March 30, 2010

His Worship Fred Eisenberger
Mayor
City of Hamilton
Hamilton City Centre
77 James Street North
Hamilton, Ontario
L8R 2K3

Dear Mayor Eisenberger:

As part of the province’s commitment to supporting public transit, I am pleased to advise you that the City of Hamilton has been authorized to receive a one-time grant of $4,402,867 to be used for the replacement of municipal transit buses.

An additional payment of $4,333,611 is being provided for the balance of the Ontario Bus Replacement Program (OBRP) funding committed through the 2008 and/or 2009 program years.

Please be advised that this letter constitutes notice of termination of the OBRP and any letter of agreement entered into between the municipality and the Ministry under that program and the payment obligations, if any, the Ministry may have under such letter of agreement will be satisfied by the one-time grant that has been approved.

The approved funds will be transferred to you by June 30, 2010, at which time the Ministry of Transportation will also provide details on reporting requirements and other accountability related requirements. These requirements will include, as a minimum, a description of the types of eligible expenditures for which the funding is intended, and reporting requirements on how the funds were used. In addition, the Province reserves audit rights to ensure that funds were used for the purpose intended and to recover funds if it is determined that they were not used, or will not be used, for the intended purpose.

The Province expects that any contracts for procuring replacement buses will be awarded in a transparent and fair process, and compliant with the Canadian Content Policy requirements.
Please acknowledge your receipt of this letter by signing and returning the enclosed duplicate copy of this letter to the address below by April 30, 2010 to initiate payment processing:

Michelle Pasqua  
Manager, Controllership Office  
301 St. Paul Street  
St. Catharines, Ontario  
L2R 7R4

Transit continues to be a priority for the province and we are committed to sustainable transit funding through the gas tax. The province’s record transit investments since 2003 are improving public transportation, generating jobs, stimulating the economy and reducing greenhouse gas emissions and congestion. We will be including bus replacement costs as eligible expenses under the gas tax funding program.

If you have any questions regarding this matter, please contact Andrew Posluns, Director, Transit Policy Branch, at (416) 585-7347.

Sincerely,

[Signature]
Bruce McCuaig  
Deputy Minister

c: Andrea Horwath, MPP, Hamilton Centre  
The Honourable Sophia Aggelonitis, MPP, Hamilton Mountain  
Paul Miller, MPP, Hamilton East-Stoney Creek  
Ted McMeekin, MPP, Ancaster-Dundas-Flamborough-Westdale

Acknowledged by:  
[His Worship Fred Eisenberger]:  

[Signature and Title]  
Date  
31 March 2010

TOTAL P.03