

THE CORPORATION OF THE TOWNSHIP OF KILLALOE, HAGARTY AND RICHARDS

BY-LAW NUMBER 61-2008

Being a by-law to authorize the execution of an Agreement between the Township of Killaloe, Hagarty and Richards and the Township of Bonnechere Valley;

WHEREAS the Council of the Corporation of the Township of Killaloe, Hagarty and Richards deems it expedient to enter into an agreement with the Township of Bonnechere Valley for the purpose of shared services and equipment,

NOW THEREFORE the Municipal Corporation of the Township of Killaloe, Hagarty and Richards enacts as follows:

1. THAT the Mayor and the Chief Administrative Officer be, and they are hereby authorized to sign on behalf of the Township of Killaloe, Hagarty and Richards, the agreement attached hereto and marked as Schedule "A" to this by-law.
2. THAT this by-law shall come into force and take effect upon the date of the final passing thereof.

READ A FIRST AND SECOND TIME THIS 2nd DAY OF DECEMBER, 2008.

READ A THIRD TIME AND PASSED THIS 2nd DAY OF DECEMBER, 2008.

Mayor

CAO/Clerk-Treasurer

SCHEDULE "A" TO BY-LAW NO. 61-2008

This Shared Vehicles and Equipment Agreement (hereinafter called the Agreement) made this 2ND day of December, 2008

AMONG:

THE CORPORATION OF THE TOWNSHIP OF
KILLALOE, HAGARTY and RICHARDS

(Hereinafter called KH&R)

- and -

THE CORPORATION OF THE TOWNSHIP OF BONNECHERE VALLEY

(Hereinafter called BV)

WHEREAS the Councils of the Townships of KH&R and BV are desirous of sharing equipment in an on-going co-operative effort to create enhanced delivery of services at reduced cost to the ratepayers of their respective Townships;

NOW THEREFORE in consideration of the mutual terms, covenants and undertakings hereinafter set out, the parties hereto agree as follows:

In this Agreement, the following definitions apply:

Chief Administrative Officer	means the Chief Administrative Officer, Clerk-Treasurer or other designated administrative head of a partner municipality to this Agreement;
Partner Municipalities	means one or more of The Corporation of the Township of Killaloe, Hagarty and Richards or The Corporation of the Township of Bonnechere Valley;
Partner Municipality	means one of The Corporation of the Township of Killaloe, Hagarty and Richards or The Corporation of the Township of Bonnechere Valley;
Shared Services Committee	means the Committee formed pursuant to Article 6 of this Agreement;
Townships	means The Corporation of the Township of Killaloe, Hagarty and Richards and The Corporation of the Township of Bonnechere Valley;
Use Rate	means the rate assigned to vehicles and equipment as set out in Schedules "A" and "B". The Use Rate is intended to allow the municipality that owns the vehicle/equipment to recover maintenance and repair costs and to receive fair contribution towards replacement cost of the vehicle/equipment based on use;
Works Superintendent	means the Works Superintendent, Road Superintendent or other department head responsible for works or roads within a partner municipality.

1. EQUIPMENT TO BE SHARED

KH&R agrees to make vehicles or equipment available for the use by BV at the Use Rate as set out in Schedule "B";

BV agrees to make vehicles or equipment available for the use by KH&R at the Use Rate as set out in Schedule "B" ;

The availability of all of the vehicles or equipment set out in Schedule "B" is subject to the terms set out in this Agreement;

The Townships agree to review Schedules A&B annually, and in any event no later than the 30th day of September in each and every year during the term of this Agreement to make certain that the said Schedules are current and up-to-date. Upon submission by a Partner Municipality of a revised Schedule "B", at any time during the term of this Agreement to the other Partner Municipalities, this Agreement shall be deemed to be amended by adding the revised Schedule "B" which was submitted and deleting the previous Schedule "B".

The Works Superintendents in conjunction with the Chief Administrative Officers of the Partner Municipalities shall review the Use Rate of all vehicles and equipment annually ;

2. JOINT EQUIPMENT INVESTMENT

2.1 The Townships agree that they have in the past, or will in the future, consider jointly investing in vehicles and equipment in order to reduce costs for all ratepayers;

2.2 The list of vehicles and equipment in which there is a joint investment is set out in Schedule "B". Upon purchasing additional vehicles and equipment pursuant to Article 2.1, the additional vehicles or equipment shall be added to Schedule "B". In the event vehicles or equipment is sold, each Partner Municipality shall receive a share of the net sale proceeds in the same proportion as was contributed by the Partner Municipality at the time of purchase. Schedule "B" shall be reviewed annually, and upon adding a revised Schedule "B", this Agreement shall be deemed to have been amended by adding the revised Schedule "B" and deleting the previous Schedule "B";

2.3 All such vehicles and equipment purchased by the Partner Municipalities must be approved by the Councils of the Partner Municipalities;

2.4 The cost of all vehicles and equipment in which there is joint investment and which is purchased pursuant to this Agreement must be shared equally among KH&R and BV unless there is agreement by KH&R and BV otherwise;

2.5 KH&R and BV agree to contribute to a fund which is equal to the Use Rate as set out in Schedule B which fund will cover the cost of repairs, maintenance, and contribute towards replacement cost of any vehicles and equipment purchased pursuant to Article 2;

2.6 It is acknowledged that from time to time it will be necessary for one of KH&R and BV to hold title to the vehicles or equipment purchased pursuant to this section of the Agreement in the name of one of the Partner Municipalities hereto. In the event one of the Partner Municipalities holds title to the vehicles or equipment, it is hereby declared and agreed that any such vehicles and equipment shall be held in trust for itself and the two other Partner Municipalities to this Agreement in the proportionate share contributed by each of the Partner Municipalities to the purchase price;

3. CONTINUED RIGHT TO PURCHASE VEHICLES OR EQUIPMENT SEPARATELY

- 3.1 The Townships agree that KH&R and BV may continue to purchase vehicles and equipment during the term of this Agreement, which are not subject to Article 1 or 2 of this Agreement

4. CONDITIONS FOR USE

- 4.1 KH&R and BV agree that only qualified and licensed individuals will operate any of the vehicles and equipment that is subject to the terms of this Agreement;
- 4.2 It is understood and agreed that the Use Rates as set out in Schedule "B" are for the vehicles and equipment. Each of KH&R and BV will provide qualified and licensed individuals to operate the vehicles and equipment pursuant to this Agreement;
- 4.3 The Townships agree to forward a copy of this Agreement to the insurer to make certain that all operators and the vehicles and equipment are adequately covered by a \$20 Million liability insurance and replacement cost for the vehicles and equipment. The Partner Municipalities also agree to advise their insurers that vehicles and equipment will be shared and request confirmation from the insurer that insurance coverage will be maintained for vehicles and equipment shared pursuant to this Agreement;

5. OPERATING STRUCTURE

- 5.1 The Works Superintendents in conjunction with the Chief Administrative Officers shall develop and put in place whatever policies are necessary to carry out the terms of this Agreement;
- 5.2 KH&R and BV agree that the Works Superintendents shall be responsible for implementing policies put in place in accordance with this Agreement;
- 5.3 The Works Superintendents shall meet a minimum of three times per year to discuss and review operational issues. Minutes of any of the meetings held pursuant to this Article shall be provided to the Chief Administrative Officers of the Partner Municipalities;
- 5.4 The Works Superintendents are encouraged to communicate on a regular basis in order to ensure that the intent of this Agreement is implemented fairly and efficiently so that there is maximum benefit to all Partner Municipalities;
- 5.5 Any of the Works Superintendents may call a meeting at any time on reasonable notice in order that operational issues can be discussed and resolved;

6. SHARED SERVICES COMMITTEE

- 6.1 Each Council of KH&R and BV agree to appoint two members each from their respective Councils to a Shared Services Committee. The Shared Services Committee shall select a Chairperson who will hold office for a period of one year from the date of appointment.
- 6.2 The Shared Services Committee shall meet a minimum of two times per year to review this Agreement, its implementation and to explore further opportunities to share services, vehicles and equipment.
- 6.3 In the event the Works Superintendents are unable to resolve an operational issue, the Works Superintendents shall refer the operational issue to the Shared Services Committee who shall have authority to direct the Works Superintendents with respect to any operational issue under

dispute.

- 6.4 In the event the Shared Services Committee cannot resolve the operational issue under dispute, the operational issue shall be resolved pursuant to the Dispute Resolution provisions of this Agreement;

7. TERM OF AGREEMENT

- 7.1 The term of this Agreement shall be for a period of three years commencing January 1, 2009 and is subject to the Termination of Agreement Article as set out herein.

8. FINANCIAL OPERATION

- 8.1 KH&R and BV agree that the Works Superintendents of each Partner Municipality will be responsible to maintain records relating to the use of the vehicles and equipment by each Partner Municipality and the accumulated Use Rates charged in favour of or against each Partner Municipality;
- 8.2 A report shall be submitted to each Chief Administrative Officer and the Councils of the Partner Municipalities quarterly. The formulation and compilation of the report may be set out in a policy formulated pursuant to Article 5.1 of this Agreement, however, the Works Superintendents shall be responsible to maintain and forward all required records in order that the report can be prepared and that the Councils of each Partner Municipality will have a clear understanding of the status of this Agreement;
- 8.3 Upon any Partner Municipality owing another Partner Municipality more than \$15,000.00 in Use Rates, the Partner Municipality to which the Use Rates are owed may, by Resolution of Council, demand that the amount owing which exceeds the sum of \$15,000.00 be paid. The Partner Municipality owing the amount shall have ninety (90) days from the date of receiving the demand to make the payment;
- 8.4 In the event a Partner Municipality chooses to terminate this Agreement in accordance with Article 9, then all amounts owing to that Partner Municipality pursuant to Article 1 shall be paid on the termination date. In the event a Partner Municipality chooses to terminate this Agreement and owes amounts to another Partner Municipality pursuant to Article 1, then the terminating Partner Municipality shall pay any amounts owed to other Partner Municipalities on the termination date.
- 8.5 The Partner Municipalities agree to share equally any additional expenses and costs relating to this Agreement not specifically set out herein.

9. TERMINATION OF AGREEMENT

- 9.1 KH&R and BV agree that any Partner Municipality may terminate this Agreement at any time upon giving one (1) years written notice to the other Partner Municipalities.
- 9.2 KH&R and BV further agree that any Partner Municipality may terminate the arrangement set out in Article 1 or Article 2 of this Agreement and not terminate the entire Agreement. The intent of this provision is that a Partner Municipality may choose to terminate either the vehicle/equipment use sharing or joint vehicle/equipment investment aspect of this Agreement. If a Partner Municipality chooses to terminate either of the arrangements set out in Article 1 or Article 2 and not the entire agreement, then such intention must be clearly set out in writing in the notice to terminate.

- 9.3 If KH&R or BV choose to terminate all of this Agreement, pursuant to Article 9.1 or terminate the joint vehicle/equipment investment aspect of this Agreement pursuant to Article 9.2, then the remaining parties shall have the first option to purchase any of the vehicles and equipment purchased pursuant to Article 2 of this Agreement at fair market value to be determined by the average of two independent appraisals. If the remaining parties do not wish to purchase the said vehicles and equipment, then the terminating party shall have the option to purchase at fair market value as set out in this Article. In the event none of the parties choose to purchase any of the vehicles and equipment purchased pursuant to Article 2 of this Agreement, then the said vehicles and equipment shall be sold and the proceeds divided in the same proportion as was contributed by the parties at the time of purchase.
- 9.4 In the event any of the Partner Municipalities terminates the entire Agreement, then the fund established pursuant to Article 2.5 shall be divided equally on the termination date.

10. **INDEMNIFICATION**

- 10.1 Each of KH&R and BV covenants to indemnify and save the others harmless from any and all claims, liabilities, damages, costs, expenses, suits or actions resulting from any breach, violation, or non-performance of any covenant, obligation or agreement by it contained in this Agreement;

11. **DISPUTE RESOLUTION**

- 11.1 KH&R and BV agree that disputes as to any operation issue or any other matter relating to this Agreement may be referred by any of the Partner Municipalities for resolution by a single arbitrator appointed and proceeding under the Arbitrations Act of Ontario, whose decision shall be final and binding upon the parties.

12. **CONTINUATION OF AGREEMENT**

- 12.1 In the event the Partner Municipalities do not renew this Agreement at the end of the term or provide notice that the Agreement is terminated, this Agreement shall be automatically extended for a period of six (6) months in order to allow the Partner Municipalities an opportunity to complete any review and renewal process.
- 12.2 In the event one of the Partner Municipalities chooses to terminate all or a portion of this Agreement, then the terms of this Agreement shall be read with necessary amendments in order to give effect to the intent of this Agreement to the remaining Partner Municipalities.

13. **NOTICES**

- 13.1 All notice which may or are required to be given pursuant to any provision in this Agreement shall be given or made in writing and shall be delivered to or mailed by prepaid registered mail in the case of:

KH&R:
The Corporation of the Township of Hagarty and Richards
P.O. Box 39
1 John St.
Killaloe, Ontario
K0J 2A0
Attention: Chief Administrative Officer

BV:
The Corporation of the Township of Bonnechere Valley
49 Bonnechere Street
P.O. Box 100
Eganville, Ontario
K0J 1T0
Attention: Chief Administrative Officer

or to such other address as any Party hereto may from time to time advise the other Party hereto by notice in writing. The date of receipt of any such notice shall be deemed in the case of delivery to be the date of delivery or in the case of mailing to be the fifth day of business following the date of such mailing

IN WITNESS WHEREOF this Agreement has been executed by the Parties hereto and by their proper signing authorities

SIGNED, SEALED & DELIVERED

) THE CORPORATION OF
THE TOWNSHIP OF KILLALOE,
HAGARTY AND RICHARDS

PER: _____

) Janice Visneskie, Mayor

) _____

) Lorna Hudder, CAO

) We have the authority to bind the Corporation

) THE CORPORATION OF THE TOWNSHIP
OF BONNECHERE VALLEY

PER _____

Zig Mintha – Mayor

PER _____

Bryan Martin, CAO

We have the authority to bind the Corporation

Schedule "A"

AGREEMENT

Between the Township of Bonnechere Valley and the Township of Killaloe, Hagarty and Richards.

INTENT:

The parties to this agreement agree to share equipment and services in an ongoing co-operative effort to create enhanced delivery of services at reduced cost to the ratepayers of their respective Townships. The parties will appoint 2 elected members to the Joint Shared Services Committee. The Committee will make recommendations, which will require approval from the individual Councils of the Townships before being enacted. It is agreed that, in the future, the parties may wish to jointly purchase additional equipment, which is not presently covered by this agreement. At such time, this agreement may be modified to include provisions for the purchase and cost sharing of such equipment.

It is further agreed that the parties may purchase equipment individually during this agreement, and such equipment will not be covered by this agreement unless the parties agree to do so.

SCHEDULE OF TERMS, EQUIPMENT & RATES:

The parties agree to the schedule of terms, equipment and rates as set out in Schedule "B" (attached). It is agreed that this schedule may be revised upon the request of any of the parties. Revisions will be recommended by the Joint Shared Services Committee and approved by Councils. The parties agree to provide adequate insurance coverage, at their cost, for equipment and operators covered by this agreement. Minimum insurance coverage to be carried by each of the parties will be \$20,000,000.00 (Twenty-Million) liability insurance, and replacement cost insurance for property and equipment.

WITHDRAWAL FROM AGREEMENT:

The parties agree to give 30 days written notice of their intent to withdraw from this agreement. The parties agree that any credits/debits owing by/to the withdrawing party will be paid in full in cash by the end of the calendar year in which the withdrawal occurs. With respect to jointly purchased equipment, this agreement may be modified at the time of purchase to provide for withdrawal of any of the parties.

This agreement is signed in good faith on this 2nd day of December, 2008.

Zig Mintha, Mayor

Bryan Martin CAO

Janice Visneskie, Mayor

Lorna Hudder CAO

Schedule "B"

Equipment Rate with operator

Tandem truck 16 yards	\$50.00 per hour
Tandem truck 12 yards	\$45.00 per hour
Single axle truck	\$35.00 per hour
Grader	\$60.00 per hour
Brush Hog with grader	\$80.00 per hour
Loader 2.25 bucket	\$50.00 per hour
Back Hoe	\$50.00 per hour
Side walk machine with Sweeper	\$60.00 per hour
Pick up sweeper	\$60.00 per hour
Bull Dozer 450 John Deere	\$50.00 per hour
Water tank with single axle truck	\$35.00 per hour
Water tank with tandem truck	\$45.00 per hour
Tractor with Brush Hog	\$40.00 per hour

Equipment Rate without operator

Jumping Jack	\$30.00 per day
Roller 38 bull mag	\$75.00 per day
Chop Saw	\$30.00 per day
Gravel Retriever	\$50.00 per day
Chipper	\$35.00 per hour
Air Compressor with attachments	\$35.00 per hour
Air Compressor	\$30.00 per hour
Sand Blaster 200 lbs.	\$30.00 per day
Brush Hog – Grader	\$60.00 per hour
Loader	\$30.00 per hour
Back Hoe	\$30.00 per hour
Bull Dozer	\$30.00 per hour
Water tank with single axle truck	\$20.00 per hour
Water tank with tandem truck	\$25.00 per hour