

Corporation of the Township of Chisholm

Municipal Office/Council Chambers: 2847 Chiswick Line, Powassan, Ont. P0H 1Z0

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ADDITION TO AGENDA

COUNCIL MEETING

TUESDAY, JULY 9, 2024 7:00 PM

11. NEW BUSINESS

(f) Agreement with province for Municipal Disaster Recovery Assistance Program (Encl.)

THE CORPORATION OF THE TOWNSHIP OF CHISHOLM

BY-LAW 2024-20

Being a bylaw to authorize the Mayor and CAO Clerk Treasurer to execute an Agreement with His Majesty the King in Right of Ontario for the Municipal Disaster Recovery Assistance Program.

WHEREAS the Council of the Corporation of the Township of Chisholm deems it expedient for the Mayor and CAO Clerk Treasurer to enter into an Agreement with His Majesty the King in Right of Ontario for the Municipal Disaster Recovery Assistance Program;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF CHISHOLM ENACTS AS FOLLOWS:

1. **THAT** the Municipality enters into and executes with Association of Municipalities of Ontario, an agreement for the transfer and use of the Municipal Disaster Recovery Assistance Program, as attached as Schedule "A" to this bylaw.
2. **THAT** the Mayor and CAO Clerk Treasurer are hereby authorized and directed to execute the Agreement, attached as Schedule "A", on behalf of The Council of the Corporation of the Township of Chisholm.
3. **THAT** this by-law shall come into force and effect upon third reading and being finally passed.

READ A FIRST, SECOND AND THIRD TIME AND PASSED THIS 09TH DAY OF JULY, 2024.

Mayor, Gail Degagne

CAO Clerk Treasurer, Jennistine Leblond

GRANT AGREEMENT

THIS AGREEMENT ("Agreement") made this ____ day of _____, 2024.

B E T W E E N:

**HIS MAJESTY THE KING IN RIGHT OF ONTARIO
as represented by the Minister of Municipal Affairs and Housing**

(referred to as the "**Ministry**")

AND:

THE CORPORATION OF THE TOWNSHIP OF CHISHOLM

(referred to as the "**Municipality**")

WHEREAS subsection 302(2) of the *Municipal Act, 2001* empowers the Minister, upon such conditions as may be considered advisable, to make grants and loans and provide other financial assistance to a municipality;

AND WHEREAS the Municipality experienced a forest fire on May 12, 2022.

AND WHEREAS the Municipal Disaster Recovery Assistance Program (MDRA) is the program of Ontario Government coordinated by the Ministry of Municipal Affairs and Housing to provide financial assistance to municipalities which have incurred eligible losses from certain natural disasters;

AND WHEREAS the Municipality has requested assistance from the Ministry under MDRA for the Municipality's eligible incremental or extraordinary costs incurred as a result of the forest fire of May 12, 2022;

AND WHEREAS the Ministry wishes to assist the Municipality for the Municipality's eligible extraordinary costs related to the forest fire of May 12, 2022.

NOW THEREFORE in consideration of their respective agreements set out below, the parties covenant and agree as follows:

1.0 DEFINITIONS

1.1 In this Agreement the following words shall have the following meanings:

- (a) "Agreement" means this Agreement entered into between the Ministry and the Municipality and all schedules and attachments to this Agreement and any instrument amending this Agreement;
- (b) "Conflict of Interest" includes, but is not limited to, any circumstance where in relation to the performance of its obligations under this Agreement, the Municipality's other commitments, relationships or financial interests:
 - (i) could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgment, or
 - (ii) could or could be seen to compromise, impair or be incompatible with the effective performance of its contractual obligations;
- (c) "Eligible Extraordinary Operating Costs" means the costs described in Schedule "A" to the Agreement;
- (d) "Grant Fund(s)(ing)" means funds that may be or are provided to the Municipality, as the context may require, by the Ministry pursuant to this Agreement;
- (e) "Own Purpose Taxation Levy" means the amount recorded as the Municipality's Taxation – Own Purposes in the latest Financial Information Return submitted by the Municipality prior to May 12, 2022.
- (f) "Treasurer" means the treasurer of the Municipality.

2.0 GRANT FUNDING

2.1 The Ministry shall pay to the Municipality Grant Funding of up to a maximum total amount of \$89,000.00 (Eighty-Nine Thousand Dollars).

2.2 The Ministry shall pay to the Municipality,

- (a) 75% of the costs that would otherwise be payable under the Agreement, that are equal to 3% of the Municipality's Own Purpose Taxation Levy; and
- (b) 95% of all other costs that would otherwise be payable under the Agreement.

2.3 The Ministry shall not be obligated to make any payments under the Agreement if the Eligible Extraordinary Operating costs are less than 3% of the Municipality's Own Purpose Taxation Levy.

2.4 The Ministry shall not be obligated to make any payments under the Agreement except to the extent that sufficient funds are provided in the votes and estimates of the Province

of Ontario for the Ministry of Municipal Affairs and Housing and allocated for such purpose.

3.0 FINAL CLAIM FORM

- 3.1 The Municipality shall submit to the Ministry a final claim form supported with appropriate receipts and documentation to support to the Ministry's satisfaction that all costs were incurred as a result of the May 12, 2022 forest fire.
- 3.2 The detailed cost claims of the Municipality shall be verified and authorized by the Treasurer.
- 3.3 The Ministry shall not provide any Grant Funds to the Municipality until,
 - (a) a copy of the insurance certificate and policy required by section 9.2 has been received by the Ministry; and
 - (b) the final claim form satisfactory to the Ministry has been received by the Ministry.
- 3.4 Despite section 3.3, the Ministry may make interim payments of the Grant Funds to the Municipality, if the Municipality has provided the Ministry with appropriate receipts and documentation to support to the Ministry's satisfaction that all the interim costs were incurred as a result of the May 12, 2022 forest fire.

4.0 MUNICIPALITY WARRANTS

- 4.1 The Municipality warrants that it shall carry out the purposes of the Agreement in compliance with all applicable federal, provincial or municipal laws or regulations.

5.0 USE OF GRANT FUNDING

- 5.1 The Municipality shall use Grant Funds exclusively to pay or reimburse itself for the costs described in Schedule "A" of this Agreement.

6.0 AUDIT AND DOCUMENT RETENTION

- 6.1 For six (6) years after the date of the last payment of the Grant Funds by the Ministry to the Municipality, the Municipality shall maintain all necessary records to substantiate (a) all payments to the Municipality under this Agreement and (b) all expenditures of the Municipality for Eligible Costs made with or reimbursed by Grant Funds. For six (6) years after the date of the last payment of the Grant Funds by the Ministry to the Municipality, the Municipality shall permit and assist the Ministry in conducting audits of the operations of the Municipality to verify (a) and (b) above. The Ministry shall provide the Municipality with at least ten (10) business day's prior notice of its requirement for such audit.
- 6.2 If requested by the Ministry during the period described in section 6.1, the Municipality shall provide the Ministry with the originals of the records described in section 6.1.

7.0 CONFLICT OF INTEREST

7.1 The Municipality shall:

- (a) avoid any Conflict of Interest in the performance of this Agreement;
- (b) disclose to the Ministry without delay any actual or potential Conflict of Interest that arises during the performance of this Agreement.

8.0 LIMITATION OF LIABILITY AND INDEMNITY

8.1 The Ministry, its officers, employees and agents shall not be liable for any incidental, indirect, special or consequential damages, injury or any loss or use or profit of the Municipality arising out of or in any way related to the Agreement.

8.2 The Municipality shall indemnify the Ministry, its officers, employees and agents from and against all costs incurred as a result of a claim or proceeding related to the Agreement.

9.0 INSURANCE

9.1 The Municipality represents and warrants that it has, and shall maintain for the term of the Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent Municipality would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than two million dollars (\$2,000,000) per occurrence. The policy shall include the following:

- (a) the Ministry as an additional insured with respect to liability arising in the course of performance of the Municipality's obligations under, or otherwise in connection with, the Agreement;
- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) a 30 day written notice of cancellation, termination or material change.

9.2 The Municipality shall provide the Ministry with certificates of insurance, or other proof as may be requested by the Ministry, that confirms the insurance coverage as provided for in section 9.1. Upon the request of the Ministry, the Municipality shall make available to the Ministry a copy of each insurance policy.

10.0 REPAYMENT

- 10.1 The Ministry may require the Municipality to repay to the Ministry any amount of grant received by the Municipality if used by the Municipality in contravention of the Agreement.
- 10.2 The Ministry may demand interest on any amount owing by the Municipality at the then current rate charged by the Province of Ontario on accounts receivable.
- 10.3 If the Municipality fails to pay any amount owing to the Ministry under the Agreement, the Municipality acknowledges and agrees that the Ministry or the Minister of Finance may deduct any unpaid amount from any money payable to the Municipality by the Province of Ontario, or may exercise any other remedies available to the Ministry or the Minister of Finance to collect the unpaid amounts.
- 10.4 The Municipality shall pay any amount owing to the Ministry under this Agreement by cheque payable to the "Minister of Finance" and mailed to the Ministry to the attention of the Ministry's Representative.

11.0 TERMINATION BY THE MINISTRY

- 11.1 The Ministry may in its sole discretion, without liability, cost or penalty, and without prejudice to any other rights or remedies of the Ministry under this Agreement or at law or in equity, terminate this Agreement at any time, for any reason, upon giving at least seven (7) days notice to the Recipient.

12.0 NOTICES

Means for Notice

- 12.1 Notices shall be in writing and shall be delivered by email, postage-prepaid envelope, personal delivery or facsimile and shall be addressed to the Ministry and the Municipality respectively as follows:

To the Ministry:

The Ministry of Municipal Affairs and Housing
Municipal Services Office-North (Subury)
159 Cedar Street, Suite 401
Sudbury, ON P3E 6A5
Attention: Kathy Horgan, Manager
Kathy.Horgan@ontario.ca

and to the Municipality:

The Corporation of the Township of Chisholm
2847 Chiswick Line
Powassan, ON P0H 1Z0
Attention: Jennistine LeBlond, CAO Clerk-Treasurer
j.leblond@chisholm.ca

12.2 Notices shall be deemed to have been given (a) in the case of postage-prepaid envelope, five (5) business days after such notice is mailed; or (b) in the case of e-mail, personal delivery or facsimile, one (1) business day after such notice is received by the other party.

13.0 GOVERNING LAW

13.1 This Agreement and the rights, obligations and relations of the parties hereto shall be governed by and construed in accordance with the laws of the Province of Ontario.

14.0 SCHEDULES

14.1 The following are the schedules attached to and forming part of this Agreement:

(a) Schedule "A" (Eligible Extraordinary Operating Costs of the Municipality);

15.0 ENTIRE AGREEMENT

15.1 This Agreement constitutes the entire Agreement between the parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and Agreements.

15.2 This Agreement may only be modified by a written Agreement duly executed by the parties.

16.0 MUNICIPALITY'S POWER TO ENTER INTO AGREEMENT

16.1 The Municipality represents and warrants that it has the full right and power to enter into the Agreement and that it is not party to any other agreement that would in any way interfere with the rights of the Ministry under the Agreement. The parties both represent that their respective representatives have the authority to legally bind them.

17.0 MUNICIPALITY NOT A PARTNER OR AGENT

17.1 Nothing in the Agreement shall have the effect of creating a partnership or agency relationship between the Ministry and the Municipality.

18.0 RESPONSIBILITY OF THE MUNICIPALITY

18.1 The Municipality agrees that it is liable for the acts and omissions of its officers, employees, agents, partners, affiliates, volunteers and subcontractors. The Municipality shall be liable for all damages, costs, expenses, losses, claims or actions of any kind arising from any breach of the Agreement resulting from the actions of the above mentioned individuals and entities.

19.0 AGREEMENT BINDING AND SURVIVAL

19.1 The Agreement shall operate to the benefit of and be binding upon the parties and their successors, executors, administrators and their permitted assigns.

19.2 The provisions of Articles 4.0 (Recipient Warrants), 5.0 (Use of Grant Funding), 6.0 (Reporting Requirements for the Municipality and Document Retention), 8.0 (Limitation of Liability and Indemnity), 10.0 (Repayment), 13.0 (Governing Law), 18.0 (Responsibility of the Municipality) and 19.0 (Agreement Binding and Survival) shall survive termination or expiry of this Agreement for a period of seven (7) years from the date or expiry or termination of this Agreement.

20.0 CONDONATION NOT A WAIVER

20.1 Any failure by the Ministry to insist in one or more instances upon strict performance by the Municipality of any of the terms or conditions of the Agreement shall not be construed as a waiver by the Ministry of its right to require strict performance of any such terms or conditions, and the obligations of the Municipality with respect to such performance shall continue in full force and effect.

21.0 SEVERABILITY

21.1 If any term or condition of the Agreement is to any extent invalid or unenforceable, the remainder of the Agreement shall not be affected thereby.

22.0 FORCE MAJEURE

22.1 Neither party shall be liable for damages caused by delay or failure to perform its obligations under the Agreement where such delay or failure is caused by an event beyond its reasonable control.

IN WITNESS WHEREOF the parties hereto have executed and affixed their seals to the Agreement.

**HIS MAJESTY THE KING IN RIGHT OF ONTARIO
as represented by the Minister of Municipal Affairs and Housing**

The Honourable Paul Calandra

Date

The CORPORATION OF THE TOWNSHIP OF CHISHOLM

By: _____
Name: Gail Degagne
Title: Mayor

Date

By: _____
Name: Jennistine Le Blond
Title: CAO Clerk-Treasurer

Date

SCHEDULE "A"
ELIGIBLE EXTRAORDINARY OPERATING COSTS OF THE MUNICIPALITY

Attached to and forming part of the Agreement between the Ministry and the Municipality.

B.1 ELIGIBLE EXTRAORDINARY OPERATING COSTS

B.1.1 The following costs, that are directly, properly and reasonably incurred by the Municipality, may be submitted by the Municipality to the Minister as an Eligible Extraordinary Operating Cost for the Grant Financing:

- (a) the Municipality's extraordinary incremental salary, food, accommodation and equipment costs directly incurred in responding to the May 12, 2022 forest fire;
- (b) costs of emergency response and cleanup directly incurred in responding to the May 12, 2022 forest fire; and
- (c) such other costs approved by the Ministry.

B.2 INELIGIBLE COSTS

B.2.1 The following costs are not Eligible Extraordinary Operating Costs:

- (a) the Municipality's regular salary and equipment costs;
- (b) lost revenues of the Municipality;
- (c) borrowing costs of the Municipality; and
- (d) the Municipality's losses covered by insurance and insurance deductibles.