

THE CORPORATION OF THE TOWNSHIP OF HORTON

Special Council Meeting

June 6, 2016

There was a Special Council Meeting held in the Municipal Council Chambers on Monday June 6, 2016. Present was Mayor Robert Kingsbury, Deputy Mayor Robert A. Johnston, Councillor Dave Bennett, Councillor Glen Campbell and Councillor Jamey Larone. Staff present was Mackie McLaren, CAO/Clerk and Hope Dillabough, Admin/Planning Assistant.

1. CALL TO ORDER

Mayor Kingsbury called the Meeting to Order at 4:00 pm.

2. DECLARATION OF PECUNIARY INTEREST

There was no declaration of pecuniary interest expressed by Members of Council or Staff.

3. REPORT BY MAYOR KINGSBURY

Mayor Kingsbury reported the reason for the meeting was in regards to the agreement for the purchase and sale of the township gravel pit and stated that Council will only be discussing this particular matter. Mayor Kingsbury discussed the legal opinion sought regarding the process of this matter and that it was not followed properly, thus the reason for the Special meeting of Council.

4. REPORT BY CAO/CLERK ON PROCEDURES REQUIRED IN BY-LAW 95-17

CAO/Clerk McLaren reviewed his report, in detail, regarding the procedures required in By-Law 95-17. He also stated that the full appraisal report of the gravel pit was placed on Council's desk for review. After reviewing the entire report, he also read out the Resolution passed by Council at the April 28th, 2016 Special Council Meeting.

5. DELEGATION – Mark Nesbitt

Mark Nesbitt, of Nesbitt Training and Consulting, was present. He expressed his knowledge and experience of the aggregate business and his understanding of the value of gravel pits. He informed Council he didn't think the goals of the Community are being met. He compared the recent sale of a township truck to that of the sale of the gravel pit which is fifty times more valuable and questioned why this sale was so quickly executed. He questioned the date of the appraisal and the fact that it was only good for one day. Mr. Nesbitt expressed that there is 750,000/1,000,000 tons of material in that particular pit and at \$1.50 per ton would bring revenue of \$1,500,000.00. He stated that roughly 5-6 years prior his family approached the municipality to purchase the pit but at that time the township was not ready to sell. He stated that the pit already has a Class 'B' Licence and to obtain that licence currently would cost at least \$500,000.00. He believes this is a grey deal and doesn't think that Council is serving the taxpayers well. Again, he expressed that Council spent more time selling a truck than a gravel pit. He believes that Council should take the highest offer or put it out for tender.

Mayor Kingsbury asked if Council had any questions.

Councillor Bennett expressed his respect for Mr. Nesbitt and his expertise however he disapproves with his statements. He exclaimed that Mr. Nesbitt's family was approached back in 2007 to purchase the property and \$40,000.00 was their offer at the time as well as stating there was no value in the pit. He spoke of the tax increase the township is seeing due to OPP costs and he feels the township is doing the best they can to move forward. He mentioned how much time he has spent with various companies, some of which Mr. Nesbitt represents, requesting expressions of interest to be submitted, however none have come in.

Councillor Bennett felt Mr. Nesbitt's remarks were very unfair to Council and he feels that Council is doing their due diligence and serving the taxpayers well.

Councillor Campbell spoke briefly of the history of the deal falling through with Energy East and expressed the fact that he wanted a tender process for this property for the purpose of being open and transparent. He expressed regret regarding not being in attendance for the Special Council meeting on April 28th, 2016 where this was originally discussed as he does feel like this was a quick deal.

Mayor Kingsbury stated that he wanted it to be known that in 2011 there was a pit sold on Whitton Road for \$350,000.00 which had a Class "A" Licence.

Deputy Mayor Johnston agreed with Councillor Bennett's statements. He expressed that when someone comes in and wants to make an offer for a piece of property; if it's within the guidelines of the Procedural By-Law then he doesn't want to lose the offer. He felt that it was a smart move on the Township and that Council did the proper things and he is in full support.

Councillor Larone discussed and reviewed the history behind the proposal from Energy East in detail. After the deal fell through, Council was approached by an individual to purchase the pit. Councillor Larone expressed he is in support of this process, however perhaps looking back, maybe it could have been a bit different. He reiterated the purpose of the meeting and is unsure whether he can support the second offer because of what Councillor Bennett said in regards to speaking with other companies prior to all of this and no one else had come forward.

6. BY-LAW NO. 2016-42 – A BY-LAW TO RESCIND BY-LAW 2016-40

Moved by Councillor Larone

Resolution No. 2016-187

Seconded by Deputy Mayor Johnston

THAT Council enacts the following By-Law:

- 2016-42 a by-law to rescind By-Law 2016-40

**Opposed – Councillor Campbell
Carried on Division**

7. OFFERS RECEIVED SINCE COUNCIL'S RESOLUTION FROM APRIL 28TH, 2016 SPECIAL COUNCIL MEETING

- **Ottawa Valley Sand & Stone Limited**

CAO/Clerk McLaren reviewed his report in detail.

Moved by Councillor Bennett

Resolution No. 2016-188

Seconded by Deputy Mayor Johnston

THAT Council agrees to reject the offer dated May 18th, 2016 from Ottawa Valley Sand and Stone Limited for the Township Gravel Pit property located at 1683 Lochwinnoch Road for the following reasons:

- The Township had agreed to accept the Offer of 1716729 Ontario Inc. at their Special Council Meeting held April 28th, 2016 – resolution no. 2016-150;
- Council passed by-law 2016-40 Authorization of the Agreement of Purchase and Sale with 2255554 Ontario Inc. (same owner – different company) on May 17th, 2016;
- The offer from Ottawa Valley Sand and Stone Limited was received May 18th, 2016 one day after Council authorized the execution of the Agreement of Purchase and Sale with 2255554 Ontario Inc.

**Opposed – Councillor Campbell
Carried on Division**

8. GRAVEL PIT – RESOLUTION TO DECLARE AS SURPLUS LAND

Moved by Deputy Mayor Johnston
Seconded by Councillor Larone

Resolution No. 2016-189

THAT Council, pursuant to Clause 3 of By-Law 95-17, hereby declares the property known locally as the Horton Township Gravel Pit, located at 1683 Lochwinnoch Road, as surplus to the needs of the Township of Horton.

Opposed – Councillor Campbell
Carried on Division

9. RECEIVE APPRAISAL REPORT

Moved by Councillor Larone
Seconded by Councillor Campbell

Resolution No. 2016-190

THAT Council receive the Appraisal Report for the Gravel Pit located at 1683 Lochwinnoch Road.

Carried

CAO/Clerk McLaren questioned whether pursuant to Section 9 of By-Law 1995-17, as amended, if Council agreed not to sell the property by tender.

Moved by Deputy Mayor Johnston
Seconded by Councillor Larone

Resolution No. 2016-191

PURSUANT to Section 9 of By-Law 1995-17 as amended, Council, having received a second expression of interest in purchasing the Township's gravel pit property, agrees not to sell the property by tender.

Opposed – Councillor Campbell
Carried on Division

10. BY-LAW 2016-43 AGREEMENT OF PURCHASE AND SALE

Moved by Councillor Bennett
Seconded by Deputy Mayor Johnston

Resolution No.: 2016-192

THAT Council enacts the following By-Law:

- 2016-43 Agreement of Purchase and Sale

Opposed – Councillor Campbell
Carried on Division

11. BY-LAW 2016-44 CONFIRMING BY-LAW

Moved by Councillor Bennett
Seconded by Deputy Mayor Johnston

Resolution No.: 2016-193

THAT Council enact By-Law 2016-44 – Confirming By-Law.

Carried

12. ADJOURNMENT

Mayor Kingsbury adjourned the Meeting at 8:15 p.m.

MAYOR

CAO/Clerk