT

1. It is essential for the Ultimate Recipient, their consultant and contractors to comply with the following Guidelines in order for the Project to be efficiently implemented, and to ensure that satisfactory cost controls are maintained.
2. The Department's infrastructure programs focus on projects in areas of existing development that address problems with existing infrastructure; facilitate scheduled upgrades or replacements; and make efficient use of infrastructure funding.
3. Funding will generally not be available for projects that are directly or indirectly intended to provide services to land for new developments (residential, commercial, industrial or municipal).

ADMINISTRATION

1. The Department's Project number shall be used on all correspondence, documents, status reports, etc., relating to this Project.
2. The primary point of contact is the Regional Office and specifically the Project Representative once identified.

TIMELINES

1. The Project delivery timelines are outlined in these Guideline for each stage of the capital works notification and implementation process. If the Ultimate Recipient expects to exceed any of these timelines, they must immediately submit a request to the Regional Office addressed to the Regional Engineer in writing, indicating the new anticipated dates as well as the cause of delay.
2. This request will be sent to the Director of Municipal Infrastructure for consideration. A decision will be communicated to the Ultimate Recipient in writing. The Director may provide an amended timeline based on the following considerations:
 - Scope and complexity of Project
 - Unanticipated environmental considerations
 - Extenuating circumstances that preclude the availability of key resources
3. Projects shall be cancelled if timelines are exceeded without approval by the Director.
4. Timelines

	Milestone	Routine Projects	Complex Projects
1	Acknowledgement from Ultimate Recipient of Offer of funding	2 weeks from notification of Project approval issued by the Minister	2 weeks from notification of Project approval issued by the Minister
2	Funding Agreement signed and returned to MI Headquarters	60 Days from notification of Project approval issued by the Minister	60 Days from notification of Project approval issued by the Minister
3	Consultant Contract Awarded	12 Months from notification of Project approval issued by the Minister	12 Months from notification of Project approval issued by the Minister
4	Construction Contract Awarded	24 Months from notification of Project approval issued by the Minister	24 Months from notification of Project approval issued by the Minister
5	Project Completion and final invoices submitted to MI	36 Months from notification of Project approval issued by the Minister	48 Months from notification of Project approval issued by the Minister

Routine Projects - normally be completed within one construction season following contract award such as, water and sewer, pumphouse upgrades and road paving/repair projects

Complex Projects - projects that are typically considered multi-year construction or phased projects; such as, major municipal/recreational buildings, water and wastewater treatment plants

PROJECT KICK-OFF

1. The Ultimate Recipient shall not commence work until a Project initiation meeting has been held with the Regional Office of the Department. This meeting should be held within 30 days of signing the funding agreement. It is the responsibility of the Ultimate Recipient to make the arrangement for this meeting. Virtual meeting spaces are acceptable (skype, link, teleconference, etc.).
2. Agenda shall include but not limited to:
 - Funding agreement and guidelines, Department requirements
 - Project Scope
 - Specific Safety concerns
 - Time line
 - Procurement process, Public Procurement Act
 - The Department Guidelines

Federal funding terms and conditions (for federally funded projects)
Eligible expenses or projects costs
Commissioning
Project Closeout and Turnover
Build Better Building Policy and LEED

FINANCIAL

1. Funding is provided based on the Ultimate Recipient's assurance (bank letter, etc.) to this Department of its ability to meet its share of the cost as identified in the Agreement.
2. Approval to Borrow from the Department must be in place prior to start of work.
3. The Ultimate Recipient must meet its share of the Project costs, and the Department will not, under any circumstances, contribute by way of special grants or otherwise, any amount in excess of the approved Project costs.
4. If the Ultimate Recipient's financial position has changed since application and approval of the Project, so that it cannot meet its share, then the Regional Office shall be notified immediately in writing, and this Project will be cancelled.
5. In the event that a project is completed below the approved amount, the savings will not be available to the Ultimate Recipient to be used for any work outside the original scope. This does not apply to projects approved under the Multi-year Capital Works program.
6. The Department will NOT incur any interim interest charges during the Project.
7. Project funding has been reduced by the amount of GST/HST rebate. The Ultimate Recipient is required to apply for the appropriate rebates. The GST/HST rebate is to be used by the Ultimate Recipient as part of the project funding. Interim financing of the GST/HST rebate will be the responsibility of the Ultimate Recipient.
8. The Ultimate Recipient may not charge more than a nominal fee sufficient to cover royalties and reasonable equipment rental rates, including operator, if Ultimate Recipient equipment is used. Approval of the rates by the Regional Engineer is required before any costs can be incurred relating to the use of Ultimate Recipient equipment.
9. If requested by the Department, the Ultimate Recipient must submit an itemized list of all cheques issued including cheque number, date, payee and amount, together with a copy of the cancelled cheques.
10. The Ultimate Recipient will be responsible for all overruns or funding commitments that exceed the approved Project funding.

ENGINEERING SERVICES

1. The Regional Engineer's approval is required before the Ultimate Recipient can engage, or

- change a consulting (engineering, architectural, etc.) firm in relation to the Project.
2. Procurement of consulting and professional services must comply with the *Public Procurement Act*.
 3. No consulting or professional services work is to be performed until the Prime Consultant Agreement (PCA) has been approved by the Regional Office and signed by the Ultimate Recipient and Consultant.
 4. The PCA must indicate the scope of work, the services, the deliverables, the fees and expenses to be charged, and a Project schedule. Rates charged are to be in line with the service rendered not necessarily the seniority of the professional staff involved.
 5. Expenses of the Consultant are to be charged within the allowances set by the Government of Newfoundland and Labrador, HST is not an eligible expense for these expenses
 - Mileage -
https://www.exec.gov.nl.ca/exec/hrs/working_with_us/auto_reimbursement.html
 - Meal Rate Policy / Per Diem
https://www.exec.gov.nl.ca/exec/hrs/working_with_us/meal_rates.html
 - Transportation Policy
https://www.exec.gov.nl.ca/exec/hrs/working_with_us/transportation.html
 6. Prior to signing the PCA the Consultant must forward a copy to the Regional Engineer for review and comment.
 7. Once the PCA is acceptable to the Regional Engineer, the Consultant shall sign and forward 3 copies of the PCA to the Ultimate Recipient. The Ultimate Recipient will then sign all copies and forward one to the Regional Engineer, the Consultant and retain one copy for their own purposes.
 8. The Consultant and any other agents of the Ultimate Recipient must liaise with the Regional Office on all aspects of the Project.
 9. The prime Consultant and any other agents of the Ultimate Recipient must complete all applicable applications and forms required to obtain all relevant Permits to design and construct. The Regional Engineer requires a copy of these documents at the time of submission of plans and specifications for approval to tender.
 10. Prior to tendering, the plans, specifications and a current detailed pre-tender cost estimate must be submitted to the Regional Engineer. Tenders cannot be called or contracts be awarded for the Project or any part of it without the approval of the Department.
 11. The consultant must also submit, prior to tender call, a copy of the plans and specifications to the Ultimate Recipient and all relevant Government departments and agencies such as, Digital Government and Service NL, the Fire Commissioner's Office, Department of Transportation and Infrastructure, and other agencies that might have jurisdiction for approval.

12. Where applicable, the Consultant must produce a system operation and maintenance manual and submit it to the Ultimate Recipient. This will be reviewed by the Regional Engineer prior to final acceptance.
13. The Consultant must submit copies of the as-built drawings within two months of substantial completion of the Project, the preparation of which is to be included as one of the professional services in the Consultant contract. Copies must be submitted to the Ultimate Recipient and the Regional Engineer.

CONSTRUCTION CONTRACT

1. A copy of the signed contract documents for the construction of the Project must be forwarded within one week of signing to the appropriate Regional Engineer. Contracts should be signed at the earliest opportunity. The Consultant must notify the Regional Office of the time and location of pre-design, design, preconstruction and construction meetings in a timely manner to allow a representative of the Regional Office an opportunity to attend.

EASEMENT AND RIGHTS-OF-WAY

1. It is the responsibility of the Ultimate Recipient and its prime consultants to ensure that all easements and rights-of-way are acquired before the contract is awarded.

CHANGE ORDERS (CONSULTANT AND CONTRACTOR)

1. All Change Orders are required to be pre-approved by the Regional Office.
2. The Ultimate Recipient should specifically note that all costs in excess of the approved funding amount indicated on the "Approval to Award" letter will be 100% responsibility of the Ultimate Recipient unless written approval of the Regional Engineer is obtained prior to the expenditure of the funds.

CONTRACT EXTENSION

1. Any extensions to a construction contract, if necessary, require the written approval of the Department. Unless exceptional circumstances apply, extensions will not normally be approved.

STATUS REPORTS

1. The Consultant must submit status reports within 10 business days of the end of each month

to the Department's Regional Engineer and the Ultimate Recipient.

2. These reports must span from the date of appointment of the Consultant to the date of final completion of the Project.
3. The final status report must be marked as such.
4. Copies of all engineering invoices, change orders, substantial performance certificates and contractor's progress payments associated with the Project must also be submitted with the monthly status report.
5. The Ultimate Recipient shall not pay engineering invoices unless the status report has been received and also shall not pay the final professional services invoice until the as-builts are received.

COMMUNICATIONS

JOINT COMMUNICATIONS

1. The Province, the Ultimate Recipient, and applicable funding agencies/partners may have Joint Communications about the Project's funding.
2. Joint Communications under these Guidelines should not occur without the prior knowledge and agreement of the Province.
3. All Joint Communications material will be approved by the Province prior to release, and will recognize the funding of all Parties.
4. Each of the Parties or the Ultimate Recipient may request Joint Communications to communicate progress or completion of the Project. The requestor shall provide at least 15 business days' notice to the other Parties or the Ultimate Recipient. If the Communications Activity is an event, it will take place at a mutually agreed date and location.
5. The requestor of the Joint Communications will provide an equal opportunity for the other Parties or the Ultimate Recipient to participate and choose their own designated representative (in the case of an event).
6. The conduct of all Joint Communications will follow the *Table of Precedence for Canada*.

INDIVIDUAL COMMUNICATIONS

1. Notwithstanding section 12.1 - Joint Communications, the Province and applicable funding agencies/partners retain the right to meet their obligations to communicate information about the Agreement and the use of funds through their own Communications Activities.
2. The Parties may each include general program messaging and examples of funded projects in their own Communications Activities. The authoring Party will not unreasonably restrict the use of such products or messaging by the other Parties, and if web or social-media based,

from linking to it.

3. The Parties may issue digital communications to communicate progress of the Project.
4. The Ultimate Recipient will be required to send a minimum of one photograph of the construction in progress, or of the completed project, for use in social media and other digital individual communications activities. Sending the photos will constitute permission to use and transfer of copyright. Photographs are to be sent to the Regional Office, along with project name, date and location.

SIGNAGE

1. Signage should be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.
2. Digital signage may also be used in addition or in place of a physical sign in cases where a physical sign would not be appropriate due to project type, scope, location or duration.
3. Signage must conform to the applicable federal and/or provincial signage guidelines.
4. Signs must be installed before construction commences and must be removed when the project is completed.
5. The prime Consultant must certify (via dated photograph) that the Project signs are in place before any progress claim is paid, photographs are to be submitted with first progress claim in MSIS.

PROJECTS CARRIED OUT ON A PROJECT MANAGEMENT BASIS - USING ULTIMATE RECIPIENT'S FORCES

1. Only in exceptional cases will projects be authorized to proceed with construction using own forces for the purposes of these Guidelines. Prior approval is required before proceeding on this basis, and must follow the Project management Guidelines.

ELIGIBLE COSTS

1. All costs considered by the Province to be direct and necessary for the successful implementation of an eligible project.
2. The incremental costs of employees of an Ultimate Recipient may be included as Eligible Expenditures for a Project under the following conditions:

The Ultimate Recipient is able to demonstrate that it is not economically feasible to tender a Contract; and

The arrangement is approved in advance and in writing by the Province.

3. Costs will only be eligible as of Project approval.

INELIGIBLE COSTS

1. Costs incurred before Project approval and any and all expenditures related to contracts signed prior to Project approval.
2. Costs Incurred for cancelled Projects
3. Leasing land, buildings and other facilities; leasing equipment other than equipment directly related to the construction of the Project; real estate fees and related costs.
4. Financing charges, legal fees, and loan interest payments.
5. Any goods and services costs which are received through donations or in kind.
6. Provincial sales tax, goods and services tax, or harmonized sales tax for which the Ultimate Recipient is eligible for a rebate, and any other costs eligible for rebates.
7. General maintenance and operational costs, except where such costs are direct and necessary as part of the overall Project.
8. Cost related to furnishings and non-fixed assets.
9. Costs related to new Sidewalks for any roads, except as approved by the Department.
10. Modification, upgrade or replacement of privately-owned infrastructure except when direct and necessary as part of the overall Project.
11. Infrastructure constructed by private developers and subsequently transferred to the Ultimate Recipients that did not meet current design and construction standards at the time of construction.
12. Landscaping, except to reinstate areas damaged as a result of the Project.
13. Legal fees.
14. Land surveys.
15. Media costs related to the project (e.g. Radio ads, newspaper, social media, etc.)
16. Cost of temporary facilities related to continuance of the Ultimate Recipient business for the duration of the Project.
17. Administration costs.
18. Construction Materials and Ultimate Recipient Labour (i.e. pipes, clamps) unless for a projects that has been pre-approved for Project management.
19. Costs to purchase digital Sign and mobile traffic control lights.
20. Vehicle rental/lease/purchase.

COSTS FOR ICIP PROJECTS

1. Eligible Project costs for Investing in Canada Infrastructure Plan (ICIP) are outlined in the Integrated Bilateral Agreement, can be copied here for references purposes only. The Agreement found at the following location governs this document.
 - a. <https://www.infrastructure.gc.ca/prog/agreements-ententes/2018/2018-nl-eng.html#a.1>

ELIGIBLE EXPENDITURES

1. All costs considered by Canada to be direct and necessary for the successful implementation of an eligible Project, which may include capital costs, design and planning, and costs related to meeting specific Program requirements, including completing climate lens and creating community employment benefit plans;
2. Costs will only be eligible as of Project approval, except for costs associated with completing climate lens assessments, which are eligible before Project approval, but can only be paid if and when a Project is approved by Canada.

INELIGIBLE EXPENDITURES

1. Costs Incurred before Project approval and any and all expenditures related to Contracts signed prior to Project approval, except for expenditures associated with completing climate lens assessments as required;
2. Costs Incurred for cancelled Projects;
3. Land acquisition;
4. Leasing land, buildings and other facilities; leasing equipment other than equipment directly related to the construction of the Project; real estate fees and related costs;
5. Any overhead costs, including salaries and other employment benefits of any employees of the Ultimate Recipient, any direct or indirect operating or administrative costs of Ultimate Recipients, and more specifically any costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by the Ultimate Recipient's staff.
6. Financing charges, legal fees, and loan interest payments, including those related to easements (e.g. surveys);
7. Any goods and services costs which are received through donations or in kind;
8. Provincial sales tax, goods and services tax, or harmonized sales tax for which the Ultimate Recipient is eligible for a rebate, and any other costs eligible for rebates;
9. Costs associated with operating expenses and regularly scheduled maintenance work;
10. Cost related to furnishing and non-fixed assets which are not essential for the operation of

the Asset/Project; and

11. All capital costs, including site preparation and construction costs, until Canada has confirmed that environmental assessment and Aboriginal consultation obligations as required under sections 11 (Environmental Assessment) and 12 (Aboriginal Consultation) have been met and continue to be met.