

## Report TR-TAPS-76-15

**To:** Chair Barfoot and Members of the Transportation and Public Safety Committee  
**From:** M.J. Kelly, Director of Transportation Services  
**Meeting Date:** October 22, 2015  
**Subject:** Termination of Municipality of Meaford Sand/Salt Storage Structure Agreement  
**Status:** Recommendation adopted by Committee **as amended** per Resolution TAPS147-15; Endorsed by County Council November 3, 2015 per Resolution CC148-15;

### Recommendation(s)

**WHEREAS the Municipality of Meaford and the County of Grey executed an agreement regarding the cost sharing of the salt/sand storage structure located at 157859 7<sup>th</sup> Line (Lot 14, Concession VI), former Township of St. Vincent, Municipality of Meaford;**

**AND WHEREAS the County no longer requires the salt/sand storage structure;**

**NOW THEREFORE BE IT RESOLVED THAT Report TR-TAPS-76-15 regarding the termination of the sand/salt storage structure agreement with the Municipality of Meaford be received;**

**AND THAT the Transportation Services Staff advise the Municipality of Meaford that Grey County shall terminate the agreement regarding the salt/sand storage structure located at 157859 7<sup>th</sup> Line (Lot 14, Concession VI), former Township of St. Vincent, Municipality of Meaford, as per the terms in the agreement.**

### Background

In 1989, a sand/salt storage structure with a capacity of 3,060 cubic metres was constructed at 157859 7<sup>th</sup> Line (Lot 14, Concession VI) in the former Township of St. Vincent. The structure was constructed by Grey County on lands owned by the Township of St. Vincent. The cost of the storage structure and all repairs has been split at the rate of 65 percent by the Township and 35 percent by the County.

On September 3, 1996, Grey County and St. Vincent Township executed an agreement regarding the responsibilities of the sand/salt storage structure. On November 7, 2002, this agreement was resigned by the Municipality of Meaford and Grey County. In accordance with the agreement, the Municipality and the County jointly owns the storage structure until the agreement is terminated. The Municipality and the County will share the maintenance cost at a rate of 65 and 35 percent, respectively. Termination of the agreement requires 36 months advance notice. If either party terminates the agreement, the Municipality will pay 35 percent of the appraised value of the storage structure as determined by an independent appraiser.

Grey County has not used the storage structure for a long period and has no plans to use it in the future.

The storage structure appears to be in good condition.

The Municipality of Meaford staff is in general agreement with this proposal.

## Financial / Staffing / Legal / Information Technology Considerations

In accordance with the terms of the agreement the Municipality of Meaford will be required to compensate Grey County 35 percent of the appraised value of the sand/salt storage building when the agreement is terminated.

## Link to Strategic Goals / Priorities

Not applicable.

## Attachments

Municipality of Meaford Sand/Salt Storage Structure Agreement

Respectfully submitted by,

M.J. Kelly  
Director of Transportation Services

THE CORPORATION OF THE COUNTY OF GREY

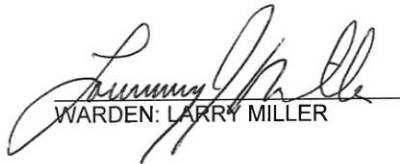
BY-LAW NO. 3977-2002

A BY-LAW TO RATIFY AN AGREEMENT BETWEEN  
THE CORPORATION OF THE COUNTY OF GREY AND  
THE MUNICIPALITY OF MEAFORD  
FOR MAINTAINING A SAND/SALT STORAGE STRUCTURE

THE COUNCIL OF THE CORPORATION OF THE COUNTY OF GREY HEREBY ENACTS  
AS FOLLOWS:

1. THAT the Warden and the Clerk of the Corporation of the County of Grey are hereby authorized and instructed to execute the Agreement, being an agreement bearing the date of the 7th day of November, 2002, between the Corporation of the County of Grey and the Municipality of Meaford regarding the maintaining of a sand and salt storage building on the property owned by the Municipality of Meaford at Part of Lot 14, Concession 6 in the Municipality of Meaford (former Township of St. Vincent).
2. THAT the Agreement referenced in Clause 1 is attached hereto and forms part of this by-law.
3. THAT this by-law shall come into force and take effect on, from, and after the final passing thereof.
4. THAT By-Law No. 3569-96 is hereby rescinded.

ENACTED AND PASSED THIS 3rd day of December 2002.

  
WARDEN: LARRY MILLER

  
CLERK: SHARON VOKES

AGREEMENT made this 7th day of November, 2002.

BETWEEN:

THE CORPORATION OF THE COUNTY OF GREY

Hereinafter called the "COUNTY"

OF THE FIRST PART

AND

THE CORPORATION OF THE MUNICIPALITY OF MEAFORD  
(FORMER TOWNSHIP OF ST. VINCENT)

Hereinafter called the "MUNICIPALITY"

OF THE SECOND PART

WHEREAS the "County" and the "Municipality" are sharing ownership of a sand/salt storage structure being used by the "County" and the "Municipality" for the storage of sand and salt and other materials for road maintenance use;

AND WHEREAS it has been agreed that each Party will contribute to the cost of the maintenance thereof hereafter in proportion to the storage use to be made of such building by each Party;

AND WHEREAS the parties desire to enter into this Agreement to declare their respective rights, obligations, and liabilities in connection with the said sand and salt storage structure and their right of user of the same hereinafter;

WITNESSETH THAT THE PARTIES AGREE AS FOLLOWS:

1. The "County" and the "Municipality" erected a sand/salt storage structure on lands owned by the "Municipality" of Meaford.

2. The cost of construction was borne by the parties as follows:

BY THE "COUNTY" 50%

BY THE "MUNICIPALITY" 50%

The cost of construction was paid in the first instance by the "County". The "Municipality" paid to the "County" their share after construction was completed.

3. The "Municipality" shall share the use of the building thereof for sand storage purposes hereafter with the "County" and during such period the "County" and its duly authorized servants and agents and employees shall have all necessary rights-of-way and access to said storage structure and area as may be necessary for their purposes.

4. Ownership of the sand/salt storage structure will remain as follows:

by the "County" 35%

by the "Municipality" 65%

The "County's" ownership in the sand/salt storage structure was reduced by 5% per year commencing on January 1st, 1994, until the "County's" ownership was reduced to 35%. The "Municipality's" ownership in the sand/salt storage structure was increased by 5% per year commencing on January 1st, 1994, until the "Municipality's" ownership was increased to 65%. The 5% ownership reduction for

the "County" and the 5% ownership increase for the "Municipality" will be supported by sand usage quantities. The price paid to the "County" for this new ownership portion will be based on the total price of the sand/salt storage structure at the time of construction.

Initial construction costs were as follows in July of 1992.

"County"	\$82,215.40
"Municipality"	\$82,215.40

Upon payment of \$8,215.40 in 1994, 1995, and 1996, the "Municipality" increased its ownership to:

"County" -	\$57,569.20
"Municipality" -	\$106,861.60

5. During the term of this agreement, the sand structure shall be maintained by the "Municipality" and all costs of maintenance shall be paid by the "Municipality" in the first instance and the "County" shall pay its share thereof to the "Municipality" on demand.

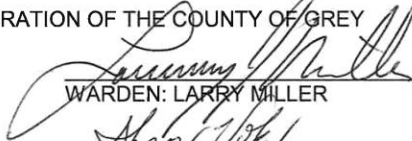
The costs of maintenance shall be borne as follows:

by the "County"	35%
by the "Municipality"	65%

6. Either party may terminate this agreement on giving to the other 36 months' notice in writing addressed to the respective Clerk of the Municipality. If either party shall terminate the Agreement, the "Municipality" shall pay to the "County" an amount equal to the percentage ownership owned by the "County" at that time; at a value as determined by an independent appraiser. The said sum shall be paid to the "County" on the termination of the agreement, i.e. 36 months from the date of giving notice of termination. If the "County" and the "Municipality" cannot agree on an appraiser, then an arbitrator is to be appointed pursuant to the Arbitrations Act.
7. The percentage of ownership may change based on actual usage by both parties. This actual usage by both parties will be monitored on a year-to-year basis. By mutual agreement by both parties, this usage will be reviewed every five years and either party may be able to buy a larger percentage of ownership based on this usage and the appraised value of the structure at that time.
8. It will be understood that either the "Municipality" or the "County" will be responsible for placing and stockpiling of all sand inside the structure. The "County" or the "Municipality" will then invoice the other for their proportionate share.
9. The "Municipality" will supply a loader for the loading of salt/sand that will be utilized by both parties. The "Municipality" will submit periodic accounts to the "County" for their use of this loader.

IN WITNESS WHEREOF the respective Corporations have hereunto affixed their Corporate Seals as attested by their duly authorized officers.

THE CORPORATION OF THE COUNTY OF GREY

  
WARDEN: LARRY MILLER

  
CLÉRK: SHARON VOKES

THE CORPORATION OF THE MUNICIPALITY OF MEAFORD

  
MAYOR: GERALD SHORTT

  
CLERK-TREASURER: RICHARD HOLLAND