

**This Memorandum of Agreement** sets forth a framework for the creation of a Regional Enterprise Network between:

The **Town of A**, hereinafter referred to as 'A';

**AND**

The **Municipality of B**, hereinafter referred to as 'B';

**AND**

**AND**

**WHEREAS** the municipalities that have entered into this agreement are partners in regional economic development;

**AND WHEREAS** the municipalities that have entered into this agreement wish to partner to ensure regional economic plans are based on sectoral strengths in the region and have alignment with provincial and federal priorities;

**AND WHEREAS** the municipalities that have entered into this agreement 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** the Board of Directors of the REN established by this agreement will work cooperatively in the spirit of creating economic growth;

**AND WHEREAS** section 60 of the Municipal Government Act (MGA) provides authority for municipalities to enter into agreements with other municipalities, and 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);

**NOW THIS AGREEMENT WITNESSETH** that in consideration of the foregoing recitals and for other good and valuable consideration the parties hereto agree as follows:

## **Definitions**

Board of Directors: The Board of Director of the REN. Unless the context provides otherwise.

Federal Government: - **Find definition** -

Fiscal Year: The fiscal year shall be a twelve (12) month period commencing on April 1 and ending on March 31 in the subsequent year.

Participating Municipality: Those Party to this agreement

Province: - **Find definition** -

Uniform Assessment: This term shall have the same meaning as defined in the Municipal Grants Act, Chapter 302, RSNS, 1989, as amended from time to time.

## **1.0 Purpose**

1.1) The purpose of this Memorandum of Agreement is to establish a framework whereby the (Name) Regional Enterprise Network is formally established by the participating municipalities to this agreement.

## **2.0 Funding**

2.1) The participating municipalities agree that a long term funding commitment from the participating municipalities is in the best interests of the REN.

2.2) Subject only to the withdrawal and termination provisions of this agreement, the participating municipalities shall commit to five year terms with the Board of Directors of funding the REN pursuant to a cooperation agreement.

2.3) The municipal share of funding will be divided amongst the participating municipalities based on the following formula:

- a. 0 to 100% will be divided equally amongst the participating municipalities.
- b. 0 to 100% will be divided amongst the participating municipalities based upon each participating municipalities proportionate share of the total uniform assessment of all the participating municipalities.
- c. 0 to 100% will be divided amongst the participating municipalities based upon each participating municipalities proportionate share of the total population of all of the participating municipalities.
- d. Another formula agreed to by all the participating municipalities.

2.4) The proposed budget will be developed by the Board of Directors and provided in writing to the Liaison & Oversight Committee on or before January 15<sup>th</sup> preceding the fiscal year.

a. The Board shall include in its budget ~~the~~ any deficit from the preceding fiscal year.

2.5) Participating municipalities will pay their share as defined in Section 2.3 of this agreement to the 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.

### **3.0) Assets, Liabilities & Leases**

3.1) A municipality may enter into a lease, lease-purchase or other commitment to pay money over a period extending beyond the end of the current fiscal year, provided that where the total commitment exceeds one hundred thousand dollars, the proposed commitment has been approved by the Liaison and Oversight Committee.

3.2) All assets are owned based on the participating municipality's share of funding.

3.3) All liabilities are based on the participating municipality's share of funding.

3.4) Any proceeds from the sale of assets at the termination of this agreement shall be distributed based on the participating municipality's share of funding.

### **4.0) Liaison and Oversight Committee**

4.1) A Liaison and Oversight Committee shall be established and will be responsible for:

- a. Approval of the regional economic development plan for the REN.
- b. Monitoring and evaluation of the implementation of the regional economic development plan by the REN.
- c. Approval of the budget
- d. Reporting and communication with the participating municipalities and the province.
- e. Appointment of members to serve on the Board of Directors of the REN subject to a recommendation from the recruitment and nominating committee.
- f. Appointment of a recruitment and nominating committee.
- g. Appointment of an Audit Committee.

4.2) The Liaison and Oversight Committee shall consist of:

- a) One elected official of the Council of each of the participating municipalities for a term of (number) years, with an option to serve a maximum of two terms, consecutive or otherwise, subject to provisions for staggering the terms of the inaugural committee; and
  - b) Members appointed by the Province of Nova Scotia pursuant to a cooperation agreement.
- 4.3) The appointments by the participating municipalities to the inaugural Liaison and Oversight Committee shall be for the following terms:
- a) One half of the members, or as close thereto, shall be appointed for a (number) year term.
  - b) One half of the members, or as close thereto, shall be appointed for a (number) year term.
- 4.4) Subject to the provisions for the inaugural committee, appointments to the Liaison and Oversight Committee shall be for (number) year terms, except where an appointment becomes vacant by resignation or other reason, and then such vacancy may be filled only for the unexpired term thereof.
- 4.5) 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.
- 4.6) All meetings require a Quorum.
- 4.7) A Majority of the maximum number of persons that may be appointed to the Liaison and Oversight Committee is a quorum.
- 4.8) All members present, including the person presiding, shall vote on a question.
- 4.9) A member of the Liaison and Oversight Committee who fails or refuses to vote on a question before the Liaison and Oversight Committee is deemed to have voted in the negative.
- 4.10) In the event of a tie in a vote on a question the question is determined in the negative.
- 4.11) The Liaison and Oversight Committee shall, on an annual basis, appoint a Chair who may be reappointed for a term not exceeding number? Years.
- 4.12) The Liaison and Oversight Committee shall, on an annual basis, appoint a Vice Chair who may be reappointed for a term not exceeding number? Years.
- 4.13) Expense of the Liaison and Oversight Committee shall be provided by the REN as approved within the budget.

## **5.0) Recruitment and Nominating Committee**

- 5.1) A recruitment and nominating committee shall be appointed annually by the Liaison and Oversight Committee and shall consist of the following members:

- a) Two members of the Liaison and Oversight Committee who are elected officials of the participating municipalities.
- b) Two members of the Liaison and Oversight Committee who are appointed by the Province.

5.2) The recruitment and nominating committee shall be responsible for:

- a) Advertising and recruitment of candidates to serve on the Board of Directors for the REN.
- b) Recommending to the Liaison and Oversight Committee the appointment of members to the Board of Directors.

## **6.0) Audit Committee**

6.1) An Audit Committee shall be appointed annually by the Liaison and Oversight Committee and shall consist of the following members:

- a) One appointed official from the Province of Nova Scotia.
- b) (Number) appointed officials from the participating municipalities.
- c) The chair of the board.
- d) The General Manager of the REN.

6.2) The Audit Committee shall be responsible for:

- a) Appointing a registered auditor as defined in Section 457 of the MGA.
- b) A detailed review of the financial statements of the REN with the Auditor.
- c) An evaluation of the adequacy of the internal control systems of the REN.
- d) A review of the conduct and adequacy of the audit.
- e) Such matters arising out of the audit as may appear to the Audit Committee to require investigation.
- f) Any other matters determined by the Liaison and Oversight Committee to be the duties of the Audit Committee.
- g) Making recommendation to the Liaison and Oversight Committee and the Board.

6.3) For certainty, the Valley REN is subject to review by the Municipal Auditor General with respect to grants and funding received directly or indirectly from the participating municipalities.

## 7.0) Board of Directors

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

- a) Developing and recommending a strategic economic development plan to the Liaison and Oversight Committee.
- b) Implementing the regional strategic economic development plan as approved by the Liaison and Oversight Committee.
- c) Meeting with the Liaison and Oversight Committee at least three times annually to report on all activities of the REN including progress relative to the mandate, strategies, and objectives outlined in the regional strategic economic development plan and any cooperation agreements entered into between the REN and the participating municipalities and the province.
- d) Filing an annual report and audited financial statement to each participating municipality to this agreement by July 31<sup>st</sup> of the following year.
- e) Coordinating and holding a joint annual meeting of all the participating municipalities to report on all activities of the REN.
- f) Entering into cooperation agreements with the participating municipalities.
- g) Entering into cooperation agreements with the Province
- h) Entering into partnership agreements that consistent with the approved Regional Economic Development Plan and that support the work of Nova Scotia Business Inc., Innovacorp, and other economic development agencies of the Province or municipalities ; or, of the Federal Government.
- i) Entering into agreements with any of the participating municipalities with respect to the provision of services required by the REN including, but not limited to, financial services, information technology services, office space, etc.
- j) Appointment of a General Manager for the REN. This shall be a competitive process with a merit based criteria.
- k) Annual evaluation of the General Manager for the REN.
- l) Approval of written policies and procedures for the REN.
- m) Implementing recommendations from the Audit Committee.
- n) Such other matters determined by the Board and/or the Liaison and Oversight Committee that are consistent with the regional economic plan.

7.2) The Board of Directors shall consist of:

a) Eight to Twelve business or community members.

- OR -

a) Five to Eight business or community members; and,

b) Three to Four representatives from the participating municipalities.

7.3) Board appointments are for a term of three years, with an option to serve a maximum of two terms, consecutive or otherwise, subject to provisions for staggering the terms of the inaugural Board.

7.4) Where an appointment becomes vacant by resignation or other reason, then such vacancy shall be filled only for the unexpired term thereof.

7.5) The appointments for the inaugural Board shall be for the following terms:

a) x members shall be appointed for a one year term.

b) x members shall be appointed for a two year term.

c) x members shall be appointed for a three year term.

7.6) Appointments to the Board shall be made by the Liaison and Oversight Committee.

7.7) Decisions of the Board shall be made by majority vote with each member having one vote including the Chair and Vice Chair.

7.8) All meetings require a Quorum.

7.9) A majority of the maximum number of persons that may be appointed to the Board is a quorum.

7.10) All members present, including the person presiding, shall vote on a question.

7.11) A member of the Board who fails or refuses to vote on a question before the Board is deemed to have voted in the negative.

7.12) In the event of a tie in a vote on a question the question is determined in the negative.

7.13) The Board shall, on an annual basis, appoint a Chair who may be reappointed for a term not exceeding number? Years

7.14) The Board shall, on an annual basis, appoint a Vice Chair who may be reappointed for a term not exceeding number? Years

## **8.0) General Manager**

- 8.1) The General Manager is the head of the administrative branch of the REN and is responsible to the Board of Directors for the proper administration of the affairs of the REN in accordance with the policies adopted by the REN.
- 8.2) The members of the Liaison and Oversight Committee and the Boards of Directors shall communicate with the employees of the REN solely through the General Manager, except that the Liaison and Oversight Committee and the Boards of Directors may communicate directly with employees of the REN to obtain or provide information.
- 8.3) The Board of Directors shall provide direction on the administration, plans, policies and programs of the municipality to the General Manager.
- 8.4) No Board member or member of a Liaison and Oversight Committee shall instruct or give direction, either publicly or privately, to an employee of the REN.

## **9.0) Withdrawal and Termination**

- 9.1) A participating municipality may withdraw from the 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 REN Board of Directors a minimum of twelve months in advance of the fiscal year in which the participating municipality intends to withdraw.
- 9.2) Upon notification of withdrawal by a participating municipality, the Board of Directors shall determine the participating municipality's share of the assets and liabilities, up to and including the withdrawal date, and provide written notification to all the participating municipalities, of how the Board of Directors proposes that these assets and liabilities be settled on withdrawal date pursuant to Section 3 of this agreement.
- 9.3) After receiving the notice pursuant to Section 9.1, the participating municipality that is withdrawing and the other participating municipalities, shall have sixty (60) days to challenge the proposed settlement after which date if no dispute is brought forward, the decision of the Board of Directors will be deemed to be accepted.
- 9.4) Any participating municipality or municipalities, may challenge the settlement of assets and liabilities proposed by the Board of Directors by referring it to the dispute resolution process identified in Section 10. Fifty percent (50%) of dispute resolution costs will be borne by the party or parties requesting dispute resolution; and, fifty percent (50%) will be borne by the REN.

## **10.0) Dispute Resolution**

- 10.1) 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.



10.2) Fifty percent (50%) of costs of mediation will be borne by the party or parties requesting mediation; and, fifty percent (50%) will be borne by the REN.

10.3) If the dispute is not resolved by mediation within 90 days of the initiation of that procedure, or if any party will not participate in a mediation procedure, the dispute may be referred to arbitration by any party. The arbitration decision is final.

10.4) Fifty percent (50%) of the costs of arbitration will be borne by the party or parties who will not participate in a mediation procedure and fifty percent (50%) will be borne by the REN. Otherwise, fifty percent (50%) of the costs of arbitration will be borne by the party or parties requesting arbitration; and, fifty percent (50%) will be borne by the REN.

### **11.0) Enforcement**

11.1) This agreement and amendments hereto shall be enforceable under the laws of the Province of Nova Scotia.

SIGNED and sealed in duplicate at \_\_\_\_\_ Nova Scotia, Canada, on this \_\_\_\_ day of, \_\_\_\_\_ 2013.

**Town of A**

Witness: \_\_\_\_\_

Per: \_\_\_\_\_

**Municipality of B**

Witness: \_\_\_\_\_

Per: \_\_\_\_\_