



May 12, 2020

MR. JACKSON LAFFERTY
MLA, MONFWI

Oral Question 116-19(2) Tłıchǰ All-Season Road Contract

This letter is in follow-up to the Oral Question raised on February 28, 2020, regarding the Tłıchǰ All-Season Road (TASR). I committed to providing a copy of the local content requirements of the Project Agreement, outlining the penalties in the contract for when targets are not met, and addressing concerns about the water and sewage contract.

The Government of the Northwest Territories (GNWT) is committed to ensuring local content requirements are met, if not exceeded, in order to maximize benefit for local and Northern residents. Attached for your information is Schedule 20 of the Project Agreement – *Local Content Requirements*. The Project Company will develop a remedial strategy to address unmet local content requirements if necessary. In terms of penalties, if the Project Company, North Star Infrastructure (NSI), is unable to meet minimum local content requirements, other than Tłıchǰ Training Requirements, they will be assigned Compliance Failure Points. Each Compliance Failure Point is equivalent to \$1,000.

Regarding the water and sewage contract, the Waste Management Plan, as approved by the Wek'eezhii Land and Water Board (WLWB), outlines that sewage from the camp will be transported offsite to the nearby sewage facility managed by the Community Government of Behchokǰ, or alternately, the City of Yellowknife. Both facilities operate under their own Water Licences (WL), which are also approved by the WLWB, which introduced capped limitations for waste disposal, particularly at the Behchokǰ facility, in order for them to remain in compliance with their WL. NSI worked with the Tłıchǰ Investment Corporation to solicit bids for the sewage handling/ disposal contract, which was awarded to the Yellowknife-based company Kavanaugh Bros Ltd.

NSI is managing and meeting the Project Agreement contractual obligations with regards to the Total Capital Costs to Tłıchǰ and Northern Businesses and Labour. It is not appropriate for the GNWT to get involved in the detailed tendering process of subcontractor(s) as long as the terms of the agreement are being met. The GNWT will continue to monitor the Project Agreement throughout the life of the project to ensure that NSI continues to meet the Project Agreement requirements.

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I trust the forgoing addresses the items raised.



Katrina Nokleby, P.Eng.
Minister, Infrastructure

Attachment

- c. Clerk of the Legislative Assembly

Legislative Coordinator
Executive and Indigenous Affairs

SCHEDULE 20

LOCAL CONTENT REQUIREMENTS

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SCHEDULE 20

LOCAL CONTENT REQUIREMENTS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Schedule, in addition to the definitions set out in Schedule 1 [Definitions and Interpretation] of this Agreement:

“Community Coordination Lead” means the Key Individual identified by such title in Appendix 17A [List of Key Individuals], or such replacement as may be designated by Project Co pursuant to Schedule 17 [Key Individuals] to the Agreement.

“Construction Labour Costs” means the amounts paid directly by the Design-Builder, or indirectly by Sub-Contractors, to individuals for labour, consulting services, management services or other services performed in the Northwest Territories, whether performed on the Lands or in other parts of the Northwest Territories, to complete the Tłı̨ch̨q ASR.

“Local Business Construction Plan” has the meaning set out in Section 2.6(b) of this Schedule.

“Local Business Construction Requirement” means a requirement for Project Co to pay at least 30% of the Total Capital Costs to Tłı̨ch̨q Businesses and Northern Businesses, in aggregate, before the Substantial Completion Date, of which at least 25% of the Total Capital Costs are required to be paid to Tłı̨ch̨q Businesses pursuant to the Tłı̨ch̨q Businesses Construction Requirement.

“Local Business Operations Plan” has the meaning set out in Section 2.6(e) of this Schedule.

“Local Business Operations Requirement” means a requirement for Project Co to pay at least 25% of Total Operation, Maintenance and Rehabilitation Costs to Tłı̨ch̨q Businesses and Northern Businesses, in aggregate, during each Operating Year, of which at least 20% of the Total Operation, Maintenance and Rehabilitation Costs are required to be paid to Tłı̨ch̨q Businesses pursuant to the Tłı̨ch̨q Business Operations Requirement.

“Local Content Engagement Plan” means the plan created by Project Co, as described in Section 2.6 of this Schedule, comprised of five integrated components: the Tłı̨ch̨q Construction Labour Plan, the Tłı̨ch̨q Operating Labour Plan, the Local Business Construction Plan, the Local Business Operations Plan and the Tłı̨ch̨q Training Plan.

“Local Content Requirements” include:

- (a) the Tłı̨ch̨q Construction Labour Requirement;
- (b) the Tłı̨ch̨q Operating Labour Requirement;
- (c) the Local Business Construction Requirement (including the Tłı̨ch̨q Business Construction Requirement);
- (d) the Local Business Operations Requirement (including the Tłı̨ch̨q Business Operations Requirement); and
- (e) the Tłı̨ch̨q Training Requirement.

“Northern Business” means a business, other than a Tłı̨chq̓ Business, that (i) holds a current business licence issued by either a municipal corporation within the Northwest Territories or the Government of the Northwest Territories; and (ii) operates from a *bona fide* place of business owned or leased from year to year (or for a longer term of years) in the Northwest Territories and has done so for at least the 12 months immediately prior to the Effective Date, or such shorter period of time as approved by the Authority in its sole discretion. Where services are procured from a Northern Business, only the value of Project services performed by employees of that business who reside and work within the Northwest Territories may be used for the purpose of determining compliance with the Local Business Construction Requirement and Local Business Operations Requirement. Where goods are procured from a Northern Business, the value of all Project goods may be used for the purpose of determining compliance with the Local Business Construction Requirement and Local Business Operations Requirement.

“Operation, Maintenance and Rehabilitation Labour Costs” means, for any period, the amount paid directly by the Service Provider, or indirectly by Sub-Contractors, to individuals for labour, consulting services, management services or other services performed in the Northwest Territories, whether performed on the Lands or in other parts of the Northwest Territories to perform the OMR, any Reinstatement Works and any Handback Works;

“RFP” means the request for proposals dated December 4, 2017 in respect of the Project;

“TIC” means the Tłı̨chq̓ Investment Corporation, which is the economic development arm of the Tłı̨chq̓ Government created to act in the business interests of the Band Councils of Behchokq̓, Gamèti, Wekweèti and Whati as well as the Treaty 11 Council.

“Tłı̨chq̓ ASR Executive Committee” means the following individuals, as may be replaced from time to time:

- (a) 2 or more Authority Persons, as appointed by the Authority;
- (b) 2 individuals representing the Tłı̨chq̓ Government, as appointed by the Tłı̨chq̓ Government; and
- (c) the Project Co Representative for the Construction Period or the Operating Period, as applicable.

“Tłı̨chq̓ Business” means a business entity that:

- (a) operates under the umbrella of TIC or a TIC subsidiary; or
- (b) has been designated in writing by either of TIC or the Tłı̨chq̓ Government as a Tłı̨chq̓ Business.

“Tłı̨chq̓ Business Construction Requirement” means a requirement for Project Co to pay at least 25% of Total Capital Costs to Tłı̨chq̓ Businesses before the Substantial Completion Date.

“Tłı̨chq̓ Business Operations Requirement” means a requirement for Project Co to pay at least 20% of the Total Operation, Maintenance and Rehabilitation Costs to Tłı̨chq̓ Businesses during each Operating Year.

“Tłı̨chq̓ Citizens” means those individuals who are on the Tłı̨chq̓ citizens register maintained by the Tłı̨chq̓ Government.

“Tłı̨chq̓ Construction Labour Annual Forecasts” has the meaning set out in Section 2.6(a)(i) of this Schedule.

“**Tłı̄chq Construction Labour Plan**” has the meaning set out in Section 2.6(a) of this Schedule.

“**Tłı̄chq Construction Labour Requirement**” means a requirement for Project Co to pay at least 35% of total Construction Labour Costs to Tłı̄chq Citizens and/or workers procured by a Tłı̄chq Business before the Substantial Completion Date.

“**Tłı̄chq Government**” means the elected government of the Tłı̄chq First Nation.

“**Tłı̄chq Operating Labour Plan**” has the meaning set out in Section 2.6(d) of this Schedule.

“**Tłı̄chq Operating Labour Percentage**” means, for any period, the percentage of Total Operation Maintenance and Rehabilitation Costs paid to Tłı̄chq Citizens and/or workers procured by a Tłı̄chq Business during any period, calculated as follows:

$$\text{TOLP}_n = \frac{\text{TOMRLC}_n}{\text{OMRLC}_n}$$

where:

TOLP_n = Tłı̄chq Operating Labour Percentage for period n

n = period over which ratio is calculated

TOMRLC_n = Operations, Maintenance and Rehabilitation Labour Costs paid to Tłı̄chq Citizens and workers procured by a Tłı̄chq Business for period n

OMRLC_n = Operations, Maintenance and Rehabilitation Labour Costs for period n

“**Tłı̄chq Operating Labour Requirement**” means a requirement for Project Co to achieve a Tłı̄chq Operating Labour Percentage of:

- (a) 55% for each of the first 5 Operating Years;
- (b) 60% for each of the 6th to 10th Operating Year, inclusive;
- (c) 65% for each of the 11th to 15th Operating Year, inclusive;
- (d) 70% for each of the 16th to 20th Operating Year, inclusive; and
- (e) 75% for each of the 21st to 25th Operating Year, inclusive.

“**Tłı̄chq Training Committee**” means a training committee to be designated by the Authority, in consultation with the Tłı̄chq Government, within 60 days following the Effective Date.

“**Tłı̄chq Training Plan**” has the meaning set out in Section 2.6(c) of this Schedule.

“**Tłı̄chq Training Requirements**” has the meaning set out in Section 2.5 of this Schedule.

“**Total Capital Costs**” means all hard construction costs (including any holdbacks) related to the Design and Construction of the Tłı̄chq ASR, as set out in the Financial Model, and including, without limitation, all Construction Labour Costs, but excluding financing costs, interest, insurance costs, design costs, project management costs and special purpose vehicle costs.

“Total Operation, Maintenance and Rehabilitation Costs” means all direct costs of providing OMR, any Reinstatement Works and any Handback Works, as set out in the OMR Monthly Reports to be provided by Project Co, and including, without limitation, all Operations, Maintenance and Rehabilitation Labour Costs, but excluding financing costs, interest, insurance costs, amortized capital costs, design costs, project management costs and special purpose vehicle costs.

1.2 Interpretation

For clarity, in this Schedule and the Project Agreement, the terms “Local Content” and “Local Business” have the meanings set out in Section 1.1 of this Schedule and do not have any relation to the definition of “Local Content” as set out in the GNWT’s Business Incentive Policy (from which the Project is exempt). In addition, words importing the singular include the plural and vice versa.

2. LOCAL CONTENT REQUIREMENTS

2.1 Tłı̨chq Construction Labour Requirement

Project Co shall satisfy the Tłı̨chq Construction Labour Requirement over the course of the Construction Period. Project Co shall use reasonable commercial efforts to ensure that, to the extent qualified resources are available, the Tłı̨chq Construction Labour Requirement is satisfied by offering labour opportunities first to Tłı̨chq Citizens, second to other residents of Northwest Territories, and third to other individuals.

2.2 Tłı̨chq Operating Labour Requirement

Project Co shall satisfy the Tłı̨chq Operating Labour Requirement for each Operating Year during the Operating Period. Project Co shall use reasonable commercial efforts to ensure that, to the extent qualified resources are available, the Tłı̨chq Operating Labour Requirement is satisfied by offering labour opportunities first to Tłı̨chq Citizens, second to other residents of Northwest Territories, and third to other individuals.

2.3 Local Business Construction Requirement

Project Co shall satisfy the Local Business Construction Requirement over the course of the Construction Period.

2.4 Local Business Operations Requirement

Project Co shall satisfy the Local Business Operations Requirement for each Operating Year during the Operating Period.

2.5 Tłı̨chq Training Requirements

Project Co must satisfy the following minimum Tłı̨chq training requirements (the **“Tłı̨chq Training Requirements”**):

- (a) abiding by the following training principles:
 - (i) facilitate training opportunities for Tłı̨chq Citizens, paying particular attention to creating opportunities for women and youth;
 - (ii) provide training opportunities for a range of positions including, but not limited to, skilled trades, labour, administration, management and environmental monitoring;

- (iii) work collectively with responsible parties to eliminate or reduce the barriers that Tłı̄chq̄ people face in accessing training, including but not limited to the challenges of single parenting, existing criminal records, and low literacy skills;
 - (iv) identify, for trainee positions, an on-ramp into the workforce, in order that training opportunities are followed reasonably soon with employment;
 - (v) work with regional and local authorities and existing training institutions to identify practical training options;
 - (vi) complement, support and partner with existing training programs and strategies, while maintaining Project Co input into training programs;
 - (vii) create opportunities for training for Tłı̄chq̄ Citizens of varying education levels, including those without high school diplomas;
 - (viii) focus training opportunities in the Tłı̄chq̄ communities of Whatı̄, Behchokq̄, Gamèti and Wekweèti;
 - (ix) wherever possible, support training projects that will support equipment and/or infrastructure capacity in Tłı̄chq̄ communities;
 - (x) create opportunities for leadership training and advancement by developing training opportunities for a range of positions, including management and leadership roles; and
 - (xi) adopt a continual training approach, in order that Tłı̄chq̄ Citizens have ongoing access to training during employment on the Project and are able to progress in their careers;
- (b) training Tłı̄chq̄ Citizens, through apprenticeship positions and other “on-the-job” training programs, for positions including, but not limited to, those listed in Appendix 20A [Tłı̄chq̄ Training Positions];
 - (c) implementing monitoring, reporting and auditing protocols of the Tłı̄chq̄ Training Plan, which shall include delivery of quarterly reports pursuant to Section 3.2(b) of this Schedule; and
 - (d) meeting semi-annually with the Tłı̄chq̄ Training Committee to assess Project Co’s success in achieving the Tłı̄chq̄ Training Requirements and to determine what changes, if any, need to be implemented.

2.6 Local Content Engagement Plan

Project Co shall submit to the Authority and the Tłı̄chq̄ ASR Executive Committee the 5 components of an integrated plan (the “**Local Content Engagement Plan**”), each component being submitted by the dates provided herein:

- (a) Within 60 days following the Effective Date, a final Tłı̄chq̄ Construction Labour Plan (the “**Tłı̄chq̄ Construction Labour Plan**”) based on the draft Tłı̄chq̄ Construction Labour Plan submitted by Project Co in response to the RFP and reflecting all commercially reasonable feedback received from the Authority.

The Tłıchq Construction Labour Plan must include details on how Project Co intends to achieve the Tłıchq Construction Labour Requirement. The Tłıchq Construction Labour Plan shall address:

- (i) details on what work will be carried out by Tłıchq Citizens;
 - (ii) annual forecasts detailing the percentage of Construction Labour Costs to be paid to Tłıchq Citizens and/or workers procured by Tłıchq Businesses, and the residency of such worker, on an annual basis, including a forecast for the partial year between the applicable anniversary of the Effective Date and the Substantial Completion Date (the “**Tłıchq Construction Labour Annual Forecasts**”);
 - (iii) strategies for the successful recruitment of Tłıchq Citizens;
 - (iv) strategies for the successful retention and promotion of Tłıchq Citizens;
 - (v) career progression planning through promotions/advancement for Tłıchq Citizens;
 - (vi) effective management of all staff;
 - (vii) cultural awareness training for non-Tłıchq workers;
 - (viii) monitoring, monthly reporting, annual presentations and auditing protocols; and
 - (ix) how the Community Coordination Lead will work to monitor and achieve successful implementation of the Tłıchq Construction Labour Plan.
- (b) Within 60 days of the Effective Date, a final Local Business Construction Plan (the “**Local Business Construction Plan**”) based on the draft Local Business Construction Plan submitted by Project Co in response to the RFP and reflecting all commercially reasonable feedback received from the Authority.

The Local Business Construction Plan must include details on how Project Co intends to achieve the Local Business Construction Requirement. The Local Business Construction Plan shall:

- (i) identify the work intended to be carried out by Tłıchq Businesses, as well as the dollar value of such work (and, if applicable, the work intended to be carried out by Northern Businesses, as well as the dollar value of such work);
- (ii) detail how qualified Tłıchq Businesses (and, if applicable, Northern Businesses) will be identified and integrated into the Project;
- (iii) detail any preferential policies with regards to contracting with Tłıchq Businesses (and, if applicable, Northern Businesses);
- (iv) describe how relationships with Tłıchq Businesses (and, if applicable, Northern Businesses) will be managed;
- (v) detail monitoring, annual reporting and presentations, and auditing protocols; and
- (vi) detail how the Community Coordination Lead will work to monitor and achieve successful implementation of the Local Business Construction Plan.

- (c) Within 60 days of the Effective Date, a final Tłıchq Training Plan (the "**Tłıchq Training Plan**") based on the draft Tłıchq Training Plan submitted by Project Co in response to the RFP and reflecting all commercially reasonable feedback received from the Authority.

The Tłıchq Training Plan must include details on how Project Co intends to achieve the Tłıchq Training Requirement in the Construction Period and the Operating Period. The Tłıchq Training Plan shall:

- (i) identify ongoing specific training strategies and programs to achieve the training principles set out in Section 2.5(a) of this Schedule;
 - (ii) discuss how training opportunities will be provided in Tłıchq communities to maximize participation by Tłıchq Citizens;
 - (iii) identify how positions from Appendix 20A [Tłıchq Training Positions] will be filled;
 - (iv) detail how Tłıchq Citizens will be identified and recruited, as well as in which geographic locations;
 - (v) identify Project Co's staff to supervise, monitor, support and coordinate trainees;
 - (vi) identify human resource monitoring protocols and clearly defined targets and indicators;
 - (vii) discuss partnerships with educational institutions and other training organizations;
 - (viii) discuss how training programs will be coordinated with existing programs and organizations;
 - (ix) discuss how trainees will be moved into employment positions on completion of, or during, training activities; and
 - (x) address monitoring, quarterly reporting, annual presentations and auditing protocols.
- (d) Not less than 60 days prior to the Substantial Completion Date, a final Tłıchq Operating Labour Plan (the "**Tłıchq Operating Labour Plan**") based on the draft Tłıchq Operating Labour Plan submitted by Project Co in response to the RFP and reflecting all commercially reasonable feedback received from the Authority.

The Tłıchq Operating Labour Plan must include details on how Project Co intends to achieve the Tłıchq Operating Labour Requirement. The Tłıchq Operating Labour Plan shall address:

- (i) details on what work will be carried out by Tłıchq Citizens;
- (ii) strategies for successful recruitment of Tłıchq Citizens;
- (iii) strategies for successful retention and promotion of Tłıchq Citizens;
- (iv) approach to how escalating levels of Tłıchq labour will be achieved;
- (v) succession planning;

- (vi) effective management of all staff;
 - (vii) cultural awareness training for non-Tłıchq workers;
 - (viii) monitoring, annual reporting and presentations, and auditing protocols; and
 - (ix) how the Community Coordination Lead will work to monitor and achieve successful implementation of the Tłıchq Operating Labour Plan.
- (e) Not less than 60 days prior to the Substantial Completion Date, a final Local Business Operations Plan (the “**Local Business Operations Plan**”) based on the draft Local Business Operations Plan submitted by Project Co in response to the RFP and reflecting all commercially reasonable feedback received from the Authority.

The Local Business Operations Plan must include details on how Project Co intends to achieve the Local Business Operations Requirement. The Local Business Operations Plan shall:

- (i) identify the work intended to be carried out by Tłıchq Businesses, as well as the dollar value of such work (and, if applicable, the work intended to be carried out by Northern Businesses, as well as the dollar value of such work);
- (ii) detail how qualified Tłıchq Businesses (and, if applicable, Northern Businesses) will be identified and integrated into the Project;
- (iii) detail any preferential policies with regards to contracting with Tłıchq Businesses (and, if applicable, Northern Businesses);
- (iv) describe how relationships with Tłıchq Businesses (and, if applicable, Northern Businesses) will be managed;
- (v) detail monitoring, annual reporting and presentations, and auditing protocols; and
- (vi) detail how the Community Coordination Lead will work to monitor and achieve successful implementation of the Local Business Operations Plan.

The monitoring, reporting and auditing protocols contained in the Local Content Engagement Plan shall be designed to include specific identification of Tłıchq Citizens and Tłıchq Businesses (and, if applicable, Northern Businesses) participating in the Project, detailed reporting of the level of involvement and achievement, and shall include the creation of an auditable record of Local Content Engagement Plan achievements.

The parties agree that the final plans in items (a) to (e) above shall be, in each case, substantively consistent to each corresponding draft plan in Project Co’s Proposal.

2.7 Failure to Meet Minimum Local Content Requirements

In the event that Project Co fails to meet any of the minimum Local Content Requirements, Project Co and the Authority shall meet to determine an appropriate remedial strategy to address such failure. If Project Co fails to satisfy:

- (a) any minimum Local Content Requirements other than Tłıchq Training Requirements, Project Co will be assigned Compliance Failure Points in accordance with Schedule 8 [Payments]; or

(b) the Tłı̄chq Training Requirements, this will constitute a Project Co Material Breach, unless relief has been granted to Project Co pursuant to Section 3.3 of this Schedule.

2.8 Incentives to Exceed Minimum Local Content Requirements

In the event that Project Co exceeds any of the minimum Local Content Requirements, Project Co will be eligible to receive incentive payments in accordance with Schedule 8 [Payments].

3. OVERSIGHT

3.1 Tłı̄chq ASR Executive Committee

- (a) Within 60 days of the Effective Date, the Authority shall establish the Tłı̄chq ASR Executive Committee, which will perform the following functions:
- (i) meet on at least a quarterly basis during the Construction Period and a semi-annual basis during the Operating Period to discuss issues related to the Project and to identify solutions;
 - (ii) provide information, advice and guidance to Project Co on how to achieve the Local Content Requirements, including assisting Project Co in finding ways to overcome challenges;
 - (iii) review the initial drafts of each component of the Local Content Engagement Plan and the monthly reports required under Section 3.2(a) of this Schedule, providing comments and non-binding recommendations to Project Co and the Authority as required;
 - (iv) meet with Project Co at least annually during the Construction Period and at least bi-annually during the Operating Period to assess Project Co's adherence to the Local Content Requirements and the relevant components of the Local Content Engagement Plan, with additional ad hoc meetings to be held upon the request of the Authority, the Tłı̄chq Government and/or Project Co;
 - (v) provide non-binding recommendations to the Authority related to Project Co requests for relief under Section 3.3 of this Schedule, taking into account the factors listed in Section 3.3(f) of this Schedule; and
 - (vi) consult with the Tłı̄chq Training Committee as required to facilitate effective implementation of the Tłı̄chq Training Plan.
- (b) The Tłı̄chq ASR Executive Committee will be required to carry out its intended functions even if a non-Authority body fails to appoint a representative to the Tłı̄chq ASR Executive Committee or if one or more Tłı̄chq ASR Executive Committee members fail to attend a scheduled meeting, provided that at least one Authority committee member is present at such meeting.
- (c) Meetings shall be held at such location(s) as may be decided by the committee. Meetings may be held by conference call or video call provided each committee member can hear and be heard. The Project Co Representative will take minutes for each meeting of the Tłı̄chq ASR Executive Committee and will circulate such minutes to all committee members within 5 Business Days. The Tłı̄chq ASR Executive Committee may invite to its meetings or exclude from any meeting or from any part of any meetings any individuals not on the

Tłıçhǫ ASR Executive Committee as may be decided by the majority of the committee members present.

3.2 Reporting

- (a) Project Co shall provide the Authority Representative and the Tłıçhǫ ASR Executive Committee with:
 - (i) a monthly report, or otherwise as may periodically be requested by the Authority or the Tłıçhǫ ASR Executive Committee, acting reasonably, on the status of Project Co's compliance with and performance of the Local Content Requirements and the Local Content Engagement Plan in such form and with such content as acceptable to the Authority Representative and the Tłıçhǫ ASR Executive Committee, acting reasonably;
 - (ii) labour records and paid business invoices, as applicable:
 - A. within 20 Business Days following each anniversary of the Effective Date with respect to the percentage of Construction Labour Costs paid to Tłıçhǫ Citizens and/or workers procured by a Tłıçhǫ Business during the prior 12 months;
 - B. within 20 Business Days following the Substantial Completion Date with respect to the Tłıçhǫ Construction Labour Requirement and the Local Business Construction Requirement;
 - C. within 20 Business Days following the end of each Operating Year with respect to the Tłıçhǫ Operating Labour Requirement and the Local Business Operations Requirement; and
 - D. at the same time as the quarterly reports required in accordance with Section (b)(i)3.2(b)(i) in respect of the implementation of the Tłıçhǫ Training Plan and the Tłıçhǫ Training Requirement;
 - (iii) such other documentation and information in respect of the Local Content Requirements as the Authority Representative or the Tłıçhǫ ASR Executive Committee may reasonably request; and
 - (iv) copies of any proposed revisions to the Local Content Engagement Plan or any of its constituent plans.
- (b) Project Co shall provide the Authority Representative, the Tłıçhǫ ASR Executive Committee and the Tłıçhǫ Training Committee with:
 - (i) quarterly reports by the dates indicated in Table 3 (Reports and Plans Requirements) of Appendix 8A [Assignment of Compliance Failure Points] on the implementation of the Tłıçhǫ Training Plan, with the following information included for each trainee, as applicable:
 - A. name;
 - B. year of apprenticeship;
 - C. length of employment; and/or

- D. confirmation of enrollment;
- (ii) such additional information as reasonably requested by the Authority Representative, the Tłı̨chq̨ ASR Executive Committee and/or the Tłı̨chq̨ Training Committee; and
- (iii) copies of any proposed revisions to the Tłı̨chq̨ Training Plan.

3.3 Requests for Relief from Minimum Local Content Requirements

- (a) To the extent that Project Co is unable to satisfy the Tłı̨chq̨ Construction Labour Requirement, Project Co may request relief if Project Co can demonstrate that it has diligently carried out its Tłı̨chq̨ Construction Labour Plan and that the failure to satisfy the Tłı̨chq̨ Construction Labour Requirement is due to factors outside Project Co's reasonable control.

To seek relief under this Section 3.3(a), Project Co must convene a meeting with the Authority and the Tłı̨chq̨ ASR Executive Committee and, 10 Business Days before the meeting, distribute materials to the Authority and the Tłı̨chq̨ ASR Executive Committee that address the following:

- (i) evidence of Tłı̨chq̨ Construction Labour Plan efforts;
- (ii) evidence of Tłı̨chq̨ Construction Labour Plan achievements;
- (iii) challenges to Tłı̨chq̨ Construction Labour Plan;
- (iv) adjustments to implementation of Tłı̨chq̨ Construction Labour Plan attempted and results; and
- (v) proposed level of relief to the Tłı̨chq̨ Construction Labour Requirement.

Any relief granted with respect to the Tłı̨chq̨ Construction Labour Requirement shall be decided in the Authority's discretion, or, if Project Co disputes the Authority's decision, according to a final determination reached through the Dispute Resolution Procedure.

- (b) To the extent that Project Co is unable to satisfy the Local Business Construction Requirement, Project Co may request relief from the Local Business Construction Requirement if Project Co can demonstrate that it has diligently carried out its Local Business Construction Plan and that the failure to satisfy the Local Business Construction Requirement is due to factors outside Project Co's reasonable control.

To seek relief under this Section 3.3(b), Project Co must convene a meeting with the Authority and the Tłı̨chq̨ ASR Executive Committee and, 10 Business Days before the meeting, distribute materials to the Authority and the Tłı̨chq̨ ASR Executive Committee that address the following:

- (i) evidence of Local Business Construction Plan efforts;
- (ii) evidence of Local Business Construction Plan achievements;
- (iii) challenges to Local Business Construction Plan;

- (iv) adjustments to implementation of Local Business Construction Plan attempted and results; and
- (v) proposed level of relief to the Local Business Construction Requirement.

Any relief granted with respect to the Local Business Construction Requirement shall be decided in the Authority's discretion, or, if Project Co disputes the Authority's decision, according to a final determination reached through the Dispute Resolution Procedure.

- (c) To the extent that Project Co is unable to satisfy the Tłı̄ch̄q Operating Labour Requirements, Project Co may request relief from the Tłı̄ch̄q Operating Labour Requirement if Project Co can demonstrate that it has diligently carried out its Tłı̄ch̄q Operating Labour Plan and that the failure to satisfy the Tłı̄ch̄q Operating Labour Requirement is due to factors outside Project Co's reasonable control.

To seek relief under this Section 3.3(c), Project Co must convene a meeting with the Authority and the Tłı̄ch̄q ASR Executive Committee and, 10 Business Days before the meeting, distribute materials to the Authority and the Tłı̄ch̄q ASR Executive Committee that address the following:

- (i) evidence of Tłı̄ch̄q Operating Labour Plan efforts to date;
- (ii) evidence of Tłı̄ch̄q Operating Labour Plan achievements to date;
- (iii) challenges to the Tłı̄ch̄q Operating Labour Plan;
- (iv) adjustments to implementation of the Tłı̄ch̄q Operating Labour Plan already attempted and results;
- (v) proposed level of relief to the Tłı̄ch̄q Operating Labour Requirement; and
- (vi) future adjustments to implementation of the Tłı̄ch̄q Operating Labour Plan.

Any relief granted with respect to the Tłı̄ch̄q Operating Labour Requirement shall be decided in the Authority's discretion, or, if Project Co disputes the Authority's decision, according to a final determination reached through the Dispute Resolution Procedure. Any relief granted under this Section 3.3(c) shall be limited to one year unless further relief is requested and granted.

- (d) To the extent that Project Co is unable to satisfy the Local Business Operations Requirement, Project Co may request relief from the Local Business Operations Requirement if Project Co can demonstrate that it has diligently carried out its Local Business Operations Plan and that the failure to satisfy the Local Business Operations Requirement is due to factors outside Project Co's reasonable control.

To seek relief under this Section 3.3(d), Project Co must convene a meeting with the Authority and the Tłı̄ch̄q ASR Executive Committee and, 10 Business Days before the meeting, distribute materials to the Tłı̄ch̄q ASR Executive Committee and the Authority that address the following:

- (i) evidence of Local Business Operations Plan efforts to date;
- (ii) evidence of Local Business Operations Plan achievements to date;
- (iii) challenges to the Local Business Operations Plan;

- (iv) adjustments to implementation of the Local Business Operations Plan already attempted and results;
- (v) proposed level of relief to the Local Business Operations Requirement; and
- (vi) future adjustments to implementation of the Local Business Operations Plan.

Any relief granted with respect to the Local Business Operations Requirement shall be decided in the Authority's discretion, or, if Project Co disputes the Authority's decision, according to a final determination reached through the Dispute Resolution Procedure. Any relief granted under this Section 3.3(d) shall be limited to one year unless further relief is requested and granted.

- (e) To the extent that Project Co is unable to satisfy the Tłıchq Training Requirement, Project Co may request relief from the Tłıchq Training Requirement if Project Co can demonstrate that it has diligently carried out their Tłıchq Training Plan and that the failure to satisfy the Tłıchq Training Requirement is due to factors outside Project Co's reasonable control.

To seek relief under this Section 3.3(e), Project Co must convene a meeting with the Authority, the Tłıchq ASR Executive Committee and the Tłıchq Training Committee and, 15 Business Days before the meeting, distribute materials to the Authority, the Tłıchq ASR Executive Committee and the Tłıchq Training Committee that address the following:

- (i) evidence of Tłıchq Training Plan efforts to date;
- (ii) evidence of Tłıchq Training Plan achievements to date;
- (iii) challenges to the Tłıchq Training Plan;
- (iv) adjustments to implementation of the Tłıchq Training Plan already attempted and results;
- (v) proposed level of relief to the Tłıchq Training Requirement; and
- (vi) future adjustments to implementation of the Tłıchq Training Plan.

Any relief granted with respect to the Tłıchq Training Requirement shall be decided in the Authority's discretion, or, if Project Co disputes the Authority's decision, according to a final determination reached through the Dispute Resolution Procedure. Any relief granted under this Section 3.3(e) shall be limited to one year unless further relief is requested and granted.

- (f) In considering any application from Project Co for relief pursuant to this Section 3.3, the Authority may take into consideration, without limitation, the following:
 - (i) the non-binding recommendations of the Tłıchq ASR Executive Committee and, if applicable, the Tłıchq Training Committee;
 - (ii) Project Co's demonstrated effort in meeting the relevant plan's requirements;
 - (iii) Project Co's adaptation of the plan to changed circumstances;
 - (iv) Project Co's effort in making adaptations;
 - (v) Project Co's level of success achieved during prior periods;

- (vi) local labour market conditions; and
- (vii) Project Co resources dedicated to achieving plan success.

4. OTHER MATTERS

4.1 Cooperation with Consultation

Project Co, at the request of the Authority, shall co-operate with and provide reasonable assistance to the Authority in connection with any consultations by the Authority with any Tłı̄chq Citizen and/or Tłı̄chq Business on issues pertaining to the Project.

4.2 Tłı̄chq Community Updates

Project Co shall host in-person community update sessions to provide community members with information regarding the status of the Project and to answer any questions from community members. Such update sessions shall be held according to the following schedule:

- (a) in the community of Whatı̄, on at least a semi-annual basis during the Construction Period and on at least an annual basis during the Operating Period;
- (b) in the community of Behchokq̄, on at least a semi-annual basis during the Construction Period and on at least an annual basis during the Operating Period;
- (c) in the community of Gamèti, on at least an annual basis during both the Construction Period and the Operating Period; and
- (d) in the community of Wekweèti on at least an annual basis during both the Construction Period and the Operating Period.

The above schedule indicates minimum requirements. Project Co shall host additional in-person community update sessions throughout the Term as required by the Authority and/or the Tłı̄chq ASR Executive Committee to provide updates to and/or address concerns of community members.

4.3 Designated Community Coordination Lead

Project Co shall designate a Community Coordination Lead, who shall be an employee or contractor of Project Co, the Design-Builder (during the Construction Period) or the Service Provider (during the Operating Period). The Community Coordination Lead shall be a Key Individual and shall have responsibility for the matters described in this Schedule. The Community Coordination Lead shall be available at all times to confer and consult with the Authority and a designated representative of the Tłı̄chq Government at the request of the Authority or the Tłı̄chq Government from time to time.

APPENDIX 20A

TŁIČHQ TRAINING POSITIONS

Training Position	Category
Project Manager	Administrative
Logistics coordinator	Administrative
Procurement coordinator	Administrative
Draftsman	Administrative
Tower operator - crusher	Civil Works
Aggregate QC tester	Civil Works
Batch plant operator	Civil Works
Heavy equipment operator - dozer	Civil Works
Heavy equipment operator - packer	Civil Works
Heavy equipment operator - grader	Civil Works
Heavy equipment operator - loader	Civil Works
Heavy equipment operator - excavator	Civil Works
Heavy equipment operator - haul truck	Civil Works
Heavy equipment operator - mobile crane	Civil Works
Blaster	Civil Works
Surveyor	Civil Works
Archaeologist assistant	Environment
Environmental monitor (including skills in respect of water quality, land use, air quality and wildlife monitoring)	Environment
Heavy duty mechanic	Trades
Welder	Trades
Machinist	Trades
Partsperson	Trades
Cook	Trades

APPENDIX 20B

TŁ|CHQ ASR EXECUTIVE COMMITTEE CODE OF CONDUCT

See attached.

Tłı̨chǫ ASR Executive Committee Confidentiality Code of Conduct

(" Confidentiality Code")

TO: The Government of the Northwest Territories (the " Authority")

AND TO: North Star Infrastructure GP (" Project Co")

AND TO: The Tłı̨chǫ Government

(the " Stakeholders")

All capitalized terms not otherwise defined herein shall have the meaning given to them in the project agreement entered into between the Authority and Project Co on {{Month}} {{Day}}, {{Year}} (the "**Project Agreement**").

Pursuant to the Project Agreement for the Tłı̨chǫ All-Season Road project (the "**Project**"), certain individuals will be appointed by the Stakeholders to serve on the Tłı̨chǫ ASR Executive Committee (the "**Committee**") to fulfill functions set out in Schedule 20 of the Project Agreement (the "**Purpose**"). Each Committee member acknowledges that the purpose of this Confidentiality Code is to ensure that Stakeholder Confidential Information disclosed to the Committee over the life of the Project is handled appropriately. While serving on the Committee, Committee members may receive Confidential Information from Stakeholders such as, but not limited to, Personal Information, Project Co proprietary information and information that is politically sensitive. As a result, Committee members must ensure that they do not share information in a manner that could unfairly jeopardize the rights and interests of the Stakeholders.

Each Committee member commits to the Stakeholders that he/she will at all times abide by the following requirements:

1. Committee Member Obligations. The Committee members shall not disclose any Confidential Information to anyone outside the Committee, subject to the following exceptions:
 - (a) to the extent disclosure is required to achieve the Purpose (in which case Committee members will disclose only the portion of Confidential Information that is required to be disclosed, and shall anonymize such Confidential Information before disclosure, to the extent it is practical to do so); and
 - (b) subject to any restrictions on the Confidential Information which are imposed by a third party that may own any Confidential Information, any of the following situations apply:
 - (i) the Stakeholder that disclosed the Confidential Information confirms in writing it is not required to be treated as Confidential Information;
 - (ii) the Confidential Information is or comes into the public domain otherwise than through any disclosure prohibited by this Confidentiality Code;
 - (iii) the Committee is required to disclose such Confidential Information by Law, including, without limitation, a disclosure required under the *Access to Information and Protection of Privacy Act* (Northwest Territories); or
 - (iv) to the extent disclosure is consistent with any Authority policy concerning the Authority's Confidential Information, the details of which have been

Appendix 20B – Tłı̨chǫ ASR Executive Committee Confidentiality Code of Conduct
Tłı̨chǫ All Season Road Project Agreement – Execution Version

provided to Project Co and the Tłı̨chǫ Government in writing prior to the disclosure.

Committee members shall protect the Confidential Information from unauthorized use, access or disclosure using no less than a reasonable degree of care.

2. Return or Destruction of Confidential Information. Upon the request of any Stakeholder, each Committee member shall promptly return to the applicable Stakeholder or destroy all of the Confidential Information in his/her possession, other than any Confidential Information that he/she is required to keep to achieve the Purpose or for record-keeping purposes, provided, however, that each Committee member may retain copies of the Confidential Information that are stored on the Committee member's information technology backup and disaster recovery systems until the ordinary course deletion thereof. Notwithstanding the return or destruction of such Confidential Information, each Committee member shall continue to be bound by the terms and conditions of this Confidentiality Code with respect to such retained Confidential Information.
3. Term and Termination. The term of this Confidentiality Code shall commence on the date set out below and shall continue for as long as the Committee member serves on the Committee. Notwithstanding anything to the contrary herein, each Stakeholder's rights and each Committee member's obligations under this Confidentiality Code shall survive indefinitely, even after the return or destruction of the Stakeholders' Confidential Information.
4. Reporting of Breach: To the extent a Committee member learns of any breach or potential breach of this Confidentiality Code, the Committee member shall report such finding to the Committee, and the Committee shall thereafter notify the Stakeholders. The relevant contact information for the Stakeholders is as follows:

Government of the Northwest Territories

[Redacted]

Project Co

[Redacted]

and

[Redacted]

Tłı̨chǫ Government

[Redacted]

Committee members will cooperate in any investigation of misconduct or potential misconduct initiated by any of the Stakeholders.

[SIGNATURE PAGE FOLLOWS]

Dated this ____ day of _____, 20 ____.

By:

Name: