

REGULAR COUNCIL MEETING AGENDA

Monday, March 16, 2026, 4:00 pm

Council Chambers | Civic Centre

341 10th Street

Hanover, ON N4N 1P5

ZOOM MEETING PUBLIC ACCESS WEBSITE

Part 1 - <https://us02web.zoom.us/j/82980559991>

Part 2 - <https://us02web.zoom.us/j/87879374741>

	Pages
1. National Anthem	
2. Call to Order	
3. Land Acknowledgment	
4. Disclosure of Pecuniary Interest	
5. Agenda Additions or Deletions	
6. Delegations	
6.1 Alicia Tilker and Courtney Conaway Regarding East End Trail Development Project	5
7. Council Minutes	
7.1 Regular Council Meeting Minutes – Monday March 2, 2026	41
8. Business Arising From the Minutes	
9. Consent Agenda	
9.1 Hanover Fire Department 2025 Annual Report	49
9.2 Hanover Public Library Board Minutes - January 2, 2026	71
9.3 Saugeen Mobility and Regional Transit Commission Minutes - January 9, 2026	75
9.4 Township of Southgate resolution supporting Bluewater District School Board letter to Ombudsman Dube regarding removal of trustees	79
9.5 City of Owen Sound resolution regarding Grey County urban road transfer	83
9.6 Grey County Council Meeting Highlights - March 12, 2026	173
9.7 Saugeen Valley Conservation Authority correspondence regarding conservation authority amalgamation	175

9.8	Bruce Grey Poverty Task Force / United Way of Bruce Grey correspondence regarding the 2025 annual report and 2026 collective impact framework	177
9.9	Grey Bruce Ontario Health Team correspondence regarding primary care patient attachment update	197
9.10	electHER Now correspondence regarding online campaign school to prepare women for Ontario's 2026 municipal election	201
9.11	Ministry of Environment, Conservation and Parks news release regarding Ontario taking next steps to improve conservation authorities	203
10.	Staff Reports Requiring Action	
10.1	Report PRC-02-26 East End Trails Extension Project Options to Proceed	207
10.2	Report PW-07-26 - Grey County Urban Roads Transfer Follow Up	221
10.3	Report PW-06-26 - 2026 Road Resurfacing Tender	255
10.4	Report DCS-03-26 - Donation Policy	259
10.5	Report PB-06-26 - Block 124 Tree Retention Subdivision Agreement Amendment (2501563 Ontario Inc – Saugeen Cedar Heights West)	265
10.6	Report CAO-06-26 - CAO Recruitment	307
11.	Committees of Council Minutes	
11.1	Finance Committee Minutes - February 23, 2026	313
11.2	Joint Health & Safety Committee Minutes - March 2, 2026	319
11.3	Planning Advisory Committee Minutes - March 10, 2026	325
12.	By-Laws	
12.1	By-law 3384-26 - Authorize Execution of Subdivision Agreement Amendment (2501563 Ontario Inc.)	329
12.2	By-law 3385-26 - Authorize Execution of Municipal Housing Infrastructure Program - Health and Safety Water Stream Transfer Payment Agreement	331
13.	Correspondence Requiring Action	
14.	Notice of Motion	
15.	Good News and Celebrations	
16.	Upcoming Committee Meetings	
16.1	Age Friendly Committee - Monday April 13, 2026 10:00am	
16.2	Economic, Tourism & Cultural Development Committee - March 18, 2026 9:00am	
16.3	Cultural Roundtable Subcommittee - Wednesday April 1, 2026 10:00am	

- 16.4 Heritage Subcommittee - Thursday April 23, 2026 | 10:00am
- 16.5 Planning Advisory Committee - Tuesday May 12, 2026 | 4:00pm
- 16.6 Hanover Police Service Board - Monday April 20, 2026 | 10:00am
- 16.7 Hanover Public Library Board - Wednesday March 18, 2026 | 6:00pm
- 16.8 Parks, Recreation & Culture Advisory Committee - Wednesday March 25, 2026 | 6:00pm
- 16.9 Hanover / Walkerton Waste Management Committee - Tuesday May 12, 2026 | 9:30am
- 16.10 Saugeen Municipal Airport Commission - Wednesday March 18, 2026 | 1:00pm
- 16.11 Saugeen Mobility and Regional Transit Board - Thursday March 19, 2026 | 10:00am
- 16.12 Committee of Adjustment - Thursday April 2, 2026 | 4:00pm

17. Important Dates and Announcements

- 17.1 Next Regular Council Meeting – Tuesday April 7, 2026 | 4:00pm

18. Closed Meeting

That the council of the Town of Hanover meet in closed session in order to discuss matters pertaining to;

- 1. Third-party information supplied in confidence to the municipality which if disclosed, could significantly prejudice a competitive position or interfere with negotiations with respect to development servicing.
- 2. Information supplied in confidence by another level of government with respect to West Grey and Hanover boundary adjustment; and
- 3. A labour relations matter with respect to collective bargaining.

19. Confirmation of Proceedings By-law

- 19.1 By-law 3386-26 - Confirm Proceedings of the March 16, 2026 Regular Council Meeting

375

20. Adjournment

March 1, 2026

Mayor Patterson and Members of Council
Hanover Town Council
341 10th Street Hanover ON N4N1P5

Dear Mayor Patterson and Members of Council,

We are writing to you as a group of concerned tax payers regarding the proposed trail system development that would run directly behind our homes. Many of us attended the open house on Feb. 25th and left discouraged and frustrated that our concerns continue to be dismissed. While we appreciate the Town's desire to expand recreational opportunities, we are strongly opposed to the current placement of a section of the trail due to the significant negative, lasting impacts it will have on our properties, safety, and community character.

First and foremost, the proposed trail will result in a substantial loss of privacy. Many of our homes back onto what is currently a quiet, natural space that provides a buffer between properties. The introduction of a public trail directly along our rear lot lines would eliminate that buffer and place regular foot and bicycle traffic within clear view—and in some cases within just a few feet—of our homes, decks, and children's play areas. A person's backyard should be a place of refuge. A space where families can relax, play, and entertain without constantly being subjected to the public eye. Who among you, would volunteer to have a public trail run along your backyard? Our assumption is not one of you.

In addition to privacy concerns, the trail would effectively open direct public access to our backyards. Increased traffic behind our properties raises legitimate concerns about trespassing, theft, vandalism, and general safety. Even with signage, experience in other communities shows that informal access points quickly develop over time. We believe homeowners should not bear the burden of additional security measures to mitigate risks created by this development. We are also concerned about enforcement issues, particularly related to off-leash dogs. Trails often become areas where dogs are permitted to roam freely. This creates safety concerns for children, pets, and residents, and increases the likelihood of damage to private property. Existing by-laws do not help in a moment of need. It would be lovely if we lived in a society where everyone took responsibility for their actions and followed rules and signs, but unfortunately, this is not the world we live in. We have legitimate concerns that this development will negatively impact our property values.

Another major concern is the loss of mature trees and natural vegetation required to accommodate the trail. There has already been a large loss of trees in the supposed wetland areas. The current treed buffer provides environmental benefits including erosion control, wildlife habitat, noise reduction, and natural screening. Removing more trees would permanently alter the character of our neighbourhood and diminish property values. When the subdivision development was first proposed, we were told that environmental impact studies would be done and would provide recommendations to mitigate damages. Among those recommendations were "native shrub plantings recommended along the limit of the retained wetlands" and

"compensation for wetland removals should occur at a minimum of 1:1 ratio by land area" and "the development limit along the southern boundary of the subdivision is based on the greater of the 15m setback to the tributary of the Saugeen River and its floodplain". We were also told that a treed fence line could be planted to help mitigate tree loss and to provide some privacy to homes. None of these recommendations seem to be part of the current plan.

Finally, we question the financial prudence of this project. The proposed plan includes steep grading that would require the construction of a large metal rail system. Such infrastructure will negatively impact the aesthetics of our neighbourhood and be costly to build and maintain. At a time when municipalities are facing increasing financial pressures, we urge Council to carefully consider whether this expenditure represents responsible stewardship of taxpayer dollars—especially given the significant concerns of directly affected residents. The majority of the east end trail system runs along existing streets. It makes no sense to spend additional funds so that a small portion of it can be more 'naturalistic' when it comes at such a high cost, environmentally, financially and in the public discord that it creates amongst its tax paying neighbours. If people truly want to enjoy nature, they will go to the Saugeen Conservation Area or Allen Park and enjoy real nature trails. This small section of trail is insignificant to the larger community and only promises to unnecessarily create new problems like complaints to council and calls to police and bylaw officers that will continue for years to come. It seems irresponsible that it would even be a consideration when a simpler, more environmentally conscious and much more fiscally responsible alternative exists. If we were to poll the taxpayers of Hanover, we wonder how many would support this expenditure, especially given the number of other uses it could be put towards? Municipalities around us are upgrading their baseball diamonds and soccer fields, adding additional ice rinks, building community centres with access to fitness centres, gymnasiums, indoor pickleball courts. Does it make sense that in a community of our size, members leave town to access these amenities? If the goal is to promote healthy living, why are we not putting our taxpayer's dollars towards projects like these that will be used more widely, year round and would have far greater impacts than a small section of a walking trail?

We respectfully request that Council reconsider the current alignment of the trail system and explore alternative routes that do not infringe upon established residential backyards. We would welcome the opportunity to participate in meaningful consultation and collaborative planning to identify solutions that balance recreational goals with the rights and well-being of homeowners.

Thank you for your time and attention to this matter. We trust that Council will carefully consider the serious implications of this proposal before moving forward and we look forward to your response.

Sincerely,

Town of Hanover Taxpayers,

We, the undersigned, are opposed to the creation of the east end trail system, as it is currently proposed.

NAME	ADDRESS	PHONE #	SIGNATURE
Mauran Butler	701-18th Ave		
RANDY BUTLER	701 18 AVE		
Loretta Whitfield	751 18 St		
BH	751 18 St.		
Ken Plantz	755 18 St		
Doreen Gateman	767 18th St.		
Ursula Schmid	765 18th St.		
Ruth Dubuck	761-18th St		
List Foscy	772 17th St.		
MARK SCHWARTZ	778 17th ST. HANOVER		
Linda Schwartz	"		
Ian McCombie	775-17th St.		
RUTH McCombie	775-17th St.		
Diane & Michael Byers	777-17th St.		
	769 17th St Hanover		
Patty Russell	519 889 1701		
SHARON TILKER	519-375-6111 HANOVER ONT		
GOLDWYN TILKER	HANOVER ONT		

We, the undersigned, are opposed to the creation of the east end trail system, as it is currently proposed.

NAME	ADDRESS	PHONE #	SIGNATURE
JIM SHEPHERD	762 17th ST		
TANYA SHEPHERD	762 17th ST		
Courtney Conaway	764 17th ST		
Chad Conaway	764 17th ST		
LEAH MYLES	286 CONL. 2ND E. (REGULAR TRAIL USER)		
Drew Myles	"		
Vicki Emrich	705 18th Street 226-581-4128		
RICHARD EMRICH	105-18TH ST 519 221 5604		
Tracy Craythwell	709 18th St.		
John Craythwell	709 18th St.		
Jackson Conaway	764 17th St		
Alicia Tilker	766 17th St.		
Andrew Tilker	766 17th St		
Kaden Tilker	766 17th St		
Owen Tilker	766 17th St		

We, the undersigned, are opposed to the creation of the east end trail system, as it is currently proposed.

NAME	ADDRESS	PHONE #	SIGNATURE
Linda Bayliss	684 17 th St. Cres.		
Brooklyn Schmidt	457 Durham St.		
Garry MacLennan	735 21st Ave A		
Charlie Noallas	726 21st Ave A		
Markene Noallas	" "		
Lanna Fischer	662 16 th St.		
Glen Fischer	662 16 th St		
Sueety Schmidt	716 17 th St Cres		
Jeanne Clark	686 17 th St Cres		
Andy Clark	" "		
Gord Walmsley	644 17 th St Cres		
Steph Walmsley	644 17 th St Cres		
Sandy Thomas	647 16 th St		
GARY Thomas	647 16 th St		
Andrew Birrell	686 16 St		

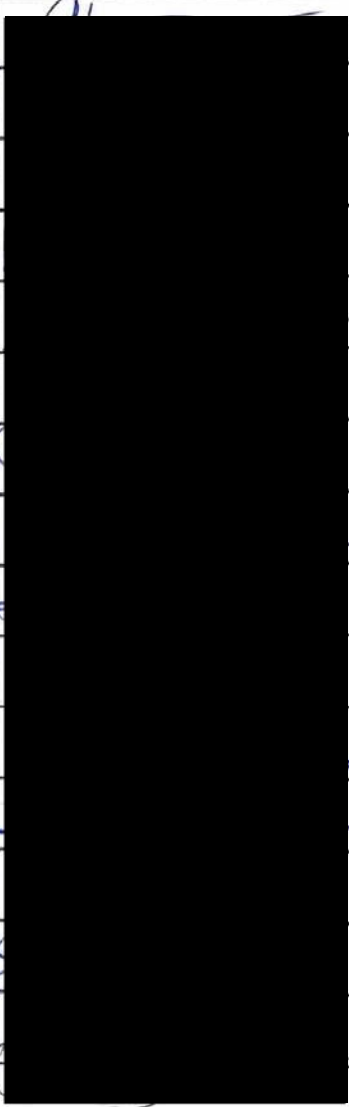
Heather C. Smith 665 21st St
 Stella Bell 727 21st Ave A
 Dmitri Shurten 727 21st Ave A

We, the undersigned, are opposed to the creation of the east end trail system, as it is currently proposed.

NAME	ADDRESS	PHONE #	SIGNATURE
Lisa Lerch	756 17th St. Hannover		
Lois Jackson	770 17th Street		
Jim Jackson	770 17th Street		
NEIL SCHMIDT	716 17TH STREET CRESCENT		
Francis Lunsbergen	705 17th Street Crescent		
Ashley Lunsbergen	705 17 Street Crescent		
Jane Vollett	695 17th St. Crescent		
Wayne Vollett	695 17th Street Cres.		
Shirley Merrey	683 - 17th St Cres		
David Merrey	683 - 17th St Cres		
Brian Sakd	679 - 17th St. Cres		
Roberta Mackew	667 17th St. Cres.		
CHARLES MACKEW	667 17TH ST. CRES		
Lonna Moore	676 17th St. Cres.		
HAL BURNIE	676 17th ST CRES		

Ken Cockburn 741 21st Ave A

Daniel Cockburn 741 21st Ave A

Name	Contact	Signature
Chris Meinezinger		
Linda Shannon		
Brittany Kummer		
Morgan Mcbray		
Kathy Greensides		
Rose Côté		
Joel Côté		
Scott Johnston		
Brooke Johnston		
Nitesh Patel		
Bobb Kummer		
John Kummer		
Jacob Coraway		
NATHANIEL JOYE		
JENNIFER JOYCE		

EXECUTIVE SUMMARY: Resident Concerns Regarding East End Trail Alignment

To: Mayor and Council, Town of Hanover

From: Concerned Taxpayers of 17th street and Saugeen Cedar Heights West Subdivision

Date: March 16, 2026

Re: Proposed Trail System Development – Request for Realignment

Overview

Following the Open House on February 25th, affected residents remain opposed to the current proposed placement of the trail segment running directly behind private rear lot lines. While we support the expansion of town recreation, the current route creates unnecessary environmental, financial, and safety liabilities that can be avoided through a street-based alignment.

Key Areas of Concern

- **Environmental disruption of the existing wetlands and habitats:** The current plan places a trail just feet away from a tributary of the Saugeen River. Additional tree removal and grading will be required to accommodate it, further disrupting the habitat of species that live there and putting the creek at risk of pollutants.
- **Fiscal Irresponsibility:** This specific section requires expensive engineering, including steep grading and a large metal rail system for a section of trail that won't be accessible year round and will incur ongoing maintenance costs. We question the prudence of high-cost "naturalistic" segments when a more cost-effective, street-based alternative exists.
- **Safety, Security and Privacy:** The proposed route places public foot and bicycle traffic within a few feet of private decks and children's play areas. A backyard is a sanctuary; this development permanently removes any "buffer zone" between private property and public space, negatively impacting resident safety. Direct public access to rear lot lines increases risks of trespassing, theft, and vandalism and does not address the inevitable issue of off-leash dogs.

The Better Alternative

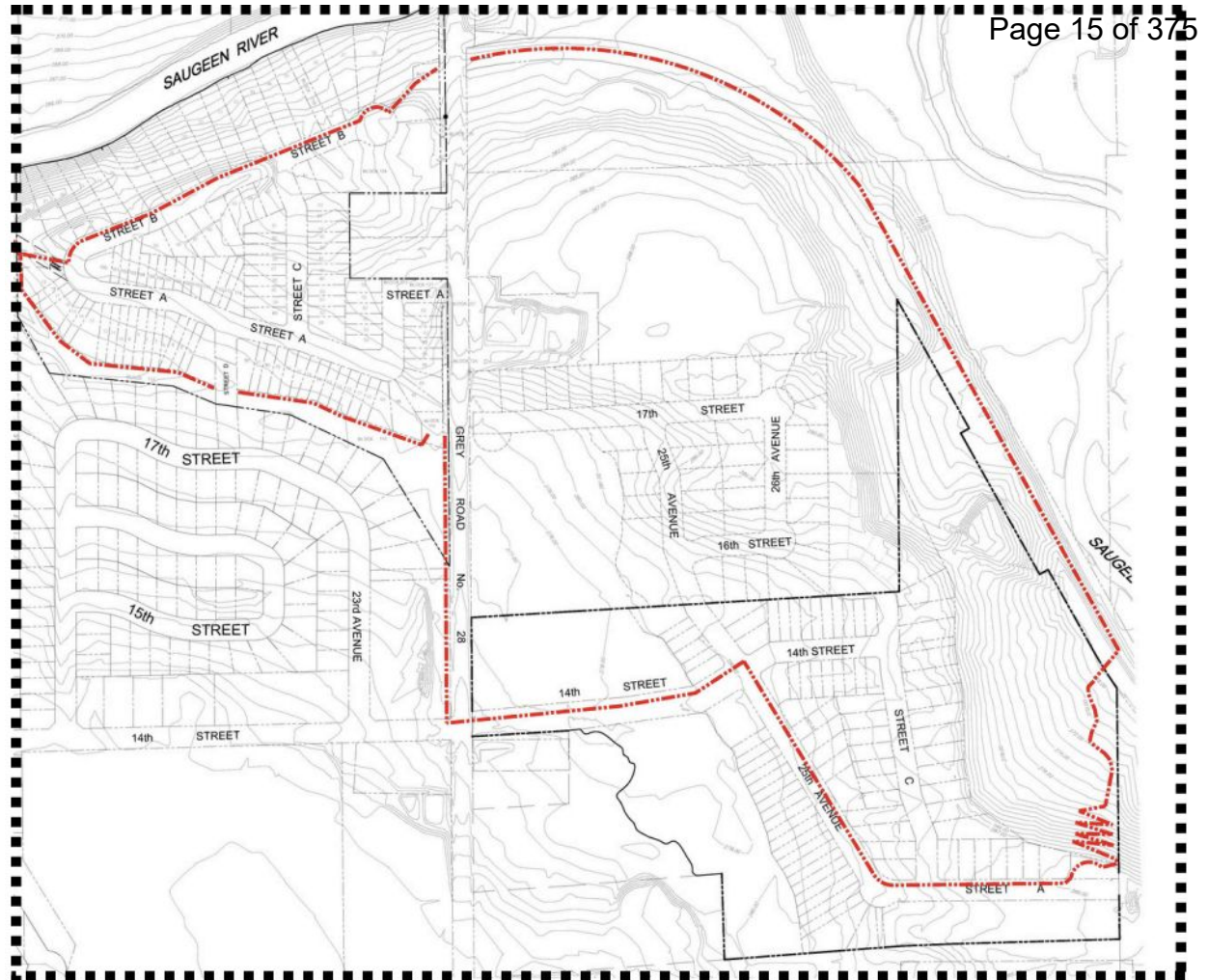
A large portion of the east end trail system utilizes existing streets. Extending this model to the contested segment is:

1. **More Environmentally Conscious:** Protects existing mature treelines and wetlands.
2. **Fiscally Responsible:** Avoids the high cost of specialized infrastructure and long-term maintenance of grading/railings.
3. **Community-Focused:** Maintains the privacy and safety of the tax-paying residents who live there year-round.

Our Formal Request

We respectfully request that Council **halt the current alignment plans** for this section and direct staff to explore a street-based alternative. We ask for a transparent, collaborative planning session with affected homeowners to ensure the final route serves the whole community without sacrificing the rights of the neighbors. **We ask you to balance recreational goals with the fundamental right to privacy and the responsible stewardship of our environment and taxpayer dollars.**

East End Trail Project: Request for Realignment



3 Areas of Concern with the proposed trail system extension:

1. Destruction of wetland area



Loss of the little remaining wetland ecosystem and its ecological functions.

2. Fiscal responsibility & use



Concerns about project costs vs. benefits and actual usage by the majority of residents.

3. Privacy and security of residents



Potential impacts on the privacy and security of properties adjacent to the trail.

Goal 2: Healthy & Welcoming Community Care for our natural environment and provide an enviable quality of life for everyone who calls Hanover “home”.

2.1 Looking after our natural environment.

- Establish an Environmental Advisory Committee with membership that includes residents, a staff member and a Councillor. The mandate of this Committee will be providing recommendations to Council to consider practical actions **to promote the stewardship, conservation and enhancement of the Town's natural environment.**
- Explore partnerships to support clean energy initiatives such as growing our EV network, net zero opportunities and energy savings.
- Identify options, costs, and potential service delivery partners for organic waste collection. Council decision on preferred option.
- Establish a tree canopy plan/target for downtown Hanover and Town-owned green space



The Wetlands Are Part of Hanover's Natural Environment That the Strategic Plan Commits to Protect

Goal 2.1 of the Strategic Plan states the Town intends to promote stewardship, conservation, and enhancement of the natural environment. Wetlands are among the most sensitive and valuable natural ecosystems in Ontario.

DEVELOPING A TRAIL CONTRADICTS THIS COMMITMENT BECAUSE:



Wetlands filter pollutants and improve water quality.



They absorb floodwater and reduce downstream flooding.



They provide critical habitat for birds, amphibians, pollinators, and other wildlife.

TRAIL DEVELOPMENT WILL UNINTENTIONALLY UNDERMINE THE GOALS THROUGH:



Vegetation clearing to create the path



Disturbance of nesting birds and amphibians



Introduction of invasive species carried by foot traffic and dogs



Litter and waste accumulation



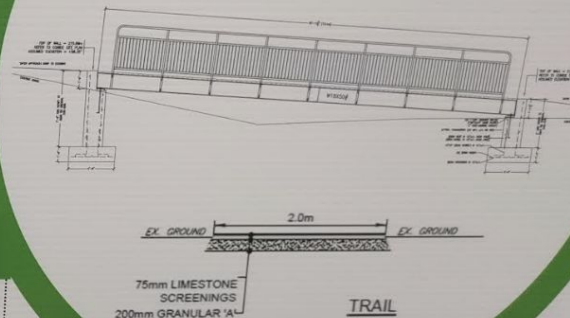
Soil compaction and erosion

Even well-intentioned recreational use will gradually degrade wetland ecosystems. Protecting wetlands as low-impact conservation zones better aligns with the Strategic Plan. True stewardship means protecting these areas rather than introducing new development within them.

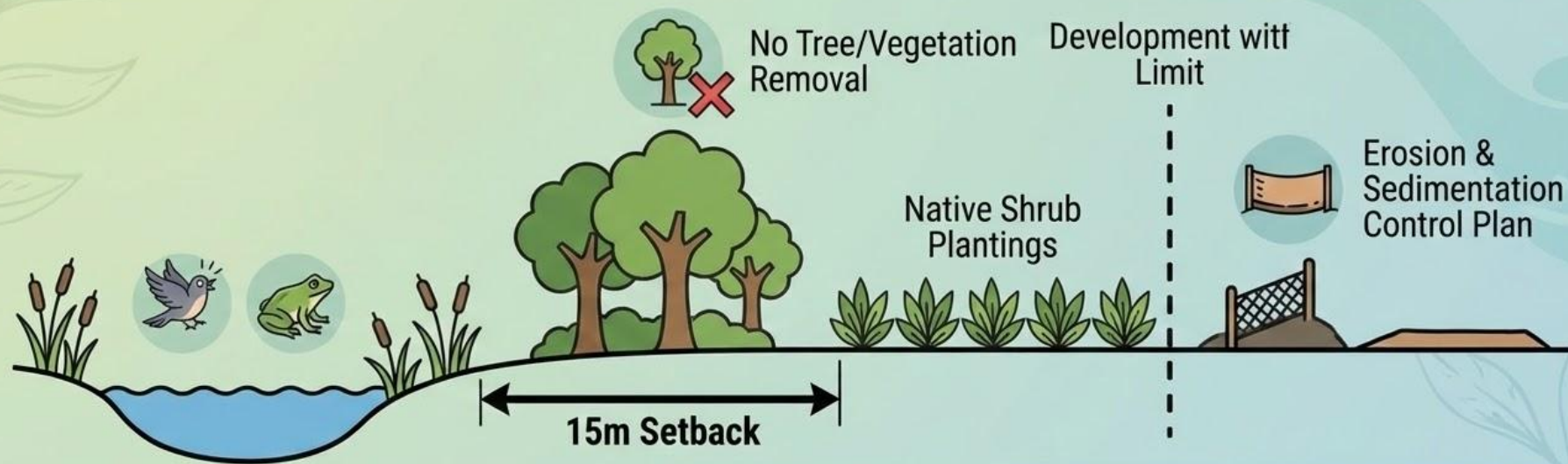
East End Trail Project



Pedestrian ramps will span a 4 foot elevation change from the base trail to 22nd Avenue A. Ramps on both sides of the roadway will be constructed of hot dipped galvanized steel decking with safety railings.



Environmental Impact Study (EIS) Recommendations for Wetland Mitigation



**Saugeen River
Tributary & Wetland**

1:1 Wetland Compensation



**Wetland
Removed**



**New Wetland
Created**

Town of Hanover Parks, Recreation and Culture Master Plan

Hanover's population is aging, typical across Ontario. The adult and senior population currently represents approximately 75% of the Town's population.

Over the next 15 years that percentage is not expected to change.

Implications for recreation and culture programming include:



Demand for activities for the adult and senior population market segment is expected to remain high;



Activities will be more driven by the needs of **Gen X and Millennials**; and



Demands for **access** (availability and affordability) and accessibility (mobility)

Long-Term Cost & Sustainability Concerns

Artificially Forced Trail



High initial construction costs in preserved areas.

Future Financial Burden



Significant ongoing maintenance and repair costs.

It is not cost effective to artificially force a trail in an area that should be preserved and will only prove to incur more costs in the future to maintain and repair it.



18th Street - narrow passage
and steep tree lined incline



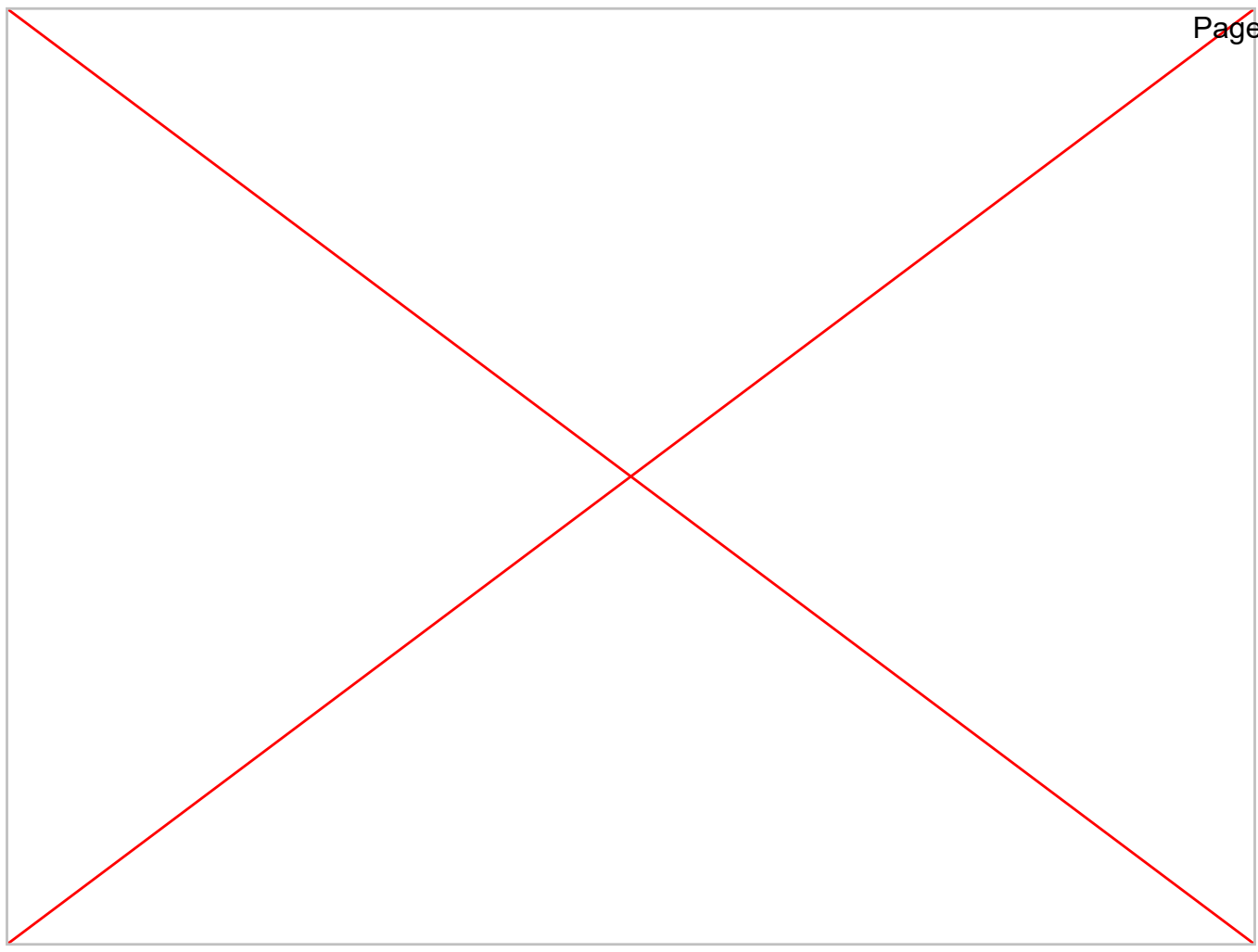


March 2026 - proposed trail route (prior to more tree removal)



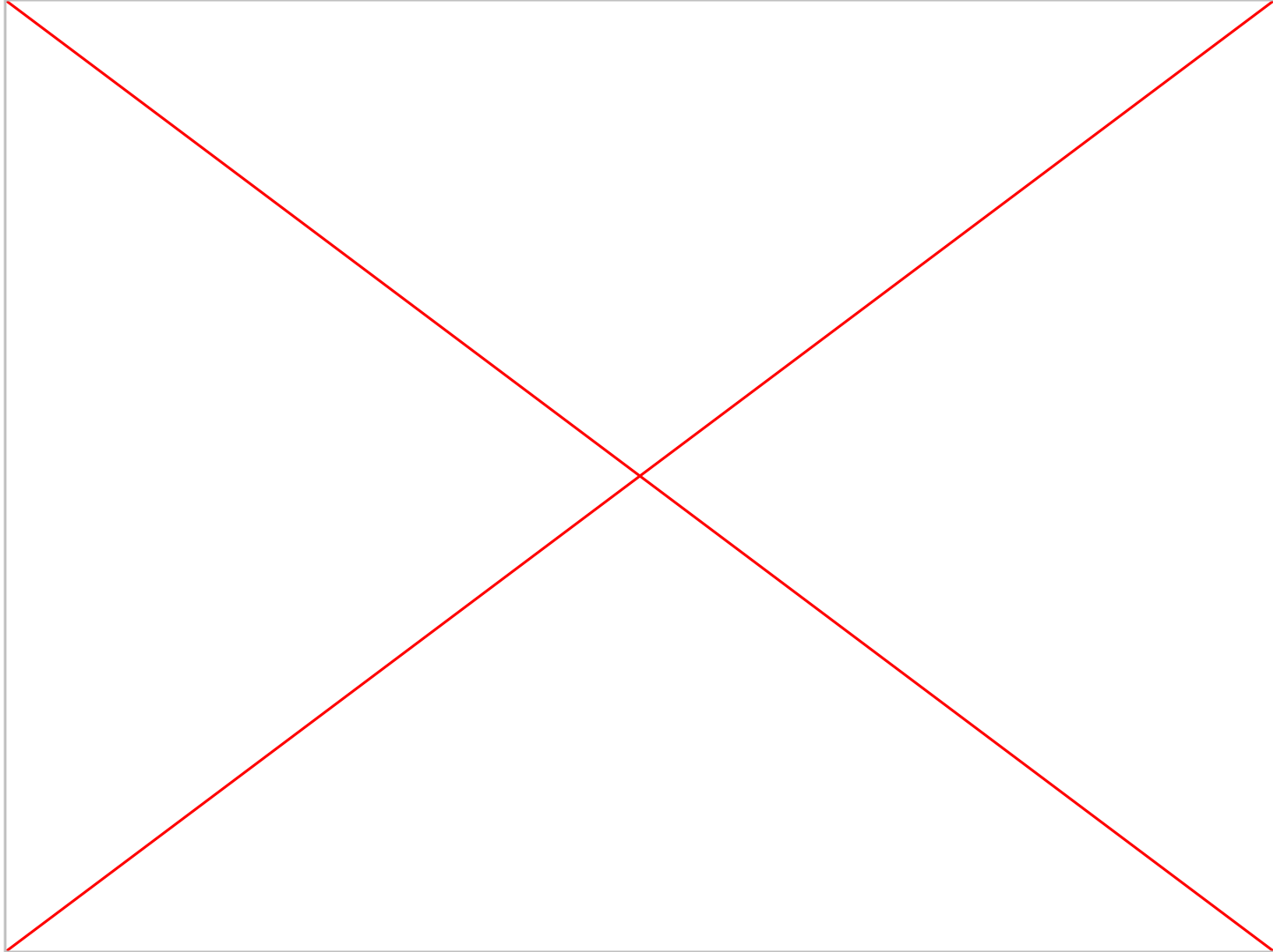








Flooding in Aug 2023





current
bank
erosion





Privacy and security are grave concerns of the homeowners and taxpayers that live along the trail site.

Examples of safety and privacy concerns from other communities where trails were proposed or created in neighbourhoods

Wellesley, Ontario



Residents objected to a proposed trail near homes.

Springwater Corridor - Portland, Oregon



Springwater Corridor.

Oakville / Halton Region, Ontario



Homes Backing Onto Trails
Targeted for Break-ins.

Benefits of Protecting Wetlands



Preserving Scenic Natural Spaces



Protecting Wildlife Habitat



Maintaining Environmental Health



Supporting Flood Control & Water Quality

Strategic Plan Alignment



Protect & Steward Sensitive Natural Environments



Prioritize Accessibility & Mobility for All Ages



Ensure Broad Community Benefit from Recreation



A trail in the proposed area conflicts with these priorities. Exploring **alternative trail routes in less environmentally sensitive areas** would better align with the Town's commitment to stewardship, accessibility, and long-term quality of life.

A Call for Precision & Community-First Planning

Our request to relocate a **section of the community trail** is not an argument against progress, but a call for **precision**. We have presented **clear evidence** that the current plan poses significant **environmental risks**, creates **fiscal liabilities**, and introduces **avoidable safety hazards**. To proceed without addressing these is to build a legacy of oversight.



Comprehensive Site & Environmental Analysis

A unified report showing the exact trail placement relative to property lines, alongside all environmental impact studies and soil stability reports.



Cost-Benefit Analysis: Trail vs. Sidewalks

A comparative financial study evaluating the long-term costs and community benefits of the current trail plan versus utilizing existing sidewalks and streets.



A Collaborative Forum

A commitment to a formal consultation process where community members can work directly with planners to mitigate concerns.

We all want a trail that enhances our town. **Let's take the time to ensure it is built in the right place, for the right price, with the right protections in place.**

Thank you for your time and for your commitment to the long-term health of our community.

anticipated that seasonal flooding will continue to contribute to the maintenance of wetland areas closest to the tributary and within the floodplain. Functions associated with flood attenuation are not expected to be impacted by the proposed removals. Native shrub planting at the edge of the retained wetlands is recommended to delineate the wetland limit and prevent future impacts by residents (e.g. mowing, structure encroachment). Compensation for loss of wetlands north of the Regional Floodplain limit for lot grading and development, and road access to 17th Street is recommended.

The wetland within the hydro-corridor consists of cultural vegetation that is likely the result of anthropogenically compacted soil. This area is not considered SWH and adds limited value to adjacent significant ecological systems within the Site (e.g. the Significant Woodland). Compensation for this area is therefore not recommended.

The central wetland is likely the result of agricultural drainage and changes in the topography which causes the water table to be at the surface. This wetland is proposed to be removed to facilitate the development of the northeasterly lots (39, 40 and 41). Compensation for removal of this wetland is recommended.

In total, approximately 2,198.2 sq. m. of wetland habitat is proposed to be removed from within the Site (Figure 4). These wetlands did not appear to contain characteristics that would qualify them as significant (i.e., they did not contain ecologically sensitive wildlife [including fish] or flora species) and did not provide significant hydrological functions, though they likely contribute to flood attenuation. Nevertheless, it is recommended that the wetland removals be offset through off-site wetland compensation.

6.3.1 WETLAND MITIGATION

To mitigate impacts to remaining wetlands, and compensate for wetland removals, the following measures are recommended:

- The development limit along the southern boundary of the subdivision is based on the greater of the 15 m setback to the tributary of the Saugeen River and its floodplain (Figure 4). Tree and vegetation removal is prohibited beyond the development limit, to preserve and protect the ecological and hydrological functions of Saugeen River tributary and associated wetlands. The proposed development limit will protect the majority of the wetlands within the riparian corridor.
- Minimize vegetation clearing to the extent possible. Clearly delineate vegetation clearing zones and vegetation retention zones (i.e. using silt fencing or other temporary fencing) on both the construction drawings and in the field with the Contractor prior to clearing and grading.
- Ensure that a spills management plan is in effect for the construction area.
- Implement an Erosion and Sedimentation Control (ESC) plan to minimize the risk of potential impacts from sedimentation on the water quality and quantity within wetlands and surface water features.
- Changes to existing land contours and drainage patterns due to grading should be minimized to ensure that significant changes to site hydrology do not occur.
- Native shrub plantings are recommended along the limit of the retained wetlands to delineate the wetland boundary and deter residents from mowing or gardening within the wetland limit
- Compensation for wetland removals should occur at a minimum 1:1 ratio by land area, whereby at least 2,198.2 sq. m. of wetland is created off-site.

6.4 SIGNIFICANT WILDLIFE HABITAT

SWH identified within 120 m of the Site included roosting habitat for bat (Refer to Section 6.2) and for SCC, including Eastern Wood-Pewee, Wood Thrush Snapping Turtle and Rainbow Mussel. These species were each identified as having moderate habitat or occurrence potential within the vicinity of the Site.

As SC species on the SARO List these species do not receive habitat protection under the ESA (Government of Ontario, 2007), but Eastern Wood-Pewee and Wood Thrush are protected under the federal MBCA (Government of Canada, 1994).



Town of Hanover

Capital Projects

Project	7100C012 Trails System East Loop Development (24th Ave/14th St)		
Department	Parks & Outdoor Facilities		
Version	4 Council Review	Year	2026

Description

The rehabilitation of the trail is required from 24th Ave. extending to the turn south to the switchback. The existing trail along this section has not been in active service and is currently overgrown and re-grading packing and surface material is needed to re-establish it for safe public use.

This project was budgeted for 2025, work was not completed, it is therefore pushed to 2026 for completion.

The primary objective of the pedestrian ramp project is to enhance the Town's existing community trail system by providing a much-needed extension. Currently, the main trail dead-ends due to the recent construction of the Saugeen Cedar West housing development, limiting connectivity for trail users.

The proposed east-end trail extension will connect the main trail to 24th avenue, creating a continuous route for active transportation using a combination of trails, roads, and sidewalks. This extension will significantly improve accessibility and connectivity across the community.

Trail construction was originally excluded from the subdivision agreement to prevent delays to the developer's timeline, with the understanding that the developer would provide a standard stone dust trail. However, now that the site has been fully developed, a simple stone dust trail is not feasible due to a four-foot elevation increase that must be addressed at 22nd Avenue A. It is anticipated that any improvements beyond a basic stone dust trail will fall under the Town's responsibility.

To accommodate the elevation change, this project includes the construction of pedestrian ramps on both sides of the roadway. These ramps will be built with hot-dipped galvanized steel decking and safety railings to ensure user protection, providing a safe transition between the base trail and 22nd Avenue A.

Risk of Not Proceeding

If the pedestrian ramps are not constructed, the trail extension cannot safely accommodate the four-foot elevation change. Without this critical component, the overall trail connection would be incomplete, compromising accessibility, user safety, and the functionality of the entire trail system. This would leave residents without a safe, continuous route for walking, running, or cycling, limiting community connectivity and reducing the overall active transportation network.

Priority

Category	Priority	Comment
Public Well Being (Public H&S; Environmental Impact; Legislated)	1	Public H & S;
Tax Levy Impact (Funding Available)	2	100% Funded by Developer Costs & PRC Reserves
Efficiency/Time Resources Savings	1	New trail to link to existing trails
Strategic Plan Value	1	Safe & Reliable Infrastructure; Healthy & Welcoming Communities; Part of 2018 PRC Master Plan; Development of Trails System Loop east. Linking new residential development areas to trails for active transportation benefits.
AMP Priority	1	#665 (Trails East Side of Grey Road 28) - Addition to this existing asset
Total Weight	77	

Budget

	Total	2026	2027	2028	2029	2030	2031	2032
Expenditures								
CONTRACT	159,500	159,500						
	159,500	159,500						
Expenditures Total	159,500	159,500						

Funding

TAXES	60,000	60,000
PROVINCIAL GRANTS	47,800	47,800



REGULAR COUNCIL MEETING MINUTES

March 2, 2026, 4:00 pm
Council Chambers | Civic Centre
341 10th Street
Hanover, ON N4N 1P5

MEMBERS PRESENT Mayor Sue Paterson
Deputy Mayor Warren Dickert
Councillor Harold Fleet (virtual)
Councillor Dave Hocking
Councillor Carol Hudson
Councillor Brandon Koebel (virtual until arrival in Chambers at 4:28pm)

MEMBERS ABSENT Councillor Susan Sakal

STAFF PRESENT April Marshall, Economic Development Manager
Vicki McDonald, Clerk
Tanya Patterson, Administrative Assistant/Deputy Clerk
Jelena Savic, Director of Corporate Services/Treasurer (virtual)
Sherri Walden, CAO
Andrew Wilken, Director of Development & Infrastructure/CBO
Ted Knapp, Chief Operator (virtual, departed at 5:37pm)

OTHERS PRESENT Randy Scherzer, CAO – County of Grey
Niall Loble, Deputy CAO – County of Grey
Patrick Hoy, Director of Transportation Services – County of Grey
Sharon Melville – County of Grey
Trevor Ireton – County of Grey
Shaun Anthony – County of Grey

1. National Anthem

2. Call to Order

Mayor Paterson called the meeting to order at 4:00pm.

3. Land Acknowledgment

We want to acknowledge the Traditional Territory of the Anishinabek Nation: The People of the Three Fires known as Ojibway, Odawa, and Pottawatomie Nations. And further give thanks to the Chippewas of Saugeen, and the Chippewas of Nawash, now known as the Saugeen Ojibway Nation, as the traditional keepers of this land.

4. Disclosure of Pecuniary Interest

None

5. Agenda Additions or Deletions

None

6. Health & Safety Message

6.1 International Women's Day - Councillor Carol Hudson

7. Delegations

7.1 Randy Scherzer, CAO and Niall Lobley, Deputy CAO, County of Grey - Grey County Road Transfer Presentation

Representatives from the County of Grey were in attendance to provide a presentation on the proposed transfer of roads from the County to lower tier municipalities. Grey County has identified portions of County Road 10 (7th Avenue), County Road 4 (10th Street) and County Road 28 for transfer to the Town of Hanover.

County staff reviewed the objectives and key principles of the road transfer. Financial implications including replacement value, transfer payment for downloaded roads and urban transition funding were also outlined. The County anticipates that the transfer process will be finalized by the end of October 2026.

Subsequent to the presentation comments and questions from council were received.

- It was confirmed that the bridge on Grey Road 28 would be transferred to the Town of Hanover.
- Grey County will continue to coordinate winter maintenance for applicable border road sections with Bruce County, however any construction related projects would require Hanover to work directly with the neighbouring municipality.
- Ongoing communication with affected residents has and will continue to occur.
- Any roads transferred to Hanover would be eligible for development charges pending adoption of Hanover's development charges by-law.

Concerns

- Council expressed concern regarding the significant operations and capital financial impact on local municipalities and noted that the proposed transfer does not appear to be advantageous for Hanover. Members requested additional information on capital costs and future maintenance standards.
- Hanover has no rural roads that they maintain therefore the Town is receiving only downloaded costs.
- Funding and length of agreement are of concern including whether development charges revenue would be transferred to Hanover for growth related costs/infrastructure such as traffic lights at Grey Road 28 and 10th Street.
- How can Hanover accurately forecast their budget if Grey County's transportation budget fluctuates annually.

Outstanding Questions

- Confirm responsibility for traffic lights at County Road 10 and 28.

- Has Grey County factored in the cost of all four lanes of County Road 4 in its financial projections?

CAO Scherzer advised that County staff will bring Hanover's comments and concerns back to Grey County Council. Hanover Council members were encouraged to submit any additional feedback by March 18th, 2026 so that it can be conveyed to County Council.

Mayor Paterson thanked the Grey County representatives for attending.

8. Council Minutes

8.1 Regular Council Meeting Minutes – February 17, 2026

Moved by DEPUTY MAYOR DICKERT

Seconded by COUNCILLOR KOEBEL

That the minutes of the Tuesday February 17, 2026 regular council meeting be adopted as printed and circulated.

CARRIED

9. Business Arising From the Minutes

None

10. Consent Agenda

Councillor Hudson requested item 10.1 Report CAO-05-26 - Strategic Plan 2023 -2027 Progress Updated be pulled for separate discussion.

Councillor Koebel requested item 10.2 Committee of Adjustment Minutes be pulled for separate discussion.

10.1 Report CAO-05-26 - Strategic Plan 2023 – 2027 Progress Update

Councillor Hudson questioned item 5.1(e) in the Open and Responsible Government section of the plan as complete noting the post-council decision report has not been implemented. Councillor Hudson indicated the importance of publishing council decisions in the local newspaper to ensure broad community awareness.

Staff advised that meeting minutes are typically posted on the website within one week of each council meeting and that a post council meeting report will be fully implemented upon hiring of the Communications and Community Engagement Coordinator. Staff will also explore options for publishing a council report in The Post. This strategic plan item will be updated to reflect it is not yet complete.

It was also noted that not all advisory committees currently offer virtual participation. Committees of council will be reminded to provide this option for all meetings.

Councillor Koebel raised questions about organic waste collection and the status of Grey County's waste regionalization proposal. Deputy Mayor Dickert noted that Grey County is conducting a county-wide waste management study that is expected to address organics, making it premature for the Town to proceed independently with its own initiative at this time.

Moved by COUNCILLOR HUDSON

Seconded by COUNCILLOR KOEBEL

That report CAO-05-26 Strategic Plan 2023-2027 Progress update be received, as amended.

CARRIED

10.2 Committee of Adjustment Minutes - February 18, 2026

Councillor Koebel highlighted the Committee of Adjustment minutes.

Moved by COUNCILLOR KOEBEL

Seconded by COUNCILLOR HUDSON

That the minutes of the February 18, 2026 Committee of Adjustment minutes be received for information.

CARRIED

10.3 Hanover Police Service Board Minutes - February 17, 2026

10.4 Grey County Council Highlights - February 12 and February 26, 2026

Moved by COUNCILLOR HOCKING

Seconded by COUNCILLOR HUDSON

That the items listed on the Consent Agenda excluding items 10.1 Report CAO-05-26 Strategic Plan 2023-2027 Progress Update and 10.2 Committee of Adjustment Minutes February 17, 2026 be received for information.

CARRIED

11. Staff Reports Requiring Action

11.1 Report PW-05-26 - 2025 Drinking Water System Summary Report

Councillor Hudson asked if staff could report on splash pad water usage. Staff confirmed that a report on splash pad water usage could be provided if required.

Mayor Paterson requested clarification on the level of unaccounted for water. The Chief Operator explained that aging mechanical water meters lose accuracy over time and often record less than the actual consumption. A hardware and software upgrade to the meter-reading system is planned for the 2027–2028 budget year.

Moved by COUNCILLOR HUDSON

Seconded by COUNCILLOR FLEET

That Report PW-05-26 2025 Drinking Water System Summary Report, be received;

That council acknowledge receipt of the 2025 Drinking Water System Summary Report, as required under Section 22 of Ontario Regulation 170/03; and

That the report be made available at the municipal office.

CARRIED

11.2 Report PB-05-26 - Subdivision Agreement (File 42T-2016-08) – Georgiou Loukia – Whispering Meadows

Director of Development and Infrastructure/CBO confirmed for council that a noise barrier was required on Block 67 and the developer will be responsible for trail construction on the lot dedicated for such.

Moved by DEPUTY MAYOR DICKERT

Seconded by COUNCILLOR HOCKING

That Report PB-05-26 Subdivision Agreement (File No. 42T-2016-08) – Georgiou Loukia - Whispering Meadows Plan of Subdivision be received; and

That council pass By-law 3381-26 to authorize the execution of a Subdivision Agreement with Georgiou Loukia for the Plan of Subdivision for Whispering Meadows located on Part of Lot 18, Plan 55 (Geographic Township of Bentinck), Town of Hanover, County of Grey.

CARRIED

11.3 Report ED-07-26 - Cultural Roundtable Sub-Committee – Notice of Motion Follow-up

Mayor Paterson read a statement from Councillor Sakal, who was unable to attend the meeting. Councillor Sakal expressed her willingness to serve as council's representative on the Cultural Roundtable Sub-Committee.

Mayor Paterson invited any other members of Council to put their names forward. As no additional nominations were received, Councillor Sakal was appointed as the Council representative on the committee.

Moved by COUNCILLOR HOCKING

Seconded by COUNCILLOR KOEBEL

That Report ED-07-26 Cultural Roundtable Sub-Committee – Notice of Motion Follow-up be received; and

That the Cultural Roundtable Sub-Committee remain within the existing Economic, Tourism, and Cultural Development Advisory Committee (ETCDAC) structure, maintaining the established committee model to support efficiency, collaboration, and alignment across culture, tourism, heritage, and economic development; and

That the Cultural Roundtable Sub-Committee Terms of Reference be amended to include the appointment of a council representative, to strengthen two-way communication, reinforce Hanover Council's commitment to cultural development, and provide a direct link to ETCDAC and council decision-making; and

That Councillor Susan Sakal be appointed as the council representative on the Cultural Roundtable Sub-Committee for the remainder of the Term of Council.

CARRIED

11.4 Report CL-03-26 - Mobile Refreshment Vendor By-law

Moved by COUNCILLOR FLEET

Seconded by DEPUTY MAYOR DICKERT

That Report CL-03-26 Mobile Refreshment Vendor By-law be received;

That council adopt the Mobile Refreshment Vendor By-law 3382-26 as presented; and

That council endorse amending the 2026 Rates, Fees and Charges By-law 3357-25 to reflect the updated terminology of the Mobile Refreshment Vendor By-law.

CARRIED

12. Committees of Council Minutes

12.1 Hanover-Walkerton Waste Management Committee Minutes - February 10, 2026

12.2 Hanover Police Service Building Committee Minutes - February 3 and February 17, 2026

Moved by DEPUTY MAYOR DICKERT
Seconded by COUNCILLOR HOCKING

That the minutes of the following committees be received for information and the recommendations contained therein be hereby approved;

- Hanover-Walkerton Waste Management Committee - February 10, 2026
- Hanover Police Service Building Committee Minutes - February 3 and February 17, 2026

CARRIED

13. By-Laws

13.1 By-law No. 3381-26 - Authorize Execution of Subdivision Agreement (Georgiou Loukia – Whispering Meadows)

13.2 By-law No. 3382-26 - Regulate Mobile Refreshment Vending

Moved by COUNCILLOR KOEBEL
Seconded by COUNCILLOR FLEET

That by-law 3381-26 and by-law 3382-26 be introduced;

That they be taken as read a first, second and third time, finally passed, signed by the Mayor and Clerk, sealed with the seal of the Corporation, and inserted in the By-law book.

CARRIED

14. Correspondence Requiring Action

None

15. Notice of Motion

None

16. Good News and Celebrations

17. Upcoming Committee Meetings

17.1 Age Friendly Committee - Monday March 16, 2026 | 10:00am

17.2 Economic, Tourism & Cultural Development Committee - Wednesday March 18, 2026 | 9:00am

- 17.3 Cultural Roundtable Subcommittee- Wednesday April 1, 2026 | 10:00am
- 17.4 Heritage Subcommittee - Thursday April 23, 2026 | 10:00am
- 17.5 Planning Advisory Committee - Tuesday March 10, 2026 | 4:00pm
- 17.6 Hanover Police Service Board - Monday March 16, 2026 | 10:00am
- 17.7 Hanover Public Library Board - Wednesday March 18, 2026 | 6:00pm
- 17.8 Parks, Recreation & Culture Advisory Committee - Wednesday March 25, 2026 | 6:00pm
- 17.9 Hanover / Walkerton Waste Management Committee - Tuesday May 12, 2026 | 9:30am
- 17.10 Saugeen Municipal Airport Commission - Wednesday March 18, 2026 | 1:00pm
- 17.11 Saugeen Mobility and Regional Transit Board - Thursday March 19, 2026 | 10:00am

18. Important Dates and Announcements

- 18.1 Next Regular Council Meeting – Monday March 16, 2026 | 4:00pm

19. Closed Meeting

The Chair confirmed that council met in closed session and only discussed a matter pertaining to information belonging to the municipality that has monetary value with respect to a commercial development opportunity on municipally owned land.

Moved by COUNCILLOR KOEBEL

Seconded by COUNCILLOR HUDSON

That the council of the Town of Hanover meet in closed session in order to discuss a matter pertaining to information belonging to the municipality that has monetary value with respect to a commercial development opportunity on municipally owned land.

CARRIED

20. Confirmation of Proceedings By-law

- 20.1 By-law 3383-26 - Confirm Proceedings of the March 2, 2026 Regular Council Meeting

Moved by COUNCILLOR KOEBEL

Seconded by COUNCILLOR HUDSON

That By-law number 3383-26 be introduced; and

That it be read a first, second and third time, finally passed, signed by the Mayor and Clerk, sealed with the seal of the Corporation and inserted in the By-law book.

CARRIED

21. Adjournment

Moved by COUNCILLOR FLEET

Seconded by DEPUTY MAYOR DICKERT

THAT this meeting of Hanover Council now be adjourned at 6:59pm

CARRIED

Susan Paterson, Mayor

Vicki McDonald, Clerk

HANOVER FIRE DEPARTMENT

Annual REPORT

2025



MESSAGE FROM CHIEF DENTINGER

This annual report provides an overview of the Hanover Fire Department's (HFD) progress over the past year and the ongoing work to strengthen our readiness, safety, and service delivery. Guided by council's priorities and supported by a committed team, we continue to adapt and improve in order to protect our community now and into the future. The past year marked continued progress in operational readiness, training, and responsible stewardship for HFD. Our focus remained on delivering reliable emergency services while strengthening safety, preparedness, and organizational sustainability in alignment with council's priorities and community needs.



A major milestone was the opening of our new net-zero fire station. This facility represents a significant investment in public safety infrastructure and reflects council's commitment to environmental sustainability, energy efficiency, and long-term fiscal responsibility. The new station enhances responder safety, improves operational capability, and positions HFD to meet future service demands.

Throughout the year, HFD responded to a wide range of incidents while maintaining a strong focus on preparedness, risk reduction, and regulatory compliance. Members completed extensive training, including NFPA certifications and specialized technical rescue and medical programs, strengthening operational effectiveness and responder safety.

Progress was made in strengthening internal processes, equipment readiness, standard operating guidelines, and health and safety practices. These efforts support efficient operations, organizational resilience, and long-term sustainability while maintaining fiscal responsibility. Collaboration with municipal staff, partner agencies, and neighbouring departments remained a priority, enhancing coordination during complex incidents.

I thank Council for its continued leadership and support. HFD remains committed to continuous improvement, transparency, and accountability while delivering high-quality emergency services aligned with Council's strategic priorities and community expectations.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'J. Dentinger'.

Jeff Dentinger, B.A., C.D.P.C.
Fire Chief

Community Emergency Management Co-ordinator

Mission, Vision, Values Statements



MISSION STATEMENT

Hanover Fire Department is a highly trained fire service comprised of community ambassadors who have committed to serving the Town of Hanover, focused on minimizing loss of life, property and the environment.



VISION STATEMENT

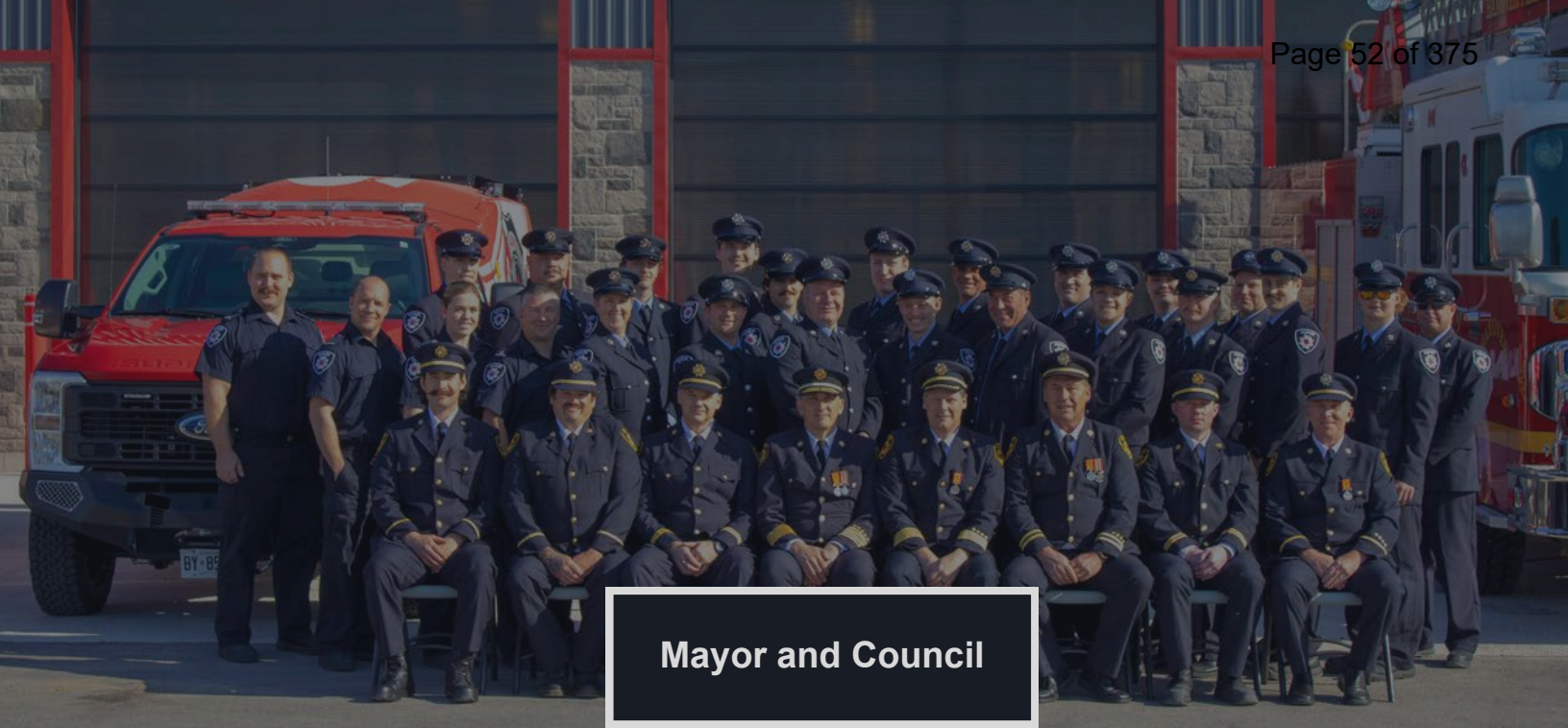
To be known as an innovative and progressive fire department. We are dedicated to the delivery of effective fire suppression, rescue, medical, prevention, and fire safety education activities. We are committed to our organization and each other. We continue to foster an environment of teamwork at all times.



VALUES STATEMENT

We value our trust of each other and loyalty to our fellow firefighters. We have strong respect of one another, our equipment and our residents and visitors.





Mayor and Council

CAO

Fire Chief

**Deputy Chief/Fire
Prevention**

Training Assistant

HFD has 35 members, when at full compliment. Due to the length of the recruit training program, the department only hires once a year.

As members retire or resign throughout the year, they are not replaced until the following year.

4 Captains

2 Lieutenants

7 Pump Operators

19 Firefighters

**1 Drone Pilot
(Contract)**

OUR STAFF

Fire Chief

Jeff Dentinger

Deputy Chief/

Fire Prevention Officer

Rob Hagan

Training Assistant

Codey Cooke

Captains

Mike Bieman

Steve Goode

Matt Marshall

Doug Graham

Lieutenants

Ben Plakholm

Codey Cooke

Pump Operators

Andy Smart

Vince Wand

Marc Dillon

AJ Grant

Jeremy Kraft

Quinten Beggs

Matt Krueger

Firefighters

Mitch Crispin

Christina Schnell

Kyle Ermel

Gordon Walmsley

Luke Dentinger

Chris Meads

Chris Cormack

Shawn Galbraith

Dan Fleet

Ben Dentinger

Sheldon Driscoll

Adam Witzel

Shawn Hie

Travis Zettler

Brooklyn Irwin

Drone Pilot

Caden Prues

Retirements

Captain Chris Karcher

25 years

3 LINES OF DEFENCE



Fire Prevention

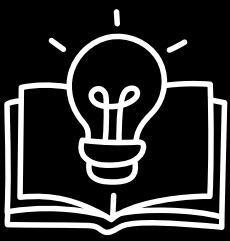
Our proactive approach to fire prevention continues to yield positive results in reducing the frequency and severity of fire incidents within the community.

Fire Safety Standards and Enforcement

Fire safety standards and enforcement serve as a critical line of defence by ensuring buildings, occupancies, and activities comply with fire codes and regulations, reducing the likelihood and severity of emergencies before they occur.

Emergency Response

Emergency response is the final line of defence, providing rapid, coordinated, and professional intervention to protect life and property when prevention and built-in fire safety measures are overcome.



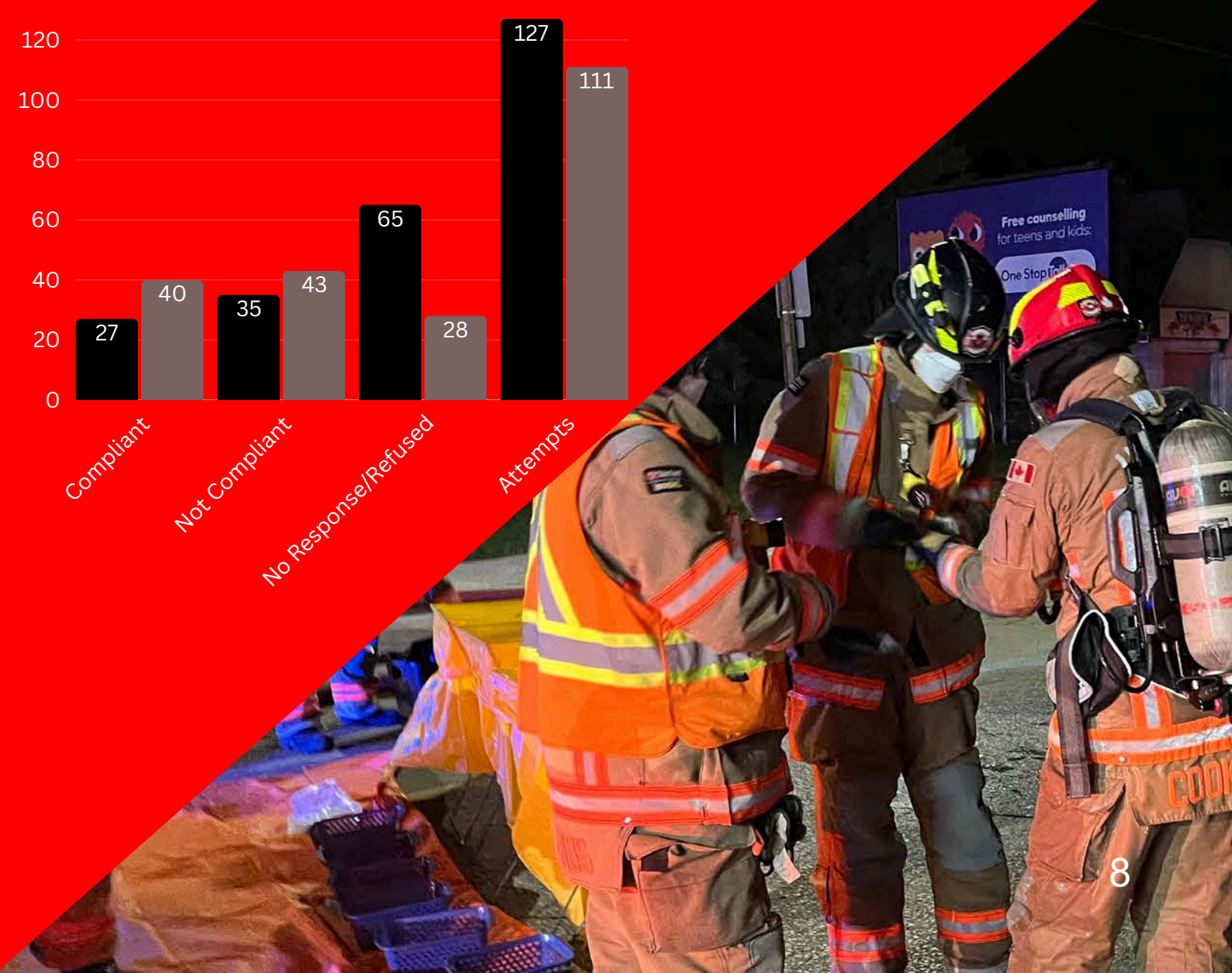
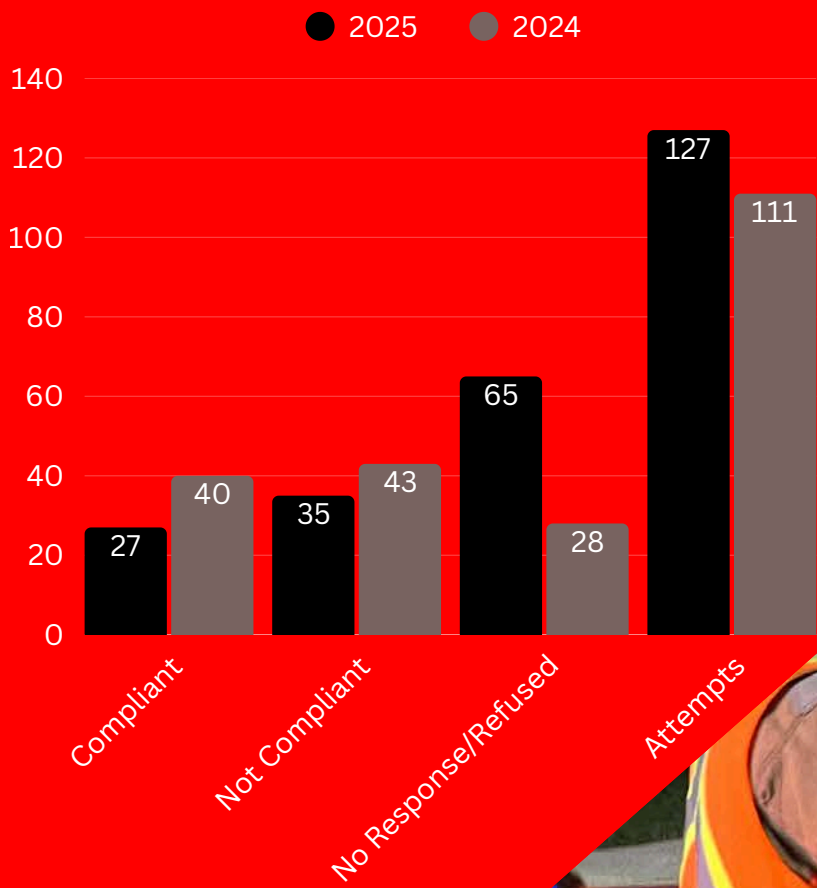
Education and Prevention

The Alarmed for Life program was completed throughout the Spring, Summer and Fall months. This initiative focuses on ensuring that residents within the community are equipped with working smoke and carbon monoxide alarms. The program is provided to residents on a voluntary basis. HFD visited residences to obtain the permission of homeowners, and tenants to check smoke and carbon monoxide alarms.

ALARMED FOR LIFE

The results of the Alarmed for Life program in 2025 indicate a 44% compliance rate for working smoke and carbon monoxide alarms. Residences not in compliance typically had smoke alarms over 10 years of age, or without a power supply to the smoke or carbon monoxide alarm. The 2025 results were a decrease from the compliance rate of 48% in 2024.

With new provincial carbon monoxide alarm legislation coming into effect in 2026, there is increased importance and urgency in improving compliance and public awareness. Continued efforts through the Alarmed for Life Program remain critical to enhancing life safety and protecting Hanover residents.



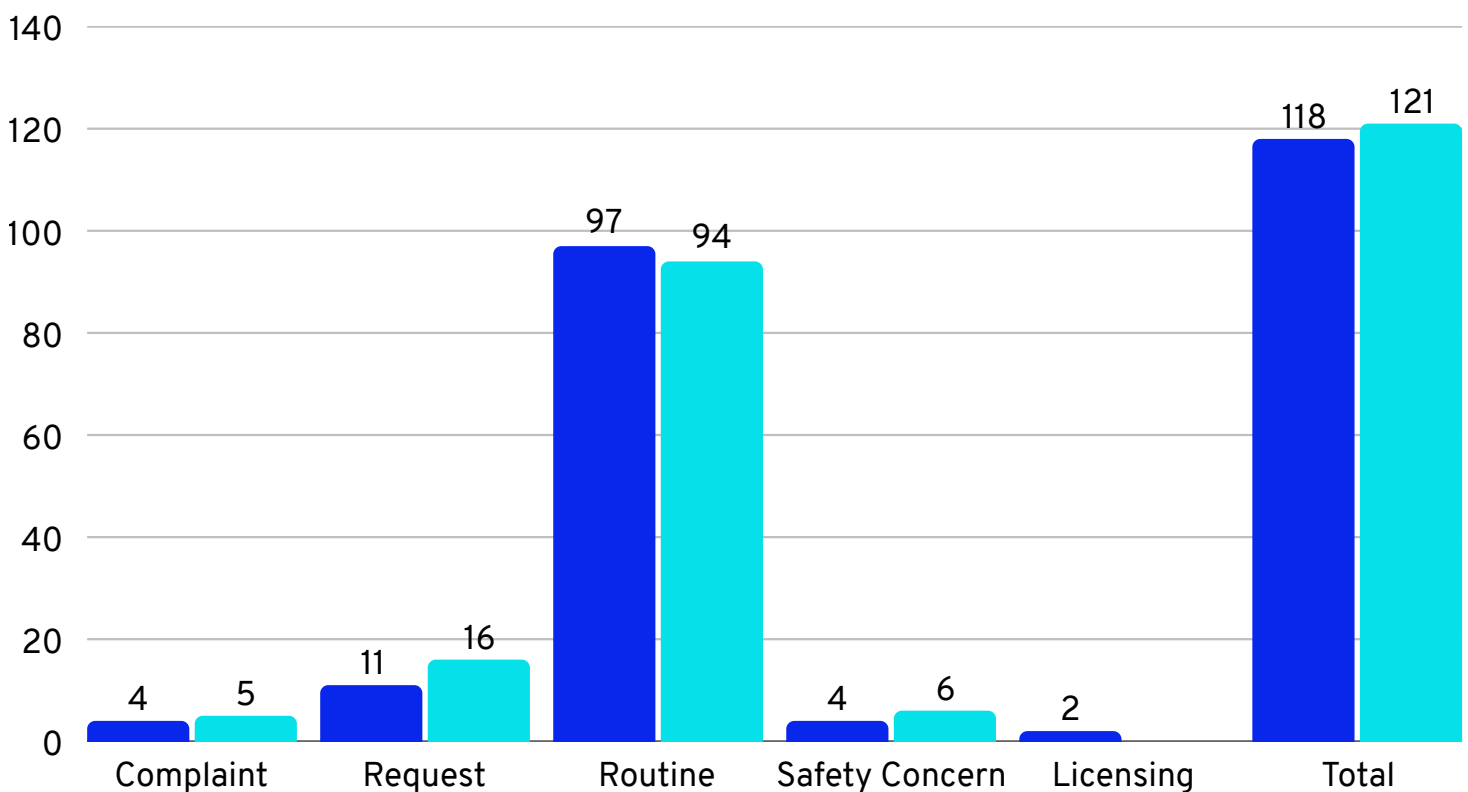
STANDARDS AND ENFORCEMENT

Deputy Chief Hagan conducted ongoing inspections throughout the year to ensure adherence to the Fire Code. He worked with commercial, industrial and residential interests on an ongoing basis to ensure fire safety and protection measures were in place.

During 2025, HFD received 4 complaints regarding potential code violations. All complaints were investigated and successfully closed. In total, 118 inspections were completed, a slight decrease from the 121 inspections completed in 2024.



● 2025 ● 2024



INSPECTION TYPES

Complaints

Complaints can be received from several sources: the public, outside agencies or government ministries.

Complaint inspections are focused on the fire safety concern that has been raised to determine if the complaint is justified and to ensure no fire code infractions exist.

Requests

Requests for inspections are to assist owners with fire safety legislation compliance including when certain provisions of the Fire Code require the approval of the Chief Fire Official. This activity improves the fire safety of properties in the community and allows the property owner to propose alternate means for compliance to certain Fire Code requirements.

Routine

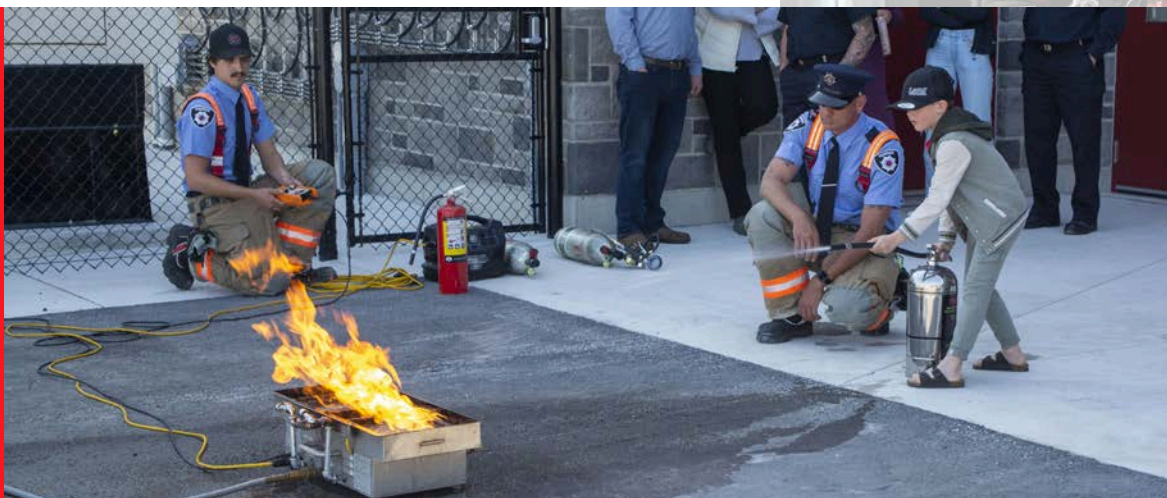
Routine inspections are typically performed on an annual basis as required by the Fire Code or other legislation. Current routine inspections include: vulnerable occupancies (nursing homes, retirement homes or other care facilities), schools and other high risk occupancies.

Licensing

Licensing inspections are performed upon request (primarily for acquiring liquor or daycare licenses) to ensure those businesses are meeting Fire Code obligations.

Follow-up

Follow-up fire inspections are conducted after an initial fire inspection, to verify that previously identified fire code deficiencies or life-safety concerns have been corrected. The purpose is to ensure that required corrective actions (such as repairs, maintenance, or changes to procedures) have been completed in accordance with applicable fire codes and orders. Follow-up inspections ensure ongoing compliance, reduce fire and life-safety risks, and support accountability by ensuring that hazards are addressed within established timelines.



PUBLIC EDUCATION

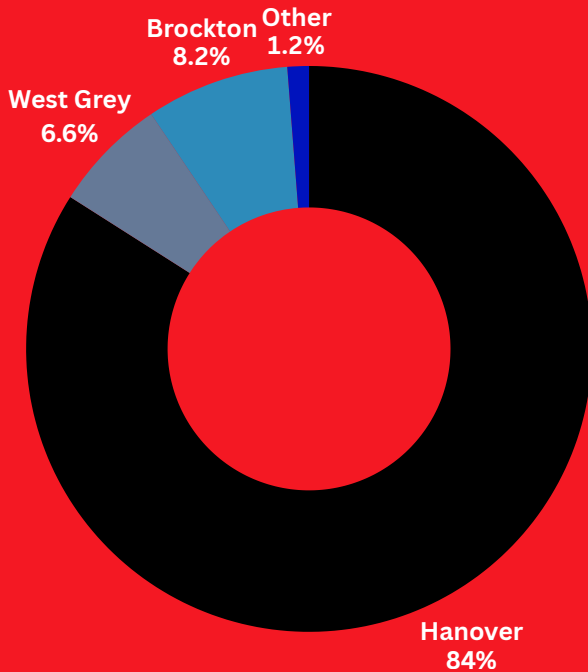
A photograph showing three firefighters in blue shirts and tan pants with reflective stripes. One firefighter is holding a hose and spraying water towards a brick building with a '911' sign. Two other firefighters stand nearby. A young boy in a black t-shirt is standing in the foreground, looking at the demonstration. The scene is outdoors on a paved area with a white picket fence and a metal guardrail in the background.

Public education initiatives continued to expand in 2025. HFD delivered fire and life safety messaging through new and traditional outreach methods. Over 300 staff firefighter hours were dedicated to public education activities involving 56 events, reflecting a strong commitment to prevention and community risk reduction. An estimated 5,600 community members were involved in public education activities.

Public education is designed to proactively reduce the likelihood and impact of fire and life safety incidents by reaching a broad range of community groups. Through participation in several on-site public events, firefighters engaged directly with community members of all ages, increasing awareness, safer behaviors, and improved preparedness. These efforts contribute to fewer preventable emergencies, reduced property loss, and improved overall community safety over the long term.

EMERGENCY RESPONSE

In 2025, HFD responded to a total of 244 emergency incidents. The majority of calls and response hours originated within the Town of Hanover. In addition to local responses, HFD provided full emergency response services two sections of the Municipality of Brockton and West Grey under existing Fire Service Agreements. HFD also delivered specialty technical rescue services to the Municipalities of Brockton, West Grey, Grey Highlands, Southgate, and Arran-Elderslie under agreement.

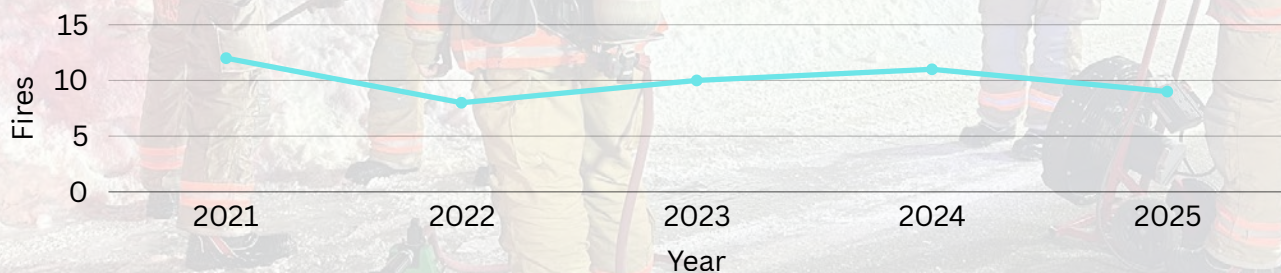


TOWN OF HANOVER

A total of 9 fire incidents and 16 pre-fire incidents occurred during 2025 in the Town of Hanover with an estimated dollar loss of \$29,500. Fires/explosions and pre-fire conditions account for slightly over 12% of the overall calls within the municipality.

Of the 9 fire incidents, 4 were structure fires and 5 were outdoor fires which resulted in no dollar loss

5 Year Fire Emergencies Town of Hanover

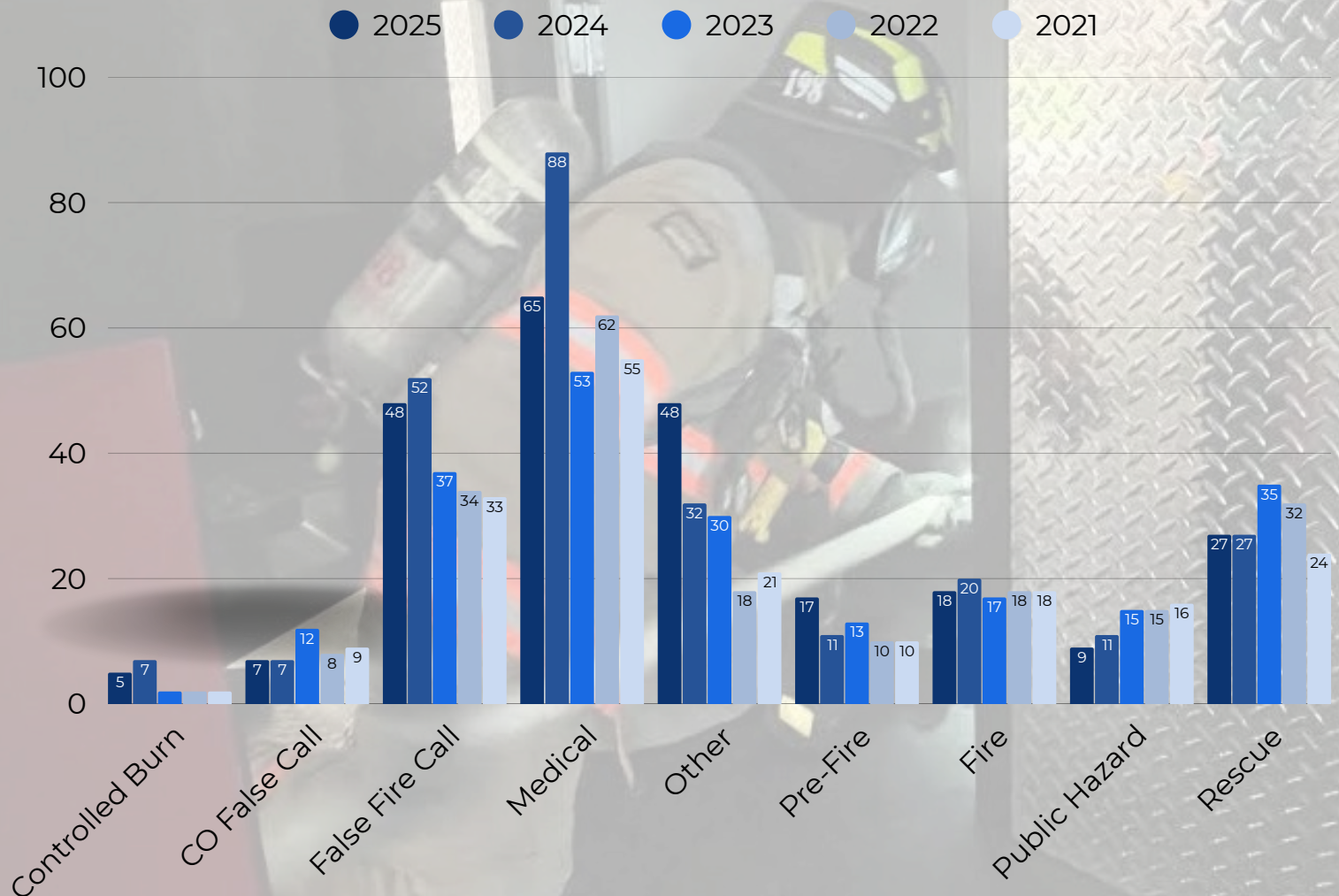
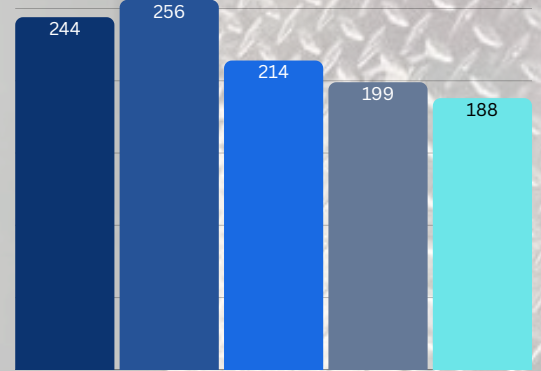


ALL RESPONSES

In 2025, the Department experienced a modest decrease in overall emergency incidents across its response region, with a total of 244 emergency calls received, compared to 256 incidents in 2024. While call volume can fluctuate year to year due to a variety of factors, this decrease reflects a relatively stable demand for emergency services. The following graph illustrates total call volume for both 2024 and 2025 and provides a breakdown of incidents by the nature of the emergency, offering insight into trends and operational demands over the two-year period.

5 Year Total Responses

● 2025 ● 2024 ● 2023 ● 2022 ● 2021



Controlled Burn: unauthorized open air burn, burn complaint

Carbon Monoxide (CO) False Calls: perceived emergency, equipment malfunction with no CO readings present

False Alarm Calls: fire alarm equipment malfunctions, accidental activations, malicious or perceived emergencies

Medical: vital signs absent, unconscious, choking, life threatening incident with delayed paramedic arrival

Other: Calls not classified, cancelled enroute, Incidents not located, assistance to police, mutual aid support to other departments

Pre-Fire Conditions: pot on stove, overheating (no fire), other small cooking incidents, lightning, fireworks

Fires: residential, commercial and industrial structure fires, explosions, no loss outdoor fires, vehicle fires, and wildland fires.

Public Hazard: natural gas and propane leaks, hydro lines down on trees or across roadways.

Rescues: vehicle accidents, including those requiring extrication, water/ice, elevator and similar rescues.

APPARATUS



910

2020 Pumper/Tanker



902

2011 75' Aerial



909

1999 Pumper/Rescue



905

Decon/Trailer Hauler



904

Medical/Tech Rescue



903

Command/Drone



940

Decon/Rehab/Command Trailer



941

Rescue Boat



37

Restored Pumper

TRAINING AND EDUCATION



In 2025, HFD delivered several core training programs internally, including NFPA 1001 Firefighter Level I and II, NFPA 1072 Hazardous Materials Awareness and Operations, and NFPA 1006 Ice Water, Surface Water, and Swiftwater Rescue. Upon completion, the Ontario Fire Marshal's Office, Academic Standards and Evaluation Branch, conducted skills assessment and certification testing. Delivering training locally allowed firefighters to train with HFD staff and equipment, exceed provincial standards, ensure content was specific to Hanover, and significantly reduce travel and training costs while maintaining full certification.

Over 11,000 hours of training, meetings, and administrative time were logged in 2025 across 193 sessions, reflecting a strong commitment from staff. Training was distributed across multiple evenings each week to support smaller groups and role-specific specialization for recruits, firefighters, pump operators, and officers. Additional certifications were obtained through Regional Training Centres and third-party providers, often completed using personal time, evenings, weekends, and vacation days.

Specialized Training



Additional fire certification courses that were completed in 2025 through Regional Training Centres and in-house training include:

NFPA 1035 Fire and Life Safety Educator Level 1 (1 member)

NFPA 1035 Public Information Officer (1 member)

NFPA 1006 Common Passenger Vehicle Operations/ Technician (3 members)

NFPA 1021 Fire Officer Level 1 (2 members)

NFPA 1041 Fire Instructor Level 1 (1 member)

NFPA 1521 Fire Safety Officer (2 members)

NFPA 1002 Pump Operator (3 members)

NFPA 1006 Surface Water Rescue Operations/Technician (15 members)

NFPA 1006 Ice Water Rescue Operations/Technician (8 members)

Advanced Operations Drone Pilots License (1 member)

Live Fire Training (8 members)



ACCOMPLISHMENTS

The year 2025 represented a period of steady progress and meaningful achievement for HFD. The Department completed its first full year of operation in the new fire station, which enhanced emergency response capabilities, training capacity, and administrative efficiency while supporting long-term sustainability and net-zero performance goals.

Training and professional development remained a priority, with members completing extensive NFPA-level training across multiple disciplines and earning more than 30 certifications. HFD continued to strengthen technical rescue capabilities, including surface water rescue, ensuring preparedness for complex and high-risk incidents.

In 2025, HFD also advanced its technological capabilities through the introduction of a dedicated drone pilot contract position, enhancing situational awareness, training effectiveness, and post-incident analysis. Community risk reduction efforts expanded through increased Alarmed for Life visits, reinforcing the commitment to prevention and public education.

HFD proudly recognized significant service milestones for several members, reflecting the experience and dedication that support operational excellence.

Captain Chris Karcher – 25 years of service

Operator Marc Dillon – 10 years of service

Lieutenant Codey Cooke – 5 years of service

Firefighter Christina Schnell – 5 years of service

These milestones highlight the experience, dedication, and continuity that form the backbone of the department.

Throughout the year, members responded to a wide range of emergency incidents, consistently demonstrating professionalism, teamwork, and resilience. Overall, 2025 laid a strong foundation for continued growth and service excellence.



GRAND OPENING HANOVER'S NET-ZERO FIRE HALL

On May 10th 2025, our Town proudly celebrated the official grand opening of our state-of-the-art net zero fire station at 670 1st Street, marking a significant milestone in our community's commitment to sustainability, emergency response excellence, and public engagement. The event was well attended by residents, local dignitaries, and representatives from federal, provincial, and regional governments, alongside Mayor Sue Paterson, council and members of the Ontario Fire Marshal's Office. Festivities kicked off with an official ribbon cutting, followed by guided tours of the facility, live rescue demonstrations by our HFD team, and opportunities for the public to learn more about the innovative features of this next-generation emergency services hub.



Designed to produce as much energy as it consumes, the new fire station embodies our community's environmental leadership while enhancing operational capabilities for the HFD.

The facility includes four drive-through apparatus bays, a dedicated training area, honour hall, hose tower, gear room, and modern staff offices, all supported by high-efficiency systems, advanced HVAC technologies, and solar production with real-time monitoring. Attendees also enjoyed demonstrations and community fellowship at a BBQ hosted by the Hanover Firefighters' Association, reflecting the strong community spirit that defined this memorable day.



SPONSORSHIP & SUPPORT



HFD gratefully acknowledges the generous donations received in support of the construction of the new training area. These contributions from community partners, local businesses, and residents have played an important role in enhancing our training capabilities and improving firefighter safety and preparedness. The new training area will provide realistic, hands-on learning opportunities that support operational readiness and allow our members to train effectively for the emergencies they may face. This investment in training directly strengthens the level of service provided to the community and reflects the strong support and trust of those we serve.

Thank You



Platinum Sponsors - \$20,000, Gold Sponsors - \$5000, Silver Sponsors - \$2500,
Bronze Sponsors - \$1000-\$2499, Hero's Donation - \$500 - \$999

Looking Ahead

As HFD looks ahead to 2026, the focus remains on continuous improvement, operational readiness, and responsible stewardship of resources. Building on recent progress, priorities include strengthening operational capabilities, advancing training and oversight, and ensuring infrastructure and equipment continue to support both firefighters and the community.

A key initiative for 2026 is the implementation of formal medical oversight training and governance to support members providing medical care. This program will establish clear clinical guidance, training standards, and quality assurance processes to enhance patient care, consistency, and alignment with best practices and regulatory expectations.

Fleet modernization will continue with the anticipated arrival of our new rescue/pumper, designated Rescue 911, built on a commercial Freightliner chassis and expected to be operational by the fall. This versatile apparatus will enhance both rescue and fire suppression capabilities and improve response reliability.

HFD will further enhance technical rescue capabilities through the planned purchase of a new rescue boat to improve response effectiveness and safety during surface water, swiftwater, and flood-related incidents. Investment in an updated drone will also strengthen rescue and firefighting operations by improving real-time situational awareness, search support, and post-incident analysis.

To support accountability and continuous improvement, a third-party audit of surface water rescue training and response protocols is planned. Findings from this independent review will refine training programs and strengthen operational readiness, while underwater search and recovery capabilities will be enhanced through a Firefighter's Association donation for sonar equipment.

Training will remain a cornerstone of departmental excellence, with live fire training reinforcing realistic fireground skills, decision-making, teamwork, and safety. NFPA-level training and certification will continue to ensure members meet national standards and remain prepared for diverse emergency responses.

HFD will also review the first full year of occupancy at the new fire station, focusing on confirming net-zero energy performance, operational efficiency, and sustainability outcomes. Collectively, these initiatives position HFD for continued growth while maintaining a strong commitment to safety, professionalism, and service delivery in 2026.



PHONE
519.364.2780 ext.1239

ADDRESS
670 1st Street

WEBSITE
hanover.ca/fire



MINUTES

Hanover Public Library Board Meeting
 Wednesday January 2nd, 2026 at 6:00 pm
 Via Zoom

Members: (X = present, A = absent, R = regrets, L = Expected late)

X Brenda Booth (chair)	X Sue Paterson (council rep)	X Lindsay Wilkin
X Laurel Douma	X Kathi Maskell	X Carolyn Caskanette (CEO)
X Edwin Haas	X Jeannette Wilken	X Alex Taylor (staff)

1. Brenda Booth called the meeting to order at 6:03 p.m. The Territory Acknowledgement was read by Brenda Booth.
2. Agenda:
 Moved by Jeannette Wilken and seconded by Laurel Douma THAT the agenda be accepted with amendments. CARRIED
3. Declaration of conflict of interest - None.
4. Consent Agenda
 Moved by Sue Paterson and seconded by Kathi Maskell THAT the Consent Agenda items be accepted. CARRIED
5. Board Education – Legacy Document:
 - The board will be producing a legacy document later this year
 - Starting to recruit new trustees soon
 - Carolyn suggested a coffee with the Board to let people know what the board does
 - Suggested in April
 - List of potential candidates to be compiled and an outline of skills we need in those individuals
6. CEO Report:
 - Personnel issue
 - Verbal update about a personnel issue
 - Morale is greatly improved
 - Job tasks of vacant position have been distributed
 - Changes shouldn't affect the budget
 - Applied for grants – completed Young Canada Works grant
 - Collaborating to be a part of the Coldest Night of the Year with Grey Bruce Mentorship
 - Met with potential volunteers for programming tasks
 - Received \$600 from Breakfast with Santa event
 - Met with CAO about delegation to council

- Well underway for our computer update
 - Next week CEO and Branch Manager will be away at OLA
7. Report from the Chair
- Met with CEO for performance review
 - Wrote a letter to HR when this was completed
 - Present at council when budget was presented
 - Attended Chamber of Commerce Christmas Luncheon
 - Review minutes
 - Wrote a thank you card for a \$1000 donation
 - Finance meeting with Edwin and Carolyn
8. Council Feedback
- Passed a resolution for the West Grey Boundary Agreement
9. Matters Arising from the Minutes
- Making sure the committees are full
 - New trustee Lindsay to sit on:
 - Advocacy committee
 - Policy committee

Committee Reports

11. Policy Committee
- Removed “public right of ways at the library” because we don’t have a public right of way.

Moved by Jeannette Wilken and seconded by Edwin Haas THAT the board accept the amendments made to OP-16 Library and Political Elections. CARRIED

12. Financial Committee
- Revenue exceeds expenditures
 - More expenses to come that are not on this report
 - Auditing services for example, are not on this report
 - Revenue line is high because there was \$15k-\$25k from grants we were not expecting to receive

Moved by Edwin Haas and seconded by Laurel Douma THAT the Financial Report and Balance Sheet for the month of December 2025 be received for information. CARRIED

13. Advocacy
- Two initiatives

- Love your library in February
 - Invite our businesses by hand delivering messages
 - A small sticker are provided to businesses and shareholders to put it in their window

Spoke with Cindy from the Chamber of Commerce, the Chamber is happy to support

In February there is a breakfast for the Chamber, Kathi to Attend

- Want to meet with Paul Vickers our MPP
 - Planning to see them during constituency week

Moved by Kathi Maskell and seconded by Laurel Douma THAT the Board approve the letter and the decal to be shared with the businesses in Hanover.

CARRIED

14. Personnel committee

- Reviewed performance appraisal for CEO
- Want the boards consideration on approaching the municipal staff for feedback on the questions

15. Branding Adhoc Committee

- Presented 4 designs from the contest for the logo
 - A winner was decided

Moved by Edwin Haas and seconded by Laurel Douma THAT the Board approve the winner of the Hanover Public Library's design competition.

CARRIED

16. Other new business

- Cyber security review
 - All of our data is hosted on Koha
 - Minimal cyber security risk

Moved by Edwin Haas and seconded by Laurel Douma THAT the Cyber security review be received for information.

CARRIED

- Booksale report
 - The Board discussed the provision of a small stipend for the booksale
 - The board agreed to search for a volunteer without the stipend
 - Next step meet with the board volunteers to start cleaning the books and organizing the room
 - CEO and Branch Manager to prepare the storage room
 - Book cleaning hoped to move back to the church
 - Carolyn to reach out to Brenda, Jeannette and Laurel about next steps
- Space needs terms of reference

- Carolyn discussed with other CEOs about how to move forward with Space Needs

Moved by Lindsey Wilkin and seconded by Jeannette Wilken THAT the Space Needs Terms of Reference be received for information. CARRIED

- Surplus report
 - Received updated microfilm reader from Bruce County
 - Declared surplus a magnifier and a small table
- Purchase 1 double sided cart and 1 single sided cart due to Health and Safety concerns.

Moved by Edwin Haas and seconded by Kathi Maskell to allow the CEO to take from reserves the money needed to purchase 1 double sided cart and 1 single sided cart for the library. CARRIED

17. Board work Plan

- Today we talked about the legacy document
- Looked at committee placements
- Arranges already made for OLA
- All of January has been completed
- Let Carolyn know if anything new needs to be added

18. Good news and celebration

19. Adjournment

Next scheduled meeting is: Wednesday, February 18th, 2026 at 6:00pm in the Saugeen Room of the Hanover Civic Centre.

Moved by Jeannette Wilken THAT the Board be adjourned at 7:57 pm.

Secretary: _____ Board Chair: _____

SAUGEEN MOBILITY

and REGIONAL TRANSIT

GENERAL BOARD MEETING MINUTES

Friday, January 9, 2026, 10:00AM.

Boardroom, 603 Bruce Rd 19, Walkerton, ON & via Zoom

Board Members Present: Kym Hutcheon, Deputy Mayor, Brockton, Chair
Ed McGugan, Councillor, Huron-Kinloss, past Chair
Jennifer Shaw, Deputy Mayor, Arran-Elderslie, Vice Chair (via Zoom)
Scott Mackey, Mayor, Chatsworth
Warren Dickert, Deputy Mayor, Hanover
Doug Townsend, Councillor, West Grey
John Divinski, Councillor, Saugeen Shores
Mike Hinchberger, Councillor, Kincardine (via Zoom)
Joel Loughead, Councillor, Grey Highlands (via Zoom)
Monica Singh-Soares, Councillor, Southgate (via Zoom)

Others Present: Stephan Labelle, Manager

1. Call to Order & Roll Call

The Chair called the meeting to order at 10:00AM.

2. Disclosure of Pecuniary Interest and Declaration of Conflict of Interest

None declared.

3. Approval of Agenda Motion

Motion Moved by: Ed McGugan; Seconded by: John Divinski

That the agenda be approved as presented.

Carried

4. Minutes of the Previous Meeting – December 19, 2025

Motion Moved by: Scott Mackey; Seconded by: Warren Dickert

That the minutes from December 19, 2025 be approved as presented.

Carried

5. Delegation – Stephan Labelle (BDGW Regional Transit Study Team)

The Manager provided the update on the BDGW Regional Transit Study in Stephanie Stewart's place. A recent meeting with the consultant focused mainly on upcoming public engagement scheduled for January. The project is slightly behind schedule, but the consultant assured the team that all deliverables will be completed on time. Upcoming engagement includes a public virtual information session on January 14, followed by a Rural Transit 101 session for Councilors on January 15 at 6:00PM. A formal letter with this information will be sent to participating municipalities.

In early February, a one hour working session is scheduled between the consultant, SMART, and HCSS to discuss operations and provide detailed context for the study. Discussion followed regarding fare equity under the AODA, particularly whether mobility transit services must match conventional transit fares when operating in the same jurisdiction. Concerns were raised about the applicability of these rules for rural door-to-door service. Some cost estimating was discussed, noting that equalizing fares could require municipal contributions to increase approximately \$25,000 per municipality.

Saugeen Mobility and Regional Transit Board Meeting

January 9th, 2026

The Board discussed the differences between conventional and mobility transit, including door-to-door service, passenger assistance, geographic scale, and trip length. It was noted that SMART's average cost per ride is approximately \$75 (if we take the total SMART yearly expenses and divide that amount by the number of rides) and the average client contribution is roughly \$17.50. Members emphasized that rural long distance medical trips are not comparable to urban fixed route transit systems.

Staff confirmed ongoing discussions with the Ministry of Transportation and the Ministry of Health to clarify policy interpretation and jurisdictional scope. It was agreed that additional written information would be provided to the Board following the meeting.

The delegation was received for information purposes.

6. Business Arising from the Minutes**A. BDGW Regional Transit Study**

The Manager continues to work closely with the BDGW Regional Transit Study Team and will keep the Board informed with regular updates.

Motion Moved by: Joel Lougheed; Seconded by: Monica Singh-Soares

That the Manager continue to work collaboratively with the Study Team and provide regular updates to the Board.

Carried

7. Correspondence – none**8. New Business****A. Home & Community Support Services (HCSS) and SMART update**

The Manager reported on participation in a recent virtual meeting with the Ministry of Health. The discussion focused on the study team's interest in working with HCSS in future transit planning. The Ministry recommended a strengthened partnership with HCSS through a revised Memorandum of Understanding (MOU), to allow both organizations to remain independent but also coordinate services. It was noted that the Ministry of Health does not anticipate funding SMART operations. Staff will continue discussions with both the Ministry of Health and the Ministry of Transportation to identify funding pathways, fare equity, and jurisdictional responsibilities. The Board discussed the proportion of medical trips provided by SMART, HCSS capacity, volunteer-based service models, and the risk of service loss if municipal funding becomes unsustainable.

Motion Moved by: Mike Hinchberger; Seconded by: Joel Lougheed

That the update on HCSS and SMART be accepted as presented.

Carried

B. Aird & Berlis legal firm

The Board revisited the potential engagement of Aird & Berlis to provide legal advice regarding a partnership between HCSS and SMART. Staff advised that HCSS recommended waiting for further clarity from the Ministry of Health before proceeding to ensure appropriate questions are addressed. The estimated legal cost was outlined at \$650 per hour, with a projected maximum up to \$4,000.

Motion Moved by: Scott Mackey; Seconded by: Ed McGugan

That the Manager be authorized to commit funds to pay for Aird & Berlis' advice on the partnership between HCSS and SMART.

Deferred to next Board meeting

Sageen Mobility and Regional Transit Board Meeting
January 9th, 2026

9. Reports and Recommendations

A. Report on December 2025 operations

The Manager presented the December 2025 operation report. SMART provided 1,856 rides, collected \$32,841 in user fees, and tracked 27,508 billed kilometers. Compared to the previous year, this is a 4% decrease in rides, 4% increase in user fees, and 4% decrease in billed kilometers. Deadhead kilometers accounted for approximately 148% of total kilometers. Year-end totals were also reviewed with 27,274 rides, approximately \$412,000 in user fees, and over 900,000 total kilometers, including deadhead. The Board discussed deadhead costs, driver distribution, scheduling practices, and whether improved data reporting could help address and reduce inefficiencies. Staff noted that generating more detailed analytics through the current software would require an upgrade, estimated previously at \$6,000 and agreed to follow up with the software provider for clear implementation timelines and updated costs.

Motion Moved by: Joel Loughheed; Seconded by: Doug Townsend

That the report on December 2025 operations be accepted as presented.

Carried

10. Closed Session – none

11. Adjournment & Upcoming Meeting Date – February 13, 2026, 10AM

Motion Moved by: Ed McGugan; Seconded by: John Divinski

That the Board meeting be adjourned as of 10:59 AM.

Carried

Signed by:

Kym Hutcheon

3/6/2026

867687BC6570420...

Kym Hutcheon, Chair

DocuSigned by:

Cassandra Cesco

3/6/2026

4F5F59A15319467...

Cassandra Cesco, Recording Secretary

Township of Southgate
Administration Office
185667 Grey County Road 9, RR 1
Dundalk, ON N0C 1B0



Phone: 519-923-2110
Toll Free: 1-888-560-6607
Fax: 519-923-9262
Web: www.southgate.ca

March 6, 2026

Re: Bluewater District School Board – Ombudsman Dube re Removal of Trustees

Please be advised that at the March 4, 2026, regular Council meeting, the Council of the Corporation of the Township of Southgate, approved the following:

No. 2026-091

Moved By Deputy Mayor Dobreen
Seconded By Councillor Shipston

Whereas the Minister of Education has stated the intention to remove the role of democratically elected English public school trustees; and
Whereas there has been no formal public consultation to date, nor any fulsome and inclusive discussion that considers the viewpoints of students, families, school boards, staff, partners, and others bearing the impact of such a sweeping structural shift; and
Whereas eliminating the local voices and decision-making powers of public school trustees creates an uneven playing field rooted in unfairness and inequity for students; will result in the loss of Indigenous representation where it currently exists; and would have a detrimental impact on the student voice in the affected boards; and
Now therefore be it resolved that the Council of the Township of Southgate support the letter to Ombudsman Paul Dubé by the Bluewater District School Board urging him to prioritize a formal review of the impacts of removing English Ontario public school trustees and ensure that any new government-initiated rollouts are measured, evidence-based, and truly reflective of the best interests of our students. Let it further be resolved that this resolution and the correspondence from the Bluewater District School Board include copies to The Honourable Doug Ford, Premier of Ontario, The Honourable Paul Calandra, Minister of Education, Abram Benedict, Ontario Regional Chief, Paul Vickers, MPP, Bruce-Grey-Owen Sound, The Honourable Lisa Thompson, MPP, Huron-Bruce, Alex Ruff, MP, Bruce-Grey-Owen Sound, Ben Lobb, MP, Huron-Bruce, Ontario Public School Boards' Association and Member Boards, Local Municipal Councils, Local Chiefs and Councils.

If you have any questions, please contact our office at (519) 923-2110.

Sincerely,

Lindsey Green, Clerk
Township of Southgate

Encl: BWDSB Correspondence – Ombudsman Dube re Removal of Trustees

CC: Honourable Doug Ford, Premier of Ontario
Honourable Paul Calandra, Minister of Education
Abram Benedict, Ontario Regional Chief
Paul Vickers, MPP, Bruce-Grey-Owen Sound
Honourable Lisa Thompson, MPP, Huron-Bruce
Alex Ruff, MP, Bruce-Grey-Owen Sound
Ben Lobb, MP, Huron-Bruce
Ontario Public School Boards' Association and Members Board
Local Municipal Councils
Local Chiefs and Councils



Bluewater District School Board

351 1st Avenue North
Chesley ON N0G 1L0
Telephone: (519) 363-2014
Fax: (519) 370-2909
www.bwdsb.on.ca

February 20, 2026

Paul Dubé, Ombudsman
Office of the Ombudsman of Ontario
483 Bay Street
10th floor, South Tower
Toronto, ON M5G 2C9

Dear Ombudsman Dubé:

On behalf of the Board of Trustees of Bluewater District School Board (BWDSB), we are reaching out to express our steadfast support of the recent [letter you received from the Waterloo Region District School Board](#) (WRDSB). We join our WRDSB peers in requesting that your office review the potential impacts of removing English Ontario public school trustees, which is currently under consideration by the provincial government.

We recognize the pivotal role of the Ontario Ombudsman in examining the policies and actions of governments with respect to fairness, openness, transparency, and accountability. The Minister of Education has stated the intention to remove the role of democratically elected English public school trustees, but that French and Catholic trustees will not be removed.

Like many other school boards across the province, BWDSB coexists with our French and Catholic counterparts in serving the students and families in our communities. Implementing inconsistent governance structures and eliminating the local voices and decision-making powers of English public school trustees creates an uneven playing field rooted in **unfairness and inequity for our students**.

The removal of English public boards of trustees would also result in the **loss of Indigenous representation** where it currently exists. In our district, this includes a vital voice for the communities of Saugeen First Nation and Chippewas of Nawash Unceded First Nation, where a spirit of strong partnership and collaboration has been built and fostered over many years.

Additionally, a move by the provincial government to remove English public school trustees would have a **detrimental impact on the student voice** in the affected boards through the loss of student trustees. This is the sole legislated role giving voice to Ontario students in English public schools.

We are deeply concerned that there has been **no formal public consultation** to date on the proposal to remove the role of English public school trustees. This should be of dire concern to your office given your mandate to help keep government and public services accountable, protect the rights of Ontarians, and ensure fairness.

Polls have shown support for the role that trustees play as democratically elected representatives of their communities and reflect skepticism that the proposed governance changes will improve public education. We have already seen that the removal of democratically elected trustees at school boards currently under supervision has resulted in fewer open public meetings, which can lead to less accountability.

We respect the important role of the Ombudsman as an arm's length independent officer of the legislature committed to investigating matters of the public interest. A healthy democracy is one that is built on transparency and reflects, not bypasses, the voices and concerns of its constituents. Any changes to current governance models should not occur prior to a fulsome and inclusive discussion that captures the viewpoints of students, families, school boards, staff, partners, and others bearing the impact of such a sweeping structural shift.

Given the time sensitive nature of the Minister of Education's plans for a decision on this matter, we urge you to prioritize a formal review to help ensure that any new government-initiated rollouts are measured, evidence-based, and truly reflective of the best interests of our students.

Thank you for your consideration and attention to our grave concerns.

Sincerely,



Jane Thomson
Chair



Jan Johnstone
Vice-Chair

cc: The Honourable Doug Ford, Premier of Ontario
The Honourable Paul Calandra, Minister of Education
Abram Benedict, Ontario Regional Chief
Paul Vickers, MPP, Bruce-Grey-Owen Sound
The Honourable Lisa Thompson, MPP, Huron-Bruce
Alex Ruff, MP, Bruce-Grey-Owen Sound
Ben Lobb, MP, Huron-Bruce
Ontario Public School Boards' Association and Member Boards
Local Municipal Councils
Local Chiefs and Councils

/jp

Staci Landry, Deputy Clerk
City of Owen Sound
808 2nd Avenue East
Owen Sound, ON N4K 2H4



Phone: 519-376-4440 ext. 1235
Facsimile: 519-371-0511
Email: slandry@owensound.ca
Website: www.owensound.ca

March 3, 2026

Via Email

Grey County Council
c/o Tara Warder, County Clerk
tara.warder@grey.ca

Dear County Council:

Re: Grey County Urban Road Transfer

City Council, at its Special meeting held on March 2, 2026, considered the above-noted matter, and passed Resolution Nos. S-260303-002 and S-260303-003 as follows:

S-260303-002

"THAT in consideration of Staff Report OP-26-007 respecting the Grey County Urban Road Transfer, City Council:

1. Does not approve the proposed Road Transfer Agreement at this time;
2. Requests that County Council not approve the Urban Road and Road Exchange Task Force recommendations in report TR-UR-01-26 at this time, due to unresolved financial, operational, and equity concerns related to urban road transfers;
3. Requests that County Council continue the Urban Road and Road Exchange Task Force and direct it to undertake further analysis of the financial and operational impacts associated with the proposed urban road downloads, including an update to the funding model to explicitly incorporate a risk premium or adjustment that recognizes the additional risk, complexity, and full 10-year capital

- reinvestment needs associated with urban roads, which are fundamentally different from rural roads;
4. Directs staff to work with Grey County to revise the funding approach so that it more fully reflects the operating, capital, and risk impacts associated with urban road transfers, prior to bringing any agreement back to Council for consideration; and
 5. Provides this report to County Council and all Grey County lower-tier municipalities."

S-260303-003

"THAT in consideration of Staff Report OP-26-007 respecting the Grey County Urban Road Transfer, City Council directs staff to obtain a legal opinion respecting:

1. The Memorandum of Understanding between the City of Owen Sound and the County of Grey respecting Owen Sound re-entering the County as a member municipality;
2. Development charges; and
3. Liability assumption."

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,



Staci Landry
Deputy Clerk

Encl. Staff Report OP-26-007 from the Director of Public Works and Engineering Re: Grey County Urban Road Transfer

c: Township of Chatsworth Council
Township of Georgian Bluffs Council
Municipality of Grey Highlands Council
Town of Hanover Council
Municipality of Meaford Council
Township of Southgate Council
Town of The Blue Mountains Council
Municipality of West Grey Council



Staff Report

Report To: City Council
Report From: Lara Widdifield, Director of Public Works and Engineering
Meeting Date: March 2, 2026
Report Code: OP-26-007
Subject: Grey County Urban Road Transfer

Recommendations:

THAT in consideration of Staff Report OP-26-007 respecting the Grey County Urban Road Transfer, City Council:

1. Does not approve the proposed Road Transfer Agreement at this time;
2. Requests that County Council not approve the Urban Road and Road Exchange Task Force recommendations in report TR-UR-01-26 at this time, due to unresolved financial, operational, and equity concerns related to urban road transfers;
3. Requests that County Council continue the Urban Road and Road Exchange Task Force and direct it to undertake further analysis of the financial and operational impacts associated with the proposed urban road downloads, including an update to the funding model to explicitly incorporate a risk premium or adjustment that recognizes the additional risk, complexity, and full 10-year capital reinvestment needs associated with urban roads, which are fundamentally different from rural roads;
4. Directs staff to work with Grey County to revise the funding approach so that it more fully reflects the operating, capital, and risk impacts associated with urban road transfers, prior to bringing any agreement back to Council for consideration; and
5. Provides this report to County Council and all Grey County lower-tier municipalities.

Highlights:

- In 2023, Grey County initiated its 2014 Transportation Master Plan recommendation to download County roads to the lower tiers. One rationale for the Urban roads was undue inconvenience and expense in coordinating capital programs with the lower tiers, e.g., coordinating lower-tier underground infrastructure with County surface work.
- The proposed road transfer will result in the assumption of 15.4 centreline kilometres of two to four-lane urban highways by Owen Sound. Owen Sound is taking on the most, followed by Hanover and the Blue Mountains, while many rural municipalities will upload roads to the County.
- The total estimated replacement value of the roads to be downloaded is \$87,610,935, not including bridges, structural culverts, retaining wall structures and 11 sets of Traffic Signals.
- Staff have noted that following the initiation of the road transfer process, approximately \$4,798,600 in projects previously identified within Owen Sound were no longer included in the County's Capital Program.
- In addition to eliminating projects, \$7,777,100 total of capital construction projects has been deferred to 2028 or later in the County's 10-year Capital Program.
- Assuming the accuracy of the County's stated winter and summer operating costs, the transferred assets would result in approximately \$330,000 in annual operating expenses for the City, representing about a 1 per cent impact on the tax levy.
- City Staff believe that the proposed funding formula is based on unrepresentative averages, does not include extraordinary costs for structures such as bridges and retaining walls, and, as a result, will grossly underfund the assets to be downloaded.
- Before the City of Owen Sound can endorse an agreement as proposed, considerations will need to be resolved that confirm that an undue burden is not placed on its taxpayers.
- County Staff have pointed out that the *Municipal Act* allows the County to download the roads to the lower tiers with or without consent or funding.

Vision 2050 - Strategic Plan Alignment:

[Strategic Plan](#) Priority: The recommendation contributes to core service delivery or a corporate initiative that enables service delivery for one or more strategic priorities.

Previous Report/Authority:

This topic has not been formally presented but has previously arisen at Council in discussions.

Background: Timeline

Through the 2014 Transportation Master Plan, County Council established road classification principles and identified a number of County roads that do not meet those criteria and were recommended for transfer to lower-tier municipalities.

In 2014, the County of Grey completed its Transportation Master Plan. As part of the Plan's dialogue, an attempt was made to establish a road classification system. The key principles of the proposed system included:

- County roads should provide service within all areas of the County and extend north, south, east, and west to link settlement areas.
- County roads should complement and connect with the Provincial highway system (Highways 6, 9, 10, 21, 26, and 89) and lower-tier roads.
- County roads should be standardized.
- County roads should not provide redundant service to alternative parallel roads.
- County roads should not extend through downtown areas of urban centres where access to abutting development is the primary need and where significant pedestrian activities result (both of which detract from the primary function of the road).

Through the Master Plan's analysis, it was determined that the following County roads do not meet the stated criteria and should be transferred to the lower tier:

- Grey Road 1, from the Wiarton town limits to Zion Church Road
- Grey Road 1, from Zion Church Road to Kemble Rock Road
- Grey Road 3

- Grey Road 5 (except for the small segment connecting Highway 26 to 8th Street East)
- Grey Road 9, from Grey Road 10 to Highway 6
- Grey Road 12, from Highway 10 to Highway 26
- Grey Road 13, from Grey Road 30 to Highway 26
- Grey Road 14, from Highway 89 to Southgate 11 Sideroad
- Grey Road 15, within the limits of the City of Owen Sound
- Grey Road 16, from Grey Road 3 to Highway 6/10
- Grey Road 17, from Concession 20/Kemble Rock Road to Grey Road 17A
- Grey Road 17B, from Grey Road 17 to Highway 21
- Grey Road 18, from Concession 10 to Grey Road 11
- Grey Road 19, from Grey Road 21 to Highway 26
- Grey Road 25, from Grey Road 10 to Grey Road 3
- Grey Road 27
- Grey Road 31, from Grey Road 113 and Grey Road 119
- Grey Road 40 (known as McNab Street), between Highways 6 & 10
- Grey Road 109, from Highway 6 to Grey Road 9

Grey Road 5, from 8th Street East to Highway 26, was specified to remain with the County. In addition, although Grey 1 was to be transferred, the portion of Grey Road 1 in Owen Sound was specifically not contemplated to be transferred.

Despite these recommendations in 2014, nothing was initiated until 2023, when Grey County began investigating the possibility of transferring its highway segments within urban boundaries to the lower tier. The rationale was primarily the additional coordination required to synchronize the lower tier's underground infrastructure replacement with their surface works, and the fact that their staff lacked the necessary expertise to manage urban infrastructure. They also cited, specifically in Owen Sound's case, that there is no County Works Depot within a reasonable response distance to make day-to-day maintenance practical.

Since 2023, limited discussions regarding the proposed transfer of County roads in urban areas have progressed from initial engagement to a County-directed implementation, with unresolved financial and operational concerns for the City of Owen Sound.

Grey County Staff requested a meeting with City Staff in April 2023. Initially, the concept was introduced as a way to solicit engagement and gauge interest from the lower tiers. Owen Sound Staff indicated that Staff

could not ethically support a proposal that puts additional financial burden on the City's taxpayers, in addition to several other primary concerns.

By February 2024, the County had determined that the road transfer would proceed, as outlined in the County's report TR-UR-05-24, titled "Maintenance of County Roads in Urban Areas." None of the City Staff's concerns raised at the initial meeting had been addressed. Moreover, the report noted under Legislated Requirements: *"Section 52 of the Municipal Act, 2001 permits the County to transfer jurisdiction and ownership of roads between the County and its lower-tier municipalities on its own. No formal approval is required from the lower-tier municipalities involved"*.

A second task force report was presented in September 2024. The general purpose of this particular report was to propose a funding formula.

City Staff did not receive any correspondence nor meet with County Staff between April 2023 and November 2024. At the November 2024 meeting, the County's presentation had shifted to outlining a process under consideration, with a pending recommendation to begin downloads and uploads involving the City. Further justification for the transfer was provided, including simplifying insurance matters, removing the County from Development Agreements, and transferring responsibility for traffic signals and storm sewers.

A large portion of the conversation at this meeting pertained to Development Charges. City Staff's position was (and remains) that the County collected development charge revenues based on background studies and capital forecasts that identified growth-related infrastructure needs within Owen Sound, and that these needs should be appropriately addressed as growth occurs.

Another report was released in March 2025 on a change to the winter maintenance responsibilities required during the transition period. County Staff reported hearing concerns from lower tiers that they could not maintain the downloaded roads to the required standard. To address this, the County would continue to maintain them and invoice the lower tiers. This was intended to be a "good news" report; however, it gave no benefit to Owen Sound, as it was already under contract with Grey County to provide the winter maintenance on County Highways within Owen Sound's jurisdictional boundary. The City has been performing winter maintenance for the County of Grey for many years, as the County lacks a convenient location from which to deploy its maintenance equipment within a reasonable distance.

Under contract with the County, the City receives a set compensation for providing patrolling, plowing, salting, sanding, and unit-rate compensation for load-and-haul of excess snow, when necessary, on County roads and boulevards. Discontinuation of the funding of these services would result in an instant (approximately) \$140,000 reduction (with annual increases) in the City's Winter Control Operating Budget.

At the March 20, 2025, County Council meeting, it was resolved to negotiate with the lower tiers. In addition to the forthcoming County Presentation at the City's March 9, 2025 Council meeting, all that City Staff received was an email from the County Clerk with the meeting link.

City Staff anticipated follow-up in the form of a written proposal from County Staff. The matter was discussed briefly at City Council at the time but was not advanced further in the absence of a formal proposal. While the County has since progressed to developing and sharing written proposals, including a deferred motion, the City's view is that this framing suggests remaining work focused on fine-tuning rather than on addressing underlying funding challenges with Urban Roads.

A Public Information Centre (PIC) was held at the Grey County Administration Office on May 6, 2025.

Aside from the PIC, there was limited formal communication from the County regarding the Urban Roads transfer between November 2024 and February 2026. While the topic was occasionally referenced in meetings, it was not the subject of focused or structured discussion.

County Council has paused the urban road transfer process, citing gaps in information sharing and consultation with lower-tier municipalities.

At the County Council meeting ratifying the minutes from the February 5, 2026, Urban Road and Road Exchange Task Force meeting, County Council discussed that the lower tiers should be further consulted to provide additional input. County Council resolved to defer the decision to move forward with the transfer process at the March 26, 2026, meeting, pending further meaningful consultation with the lower tiers.

Analysis and Options:

Asset Information

Information provided was insufficient to support informed decision-making.

County Staff were directed to provide all relevant information to the City in February 2026. The information was provided as PDFs of spreadsheets, which required conversion and additional manipulation to be usable. City Staff note that the information available would benefit from further review, as some data sets appeared incomplete, dated, or required additional clarification to confirm reliability.

The pavement condition ratings and the structure condition ratings in the assessment reports provided differ significantly from the City's versions. For example, 3rd Avenue East between 17th Street East and 18th Street East is listed as having a Pavement Condition Index (PCI) of 67.88 (out of 100), whereas the City's 2024 PCI rating is 31. Similarly, the same road between 14th Street and 16th Street was given by the County as 60.55, whereas the City's is 32-33. The City's PCI assessment is conducted by a qualified third party consultant. When City Staff have asked about actual condition-based values, the response has been that the condition across the entire road network was used in the determination of the "average value". PCI is one of the key attributes used to calculate an asset's condition, and therefore, value. If the actual condition is not used, then "age-based depreciation" is the typical default criterion to calculate the asset's prorated replacement value.

Incomplete storm asset data creates uncertainty around transferred infrastructure.

The storm sewer asset list lacked condition ratings and were difficult to locate to determine whether it was a complete list.

When it comes to storm sewers, the County's typical position has been that pipes with a diameter of 600mm or more are considered of universal value and therefore the property of the lower tier (except for structural culverts and bridges). Of the storm pipe information provided, more than 1km of pipe had an unknown diameter. Including diameters up to 600mm, plus the unknown diameter, the City will receive **more than 9.16 km of storm sewer**. When adding in the pipes with diameters larger than 600mm, the total is over 10.7 km.

In addition to the pipe assets, 537 Storm Structures (i.e., maintenance holes and catch basins) were listed in a table with no location or condition attributes.

City Staff observed that the information provided represents a partial snapshot of the overall bridge inventory, with some structures and inspection details requiring further confirmation or updating. Completing this information would support alignment with the Ontario Structure Inspection Manual (OSIM), which requires an assessment at least once every two years by a professional engineer, and related technical standards, which guide professional engineers in the inspection, evaluation, and management of bridge infrastructure in Ontario. OSIM is referenced alongside the Canadian Highway Bridge Design Code (CAN/CSA-S6-06) and the Structural Manual for design, evaluation, construction, and rehabilitation of bridges.

One structural assessment from 2025, the Jubilee Bridge, was provided following a separate request by City Staff. The assessment indicated that the bridge was approximately 60 per cent through its estimated service life, with an estimated replacement value of \$3.4 million, and identified a long-term replacement need over a 54-year horizon, with corresponding reserve planning considerations. A structural assessment of the Eddie Sargent Bridge conducted in 2023 was provided. City Staff noted that the estimated replacement value of \$3.7 million appeared comparatively low when reviewed alongside other recent bridge valuations. By comparison, the same consultant's 2023 assessment for the Jubilee Bridge identified a replacement value of \$2.57 million. When considered at a high level and for illustrative purposes only, this comparison suggests that the replacement value for the Eddie Sargent Bridge may warrant further examination, particularly when accounting for differences in scale, scope, engineering requirements, and the potential effects of inflation over time. Three retaining wall structural assessments were provided, all from 2022. Like bridges, retaining walls are subject to the OSIM regulations and must be assessed every two years. The structural report for the gabion wall adjacent to Harrison Park, which is supporting Grey Road 5, notes that there is evidence of ongoing rotational slope movement (essentially, signs that **the slope is slipping**), and that detailed surveys and assessments were recommended "**every three months until stable appearance or replacement.**" However, despite this grim warning, the report assigned an overall condition rating of 51. In light of the prospective road exchange, the City included the Grey Road 5 wall in its own OSIM assessments performed in 2025, which yielded a **structural rating of 14**, and noted, "**We recommend the wall be replaced during the next**

construction season. Overall, the structure is in poor condition as it appears to have continued to rotate away from the roadway. Moderate to Heavy erosion has occurred at both the bottom and top of the wall, causing outward rotation of the guiderail system and asphalt cracking". For context, anything below 40 generally requires detailed assessments, a weight restriction should be considered, and it should be slated for rehabilitation or replacement as soon as possible. This wall will be discussed in further detail under Capital Projects.

The County has chosen to abandon the County Road 5/2nd Avenue East (from 1st Street East to 1st Street Southwest) widening and slope stabilization project due to cost. At the November 2024 meeting, County Staff verbally committed for the second time to undertake a slope stability assessment as they were not proceeding with the roadwork. No follow-up studies were provided.

Staff are also aware of a reinforced-earth retaining wall along the same roadway for which no structural report was provided.

There was information missing on two structural culverts along East Bayshore Road. One is the 32nd Street culvert, to be discussed under Development-Related Projects, for which only a 2023 report was received. The other is the Kenny Drain crossing. Staff have requested information on these structures but have received no additional materials.

The length of road quoted for transfer is inconsistent across the County's provided materials. Depending on the data source, the centreline length varies by approximately 0.5 metres, with total lengths ranging from 14.94 to 15.6 km. The funding calculations have been based on the lowest value, 14.94 km.

For clarity, City Staff calculated the proposed transfer length of County Road to be 15.37 km, which is distributed as:

- 10.02 km – two-lane road
- 2.79 km – three-lane road
- 2.55 km – four-lane road

City analysis identifies a significant asset value and a structural equity gap in the proposed transfer.

City Staff calculated the total replacement value at \$2,267 per lane metre, including only curb-to-curb costs from current relevant construction contract prices. This results in a **total road asset value of \$87,610,935**. Please

note that this does not include the noted bridge, box culvert and retaining wall structures, and the 11 sets of traffic lights.

The proposed funding model shifts disproportionate risk to urban municipalities.

What this situation makes clear is that there is a real equity gap between the County and urban municipalities. While the County's funding model may appear fair in theory, it does not produce a fair outcome for urban roads. Urban assets are being transferred based on values that assume reliable, current, and complete information; however, the City is inheriting roads, structures, and underground infrastructure where the true condition is either uncertain or demonstrably worse than represented. In effect, the County is transferring ownership under optimistic assumptions, while the City is taking on the full financial, safety, and operational risk if those assumptions prove wrong.

Urban roads carry higher complexity, cost, and uncertainty than rural roads.

This imbalance matters because urban roads are fundamentally different from rural roads. They are more complex, more expensive to rehabilitate, more constrained to work on, and far more dependent on underground infrastructure that is difficult and costly to assess. When the data used to value those assets is incomplete or outdated, the risk does not disappear; it is simply shifted. In this case, it is shifted almost entirely to the City. As a result, the issue is no longer whether the funding formula is neutral on paper, but whether it fairly reflects the risk the City is being asked to assume.

For that reason, urban road downloads should not be framed as a simple asset exchange, but as a risk transfer. What the City should be asking for is a risk premium or adjustment that recognizes the higher uncertainty, the likelihood of earlier- than- planned capital work, and the potential for significant scope and cost escalation once assets are fully assessed. This is not about seeking preferential treatment; it is about correcting an imbalance so that the transfer is equitable in practice, not just in principle.

One practical way to express this is through an adjusted urban funding share. The current model allocates approximately 10.6 per cent of total funding to urban roads based solely on replacement value. That figure assumes urban roads behave like rural roads on average. However, when risk and complexity are taken into account, a higher share becomes

reasonable and defensible. An urban share of 15 per cent would represent a modest recognition of uncertainty and hidden-condition risk. A 20 per cent share would better reflect the real cost and volatility of owning and maintaining urban roads. Higher scenarios, such as 25 per cent or 30 per cent, are not necessarily targets, but they help illustrate the scale of risk being transferred and the potential downside exposure the City is absorbing.

Without a risk adjustment, the model remains equitable in theory but not in practice.

Framed this way, a risk premium is not a challenge to the County's methodology, but a necessary adjustment to achieve true equity. Without it, the funding model remains fair in theory but incomplete in practice, and the City bears a disproportionate share of risk that was never priced into the original calculation. Recognizing and addressing that gap is essential if urban road transfers are to be sustainable, defensible, and fair to taxpayers over the long term.

A shift in County capital programming coincided with the proposed road transfer.

Capital Projects:

County capital programs from 2022 through 2026 reflect changes to projects within the City's boundary. These include:

Grey Road 1

- Project 1075 - 10th Street West to 14th Street West Urbanization - **\$2,067,600** deferred from 2027 to 2029.

Grey Road 5

- Project 5024-4027 – 1st Street Southwest - 1st Street East (Harrison Park Entrance) - **\$2,747,200** deferred from 2025 to 2028.
- Project 5030 – 1st Street East (Harrison Park Entrance) to 3rd Street A West Reconstruction – **\$1,830,800** proposed for 2025 – Eliminated.

Grey Road 15

- Project 15015-15018 – 10th Street East – 12th Street East Reconstruction – **\$1,447,300** deferred from 2027 to 2028.
- Project 15021 – 12th Street East – 14th Street East Reconstruction - **\$1,515,000** deferred from 2028 to 2029.

- Structure 15-902; Grey Road 15 Box Culvert Replacement – 32nd Street East Intersection – Deferred from 2025 to 2028, and budget reduced by **\$517,600**.

For a total of **\$7,777,100 deferred** and **\$4,798,600 eliminated** in capital investment.

Furthermore, when examining the total expenditure proposed for County Roads inside Owen Sound's boundary within the Capital Program were:

- 2024-2033 – \$24.14M, of which \$9.58M was tax-funded.
- 2025-2034 – \$22.08M, of which \$13.06M was tax-funded.

In comparison, the **proposed \$9,525,021 (over ten years)** in the County's funding formula is intended to fund both capital and operational needs.

The proposed road transfer presents a material financial risk to the City by transferring significant unfunded capital, lifecycle, and previously committed costs that are not fully reflected in the County's funding model.

In addition to the major capital projects discussed above, the County also budgets for several pooled or minor capital costs annually. These include engineering (consulting and in-house), traffic signal repairs and consulting, bridge and structure inspections, construction inspections, storm structure repairs, etc. These costs should also be considered in the download responsibility of these assets. For example, the City is prospectively assuming 11 sets of traffic signals, or 1/3 of the County's inventory.

Speaking specifically about traffic signal capital, the County planned to spend \$1,401,800 on 33 sets of traffic lights from 2025 to 2034. 1/3 of these costs would be **\$467,266.67** over 10 years.

The County has stated that its funding proposal is based on the per-kilometre value of each road type as specified in the County's Asset Management Plan. While it is a simplified approach to using the overall averaged values in the Asset Management Plan, as noted, these numbers are likely not representative of the actual costs of the assets being transferred. City Staff suggest that this information should be readily available and have been requesting it since the transfer was first broached with the City.

County's Asset Management Plan Costs per km (2023 dollar value):

Urban	\$3,417,000.00
Semi-urban	\$2,754,000.00
Rural	\$1,346,000.00

Rather than simply assuming the roads in question are representative of the County's overall road inventory, the County should provide a current and comprehensive condition assessment of each asset to be assumed so that appropriate lifecycle costs can be calculated. Funding a complete replacement of each asset over the term of the agreement, not just what would be expected in the Asset Management Plan over a shorter term, will effectively assume every asset is in 100 per cent condition.

Within the transfer planning horizon, several road reconstructions were already planned, and funding had been promised/committed. For example, projects in support of development, the reconstruction of County Road 5 up the hill past Greenwood Cemetery (which the County cancelled due to cost), and those proposed in the capital program. With these documented commitments, Staff recommend Council request that the funding committed to these projects prior to the road transfer **continue to be funded as planned in the Capital Program**.

Moreover, as the 10-year horizon will be well within the useful life of the infrastructure, it would be beneficial to confirm that the funding proposal (using blanket asset management costs) is representative of the ultimate lifecycle cost of these assets, not just the capital reinvestment calculated over that 10-year term.

The assumption of County roads also implies the assumption of bridges and structural culverts (with spans over 3m). A full assessment and lifecycle costing of any associated bridges and structural culverts must also be considered; Staff have requested copies of the current OSIM studies that provide expected expenditures for each asset. Regardless of the amortization of these assets' value, the expense of replacing these very costly structures may require **establishing a reserve** to fund future rehabilitation costs.

Consideration is required to ensure Development Charges collected for County road projects within the City are appropriately addressed as part of the road transfer.

Development-Related Capital:

Staff suggest that City Council request that **further consideration be given to Development Charges** (DCs). The County has been collecting DCs based on, and including, the total cost of upgrades to County Roads within the City's boundary triggered by County-wide growth. As the formula would have included the projects on roads to be downloaded, the proportionate share of the collected development charges should be conveyed along with the road.

This also applies to any DC-eligible projects that have been committed to, but with a construction date later than the proposed transfer. The City faces opposition to its tax and Development Charge rates, so increases in these expenses, passed on to property owners and developers, must be carefully considered.

The County's DC background study (completed in 2021) states the value of road work to be done over the next 10-20 years. It is the basis on which the County ultimately determines growth cost shares for capital work and calculates Development Charges (DCs). The DC Background Study indicates that the full cost of future road work within the planning horizon is **\$36,300,000**. Moreover, using an estimated inflation rate of 2.5 per cent, the payment over 10 years to recover a net present value of \$36,300,000 would be **\$4,147,600 per year**.

Arguably, the quoted work cost in the DC Study should be an accurate estimate of future costs. Conversely, the Capital Program, at least in recent years, does not reflect the 2021 DC background study. The 2022 capital forecast appears to be more in line; however, this underscores the significance of the Capital Project revisions once the transfer process began. By the time of the 2026 capital budget, the Capital Program doesn't appear to include any of the Owen Sound roads in any of the years.

As noted throughout this report, the County has already committed to funding several development-related projects. With the road transfer, this supplementary funding disappears, both cost-sharing and DC-funded.

Approximately 2 km of Grey Road 5, from Highway 6 & 10 to 28th Avenue East, and north to 16th Street East, requires full urbanization. With two

intersections currently and a third and possibly fourth coming due to development, much of the \$9.5M of the 10-year funding for all the downloaded roads would be consumed, and this road work will probably be triggered within the next 5 years.

Staff also note that the City's and County's **DC Background Studies will need to be updated** to reflect the change in ownership; otherwise, the County would continue to collect for costs that will never be conveyed to the asset.

The following is a summary of the funding commitments, in the form of comments provided to the City's Planning circulations, the County has made regarding Development-Related Capital Costs:

SkyDev	Provisions for the Owner to front-end the cost of design and construction of the replacement and extension of the existing culvert on East Bayshore Road at 32 nd Street East, with the County reimbursing the Owner for the culvert replacement.	\$720,000 County
Flato (Greystone Village)	Upgrades to 8th Street East/Grey Road 5 to an urban cross-section and upgrading is required for intersections that connect to intersecting roads from the subdivision.	
Redhawk	Upgrades to 8th Street East/Grey Road 5 are required for intersections that connect to intersecting roads from the subdivision.	
Telfer Creek	Design and construction of the 8th Street East and 20th Avenue East intersection is the responsibility of the County. Comments from the County indicate that the intersection will be stop-controlled on both sides at this time. In the future, the intersection may become a roundabout. The Transportation Plan discussed in Section B will address timing of intersection improvements.	
	Phased intersection improvements at 8th Street East and 20th Avenue East – analysis shall consider pedestrian crossing and navigation needs and transit servicing among its priorities.	
	The option of a roundabout be considered for the future intersection of 8th Street East (Grey Road 5) and 20th Avenue East. Staff	

	acknowledge that a roundabout is not warranted at this time, based on the results of the traffic study, and would accept a stop-controlled intersection in the interim. Staff would recommend similar draft conditions to those that were applied to the Redhawk development across the road, for intersection-related matters in this regard.	
--	--	--

The County's funding model relies in part on DCs, but the Task Force reports do not demonstrate that DCs have been adequately studied, clearly defined, or applied in a way that produces an equitable outcome for urban road transfers.

The County reports note that urban transition funding would be "sourced from both the annual capital budget and the Development Charge funds accumulated up to the date of transfer"; however, no further detail is provided regarding how much has been collected, which assets those DCs relate to, or whether those funds meaningfully offset the risks and costs being transferred. The reports also acknowledge that DCs are limited to growth-related infrastructure, which is accurate, and therefore cannot be applied to many of the issues that dominate urban road risk, including deteriorated pavement, aging storm sewers, deficient structures, or deferred state-of-good-repair work. By contrast, the County's rural financial model explicitly deducts DC-eligible funding when calculating the net levy impact of rural uploads. No comparable adjustment is made for urban road downloads, despite the greater complexity, uncertainty, and liability associated with urban assets. As a result, DCs operate as a general funding source rather than an equity tool, and do not address the imbalance created when urban municipalities inherit higher, largely unpriced risk.

This reinforces the conclusion that the County's funding formula is fair in concept but incomplete in its application and **does not produce a fair outcome** for urban roads without an adjustment or a risk-based premium. Accordingly, County staff should undertake a more detailed review of DCs as they relate specifically to urban road transfers, including what has been collected, how it is applied, and whether it appropriately reflects the risks being assumed.

The County's stated winter and summer operating costs for the transferred assets would result in approximately \$330,000 in annual operating expenses for the City, representing about a 1 per cent impact on the tax levy.

Operational Impacts:

Bridges and Structural Culverts have additional operational requirements, including labour (e.g., drain cleaning, expansion joint and rocker/roller maintenance, guiderail repair, patching) and biennial Structural Assessment. The additional storm infrastructure adds obligatory costs and labour related to inspections and compliance reporting. The City already conducts OSIM inspections on bridges, structural culverts, and retaining walls, but this will result in minor additional perpetual costs.

Owen Sound already performs winter maintenance for the County; however, the City would need to assume non-winter maintenance, such as line painting, sign compliance, guide rail inspection and repair, patching, bridge maintenance, storm sewer and catch basin maintenance and repair (i.e. flushing, sump cleanout, and CCTV inspection), and traffic signal maintenance. County roads tend to be arterial roads within the City's network; major roads have higher traffic counts and, therefore, could experience more frequent collisions than local roads, which may result in more frequent after-hours callouts for collision cleanup and traffic signal repair.

The County's Urban Road and Road Exchange Task Force Review report TR-UR-27-24 (September 6, 2024) notes that *"The County's current annual maintenance costs are \$8,044 per km for winter maintenance, \$2,500 per km for summer maintenance (both based on ongoing current agreements), \$97.06 per storm sewer structure, \$4,184 per signalized intersection, \$346 per km for line painting, and total urban hand painting associated costs."*

This equates to a **total operational cost for Owen Sound of \$327,937 annually**, plus inflation. However, since that report was written, County Staff have distributed correspondence stating that if a lower tier wishes the County to continue providing winter maintenance, the 2026-2027 cost will be \$9,200 per two-lane kilometre. For context, the cited annual operating cost of approximately \$330,000 represents roughly a 1 per cent increase in the City's tax levy.

Additionally, the County's Capital Program earmarks annual budgets for pooled assets. While the actual costs for Owen Sound may vary as some

costs may be combined with existing budgets, such as the bridge inspection contract, for illustrative purposes, these budgets were reduced to the proportion to be assumed by Owen Sound (i.e. 1/3 of the total budget) as follows:

Minor Capital	\$270,000
10-Year Bridge Designs	\$20,000
Major Bridge and Culvert Repairs	\$130,000
Structure Detailed Investigations	\$10,000
Catch Basin Repair	\$15,000
Capital Projects Inspection	\$107,000
In-House Engineering Support	\$105,000
External Engineering Costs	\$90,000
Traffic Signal Engineering	\$10,000
Traffic Signal Upgrades	\$25,000
Annual Total	\$782,000

The proposed transfer could materially increase City staffing, fleet, and operational demands, impacts that are not accounted for in the County's cost assumptions.

To aid in assessing the operational impact of the transfer, Staff have requested that County Staff provide the City with road classification data, maintenance service level policies/procedures, and the most recent traffic count data for the roads to be transferred; however, none have been received.

The County would be transferring 11 sets of traffic signals, adding 50 per cent extra to the City's current inventory. Not only is this a considerable capital expense, but it also entails additional costs for inspection, testing, and repairs. This will also substantially increase the workload of the Traffic

Engineering position, who oversees the signal maintenance and capital projects, resulting in an estimated cumulative effect of one additional staff member to take over Capital Projects on a full-time basis.

The proposed funding is based on the County's costs, distributed pro rata to the lower tiers. The majority of the downloaded roads are being transferred to Hanover and Owen Sound (Hanover inheriting almost 13 km and Owen Sound more than 15 km). Based on the City's current Public Works staffing, it is reasonable to assume there would be 1-2 additional field staff and 1-2 additional pieces of fleet to accommodate the change.

In addition to the operational "fieldwork" impact, the assumption of more than 15 km of additional road is likely to affect the Engineering Services Division's workload. An additional Technologist/Project Manager position may be required. While the report is correct that, administratively, this change simplifies and reduces confusion for road closure and encroachment permits, etc., it does not reduce anyone's workload other than County staff. For the report to simply allocate the costs for capital (pro-rated against their entire inventory of roads – not representative) and the current operational service agreements, it does not appear that they have accounted for the other savings realized across departments: engineering, administrative, dispatch, customer service, permitting, accounts, and community services.

With regard to *Accessibility for Ontarians with Disabilities Act* (AODA), intersections will need to be considered when reconstructing them. As seen with the 9th Avenue East at 6th Street East intersection reconstruction, land constraints may figure in the ability to retrofit some intersections. The condition and configuration of the downloaded intersections may also increase the City's liability to claims. Moreover, the City struggles to maintain functioning pedestrian signals at its own intersections, and adding another 50 per cent to the City's inventory would represent a significant maintenance burden.

In the last two years, the City's Traffic Operations were allocated \$60,000 annually for equipment repairs, and in both years, expenditures exceeded the budget. In 2024, Engineering did not have a staff member dedicated to traffic signals; some defects, deferred repairs, and system deficiencies were likely not addressed and may have carried forward into 2025. This situation contributed to a backlog of maintenance requirements that required attention in 2025. Unfortunately, that resulted in the actual operating expenditure reaching approximately \$137,000, of which \$39,939.48 was spent solely on 10th Street West and 8th Avenue West after it was struck by a vehicle in early

2025. These expenditures represent essential operational requirements that cannot reasonably be deferred without potentially compromising driver and pedestrian safety.

The City currently maintains 23 signalized intersections, resulting in an average operating cost of approximately \$5,950 per intersection in 2025. Applying this average, the addition of 11 new signalized intersections would imply an estimated annual increase of roughly **\$65,000** in maintenance costs.

Although the maintenance cost per unit is expected to decrease this year due to many deficiencies being addressed in 2025, the downloading of 11 additional signalized intersections will add further pressure to an already constrained operating budget. The maintenance budget will need to be increased.

The County's funding proposal is based on unclear assumptions and provides funding that is materially lower than past capital commitments for roads in Owen Sound.

Funding Proposal:

The County's approved funding formula, in the most recent iteration, has been reduced to **\$9,525,021 over ten years**. The first year is to be prorated, and subsequent years are proposed to have a 2 per cent inflationary increase. It appears, however, that the payments may vary based on the actual County levy changes from year to year. Staff recommend Council request that the funding agreement be tied directly to a price index rather than the County's levy increase or budget adjustments.

While per-kilometre costs were provided for three road types, certain assumptions, such as lane configuration, annual levy increases, and the treatment of extraordinary structures were not explicitly outlined.

Staff believe that the existing capital commitments and complexity of urban roads are not adequately captured in the County's simplified per-kilometre funding approach.

The 2025 Capital Program proposes \$22,075,800 for projects in Owen Sound within the 10-year plan, of which \$13,062,300 was to be funded from the tax levy.

This highlights the need to agree on the treatment of funding for projects on the cusp of and just after the downloading date. Projects already in the

County's Capital Forecast would suggest that funding for these projects has already been established or, at a minimum, contemplated. It would be logical to expect these monies to be treated separately from the default funding calculation, as the funding has already been committed, and the County would be responsible if the cost or scheduling of the work deviated from what was planned.

The County's Asset Management Plan notes that the replacement cost of urban road is \$3.4 million per km. **This translates to a total cost of \$50,800,000 for Owen Sound (at 2023 value)**, plus the County's annual operating costs of approximately \$328,000. The operational cost alone for the City's newly assumed roads, inflated at the same rate as the funding formula, would represent up to **half of the total proposed annual funding**.

The County's 2014 Transportation Master Plan states, *"A typical Grey County Road has a rural cross-section and provides 2 lanes of travel (one lane per direction). While it is common practice for towns and cities (and becoming more prevalent in Counties/Regions) to assign a functional classification (i.e. arterial, collector, local) to the roads within their transportation system, a formal classification of road function does not currently exist for Grey County beyond the designation of upper tier roads (Provincial highways and County roads) and lower tier roads (municipal/local roads). There are wide variations in AADT volumes on Grey County Roads, with volumes ranging from 400 to 9,500 vehicles."* This statement appears to endure today; from the asset information and funding formula provided, the County's position is that their archetypal road is a two-lane, undivided rural highway, yet there is a vast spectrum of traffic volumes across their network. As such, it is difficult to reconcile the position that all roads can be distilled down to three costs per kilometre.

Moreover, as discussed in the background of this Staff Report, the roads recommended for transfer to the lower tiers are not consistent with the current road exchange proposal. Most notably, there are sections of Grey Road 1 and Grey Road 5 that are shown in the report to remain with the County, but all roads within the City's boundary are proposed to be downloaded. Conversely, significant portions of County Road in Georgian Bluffs are not being transferred. City Staff observe a pattern that may reflect a preference for divesting road segments with underground infrastructure. This observation is not intended to attribute intent, but rather to highlight staff concerns about how County highways are managed across urban and

rural environments, and the importance of ensuring consistent and equitable approaches.

City Staff propose alternative funding approaches to ensure transparency, equity, and full recognition of lifecycle, capital, and operational costs associated with the road transfer.

In summary, to ensure transparency and equity within the County's road exchange proposal, City Staff offer two options for how the funding formula should be approached.

Option 1:

Funding should be provided for the asset's complete lifecycle, i.e., 25 years for a road rather than the proposed 10-year term. A 25-year term is more appropriate, as it funds the asset over its full lifecycle before the City is required to assume full costs, and allows Owen Sound to gradually increase costs to soften the impact on property owners at the end of the funding term. As noted, approximately 15 centreline kilometres (14.94-15.371, depending on source) of arterial road have substantial capital and operational costs that have not been borne by the City to date. Additional fleet and staff will likely be required.

Option 2 Recommended:

Funding should include all capital and development-related projects that were committed to within the last several years, that have now been eliminated or deferred in the County's Capital Program. Full allocations of operational costs should also be considered. This will ensure transparency and demonstrate that the County was not divesting its assets just to cut costs, as the full reinvestment program proposed in the Capital Program would continue to be provided. This Staff Report demonstrates that the proposed funding formula is not equivalent to the costs the County had already planned to expend (through capital, operational, and development-related costs).

The transfer reallocates assets and responsibilities without a corresponding shift in County staffing and creates broader implications for grants, compliance, and service delivery.

Other:

While the County is divesting a significant proportion of complex inventory, there has been no indication that this transfer will result in any reduction in

County Staff. The lower tiers are being required to make do and find their own funding sources to supplement the proposed funding. At the same time, the County is being relieved of responsibility for the design and reconstruction of 38.8 km of urban road, while only uploading 12.43 km of rural highway, with no reduction in staff.

The Ontario Community Infrastructure Fund (OCIF) is based on the current replacement value of core assets within a municipality. As County Staff have indicated that the County's capital program is funded in part by OCIF, it will need to be determined at what point in the relationship each municipality will claim the transferred roads in their asset inventory, as we assume they cannot be claimed in both the County's and the City's asset inventory for grant applications simultaneously, and specifically for this grant. If the official transfer of assets occurs at the beginning of the funding term, the City would presumably claim the roads in its inventory. It is expected that this would result in a reduction of OCIF funding allocation for the County. It is unclear if this affects the proposed funding of the transfer payment model.

The County's storm assets must be incorporated into the City's asset inventory and operational plans to ensure compliance with the Continuous Linear Infrastructure Environmental Compliance Approval (CLI-ECA). Due to the incomplete information provided, some effort and expense will be required to collect the missing asset data, such as diameter and condition ratings. This also represents over nine additional kilometres of flushing, inspection, catch basin repairs and cleaning. As the two municipalities' systems are interconnected, for the City's due diligence, the City's mapping and inventories do capture some of the County's assets, but generally not to the extent of the attribute information collected on City infrastructure.

Lastly, City Staff will need to undertake a review of the service contracts currently in place for County roads, noting that the City already holds some contracts applicable to these services. These may include contracts for structural inspections, traffic signals, line painting, and crosswalk markings. Staff do not recommend automatically assuming existing arrangements; rather, contract terms and scopes will need to be assessed to determine whether continuation, amendment, renegotiation, or re-procurement is appropriate. Summary of the Draft Road Transfer Agreement:

The draft Road Transfer Agreement was sent to the City on February 25, 2026, and sets out the legal and financial framework for the transfer of jurisdiction over several County roads within the City of Owen Sound, including Grey Road 5, Grey Road 15, and Grey Road 1, with a proposed

Transfer Date of July 6, 2026. Upon transfer, the City would assume full responsibility for all aspects of these roads, including maintenance, operations, liability, traffic signals, bridges, culverts over three metres, and all related infrastructure, effective immediately on the transfer date.

The agreement is indefinite in duration and provides no termination or re-opener clauses once executed. While the County commits to providing existing documentation related to the roads by December 31, 2026, it does not condition the transfer on the City's satisfactory due diligence.

Notwithstanding the County's provision of associated legal support, the City must conduct its own legal review as part of its due diligence given the magnitude of the transfer and will be responsible for all of its own related legal costs.

Financially, the agreement provides for 10 years of transition funding for urban roads, with annual payments set out in Schedule "B" of the agreement. These payments are based on projected assumptions, including a 2.55 per cent predicted levy increase under the County's Asset Management Plan, plus an additional 2 per cent annual inflation adjustment. Importantly, the agreement states that the payments are "contingent upon the annual budgetary process" and may be adjusted by the County through its financial governance procedures, creating uncertainty about the funding stream's reliability. The final year payment is significantly reduced, which reflects a prorated adjustment related to the mid-year transition. Dispute resolution is limited to negotiation, mediation, and ultimately arbitration, with the location of arbitration determined by the County.

Why Council Should Not Sign the Agreement in Its Current Form

The agreement requires the City to assume full responsibility for bridges, culverts, retaining walls, and traffic signals without those assets being meaningfully valued or factored into the funding model. The agreement itself confirms that all such infrastructure becomes the City's responsibility on the Transfer Date, yet the transition funding is calculated independently of these liabilities.

The agreement contemplates the provision of existing documentation following the transfer. As a result, City Staff have identified the importance of additional time required to ensure that sufficient information regarding asset condition, remaining service life, and potential capital needs is available to support informed planning and alignment with transition funding assumptions.

From a financial perspective, the transition payments are not guaranteed, as they are expressly subject to annual County budget approvals and may be amended or reallocated through County processes outside the City's control. There is no provision to adjust funding if asset conditions are worse than anticipated, if major structures require early replacement, or if operational costs exceed projections. Once signed, the agreement provides no mechanism to rebalance funding to reflect actual risk or cost.

Finally, the agreement locks the City into an indefinite assumption of liability with no termination rights, no re-opener tied to asset condition, and no explicit recognition of the higher complexity and cost of urban infrastructure. In effect, it finalizes the transfer of long-term financial and safety risks under a funding model that has already been identified as fair in principle but incomplete in application. Signing the agreement as drafted would therefore formalize an inequitable outcome, leaving the City responsible for significant undefined risk without adequate protection or adjustment.

Bottom Line for Council

The draft agreement achieves legal transfer, but it does so before the equity, valuation, and risk issues have been resolved. Until the agreement is amended to address asset condition certainty, bridge and signal valuation, funding reliability, and a risk-based adjustment mechanism, Council does not have a sufficient basis to approve it in the public interest.

Resource Alignment:

Financial Resources

It is Staff's opinion that the valuation approach understates the scale and complexity of urban assets being transferred.

The breadth of the County's valuation approach highlights a significant gap in the assessment of urban road downloads. The framework aggregates approximately \$1.36 billion in County Road assets, of which 10.6 per cent are being transferred overall, yet the City is assuming approximately 30.86 per cent of the urban road network, based on calculations that rely largely on kilometres of road and the number of intersections, rather than asset condition, complexity, or replacement risk. This approach fails to adequately account for major urban-specific infrastructure, including 11 sets of traffic signals, each with an estimated replacement cost of \$350,000 to \$450,000, as well as significant bridge assets such as the Jubilee Bridge (approximately

\$3.4 million) and the Eddie Sargent Bridge (estimated at almost \$5 million), both of which City Staff believe are materially undervalued. Notably, the County made a deliberate decision not to factor bridge replacement costs into the funding equation, despite the long-term capital, safety, and liability implications associated with these structures. As a result, the valuation methodology is too broad to capture the true scale of urban asset risk and replacement exposure being transferred.

The funding model is spending-driven rather than asset-driven and fails to reflect the complexity of urban roadways.

From a funding perspective, transition payments were developed using a program-level approach rather than being tied to individual asset condition or replacement timing. The model includes defined annual escalation assumptions and an asset management allowance, with payments structured to smooth funding over the transition period, including timing-related adjustments in the final years.

Funding sources are applied based on asset ownership, with certain programs becoming available to the City only after transfer. Development Charges are treated as indicative, collected at the time of development, and would continue to be administered by the City post-transition where applicable. Not all lower-tier municipalities have Development Charges, and those without them are also not receiving road transfers.

City Staff note that while the model applies a consistent approach, it does not explicitly account for differences in cost and complexity between urban and non-urban assets, which warrants further consideration..

While the City is prepared to work collaboratively on the road transfer, incorporating a concept such as an urban risk premium is essential to ensure the funding model fairly reflects the realities of urban infrastructure.

The concept of an urban risk premium recognizes that urban roads entail significantly higher costs, greater complexity, and greater uncertainty than rural roads, even though they represent a smaller share of the overall network by replacement value. The current funding model allocates approximately 10.6 per cent of total road funding to urban roads, largely based on average asset values and high-level assumptions. While this approach may appear fair in theory, it assumes that urban and rural roads behave similarly over time. In practice, as noted throughout this report,

urban roads are more expensive to rehabilitate, more constrained to work on, and far more likely to include hidden or undocumented risks such as aging storm sewers, traffic signals, retaining walls, and structures. A higher urban funding share is therefore not about over-funding, but about recognizing and pricing the additional risk being transferred to urban municipalities through road downloads.

An urban share of 15 per cent to 30 per cent illustrates how different levels of risk recognition would translate into funding support. A 15 per cent share represents a modest adjustment that acknowledges known gaps in condition data and the likelihood of earlier-than-planned capital work. A 20 per cent share more realistically reflects the true cost and volatility associated with owning and maintaining urban roads, including higher rehabilitation frequency and greater exposure to public safety and liability risks. Higher scenarios, such as 25 per cent or 30 per cent, are not necessarily targets, but serve to demonstrate the potential scale of unpriced risk being assumed by the City if asset conditions prove worse than represented. In this context, the urban risk premium functions as a balancing mechanism, helping ensure that funding better aligns with the responsibility and risk being transferred.

Council's support for this approach aligns directly with the intent of the recommendation in this report. The recommendation is not to abandon the County's funding model, but to refine it so that it delivers a fair outcome, not just a fair formula. By supporting an adjusted urban share or a risk-based premium, Council would acknowledge that urban road transfers are not simply an exchange of assets but a transfer of long-term financial, operational, and public safety risks. Incorporating a risk premium improves transparency, protects taxpayers, and reduces the likelihood of future budget pressures or disputes once the true condition of urban assets becomes fully known.

Human Resources

Although the County has indicated there is no intention to reduce staff as part of the road exchange, it is anticipated that there will be a staffing impact arising from the City assuming the additional work.

Specifically, to accommodate summer (non-winter) maintenance activities, the work would generally be split between Engineering Services and Public Works. 10.6 km of additional storm sewer inventory may justify splitting off a stormwater group within the Public Works division, as noted in the long-term Department Organizational Structure concept presented as part of

Service Review. This may involve reallocating some staff with additional training, with or without promotions, and potentially another superintendent or lead hand. This should be investigated in more detail; a job evaluation and business case would refine this concept.

Similarly, the Transportation field staff will be responsible for collision cleanups, pothole repairs, sweeping, inspections, and maintenance of the additional road inventory. This is expected to trigger the need for at least two more FTE (full-time equivalent). The justification for this number of positions is based on an extrapolation of each field staff's portion of the City's road network. Currently, 17 staff members maintain 114 centreline kilometres of road. This may not be an ideal ratio, but it has been the case for several years and is manageable (while allowing for the use of time-off banks, such as overtime, sick leave and vacation). The addition of 15 km to the City's inventory would yield a need for an additional two (2) FTEs. To round down to a whole FTE, the ratio would change from 6.7 km per employee to 6.8 km.

The number of signalized intersections will increase by 50 per cent. As such, there will be an increased workload for the Traffic Technologist, and additional road rehabilitation and reconstruction projects for Engineering staff to plan, procure, administer, and manage. An additional FTE within the Engineering Services Division should also be investigated.

Time and Scheduling

This report is being presented in advance of a deputation by the County on March 9, 2026. A decision is required by mid-March, for City Council's feedback to be heard at the March 26, 2026, County Council meeting.

Should the road transfer proceed, the effective date is proposed to be July 6, 2026. Any adjustment to the transfer date may result in additional pro rata reduction of the County's proposed funding.

Technology and Infrastructure

With the addition of 15 km of arterial road, it is expected that additional fleet and computer hardware will be required to support additional staff.

The additional requirement is due to the addition of non-winter control duties; the County has clearly outlined its operational costs at \$327,937 (based on the per-kilometre prices provided). This demonstrates the level of staffing the County invests in the 15km of road in Owen Sound, in addition to material costs. To further justify the need for additional staff, the current

crew complement maintains a pro rata allocation of 6.7km per employee. This would translate to just over two FTEs with the additional 15km of road; it would be reasonable to round it down to two full-time positions.

Climate and Environmental Impacts:

There are no anticipated climate or environmental impacts.

Communication and Engagement:

This report has been posted to the City's website with the agenda in advance of the meeting. This report will be sent to Grey County and all of its lower-tier municipalities.

If Council is supportive of Staff's recommendation. The overall communication message will focus on:

- Protecting local taxpayers by ensuring the true costs of urban road transfers are fully recognized before any agreement is finalized.
- Council supports fair road transfers, but not at the expense of Owen Sound taxpayers.
- Immediate pressure on the City's tax levy. In its current form, the road download would have a near-immediate impact on City operating budgets starting in 2027, including more than \$140,000 in added winter maintenance costs each year.

Report Developed in Consultation With:

Director of Corporate Services/Treasurer, Public Works and Engineering Staff, City Manager, Manager of Planning and Heritage, and Director of Community Services.

Attachments:

1. County Road Transfer Map – Received February 19, 2026
2. Draft Transfer Agreement
3. TR-UR-05-24 February Task Force Urban Detailed Report
4. TR-UR-27-24 September Task Force Urban Financial Report
5. TR-CW-31-24 October Council Recommendations
6. TR-UR-06-25 March Urban Road and Road Exchange Task Force Recommendations

7. TR-UR-01-26 Urban Road and Road Exchange Task Force Report for
Transfer By-law

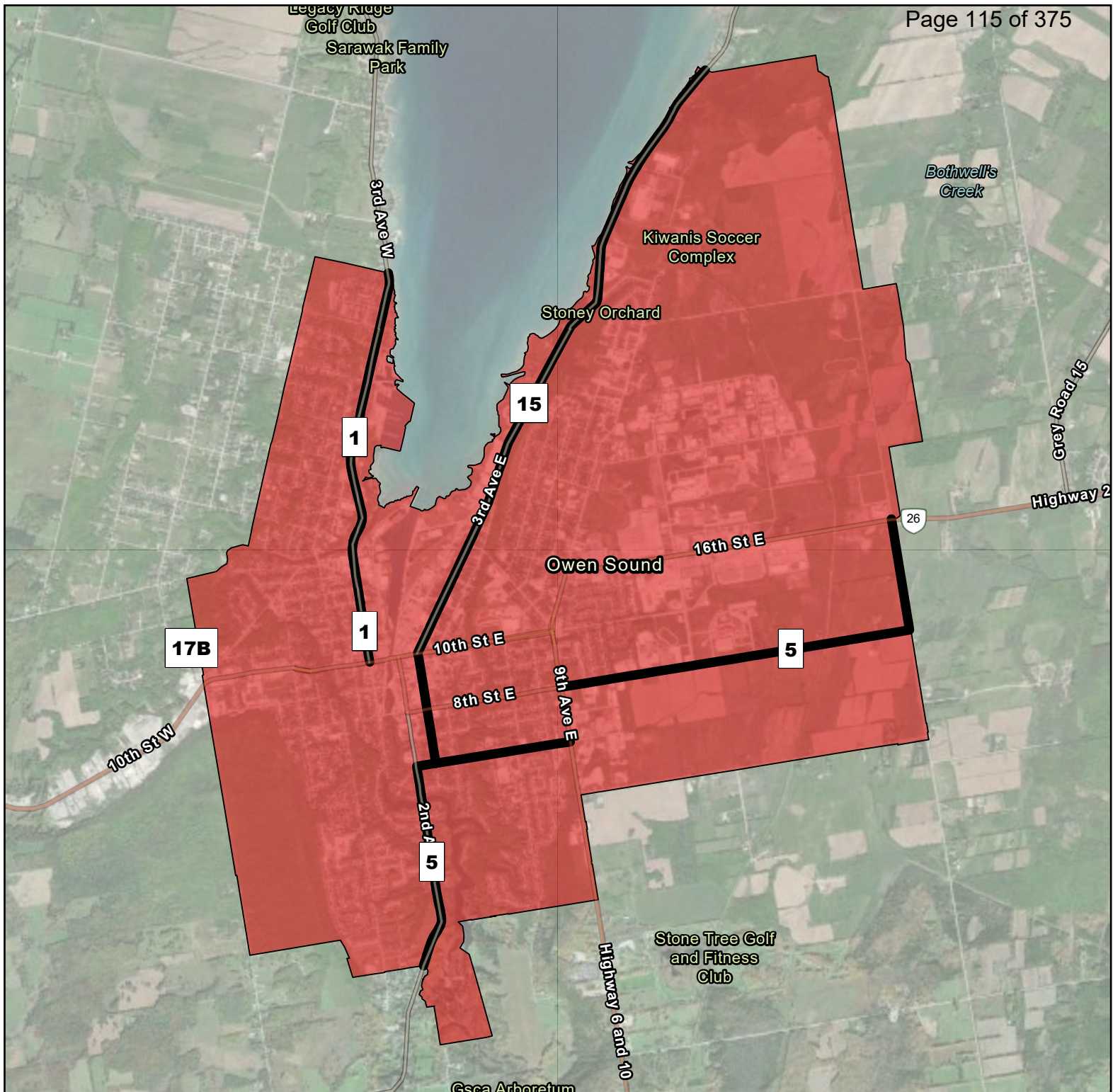
Submitted by:

Lara Widdifield, Director of Public Works and Engineering

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Lara Widdifield, Director of Public Works and Engineering at lwiddifield@owensound.ca or 519-376-4440 ext. 1201.



Earthstar Geographics, Province of Ontario, Esri Canada, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, NRCan, Parks Canada

Legend

County Road within Settlement Area for Transfer Consideration

Settlement Areas

Primary Settlement Area

Secondary Settlement Area

Owen Sound

Length of County Road (Km): 15.39

Attachment 1: County Road Transfer Map

Received February 19, 2026

Note length - highlighted in green above

Road Transfer Agreement

THIS AGREEMENT made this _____ day of _____, 20____, in duplicate between:

The Corporation of the County of Grey

(referred to in this Agreement as “the County”),

-And-

The Corporation of the City of Owen Sound

(referred to in this Agreement as the “Township” or “Municipality”);

(each being a “Party” and together being the “Parties”)

WHEREAS the County’s highway system is designed primarily to connect area municipalities, provide efficient movement of people and goods within and through the County and provide access to the Provincial highway system;

AND WHEREAS in 2014 the County completed a Transportation Master Plan which contained an evaluation of the classification and management of the road networks within the County of Grey;

AND WHEREAS the Transportation Master Plan identified certain roads for review;

AND WHEREAS the County’s Urban Road and Road Exchange Task Force (the “Task Force”) was established on January 26, 2023;

AND WHEREAS one of the responsibilities of the Task Force was to review the recommendations of the Transportation Master Plan in light of the most current information and to determine whether to pursue them further;

AND WHEREAS the County’s committee report TR-UR-06-25 was presented to the Task Force on March 20, 2025 recommending specific roads for transfer;

AND WHEREAS at its meeting of Committee of the Whole on March 27, 2025, County Council approved the minutes of the Task Force meeting held on March 20, 2025 and endorsed the resolution contained therein which directed staff to negotiate new road agreements with the affected municipalities in accordance with the activities in report TR-UR-06-25;

AND WHEREAS Section 52 of the *Municipal Act, 2001*, S.O. 2001, c.25 authorizes the transfer of jurisdiction of a highway;

AND WHEREAS the identified roads for transfer are more particularly described in Schedule "A" attached ("Identified Roads");

AND WHEREAS the County enacted By-law No. XX on [insert date], authorizing the transfer of jurisdiction of those Identified Roads listed in Schedule “A” as being transferred from the County to the Township/Municipality, in accordance with the terms of this Agreement;

AND WHEREAS the County enacted By-law No. XX on [insert date], authorizing the addition to the County highway system and the assumption of jurisdiction over those Identified Roads listed in Schedule “A” as being transferred from the Township/Municipality to the County, in accordance with the terms of this Agreement;

AND WHEREAS the Parties have entered into this agreement ("Agreement") to set out the terms and conditions upon which the transfer of jurisdiction of the Identified Roads will occur;

NOW THEREFORE in consideration of the mutual covenants and agreements below and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

1.0 General

1.1 Definitions

In this agreement:

- a) “Transfer Date” means the date on which jurisdiction over the Identified Roads is transferred from the Donor Party to the Receiving Party, as of 12:01 a.m. on the July 6, 2026.
- b) “Donor Party” means the Party designated in Schedule “A” as transferring its jurisdiction over the applicable Identified Roads to the Receiving Party.
- c) “Receiving Party” means the Party designated in Schedule “A” as receiving jurisdiction over the applicable Identified Roads from the Donor Party.

1.2 The terms defined in the recitals above have the same meaning as if defined here at length.

1.3 The following documents (“**Schedules**”) are appended to this Agreement and are incorporated by reference as though contained in the body of this Agreement:

- a) Schedule “A” – Legal description of Identified Roads
- b) Schedule “B” – Financial Arrangements
- c) Schedule “C” – Maintenance Agreement

2.0 Term

- 2.1 This Agreement shall be effective from the date it is executed by both the County and the Township/Municipality and shall continue in full force and effect indefinitely.

3.0 Responsibilities of Both Parties

- 3.1 The Donor Party agrees that by December 31, 2026, it will provide the Receiving Party with all agreements, documents, surveys and/or plans relating to the Identified Roads, including but not limited to the following types of material. The Donor Party will provide original copies of all documents listed below wherever possible:

- a) As built drawings for all utilities;
- b) Utility agreements;
- c) Entrance permits;
- d) Speed by-laws;
- e) Special Use agreements;
- f) Encroachment agreements;
- g) Unregistered Easements;
- h) Any other available documentation;

- 3.2 The Donor Party shall provide ongoing cooperation as issues arise with the Identified Roads and shall provide the Receiving Party with all information that it has regarding the Identified Roads, including but not limited to, ownership and maintenance records.
- 3.3 The Receiving Party shall be responsible for all maintenance of the Identified Roads as of 12:01 a.m. on the Transfer Date.

4.0 Land Transfer Provisions

- 4.1 Subject to the terms of this Agreement, and subject to the passage of the necessary by-law(s) by the County, each Party agrees to transfer jurisdiction of those Identified Roads for which it is designated as the Donor Party to the other Party, and each Party designated as the Receiving Party agrees to accept such jurisdiction.
- 4.2 The Receiving Party shall be responsible for completing all title searches for the Identified Roads which it will obtain jurisdiction over. The Parties agree to work collaboratively to identify and resolve any title issues,

relating to the Identified Roads to be transferred to the Receiving Party's jurisdiction, so that good and valid title can be obtained by the Receiving Party.

- 4.3 The Parties acknowledge that the transfers of the Identified Roads shall be completed by electronic registration and that each Party shall retain a lawyer to complete the transfers pursuant to electronic registration. The Parties further acknowledge that the delivery of documents and the release thereof may, at the lawyers' discretion: (a) not occur contemporaneously with the registration of the transfers and other registrable documentation; and (b) be subject to conditions whereby the lawyer receiving documents and/or money will be required to hold them in trust and not release them except in accordance with the terms of a document registration agreement between the lawyers.
- 4.4 The transfer in respect of the Identified Roads will be prepared by the Donor Party, save and except for the Affidavit of Residence and Value of the Consideration, which shall be completed by the Receiving Party.
- 4.5 The Parties acknowledge and agree that in the event of a boundary change within any municipality, transfer limits are subject to change.

5.0 Maintenance Provisions

- 5.1 The Parties acknowledge and agree that, following the transfer of jurisdiction, any maintenance operations to be performed by the County with respect to those Identified Roads for which the Township/Municipality has assumed jurisdiction shall be governed by a comprehensive maintenance agreement. The applicable rates for such maintenance shall be established based on average recovery costs, as set out in the maintenance agreement in the form attached as Schedule "C", which the Parties agree to execute on or before the Transfer Date.

6.0 Financial Arrangements

- 6.1 The Township/Municipality will receive transition funding for the transfer of the Urban Roads listed in Schedule "A" to the Township/Municipality. The total amount, annual payment amounts, and payment timing are set out in Schedule "B". The annual payment amounts shall reflect inflationary increases, calculated in accordance with a predicted future levy increase of 2.55% per annum under the Asset Management Plan released July 2024, plus an annual inflation adjustment of 2%. In the event of any discrepancy between this Agreement and Schedule "B", the terms of Schedule "B" shall prevail.

- 6.2 The Receiving Party shall be responsible for the payment of Land Transfer Tax and registration fees and any other taxes and fees payable in connection with the registration of the transfer of the Identified Roads.
- 6.3 Each Party shall pay its own legal costs and disbursements associated with the transfer of the Identified Roads and this Agreement.

7.0 Bridges & Culverts

- 7.1 The Parties acknowledge that in addition to any roads being added to their system, all infrastructure including but not limited to bridges and/or culverts over 3 metres which are part of the Identified Roads or located under the Identified Roads shall be included as a responsibility of the Receiving Party as of the Transfer Date.

8.0 Traffic Signals/Intersections

- 8.1 The Parties acknowledge that in addition to any roads being added to their jurisdiction, all traffic signals/controlled intersections which are part of Identified Roads shall be included as a responsibility of the Receiving Party from and including the Transfer Date.

9.0 Indemnification

- 9.1 The County shall indemnify and save harmless the Township/Municipality from and against any and all liabilities, losses, damages, costs, and expenses (including reasonable legal fees) which may arise either directly or indirectly from any act, negligence, or willful misconduct of the County, its servants, employees, contractors, or agents in the performance, partial performance, or failure to perform any obligation imposed or assumed pursuant to this Agreement.
- 9.2 The Township/Municipality shall indemnify and save harmless the County from and against any and all liabilities, losses, damages, costs, and expenses (including reasonable legal fees) which may arise either directly or indirectly from any act, negligence, or willful misconduct of the Township/Municipality, its servants, employees, contractors, or agents in the performance, partial performance, or failure to perform any obligation imposed or assumed pursuant to this Agreement.

10.0 Insurance

- 10.1 Each Party shall maintain insurance coverage appropriate to its obligations under this Agreement and applicable law, including but not limited to commercial general liability insurance with coverage limits satisfactory to the County.

- 10.2 Upon execution of this Agreement, and thereafter upon request, the Township/Municipality shall provide the County with a certificate of insurance evidencing such coverage.

11.0 Notice

- 11.1 Any notices required must be in writing and delivered to the following addresses.

For the County:
 County Clerk
 County of Grey Administration Building
 595 9th Ave E
 Owen Sound, ON N4K 3E3
 Fax Number: 519-376-8998
 Email: countyclerk@grey.ca

For the Township/Municipality:
 Contact and Title:
 Address:
 Fax:
 Email:

- 11.2 Notices delivered in person must be delivered between 9:00 a.m. and 4:30 p.m., Monday to Friday, excluding statutory holidays and other periods of business closure. Hand-delivered notices shall be deemed received on the business day of delivery. Notices sent by mail shall be deemed received on the fifth business day after mailing, unless mail service is disrupted. Notices delivered by fax or email shall be deemed received on the next business day after electronic confirmation of receipt.

12.0 Counterparts

- 12.1 This Agreement may be executed in one or more counterparts, including counterparts delivered electronically, each of which shall be deemed to be an original and all of which, taken together shall constitute one and the same instrument. Counterparts may be transmitted by fax or in electronically scanned form.

13.0 Force Majeure

- 13.1 Neither the County nor the Township/Municipality shall be held responsible for any damage or delays arising from war, invasions, insurrection, demonstrations, decisions or actions of civilian or military authorities, fire, flood, human health emergency, strikes, or any other event beyond the reasonable control of the County or the Township/Municipality.

- 13.2 The County and the Township/Municipality agree that in the event of a disaster or force majeure, they will co-operate and both will make all reasonable efforts to provide temporary replacement service until permanent service is completely restored.

14.0 Governing Law

- 14.1 This Agreement will be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada. The Parties submit to the exclusive jurisdiction of the courts of Ontario with respect to any matter arising under or related to this Agreement.

15.0 Severability

- 15.1 Each of the provisions in this Agreement is distinct and severable. A declaration of invalidity or unenforceability of any provision will not affect the validity or enforceability of the other provisions in this Agreement.

16.0 Entire Agreement

- 16.1 This Agreement is the entire agreement between the Parties with respect to the road transfers and replaces all prior written or verbal agreements, understandings, negotiations or discussions.

17.0 Amendment of Agreement

- 17.1 This Agreement can only be changed by a written document signed by signing authorities for both Parties.

18.0 Successors and Assigns

- 18.1 Neither party may assign all or any part of this Agreement without the written approval of the other Party.
- 18.2 This Agreement benefits and binds the Parties and their respective successors and permitted assigns.

19.0 No Partnership

- 19.1 Nothing in this Agreement means that a partnership, joint venture or employment relationship exists between the County and the Township/Municipality including employees and volunteers.

20.0 Adherence to Laws

- 20.1 The Township/Municipality and the County agree to follow all applicable federal and provincial laws in carrying out the terms of this Agreement.

21.0 No Waiver

- 21.1 Any waiver or release of rights under this Agreement by either Party must be made in writing and signed by both Parties.
- 21.2 A waiver of a breach of one provision of the Agreement does not constitute a waiver of a breach of any other provision.
- 21.3 A failure or delay in enforcing an obligation in the Agreement does not prevent the enforcement of that obligation at a later date.

22.0 Dispute Resolution

- 22.1 A dispute between the Parties relating to the interpretation or implementation of this Agreement will be addressed through good faith negotiation, with or without the assistance of a mediator. The Parties agree that in the event that they are not able to reach a resolution of all the matters in dispute after mediation, then the matters remaining in dispute will be finally determined by arbitration in accordance with the provisions of the *Ontario Arbitrations Act*.
- 22.2 The location for any such arbitration hearing will be within the County of Grey at a location to be determined by the County.

[The remainder of this page intentionally left blank.]

The County and the Township/Municipality, intending to be legally bound, have executed this Agreement on the date first written above.

The Corporation of the County of Grey

Andrea Matrosovs, Warden

Date

Tara Warder, Clerk

Date

I/We have the Authority to Bind the County

The Corporation of the City of Owen Sound

Name:
Title:

Date

Name:
Title:

Date

I/We Have the Authority To Bind the Township/Municipality

Schedule “A” –Description of Identified Roads

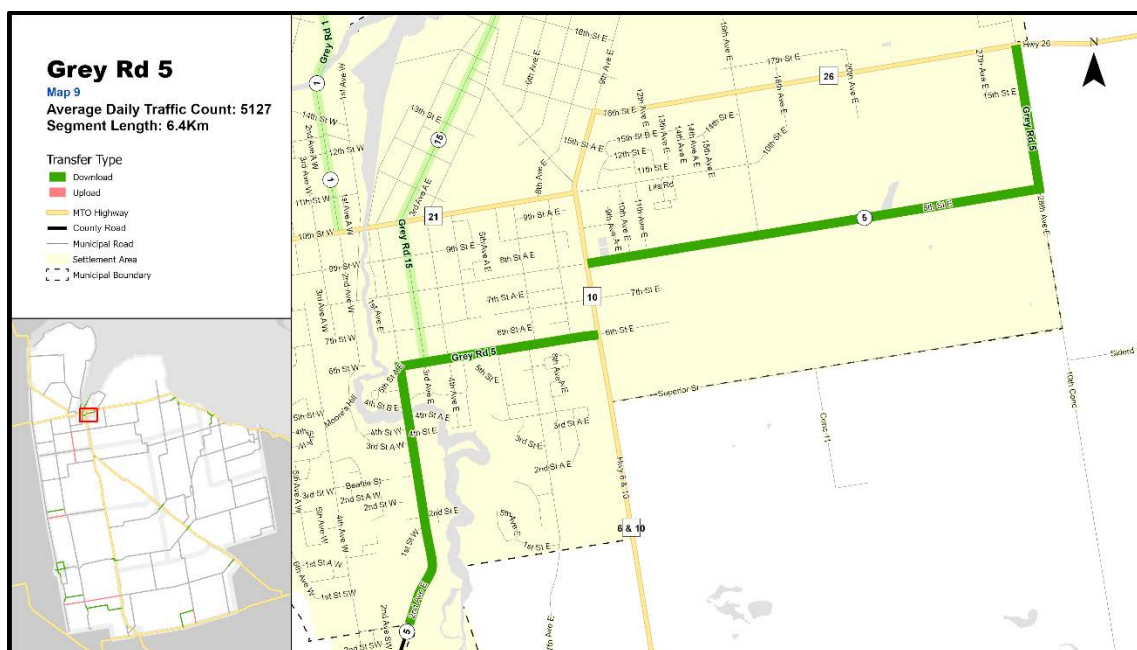
Urban Road Download:

Transfer the following Urban Roads from the County (Donor Party) to the Township/Municipality (Receiving Party):

- 1) Those portions of lands forming part of the road allowance currently known as Grey Road 5, consisting of 3.6 kilometers, running from 9th Avenue East in an easterly direction along 8th Street East then northerly along 28th Avenue East to Highway 26 and 2.8 kilometers, running from 1st Street Southwest to 9th Avenue East, as shown in green on Map 9 below, being more particularly described as being:
 - a) All of the lands as identified by the following Property Identification Numbers:
 - i) 37063-0063;
 - ii) 37064-0247;
 - iii) 37061-0004;
 - iv) 37067-0246;
 - v) 37067-0001;
 - vi) 37068-0002;
 - vii) 37069-0002;
 - viii) 37070-0002; and
 - ix) 37066-0149.
 - b) Part of the lands as identified by the following Property Identification Numbers:
 - i) 37091-0051;
 - ii) 37065-0001; and
 - iii) 37068-0001.

registered in the Land Registry Office of the Land Titles Division of Grey (No. 16).

Map 9 – Grey Road 5



2) Those portions of lands forming part of the road allowance currently known as Grey Road 15, consisting of 5.9 kilometers, running from 6th Street East to the north settlement boundary of Owen Sound located approximately 920 metres north of 32nd Street East, as shown in green on Map 10 below, being more particularly described as being:

a) All of the lands as identified by the following Property Identification Numbers:

- i) 37068-0205;
- ii) 37073-0190;
- iii) 37055-0001;
- iv) 37059-0618;
- v) 37060-0127;
- vi) 37060-0163;
- vii) 37060-0168;
- viii) 37060-0164;
- ix) 37060-0126; and
- x) 37060-0156.

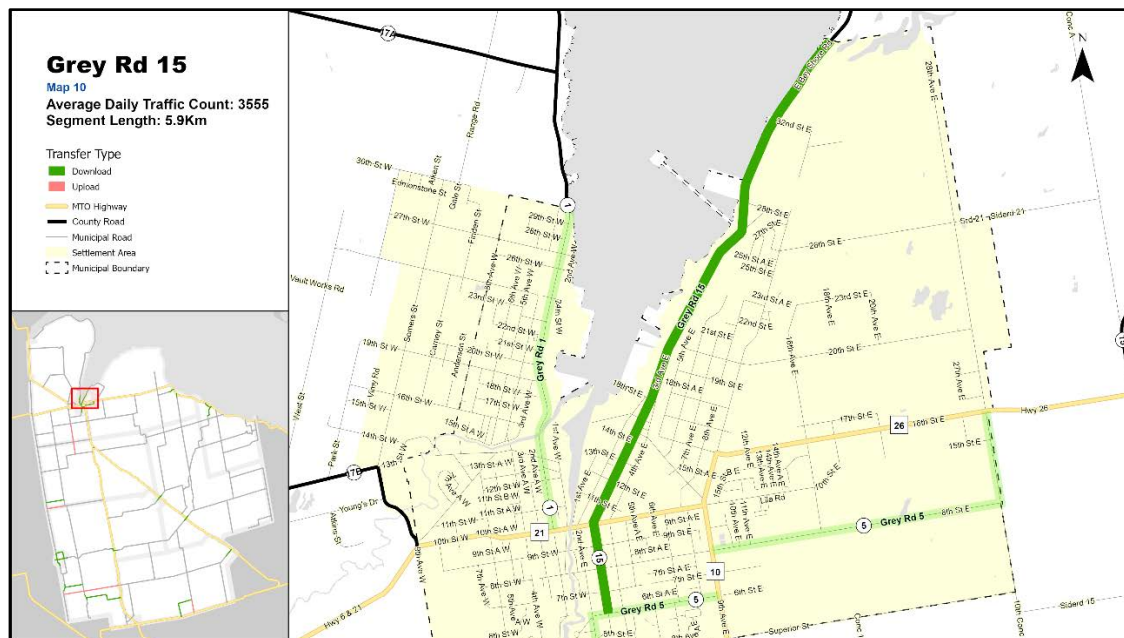
b) Part of the lands as identified by the following Property Identification Numbers:

- i) 37073-0002;
- ii) 37059-0615;
- iii) 37060-0121;
- iv) 37060-0125; and

v) 37060-0158.

registered in the Land Registry Office of the Land Titles Division of Grey (No. 16).

Map 10 - Grey Road 15



3) Those portions of lands forming part of the road allowance currently known as Grey Road 1, consisting of 3.1 kilometers, running from 10th Street West to the north settlement boundary of Owen Sound located approximately 150 metres north of 29th Street West, as shown in green on Map 11 below, being more particularly described as being:

a) All of the lands as identified by the following Property Identification Numbers:

- i) 37053-0041;
- ii) 37053-0190;
- iii) 37051-0263;
- iv) 37047-0116;
- v) 37053-0195;
- vi) 37053-0034;
- vii) 37053-0030;
- viii) 37053-0001;
- ix) 37040-0232; and
- x) 37040-0223.

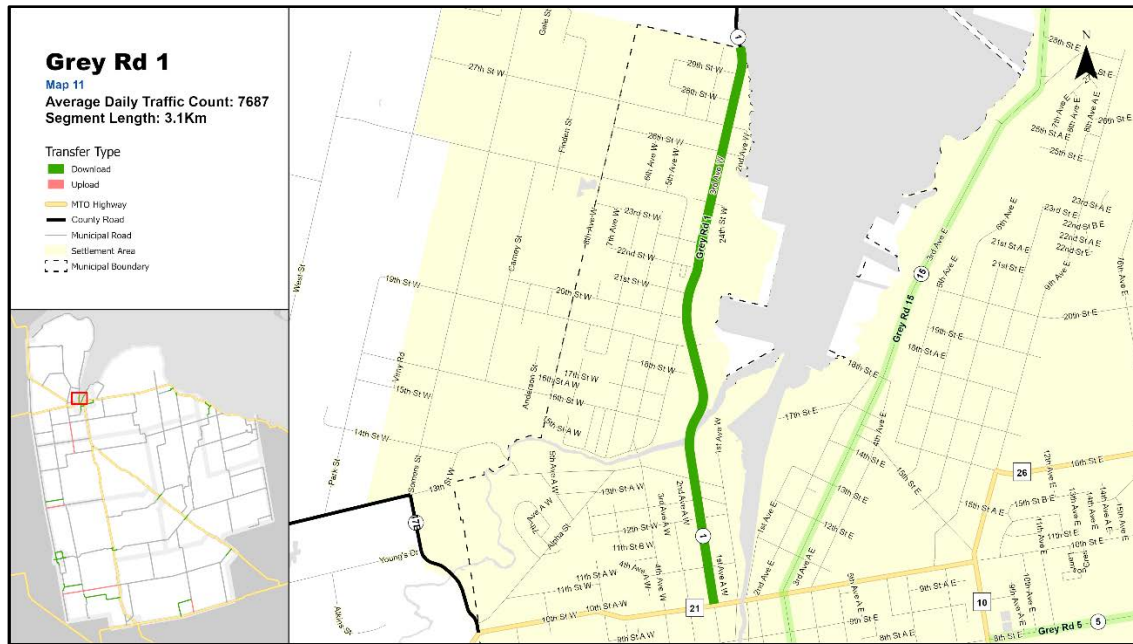
b) Part of the lands as identified by the following Property Identification Numbers:

- i) 37047-0114;

- ii) 37053-0144;
- iii) 37040-0134;
- iv) 37040-0131; and
- v) 37040-0224.

registered in the Land Registry Office of the Land Titles Division of Grey (No. 16).

Map 11 - Grey Road 1



Schedule “B” – Financial Arrangements

The 2026 payment will be prorated depending upon the Transfer Date and the remaining nine years will reflect inflationary increases as outlined in section 6.1 of this Agreement.

Notwithstanding section 6.1, the payments set out in the table below shall be contingent upon the annual budgetary process and may be adjusted to reflect any amendments, reallocations, or approvals made through County’s financial governance procedures.

*Note that boundary adjustments will also affect the amount of transition funding

Payment Timing:

The prorated payment for 2026 shall be made within days of the Transfer Date. Each subsequent annual payment (2027-2036) shall be made on or before of each respective year.

Year	Amount
2026	\$321,570
2027	\$729,238
2028	\$787,331
2029	\$847,815
2030	\$910,770
2031	\$976,276
2032	\$1,044,418
2033	\$1,115,283
2034	\$1,188,956
2035	\$1,265,533
2036	\$337,830

Schedule “C” – Maintenance Agreement

No maintenance provisions following road transfer.



Committee Report

To:	Chair Greig and Members of the Task Force
Committee Date:	February 15, 2024
Subject / Report No:	TR-UR-05-24
Title:	Maintenance of County Roads in Urban Areas
Prepared by:	Sharon Melville – Administration Manager and Trevor Ireton – Engineer Manager – Transportation Services
Reviewed by:	Pat Hoy, Director of Transportation Services and Randy Scherzer, Deputy CAO
Lower Tier(s) Affected:	All Member Municipalities
Status:	

Recommendation

1. That report TR-UR-05-24 regarding information, timelines and urban road maintenance strategies be received for information.

Executive Summary

In this report, staff delve into the intricacies of the decision-making processes surrounding the urban maintenance of county roads. The next Task Force meeting will be scheduled to review a report specific to the contemplated road transfers. These first two meetings serve as crucial information forums where discussions can be held relating to the information provided to the Task Force from County staff including Engineering, Administration, Planning, Legal and Finance to deliberate and strategize on the optimal approaches for Grey County's road network.

Following further discussions with the member municipalities, and with direction from the Task Force, this report will provide recommendations for changes to the County road system relating to urban road maintenance with the goal of streamlining the County road network and improving management of the infrastructure that is present within municipal urban areas.

Background and Discussion

Urban road maintenance is a critical aspect of local infrastructure that impacts the daily lives of residents. Grey County roads designated in Primary, Secondary and Recreational settlement areas, make up 89 km for an approximate total of 10% of the 870 km County road system. Although this seems quite small, the maintenance of County roads in urban areas is complex to manage, requiring coordination of responsibilities for underground infrastructure as well as maintenance of the roadway. Urban areas throughout the County have different service level

requirements for snow removal, pedestrian accommodation, lighting, signalization, etc. Given these complexities, it would be much more efficient for each municipality (i.e. a single entity) to manage their own urban roads within Primary settlement areas. This would be a total potential transfer of 43.39 km.

Currently, County roads and the associated storm sewer in urban settings are owned and maintained by the County (which includes the property encompassing the road allowance) and associated signalized intersections. The member municipalities own and maintain any underground infrastructure that services residents of the municipality such as watermain, sanitary sewers and above ground infrastructure, such as illumination and on-street parking. The member municipality is also responsible for sidewalks.

During a reconstruction project, Grey County is responsible to cover the cost to reconstruct the roadway from curb to curb including storm sewers up to 600 mm in diameter, granular base and asphalt. The cost of any lanes dedicated to parking, falls to the member municipality. Additionally, the member municipality is responsible for all costs related to the upgrading of sanitary sewers, watermains, and all other assets outside of the curb line such as sidewalks, boulevards, trees, and some retaining walls.

Typically, urban projects are administered by the member municipality including planning, design, construction, and management of the project which is typically completed by consultants. Urban construction is more expensive than rural construction and often scheduling these projects is difficult as the underground asset replacement schedules do not always align with the replacement schedules for other assets, including the road itself. Even if owned by one agency, the issue would still exist as assets deteriorate at different speeds but would be easier to plan and coordinate the overall replacement of assets if owned by a single entity.

Asset management plans (AMP) are making it easier to plan activities on Grey County's storm infrastructure and aligning it with road work. However, the AMP for the member municipalities are not easily accessible by both parties so if the member municipality makes a change within their AMP, the County is not typically aware of the change, and vice versa. County staff have no data on the watermain or sanitary sewers so any predictions on project timing are strictly based on the Grey Road infrastructure and through consultation with the member municipalities throughout the years.

Another concern with the current arrangement is that the public is generally unaware of road responsibility and the inclusion of MTO connecting links make the system even harder to decipher for most taxpayers. The County and municipalities frequently receive calls regarding roads not under their jurisdiction. Further, there is often confusion with staff as to which entity owns which asset resulting in a frustrated resident being sent back and forth between the County and municipality.

Local municipal staff are often better equipped to address the specific needs of their communities and can respond more promptly to maintenance issues as their depots/crews may be closer to the urban roads. They are also closer to understanding the local needs which may result in more effective maintenance strategies and prioritization of projects. Control of local roads may also allow for greater control over road maintenance budgets and allocation of funds.

In the meetings held between County and Municipal staff, municipal staff showed very little interest in managing the urbans for a variety of reasons. Some were related to staffing, but it was the cost of summer/winter maintenance and construction that was seen as most prohibitive. If urban roads are transferred to the member municipalities, the update to the Urban Centre

Agreement could provide both financial relief and maintenance support to municipalities, as part of an overall transition plan, until such time as the additional work and staffing concerns have been resolved.

Setback, Entrance, Encroachment, Road Closure Policies/By-Law Exemptions

Each of these County policies differ from the local municipal policy, some much more than others. This issue has been managed with regular exceptions to the policy within the urban areas which takes time to review and approve.

Ideally, the local policies would be adopted within the newly created urban centre agreement to create administrative efficiency by using local knowledge to address any permits/applications.

Traffic Signal Maintenance

Grey County has responsibility for the maintenance of 34 signalized intersections. Most of these are in urban areas and those sections that are also provincial highways are covered by connecting link agreements between the member municipality and the province. Grey County cannot apply for funding to upgrade these intersections as part of the agreements between the province and the municipality.

The maintenance of a signalized intersection involves various tasks to ensure the proper functioning and safety of the traffic signal system. Some elements of traffic signal maintenance include:

1. **Regular Inspections:** Conduct 2 annual inspections to identify any visible issues, such as damaged signal heads, ongoing electrical issues or physical damage to signal equipment.
2. **Signal Timing:** Periodically review and adjust signal timings to optimize traffic flow based on changing traffic patterns, road conditions, or construction activities.
3. **Pedestrian Signals:** Ensure that pedestrian and audible signals are operational, and push buttons for crosswalks are functioning. Repair or replace any damaged pedestrian signal equipment.
4. **Detector Systems:** Check the functionality of traffic loops or Miovision systems to ensure accurate detection and response to traffic demand.
5. **Emergency Vehicle Pre-emption:** If the intersection is equipped with an emergency vehicle pre-emption system, ensure it is in working order to allow emergency vehicles to prioritize traffic signal changes.
6. **Communication Systems:** Check communication systems, including interconnectivity between signals and communication with the controller.
7. **Signage and Markings:** Inspect and maintain road signs and pavement markings associated with the intersection. This includes crosswalk markings, and other regulatory signage.
8. **Software Updates:** Keep traffic signal controller software up to date to take advantage of any improvements or bug fixes provided by the manufacturer.
9. **Emergency Repairs:** Respond promptly to any emergency repairs or malfunctions to minimize disruptions to traffic flow and ensure safety.

10. **Record-Keeping:** Maintain detailed records of maintenance activities, inspections, and repairs for future reference and audit purposes.
11. **Compliance with Standards:** Ensure that the traffic signal system complies with relevant traffic engineering standards and regulations.

Regular and proactive maintenance is essential to keep traffic signalized intersections operating efficiently, minimize disruptions, and enhance overall road safety. Maintenance schedules may vary depending on factors such as traffic volume, environmental conditions, and the age of the equipment.

It is recommended that the responsibility for signalized intersections should transfer to the member municipality. A contract has just been tendered and put in place to provide maintenance for the signals for the next 4 years.

Storm Sewers

The urban roads within Grey County typically include storm sewers. As per the current urban road policy, the County pays for the construction of storm sewer up to 600mm in diameter with the member municipalities paying the additional portion for larger pipes.

The ongoing efforts to catalogue all storm sewer assets have indicated that the storm sewers will continue to create challenges for Grey going forward.

- Grey County does not control many of the system outlets. Many of the County's storm systems are just one section of a larger system, with the outlets being controlled by the member municipalities.
- Grey County is working at establishing condition ratings of all the storm sewers. In general, a significant amount of urban storm sewer age data is missing.
- The latest asset management regulations are difficult to satisfy as much of the data shows that the ability to withstand a 100-year storm cannot be calculated unless the member municipalities storm sewer data is in the calculation. A large stormwater study may be the only way to determine this.

In 2021, the Ministry of the Environment, Conservation and Parks (MECP) requested municipalities apply for a Municipal Consolidated Linear Infrastructure Environmental Compliance Approval (CLI-ECA) for their entire storm water and sanitary sewer systems within their municipality. The CLI-ECA process is meant to streamline future ECA applications via the pre-authorization of certain low-risk sanitary and stormwater infrastructure works including alterations to existing infrastructure and additions of new infrastructure to the system. As long as the relevant criteria are met, municipalities and developers can get pre-approval and authority to alter and add infrastructure without the need of a separate ECA application to the MECP.

Currently, both the County and municipality would require a CLI-ECA for a portion of a storm sewer system passing through a County road. Although this is feasible, this would result in duplication of efforts and would be less clear than a single CLI-ECA accounting for the entire system. County staff met with staff from the MECP in the fall of 2023 and discussed the CLI-ECA process. During this discussion, the MECP indicated that their preference is that storm sewer systems should be owned in their entirety by a single municipality as part of their CLI-ECA to improve efficiency and clarity in the process.

Ideally, all storm sewer infrastructure within Primary, Secondary and Recreational Resort settlement areas should be transferred to the local municipality. Further, any storm sewer

systems outside of the noted settlement areas that include infrastructure shared by the County and the municipality should also be transferred to the local municipality. Storm sewer systems 100% owned by the County outside of the Primary, Secondary and Recreational settlement areas will be evaluated during the urban agreement discussion process.

Using information from the 2021 Asset Management Plan (AMP), the total cost of stormwater assets divided by an average 75-year life span indicates that Grey County owns \$55,833,519 of storm sewer infrastructure. With an average service life of 75 years, this equates to approximately \$750,000 per year on Storm Sewer Replacement. Most of the storm sewer infrastructure is located on urban County roads. Any storm sewer infrastructure upgrades are typically incorporated into projects costs and are therefore not quantifiable as a separate budget line item. These funds could be applied to financial agreements for municipal urban road transfers to help with the transition of owning and maintaining the storm sewers.

Urban Centre Agreement

Staff recommend that in order to improve administrative efficiency, enhance local decision making, and better align financial responsibility and accountability, the existing Urban Centre Agreements between the County and municipalities should be updated.

The updates to the urban centre agreement would include a change to traffic signal and storm sewer ownership/management, and adoption of local by-laws, on what are now considered, urban County roads including setback by-laws, entrance policies, encroachment policies and road closure policies and applications. Determining the exact location of these agreement boundary limits could create some challenges. For example, in the case of Hanover, the municipal boundaries are not symmetrical with different municipalities present on each side of the road; also, in many cases the limits of the settlement area do not appear to be an urban construction standard.

The following **option** is for discussion:

Municipalities become 100% responsible for all activities on urban county roads within Primary and Secondary settlement areas noted in Table 1 and Table 2 below. The Municipality will govern the roads as per the local by-laws and policies attributable to their local roads.

Winter maintenance may be an exception based on what was heard at the Municipal/County joint meetings highlighting that it may be difficult for some member municipalities to complete winter maintenance with the same response level as the County. All changes will be reflected within an updated Urban Centre Agreement noting any shared responsibilities.

Grey County will provide an avenue within the Urban Centre Agreement for financial relief requests specific to road maintenance/reconstruction for planned urban road projects over the next 10 years following urban transfers which will align with the current approved Capital Budget.

Table 1 – Primary and Urban Road Areas Under Consideration

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	BM	Thornbury	13	Primary	3.52
2.	BM	Thornbury	113	Primary	1.7
3.	GH	Markdale	12	Primary	1.85
4.	HA	Hanover	4	Primary	2.66
5.		Hanover	10	Primary	3.43
6.	ME	Meaford	7	Primary	1.08
7.			12	Primary	1.92
8.	OS	Owen Sound	5	Primary	6.37
9.			15	Primary	5.94
10.			1	Primary	3.07
11.	SG	Dundalk	9	Primary	2.73
12.	WG	Durham	4	Primary	2.67
13.	WG	Neustadt	10	Primary	2.25

Table 2 – Other Urban Road Areas Under Consideration

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	GH	Flesherton	4	Secondary	2.03
2.	WG	Ayton	3	Secondary	2.17

Table 3 – Primary, Secondary & Recreation Urban Road Areas Not Recommended for transfer

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	BM	Heathcote	13	Secondary	0.55
2.	BM	Ravenna	2, 119	Secondary	0.37
3.	CH	Desboro	40	Secondary	1.19
4.	CH	Walter's Falls	29	Secondary	0.79
5.	GB	Balmy Beach	1	Secondary	0.98
6.	GB	Big Bay	1	Secondary	0.35
7.	GB	Brooke	17B	Secondary	0.57
8.	GB	Cobble Beach		Primary	0.00
9.	GB	Creamery Hill	5	Secondary	1.02

10.	GB	East Linton	1	Secondary	2.11
11.	GB	Oxenden	1	Secondary	0.87
12.	GB	Keady	3, 16	Secondary	1.38
13.	GB	Kilsyth	5	Secondary	1.03
14.	GB	Rockford	18	Secondary	0.78
15.	GB	Shallow Lake	170	Secondary	0.49
16.	GB	Springmount	18, 17, 17B	Secondary	0.64
17.	GH	Badjeros	9	Secondary	0.39
18.	GH	Ceylon	4	Secondary	1.42
19.	GH	Eugenia	13	Secondary	2.75
20.	GH	Feversham	2	Secondary	1.02
21.	GH	Kimberley	13	Secondary	1.22
22.	GH	Maxwell	2, 4	Secondary	1.94
23.	GH	Priceville	4	Secondary	1.27
24.	ME	Annan	15	Secondary	0.63
25.	ME	Bognor	29	Secondary	1.11
26.	ME	Leith	15	Secondary	1.02
27.	ME	Woodford	18	Secondary	0.68
28.	SG	Cedarville	14	Secondary	0.41
29.	SG	Holstein	109	Secondary	1.85
30.	SG	Hopeville	9, 14	Secondary	1.27
31.	WG	Allan Park	4	Secondary	0.53
32.	WG	Dornoch	25	Secondary	0.54
33.	WG	Elmwood	10	Secondary	1.22
34.	GH	Singhampton	124, 31	Secondary	1.51
35.	SG	Dromore	23	Secondary	0.47
36.	BM	Blue Mountain	19	Recreational	8.10
37.	BM	Blue Mountain	21	Recreational	2.77
38.	BM	Blue Mountain	119	Recreational	.53

Legislated Requirements

Section 52 of the Municipal Act, 2001 permits the County to transfer jurisdiction and ownership of roads between the County and its lower-tier municipalities on its own. No formal approval is required from the lower-tier municipalities involved.

The Act and related legislation give the authority to close a highway and to restrict its use (e.g. speed limits, controlling what vehicles may use the road, limiting traffic flow to one-way traffic, etc.) to the municipality having jurisdiction over the road.

Financial and Resource Implications

Financial considerations for urban road transfer include the costs associated with maintenance and reconstruction of urban infrastructure within primary and secondary settlement areas. Staff has not quantified the financial impact.

The transfers and updated agreements would represent a significant workload increase for the Clerk's and Legal departments. Meetings with Legal and Clerks will continue as it relates to property transfers and new agreements for each municipality.

Relevant Consultation

☒ Internal (list)

Planning Department

Finance Department

Corporate Services

Legal Department

☐ AODA Compliance (describe)

☐ Contribution to Climate Change Action Plan Targets (describe)

☒ External (list)

Member Municipalities all commented during the task force staff meetings.

Appendices and Attachments

None.



Committee Report

To:	Chair Greig and Members of the Task Force
Committee Date:	September 6, 2024
Subject / Report No:	TR-UR-27-24
Title:	Urban Road Task Force Review
Prepared by:	Sharon Melville, Trevor Ireton and Shaun Anthony
Reviewed by:	Pat Hoy
Lower Tier(s) Affected:	All Member Municipalities

Recommendation

1. That report TR-UR-27-24 Urban Road Task Force Review be received; and
2. That the responsibility for the maintenance and capital repair of the urban road segments noted in Table 1 of this report be approved in principle for transfer to the appropriate lower tier municipality with a target date beginning Fall 2025; and
3. That staff be directed to negotiate new urban road agreements to take effect Fall 2025 with the municipalities noted in Table 1 and bring a report with the agreements and corresponding transition plans, including schedules, funding and maintenance support details, to a future Task Force meeting, for final approval of the transfer; and
4. That staff be directed to negotiate any agreements for continued county maintenance service on a cost recovery basis; and
5. That the urban capital transition funding model be approved in principle and referred to the Budget and Finance Committee for consideration

Executive Summary

The task force received report TR-UR-05-24 which outlined the rationale for transferring responsibility for the urban segments of some County roads to the member municipalities where they are located. This report examines the financial aspects of maintenance and construction and suggests a funding transition model between County and member municipalities over a 10-year period. The report proposes to transfer just over \$23 million over the next 10 years to receiving municipalities to support urban capital transition funding for the roads to be transferred identified in Table 1. The cost for the urban capital transfer funding would be offset by just over \$11 million in operational/maintenance savings for the County resulting in a net County cost for the urban transfers of just over \$12 million over the next 10 years.

Table 1 – Primary and Urban Road Areas to be Transferred

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	Blue Mountains	Thornbury	13	Primary	3.521
2.	Blue Mountains	Thornbury	113	Primary	2.126
3.	Grey Highlands	Markdale	12	Primary	2.125
4.	Hanover / West Grey	Hanover	4	Primary	3.888
5.	Hanover	Hanover	10	Primary	4.326
6.	Hanover / West Grey	Hanover	28	Primary	4.158
7.	Meaford	Meaford	7	Primary	1.119
8.	Meaford	Meaford	12	Primary	2.071
9.	OS / Meaford	Owen Sound	5	Primary	6.366
10.	OS	Owen Sound	15	Primary	5.936
11.	OS	Owen Sound	1	Primary	3.069
12.	Southgate	Dundalk	9	Primary	2.727
13.	West Grey	Durham	4	Primary	2.652
14.	West Grey	Durham	27	Primary	0.453
15.	West Grey	Neustadt	9	Primary	0.627
16.	West Grey	Neustadt	10	Primary	2.249
17.	Chatsworth	Chatsworth	40	Secondary	0.367
18.	Grey Highlands	Flesherton	4	Secondary	2.029
19.	West Grey	Ayton	3	Secondary	1.422

Background and Discussion

This report is a follow-up to [Staff Report TR-UR-05-24](#) that was presented to the Task Force on February 15, 2024. The previous staff report provided recommendations for changes to the County road system relating to urban roads with the goal of streamlining the County road network and improving the management of the infrastructure that is present within municipal urban areas.

The urban roads being transferred vary in condition, but on average, they are generally in good condition.

Reconstruction of urban roads involves more than just the road itself; it also depends on the condition of other assets like water mains, sanitary sewers, and storm sewers. The cost of roadwork is typically a portion of the total expenses for a complete urban road reconstruction, as much depends on the scope of work required for these other assets. This complexity makes it challenging for Staff to accurately assess the overall condition of each urban road being transferred, as the County is responsible only for the road surface and storm sewers and has little information on the condition of the water mains and sanitary sewers, which are managed by the municipality.

When an urban road surface is in poor condition, but the underground assets are still in good shape, the County typically undertakes a simple grind and pave as part of our minor capital budget. This helps synchronize future reconstruction work, so that all assets are requiring replacement at the same time, optimizing spending.

Relating to the above noted transfers, the following projects were completed within the past 5 years:

- 2019 Grey Road 4 – Hanover - \$361,800 (\$208,500 from DC's)
- Grey Road 4 – Durham - \$800,800
- Grey Road 9 – Dundalk - \$3,081,200 (\$58,800 from DC's)
- 2020 Grey Road 4 – Durham - \$131,300
- Grey Road 9 – Dundalk - \$252,200
- 2022 Grey Road 15 – Owen Sound - \$2,119,200 (\$1,610,600 from DC's)
- Grey Road 27 – Durham - \$943,700 (\$717,200 from DC's)
- 2023 Grey Road 7 – Meaford - \$1,612,600 (\$1,026,500 from DC's)
- Grey Road 15 – Owen Sound - \$103,900 (\$79,000 from DC's)
- Grey Road 28 – Hanover - \$1,052,400 (\$799,800 from DC's)

The following projects associated with the above noted transfers have been identified in the 10-year capital plan up to 2028:

- 2025 Grey Road 28 – Hanover - \$1.6 M (\$1.2 M from DC's)
- 2026 Grey Road 4 – Durham - \$3.2 M (levy)
- Grey Road 9 – Dundalk - \$3.7 M (levy)
- Grey Road 12 – Markdale - \$1.9 M (levy)
- 2027 Grey Road 5 (signals & roundabout) – Owen Sound - \$10 M (\$6.9 M from DC's)
- Grey Road 13 – Clarksburg - \$2.1 M (\$0.9 M from DC's)
- 2028 Grey Road 12 – Markdale - \$1.5 M (levy)
- Grey Road 12 – Meaford – \$2.6 M (levy)
- Grey Road 15 – Owen Sound - \$1.4 M (\$0.3 M from DC's)

The recommended urban road transfers results in an estimated operational (maintenance) reduction of \$1,007,607 to Grey County annually. The costs experienced by member municipalities will depend upon their service level standards and cost allocations.

It is recommended that Urban Capital transfer funding be provided to municipalities over 10 years using the ratio of the urban road sections capital replacement value to be transferred against the entire Grey County road network replacement value.

Staff concluded that using the replacement values from the Asset Management Plan allows for a more equitable distribution of funding based on the assets being transferred. In contrast, allocating urban transfer funding based on the 10-year plan would result in a less balanced distribution, favoring municipalities with more County road work scheduled in their upcoming plans. Additionally, this approach would disproportionately benefit municipalities with older infrastructure, as their roads require reconstruction within the next 10 years, compared to those with newer infrastructure, where reconstruction needs may be 10+ years away.

The following table provides the proposed amount of funding to be provided to member municipalities, the estimated reduction to the County's operating budget, and net levy change.

Table 2 – Annual Net Funding Requirements

Year	Urban Capital Transfer Fund	Estimated County Operating Budget Reduction	Net Levy Impact of Urban Transfers
2025	\$2,060,971	\$1,007,607	\$1,053,364
2026	\$2,255,612	\$1,027,759	\$1,227,853
2027	\$2,475,771	\$1,048,315	\$1,427,456
2028	\$2,694,013	\$1,069,281	\$1,624,732
2029	\$2,924,946	\$1,090,667	\$1,834,279
2030	\$3,169,205	\$1,112,480	\$2,056,725
2031	\$2,766,553	\$1,134,730	\$1,631,823
2032	\$2,270,395	\$1,157,424	\$1,112,971
2033	\$1,672,243	\$1,180,573	\$491,670
2034	\$963,033	\$1,204,184	(\$241,151)
Total Over Next 10 Years	\$23,252,741	\$11,033,019	\$12,219,721

Administrative Efficiency

Providing full control of urban roads to local municipalities, will increase efficiency for businesses, community groups and municipalities themselves. Single ownership will reduce 'red tape' allowing a single party to be consulted, provide municipal comments and approvals and/or permits for areas of local importance, such as road closures related to community events,

façade improvement programs and sign permits, entrance permits; it will also enable communities interested in film production to become more investment ready through streamlined permitting and closure processes, which are key to business attraction. This proposed change will support urban development and investment readiness across the County.

Currently County Road standards are better suited to a rural cross-section, in terms of the policies for the number of intersections and separation distances between intersections. Allowing for municipalities to control such parameters in the Primary Settlement Areas, could ensure alignment between their projected growth and infrastructure needs, without needing exemptions to County policies, as is currently the case.

Urban Road Maintenance Costs

Maintenance costs for urban roads include maintenance per km for summer and winter, annual costs relating to storm structures, signalized intersections, line painting and hand painting.

The County's current annual maintenance costs are \$8,044 per km for winter maintenance, \$2,500 per km for summer maintenance (both based on ongoing current agreements), \$97.06 per storm sewer structure, \$4,184 per signalized intersection, \$346 per km for line painting, and total urban hand painting associated costs. In the urban areas identified for transfer, the total county spend has been \$1,007,607 annually. Table 3 below outlines Grey County's estimated annual maintenance budget requirements per municipality. An increase of 2% annually has been included to account for potential inflation.

Table 3 – Annual Maintenance Costs for Urban Roads

Municipality	Distance (km) Winter Maint	Distance (km) (Misc. Summer Maint.)	Storm Structures (#)	Signalized Intersection (#)	Line Painting (km)	Hand Painting (\$)	Year 1 (\$)
The Blue Mountains	5.65	5.65	155	1	5.646	14,085	\$ 97,625.24
Chatsworth	0.37	0.37	0	0	0.367	200	\$ 4,244.13
Georgian Bluffs	0.00	0.00	0	0	0	0	\$ -
Grey Highlands	4.15	4.15	106	2	4.154	6,905	\$ 72,169.42
Hanover	10.44	9.46	247	12	10.44	51,054	\$ 246,688.22
Meaford	3.62	3.62	71	2	3.623	7,387	\$ 63,570.63
Owen Sound	14.94	14.94	546	11	14.939	55,192	\$ 327,937.37
Southgate	2.73	2.73	84	0	2.727	8,558	\$ 48,127.17
West Grey	9.33	12.44	165	1	9.334	14,695	\$ 147,245.16
Total (#)	51.23	53.36	1374	29	51.23	158,076	\$ 1,007,607
Current Rate (\$)	\$8,044.00	\$ 2,500.00	\$ 97.06	\$ 4,184.00	\$346.00	\$ 1.20	
Annual Amount (\$)	\$ 412,094	\$ 133,400	\$133,360	\$ 121,336	\$17,726	\$ 189,691	
Total Cost (\$) Year 1							\$1,007,607
Total Cost (\$) Year 2							\$1,027,759
Total Cost (\$) Year 3							\$1,048,315
Total Cost (\$) Year 4							\$1,069,281
Total Cost (\$) Year 5							\$1,090,667
Total Cost (\$) Year 6							\$1,112,480
Total Cost (\$) Year 7							\$1,134,730
Total Cost (\$) Year 8							\$1,157,424
Total Cost (\$) Year 9							\$1,180,573
Total Cost (\$) Year 10							\$1,204,184

Total 10 Years \$ 11,033,019

Road Maintenance and Plow Routes

The member municipalities may face some challenges to immediately take on the maintenance of the transferred urban roads due to competing priorities, staffing and equipment resources. In some cases, the potential transferred road would require a higher level of service than some of the other roads owned by the municipality. It is anticipated that some municipalities may not be able to or wish to provide the same level of service as the County currently provides.

Maintenance routes would need to be modified and the County could establish maintenance contracts on a fee for service basis with the municipalities that will require support.

Urban Road Capital Construction Funding

Another element of urban transfers relates to capital construction. Understanding that the member municipalities will now be owners of the urban roads and responsible for the maintenance and construction costs, the County proposes to provide transition funding to support the member municipalities replacement costs over the next 10 years. It is recommended that after the initial 10 years have passed, the member municipalities would then be fully responsible for all costs of these road assets.

The funding plan was developed using the ratio of the urban road sections to be transferred against the entire Grey County road network. As part of the progress being made on the 2023 Asset Management Plan, the current replacement costs for all Grey County roads is \$1.4 billion. Staff have further extracted the replacement costs for the recommended urban roads to be transferred and determined a replacement cost of \$151.7 million or 10.6% of total replacement costs.

Presently, the County's financial commitment to urban reconstruction projects in member municipalities typically ranges from \$1,500,000 to \$3,400,000 per km. This cost encompasses the County's share of the project, covering asphalt and granular material for the road, curb and gutter installation, and the replacement of the stormwater system. Additional expenses for design, contract administration, and inspection typically amount to between 8% to 12% on top of the estimated construction costs for urban reconstruction projects. Additional costs for structure replacements, property acquisition, utility relocations and right-of-way clearing are not included within the ranges provided above. The costs associated with these items can vary depending on the scope of the project and the nature of the existing conditions for the road.

Capital Transition Funding

It is recommended that Urban Road Capital Transition funding be provided to help member municipalities manage the responsibility for capital improvements on urban sections of County roads over a 10-year period. In the interest of fairness, the funding has been based on replacement value rather than the number of km's transferred.

The funding was calculated by determining that the 51 km's of urban road being transferred constitutes 10.60% of the total replacement cost of all County road assets. The County's 10-year capital budget allocates approximately \$16.57 million annually for capital construction, therefore, there will be an annual transfer of a portion of the Transportation Services' Major Road and Bridge Construction budget to the receiving municipalities.

This amount will be distributed based on the proportion of urban road transfers and traffic signals within each municipality and will be used at the receiving municipalities discretion. The transition funds will be sourced from both the annual capital budget and the Development Charge funds accumulated up until the transfer date.

Table 4 below illustrates the annual payments to each municipality.

Table 4 – Urban Capital Transition Funding

	Municipality	BM	CH	GB	GH	HA	ME	OS	SG	WG
	Number of Urban Roads kms	5.65	0.37	0.00	4.15	10.44	3.62	14.94	2.73	9.33
	% of Urban Roads Transferred	11.59%	0.70%	0.00%	8.69%	19.14%	6.15%	30.86%	6.02%	16.85%
Year	Number of Intersections	1	0	0	2	12	2	11	0	1
2025	\$2,060,971	\$230,066	\$13,684	\$0	\$177,228	\$418,711	\$127,483	\$643,710	\$117,524	\$332,564
2026	\$2,255,612	\$252,456	\$15,034	\$0	\$194,112	\$456,447	\$139,462	\$703,928	\$129,113	\$365,061
2027	\$2,475,771	\$277,801	\$16,562	\$0	\$213,213	\$499,077	\$153,009	\$772,024	\$142,235	\$401,851
2028	\$2,694,013	\$302,920	\$18,076	\$0	\$232,147	\$541,349	\$166,439	\$839,531	\$155,239	\$438,311
2029	\$2,924,946	\$329,507	\$19,679	\$0	\$252,184	\$586,060	\$180,649	\$910,958	\$169,005	\$476,904
2030	\$3,169,205	\$357,635	\$21,375	\$0	\$273,379	\$633,332	\$195,678	\$986,500	\$183,571	\$517,735
2031	\$2,766,553	\$310,753	\$18,535	\$0	\$238,327	\$556,809	\$170,950	\$862,418	\$159,180	\$449,581
2032	\$2,270,395	\$253,025	\$15,039	\$0	\$195,144	\$462,402	\$140,476	\$709,484	\$129,157	\$365,669
2033	\$1,672,243	\$183,468	\$10,827	\$0	\$143,093	\$348,485	\$103,733	\$525,079	\$92,989	\$264,568
2034	\$963,033	\$101,030	\$5,837	\$0	\$81,385	\$213,327	\$60,166	\$306,408	\$50,131	\$144,751
Total Over Next 10 Years	\$23,252,741	\$2,598,661	\$154,647	\$0	\$2,000,212	\$4,715,999	\$1,438,045	\$7,260,040	\$1,328,144	\$3,756,994

Next Steps

Following support in principle from the Task Force and Council regarding the recommended transfer of urban road segments to the appropriate member municipality, the following next steps will be required:

- Present the urban capital transition funding model to the Budget and Finance Committee for budget consideration purposes.
- County staff to meet with local municipal staff to negotiate any agreements for continued county maintenance service that may be required on a cost recovery basis.
- County staff to negotiate new urban road agreements with the municipalities noted in Table 1.
- Prepare a follow-up report to the Task Force identifying the agreements and corresponding transition plans, including schedules, funding and maintenance support details.

Legislated Requirements

Section 52 of the Municipal Act, 2001 permits the County to transfer jurisdiction and ownership of roads between the County and its lower-tier municipalities on its own. No formal approval is required from the lower-tier municipalities involved.

The Act and related legislation give the authority to close a highway and to restrict its use (e.g. speed limits, controlling what vehicles may use the road, limiting traffic flow to one-way traffic, etc.) to the municipality having jurisdiction over the road.



Committee Report

To:	Warden Milne and Members of Grey County Council
Committee Date:	October 10, 2024
Subject / Report No:	TR-CW-31-24
Title:	Urban Road and Road Exchange Task Force Recommendations
Prepared by:	Sharon Melville, Trevor Ireton and Shaun Anthony
Reviewed by:	Pat Hoy
Lower Tier(s) Affected:	All Member Municipalities

Recommendation

1. That report TR-CW-31-24 be received; and
2. That the funding model presented for the urban road and rural road transfers be approved; and
3. That the 2025 budget reflect a levy increase of \$1,148,300 to support the funding model.
4. That staff be directed to negotiate new road agreements to take effect Fall 2025 with the affected municipalities and bring a report with the agreements and corresponding transition plans, including schedules, funding and maintenance support details, to a future Task Force meeting prior to final approval of the transfers through Grey County Council.

Executive Summary

The purpose of this report is to update Council on the status of the urban road and road exchange project and to seek approval for staff to begin discussions with municipalities to finalize agreements on rural and urban transition plans, including transfer timing, funding and maintenance as recommended by the Urban Road and Road Exchange Task Force (Task Force). If approved, over the next 10 years, the impact of the urban transfers on the levy is estimated to be a total of \$23 million. The 10-year net impact of the rural transfers and reconstruction (costs for uploaded roads less expenditure reductions for downloaded roads) is \$36 million. Some of the required funds are currently in the annual capital budget and there is an estimated \$1 million in operational savings from the urban transfers expected to offset new expenditures. The bottom-line

impact to the levy is an increase of \$1,148,273 in 2025 with inflationary increases over the remaining nine years.

Background and Discussion

Urban Transfers

The Task Force received reports outlining the rationale for transferring responsibility for the urban segments of some County roads to the member municipalities where they are located. These reports examined the financial aspects of urban maintenance and construction and suggested a funding transition model between the County and member municipalities over a 10-year period. The report proposes to transfer just over \$23 million over the next 10 years to receiving municipalities.

Table 1 – Primary and Urban Road Areas to be Transferred

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	Blue Mountains	Thornbury	13	Primary	3.521
2.	Blue Mountains	Thornbury	113	Primary	2.126
3.	Grey Highlands	Markdale	12	Primary	2.125
4.	Hanover / West Grey	Hanover	4	Primary	3.888
5.	Hanover	Hanover	10	Primary	4.326
6.	Hanover / West Grey	Hanover	28	Primary	4.158
7.	Meaford	Meaford	7	Primary	1.119
8.	Meaford	Meaford	12	Primary	2.071
9.	OS / Meaford	Owen Sound	5	Primary	6.366
10.	OS	Owen Sound	15	Primary	5.936
11.	OS	Owen Sound	1	Primary	3.069
12.	Southgate	Dundalk	9	Primary	2.727
13.	West Grey	Durham	4	Primary	2.652
14.	West Grey	Durham	27	Primary	0.453
15.	West Grey	Neustadt	9	Primary	0.627
16.	West Grey	Neustadt	10	Primary	2.249

17.	Chatsworth	Chatsworth	40	Secondary	0.367
18.	Grey Highlands	Flesherton	4	Secondary	2.029
19.	West Grey	Ayton	3	Secondary	1.422

Transition Funding

It is recommended that urban transition funding be provided to municipalities over 10 years using the ratio of the urban road sections capital replacement value to be transferred against the entire Grey County road network replacement value. Staff concluded that using the replacement values from the Asset Management Plan allows for a more equitable distribution of funding based on the assets being transferred. In contrast, allocating urban transfer funding based on the 10-year plan would result in a less balanced distribution, favoring municipalities with more County Road work scheduled in their upcoming plans. Additionally, this approach would disproportionately benefit municipalities with older infrastructure, as their roads require reconstruction within the next 10 years, compared to those with newer infrastructure, where reconstruction needs may be 10+ years away.

The table below shows the amount that will be distributed based on the proportion of urban road transfers and traffic signals within each municipality and will be used at the receiving municipalities discretion. The transition funds will be sourced from both the annual capital budget and the Development Charge funds accumulated up until the transfer date. The 2024 Major Road and Bridge Construction capital budget includes \$36.1M in expenditures for in year projects and transfers to reserve. The budget is funded through a combination of sources that include a \$10.2M levy contribution, Canada Community-Building Funding and Ontario Community Infrastructure Funding. Funds from this budget would be transferred annually over the 10 year period to the receiving municipalities.

The recommended urban road transfers result in an estimated operational (maintenance) reduction of \$1,007,607 to Grey County. The costs experienced by member municipalities will depend upon their service level standards and cost allocations.

For informational purposes relating to the Urban transfers, the following projects were completed within the past 5 years:

- 2019 Grey Road 4 – Hanover - \$361,800
- Grey Road 4 – Durham - \$800,800
- Grey Road 9 – Dundalk - \$3,081,200
- 2020 Grey Road 4 – Durham - \$131,300
- Grey Road 9 – Dundalk - \$252,200
- 2022 Grey Road 15 – Owen Sound - \$2,119,200
- Grey Road 27 – Durham - \$943,700
- 2023 Grey Road 7 – Meaford - \$1,612,600

Grey Road 15 – Owen Sound - \$103,900

Grey Road 28 – Hanover - \$1,052,400

The following projects associated with the urban transfers have been identified in the next 5 years:

2025 Grey Road 28 – Hanover - \$1.6 M (will be completed prior to transfer)

2026 Grey Road 4 – Durham - \$3.2 M

Grey Road 9 – Dundalk - \$3.7 M

Grey Road 12 – Markdale - \$1.9 M

2027 Grey Road 5 (signals & roundabout) – Owen Sound - \$10 M

Grey Road 13 – Clarksburg - \$2.1 M

2028 Grey Road 12 – Markdale - \$1.5 M

Grey Road 12 – Meaford – \$2.6 M

Grey Road 15 – Owen Sound - \$1.4 M

Table 2 – Urban Transition Funding Model

*Table 2 below provides a framework for illustrative purposes and shows the annual payments to each municipality based on predicted future levy increases of 2.55% within the Asset Management Plan and 2% standard inflation. The 2025 payment will be prorated dependent upon transfer date.

	Municipality	BM	CH	GB	GH	HA	ME	OS	SG	WG
	Number of Urban Roads kms	5.65	0.37	0.00	4.15	10.44	3.62	14.94	2.73	9.33
	% of Urban Roads Transferred	11.59%	0.70%	0.00%	8.69%	19.14%	6.15%	30.86%	6.02%	16.85%
Year	Number of Intersections	1	0	0	2	12	2	11	0	1
2025	\$2,060,971	\$230,066	\$13,684	\$0	\$177,228	\$418,711	\$127,483	\$643,710	\$117,524	\$332,564
2026	\$2,255,612	\$252,456	\$15,034	\$0	\$194,112	\$456,447	\$139,462	\$703,928	\$129,113	\$365,061
2027	\$2,475,771	\$277,801	\$16,562	\$0	\$213,213	\$499,077	\$153,009	\$772,024	\$142,235	\$401,851
2028	\$2,694,013	\$302,920	\$18,076	\$0	\$232,147	\$541,349	\$166,439	\$839,531	\$155,239	\$438,311
2029	\$2,924,946	\$329,507	\$19,679	\$0	\$252,184	\$586,060	\$180,649	\$910,958	\$169,005	\$476,904
2030	\$3,169,205	\$357,635	\$21,375	\$0	\$273,379	\$633,332	\$195,678	\$986,500	\$183,571	\$517,735
2031	\$2,766,553	\$310,753	\$18,535	\$0	\$238,327	\$556,809	\$170,950	\$862,418	\$159,180	\$449,581
2032	\$2,270,395	\$253,025	\$15,039	\$0	\$195,144	\$462,402	\$140,476	\$709,484	\$129,157	\$365,669
2033	\$1,672,243	\$183,468	\$10,827	\$0	\$143,093	\$348,485	\$103,733	\$525,079	\$92,989	\$264,568
2034	\$963,033	\$101,030	\$5,837	\$0	\$81,385	\$213,327	\$60,166	\$306,408	\$50,131	\$144,751
Total Over Next 10 Years	\$23,252,741	\$2,598,661	\$154,647	\$0	\$2,000,212	\$4,715,999	\$1,438,045	\$7,260,040	\$1,328,144	\$3,756,994

Rural Transfers

The Task Force also received reports earlier this year which identified potential rural road transfers/exchanges, the potential benefits to the overall road network as well as the initial cost projections associated with each of the road sections. The goal of the Task Force was to determine an alignment of road utilization, road standards and ownership to enhance road safety and investments. In addition to the cost of upgrading the roads, there will be costs related to title searches, land surveys, preparation of by-laws, civic address changes and signage, all of which require a significant amount of effort.

Table 3- Recommended Rural Road Exchange/Transfers

Road Being Uploaded	Road Being Downloaded	Exchange Date*	Municipality	Required Construction by Grey County
Southgate SRD 11	Grey Road 14	TBD	Southgate	2026 – Overlay to add second lift
Bentinck-Sullivan Townline	Grey Road 25	TBD	Chatsworth/ West Grey	2029 – Full Reconstruction
Concession 5/Derby Concession 6/Sullivan		TBD	Georgian Bluffs/ Chatsworth	2027 – 50 mm overlay – Concession 6 2041 – Full Reconstruction
Concession 12	Grey Road 9	TBD	West Grey	2027/2028 — 3 Bridges 2030 — Grey Road 3 to GB Line 2032 to 2034 — Hwy 6 to Grey Road 3

After extensive discussions regarding the cost of reconstructing Concession 12, the Task Force chose to move forward with the transfer.

Understanding the comprehensive costs associated with upgrading roads is vital for informed decision-making and effective infrastructure planning. The total gross project costs identified in Table 4 below are based on current 2024 construction costs; inflationary increases will be required over the 10-year period. By taking these financial considerations associated with the recommended rural road transfers/exchanges into account, staff can make more accurate budget projections and allocate resources strategically to ensure the quality and safety of the overall road network.

The **Levy Impact** identified below is the difference between the new levy funding required due to upload and the levy no longer required due to download which represents the average annual levy requirement that would be needed annually to fund the road transfers in today's dollars.

Table 4 - 10-Year Capital Funding Summary of Transferred Rural Roads

Year	Total Gross Project Cost A	Estimated DC Funding Required B	Estimated New Levy Capital Funding Required due to Upload A+B	Estimated Levy No Longer Required due to Download C	Net Levy Impact (D) A+B+C
2025	\$3,073,260	\$0	\$3,073,260	\$0	\$3,073,260
2026	\$5,825,220	\$0	\$5,825,220	\$0	\$5,825,220
2027	\$722,160	(\$39,984)	\$682,176	(\$7,289,023)	(\$6,606,847)
2028	\$10,939,500	(\$4,375,800)	\$6,563,700	\$0	\$6,563,700
2029	\$3,370,080	(\$875,976)	\$2,494,104	\$0	\$2,494,104
2030	\$10,489,680	(\$4,195,872)	\$6,293,808	(\$2,925,782)	\$3,368,026
2031	\$0	\$0	\$0	\$0	\$0
2032	\$7,691,820	(\$3,076,728)	\$4,615,092	(\$4,885,845)	(\$270,753)
2033	\$1,777,860	(\$542,640)	\$1,235,220	\$0	\$1,235,220
2034	\$7,961,100	(\$2,684,232)	\$5,276,868	\$0	\$5,276,868
Total	\$51,850,680	(\$15,791,232)	\$36,059,448	(\$15,100,650)	\$20,958,797
Average Annual	\$5,185,068	(\$1,579,123)	\$3,605,945	(\$1,510,065)	\$2,095,880

The average annual levy requirement for major road and bridge construction is expected to increase by \$2,095,880, plus an additional \$60,000 in operational maintenance costs, to accommodate the rural road transfers.

Financial and Resource Implication

This is a comprehensive plan that is based on both the urban and rural transfers taking place. Transferring the urban roads to the member municipalities with capital funding gives them control and flexibility. County expenses for providing summer and winter maintenance will decrease by \$1M.

The newly acquired County roads (rural sections) will require significant upgrades. Substantial legal work will be required for land acquisition and title transfers; these costs have yet to be quantified. The removal of urban reconstruction projects from the current 10-year plan frees up some financial resources and time. Rural roads transferred to the County will be included in the next update to the development charge by-law that will take effect January 1, 2027.

The 2023 Asset Management Plan released in July 2024 reflected a total infrastructure deficit of \$30.7 million. By adding a net \$36 million in rural project costs and transferring \$12.2 million in capital funding for urban transfers, it can be anticipated that the portion of the infrastructure deficit relating to Transportation Services will increase. Without a more substantial investment in infrastructure than accounted for in this report, the adjustment to the County road network will result in uploaded roads moving ahead of work that was presented in the 2024-2033 10 year capital forecast.

Once the \$1.1 million increase to the levy occurs in 2025, the remaining 9 years will reflect in inflationary increases. I

2025 Budget Impact	
Urban Transfers	
Operating Budget Reduction	(\$1,007,607)
Urban Transition Funding for member municipalities	\$2,060,971
Less: Funds from the capital budget	(\$2,060,971)
Net Levy Operating Budget Decrease	(\$1,007,607)
Rural Transfers	
Operating Budget Increase	\$60,000
Capital budget increase for rural road exchanges	\$2,095,880
Net Levy Capital Budget Increase	\$2,155,880
Net Operating and Capital Budget Increase in 2025	\$1,148,273

Relevant Consultation

- ☐ Internal (list)
 - ☐ AODA Compliance (describe)
 - ☐ Contribution to Climate Change Action Plan Targets (describe)
- ☐ External (list)

Appendices and Attachments

[Link to TR-UR-05-24 February Task Force Urban Detailed Report](#)

[Link to TR-UR-14-24 April Task Force Rural Detailed Report](#)

[Link to TR-UR-27-24 September Task Force Urban Financial Report](#)

[Link to TR-UR-28-24 September Task Force Rural Financial Report](#)



Committee Report

To:	Chair Greig and Task Force Members
Committee Date:	March 20, 2025
Subject / Report No:	TR-UR-06-25
Title:	Urban Road and Road Exchange Task Force Recommendations
Prepared by:	Sharon Melville, Trevor Ireton, Shaun Anthony
Reviewed by:	Pat Hoy
Lower Tier(s) Affected:	All Member Municipalities

Recommendation

1. That report TR-UR-06-25 be received; and
2. That the funding model presented for the urban road and rural road transfers be approved; and
3. That a levy increase of \$1,240,901 to support the funding model for the road transfers be included in the 2026 draft budget for Council’s consideration; and
4. That staff be directed to negotiate new road agreements with the affected municipalities in accordance with the activities in the report; and
5. That the corresponding draft agreements come forward for consideration.

Executive Summary

The purpose of this report is to update the Task Force on the status of the urban road and road exchange project and to seek approval to finalize agreements on transition plans with municipalities including transfer timing, funding and maintenance plans.

Council received report TR-CW-31-24 in October 2024, which identified rural road transfers/exchanges, the potential benefits to the overall road network as well as the initial cost projections associated with the upgrade of each of the uploaded roads. The report directed staff to meet with each member municipality and bring forward a report to the Task Force summarizing transition plans relating to schedules, funding and maintenance support.

Background and Discussion

The goal of the Task Force was to determine an alignment of road utilization, road standards and ownership to enhance road safety and investments.

Staff met with each of the nine municipalities as directed. Discussions were held on the positive opportunity for member municipalities to make local decisions within their urban communities when the urban cross sections are transferred to them. The only significant concern came from those without a rural transfer component, noting a perceived inequity in the financial benefit being provided compared to those who had one. These municipalities (The Blue Mountains, Hanover, Meaford, Owen Sound and Grey Highlands) feel they would require additional funding to manage the transferred urban roads. Specifically, funds would be needed for future infrastructure upgrades and to hire staff to manage additional maintenance.

In response, Grey County re-evaluated the transition funding allocation (see below) and proposes to continue to provide winter maintenance within the majority of the urban transfer areas with costs to be invoiced to each municipality on a cost-recovery basis. Other transition considerations can be considered with each municipality as part of the new road agreements.

Transition Funding

The transition funding to be provided to municipalities over 10 years using the ratio of the urban road sections capital replacement value, was presented to each member municipality.

The table below shows the funding to be distributed based on the proportion of urban road km's and traffic signals within each municipality. Transportation staff are recommending an alternative funding model for municipalities without a rural trade component to provide further financial support over the next 10-year period.

The new funding model would maintain a a consistent annual financial commitment. Any additional funding would come from the Transportation Capital budget rather than increasing the levy. The new funding model allows for a consistent amount over the 10-year period to be distributed to the municipalities without a rural transfer component.

In order to move forward, staff are recommending a reconstruction cutoff date of October 15, 2026. Projects recommended to be completed prior to end date are:

- Markdale – Grey Road 12 \$1,803,300
- Dundalk – Grey Road 9 - \$3,582,900
- Grey Road 14 – \$1,895,700

Table 1 below contains the details of the newly calculated funding.

Table 1 - Transition Funding Model

*Table 1 below provides a framework showing the annual payments to each municipality based on a predicted future levy increases of 2.55% within the Asset Management Plan released July 2024 and 2% standard inflation. The 2026 payment will be prorated dependent upon transfer date and remaining nine years will reflect inflationary increases as set out in agreements.

		Municipalities with only Urban Transfers					Municipalities with Rural Transfer Components			
Municipality		BM	GH	HA	ME	OS	SG	WG	CH	GB
KM of Urban Roads		5.65	4.15	10.44	3.62	14.94	2.73	9.33	0.37	0.00
% of Urban Roads Transferred		11.59%	8.69%	19.14%	6.15%	30.86%	6.02%	16.85%	0.70%	0.00%
Number of Intersections		1	2	12	2	11	0	1	0	0
Year	Total Annual Transition Fund									
2026	\$2,167,574	\$242,249	\$186,457	\$439,597	\$134,051	\$676,760	\$123,812	\$350,231	\$14,416	\$0
2027	\$2,388,039	\$267,630	\$205,586	\$482,285	\$147,617	\$744,950	\$136,953	\$387,072	\$15,947	\$0
2028	\$2,606,704	\$292,798	\$224,557	\$524,638	\$161,073	\$812,588	\$149,983	\$423,604	\$17,464	\$0
2029	\$2,838,185	\$319,448	\$244,641	\$569,454	\$175,317	\$884,184	\$163,782	\$462,289	\$19,070	\$0
2030	\$3,083,124	\$347,655	\$265,895	\$616,856	\$190,388	\$959,936	\$178,388	\$503,235	\$20,771	\$0
2031	\$3,342,192	\$377,497	\$288,376	\$666,972	\$206,328	\$1,040,052	\$193,842	\$546,555	\$22,571	\$0
2032	\$3,451,550	\$409,054	\$312,146	\$719,938	\$223,180	\$1,124,747	\$168,149	\$474,758	\$19,579	\$0
2033	\$3,549,423	\$442,412	\$337,268	\$775,893	\$240,988	\$1,214,250	\$136,479	\$386,241	\$15,891	\$0
2034	\$3,634,276	\$477,660	\$363,810	\$834,986	\$259,802	\$1,308,797	\$98,290	\$279,486	\$11,445	\$0
2035	\$3,704,462	\$514,891	\$391,842	\$897,372	\$279,669	\$1,408,638	\$53,003	\$152,876	\$6,172	\$0
Total Over Next 10 Years	\$30,765,530 (from \$24,514,432)	\$3,691,292	\$2,820,578	\$6,527,991	\$2,018,412	\$10,174,903	\$1,402,681	\$3,966,348	\$163,326	\$0

Transition Dates

Table 2 - Recommended Rural Road Exchange/Transfer Dates

*All transfer/exchange dates will rely upon a number of factors, which could include civic address notifications for residents and emergency services, agreement drafting and negotiations, investigations, staffing resources, timelines for surveys, etc.

Road Being Uploaded	Road Being Downloaded	Exchange Date*	Municipality
Southgate SRD 11	Grey Road 14	Following completion of Grey Road 14 reconstruction	Southgate
Bentinck-Sullivan Townline	Grey Road 25	Monday May 5, 2026	Chatsworth/West Grey
Concession 5/Derby Concession 6/Sullivan		Monday May 5, 2026	Georgian Bluffs/Chatsworth
Concession 12	Grey Road 9	Following replacement of structures and some minor road upgrades – Fall 2027	West Grey

Table 3 - Recommended Urban Road Exchange/Transfer Dates

Municipality	Urban Road(s) to be Transferred	Transfer Date*
Southgate	Grey Road 9 (Main Street) in Dundalk	Dundalk following reconstruction
Chatsworth	Grey Road 40 (McNab Street) in Chatsworth	Monday May 5, 2026
Grey Highlands	Grey Road 4 (Collingwood Street) in Flesherton & Grey Road 12 (Main Street) in Markdale	Flesherton - Monday May 5, 2026 Markdale following reconstruction

West Grey	Grey Road 4 (Lambton, Bruce, Durham Rd.) in Durham	Monday May 5, 2026
Blue Mountains	Grey Road 13 (Bruce, Marsh St) in Thornbury & Grey Road 113 (Alfred St./10 th Line) in Clarksburg	Monday May 5, 2026
Meaford	Grey Road 12 (Nelson, Pearson & Miller St) in Meaford	Monday May 5, 2026
Owen Sound	Grey Road's 1 (2 nd Ave W, 3 rd Ave W), 5 (2 nd Ave SE, 2 nd Ave E, 6 th St E, 8 th St E, 28 th Ave E) 15 (3 rd Ave E, East Bayshore Rd)	Monday May 5, 2026
Hanover	Grey Road's 4 (10 th Street), 10 (7 th Ave, 2 nd St and 10 th Ave) & 28 (24 th Ave)	Monday May 5, 2026

Ongoing Maintenance Requirements

Table 4 - Requirements for Ongoing Maintenance

As transitions take place, the receiving municipality may need some time to fully take over the maintenance of the transferred infrastructure and will require operational support through a pay-for-service arrangement. Details of maintenance support will differ in the agreement for each municipality relating to the activity required and length of time the support is needed.

Municipality	Transferred Roads	Grey County ongoing Maintenance
Southgate	Grey Road 9 in Dundalk	Winter - plowing
Chatsworth	Grey Road 40 in Chatsworth	None required
Grey Highlands	Grey Road 4 in Flesherton & Grey Road 12 in Markdale	Winter - plowing, traffic signal management
West Grey	Grey Road 4 in Durham	Winter - plowing

Blue Mountains	Grey Road 13 in Thornbury & Grey Road 113 in Clarksburg	Winter - plowing
Meaford	Grey Road 12 in Meaford	Winter - plowing
Owen Sound	Grey Road's 1, 5 & 15	None required
Hanover	Grey Road's 4,10 & 28	Winter - plowing, Traffic Signal management, bridge inspection
Georgian Bluffs	N/A	N/A

Financial and Resource Implications

The transfer/exchanges presented include a comprehensive financial plan that is based on both the urban and rural transfers taking place. Report TR-CW-31-24 presented funding model options for the transfers; the 2025 budget was prepared and approved with no levy increase included for any changes to the road network and associated funding for the member municipalities.

Transferring the urban roads to the member municipalities with capital funding and the responsibility for maintenance costs, allows County operating expenses to decrease by \$1M.

Once the \$1.24 million increase to the levy occurs in 2026, the remaining 9 years will reflect inflationary increases, with the annual increase calculated based on the appropriate year over year increase to the Consumer Price Index and the county's asset management plan increase/decrease. The methodology for the increases will be included in the draft agreements with the affected municipalities.

Table 5 – 2026 Budget Impact

Urban Transfers	2025	2026*
Operating Budget Reduction	(\$1,007,607)	(\$1,027,759)
Urban Transition Funding for member municipalities	\$2,060,971	\$2,167,574
Less: Funds from the capital budget	(\$2,060,971)	(\$2,167,574)
Net Levy Operating Budget Decrease (A)	(\$1,007,607)	(\$1,027,759)
Rural Transfers		
Operating Budget Increase	\$60,000	\$61,200
Capital budget increase for rural road exchanges	\$2,095,880	\$2,207,460
Net Levy Capital Budget Increase (B)	\$2,155,880	\$2,268,660
Net Operating and Capital Budget Increase in 2026	(A + B)	\$1,240,901

*This table demonstrates the costing based on a full year. Actual amounts required will be dependent on transfer and agreement dates.

Relevant Consultation

- ☐ Internal (list)
 - ☐ AODA Compliance (describe)
 - ☐ Contribution to Climate Change Action Plan Targets (describe)
- ☒ External (All member municipalities)

Appendices and Attachments

TR-UR-05-24 February Task Force Urban Detailed Report

TR-UR-14-24 April Task Force Rural Detailed Report

TR-UR-27-24 September Task Force Urban Financial Report

TR-UR-28-24 September Task Force Rural Financial Report

TR-CW-31-24 - Urban Road and Road Exchange Task Force Recommendations.docx

CW104-24:

That report TR-CW-31-24 be received; and

That the funding model presented for the urban road and rural road transfers be supported in principle; and

That staff be directed to negotiate new road agreements with the affected municipalities and bring a report with the agreements and corresponding transition plans, including schedules, funding and maintenance support details, to a future Task Force meeting prior to final approval of the transfers through Grey County Council.



Committee Report

To:	Chair Greig and Task Force Members
Committee Date:	February 5, 2026
Subject / Report No:	TR-UR-01-26
Title:	Urban Road and Road Exchange Task Force Recommendations
Prepared by:	Sharon Melville, Trevor Ireton, Shaun Anthony
Reviewed by:	Pat Hoy
Lower Tier(s) Affected:	All Member Municipalities

Recommendation

1. That Report TR-UR-01-26 be received; and
2. That the draft road transfer template agreement be approved, and staff be directed to customize the template for each member municipality and circulate the agreements for execution and that the Warden and Clerk be authorized to execute the agreements; and
3. That the road assumption/deletion by-law(s) be brought forward to County Council with a transfer date of July 6, 2026, for both Urban and Rural transfers with the following exceptions being transferred on October 29, 2026;
 - Grey Road 4 within Flesherton
 - Grey Road 12 within Markdale
 - Grey Road 14 and Southgate SRD 11
 - Grey Road 9 within Dundalk; and
4. That staff be authorized to proceed prior to Council approval as per Section 26.6 (b) of the Procedural By-law.

Executive Summary

The purpose of this report is to update the Task Force on the status of the urban road and road exchange project.

Staff are seeking approval to:

1. Forward agreements for signature to each member municipality that clearly identifies the road sections to be transferred, associated funding amounts, and applicable maintenance arrangements.
2. Prepare the road assumption/deletion by-law(s) for Council approval, inclusive of two dates, July 6, 2026, and October 29, 2026.

The Task Force received report TR-UR-06-25 in March 2025, which identified all urban and rural road transfers/exchanges, the funding model associated with the transfers, and the potential transition dates. Following Council discussion in March 2025, the following motion was approved:

That report TR-UR-06-25 be received; and

That the funding model presented for the urban road and rural road transfers be approved in principle and that public information sessions be held; and

That a levy increase of \$1,240,901 to support the funding model for the road transfers be included in the 2026 draft budget for Council's consideration; and

That staff be directed to negotiate new road agreements with the affected municipalities in accordance with the activities in the report; and

That the corresponding draft agreements come forward for consideration.

Background and Discussion

Public Information Sessions

Transportation staff hosted seven public information sessions and received feedback from attendees. Information sessions were of a 'drop in' nature and held over evenings in Thornbury, Owen Sound, Hanover, Dundalk, Markdale, Durham and a final session was hosted at Grey Roots Museum. While attendance varied, the sessions provided valuable opportunities for staff to engage constructively with residents to understand any concerns. Questions raised by residents included road name changes, road maintenance and future road reconstruction.

Transfer Date

It is important that road transfers are completed well in advance of the winter season, to enable both Grey County and member municipalities adequate time to prepare for winter. Road names are used by many services and are of key importance to postal and emergency services. These services need to know the date on which road names will change to update their systems. On the date that the names will change, all existing sign blades must be replaced.

All road transfers are proposed for transfer effective Monday July 6, 2026, with the following exceptions:

- Grey Road 9 in Dundalk due to construction
- Grey Road 14 in Southgate due to construction (including the exchange of Southgate SRD 11)

- Grey Road 12 in Markdale due to construction
- Grey Road 4 in Flesherton to be consistent with Markdale transfer date

Due to construction timelines, the list above are proposed for transfer effective October 29, 2026.

Template Agreement

Attached is a template Road Transfer Agreement for review and approval. The main body of the agreement contains identical language for each of the nine municipalities. Following the main body of the agreement is:

- Schedule A – Description of each road transfer
- Schedule B – Financial Arrangements specific to the individual transition funding to be received (if applicable), and
- Schedule C – Winter Maintenance Provisions (if requested) inclusive of a Winter Maintenance Agreement that can be considered on its own due to future location changes or cost amendments.

An agreement with detailed schedules will be forwarded to each of the nine member municipalities for review and signature inclusive of the respective transfer dates as set out in the recommendation above.

Operational Steps

As of 12:01 a.m. on the respective transfer date (July 6th or October 29th), the transferred roads, as listed in the chart's below, will then become the responsibility of the receiving party. The most important activity relating to public safety is road name sign changes, specifically intersection signs. Changes must all take place on the respective transfer date to ensure that emergency services can attend if required. Staff are reviewing the best way to tackle the approximate 130 intersection blade changes and 75 address blade changes. County staff resources will be committed to support property owners and member municipalities with the address changes, including information and support for the accuracy of the municipal election voters list for affected properties. The transfer date is of major importance to civic addressing to ensure Bell 911 and Canada Post have current addressing along with the continuance of operational day to day activities from a roads perspective.

Civic Addressing Steps for a Road Name Change

Both Grey County and the Municipalities will pass a by-law to rename the transferred roads (if necessary), ensuring the effective date is at least 4 weeks in advance so the following can be done:

- Send notification of final address changes to address group with effective date (Bell911, MPAC, Canada Post, etc.)
- Send notification of road changes to emergency services and dispatch with effective date
- Send letters to owners to notify address change. They have 6 days after the effective date to change the address information on their driver's license
- Order new intersection signs and replace civic address blades to ensure changes take place on the effective date

Roads for Transfer July 6, 2026

Num	Mun	Settlement	Grey Road	Upload	Road description
1	BM	Thornbury	13		From Highway 26, the section of road runs 3.5 km to the south settlement boundary, located 145 m south of 10th Line.
2	BM	Thornbury	113		From Highway 26, the section of road runs 2.1 km to Bruce Street South.
4	HAN/WG	Hanover	4		From the west settlement boundary, located 350 m west of 3rd avenue, the section of road runs 3.9 km to the east settlement boundary, located 1 km east of 24th Avenue.
5	HAN	Hanover	10		From the south settlement boundary, located 920 m south of 2nd Street, the section of road runs 4.3 km to Grey Road 28.
6	HA/WG	Hanover	28		From the south settlement boundary, located 80 m south of 10th Street, the section of road runs 4.2 km north to Concession 2 NDR, then west to Bruce Road 10.
7	ME	Meaford	7		From Highway 26, the section of road runs 1.1 km to the south settlement boundary, located 315 m south of Muir Street.
8	ME	Meaford	12		From Highway 26, the section of road runs 2.0 km to the west settlement boundary, located 148 m west of Gardiner Street.
9	OS/ME	Owen Sound	5		From 1st Street SW, the section of road runs 6.4 km to 9th Avenue East.
10	OS	Owen Sound	15		From 6th Street East, the section of road runs 5.9 km to the north settlement boundary, located 920 m north of 32nd Street East.
11	OS	Owen Sound	1		From 10th Street West, the section of road runs 3.1 km to the north settlement boundary, located 150 m north of 29th Street West.
13	WG	Durham	4		From the west settlement boundary, located 320 m west of College Street North, the section of road runs 2.7 km to the east settlement boundary, located 178 m east of George Street East.
14	WG	Durham	27		From Grey Road 4 to Garafraxa Street North.
15a	WG	Neustadt	9		From Queen Street, the section of road runs 620 m to the east settlement boundary, located 95 m east of Forler Street.

Num	Mun	Settlement	Grey Road	Upload	Road description
15b	WG		9		From the east settlement boundary of Neustadt, located 95 m east of Forler Street, the section of road runs 4.8 km to Grey Road 3.
15c	WG		9		From Helena Street in Ayton, the section of road runs 11.5 km to Highway 6.
15d	WG		9		
15e	WG			Con 12	From Grey Road 10, the section of road runs 16.8 km to Highway 6.
16	WG	Neustadt	10		From the south settlement boundary, located 360 m south of Tower Street, the section of road runs 2.3 km to the north settlement boundary, located 220 m north of Cemetery Road.
18	WG	Ayton	3		From the south settlement boundary, located 748 m south of Edmund Street, the section of road runs 2.2 km to the north settlement boundary, located 210 m north of Victoria Street.
19	CH	Chatsworth	40		From Garafraxa Street, the section of road runs 365 m to Toronto Sydenham Street.
21a	CH		25		From the Grey Bruce Line to the section of road runs 5.4 km to Grey Road 3.
21b	CH/WG			Ben-Sul TL	From Bruce Road 10, the section of road runs 5.4 km to Grey Road 3.
22a	CH			Con 6	From Grey Road 40, the section of road runs 3.7 km to Grey Road 16.
22b	GB			Con 5 Derby	From Grey Road 16, the section of road runs 5.5 km to Grey Road 18.

Roads for Transfer October 29, 2026

17	GH	Flesherton	4		From the southwest settlement, located 670 m south of Harold Best parkway, the section of road runs 2.1 km to the northeast settlement boundary, located 500 m north of Victoria Street.
3	GH	Markdale	12		From the southwest settlement boundary, located 55 m south of Terra Drive, the road section runs 2.1 km to the northeast boundary, located 270 m north of Lawler Drive.
12	SG	Dundalk	9		From the southwest settlement boundary, located 322 m south of Ida Street, the section of road runs 2.7 km to Highway 10.

20a	SG		14		From Southgate SRD 11, the section of road runs 8.2 km to Highway 89.
20b	SG		14		
20c	SG			SG SRD 11	From Southgate Road 08, the section of road runs 4.1 km to Highway 89.

Road Assumption/Deletion By-law

Staff anticipate that the road assumption/deletion by-law(s) will be brought forward to County Council on the following date for consideration:

- May 14 for approval of the road transfers which are effective July 6, 2026, and October 29, 2026;

Legislated Requirements

Under Section 52 of the Municipal Act, the County can remove/add public highways from/to its jurisdiction by passing By-laws to update its County Road System. After a By-law is passed, staff will endeavor to complete the necessary registrations required to update the land registry office ownership records of roads, as required.

Grey County's Notice Policy, By-law 5063-19, requires specific notice when changing the name of a highway. Notice must be posted on the website, with signage being posted and a media release 21 days prior to enactment of the by-law changing the name.

Financial and Resource Implications

Transition Workplan

Transportation Services and Legal Staff have worked together to build a workplan associated with the road transfer process.

1.	County Council approval of by-law(s) to assume and delete specific roads with transfer dates – a by-law to download, a by-law to upload, a by-law to rename the roads and finally a consolidated road network by-law.
2.	Working with all 9 member municipalities to enter road transfer agreements including funding and terms for continued winter maintenance support where needed
3.	Civic Addressing revisions (i.e. road names, intersection signage, data base, voters list, etc.).
4.	Property Owner letters advising of Address Changes (approx. 300 address changes/letters, 60 intersection blades) – is approximately a 4 week process.

5.	County Admin staff will offer to attend member municipal locations and provide a hotline number to aid in address changes for residents online with the MTO, OHIP, etc.
6.	Management of information movement to and from transferred municipalities. Review of internal records to note any property agreements (encroachments, easements, culvert inspections, construction work, warranty work, ongoing claims, road surveys, asset management records etc.)
7.	Boundary Road Agreement Updates
8.	Stop sign/no parking by-laws to be amended
9.	Speed zone by-laws to be amended
10.	Legal review with Transportation Services staff each section of road to determine specific requirements (survey or otherwise) to address at time of transfer
11.	Property searches for roads being exchanged
12.	Transfer of adjacent lands to local municipalities
13.	Survey of lands where required (if road extends beyond the limits that are proposed for download)
14.	Establish responsibility for costs associated with transfers, civic addressing, address changes, County or Municipality or both
15.	Claims policy for road transfer process
16.	Cancellation of current urban centre agreements
17.	Informing the public through social media
18.	Bridges and Road Needs study update
19.	Road and bridge inventory update
20.	Updating the County road numbering system
21.	Signage changes on Grey, Municipal and Provincial roads (i.e. road number signs, information signs, etc.)
22.	Revise the 10-Year Long-Term Capital Works Program (2027-2036)
23.	Possible re-alignment of Patrols and manpower/equipment requirements
24.	Plowing route changes

25.	Franchise agreement updates for utilities
26.	Updating/adjusting Adopt-A-Highway Program
27.	Provincial and local road mapping and GIS revisions
28.	Updating in office software programs to reflect added and deleted roads
29.	Process for Municipal Fund Distribution
30.	Tender administration for added/deleted roads

Relevant Consultation

- ☒ Internal (CAO, Clerk's, Legal)
 - ☐ AODA Compliance (describe)
 - ☐ Contribution to Climate Change Action Plan Targets (describe)
- ☒ External (all member municipalities, external legal)

Appendices and Attachments

[TR-UR-05-24 February Task Force Urban Detailed Report](#)

[TR-UR-14-24 April Task Force Rural Detailed Report](#)

[TR-UR-27-24 September Task Force Urban Financial Report](#)

[TR-UR-28-24 September Task Force Rural Financial Report](#)

[TR-CW-31-24 October Council Recommendations](#)

[TR-UR-06-25 March Urban Road and Road Exchange Task Force Recommendations](#)

Template Transfer Agreement

Grey County Council and Committee of the Whole Highlights

Grey County Council met on March 16, 2026, in the Grey County Council Chamber and virtually on Zoom. The meeting was immediately followed by a session of Committee of the Whole. A recording of the meeting can be found on the [Grey County YouTube Channel](#).

County Council

- Council accepted the minutes of the February 26 Grey County Council and Committee of the Whole meetings. [Council](#) [Committee](#)
- Council acknowledged the recent emergency response on Georgian Bay to rescue stranded ice fishermen on an ice floe. Council thanked first responders for their efforts and Cobble Beach for their hospitality and support during the operation.

Committee of the Whole

- Council discussed a notice of motion from Councillor McQueen about municipal insurance. Council directed staff to prepare a report exploring potential cost savings and efficiencies of shared and joint RFP processes. A report will be prepared for a future Joint Municipal Services Committee meeting.
- Dillon Consulting presented an update on the Regional Transit Study and public engagement efforts. Grey, Bruce, Dufferin and Wellington counties, together with SMART Transit, are undertaking this study to determine the feasibility of a regional transit network. More than 3,700 survey responses were received during phase one of engagement and work is ongoing to analyze data and identify transit solutions for the councils to consider. The presentation highlighted conceptual inter-community corridors and on-demand service considerations, transit priorities, governance models and measures for success. A second round of public engagement will begin later this month and another report will be presented to Council in the spring. [Presentation](#) [Staff Report](#)
- Council awarded the tender for the construction of the transportation “Patrol D” depot in Ceylon for a cost of \$7.5 million to Domm Construction Ltd. The depot will be the hub for operations in southeastern Grey County which is currently being served out of a rented facility in Flesherton. The project came in above budget and council asked staff to discuss potential cost saving measures with the contractor prior to construction. [Report](#)
- Council received the annual paramedic services response time report. Paramedics met or exceeded all response time targets, except for CTAS-1 and CTAS-2 categories which fell short by less than 2% of the targets. Response time targets are set by urgency of the call, with sudden cardiac arrest calls being most urgent and requiring the shortest response time. The report also showed a 9% increase in calls compared to 2024. New bases are planned for Feversham (2026) Ayton (2027), Thornbury (2027) and Cobble Beach (2028) to enhance response times as call volumes grow. [Report](#)
- Build Canada Homes (BCH) is a new federal agency that will help build and finance affordable housing at scale. Staff presented an information report with details on the program, types of investment, eligibility and how proposals will be assessed. Staff also proposed Grey County be the lead organization in organizing and applying for

Grey County Council and Committee of the Whole Highlights

funding for multiple projects in collaboration with local community housing partners. [Report](#)

- Staff provided a summary of the minutes of the March 6 Agricultural Advisory Committee meeting. The committee heard a delegation from the Ministry of Agriculture, Food and Agribusiness, discussed the impacts of renewable energy on farmland, and received a report on the forest management by-law and nuisance beaver and coyote by-law updates. [Minutes](#)

The [Clerk's Department](#) maintains the official records for Grey County. This publication is intended to provide meeting highlights only. For official records, please refer to the [meeting minutes](#), or contact the Clerk's Department at 1-800-567-4739.

March 10, 2026

Subject: Conservation Authority Amalgamation

To our Municipal Partners,

Earlier today, the Minister of the Environment, Conservation and Parks [announced the next step](#) in the Province's work to modernize Ontario's conservation authorities.

This follows a period of extensive consultation with conservation authorities, municipal leaders, and other partners across Ontario. The Province indicated that the goal is to strengthen the conservation authority system by improving consistency across the province, supporting responsible growth, and ensuring conservation authorities have the tools and resources needed to deliver their mandates.

As part of the announcement, the Province confirmed its intention to move toward a regional model, consolidating Ontario's 36 conservation authorities into 9 regional conservation authorities.

When regional consolidation was first proposed during the consultation phase, the potential region that included Saugeen Conservation extended all the way north to Thunder Bay under what was referred to as a Huron–Superior regional model. Based on feedback received through the consultation process, that approach has since been revised.

Under the current proposal, Saugeen Conservation would instead form part of a Lake Huron Conservation Authority, which would include Saugeen Valley Conservation Authority, Ausable Bayfield Conservation Authority, Grey Sauble Conservation Authority, Nottawasaga Valley Conservation Authority, Maitland Conservation Authority and Lake Simcoe Region Conservation Authority.

The Province indicated that the transition will take place gradually. The new regional model is expected to come into effect for February 2027, following the next municipal election cycle and the appointment of regional conservation authority boards.

To support this work, a regional transition committee will be established to develop the transition framework and guide implementation. Conservation authorities will have representation in this process. Along with an appointee from the Ontario Provincial Conservation Agency (OPCA), Saugeen Conservation will be represented through both the General Manager and the Board Chair so that the perspective of our watershed and our member municipalities is part of the discussion.

Under the proposed governance model, upper-tier government, such as counties or regional governments, would appoint members to the boards of the regional conservation authorities. As a result, not every lower-tier municipality may hold a direct seat on the conservation authority board as they do today. It is anticipated that these regional boards would be comprised of 15-25 members.

To ensure local voices remain part of watershed management, each regional conservation authority would establish one or more watershed councils. These councils could include municipalities, Indigenous partners, and community stakeholders, ensuring that local watershed knowledge and priorities continue to inform decision making.

Existing agreements and contracts between Saugeen Valley Conservation Authority and individual municipalities would continue through the transition. As part of consolidation, the new Lake Huron Regional Conservation Authority would assume those agreements, with SVCA acting as the predecessor conservation authority, ensuring continuity of services and municipal partnerships.

Assets, lands, infrastructure, and liabilities currently held by SVCA would transition to the successor Lake Huron Regional Conservation Authority as part of consolidation. This would include conservation areas, water and erosion control structures, monitoring stations, and other operational assets currently managed by SVCA.

The current apportionment funding model is expected to continue, with municipal levies apportioned among member municipalities and supplemented by self-generated revenue and provincial support. The Province also announced funding to support the transition process, including resources to assist the Ontario Provincial Conservation Agency (OPCA) in coordinating the consolidation and helping conservation authorities prepare for the regional model.

It is important to note that nothing changes in the day-to-day operations of Saugeen Conservation currently. We will continue to deliver the services that our municipalities rely on, including flood forecasting and warning, water monitoring, land management, permitting, forestry services, and conservation area operations.

Conservation authorities have evolved many times over their history. This announcement signals that another period of change is ahead, and we will work closely with the Province, the OPCA and our municipal partners as the details of the transition are developed over the coming year.

SVCA will continue to keep our member municipalities informed as additional information becomes available. Should you have any questions or wish to discuss the announcement further, please do not hesitate to contact me.

Sincerely,



Erik Downing
General Manager / Secretary-Treasurer
Saugeen Valley Conservation Authority
1078 Bruce Road 12, Box 150, Formosa, ON N0G 1W0
e.downing@svca.on.ca | (519)364-1255 ext. 241
www.saugeenconservation.ca

From: [Tanya Patterson](#)
To: [Vicki McDonald](#)
Subject: FW: Correspondence to Council from Bruce Grey Poverty Task Force
Date: February 25, 2026 2:31:02 PM
Attachments: [Outlook-kpfmrvzi.png](#)
[PTF 2025 Annual Report to Community 2 February 2026.pdf](#)
[PTF Collective Impact Framework 2026 FINAL.pdf](#)

From: Jill Umbach <povertytaskforce@unitedwaybg.com>
Sent: Wednesday, 25 February 2026 2:08 pm
To: Tanya Patterson [REDACTED]
Subject: Correspondence to Council from Bruce Grey Poverty Task Force

Dear Clerk Tanya Patterson,

We are sharing with Council as correspondence, the [2025 Annual Report](#) and [2026 Collective Impact Framework](#) of the Bruce Grey Poverty Task Force.

We have significantly benefited from many municipalities and cities being represented at the Poverty Task Force table. In the past, we benefited from Warden Selwyn Hicks participation in the Task Force in his role as Warden and Hanover Councillor. We would welcome any discussions for engagement from Hanover Council.

We look forward to working with you on poverty-related issues going forward in 2026.

If you have any questions on the work we do, we are happy to answer any questions or provide a deputation to Council.

Sincerely,

Jill Umbach (she/her)
 Coordinator - Grey Bruce Children's Alliance
 Bruce Grey Poverty Task Force/United Way of Bruce Grey
povertytaskforce@unitedwaybg.com
 519-377-9406

The BG PTF is dedicated to deepening learning and awareness around treaty rights, relationships, and their ongoing significance. We're focused on strengthening

connections between Indigenous and non-Indigenous communities. Learn more:

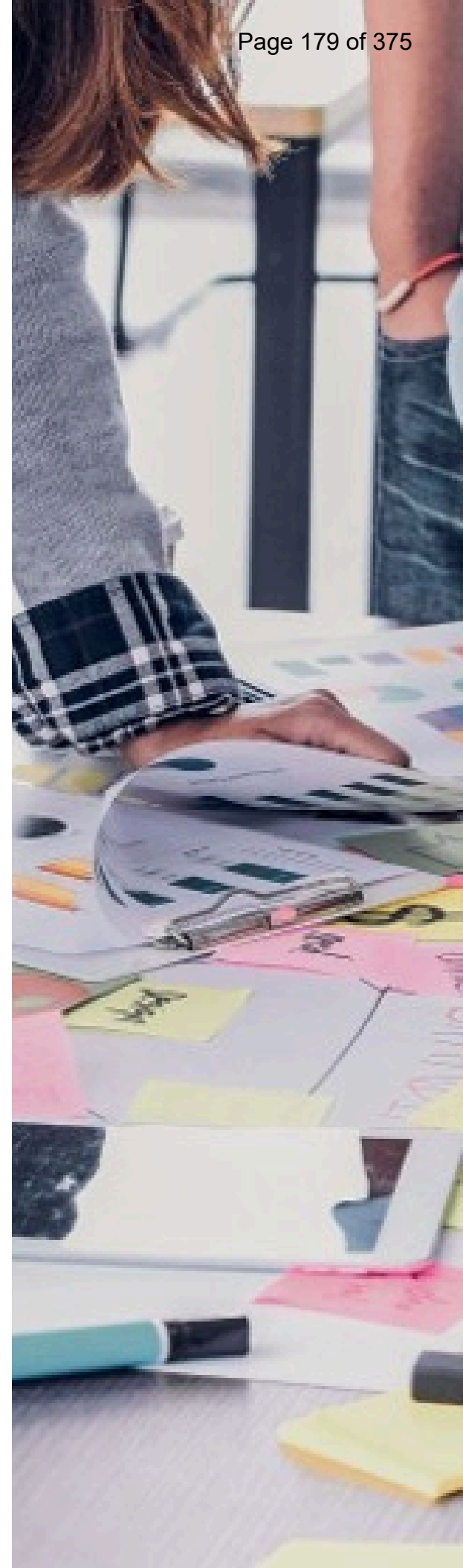
<https://ow.ly/5eXk50TYqji>



2025 ANNUAL REPORT



BRUCE GREY
POVERTY
TASK FORCE
Our Voice is Power



ACKNOWLEDGMENT

This report was prepared by Jill Umbach, Coordinator, Bruce Grey Poverty Task Force on the work of the Poverty Task Force in 2025.

Thank you to the Corporation of Bruce County for the financial support we have received from the Social Community Initiatives Fund. We are grateful for the ongoing leadership of the Corporation to promote collective action with local partners to meet basic needs of community members and address systemic poverty.

Poverty is a systemic issue that impacts every aspect of society and cannot be solved without collective action.

People in Grey Bruce are struggling to cope with the rising cost of living. More people are becoming food insecure as evidenced by the increase in numbers using food banks and community meal programs in Grey Bruce. Food Banks Canada are reporting that close to 19% of food bank clients are employed.

Wages are not keeping up with the cost of basic needs. The Grey Bruce living wage at \$24.60/hr in 2025 remains the second highest rate in Ontario and reflects a 6.7% increase from 2024. The new rate reflects the continued rise in shelter and transportation costs across the region and highlights the growing gap between minimum wage and the actual cost of living. Our average income is the lowest in Ontario. Half of Grey Bruce households earn less than \$72,500 (after tax). In Grey Bruce, median after-tax income for men was \$42,000, while women earned \$32,000. This is a pay disparity in our region with men make 31.3% more, on average, than women.

Homelessness in rural Ontario has increased by over 150% since 2016, compared to 50% across all communities in Ontario. Unaffordable rental accommodation and low wage, precarious work are contributing factors. Our social service partners are challenged with more complex situations combined with mental health and addictions experiences. There is no singular solution or pathway to household security.

Poverty is a systemic issue that impacts every aspect of society and cannot be solved without collective action. The [Bruce Grey Poverty Task Force](#) brings together 90+ non-profit, government, health and research organizations to work across priority sectors to reinforce activities that contribute to reducing poverty. We make every effort to create safe spaces for meaningful exchange to build resiliency and foster collaboration for solutions.

Our collective impact efforts seek to inform policies and support upstream interventions to address poverty-related community issues in Grey Bruce. We draw upon local and national best practices; examine and test them locally and collect local data on social determinants of health.

INTRODUCTION

PTF 2025 GOALS

The Poverty Task Force Goals for 2025 were based on the collaborative work identified by our Action Groups.

Goal: build resiliency, hold space and promote collaboration with partners.

- Create safe spaces for meaningful exchange to build resiliency, hold space and build collaboration for solutions.
- Engage with City of Owen Sound on recommendations from Rentsafe Tenant-Landlord Survey and formation of an Owen Sound Rental Housing Task Force.

Goal: increase the number of government partners leading on poverty reduction.

- Increase municipality leadership engagement as an Action Table of the Community Safety & Well-Being Plan Grey Bruce.
- Ensure formal representation/annual funding from Bruce County and Grey County.
- Expand formal representation of lower-tier municipalities resulting in assigned representatives and PTF minutes submitted to Council packages.

Goal: increase public education and awareness on homelessness, harm reduction approaches, food security, hunger, etc. to reduce stigma

- Develop election education awareness material and advocacy-oriented website.
- Promote income solutions to food insecurity awareness campaign as part of federal and provincial election education.
- Contribute to the governance, sustainability and promotion of the Grey Bruce Good Food Box.
- Contribute to Grey Bruce Living Wage calculation and employer certification to reduce precarious employment.
- Start up new Health Equity Action Group in partnership with GB Ontario Health Team.
- Contribute to addressing health equity issues from a poverty lens with GB Ontario Health Team partners.
- Contribute poverty related data to Grey Bruce open-data portal BGDISC and Vital Signs 2025.

Goal: increase engagement of people with lived/living experience

- Ensure diversity, equity and inclusion is a central strategy to the work we do.
- Start up new Community Voices group and ensure they are actively engaged with PTF and GB Ontario Health Team.
- Identify opportunities to improve Indigenous relationships.

PLACES, POLICIES & PARTNERSHIPS

Places, Policies and Partnerships led the focus of our work in 2025 grounding our work and providing valuable insights into how community hubs can evolve and expand their services to meet the needs of vulnerable people in Bruce and Grey Counties.

In January 2025, we featured the work of OSHaRE and Grey Bruce Food Share examining the rural food rescue model and its partnership with 27 organizations. In November 2024, we introduced this model to community partners in Kincardine. In 2025, the program was launched to support the local food bank, community meal and fresh market programs at the Drop-in at the Bridge.

In February 2025, we featured the work of the Bruce County Public Library on the evolution of libraries as Community Hubs - its programs, partnerships, sustainability strategy and challenges. We supported the work of the library through our Grey Bruce Community Volunteer Income Tax Program Network - collecting financial impact data, recruiting volunteers and identifying gaps in services in Bruce County. We facilitated the extension of free tax services to serve people who need to complete their taxes to apply to the Canadian Dental Care Service.

Our collaborations are data driven with our local experiences featured at Poverty Task Force monthly meetings and on our website. In 2025, we produced reports on the impact of the Grey Bruce Community Volunteer Income Tax Program Network and released the Grey Bruce Living Wage. As members of 23 local, provincial and national planning tables, most notably in 2025 with Grey Bruce Community Safety & Well-Being Plan, RentSafe Ontario, Campaign 2000 and the Tamarack Institute, we deepened our partnerships and policy advocacy.

We generated public and political awareness during the Ontario elections with a Valentine Day's public letter - Nothing Says "Love" Like Ending Poverty". Elections are turning points to make change, but we also demanded action in-between elections. New website pages were converted into standing public education and advocacy pages. We submitted briefs on the [Ontario Poverty Reduction Strategy](#) (2025-2030), national automatic tax filing and benefit enrollment, national poverty reduction strategy on the International Day for the Eradication of Poverty and national housing strategy through the Built for Good report.

Housing Security

At the beginning of 2025, homelessness affected 375 individuals in Grey County and 109 households in Bruce County, with a significant proportion experiencing chronic homelessness. Among them are children, youth, Indigenous community members, and seniors.

Deeply affordable housing options are disappearing, while market rents climb far beyond what low-income households can manage. Local shelters, motels, and emergency systems are overwhelmed, and both counties continue to rely heavily on costly, short-term emergency accommodations without sustainable provincial funding.

Housing Community of Practice (CoP)

- The PTF Housing Action Group transitioned into a Community of Practice during the Pandemic. The group met weekly for 5 years to address immediate housing needs of individuals. In August 2025, we stopped formally meeting but partners continue to focus on upstream solutions to support pathways to staying housed. We offered technical support to Saugeen Shores United Housing for All and facilitated tax filing with Bruce County's Outreach program.
- In December 2025, we led a solution-based discussion based on the United Way of Bruce Grey's report [Mapping Discharge Pathways from Correctional Institutions to Grey Bruce](#). A critical gap in social services is that the John Howard Society and Elisabeth Fry agencies do not have programs in Grey Bruce. This has resulted in challenges to social re-integration - finding housing, transportation, income supports and employment.

RentSafe Owen Sound Collaborative

- In 2025, [RentSafe Owen Sound Collaborative](#) continued to be a model for informing the larger work of [RentSafe Ontario](#) as we make progress on our [Landlord-Tenant Survey](#) findings. Municipal and public health partners have partnered with RentSafe, while acknowledging that rental housing enforcement in Owen Sound remains largely complaint-driven.
- This reactive model leaves significant gaps, particularly for tenants who are reluctant to report unsafe conditions. Limited proactive inspections exist, but most smaller and older rental properties receive little oversight due to legal, staffing, and structural constraints rather than lack of intent.
- Meetings highlighted several new bylaws under consideration that are widely supported by enforcement staff but stalled by administrative capacity constraints. These include a Mould Bylaw, which would provide clearer standards and enforcement tools for addressing indoor mould, and a Vital Services Bylaw, which would strengthen the City's ability to respond quickly to situations involving loss of heat, water, or electricity.
- An Owen Sound Rental Housing Task Force was not formed in 2025, however, municipal and public health partners are committed to strengthening Inter-agency coordination. Currently relies on informal relationships rather than formal, trackable processes, leading to fragmented responses to complex housing issues.

Food Security

The Food Security Action Group continued monthly meetings bringing together food banks, community gardens, meal programs, and other partners to share information and coordinate responses to rising food insecurity in Bruce and Grey counties. In November 2025, we held a one-day in-person workshop with partners hosted by the South East Grey Community Health Centre to re-affirm the direction of the group.

[Income solutions to food insecurity](#) continues to be a key message coming out from the group. This campaign advocates for sustainable, income-based solutions to hunger. Food banks and community meal programs are challenged with overwhelming demand, seeing a significant rise in working people seeking food and recognizing that without Second Harvest's food rescue program the ability to meet the demand would fall short. This local growth is captured on our [Bruce Food Grey app](#).

The 2025 Ontario Nutritious Food Basket data that monitors food affordability was not published but the data was used in the calculation of the Grey Bruce Living Wage. In 2024, Grey Bruce Public Health reported that a family of four in Grey Bruce needed \$1,250/month for groceries. This is unaffordable for many lower income households.

Food insecurity is a symptom of broader economic issues—inadequate income, unaffordable housing, and rising living costs. While food banks do their best to provide relief, they are being pushed beyond their limits. Charities cannot be the sole solution.

Nothing Says “Love” Like Ending Poverty

In February 2025, we took a humorous tone to alerting candidates to hunger in Grey Bruce during the provincial elections. We sent a [Valentine Day's card](#) to each candidate and called for them to “put their money where their heart is” - “forget the chocolates and roses —what our community really needs is action on food insecurity and poverty! With 1 in 4 households struggling to afford food and 30.7% of Ontario's children living in food-insecure homes, love means fighting for real solutions.”

In 2025, we participated several community [call-in discussions](#) on food affordability in Grey Bruce on radio on Open Line 89.3 CFOS FM and interviews with CKNX.



Income Security

The Poverty Task Force prioritizes income security through advocacy, awareness, and direct support efforts by contributing to the provincial Poverty Reduction Strategy with strong calls to raise social assistance rates (ODSP/OW), align minimum wage with local living wage levels, and remove barriers to employment income. We report quarterly to the Grey Bruce Community Safety and Well-Being Plan on the work of our Income & Employment Security Action Group.

2025 Grey Bruce Living Wage

- The Poverty Task Force in partnership with the United Way of Bruce Grey and the Ontario Living Wage Network calculated and released the [2025 Grey Bruce Living Wage](#).
- At \$24.60/hr it remains the second highest rate in Ontario and reflects a 6.7% increase from 2024.
- In Grey Bruce, the median after-tax income for men was \$42,000, while women earned \$32,000. This is a pay disparity with men making 31.3% more, on average, than women.
- The new rate reflects the continued rise in shelter and transportation costs across the region and highlights the growing gap between minimum wage and the actual cost of living.

Teeth & Taxes

- In 2025, the CRA reported that 41,400 people were eligible for the Community Volunteer Income Tax Program (CVITP) in Grey Bruce.
- As of September 2025, volunteers helped 3,910 people file 4,410 tax returns. \$13,671,000 was returned to people in refunds and benefits - a direct reinvestment in household stability and community well-being. \$488,750 was saved by 3,910 people. Bruce County Public Library filed 512 returns for a return of \$1,587,200 back to the community.
- We promoted and supported the Grey Bruce Community Volunteer Income Tax Program (CVITP)—[recruiting 28 volunteers](#) via 211 and helped residents [access free tax clinics](#) via 211 and through community call-in radio shows to access benefits and refundable credits that increase household income.
- In 2025, we supported a new CVITP clinic in Hanover. In 2023 and 2024, the Bruce County Public Library CVITP program in Walkerton had been serving the town.
- The Canadian Dental Care Plan requires that people file their taxes prior to application and this is a barrier. We pivoted with partners to extend tax filing services beyond the traditional tax filing period and supported the Bruce County Outreach and SOS Mobile Outreach to file taxes.
- We held an annual gathering of the Grey Bruce Community Volunteer Income Tax Program (CVITP) Network focused on geographic gaps in services and automatic tax filing. Submissions were made to the Department of Finance Canada and MPs on barriers and challenges with the design of the program.
- We highlighted the ongoing inadequacy of income supports amid rising living costs in Grey Bruce, reinforcing income as a foundational solution to poverty and food insecurity.

Health Equity & Community Voices

Health equity ensures that all people (individuals, groups and communities) have fair access to, and can act on, opportunities to reach their full health potential and are not disadvantaged by social, economic and environmental conditions, including socially constructed factors such as race, gender, sexuality, religion and social status.

Health Equity for Indigenous People and Safe Spaces

- In 2025, the Poverty Task Force held an in-person meeting hosted by M'Wikwedong Indigenous Friendship Centre.(IFC). The Friendship Centre is a safe space created to meet the social, spiritual, mental, and physical needs of urban Indigenous community members and to break down cultural and systemic service barriers between Indigenous and non-Indigenous people.
- The discussion focused on health equity for Indigenous people which is deeply connected to culturally safe, wholistic supports and the removal of systemic barriers to care.
- Participants noted that many agencies are operating in crisis mode and that Indigenous people face significant gaps in prevention and aftercare related to mental health, addictions, and homelessness—alongside challenges accessing primary care, with many urban Indigenous people precariously attached to or not accessing primary care at all.
- After 6 years, Giiwe Sharing Circles which focused on the Truth and Reconciliation Call for Action ended and shifted the responsibility for learning to non-Indigenous partners, while Indigenous organizations focus on healing spaces and wellness programming.

Health Equity Survey and World Cafe Workshop

- In 2025, we carried out a health equity survey with health sector partners to identify health inequities and the need for collective action.
- The Poverty Task Force held an in-person World Cafe workshop with members to delve into the top priorities from the survey - income security , mental health & addiction, housing, access to healthcare (types of services, transportation), social isolation, equity and inclusion (Indigenous people, racial discrimination). Analysis identified lead planning tables addressing issues, gaps & barriers and opportunities for collective action/advocacy going forward in 2026.

Community Voices

- In 2025, the Poverty Task Force was funded from the Grey Bruce Ontario Health Team (OHT). A part-time peer support facilitator was hired and six new members recruited as Community Voices members. Orientation and regular group meetings will begin in 2026.

Data Driven Work

The Bruce Grey Poverty Task Force uses data, research, and lived experience evidence to inform its advocacy, public education, and policy engagement. Its approach combines local data analysis, community knowledge, and collaboration with data partners to ensure advocacy is grounded in evidence and reflects real community conditions.

Bruce Grey Data and Information Sharing Collaborative (BGDISC)

- The Poverty Task Force Coordinator is the co-chair of [BGDISC](#) - our Bruce Grey open data portal. The Collaborative mobilizes community decision-makers, including the Corporation of Bruce County, to share vital local rural data to better inform regional programming, polices, funding and social services to support prosperity, sustainability and the well-being of the community.

Vital Signs Reports

- The Poverty Task Force Coordinator sits on the Vital Signs Advisory Committee and the Data Working Group. The Community Foundation Grey Bruce's [Vital Signs Reports](#) measures Bruce Grey against UN Sustainable Development Goals. In 2024 and 2025, we collected local data and stories for the next report. The Vital Signs Report 2025 will be released in 2026.

Food Bruce Grey

- The Poverty Task Force supports the collection of data posted on the [Food Bruce Grey Dashboard](#) to monitor food hunger response in Grey Bruce. Data is collected from community meal programs, food banks, Grey Bruce Community Garden Network (produce donated to meal programs/food banks), food rescue including the Grey Bruce Food Share and the Grey Bruce Good Food Box. This Dashboard is available to the public and is used by community food programs and municipal councilors to create reports specific to their area of service to generate policy discussions.

Income Tax Filing

- Grey Bruce Community Volunteer Income Tax Program (CVITP) Network collects and publishes data, tracks income tax dollars, and demonstrates program impact.
- Program-level data to monitor reach, effectiveness, and outcomes of free tax filing services across Bruce and Grey Counties. Data is gathered collaboratively from participating tax clinics and volunteers and focuses on non-identifying, aggregate information.
- This information is compiled annually and used internally for planning and improvement, and externally in reports, presentations, and funding proposals to demonstrate accountability and community impact. [Support to Income Tax Services](#)

Advocacy & Policy Work

In 2025, the Bruce Grey Poverty Task Force combined local community organizing with strategic policy advocacy—from provincial strategy consultations and election engagement campaigns to income support access and coalition action groups—to push for systemic solutions to poverty in Bruce and Grey Counties. [Bruce Grey Poverty Task Force](#)

Contributing to Ontario's Poverty Reduction Strategy and 2025 Budget

- The Poverty Task Force submitted detailed recommendations to the Government of Ontario's consultation on the 2025–2030 Poverty Reduction Strategy. Our submission, made with United Way partners and more than 200 agencies, urged a bold target to reduce the provincial poverty rate to no more than 7.5% by 2030.
- We emphasized the urgent need for structural change to address rural poverty, focusing on financial security, affordable housing, stable employment, and sustainable community services. [Bruce Grey Poverty Task Force](#)

Election-Focused Advocacy

- Ahead of the federal election (April 2025) and the Ontario general election (February 2025), the Poverty Task Force Released advocacy resources and candidate engagement tools encouraging voters to question candidates on poverty, food insecurity, housing, and social policy issues. [Nothing Says "Love" Like Ending Poverty. Bruce Grey Poverty Task Force](#)
- Issued open letters urging provincial candidates to commit to income supports, living wages, affordable childcare, stronger employment standards, and expanded supportive housing. [Saugeen Times](#)

Income Support & Tax Advocacy

- The Poverty Task Force launched a tax clinic volunteer drive to support the Grey Bruce Community Volunteer Income Tax Program (CVITP) and Bruce County Public Library CVITP, which helps low-income residents access tax benefits and credits. [2025 Tax Clinic Volunteer Drive](#)
- The launch promoted the program which helped improve income stability for 3,910 people in 2025 returning \$13,671,000 in refunds and benefits to the community and \$488,750 saved in tax services fees.
- We submitted our recommendations on the national automatic tax filing and auto-enrollment benefit program identifying best practices and barriers from a rural perspective to the Department of Finance Canada and MPs [Automatic Tax Filing Model](#) and contributed to a publication with Tamarack Institute. [From Program to Policy Auto Tax Filing](#)

Advocacy & Policy Work

Housing Policy Engagement

- The Poverty Task Force supported and amplified housing policy solutions at provincial and national levels, including adding its voice to the Built for Good: Delivering the Housing Ontario Needs report, which outlined a costed plan to build deeply affordable and supportive housing. [Build Canada Homes Design](#)

Advocacy for a Living Wage

- The Poverty Task Force prominently promotes the concept of a living wage — a wage level that ensures a full-time job pays enough for people to cover essential living costs such as housing, food, childcare, transportation, and modest community participation.
- We use the living wage data in our public awareness, policy calls, and discussions with employers and policymakers, linking it to broader goals like boosting income security and reducing reliance on social assistance. [Grey Bruce Living Wage](#)

“A Future Without Poverty” / Federal-Level Advocacy

- The Poverty Task Force’s “A Future Without Poverty” was organized in partnership with [Campaign 2000](#) with an online event held on the United Nations International Day for the Eradication of Poverty.
- This dialogue brought together organizations, advocates, and individuals across Canada (including Poverty Task Force members) to spotlight systemic causes of poverty, share strategies and evidence, and build momentum for policy action at all levels of government.
- The conversation emphasized that poverty and inequality affect communities nationally — including rural regions like Bruce and Grey — and explored solutions that governments and partners can implement toward a future without poverty. [Facing the Realities of Poverty in Canada Briefing Note for Members of Parliament](#)

Poverty, Voting and Elections Education

- The Poverty Task Force’s website keeps permanent pages on [Poverty 101](#), [Poverty, Voting and Elections](#) and [Demand Action on Poverty](#) to support the Task Force’s broader mission by:
 - Building public understanding of poverty as a systemic issue
 - Educating students on what is poverty
 - Encouraging informed, inclusive civic engagement
 - Educate the community of the role and scope of the various levels of government
 - Centering lived experience in policy and public dialogue
 - Reinforcing the need for policy-driven solutions to reduce and prevent poverty

SOCIAL ENGAGEMENT IN 2025

The Poverty Task Force (PTF) maintains a list of 90+ member organizations with a contact list of 402 people. In 2025, we increased memberships in Health Equity Action Group, Community Voices and RentSafe Owen Sound Collaborative. In 2025, the PTF participated in 5 meetings of the Community Safety & Well-Being Plan as an Action Table.

In 2025, we refreshed our Poverty Task Force website with more advocacy content - a call to mobilize our communities to put poverty, housing, food insecurity, health equity, and justice at the top of the political agenda. We converted our election education campaign content into Elections, education and advocacy pages. <https://povertytaskforce.com>

In 2025, we released 14 community updates and press releases. We have 1,429 Facebook followers, 1,588 website subscribers and 647 Twitter followers. We were in the news, on Rogers TV and the radio including Open Line interactions with the public, speaking to elections, health equity, income solutions to food security, income tax filing, CVITP volunteer recruitment, living wage, national housing strategy, A Future Without Poverty national webinar and Ontario Poverty Reduction Strategy.

PTF FINANCIAL REPORT 2025

In 2025, we received funding from Bruce County (\$20,000), Grey County (\$20,000) and the United Way of Bruce Grey (\$40,729.85) for core operational costs for a total of (\$80,729.85).

This funding went towards:

- Wages & Benefits of a full-time Planning Network Coordinator
- PTF admin costs/meeting supplies
- Tamarack membership

In addition, project specific funds were received for Community Voices and RentSafe OS Collaborative activities. A Canada Revenue Agency/Community Volunteer Income Tax Program grant reimbursed admin costs.

Bruce Grey Poverty Task Force

Contact: povertytaskforce@unitedwaybg.com

Website: <http://povertytaskforce.com>

Facebook: BruceGreyPovertyTaskForce

Twitter: @BGTaskForce

THE NUMBERS

COLLECTIVE IMPACT FRAMEWORK



**BRUCE GREY
POVERTY
TASK FORCE**
Our Voice is Power

Our collective impact efforts seek to inform policies and support upstream interventions to address poverty-related community issues. Together we have a common agenda, mutually reinforcing activities, continuous communication and backbone infrastructure.

January 2025

Collective Action

The Poverty Task Force is made up of 90+ organizations that work across priority sectors to reinforce activities that contribute to reducing poverty.

Evidence-informed/best practices

We draw upon local and national best practices; examine and test them in Grey Bruce context.

Data Driven

We collect local data on social determinants of health, including housing/homelessness, food insecurity, employment and income.

HOUSING SECURITY

Engage with City of Owen Sound on recommendations from Rentsafe Tenant-Landlord Survey and formation of Rental Housing Task Force.

Create safe spaces for meaningful exchange to build resiliency, hold space and build collaboration for solutions.

COMMUNITY VOICES

Develop election education awareness material and advocacy oriented website.

Start up new Community Voices group and ensure they are actively engaged with PTF and GB Ontario Health Team.

Increase municipality leadership engagement as Action Table of the Community Safety & Well-Being Plan Grey Bruce.

FOOD SECURITY

Promote income solutions to food insecurity awareness campaign as part of federal and provincial election education.

Contribute to the governance, sustainability and promotion of the Grey Bruce Good Food Box.

INCOME SECURITY

Support volunteer recruitment and promotion of the Grey Bruce Community Volunteer Income Tax Program in partnership with CVITP Network partners.

Contribute to Grey Bruce Living Wage calculation and employer certification to reduce precarious employment.

DATA

Contribute to participatory data collection and analysis on poverty-related issues such as living wage, CVITP dollar value, housing, precarious work, etc.

Contribute poverty related data to Grey Bruce open-data portal BGDISC and Vital Signs 2025.

HEALTH EQUITY

Start up new Health Equity Action Group in partnership with GB Ontario Health Team.

Contribute to addressing health equity issues from a poverty lens with GB Ontario Health Team partners.

TRUTH & RECONCILIATION CALL TO ACTIONS

We shall build better relations . The following OFIFC principles will guide our work:

- Build trust and relations through Indigenous partner engagement
- Respect Indigenous culture and spiritualities as a foundation for Indigenous identity.
- Understand and respect Indigenous leadership; respond to Indigenous-led community priorities
- Collaborate and co-develop programs with Indigenous communities
- Respect Indigenous Diversity - no pan-Indigenous programming
- Ensure equity for all Indigenous people including women, Two Spirit, Indigi-queer and LGBTQIA+

Collective Impact Framework

Our collective impact efforts seek to inform policies and support upstream interventions to address poverty-related community issues. Together we have a common agenda, mutually reinforcing activities, continuous communication and backbone infrastructure.



1

Collective Action

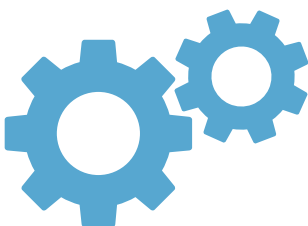
The Poverty Task Force is made up of 90+ organizations that work across priority sectors to reinforce activities that contribute to reducing poverty.



2

Principles

Create safe spaces for meaningful exchange to build resiliency, hold space and build collaboration for poverty reduction solutions.



3

Build Better Relations

Be guided by the Truth & Reconciliation Call to Action and OFIFC principles to build better relations and systems.



4

Data Driven

Collect and report on local data on social determinants of health, including housing/homelessness, food insecurity, employment and income.



5

Advocacy and Policy

Mobilize networks and government representatives to put poverty reduction – income, housing and food security; health equity, and justice at the top of their policy agendas.

2026 COLLECTIVE ACTION

Key Principles for all collective action shall have:

- A Diversity, Equity and Inclusion (DEI) lens embedded into all aspects
- Include all priority populations, whenever possible
- Support Indigenous-led initiatives
- A trauma- and violence-informed approach
- A cultural safety/anti-racism lens
- A harm reduction/substance use approach

Housing Security

Strengthen partnership with City of Owen Sound on data sharing/mapping/analysis on rental housing standards. Lead on promoting the adoption of stronger mould bylaws, Vital Services and renovations bylaws as recommended by Rentsafe OS Tenant-Landlord Survey and RentSafe Ontario/Ontario Public Health Association.

Contribute to RentSafe Ontario climate feasibility study on rental housing in rural communities as part of larger RentSafe Ontario study on building resiliency. Contribute to hosting one Climate Resilience Intersectoral Roundtable in 2026.

Raise awareness on income solutions to affordable and accessible housing.

Income Security

Lead the Grey Bruce Community Volunteer Income Tax Program (CVITP) Network to promote free tax filing to increase income and access to support benefits of Grey Bruce residents. Manage GB CVITP Network volunteer recruitment in partnership with 211 and host one annual meeting. Host a series of Seniors Financial Literacy webinars with seniors' community hubs and social workers.

Contribute to Grey Bruce Living Wage calculation in partnership with Ontario Living Wage Network and promote. Address precarious employment, promote universal, affordable daycare, deeply affordable housing and public transportation.

Food Security

Increase access to nutritious food by 1) contributing to the governance, sustainability and promotion of the Grey Bruce Good Food Box, 2) supporting community food hubs and 3) Grey Bruce Food Share/Food Rescue program expansion and 4) development of disaster management plans.

Strengthen food diversity in community food banks/meal programs.

Advocate for income solutions to food insecurity in municipal election education and public awareness campaign.

Health Equity

Lead new Health Equity Action Group with health sector stakeholders and identify evidence-based interventions to increase access and equitable health outcomes for equity-deserving populations (i.e. 2SLGBTQ+, newcomers, Black and Indigenous communities).

Manage BGDISC and ensure poverty-related/Social Determinants of Health data is available on this Grey Bruce open-data portal. Collection, analysis and use of data for decision-making and understanding health equity.

Contribute to data collection for Vital Signs Report to be released in 2026.

Community Voices

Ensure Community Voices group are active in 2026 and contributing lived experience to all PTF actions and advocacy.

Develop municipal election 2026 education campaign and advocacy.

Increase municipal-level engagement as Action Table of the Community Safety & Well-Being Plan Grey Bruce and provincial and national-level engagement as a member of Tamarack Institute, Campaign 2000 and Right to Food.

MEMO



To: Clerks, Grey County Municipalities
From: Grey Bruce Ontario Health Team
Date: March 5, 2026
Re: Grey-Bruce Primary Care Patient Attachment Update

The Grey Bruce Ontario Health Team is sharing the following update on provincial primary care attachment goals, progress in Grey-Bruce, and how municipalities can help residents access primary care.

About the Grey Bruce Ontario Health Team

The Grey Bruce Ontario Health Team (GBOHT) brings together hospitals, primary care providers, community health and social care organizations, and other partners to improve how healthcare is delivered across the region. We collaborate with patients, families, caregivers, and the community to design better ways of delivering care. By working across organizations, the GBOHT focuses on improving access to primary care, strengthening coordination between services, and supporting the long-term health needs of people in Grey-Bruce. To learn more about the GBOHT, including its governance, priorities and community resources, please visit www.greybruceoht.ca.

Helping Grey-Bruce Residents Find a Family Doctor or Nurse Practitioner

Ensuring that residents have access to a family doctor or nurse practitioner is a key priority for the Province of Ontario and for the GBOHT. The provincial government has set a goal of **connecting every Ontario resident to primary care by 2029**.

To support this work, the province has provided funding to expand Interprofessional Primary Care Teams (IPCT) in Grey-Bruce. This funding supports additional healthcare professionals—such as nurse practitioners, registered nurses, dietitians, and other team members—working alongside physicians to care for more patients.

Across the Grey-Bruce region, this funding has supported:

- Over \$2.1 million in provincial funding to expand primary care teams
- Hiring of additional healthcare professionals across multiple clinics
- Efforts to connect thousands of residents to primary care provider
(Please see 2025/2026 Interprofessional Primary Care Teams Funding Progress Infographic)

As a result of this work so far:

- 7,173 residents have been connected to a doctor or nurse practitioner
- 16,389 residents remain without a regular primary care provider
- The regional goal is to connect 23,562 residents to primary care by April 2029
(Please see Connecting More Residents to Primary Care Infographic)

Residents who do not currently have a family doctor or nurse practitioner are encouraged to register with **Health Care Connect**, a provincial program that helps match patients with local providers who are accepting new patients.

Residents can register whether or not they currently have a primary care provider. For example, you may wish to register if your provider is retiring or if you have moved and now live too far away to easily access their care.

Residents can register to Health Care Connect:

Online: <https://ontario.ca/healthcareconnect>

By phone: Call 811 (available 24/7)

More information about finding primary care locally is available here:

www.greybruceoht.ca/get-primary-care

How Municipalities Can Help

Municipalities play an important role in helping residents access healthcare information. We are asking municipalities to help share information about Health Care Connect so residents who do not currently have a family doctor or nurse practitioner know how to register.

Municipal communications leads will receive a Health Care Connect marketing toolkit that can be shared through:

- Municipal websites
- Social media channels
- Community newsletters
- Digital signage or community spaces

These materials are designed to make it easy for municipalities to help raise awareness and support residents in accessing primary care.

Supporting Primary Care Recruitment

Improving access to primary care also depends on attracting and retaining healthcare providers in the region. Partners across Grey-Bruce are working to recruit and retain physicians, nurse practitioners, and other healthcare professionals to the region.

More information about recruitment initiatives and opportunities in the region can be found here:

www.greybruceoht.ca/recruitment

Connecting residents to primary care is a shared priority across Grey-Bruce. We appreciate the support of municipal partners in helping residents access the information and services they need.

Together, we can ensure more residents have access to the care they need—close to home.

Sincerely,

Lindsay Johnston

Executive Director

Grey Bruce Ontario Health Team

execdir@greybruceoht.ca

2025/2026 Interprofessional Primary Care Teams Funding Progress

As of January 31, 2026



Overall Progress in Grey Bruce:

- Attached **2,892 patients** to primary care (from postal code areas N0H and N0G).
- Reduced Health Care Connect waitlist by **3,516 patients** (81%).

N0G Postal Code – Primary Care Team Expansion Update

Total Funding Received: \$1,143,200

Goal: Connect 2,225–2,450 more patients to primary care by August 2026.

New Healthcare Staff Hired Through this Funding:

- Brockton & Area Family Health Team: 2.0 Nurse Practitioners, 1.0 Medical Office Assistant, 2.0 Registered Nurses.
- Kincardine Family Health Team: 1.2 Nurse Practitioners, 1.2 Medical Office Assistants, 1.0 Registered Practical Nurse, 0.4 Kinesiologist.
- Listowel-Wingham and Area Family Health Team: 0.2 Nurse Practitioner, 0.4 Medical Office Assistant, 0.2 Registered Practical Nurse.

Progress So Far:

- ✓ 1,531 new patients (455 from Health Care Connect) are now attached to primary care (69% of the goal).
- ✓ 4 full-time positions have been filled and 1 full-time position is unfilled. Three sites are under renovation to accommodate new staff.

N0H Postal Code – Primary Care Team Expansion Update

Total Funding Received: \$1,009,500

Goal: Connect 2,175–2,400 more patients to primary care by August 2026.

New Healthcare Staff Hired Through This Funding:

- Port Elgin Family Health Network: 0.8 Nurse Practitioner, 0.3 Medical Office Assistant, 0.4 Dietitian, 0.4 Social Worker
- Saugeen Shores Family Health Organization: 1.0 Nurse Practitioner, 0.5 Medical Office Assistant, 0.5 Registered Practical Nurse
- Meaford Thornbury Family Health Organization: 1.0 Nurse Practitioner, 0.9 Medical Office Assistant
- Peninsula Family Health Team/South Bruce Peninsula Family Health Organization: 0.6 Medical Office Assistant, 0.5 Registered Nurse
- Kincardine Family Health Team: 0.2 Finance Manager, 0.4 Data Management Coordinator, 0.4 Executive Assistant

Progress So Far:

- ✓ 1,361 new patients (326 from Health Care Connect) are now attached to primary care (63% of the goal).
- ✓ 3.7 full-time positions have been filled and 4.2 full-time positions are unfilled. One site is under renovation to start in the next few weeks to accommodate new staff.

Connecting More Grey-Bruce Residents to Primary Care

Working toward a better healthcare experience close to home.



Grey-Bruce Primary Care Attachment

Goal: Attach **23,562** people to a primary care provider **by 2029**



Primary Care attachment data has been updated as of February 2026

Why This Matters

Having a regular family doctor or nurse practitioner means:

- ✓ Someone tracks your health over time
- ✓ You receive preventive care and screenings
- ✓ You have support managing chronic conditions
- ✓ You're less likely to rely on walk-in clinics or the emergency department

Without a regular provider, people may:

- Delay care
- Miss important screenings
- End up in the ER for preventable issues

What We're Doing — Together

Primary care attachment is a shared effort across Grey-Bruce.

Local clinics, physicians, nurse practitioners, Health Care Connect, and the Grey-Bruce Ontario Health Team are working together to:

- ✓ Attach patients from the Health Care Connect list
- ✓ Support clinics onboarding new patients
- ✓ Improve patient intake and digital health systems
- ✓ Strengthen team-based care across the region

Ontario's goal is to connect every resident to a primary care provider by 2029.

What You Can Do

Register with Health Care Connect to help connect you to a family doctor or nurse practitioner faster. You can register whether or not you currently have a family doctor or nurse practitioner.



How to Register

- 1 **Online:** visit ontario.ca/healthcareconnect
- 2 **Or by phone:** Call 8-1-1, available 24/7



FOR IMMEDIATE RELEASE



ONLINE CAMPAIGN SCHOOL AIMS TO PREPARE MORE WOMEN FOR ONTARIO'S 2026 MUNICIPAL ELECTION

Virtual training series will connect women with elected leaders, campaign insights, and peer support ahead of the 2026 municipal elections.

ONTARIO — In April, electHER Now will host its election year **Online Campaign School**, an interactive virtual program designed to support women who are considering running for municipal office in the 2026 elections.

The four-session online series will feature **topic-focused training videos, 12 current women delivering short “Power Talks,”** and **small-group breakout sessions** where participants can ask questions, exchange ideas, and build connections with other women exploring local leadership.

Each **Power Talk** will highlight practical insights from women who have served in elected office, offering a candid look at campaigning, community leadership, and navigating the realities of public service. Following the talks, participants will join facilitated breakout groups to discuss the topics in greater depth and connect with peers who may also be considering running for local office.

“Local government shapes the communities where we live, work, and raise our families, yet women remain underrepresented around municipal council tables,” said Laura Wood, Co-Founder of electHER Now. “Our Online Campaign School helps make the idea of running for office more approachable by sharing real experiences from women who have served and creating a supportive space for learning, questions, and connection.”

The Online Campaign School has four classes to be held on Tuesday, April 7, 14, 21 and 28, from 7 to 8:30p.m. EST. Participation is open to all, with **Pay-What-You-Can series ticket options of \$50, \$25, or a \$0 accessible rate**, ensuring women at any stage of exploring public leadership can participate. To register for the series, visit electhernow.ca/events

Women interested in learning more about running for municipal office or simply curious about what campaign means are encouraged to attend.

Municipal elections across Ontario will take place on **Monday, October 26, 2026**, and electHER Now’s programs aim to ensure that more women have access to the tools, knowledge, and networks that can make running for office achievable.

About electHER Now

electHER Now is a grassroots initiative dedicated to encouraging and supporting more women to run for municipal office by providing networking opportunities, educational resources, and practical campaign guidance.

–30–

Media inquiries:

Emma Sweeney
electhernowmedia@gmail.com

NEWS RELEASE

Ontario Taking Next Steps to Improve Conservation Authorities

Province consolidating 36 CAs into nine to deliver more consistent services, strengthen watershed management and better protect communities

March 10, 2026

[Environment, Conservation and Parks](#)

TORONTO — The Ontario government is taking the next step to improve the province's conservation authority system with our plan to create nine regional conservation authorities. This follows extensive consultation on how conservation authorities can help get shovels in the ground faster on homes and other local infrastructure projects, while strengthening their vital role in managing watersheds and protecting communities from floods and natural hazards.

The consolidated regional conservation authorities would reduce administrative duplication, redirect resources to front-line conservation and modernize permitting to help the province deliver on its plan to protect Ontario by cutting red tape and building an economy that is more competitive, resilient and self-reliant, to help keep workers on the job in the face of tariffs and economic uncertainty.

"Ontario's improved approach would feature watershed-based regional conservation authorities operating under consistent provincial standards, modern tools and strengthened capacity – delivering stronger watershed management, flood resilience and better support for housing and infrastructure growth," said Todd McCarthy, Minister of the Environment, Conservation and Parks. "We listened and used feedback from last fall's consultations to refine and strengthen our plan, including optimizing regional boundaries to better reflect local needs, knowledge and relationships."

Ontario's current system includes 36 independent conservation authorities with varying policies, processes and capacity, which has created a fragmented system with inconsistent standards and timelines. This has created uncertainty and delays for builders, landowners and farmers, and has made it more challenging for conservation authorities to carry out their role in protecting communities from floods and natural hazards. To address this, the province created the new Ontario

Provincial Conservation Agency (OPCA) last fall and began consulting with conservation authorities, municipalities and other partners on proposed boundaries for consolidating the province's conservation authorities.

Based on the extensive feedback received, the government amended its proposed conservation authority boundaries and intends to introduce amendments to the *Conservation Authorities Act* in the coming weeks that, if passed, will set out a path to consolidate Ontario's 36 conservation authorities to create nine new regional conservation authorities. Under this plan, the OPCA would coordinate a clear and successful transition targeting early 2027 for consolidation, and to deliver on its goal of improving customer service, enabling more consistent decision-making and strengthening watershed management across the province.

With centralized leadership and independent oversight of conservation authorities by the OPCA, Ontario's plan for a regional conservation authority system will reduce administrative duplication across the system and allow conservation authorities to redirect resources to front-line services, operate with greater consistency and transparency and deliver strengthened services to municipalities and permit applicants. This would better position conservation authorities to support the building of new homes and infrastructure while continuing to protect communities from flooding and other natural hazards. Programs and services delivered by conservation authorities would remain the same, including watershed management, natural hazard management and source water protection.

To ensure local knowledge and input continue to guide watershed management, the province would require regional conservation authorities to create one or more local watershed councils that help identify local priorities for watershed-based conservation programs and services. Regional conservation authorities would remain municipally governed, with regional municipalities, counties and cities appointing members to conservation authorities. Lower-tier municipalities in counties, such as towns and townships, will no longer be participating municipalities of a conservation authority under this approach.

"Today marks a milestone for conservation in Ontario. By building a modern, more unified system, we're protecting local expertise while supporting front-line programs that communities rely on," said Hassaan Basit, Ontario's Chief Conservation Executive. "The Ontario Provincial Conservation Agency would lead a smooth, well-supported transition, ensuring conservation authorities have the tools and resources they need every step of the way to deliver effective watershed management programs, meeting the needs of today and the future."

To support regional conservation authorities throughout the transition process, the province is providing annual funding to the OPCA in the amount of \$3 million, beginning in 2026. This funding would be used by the agency to support conservation authorities as needed during the transition period. Following transition, this annual funding would go toward helping regional conservation authorities achieve program improvements.

These changes are part of the government's plan to protect Ontario by improving the province's fragmented and inconsistent conservation authority system to deliver more consistent services and more efficient resource and information sharing, ensuring conservation authorities are more responsive to the needs of the communities they serve.

Quick Facts

- The Ontario Provincial Conservation Agency would coordinate the transition to ensure conservation authorities can continue to manage flooding and other natural hazards, drinking water source protection, permitting and the management of their lands and recreational trails.
- Conservation authorities issue permits for development activities such as housing and the installation of supporting infrastructure in areas affected by risks of natural hazards such as floodplains, shorelines and wetlands.
- In November 2025, the government amended the *Conservation Authorities Act* to establish the Ontario Provincial Conservation Agency to provide efficient governance, strategic direction and independent oversight of Ontario's conservation authorities.
- From November 7 to December 22, 2025, the province led a 45-day consultation on the proposed boundaries for the regional consolidation, with conservation authorities, municipalities, general stakeholders, and Indigenous communities, which included six regional workshops that engaged directly with conservation authority and municipal leadership. All input received was considered and helped to inform the government's plans.

Additional Resources

- [Improving Ontario's Conservation Authority System](#)
 - [Learn more about conservation authorities](#)
 - [Read about the new Ontario Provincial Conservation Agency](#)
 - [Read the decision notice on the proposed boundaries for the regional consolidation of conservation authorities](#)
-

Related Topics

Environment and energy

Learn more about how Ontario protects and restores wildlife and the environment. Includes information on conservation and the electricity system. [Learn more](#)

Media Contacts

Alexandru Cioban

Minister's Office

Alexandru.Cioban@ontario.ca

Gary Wheeler

Communications Branch

gary.s.wheeler@ontario.ca

[416-314-6666](tel:416-314-6666)

Accessibility

Privacy

© King's Printer for Ontario, 2012-2026

Staff Report To Council

From: Laura Christen, Director of Parks, Recreation & Culture
 Sherri Walden, CAO

Date: March 16, 2026

Report: PRC-02-26

Subject **Report PRC-02-26 East End Trails Extension Update FINAL.docx**

Recommendation

That Report PRC-02-26 East End Trails Extension Project Options to Proceed be received; and

That council provide direction to staff with respect to their preferred option.

Background

The East End Trails Extension Project has prompted neighbourhood communication, concerns and comments, as has been provided in the delegation to council earlier in this meeting. In addition to the concerns, positive community resident comments have been received both verbally at the Feb. 25th project meeting and by email.

This report is provided to outline the key details of the project and to confirm council's support and direction for the east end trails project completion. The report details the project's facts over the last 9 years of its' development history. The East End Trails Extension development has been decades in the making that was contingent on development coming to fruition in our east end. This trail extension has been adopted in the 2026 Mayoral Budget and therefore staff have actioned construction implementation.

1. East End Trails Extension Project History

a) East End Trail Extension with our East End Development

At the January 16, 2017, meeting, council received information with respect to a proposed plan of subdivision dated November 2016 as prepared by WSP illustrating 78 lots and current ownership for those lands north of the green hazards zone or waterway to the shore of the Saugeen River. Discussion ensued with respect to the existing agreement dated December 10, 2001, between Huck Development Limited and the Town. This property had been purchased and the owner requested that a new Subdivision Agreement be established. Subsequently the property owner acquired adjacent lands to facilitate proposed trail development. ***Council directed staff to proceed with the necessary cost analysis of the land to be exchanged for the proposed trail, parking and fencing works and further that based on the above information, council direct staff to begin work on replacing the December 10, 2021 agreement with a new subdivision agreement that will include any of the outstanding issues within the***

December 10, 2021 agreement, and Part 18 on the April 26, 2008 reference plan being conveyed to the new property owner.

At the June 19, 2017, meeting, council received Report PB-10-17 Saugeen Cedar Heights West Subdivision Land Exchange. The report detailed the preliminary cost analysis for the proposed trail as part of the east end loop development and new parking area. The cost analysis detailed that the new trail and parking area could be constructed to achieve a break-even point in exchange for the lands detailed in Report PB-02-17. ***Council directed staff to accept the cost analysis and that the proposed subdivision agreement include the confirmed requirements and that staff proceed to have the lands transferred to the overall subdivision plans.***

The lands were transferred in August 2023 at the time of filing the subdivision agreement.

Saugeen Cedar Heights East (SCHE) subdivision agreement was approved by council on June 17, 2019 (by-law 3071-19) and amended July 12, 2021 (by-law 3167-21). **The trail system was extended southward from the existing most easterly point of the trail to connect this subdivision. A new trail section and switchback were constructed by the developer at no cost to the Town.**

Council approved the Saugeen Cedar Heights West (SCHW) subdivision agreement on January 25, 2023 (by-law 3253-73). At that time of approval, **the trail in this area was separated from the subdivision agreement as the trail design was not at stage required for agency review for the approval process for the subdivision.**

As of May 2022, **the trail was closed from the westerly section of SCHW to 24th Avenue creating a dead end. This occurred at a similar time as the bridge closures for rehabilitation on our south line. At that time, there was considerable expressed community resident displeasure with the bridge closures and dead ended trail access.**

At the January 25, 2023, meeting council received Report PB-06-23 Ontario Inc Memorandum of Understanding (MOU) that **detailed the written terms for the trail development between the Town and the developer. The MOU detailed the developer's agreement to construct the community east end trail and parking area through SCHW for typical trail construction as per the Town's guidelines and should the design required exceeding typical construction, then cost sharing of the increase will be shared between the development and the Town. The MOU documented the \$84,375 developer contribution to construct the trail and parking area. This reflected the cost analysis detailed above and supported by council.** Council subsequently defeated the approved of the MOU.

Since that time, **Town staff have continued to work with the developer who remains committed to fulfilling their commitment to construct a trail and parking area in the SCHW subdivision as part of the east end trail development.**

b) East End Trail Development Design

The following is a summary of the east end trail design milestones:

- Environmental Impact Study completed | November 2023
- Preliminary design completed | August 2022
- SVCA Initial Consultation | October 2023
- Detailed Trail Design completed | July 2024

- Structural Design for Pedestrian Ramps completed | August 2025
- Application for Permit submitted to SVCA | August 2025
- SVCA Approval | September 2025

2. Trail Support | Town Legislated Documents and Planning Processes

a) Hanover Official Plan Bylaw 2858-14

This is a **legislatively required document that guides the development of our Town.**

Key Official Plan content with respect to Trail Development includes:

- Trails are detailed in our Official Plan (OP) (E3.3) including Schedule D Trail Network that includes the proposed east end trail loop.
- Identifies Town **shall** consider potential trail development that could enhance and improve the trail system connectively and linkages withing the Town of Hanover (E3.3.6).
- New subdivisions and other development **shall be designed** with the intent of enhancing trail system connectivity whenever possible.
- East end trail location is within land identified as Hazard (D10 & Schedule A).
- Permitted use in Hazard area is passive recreation (D10.3.1).
- Passive recreation definition includes trail per the Zoning By-law (page 27; see definition under Zoning Bylaw).

b) Comprehensive Zoning By-law Bylaw 2912-15

This is a **legislatively required document that guides the development of our Town.**

Key Zoning By-law content with respect to Trail Development includes:

- Recreational, Passive definition means **the use of land and / or water for the purpose of passive leisure activity and shall include** a park, a garden, a picnic area and the like, equestrian and **hiking trails**, as well as a play lot with activity equipment for children.
- Hazard permitted use includes passive recreation and accessory structures for trails (ie markers, bridges benches) (24.2).

c) Hanover Strategic Plan 2023 to 2027

Key Strategic Plan content:

- Based on the citizen questionnaire completed by 457 residents, the following conclusions were determined:
 - Respondents indicated trails and outdoor spaces make Hanover a great place to live (Q1 citizen questionnaire). 62% selected, “outdoor open space, parks, **trails**, and river access” as either their **first, second or third preferred choice**.

- Trails and outdoor spaces are important to households (Q2 citizen questionnaire). The third top response was, “Parks, **trails**, playgrounds & open spaces” with an average score of 4.3 out of 5.’
- Increase and maintain spending on parks and trails was noted as important (Q4 citizen questionnaire).
- Invest tax dollars – 71% selected “Parks, **trails**, playgrounds and open spaces” as either their first, second or third preferred choice. (Q6 citizen questionnaire)

d) Hanover Parks, Recreation and Culture (PRC) Master Plan 2018

Community engagement including a resident survey and focus groups were part of the PRC Master Plan. The **Master Plan Engagement Report** included the following key notes:

- **Hanover Community Trails System** noted as strength by residents.
- ‘Well managed open spaces, parks, **trails**, recreation and cultural facilities and programs are a **source of pride and focus** in Hanover.’
- Trail connectively identified as need to complete / improve.

PRC Master Plan Action Objectives include:

1. Healthy Community Objective 1 – System of Experiences: Parks, Recreation and Culture | Over the next 10 years, establish a range of facilities and programs for parks, recreation & culture. The range of programs should reflect the Town’s demographic profile (35% senior, 40% adult and 25% under 25).

Action # 4 within this objective:

Trail System Completion / Active Transportation Network

Recommendations:

- Develop a **strategy to complete the Trail Design Plan** that includes all classes of trails and on-road components, over the next 15 years.
 - **Connect multiple destinations to meet the needs of recreational and active trail users and promote healthy lifestyle via active transportation opportunities.**
2. Healthy Community Objective 4 – Cross – Departmental Planning | To achieve the goals of the plan, over the next 15 years, continue and enhance on-going efforts in cross – departmental collaboration.

Action #2 within this objective

Development Planning

Recommendation: Work in conjunction with Building, Planning, and Development Services to leverage opportunities to connect trails system.

3. Healthy Community Objective 6 – Priority Infrastructure & Services | Complete required infrastructure and services over the life of this master plan in an organized, prioritized manner. Complete priority ranking framework in 2018. For 2019 onwards, priority ranking system to be used for capital recommendations.

Action #2 within this objective:

Active Parks, Trails & Open Spaces

Recommendation:

Develop active park criteria and design guidelines using cross departmental, collaborative process – explore opportunities for:

- **Linking multi-purpose trails and creating an Active Transportation Network**
- **Re-developing / enhancing access nodes along the Saugeen River**
- Updating play value of existing playgrounds
- Converting some playgrounds to adult fitness equipment.

e) Community Trails System Design Plan | 1997

Our Community Trails System Design Plan has successfully guided our trails development since 1997. In the formative years of our trails design implementation (south line, big black bridge and section between Commemorative Grove and current dead end at easterly point), community volunteers provided input, fundraising and physical assistance to ensure the trail came to fruition for the benefit of our entire community.

Key Points

- **Realize development of quality Community Trails System** for passive and active recreational interests (1.2).
- **Varied benefits of the Saugeen River** and former railway lines are the key foundation for the trails system (1.2).
- **Trail system should be continuous and there should be possibility of loops throughout (5.2.1).**
- **Loops, frequent trail heads / access points and numerous connecting trails provide a multitude of trail use possibilities; allows for almost unlimited number of routes and options for length of trail use (5.2.2).**
- **East End Trail - identified unfortunate possibility of a dead-end; important when area developed to provide for 'looping back' of the trail along the existing stream / draining course (zoned as Hazard Land) (5.2.6).**
- **All future residential developments be planned in a way that provides for linkages through park land and open space to the Trails System (5.2.7).**
- **East End Streambed (6.8) – identified possible trail path; existing stream bed / hazards land and from this point the trail will follow the stream bed northwestward to Rail Lands Leisure Park; Serves 3 important functions:**
 - **Eliminates dead end;**

- Penetrating residential community south of the trail, **it will make this end of the trail system more accessible and connected to Hanover citizenry;**
- Provide educational opportunities and **increase public awareness of another dimension of the Saugeen River system through interpretation of the stream bed landscape.**

Discussion

3. East End Trail Completion

Hanover's Community Trail System is a community asset that supports active living, contributes to the Town's tourism strategy, and provides opportunities for residents and visitors to experience the natural environment. The trail network is a critical part of the community's active transportation infrastructure by providing connections between neighbourhoods, parks, commercial, businesses and other destinations throughout the community.

As noted, the proposed East End Trail Development represents the opportunity to complete a long-planned extension of the trail system included in both the Town's Official Plan, the PRC Master Plan and the Community Trail System design plan (1997). Completion of this section would extend the existing trail beyond the current termination point near the soccer fields and provide a continuous route that connects trails, roads, and sidewalks. This connection would allow users to travel through the east end of the community and continue toward 24th Avenue and other destinations, improving overall connectivity within the broader trail network. With the potential expansion of our community, the east end trail loop is key to future trail linkages.

4. Environmental Considerations

The proposed trail is located adjacent to a creek and treed natural area and falls within a regulated area under the jurisdiction of Saugeen Valley Conservation Authority (SVCA). For clarification the EIS for the SCHW subdivision is specific to its construction and is not applicable to the trails construction.

Due to the environmental characteristics of the proposed trail location, an Environmental Impact Study (EIS) was completed and **identified specific recommendations and mitigation measures for the trail construction**. The study acknowledges that some tree removal is required and wetland loss within the corridor is unavoidable due to the location of the proposed trail, but the study also identified that locating a trail adjacent to wetland areas can provide opportunities for environmental awareness and education and provided measures are intended to minimize environmental disturbance and maintain the natural characteristics of the area. The mitigation measures include:

- Vegetation / tree removal prior to March 31st and after November 1;
- Minimize vegetation / tree removal; only remove what is necessary;
- Design of pedestrian ramp and included in trails design to protect wetlands areas and address topography;
- Construction practices – includes:
 - the use of silt fencing as a temporary sediment control barrier;

- Storage / staging area are not located within the SCVA Floodplain Boundary
- The design includes the use of rip rap and landscape fabric in trail sections closest to the water to support erosion control and bank stabilization.

The project implementation has continued to move forward as the required approvals have been obtained, including the adopted 2026 Mayoral Budget and a SVCA permit issued to complete the construction.

We are at critical construction start period to ensure that our environmental mitigation as noted above can be achieved. Based on the knowledge that a delegation was coming forward, site preparation work scheduled to start the week of March 9th was paused. Should construction prep, not occur prior to the March 31st date, the trail construction would be deferred to 2027.

5. Public Engagement

Public engagement has occurred at multiple stages of the project including:

- **Jan 9, 2023** | Public meeting was held, where the conceptual version of the project was introduced. An action from this meeting was that town staff committed to a follow up meeting once additional technical work was completed and project approvals obtained.
- **February 25, 2026** | Public Open House held and project information was available and staff were present to provide details, respond to questions, and receive comments from attendees.

Direct resident communication includes:

- Staff have continued to listen to, acknowledge and respond to residents via email, phone and in person.
- Several onsite meetings have been conducted with property owners to discuss site specific concerns related to the project.
- Receiving positive verbal and email comments from residents with respect to support for the trail project.

6. Areas of Concern with the Proposed Trail System Extension

Consistent with the concerns detailed in tonight's delegation, residents in the neighbouring properties have noted concerns with respect to:

- trail safety,
- privacy, and
- the proximity of the trail to adjacent residential properties.

To address the specific concerns noted in the delegation presentation, the following mitigation measures are noted:

a) Destruction of Wetland

- The EIS considers the environmental and natural aspects of the areas and provided recommendations with respect to mitigation.

- Some wetland loss is unavoidable, but mitigation strategies have been incorporated to minimize impacts. Mitigation strategies include (also detailed in 4 above):
 - Vegetation / tree removal prior to March 31st and after Nov 1;
 - Minimize vegetation / tree removal; only remove what is necessary and reseed with an appropriate seed mix;
 - Design of pedestrian ramp and included in trails design to protect wetlands areas and address topography;
 - Construction practices – includes:
 - The use of silt fencing as a temporary sediment control barrier;
 - Storage / staging area are not located within the SCVA Floodplain Boundary.
 - The design includes the use of rip rap and landscape fabric in trail sections closest to the water to support erosion control and bank stabilization.
- SVCA is the approval authority for work in a Hazard area. They have reviewed the trail design and construction plan and approved it with consideration for their Regulatory requirements.

b) Fiscal responsibility and use

- Community trails system development and expansion is included in our legislated Official Plan. The OP states language including ‘**shall consider potential trail development**’ and ‘new subdivisions and other development **shall be designed with the intent of enhancing trail system connectivity.**’
- Our community trails system is a valued asset as noted by our residents in our Strategic Plan and PRC Master Plan. Specifically, our 2023 to 2027 Strategic Plan resident input from 457 survey respondents indicated high support (50% responded to increase spending, 48% responded to maintain spending) for further investment, as well as continued operational funding for outdoor spaces, parks and trails.
- A complete trails system ensures community connectivity and is a benefit to the community as a whole.
- The east end trail construction is funded through developer financial commitment, grant funding and some tax levy support.
- Annual trails maintenance is minimal; projected maintenance costs are \$5,000-\$7,000 per year and includes addressing surface material repairs, bench repairs, etc.

c) Privacy and security of residents

- We acknowledge and understand this concern.
- Proactively to address prior trails related safety concerns, the Town implemented a Trails Eyes and Ears program in partnership with Hanover Police Service. This program continues and we know that our volunteers are very engaged and there is presence on our trails daily May to October.
- Hanover Police Service bike patrol remains active and hours are dedicated to trails and parks patrol.
- In January 2023, we heard the input of residents in the Barry Subdivision area who attended the public meeting and expressed this concern. At that time we indicated our objective to establish the trail north of the water way. We have achieved that.

- Buffering with vegetation and tree planting will be implemented. We have heard from residents that they want to know the specific locations and types of buffering that will occur. This information will be provided, but we need to realize the trail completion and where the high priority buffering areas are located and select the plantings most appropriate for the area. We will continue to investigate other buffering options and welcome suggestions.

7. Options to Proceed

Staff are seeking council's direction with respect to their preferred option for the project. It is imperative that this decision be made at this time to ensure this project can proceed without further construction delays and financial implications. Most notably is the site preparation and the ordering of the pedestrian ramps.

Option 1: Proceed with East End Trail Construction as Planned

Pros	Cons	Financial Considerations
Work plan is established. Developer is engaged and committed. East end trail loop will be fully completed in 2026. We have followed our council approved and legislative documents including OP, Zoning and various strategic plans noted previously. Prior council approval and direction for the east end trail development and location within SCHW, dating back to subdivision inception with new owner. Ensure our trail system remains a connective asset for our entire community. Mitigation to expressed resident concerns can be implemented. Construction can start immediately to ensure we meet the March 31st EIS tree and vegetation requirement. The construction timeline can proceed within the timeframe that minimizes impacts in the construction area.	Discontent expressed from some neighbouring residents in the trail area citing privacy, security, fiscal responsibility and wetland impacts. Buffering required to offset the tree and vegetation. Loss of vegetation; note: in the 3 acre parcel, there is approximately 30 trees with a 6" dbh or more; and some other small sapling and cedars identified to be removed	The project is included in the adopted 2026 Mayoral budget. Developer financial commitment confirmed. Grant funding approved and can meet the Sept. 2026 completion deadline. Supports strategic plan's resident questionnaire input rating investment in tax dollars in parks and trails as high.

Note – This space intentionally left blank. Report continues on the next page.

Option 2: Phased Construction

- **Phase 1 Completion of the parking lot area and the trail westerly to 22nd Ave.**
- **Phase 2 includes 22nd Ave westerly connecting to the existing trail.**

Pros	Cons	Financial Considerations
Work plan is established Developer is engaged and committed East end trail loop will be fully completed by 2027. Experience and establish the success of a trail in this location Provides link to only parking area and access for our trail in the east end. Trail provides safe active transportation route, given there are no sidewalks from 22nd Ave easterly to 24th Ave. We have followed our council approved and legislative documents including OP, Zoning and various strategic plans noted previously. Prior council approval for east end trail development and location within SCHW, dating back to subdivision inception with new owner. Ensure our trail system remains a connective asset for our entire community. Mitigation to expressed resident concerns can be implemented. It acknowledges expressed resident concerns received and it is an alternative compromise. Phased approach for East end trail construction. Construction can start immediately to ensure we meet the March 31st EIS tree and vegetation requirement. The construction timeline can proceed within the timeframe that minimizes impacts in the construction area. Allows us to establish a trail in phases in a neighbourhood with concerns.	The localized opposition has impacted this direction verses consideration for all community feedback including the positive trail user comments received with respect to the completion of the east end trail route. Anticipated increased construction costs. Delayed trail connectivity.	The project is included in the adopted 2026 Mayoral budget. Developer financial commitment confirmed. Grant funding approved and a portion of the project can meet the Sept. 2026 completion deadline. There is potential for grant reductions due to the scope of project change. Supports strategic plan's resident questionnaire input rating investment in tax dollars in parks and trails as high May increase project costs.

Option 3: Trail and Sidewalk

- **Completion of the parking lot area and the trail westerly 24th Ave to 22nd Ave.**
- **22nd Ave westerly to existing trail would utilize the sidewalk.**

Pros	Cons	Financial Considerations
Work plan is established. Developer is engaged and committed East end trail loop will be completed with a compromised approach Experience and establish the success of a trail in this location. Provides link to only parking area and access for our trail in the east end. Trail provides safe active transportation route, given there are no sidewalks from 22nd Ave easterly to 24th Ave. We have followed our council approved and legislative documents including OP, Zoning and various strategic plans noted previously. Prior council approval for east end trail development and location within SCHW, dating back to subdivision inception with new owner. Ensure our trail system remains a connective asset for our entire community. Mitigation to expressed resident concerns can be achieved. It acknowledges expressed resident concerns and it is an alternative compromise. Construction can start immediately to ensure we meet the March 31st EIS tree and vegetation requirement. The construction timeline can proceed within the timeframe that minimizes impacts in the construction area.	The localized opposition has impacted this direction verses consideration for all community feedback including the positive trail user comments received with respect to the completion of the east end trail route. Sidewalks are intended for pedestrians. Trails promote multi uses such as walking, cycling and snowshoeing. Altering the trail design could reduce the natural experience offered by the wooded area, which is a valued feature for trail users	Forfeit partial grant funding and possible negative implication for future grant applications Portion of developer financial commitment may be forfeited Investment in trail design work is not realized.

Note – This space intentionally left blank. Report continues on the next page

Financial Implications

The following is based on our 2026 capital provided at the time of budget. The project includes the parking lot and east end trail construction in SCHW and rehabilitation of the trail from 24th Ave. easterly to the access point to SCHE (\$24,000 funded through reserve fund due to prior year capital project approval and subsequent deferral).

Total Projected Cost	\$159,500
----------------------	-----------

Funding

Taxes	\$ 60,000
Grant	\$ 47,800
Misc Other Revenue	\$ 27,700
Reserve Fund	<u>\$ 24,000</u>
Total	\$159,500

The developer contribution is being realized through direct preparation and trail construction work which is anticipated to be \$84,375. The finances above reflect a projected \$27,700 from the development commitment. The remaining \$56,675 is the projected direct preparation and trails construction work commitment of the developer.

To date, the Town has incurred \$14,450 in expenditures (EIS, engineering, SVCA permit) related to the project.

Link to Strategic Plan

This report supports the indicated Strategic Goals and Action Plans of the Town of Hanover.

☒ **Goal 1: Safe and Reliable Infrastructure**

Build, maintain and continuously improve our municipally owned properties, buildings, and equipment.

☒ **Goal 2: Healthy and Welcoming Community**

Care for our natural environment and provide an enviable quality of life for everyone who calls Hanover “home”.

☐ **Goal 3: Strong and Vibrant Economy**

Refresh downtown Hanover and retain and attract local economic investment and jobs.

☐ **Goal 4: Balanced Growth**

Work together to create a community we can all be proud of.

☒ **Goal 5: Open and Responsible Government**

Deliver services in a friendly, efficient and effective manner while providing an exceptional working environment for our employees.

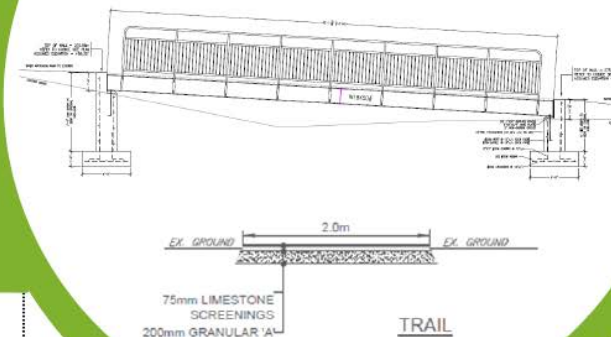
Respectfully submitted,
 Sherri Walden
 CAO

Laura Christen
 Director, Parks Recreation & Culture

Appendix A



Pedestrian ramps will span a 4 foot elevation change from the base trail to 22nd Avenue A. Ramps on both sides of the roadway will be constructed of hot dipped galvanized steel decking with safety railings.



Staff Report To Council

From: Jamie McCarthy, Manager of Public Works
 Jelena Savic, Director of Corporate Services / Treasurer
 Andrew Wilken, Director of Development & Infrastructure / CBO

Date: March 16, 2026

Report: PW-07-26

Subject **Grey County Urban Roads Transfer Follow Up**

Recommendation

That council receive Report PW-07-26 Grey County Road Transfer Follow Up; and

That council supports and directs staff to provide comments detailed to Grey County; and

That council requests that Grey County defer the proposed road transfer with further consideration of the comments numbered 1 to 7 and financial modelling issues numbered 1 to 9 detailed within the report.

Highlights

- The proposed road transfer will result in the assumption of 12.4 centreline kilometres of two to four-lane urban highways by the Town of Hanover (Town). Based on the proposed Grey County (County) Urban Road Transfer, the City of Owen Sound is taking on the most kilometres of road, followed by Hanover and the Blue Mountains, while many rural municipalities will upload roads to the County.
- The total estimated replacement value of the roads, transportation culvert and 12 sets of traffic signals to be downloaded is **\$53,618,554**, based on a conservative estimate by Town staff.
- To date, insufficient asset inventory and condition data has been provided by the County to enable staff to build a reasonable assessment of levy impacts for Hanover residents stemming from this download.
- The County is proposing a 10-year transition funding model that allocates a proportion of the County's Transportation Services capital envelope based on the replacement value of roads downloaded. This model is inequitable and insufficient. The funding model is also variable, depending on the County's budget process in any given year.
- The Town currently maintains just under 45 km of roads, with a replacement value of \$47.5 million. With this download, the length of roads maintained by the

Town increases by another 12 km (a 27% increase). The Town would be responsible for another \$27.6 million in road-only infrastructure, which increases our road replacement value from \$47.5 million to 75.1 million (a 58% increase). This does not include the transportation culvert and traffic signals being downloaded as well (another \$3.5 million).

- The agreement has been drafted so that Hanover has no enforceable entitlement to a fixed amount of transition funding at any time.

Background

At its March 2, 2026, meeting, Council received Grey County presentation outlining a proposed urban road transfer. Urban road transfers have been discussed for a few years at the County level and during the presentation the County provided an overview of reports, meetings and public open houses where this subject was considered. The main objective of the presentation was to gain comments from council and staff on the proposed downloads for the Town as County Council deferred the urban road transfer process decision, citing gaps in information sharing and consultation with lower-tier municipalities.

Much of the information for the downloads was derived from the 2014 Grey County Transportation Master Plan (TMP) and through that study it provided recommendations for downloading of specific County Highways that were seen to have deviated from criteria that was established as meeting the merit for a County Highway. In addition, there was mention of local roads that met the criteria to warrant uploading as they were seen to have become used as an arterial highway based on traffic data completed. Although the County has the potential to download highways as per the *Municipal Act, 2001*, they did proceed with using TMP data to gain a better understanding of the highway network and the variety of traffic patterns with future growth considered.

Reviewing the TMP, it was found that the report did not provide a recommendation that the Town be downloaded Grey Road 4, Grey Road 10 and Grey Road 28. The recommendation to transfer urban highways came later in County Reports, "Maintenance of County Roads in Urban Areas, TR-UR-05-24" and "Urban Road Task Force Review, TR-UR-27-24" (attached). Staff reviewed the Task Force minutes, and it appears that through these reports and discussions, various concerns were provided to indicate the reasons why these roads would make good candidates for downloads. The main reasons that stood out from the reports are below:

- Coordination of underground and road improvements.
 - Such as storm infrastructure that the County owns versus the water and sanitary that the Town owns.
- Confusion from the public about the different jurisdiction levels.
 - Such as traffic signals, pavement, entrances and road closures.
- Completing maintenance tasks when County yards and depots are further away.
 - Currently not an issue for the Town but it was seen in other municipalities.

While these considerations exist across Ontario and often warrant close collaboration, they do not by themselves justify the scale, timing, or funding mechanics of the proposed transfer into a small urban municipality with a limited assessment base.

It is also noted that there has been prior communication between County staff and Town staff and council's County representatives. The following is a summary of communications:

- May 2023 County presentation to Town staff and council's County representatives
- October 2024 Meeting with County and Town staff and council's County representatives; meeting initiated by Hanover
- January 2025 Meeting with County and Town staff and council's County representatives
- March 2025 Staff provided comments to County with respect to possible consideration for moving forward with urban roads transfer.

Due to the significant financial impact that this will have on the Town, staff found it prudent to provide a detailed follow-up report for council to review various aspects and responsibilities that may arise if the Town road network grows. This helps underscore the importance of undertaking thorough due diligence to ensure that financial, operational, and asset management implications are fully understood before any transfer is considered.

Discussion

There are several significant issues with the proposed Grey County Road Transfer Agreement that council must clearly understand before considering any approval. These issues relate to the completeness of asset information, the adequacy and fairness of the County's funding model, the extent of long-term capital and operational liabilities being transferred, and the absence of protections or compensation mechanisms for the Town in the draft agreement. The following key issues form the backbone of this report and outline the areas where Hanover must seek changes, safeguards, or additional funding through negotiation.

1. The urban road transfers shift disproportionate risk to urban municipalities, and the funding does not incorporate those costs into its financial model.

If the road transfer proceeds, Hanover will assume a level of legal, operational, and financial risk that is materially higher than anything in the Town's current transportation portfolio. The addition of three arterial highways and twelve traffic signals create an entirely new class of municipal exposure that demands higher service standards, faster response times, specialized staff skillsets, and expanded risk management systems.

These downloaded roads are not comparable to the Town's existing Class 5 and 6 local streets. Grey Road 4, Grey Road 10, and Grey Road 28 are Class 3 and 4 arterial highways, meaning that every element of maintenance must occur under much shorter provincial timelines. Potholes, cracks, signage failures, signal malfunctions, winter events, and lighting outages must be addressed faster and with greater precision. Failure to meet

Cole Engineering.(2014, September).Grey County Transportation Master Plan. <https://www.grey.ca/government/strategic-planning-and-studies/transportation-master-plan>

those timelines exposes the Town to significant liability for collisions, claims, and insurance action.

Each intersection brings risks related to controller failures, power disruptions, vehicle collisions, and AODA compliance. These intersections operate at high traffic volumes and are located on the most collision-prone corridors in the community. This transfer shifts responsibility for 24/7 winter response and patrol on arterial highways, collision clean-up and after-hours callouts, hazardous condition response, and increased legal exposure.

Table 1: Classification of County Roads

Highway	ADT	Length (km)	Speed (km/hr)	Class (MMS)
Grey Road 10	5744	4.3	50	4
Grey Road 4	8170	3.9	50	3
Grey Road 28	2565	4.2	80	3

To manage these risks, the Town will need to enhance its operational capacity or make sure that a strong agreement is in place with the County for these operational activities

The Town's current facility footprint does not support the additional fleet and material storage that arterial winter and summer programs require, and there is no provision in the County's model to fund the transition in staffing, training, equipment and facilities that these corridors necessitate.

2. Asset type and condition Information provided was inadequate and do not support informed decision- making. All information should be provided to have a true and clear understanding of what the Town will be required to maintain.

In order to gain a wholesome understanding of the assets that will be downloaded, Town staff require conditional data and historical costing associated with the road transfers. Unfortunately, the data that has been provided to staff has major gaps or has not been provided at all.

Information on storm infrastructure, which impacts road construction costs and the integrity of the highway is piecemeal and does not enable staff to determine, with any degree of confidence, the costs associated with inheriting these assets and traffic signal information has not been received for staff review. Although this is information that the County will eventually give to local road authorities, staff have not been able to incorporate that information into this report. Therefore, staff are relying on calculations and conditions from past exercises and providing best guess assumptions.

Through road operations and routine maintenance, it is evident that there are concerns with the storm piping, catch basins and maintenance holes on Grey Road 4/10th Street and Grey Road 10/7th Avenue south of 10th Street. The Town will be receiving approximately 6,200 meters of storm pipe of various ages that range from 1971 to 2001, with unknown diameters. Typically, underground storm infrastructure has anywhere from

40 to 80-year life span. The data and dates provided leads staff to assume that the Town will be receiving infrastructure with a limited Estimated Useful Life (EUL). These unknowns in the system lead to higher probability of failure. Failing storm sewers can lead to road repairs and impact to other Town utilities.

In order to provide council with figures to make an informed decision it is recommended that staff return to the County requesting complete information be provided. The County's suggestion that complete information may be provided after transfer (by December 31, 2026) is not recommended. Asset conditions, remaining service life and rehabilitation needs must be verified before transfer so that funding can be matched to risk and timing. Absent that verification, the Town would be assuming unknown liabilities that could crystallize early in the term without any reopener or top-up mechanism.

3. Development Charges collected for County Road projects within the Town limits should be considered as part of the funding model and be appropriately addressed as part of the road transfer.

Development charges (DCs) are one-time fees collected by municipalities on new construction for residential and commercial development. These charges fund growth-related capital infrastructure, such as roads, sewers, water, and parks. These charges, often paid at the building permit stage, are designed to ensure new development covers its own infrastructure costs rather than increasing taxes for current residents. In effect, DCs are intended to ensure that "growth pays for growth".

DCs are calculated through a provincially regulated methodology that considers:

- Future growth (population, households, employment),
- Growth-related capital needs over the planning period, and
- Historic service levels, which are defined as the average capital investment in the road infrastructure over the past decade.

Grey County completed their DC Background Study in 2021, to determine the rates to charge developers to offset the costs of new infrastructure required to support growth. As part of the DC study, significant capital costs attributed to Grey Road 4 and Grey Road 28 were included. These were categorized under Category 1: Major Road Projects, which totaled \$21.8 million in DC eligible costs. Within this category, Hanover-area projects represented:

- Grey Road 4: \$3,339,500 in DC-eligible costs; and
- Grey Goad 28: \$2,090,000 in DC-eligible costs

The total for Hanover-related major road projects in the County's DC Background Study was \$5,429,500 (26%). This means that Hanover's growth, through development activity, has been contributing to the County's DC revenues that were explicitly intended to help fund work on these roads.

For example, capital work on Grey Road 4, east of Hanover, (Grey Road 28 to Hanover/Bentnick Boundary) was scheduled to occur in 2025 in the County's 2019 capital

forecast. The following year, the County deferred this project to 2030. The DCs collected and earmarked for this work are not included in the transition payment formula.

4. The proposed transfer places potential need for enhanced staffing, fleet, and operational demands on the Town, none of which are accounted for in the County's cost assumptions.

County staff provided an agreement for winter maintenance for staff review, since the roads are at different road class as shown in Table 1. These highways differ from the Towns' current road system which consists of Class 5 and 6 level roads, that are treated as Class 5 roadways for the entire town.

The addition of these highways would have an impact on a variety of aspects, including: the public works buildings, equipment, material storage and staffing. At this time the public works yard can only accommodate the equipment that exists in the inventory. Accommodating these significant changes in operations will require consideration for human and equipment resources, which is not feasible within the proposed transition timeline.

5. Recommendation that the County's funding proposal be adjusted to provide support and align with asset management costs to best mitigate fiscal impacts on the Town.

Grey County's proposed 10-year funding model for the urban road transfer is fundamentally insufficient, because it is built around the County's annual Transportation Services budget, rather than the actual condition, lifecycle needs, or complexity of the assets being downloaded. The model allocates funds proportionally to road replacement value, treating all kilometers alike, without reflecting urban factors such as lane width, traffic signals, constrained corridors, stormwater systems, or aging underground infrastructure. As a result, Hanover receives only a small, highly variable share of a County-controlled budget, even though it assumes long-term risks and obligations that extend decades beyond the 10-year transition window. Because payments fluctuate annually with County budget decisions and are not indexed to construction inflation, the model places Hanover at significant financial and operational risk. A stronger, lifecycle-based and risk-adjusted funding framework is required before the Town can responsibly assume these assets and the long-term liabilities associated with them.

Significant financial impacts will be felt by rate payers within Hanover immediately as previously mentioned, funding impacts such as additional assets, maintenance costs for traffic signals, OSIM and boundary roads, in addition the Town will no longer recover costs for sweeping or snowplowing effective July 6, 2026. Also, increases in capital construction costs with no assistance from the County level will leave the burden to the residents.

Currently, the County provides 100% payment for salaries for sweeping Grey Road 10/7th Ave and Grey Road 4/10th Street and 50% of the salaries and equipment costs for snow

removal for those highways. This totals \$27,366.29 that the Town will no longer receive from the County.

Using financial information from Grey County AMP, staff have calculated the total potential reconstruction costs for these road systems. The main roadway that would need work would be Grey Road 4/10th Street as it has infrastructure with the least amount of EUL and based on the County condition rating has the lowest PCI. In 2023, Grey County had an average PCI of 83.31 for the road system. The road transfer will see the Town receiving about seven (7) kilometers of road under the PCI average.

Reconstruction costs in Table 2 below have been estimated from the County 2023 AMP using \$2,824 per meter for Urban, \$1,342 for Rural and actual costs for Semi-Urban to calculate costing. It should be noted that these costs are based on a 10-meter-wide platform. Grey Road 4/10th Street was measured and is approximately 14 meters wide from the bridge at the western boundary to Canadian Tire Gas bar driveway. Therefore, there could be potential that these costs are estimated lower than actual construction costs.

The underground infrastructure on Grey Road 4/10th Street is also some of the oldest infrastructure that the municipality has in its portfolio. The watermain and sanitary pipes are from the 1950's and are material which has a high risk of failure. Staff used Town 2025 reconstruction costs per meter, to provide as a ballpark amount for water, sanitary, sidewalk, etc., infrastructure (\$5,581.00 per meter). These amounts could be low as they are for a residential street and not larger truck main piping.

\$27,588,895 (County Replacement based on 10.44 km for asphalt and storm) +
\$22,436,779 (Hanover Replacement based on 9.3 km of Urban and Semi-Urban for water, sanitary sidewalks, etc.).

The table below shows the replacement value could be \$53,618,554 and staff do consider this to be on the low end of potential costs.

Table 2: Estimated Replacement Values

Municipality	Asset Type	Replacement Value
County Portion (Asphalt and Storm)	Road	\$ 27,588,895
Town Portion (Water and Sanitary)		\$ 22,436,779
County	Transportation Culvert	\$ 1,288,673
County	Traffic Signals	\$ 2,304,206
Total		\$ 53,618,554

6. Provide further communication with Town rate payers and community partners to gain support from the community and aid their understanding of prospective impacts related to the transfer and how this may impact municipal taxes.

It is also worth noting that the County has provided verbiage when providing reports to the Urban Road Task Force and to local municipalities. “Section 52 of the *Municipal Act, 2001* permits the County to transfer jurisdiction and ownership of roads between the County and its lower-tier municipalities on its own. No formal approval is required from the lower-tier municipalities involved.” Although this could be completed by forcing local municipalities to accept these roads, it would be in the best interest of the ratepayers and community partners to work together. In the 1990’s the Province of Ontario downloaded many of the roads that became the County or Regional roads we see today. Prior to downloading these roads and bridges, the province invested in capital upgrades.

Which differs from the TMP recommendation **“The implementation of the road rationalization recommendations (i.e. transfer of candidate County roads to the local municipalities and likely candidate local roads to Grey County), must be considered in consultation with the local municipalities.”** (TMP, Section 11.4.1, page 165)

Staff are recommending that the County provide further communication with Town rate payers and community partners to gain support from the community and aid in their understanding of prospective impacts related to the transfer and how this may impact municipal taxes.

7. The following are other comments / considerations that are noted to be shared with the County.

- **Boundary Road Agreements and Relationships** – It is noted that the County has existing relationships with neighbouring Bruce County to ensure Boundary Road Agreements and Relationships are effective.
- **Traffic signals** – The uniqueness of the signal at the intersection of Grey Road 10 and 28 given that currently that intersection is bordered by Brockton, West Grey and Hanover.
- **Initiatives such as Active Transportation, Cycling Master Plan, Share the Road and Shared Promotions** – Clarification with respect to the County’s role with these initiatives with the potential for no County Roads through or around the Town.

Financial Implications

The County’s proposed funding model is built on a series of assumptions that leave the Town with significant uncertainty, no firm entitlement, and substantial financial exposure. The structure is presented as a predictable “10-year transition fund” but in practice it behaves like a variable annual grant, dependent entirely on the County’s year-to-year budget decisions.

The County is proposing a 10-year transition formula that allocates dollars to lower-tier municipalities proportionally to the replacement value of roads being downloaded, with annual amounts drawn from the County's Transportation Services (TS) capital envelope. The first year (2026) is prorated, and 2036 "tops up" the balance.

The total amount to be transferred (the "urban road transfer allocation") is dependent on the amount available in the TS capital envelope in any given year, and is based on the TS levy, Canada Community Building Fund (CCBF) grant funding allocated to the TS capital envelope, and Ontario Community Infrastructure Fund (OCIF) grant funding allocated to the TS capital envelope.

TS Capital Envelope = TS Levy + CCBF + OCIF

Using the County's example, presented March 2nd, 2026:

- Total replacement value of roads being downloaded: \$144 million
- Share of County roads (replacement value: \$1.365 billion): 10.6%
- TS capital envelope, 2026 example value: \$20.16M
- Urban road transfer allocation: 10.6% x \$20.16 million = \$2.13 million total envelope
- Hanover share: 19.14% of \$2.13 million = \$408,000 in 2026

This funding strategy reflects a "pass-through" of the County's own capital capacity. The strategy is based on what the County deems it can afford, and not the costs actually incurred by the Town. This structure forces Hanover to assume full lifecycle responsibility for complex urban roads, while receiving a small, budget-dependent slice of the County's capital envelope for a ten-year period, after which time the downloaded infrastructure becomes entirely the responsibility of Hanover.

In summary, the following are the identified issues and concerns with the proposed County funding model:

- Transportation Services Capital Envelope Volatility;
- Replacement Value Discrepancies;
- Proportionality;
- Model Ignores All Other Infrastructure;
- Inflationary Values are Insufficient;
- Compounding Effects of Underfunding;
- Funding is Not Guaranteed;
- Lack of Clarity re: Calculated Allocation; and
- Modeling Transparency.

Issue 1: Transportation Services Capital Envelope Volatility

Amounts transferred to the Town of Hanover change year-to-year with the County's approved budget. Importantly, the County sets the TS capital funding envelope on an annual basis and allocates the municipal transition payments proportionally to the replacement value of the downloaded roads (i.e. 10.6% of the TS capital funding envelope makes up the urban roads transfer allocation amount).

Cole Engineering.(2014, September).Grey County Transportation Master Plan. <https://www.grey.ca/government/strategic-planning-and-studies/transportation-master-plan>

The core assumption in the funding model is that the TS capital funding envelope will remain stable. This assumes that the County levy will rise predictably, and that CCBF and OCIF allocations will continue at current levels, and be dedicated to the transportation services capital envelope. However:

- The County could reduce the TS levy allocation in any given year, should they choose to allocate capital funding to other areas;
- Provincial or federal funding (OCIF and CCBF, respectively) could decrease; and
- County Council could choose to reallocate portions of grant funding to rural road needs or other priorities that fall outside of the TS capital envelope.

Any of these changes would automatically reduce Hanover's payment.

Hanover has no control over the transportation services levy amount, amount of grant funding received, and allocation of grant funding to various corporate initiatives.

Hanover is aiming to build multi-million dollar long-term capital plans, to responsibly fund our existing infrastructure needs. Integrating these additional roads, with this funding structure, creates year-to-year instability in our capital forecasts, and introduces significant risk into our long-term asset management plan.

Issue 2: Replacement Value Discrepancies

The other major assumption in this funding model is that replacement value calculations are accurate and agreed upon. The replacement values of each of the transferred segments underpin the proportionate amount of funding to be received by Hanover. In the example provided, the total replacement costs of all roads being transferred is \$144 million (based on data used for the 2023 asset management plan), representing 10.6% of the total replacement value of all County roads.

However, if the County's replacement values are understated for urban roads (e.g. using a 10-m platform when Hanover's roads are 14-m wide), Hanover receives a smaller share than it should. If County values are overstated for rural transfers elsewhere, Hanover's relative proportion is diluted. The agreement, as structured, does not give Hanover the ability to challenge or independently verify replacement values, which underpin the entire structure of the funding model. Hanover needs to have the ability to verify calculations of replacement values, to determine whether they reflect the construction costs that the Town actually incurs.

Issue 3: Proportionality

Proportionality is the basis of the funding model: the County is allocating funding based on the proportion of roads downloaded to each municipality. However, the County is not applying the concept of proportionality to determine *how many roads* it should be downloading in the first place. **If Hanover's 8,400 residents only represent 8.3% of the County's 100,900 residents, then Hanover should not be required to bare the costs of 19% of downloaded roads.** It is impossible for Hanover's population to sustainably

fund an additional 12 km of roads without funding from the County that reflects this imbalance. A one-sided application of proportionality creates a structural imbalance if the funding also does not scale to accommodate the extent of the transfer, urban complexity and risk, and local fiscal capacity.

Municipality	% of Roads Downloaded	% of County Population	Burden Ratio (Road % ÷ Pop. %)
Hanover	0.19	0.08	2.3×
Owen Sound	0.31	0.23	1.35×
West Grey	0.17	0.13	1.31×
Blue Mountains	0.12	0.09	1.33×
Grey Highlands	0.09	0.1	0.9×
Southgate	0.06	0.09	0.67×
Meaford	0.06	0.11	0.55×
Chatsworth	0.01	0.07	0.14×
Georgian Bluffs	0	0.12	0.00×

The Town currently maintains just under 45 km of roads, with a replacement value of \$47.5 million. With this download, the length of roads maintained by the Town increases by another 12 km (a 27% increase). The Town would be responsible for another \$27.6 million in road-only infrastructure, which increases our road replacement value from \$47.5 million to 75.1 million (a 58% increase). This does not include the transportation culverts and traffic signals being downloaded as well (another \$3.5 million).

The size of this download for the Town is disproportionately high relative to our size and tax base, and will result in significant financial challenges that will impact affordability in the Town for generations. If the County is relying on simple proportionality for the funding model, then proportionality must also apply to the other side of the equation: the assets being downloaded.

At minimum, Hanover's annual funding share should be guaranteed at not less than its download share, and that base should be augmented by an urban risk premium to reflect signal density, lane-kilometres, utility conflicts, constrained rights-of-way, traffic management, and Average Daily Traffic (ADT), together with a capacity equalization factor recognizing the 2.3× burden ratio. Proportionality should also limit the size and timing of transfers by phasing high-risk segments and capping the replacement value transferred to Hanover in any five-year window to a level consistent with the Town's population share plus a modest urban factor. Finally, proportionality should be coupled with an OCIF flow-through arrangement whereby the County retains the transferred roads in its OCIF asset base for five to ten years to maximize regional grant allocation and passes a negotiated share to Hanover, thereby addressing the structural imbalance created by the urban-weighted asset transfer.

Issue 4: Model Ignores All Other Infrastructure

Cole Engineering.(2014, September).Grey County Transportation Master Plan. <https://www.grey.ca/government/strategic-planning-and-studies/transportation-master-plan>

The funding model is based on replacement value per kilometer of road downloaded, and does not include other structures, including stormwater infrastructures, intersection upgrades, retaining walls and structural culverts, etc. These asset classes are high-risk, high-cost, and often require major capital intervention to ensure safety and reliability. The Town is not compensated in any way for these additional assets.

Hanover will inherit complex, expensive, regulated infrastructure, with no funding support from the County.

Issue 5: Inflationary Values are Insufficient

The draft road transfer agreement appears to offer predictable annual increases by stating that transition payments will rise each year based on a “predicted” 2.55% annual levy increase, and an additional 2% inflation adjustment, for a total assumed increase of 4.55% per year:

*The Township/Municipality will receive transition funding for the transfer of the Urban Roads listed in Schedule “A” to the Township/Municipality. The total amount, annual payment amounts, and payment timing are set out in Schedule “B”. The annual payment amounts shall reflect inflationary increases, **calculated in accordance with a predicted future levy increase of 2.55% per annum under the Asset Management Plan released July 2024, plus an annual inflation adjustment of 2%.** In the event of any discrepancy between this Agreement and Schedule “B”, **the terms of Schedule “B” shall prevail.***

The agreement relies on a 2.55% annual levy increase drawn from the 2024 Asset Management Plan. But the AMP itself is explicit:

“...to close the infrastructure deficit the AMP shows that the 1.57% tax levy increase recommended in 2021 should be increased to a 2.55% annual increase in tax revenues. To phase in the increase, staff recommends a 15-year phase-in period”.

In practical terms, the County’s AMP acknowledges that a 2.55% levy increase is not financially feasible, and will not be feasible for many years. Therefore, the agreement’s levy increase assumption is not grounded in the County’s real financial capacity.

Further, the 2% annual inflation adjustment is far below the real cost escalation faced by municipalities. The County’s AMP itself uses the Toronto non-residential building construction price index (NRBCPI) which increased by 20.7%. The Town of Hanover’s AMP uses a historical 20-year average rate of inflation, at 4.5% annually.

This means that Hanover’s real-dollar funding will erode over time. Even if the 4.55% increase (2.55% levy increase + 2% inflation increase) occurred every year, it would still fall far below real construction inflation, meaning Hanover’s costs to rehabilitate these roads will increase every year. Any cost spikes due to material shortages, labor pressures, or construction volatility, will have to be absorbed by Hanover. It is entirely plausible that Hanover will receive little to no annual inflationary increase, while

construction inflation continues at 6-12%, and asset conditions continue to deteriorate. This creates a widening gap between Hanover's funding and its real long-term financial obligations, leaving the Town exposed to significant risks and unfunded liabilities immediately upon transfer.

Issue 6: Compounding Effects of Underfunding

A critical flaw in the County's funding model is that any shortfall in the early years has a permanent, compounding impact on Hanover's financial position. Any reduction, levy freeze, or missed inflationary increase immediately resets the base for all future calculations. This means that if the County's assumed levy increase or inflationary adjustments do not materialize in the early years, Hanover's payments will not only be lower in that year, they will remain lower for the remainder of the agreement term, creating a cumulative deficit that grows over time. Even small deviations from the County's projections can snowball into hundreds of thousands of dollars in lost revenue by the end of the agreement. Meanwhile, construction inflation, utility costs, and asset deterioration compound upward each year, widening the gap between the Town's real obligations and the funding received. The model therefore embeds a one-way ratchet: any negative variance permanently harms Hanover, while no mechanism exists to correct or reverse funding erosion once it occurs.

The County's March 2nd presentation indicated that the County invests only ~2% of replacement value annually into its road infrastructure. This results in 50-60 year replacement cycles of infrastructure that has an estimated useful life of 25 years. This means that many urban roads have been underfunded for years. Once transferred, this underfunding will result in a "backlog" of work required, and Hanover will be solely responsible for funding this backlog. Hanover, in effect, becomes responsible for maintaining the roads moving forward, but also becomes responsible for decades of previous under-investment, with only a partial contribution from the County.

This chronic underfunding is not represented in the road transfer model. The Town is not compensated for inheriting roads that need to be updated and upgraded to remain safe and functional. The model does not provide a condition-based risk top-up, to reflect the different conditions of roads being inherited. Some, like Grey Road 28, have recently been reconstructed, and the Town can plan ahead for future capital investment. Others, like Grey Road 4 and Grey Road 10, have had capital work deferred consistently, resulting in underground infrastructure that is likely in poor condition, and requires significant intervention, soon. There is no front-ending component to the agreement that would allow the Town to tackle the existing issues arising from historical underinvestment by the County, and the total amount allocated to the Town assumes that all roads received are in good condition, which is not the case. It doesn't take into consideration the timing of investment required, and the amount of investment required.

Staff would expect that the County continue to treat all downloaded roads as part of their OCIF asset base for a period representing the full lifecycle of these roads, and to pass a representative portion of OCIF funds to Hanover via a flow-through funding agreement. This would allow the region to retain the maximum OCIF grant amount, while ensuring that the Town is fairly compensated for the disproportionate download.

Issue 7: Funding is Not Guaranteed

Even if the 4.55% cumulative inflationary increase *was* sufficient, it is not guaranteed. While the agreement includes language that appears to bind the County to a predictable escalation formula, Schedule B of the agreement explicitly overrides it:

Notwithstanding section 6.1, the payments set out in the table below shall be contingent upon the annual budgetary process and may be adjusted to reflect any amendments, reallocations, or approvals made through County's financial governance procedures.

In effect, Hanover is only guaranteed to:

- Receive *some* prorated payment in 2026,
- Receive *some* payment for up to 10 years, determined annually by the County, and
- Receive *scheduled* payments (not *fixed* amounts).

The Town is *not* guaranteed:

- The amount of funding to be received in any year;
- That the County will maintain the predicted levy increases presented in various scenario examples;
- That CCBF or OCIF allocations will remain, or remain dedicated to TS capital;
- That Hanover's percentage share (19.14%) will remain stable;
- That the total "urban allocation" will remain proportional to the current 10.6% benchmark;
- That Schedule B amounts won't be reduced by the County in its annual budget.

In effect, Hanover has no enforceable entitlement to a fixed amount of transition funding at any time.

Issue 8: Lack of Clarity re: Calculated Allocation

Based on the March 2nd, 2026 presentation to Council where Grey County staff outlined the proposed transition funding model, Hanover was entitled to 19.14% of the TS capital funding envelope, based on the fact that Hanover is slotted to receive 19.14% of the replacement value of transferred roads. However, this proportion is not confirmed or codified anywhere in the actual agreement.

There is no clause in the agreement that fixes Hanover's proportional share, defines how it must be calculated, or allows Hanover to dispute changes. The County could recalculate replacement values after transfer, or could re-weigh the proportional allocation of urban and rural roads in future years, without violating the agreement. Each of these situations would reduce the Town of Hanover's allocation of the TS capital envelope.

Issue 9: Modeling Transparency

A major concern with the proposed funding framework is the lack of transparency around how annual transition payments are calculated, what drives year-to-year changes, and

what Hanover can expect over the term of the agreement. For example, the March 2nd, 2026 presentation projected that the TS capital envelope will increase from \$2.13 million in 2026 to \$2.36 million in 2027, based on a 6.57% increase in the overall County budget, which would then be passed proportionately into the urban transfer stream. This assumption has not been justified, and no evidence has been provided that such an increase is committed, realistic, or sustainable within the County's levy constraints

Per the March 2nd presentation, total funding in the urban road transfer envelope increases an average of 7.5% from 2028 to 2031, reflecting an increase that is not aligned with the projected county budget increase of 6.57% in 2027. There is no explanation for these increases in the urban road transfer funding envelope, and Hanover cannot plan long-term infrastructure funding based on unexplained, potentially unrealistic growth rates.

Conclusion

Grey County's funding model is not designed to sustain urban roads. By their own admission, roads have been chronically underfunded. The proposed funding model is designed to transition responsibility and liability, using a formula that ignores condition, complexity, risk, lifecycle maintenance needs, and all other assets being transferred. It ignores capital commitments already made and development charges collected on behalf of incomplete projects slated to be constructed in the Town. In its current form, the funding model represents a multigenerational tax and infrastructure burden on Hanover households, businesses, and future capital plans, with no guarantee of financial support, even insufficient support, from the County.

Link to Strategic Plan

This report supports the indicated Strategic Goals and Action Plans of the Town of Hanover.

☒ **Goal 1: Safe and Reliable Infrastructure**

Build, maintain and continuously improve our municipally owned properties, buildings, and equipment.

☒ **Goal 2: Healthy and Welcoming Community**

Care for our natural environment and provide an enviable quality of life for everyone who calls Hanover "home".

☒ **Goal 3: Strong and Vibrant Economy**

Refresh downtown Hanover and retain and attract local economic investment and jobs.

☒ **Goal 4: Balanced Growth**

Work together to create a community we can all be proud of.

☒ **Goal 5: Open and Responsible Government**

Deliver services in a friendly, efficient and effective manner while providing an exceptional working environment for our employees.

Respectfully submitted,

Jamie McCarthy
Manager of Public Works

Concurrence,

Sherri Walden
CAO

Andrew Wilken
Director of Development and Infrastructure

Jelena Savic
Director of Corporate Services



Committee Report

To:	Chair Greig and Members of the Task Force
Committee Date:	September 6, 2024
Subject / Report No:	TR-UR-27-24
Title:	Urban Road Task Force Review
Prepared by:	Sharon Melville, Trevor Ireton and Shaun Anthony
Reviewed by:	Pat Hoy
Lower Tier(s) Affected:	All Member Municipalities

Recommendation

1. That report TR-UR-27-24 Urban Road Task Force Review be received; and
2. That the responsibility for the maintenance and capital repair of the urban road segments noted in Table 1 of this report be approved in principle for transfer to the appropriate lower tier municipality with a target date beginning Fall 2025; and
3. That staff be directed to negotiate new urban road agreements to take effect Fall 2025 with the municipalities noted in Table 1 and bring a report with the agreements and corresponding transition plans, including schedules, funding and maintenance support details, to a future Task Force meeting, for final approval of the transfer; and
4. That staff be directed to negotiate any agreements for continued county maintenance service on a cost recovery basis; and
5. That the urban capital transition funding model be approved in principle and referred to the Budget and Finance Committee for consideration

Executive Summary

The task force received report TR-UR-05-24 which outlined the rationale for transferring responsibility for the urban segments of some County roads to the member municipalities where they are located. This report examines the financial aspects of maintenance and construction and suggests a funding transition model between County and member municipalities over a 10-year period. The report proposes to transfer just over \$23 million over the next 10 years to receiving municipalities to support urban capital transition funding for the roads to be transferred identified in Table 1. The cost for the urban capital transfer funding would be offset by just over \$11 million in operational/maintenance savings for the County resulting in a net County cost for the urban transfers of just over \$12 million over the next 10 years.

Table 1 – Primary and Urban Road Areas to be Transferred

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	Blue Mountains	Thornbury	13	Primary	3.521
2.	Blue Mountains	Thornbury	113	Primary	2.126
3.	Grey Highlands	Markdale	12	Primary	2.125
4.	Hanover / West Grey	Hanover	4	Primary	3.888
5.	Hanover	Hanover	10	Primary	4.326
6.	Hanover / West Grey	Hanover	28	Primary	4.158
7.	Meaford	Meaford	7	Primary	1.119
8.	Meaford	Meaford	12	Primary	2.071
9.	OS / Meaford	Owen Sound	5	Primary	6.366
10.	OS	Owen Sound	15	Primary	5.936
11.	OS	Owen Sound	1	Primary	3.069
12.	Southgate	Dundalk	9	Primary	2.727
13.	West Grey	Durham	4	Primary	2.652
14.	West Grey	Durham	27	Primary	0.453
15.	West Grey	Neustadt	9	Primary	0.627
16.	West Grey	Neustadt	10	Primary	2.249
17.	Chatsworth	Chatsworth	40	Secondary	0.367
18.	Grey Highlands	Flesherton	4	Secondary	2.029
19.	West Grey	Ayton	3	Secondary	1.422

Background and Discussion

This report is a follow-up to [Staff Report TR-UR-05-24](#) that was presented to the Task Force on February 15, 2024. The previous staff report provided recommendations for changes to the County road system relating to urban roads with the goal of streamlining the County road network and improving the management of the infrastructure that is present within municipal urban areas.

The urban roads being transferred vary in condition, but on average, they are generally in good condition.

Reconstruction of urban roads involves more than just the road itself; it also depends on the condition of other assets like water mains, sanitary sewers, and storm sewers. The cost of roadwork is typically a portion of the total expenses for a complete urban road reconstruction, as much depends on the scope of work required for these other assets. This complexity makes it challenging for Staff to accurately assess the overall condition of each urban road being transferred, as the County is responsible only for the road surface and storm sewers and has little information on the condition of the water mains and sanitary sewers, which are managed by the municipality.

When an urban road surface is in poor condition, but the underground assets are still in good shape, the County typically undertakes a simple grind and pave as part of our minor capital budget. This helps synchronize future reconstruction work, so that all assets are requiring replacement at the same time, optimizing spending.

Relating to the above noted transfers, the following projects were completed within the past 5 years:

- 2019 Grey Road 4 – Hanover - \$361,800 (\$208,500 from DC's)
- Grey Road 4 – Durham - \$800,800
- Grey Road 9 – Dundalk - \$3,081,200 (\$58,800 from DC's)
- 2020 Grey Road 4 – Durham - \$131,300
- Grey Road 9 – Dundalk - \$252,200
- 2022 Grey Road 15 – Owen Sound - \$2,119,200 (\$1,610,600 from DC's)
- Grey Road 27 – Durham - \$943,700 (\$717,200 from DC's)
- 2023 Grey Road 7 – Meaford - \$1,612,600 (\$1,026,500 from DC's)
- Grey Road 15 – Owen Sound - \$103,900 (\$79,000 from DC's)
- Grey Road 28 – Hanover - \$1,052,400 (\$799,800 from DC's)

The following projects associated with the above noted transfers have been identified in the 10-year capital plan up to 2028:

- 2025 Grey Road 28 – Hanover - \$1.6 M (\$1.2 M from DC's)
- 2026 Grey Road 4 – Durham - \$3.2 M (levy)
- Grey Road 9 – Dundalk - \$3.7 M (levy)
- Grey Road 12 – Markdale - \$1.9 M (levy)
- 2027 Grey Road 5 (signals & roundabout) – Owen Sound - \$10 M (\$6.9 M from DC's)
- Grey Road 13 – Clarksburg - \$2.1 M (\$0.9 M from DC's)
- 2028 Grey Road 12 – Markdale - \$1.5 M (levy)
- Grey Road 12 – Meaford – \$2.6 M (levy)
- Grey Road 15 – Owen Sound - \$1.4 M (\$0.3 M from DC's)

The recommended urban road transfers results in an estimated operational (maintenance) reduction of \$1,007,607 to Grey County annually. The costs experienced by member municipalities will depend upon their service level standards and cost allocations.

It is recommended that Urban Capital transfer funding be provided to municipalities over 10 years using the ratio of the urban road sections capital replacement value to be transferred against the entire Grey County road network replacement value.

Staff concluded that using the replacement values from the Asset Management Plan allows for a more equitable distribution of funding based on the assets being transferred. In contrast, allocating urban transfer funding based on the 10-year plan would result in a less balanced distribution, favoring municipalities with more County road work scheduled in their upcoming plans. Additionally, this approach would disproportionately benefit municipalities with older infrastructure, as their roads require reconstruction within the next 10 years, compared to those with newer infrastructure, where reconstruction needs may be 10+ years away.

The following table provides the proposed amount of funding to be provided to member municipalities, the estimated reduction to the County's operating budget, and net levy change.

Table 2 – Annual Net Funding Requirements

Year	Urban Capital Transfer Fund	Estimated County Operating Budget Reduction	Net Levy Impact of Urban Transfers
2025	\$2,060,971	\$1,007,607	\$1,053,364
2026	\$2,255,612	\$1,027,759	\$1,227,853
2027	\$2,475,771	\$1,048,315	\$1,427,456
2028	\$2,694,013	\$1,069,281	\$1,624,732
2029	\$2,924,946	\$1,090,667	\$1,834,279
2030	\$3,169,205	\$1,112,480	\$2,056,725
2031	\$2,766,553	\$1,134,730	\$1,631,823
2032	\$2,270,395	\$1,157,424	\$1,112,971
2033	\$1,672,243	\$1,180,573	\$491,670
2034	\$963,033	\$1,204,184	(\$241,151)
Total Over Next 10 Years	\$23,252,741	\$11,033,019	\$12,219,721

Administrative Efficiency

Providing full control of urban roads to local municipalities, will increase efficiency for businesses, community groups and municipalities themselves. Single ownership will reduce 'red tape' allowing a single party to be consulted, provide municipal comments and approvals and/or permits for areas of local importance, such as road closures related to community events,

façade improvement programs and sign permits, entrance permits; it will also enable communities interested in film production to become more investment ready through streamlined permitting and closure processes, which are key to business attraction. This proposed change will support urban development and investment readiness across the County.

Currently County Road standards are better suited to a rural cross-section, in terms of the policies for the number of intersections and separation distances between intersections. Allowing for municipalities to control such parameters in the Primary Settlement Areas, could ensure alignment between their projected growth and infrastructure needs, without needing exemptions to County policies, as is currently the case.

Urban Road Maintenance Costs

Maintenance costs for urban roads include maintenance per km for summer and winter, annual costs relating to storm structures, signalized intersections, line painting and hand painting.

The County's current annual maintenance costs are \$8,044 per km for winter maintenance, \$2,500 per km for summer maintenance (both based on ongoing current agreements), \$97.06 per storm sewer structure, \$4,184 per signalized intersection, \$346 per km for line painting, and total urban hand painting associated costs. In the urban areas identified for transfer, the total county spend has been \$1,007,607 annually. Table 3 below outlines Grey County's estimated annual maintenance budget requirements per municipality. An increase of 2% annually has been included to account for potential inflation.

Table 3 – Annual Maintenance Costs for Urban Roads

Municipality	Distance (km) Winter Maint	Distance (km) (Misc. Summer Maint.)	Storm Structures (#)	Signalized Intersection (#)	Line Painting (km)	Hand Painting (\$)	Year 1 (\$)
The Blue Mountains	5.65	5.65	155	1	5.646	14,085	\$ 97,625.24
Chatsworth	0.37	0.37	0	0	0.367	200	\$ 4,244.13
Georgian Bluffs	0.00	0.00	0	0	0	0	\$ -
Grey Highlands	4.15	4.15	106	2	4.154	6,905	\$ 72,169.42
Hanover	10.44	9.46	247	12	10.44	51,054	\$ 246,688.22
Meaford	3.62	3.62	71	2	3.623	7,387	\$ 63,570.63
Owen Sound	14.94	14.94	546	11	14.939	55,192	\$ 327,937.37
Southgate	2.73	2.73	84	0	2.727	8,558	\$ 48,127.17
West Grey	9.33	12.44	165	1	9.334	14,695	\$ 147,245.16
Total (#)	51.23	53.36	1374	29	51.23	158,076	\$ 1,007,607
Current Rate (\$)	\$8,044.00	\$ 2,500.00	\$ 97.06	\$ 4,184.00	\$346.00	\$ 1.20	
Annual Amount (\$)	\$ 412,094	\$ 133,400	\$133,360	\$ 121,336	\$17,726	\$ 189,691	
Total Cost (\$) Year 1							\$1,007,607
Total Cost (\$) Year 2							\$1,027,759
Total Cost (\$) Year 3							\$1,048,315
Total Cost (\$) Year 4							\$1,069,281
Total Cost (\$) Year 5							\$1,090,667
Total Cost (\$) Year 6							\$1,112,480
Total Cost (\$) Year 7							\$1,134,730
Total Cost (\$) Year 8							\$1,157,424
Total Cost (\$) Year 9							\$1,180,573
Total Cost (\$) Year 10							\$1,204,184

Total 10 Years \$ 11,033,019

+2%
/
year
↓

Road Maintenance and Plow Routes

The member municipalities may face some challenges to immediately take on the maintenance of the transferred urban roads due to competing priorities, staffing and equipment resources. In some cases, the potential transferred road would require a higher level of service than some of the other roads owned by the municipality. It is anticipated that some municipalities may not be able to or wish to provide the same level of service as the County currently provides.

Maintenance routes would need to be modified and the County could establish maintenance contracts on a fee for service basis with the municipalities that will require support.

Urban Road Capital Construction Funding

Another element of urban transfers relates to capital construction. Understanding that the member municipalities will now be owners of the urban roads and responsible for the maintenance and construction costs, the County proposes to provide transition funding to support the member municipalities replacement costs over the next 10 years. It is recommended that after the initial 10 years have passed, the member municipalities would then be fully responsible for all costs of these road assets.

The funding plan was developed using the ratio of the urban road sections to be transferred against the entire Grey County road network. As part of the progress being made on the 2023 Asset Management Plan, the current replacement costs for all Grey County roads is \$1.4 billion. Staff have further extracted the replacement costs for the recommended urban roads to be transferred and determined a replacement cost of \$151.7 million or 10.6% of total replacement costs.

Presently, the County's financial commitment to urban reconstruction projects in member municipalities typically ranges from \$1,500,000 to \$3,400,000 per km. This cost encompasses the County's share of the project, covering asphalt and granular material for the road, curb and gutter installation, and the replacement of the stormwater system. Additional expenses for design, contract administration, and inspection typically amount to between 8% to 12% on top of the estimated construction costs for urban reconstruction projects. Additional costs for structure replacements, property acquisition, utility relocations and right-of-way clearing are not included within the ranges provided above. The costs associated with these items can vary depending on the scope of the project and the nature of the existing conditions for the road.

Capital Transition Funding

It is recommended that Urban Road Capital Transition funding be provided to help member municipalities manage the responsibility for capital improvements on urban sections of County roads over a 10-year period. In the interest of fairness, the funding has been based on replacement value rather than the number of km's transferred.

The funding was calculated by determining that the 51 km's of urban road being transferred constitutes 10.60% of the total replacement cost of all County road assets. The County's 10-year capital budget allocates approximately \$16.57 million annually for capital construction, therefore, there will be an annual transfer of a portion of the Transportation Services' Major Road and Bridge Construction budget to the receiving municipalities.

This amount will be distributed based on the proportion of urban road transfers and traffic signals within each municipality and will be used at the receiving municipalities discretion. The transition funds will be sourced from both the annual capital budget and the Development Charge funds accumulated up until the transfer date.

Table 4 below illustrates the annual payments to each municipality.

Table 4 – Urban Capital Transition Funding

	Municipality	BM	CH	GB	GH	HA	ME	OS	SG	WG
	Number of Urban Roads kms	5.65	0.37	0.00	4.15	10.44	3.62	14.94	2.73	9.33
	% of Urban Roads Transferred	11.59%	0.70%	0.00%	8.69%	19.14%	6.15%	30.86%	6.02%	16.85%
Year	Number of Intersections	1	0	0	2	12	2	11	0	1
2025	\$2,060,971	\$230,066	\$13,684	\$0	\$177,228	\$418,711	\$127,483	\$643,710	\$117,524	\$332,564
2026	\$2,255,612	\$252,456	\$15,034	\$0	\$194,112	\$456,447	\$139,462	\$703,928	\$129,113	\$365,061
2027	\$2,475,771	\$277,801	\$16,562	\$0	\$213,213	\$499,077	\$153,009	\$772,024	\$142,235	\$401,851
2028	\$2,694,013	\$302,920	\$18,076	\$0	\$232,147	\$541,349	\$166,439	\$839,531	\$155,239	\$438,311
2029	\$2,924,946	\$329,507	\$19,679	\$0	\$252,184	\$586,060	\$180,649	\$910,958	\$169,005	\$476,904
2030	\$3,169,205	\$357,635	\$21,375	\$0	\$273,379	\$633,332	\$195,678	\$986,500	\$183,571	\$517,735
2031	\$2,766,553	\$310,753	\$18,535	\$0	\$238,327	\$556,809	\$170,950	\$862,418	\$159,180	\$449,581
2032	\$2,270,395	\$253,025	\$15,039	\$0	\$195,144	\$462,402	\$140,476	\$709,484	\$129,157	\$365,669
2033	\$1,672,243	\$183,468	\$10,827	\$0	\$143,093	\$348,485	\$103,733	\$525,079	\$92,989	\$264,568
2034	\$963,033	\$101,030	\$5,837	\$0	\$81,385	\$213,327	\$60,166	\$306,408	\$50,131	\$144,751
Total Over Next 10 Years	\$23,252,741	\$2,598,661	\$154,647	\$0	\$2,000,212	\$4,715,999	\$1,438,045	\$7,260,040	\$1,328,144	\$3,756,994

Next Steps

Following support in principle from the Task Force and Council regarding the recommended transfer of urban road segments to the appropriate member municipality, the following next steps will be required:

- Present the urban capital transition funding model to the Budget and Finance Committee for budget consideration purposes.
- County staff to meet with local municipal staff to negotiate any agreements for continued county maintenance service that may be required on a cost recovery basis.
- County staff to negotiate new urban road agreements with the municipalities noted in Table 1.
- Prepare a follow-up report to the Task Force identifying the agreements and corresponding transition plans, including schedules, funding and maintenance support details.

Legislated Requirements

Section 52 of the Municipal Act, 2001 permits the County to transfer jurisdiction and ownership of roads between the County and its lower-tier municipalities on its own. No formal approval is required from the lower-tier municipalities involved.

The Act and related legislation give the authority to close a highway and to restrict its use (e.g. speed limits, controlling what vehicles may use the road, limiting traffic flow to one-way traffic, etc.) to the municipality having jurisdiction over the road.

Minutes approved March 14, 2024



Committee Report

To:	Chair Greig and Members of the Task Force
Committee Date:	February 15, 2024
Subject / Report No:	TR-UR-05-24
Title:	Maintenance of County Roads in Urban Areas
Prepared by:	Sharon Melville – Administration Manager and Trevor Ireton – Engineer Manager – Transportation Services
Reviewed by:	Pat Hoy, Director of Transportation Services and Randy Scherzer, Deputy CAO
Lower Tier(s) Affected:	All Member Municipalities
Status:	

Recommendation

1. That report TR-UR-05-24 regarding information, timelines and urban road maintenance strategies be received for information.

Executive Summary

In this report, staff delve into the intricacies of the decision-making processes surrounding the urban maintenance of county roads. The next Task Force meeting will be scheduled to review a report specific to the contemplated road transfers. These first two meetings serve as crucial information forums where discussions can be held relating to the information provided to the Task Force from County staff including Engineering, Administration, Planning, Legal and Finance to deliberate and strategize on the optimal approaches for Grey County's road network.

Following further discussions with the member municipalities, and with direction from the Task Force, this report will provide recommendations for changes to the County road system relating to urban road maintenance with the goal of streamlining the County road network and improving management of the infrastructure that is present within municipal urban areas.

Background and Discussion

Urban road maintenance is a critical aspect of local infrastructure that impacts the daily lives of residents. Grey County roads designated in Primary, Secondary and Recreational settlement areas, make up 89 km for an approximate total of 10% of the 870 km County road system. Although this seems quite small, the maintenance of County roads in urban areas is complex to manage, requiring coordination of responsibilities for underground infrastructure as well as maintenance of the roadway. Urban areas throughout the County have different service level

requirements for snow removal, pedestrian accommodation, lighting, signalization, etc. Given these complexities, it would be much more efficient for each municipality (i.e. a single entity) to manage their own urban roads within Primary settlement areas. This would be a total potential transfer of 43.39 km.

Currently, County roads and the associated storm sewer in urban settings are owned and maintained by the County (which includes the property encompassing the road allowance) and associated signalized intersections. The member municipalities own and maintain any underground infrastructure that services residents of the municipality such as watermain, sanitary sewers and above ground infrastructure, such as illumination and on-street parking. The member municipality is also responsible for sidewalks.

During a reconstruction project, Grey County is responsible to cover the cost to reconstruct the roadway from curb to curb including storm sewers up to 600 mm in diameter, granular base and asphalt. The cost of any lanes dedicated to parking, falls to the member municipality. Additionally, the member municipality is responsible for all costs related to the upgrading of sanitary sewers, watermains, and all other assets outside of the curb line such as sidewalks, boulevards, trees, and some retaining walls.

Typically, urban projects are administered by the member municipality including planning, design, construction, and management of the project which is typically completed by consultants. Urban construction is more expensive than rural construction and often scheduling these projects is difficult as the underground asset replacement schedules do not always align with the replacement schedules for other assets, including the road itself. Even if owned by one agency, the issue would still exist as assets deteriorate at different speeds but would be easier to plan and coordinate the overall replacement of assets if owned by a single entity.

Asset management plans (AMP) are making it easier to plan activities on Grey County's storm infrastructure and aligning it with road work. However, the AMP for the member municipalities are not easily accessible by both parties so if the member municipality makes a change within their AMP, the County is not typically aware of the change, and vice versa. County staff have no data on the watermain or sanitary sewers so any predictions on project timing are strictly based on the Grey Road infrastructure and through consultation with the member municipalities throughout the years.

Another concern with the current arrangement is that the public is generally unaware of road responsibility and the inclusion of MTO connecting links make the system even harder to decipher for most taxpayers. The County and municipalities frequently receive calls regarding roads not under their jurisdiction. Further, there is often confusion with staff as to which entity owns which asset resulting in a frustrated resident being sent back and forth between the County and municipality.

Local municipal staff are often better equipped to address the specific needs of their communities and can respond more promptly to maintenance issues as their depots/crews may be closer to the urban roads. They are also closer to understanding the local needs which may result in more effective maintenance strategies and prioritization of projects. Control of local roads may also allow for greater control over road maintenance budgets and allocation of funds.

In the meetings held between County and Municipal staff, municipal staff showed very little interest in managing the urbans for a variety of reasons. Some were related to staffing, but it was the cost of summer/winter maintenance and construction that was seen as most prohibitive. If urban roads are transferred to the member municipalities, the update to the Urban Centre

Agreement could provide both financial relief and maintenance support to municipalities, as part of an overall transition plan, until such time as the additional work and staffing concerns have been resolved.

Setback, Entrance, Encroachment, Road Closure Policies/By-Law Exemptions

Each of these County policies differ from the local municipal policy, some much more than others. This issue has been managed with regular exceptions to the policy within the urban areas which takes time to review and approve.

Ideally, the local policies would be adopted within the newly created urban centre agreement to create administrative efficiency by using local knowledge to address any permits/applications.

Traffic Signal Maintenance

Grey County has responsibility for the maintenance of 34 signalized intersections. Most of these are in urban areas and those sections that are also provincial highways are covered by connecting link agreements between the member municipality and the province. Grey County cannot apply for funding to upgrade these intersections as part of the agreements between the province and the municipality.

The maintenance of a signalized intersection involves various tasks to ensure the proper functioning and safety of the traffic signal system. Some elements of traffic signal maintenance include:

1. **Regular Inspections:** Conduct 2 annual inspections to identify any visible issues, such as damaged signal heads, ongoing electrical issues or physical damage to signal equipment.
2. **Signal Timing:** Periodically review and adjust signal timings to optimize traffic flow based on changing traffic patterns, road conditions, or construction activities.
3. **Pedestrian Signals:** Ensure that pedestrian and audible signals are operational, and push buttons for crosswalks are functioning. Repair or replace any damaged pedestrian signal equipment.
4. **Detector Systems:** Check the functionality of traffic loops or Miovision systems to ensure accurate detection and response to traffic demand.
5. **Emergency Vehicle Pre-emption:** If the intersection is equipped with an emergency vehicle pre-emption system, ensure it is in working order to allow emergency vehicles to prioritize traffic signal changes.
6. **Communication Systems:** Check communication systems, including interconnectivity between signals and communication with the controller.
7. **Signage and Markings:** Inspect and maintain road signs and pavement markings associated with the intersection. This includes crosswalk markings, and other regulatory signage.
8. **Software Updates:** Keep traffic signal controller software up to date to take advantage of any improvements or bug fixes provided by the manufacturer.
9. **Emergency Repairs:** Respond promptly to any emergency repairs or malfunctions to minimize disruptions to traffic flow and ensure safety.

10. **Record-Keeping:** Maintain detailed records of maintenance activities, inspections, and repairs for future reference and audit purposes.
11. **Compliance with Standards:** Ensure that the traffic signal system complies with relevant traffic engineering standards and regulations.

Regular and proactive maintenance is essential to keep traffic signalized intersections operating efficiently, minimize disruptions, and enhance overall road safety. Maintenance schedules may vary depending on factors such as traffic volume, environmental conditions, and the age of the equipment.

It is recommended that the responsibility for signalized intersections should transfer to the member municipality. A contract has just been tendered and put in place to provide maintenance for the signals for the next 4 years.

Storm Sewers

The urban roads within Grey County typically include storm sewers. As per the current urban road policy, the County pays for the construction of storm sewer up to 600mm in diameter with the member municipalities paying the additional portion for larger pipes.

The ongoing efforts to catalogue all storm sewer assets have indicated that the storm sewers will continue to create challenges for Grey going forward.

- Grey County does not control many of the system outlets. Many of the County's storm systems are just one section of a larger system, with the outlets being controlled by the member municipalities.
- Grey County is working at establishing condition ratings of all the storm sewers. In general, a significant amount of urban storm sewer age data is missing.
- The latest asset management regulations are difficult to satisfy as much of the data shows that the ability to withstand a 100-year storm cannot be calculated unless the member municipalities storm sewer data is in the calculation. A large stormwater study may be the only way to determine this.

In 2021, the Ministry of the Environment, Conservation and Parks (MECP) requested municipalities apply for a Municipal Consolidated Linear Infrastructure Environmental Compliance Approval (CLI-ECA) for their entire storm water and sanitary sewer systems within their municipality. The CLI-ECA process is meant to streamline future ECA applications via the pre-authorization of certain low-risk sanitary and stormwater infrastructure works including alterations to existing infrastructure and additions of new infrastructure to the system. As long as the relevant criteria are met, municipalities and developers can get pre-approval and authority to alter and add infrastructure without the need of a separate ECA application to the MECP.

Currently, both the County and municipality would require a CLI-ECA for a portion of a storm sewer system passing through a County road. Although this is feasible, this would result in duplication of efforts and would be less clear than a single CLI-ECA accounting for the entire system. County staff met with staff from the MECP in the fall of 2023 and discussed the CLI-ECA process. During this discussion, the MECP indicated that their preference is that storm sewer systems should be owned in their entirety by a single municipality as part of their CLI-ECA to improve efficiency and clarity in the process.

Ideally, all storm sewer infrastructure within Primary, Secondary and Recreational Resort settlement areas should be transferred to the local municipality. Further, any storm sewer

systems outside of the noted settlement areas that include infrastructure shared by the County and the municipality should also be transferred to the local municipality. Storm sewer systems 100% owned by the County outside of the Primary, Secondary and Recreational settlement areas will be evaluated during the urban agreement discussion process.

Using information from the 2021 Asset Management Plan (AMP), the total cost of stormwater assets divided by an average 75-year life span indicates that Grey County owns \$55,833,519 of storm sewer infrastructure. With an average service life of 75 years, this equates to approximately \$750,000 per year on Storm Sewer Replacement. Most of the storm sewer infrastructure is located on urban County roads. Any storm sewer infrastructure upgrades are typically incorporated into projects costs and are therefore not quantifiable as a separate budget line item. These funds could be applied to financial agreements for municipal urban road transfers to help with the transition of owning and maintaining the storm sewers.

Urban Centre Agreement

Staff recommend that in order to improve administrative efficiency, enhance local decision making, and better align financial responsibility and accountability, the existing Urban Centre Agreements between the County and municipalities should be updated.

The updates to the urban centre agreement would include a change to traffic signal and storm sewer ownership/management, and adoption of local by-laws, on what are now considered, urban County roads including setback by-laws, entrance policies, encroachment policies and road closure policies and applications. Determining the exact location of these agreement boundary limits could create some challenges. For example, in the case of Hanover, the municipal boundaries are not symmetrical with different municipalities present on each side of the road; also, in many cases the limits of the settlement area do not appear to be an urban construction standard.

The following **option** is for discussion:

Municipalities become 100% responsible for all activities on urban county roads within Primary and Secondary settlement areas noted in Table 1 and Table 2 below. The Municipality will govern the roads as per the local by-laws and policies attributable to their local roads.

Winter maintenance may be an exception based on what was heard at the Municipal/County joint meetings highlighting that it may be difficult for some member municipalities to complete winter maintenance with the same response level as the County. All changes will be reflected within an updated Urban Centre Agreement noting any shared responsibilities.

Grey County will provide an avenue within the Urban Centre Agreement for financial relief requests specific to road maintenance/reconstruction for planned urban road projects over the next 10 years following urban transfers which will align with the current approved Capital Budget.

Table 1 – Primary and Urban Road Areas Under Consideration

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	BM	Thornbury	13	Primary	3.52
2.	BM	Thornbury	113	Primary	1.7
3.	GH	Markdale	12	Primary	1.85
4.	HA	Hanover	4	Primary	2.66
5.		Hanover	10	Primary	3.43
6.	ME	Meaford	7	Primary	1.08
7.			12	Primary	1.92
8.	OS	Owen Sound	5	Primary	6.37
9.			15	Primary	5.94
10.			1	Primary	3.07
11.	SG	Dundalk	9	Primary	2.73
12.	WG	Durham	4	Primary	2.67
13.	WG	Neustadt	10	Primary	2.25

Table 2 – Other Urban Road Areas Under Consideration

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	GH	Flesherton	4	Secondary	2.03
2.	WG	Ayton	3	Secondary	2.17

Table 3 – Primary, Secondary & Recreation Urban Road Areas Not Recommended for transfer

	Mun.	Settlement Area	Grey Road No.	Type	Length (Km)
1.	BM	Heathcote	13	Secondary	0.55
2.	BM	Ravenna	2, 119	Secondary	0.37
3.	CH	Desboro	40	Secondary	1.19
4.	CH	Walter's Falls	29	Secondary	0.79
5.	GB	Balmy Beach	1	Secondary	0.98
6.	GB	Big Bay	1	Secondary	0.35
7.	GB	Brooke	17B	Secondary	0.57
8.	GB	Cobble Beach		Primary	0.00
9.	GB	Creamery Hill	5	Secondary	1.02

10.	GB	East Linton	1	Secondary	2.11
11.	GB	Oxenden	1	Secondary	0.87
12.	GB	Keady	3, 16	Secondary	1.38
13.	GB	Kilsyth	5	Secondary	1.03
14.	GB	Rockford	18	Secondary	0.78
15.	GB	Shallow Lake	170	Secondary	0.49
16.	GB	Springmount	18, 17, 17B	Secondary	0.64
17.	GH	Badjeros	9	Secondary	0.39
18.	GH	Ceylon	4	Secondary	1.42
19.	GH	Eugenia	13	Secondary	2.75
20.	GH	Feversham	2	Secondary	1.02
21.	GH	Kimberley	13	Secondary	1.22
22.	GH	Maxwell	2, 4	Secondary	1.94
23.	GH	Priceville	4	Secondary	1.27
24.	ME	Annan	15	Secondary	0.63
25.	ME	Bognor	29	Secondary	1.11
26.	ME	Leith	15	Secondary	1.02
27.	ME	Woodford	18	Secondary	0.68
28.	SG	Cedarville	14	Secondary	0.41
29.	SG	Holstein	109	Secondary	1.85
30.	SG	Hopeville	9, 14	Secondary	1.27
31.	WG	Allan Park	4	Secondary	0.53
32.	WG	Dornoch	25	Secondary	0.54
33.	WG	Elmwood	10	Secondary	1.22
34.	GH	Singhampton	124, 31	Secondary	1.51
35.	SG	Dromore	23	Secondary	0.47
36.	BM	Blue Mountain	19	Recreational	8.10
37.	BM	Blue Mountain	21	Recreational	2.77
38.	BM	Blue Mountain	119	Recreational	.53

Legislated Requirements

Section 52 of the Municipal Act, 2001 permits the County to transfer jurisdiction and ownership of roads between the County and its lower-tier municipalities on its own. No formal approval is required from the lower-tier municipalities involved.

The Act and related legislation give the authority to close a highway and to restrict its use (e.g. speed limits, controlling what vehicles may use the road, limiting traffic flow to one-way traffic, etc.) to the municipality having jurisdiction over the road.

Financial and Resource Implications

Financial considerations for urban road transfer include the costs associated with maintenance and reconstruction of urban infrastructure within primary and secondary settlement areas. Staff has not quantified the financial impact.

The transfers and updated agreements would represent a significant workload increase for the Clerk's and Legal departments. Meetings with Legal and Clerks will continue as it relates to property transfers and new agreements for each municipality.

Relevant Consultation

☒ Internal (list)

Planning Department

Finance Department

Corporate Services

Legal Department

☐ AODA Compliance (describe)

☐ Contribution to Climate Change Action Plan Targets (describe)

☒ External (list)

Member Municipalities all commented during the task force staff meetings.

Appendices and Attachments

None.

Staff Report To Council

From: Jamie McCarthy, Manager of Public Works
Date: March 16, 2026
Report: PW-06-26
Subject **2026 Road Resurfacing Tender**

Recommendation

That Report PW-06-26 2026 Road Resurfacing Tender be received; and

That council accepts the tender by Duncor Enterprises Inc. for the 2026 supply and application of micro road resurfacing for the cost of \$51,366.70 plus HST.

Background

As part of the Town of Hanover (Town) routine road maintenance, micro-surfacing has been an activity that has been applied to targeted roads within the Town. Micro-surfacing is a specialized treatment that combines asphalt emulsion, aggregate, and water to extend the lifespan of existing roadways. This process helps protect the road structure from moisture infiltration and oxidation thereby providing extended durability and performance of the road surface.

This activity is used on wider roads that were constructed with surface treatment. These road sections do not have curbs, gutters and sidewalks. Based on industry standards, these roads require resurfacing on an 8 to 10-year cycle depending on base stability, soil condition and road usage. Experience with micro surfacing shows that for low volume roads with a stable base an extension of life could be in the range of 15-20 years.

The following areas were identified for resurfacing for 2026 and are shown on the attached map.

- 10th Ave from 10th St to 6th St
- 9th Ave from 10th St to 12th St
- 9th Ave from 8th St to dead end
- 22nd Ave from 10th St to 12th St

As indicated in the asset management plan, pavement preservation assists in prolonging the life of the road and pushes out the need to complete full reconstruction.

Discussion

A tender for micro surfacing was issued to the industry by using the www.biddingo.com website and posted on the Town's website. A total of four (4) companies obtained the tender with one company, Duncor Enterprises Inc., submitting a bid.

Duncor Enterprises Inc. has completed similar work for the Town since 2012. Prior to commencing, the contractor will distribute notices with respect to parking on the roadway during days of construction.

Financial Implications

The quote from Duncor Enterprises Inc. of \$51,366.70 is within the budget allocation of \$74,500.00. The unit price for micro surfacing of \$5.39/m² is a slight increase from \$5.19/m² price from 2025.

Link to Strategic Plan

This report supports the indicated Strategic Goals and Action Plans of the Town of Hanover.

☒ **Goal 1: Safe and Reliable Infrastructure**

Build, maintain and continuously improve our municipally owned properties, buildings, and equipment.

☐ **Goal 2: Healthy and Welcoming Community**

Care for our natural environment and provide an enviable quality of life for everyone who calls Hanover “home”.

☐ **Goal 3: Strong and Vibrant Economy**

Refresh downtown Hanover and retain and attract local economic investment and jobs.

☐ **Goal 4: Balanced Growth**

Work together to create a community we can all be proud of.

☒ **Goal 5: Open and Responsible Government**

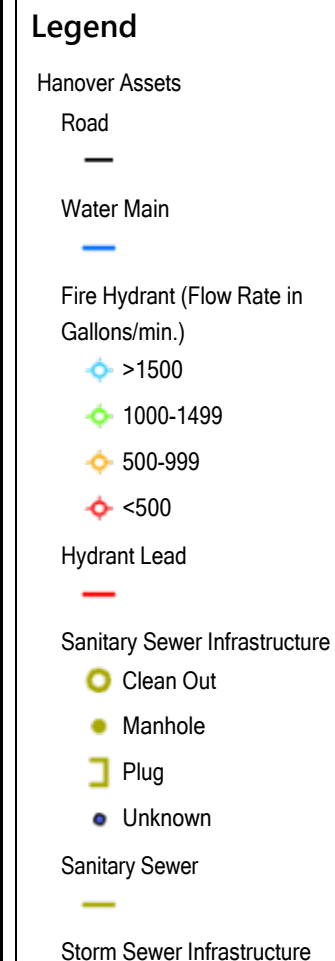
Deliver services in a friendly, efficient and effective manner while providing an exceptional working environment for our employees.

Respectfully submitted,

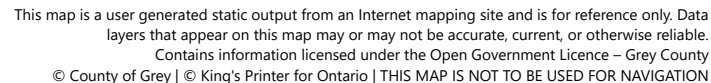
Concurrence,

Jamie McCarthy
Manager of Public Works and Projects

Sherri Walden
CAO



Town of Hanover
Print Date: 02/13/2026 09:55:19



Staff Report To Council

From: Jelena Savic, Director of Corporate Services / Treasurer
Date: March 16, 2026
Report: DCS-03-26
Subject **Donation Policy**

Recommendation

That Report DCS-03-26 Donation Policy be received; and

That council approve the Donation Policy, as detailed in DCS-03-26.

Background

At the February 23, 2026, Finance Committee (Committee) meeting, staff presented a draft Donation Policy for review. This policy outlines what types of donations the Town will accept, sets the criteria and authority for accepting or refusing them, establishes the accounting, reporting, and tax-receipting requirements under the Income Tax Act, and ensures all donations support purposes aligned with the Town's mandate.

The Committee supported the draft policy and recommended that it proceed to council for approval. Only minor refinements were made following Committee feedback, primarily to clarify decision-making authority and to provide more explicit thresholds related to the valuation of donated goods.

Discussion

Two clarifications were made to the draft policy following the Finance Committee review:

1. Flexibility to Decline Donations

The original draft stated that the Town "shall not accept" certain categories of donations, primarily donations that would place operational, financial, or reputational risk on the municipality. Committee members requested greater flexibility to accommodate unique circumstances. As a result, the language was revised to indicate that the Town "may choose to refuse to accept" specific types of donations. This maintains the Town's ability to protect itself from inappropriate or high-risk contributions while preserving discretion in cases where a donation may still be appropriate.

2. Defined Threshold for Appraisals

The previous draft required independent appraisals for donations of "significant value," but did not define a threshold. To ensure consistency and reduce administrative ambiguity, the policy now specifies that an appraisal is required for any donated item valued at \$1,000 or more.

No other changes were made to the policy. The intent, structure, and administrative processes remain as originally presented to Committee.

Financial Implications

There are no financial implications related to the approval of the Donation Policy.

Link to Strategic Plan

This report supports the indicated Strategic Goals and Action Plans of the Town of Hanover.

☐ **Goal 1: Safe and Reliable Infrastructure**

Build, maintain and continuously improve our municipally owned properties, buildings, and equipment.

☐ **Goal 2: Healthy and Welcoming Community**

Care for our natural environment and provide an enviable quality of life for everyone who calls Hanover “home”.

☐ **Goal 3: Strong and Vibrant Economy**

Refresh downtown Hanover and retain and attract local economic investment and jobs.

☐ **Goal 4: Balanced Growth**

Work together to create a community we can all be proud of.

☒ **Goal 5: Open and Responsible Government**

Deliver services in a friendly, efficient and effective manner while providing an exceptional working environment for our employees.

Respectfully submitted,

Concurrence,

Jelena Savic
Director of Corporate Services, Treasurer

Sherri Walden
CAO

SECTION: Finance		POLICY #: FIN-
Date Approved: DRAFT		Donation Policy
Revision Date: February 23, 2026	Review Date: March 16, 2026	
Authority: FIN-03-26, DCS-03-26		

POLICY STATEMENT

The Town of Hanover ("Town") recognizes that voluntary donations by individuals, organizations, and corporations provide valuable support for community programs, services, and public assets. This policy establishes principles and procedures to ensure the ethical solicitation, acceptance, use, accounting, and reporting of donations in a manner that is transparent, accountable, and compliant with applicable laws and CRA guidelines.

PURPOSE

This policy:

1. Defines the types of donations accepted by the Town;
2. Establishes criteria for acceptance and refusal of donations;
3. Specifies authorization, accounting, and reporting requirements;
4. Sets out procedures for issuance of tax receipts in accordance with the Income Tax Act and CRA requirements for qualified donees; and
5. Ensures donations are used for purposes consistent with the Town's mandate.

SCOPE

This policy applies to:

1. All donations to the Town of Hanover, including cash and in-kind contributions;
2. Donations solicited or accepted by Town staff, committees, boards, or agents acting on behalf of the Town;
3. Fundraising campaigns undertaken for the benefit of the Town.

This policy does **not** apply to:

1. Sponsorships or naming rights arrangements covered under the Town's Sponsorship and Naming Rights policies;
2. Grants or subsidies received by the Town that do not qualify as donations for tax purposes;
3. Voluntary services or time contributions that do not qualify for a tax receipt.

AUTHORIZATION AND DELEGATION

The Treasurer and assigned senior staff are delegated authority to accept donations on behalf of the Town under the guidance of this policy.

SECTION: Finance		POLICY #: FIN-
Date Approved: DRAFT		Donation Policy
Revision Date: February 23, 2026	Review Date: March 16, 2026	
Authority: FIN-03-26, DCS-03-26		

CRITERIA FOR ACCEPTING DONATIONS

General Principles

- The Town may accept or refuse any donation at its discretion.
- Donations must align with the Town's strategic priorities, mandate, and values.
- Donations must not confer a tangible benefit, advantage, or preferential treatment to the donor or related parties.

The Town may choose to refuse to accept:

- Donations that involve conditions that conflict with Town bylaws or policies, that require endorsement of a product or service, or that create a contractual obligation for the Town beyond the donation itself.
- Donations from donors in litigation with the Town or from entities posing a reputational or ethical risk.
- Donations tied to ongoing procurement or planning application processes with non-arm's length connections.

Donations of real property (land or buildings) require Town Council approval, including an assessment by staff of operating costs and future obligations.

ISSUANCE OF TAX RECEIPTS

The Town of Hanover, as a qualified donee under the Income Tax Act, is authorized to issue official donation receipts that enable donors to claim federal and provincial non-refundable tax credits or tax deductions, provided receipt issuance complies with CRA rules. The date of donation for tax purposes is the date the Town receives the gift (e.g., cash, instrument of transfer, or signed agreement) and may not necessarily be the date of physical delivery.

To issue a receipt:

- The Town must ensure donations meet CRA criteria, including fair market value documentation for in-kind gifts.
- A donation must be considered a gift under the *Income Tax Act*, defined as a voluntary transfer of property without consideration, to qualify for a receipt.

Official receipts shall be issued for donations that meet CRA requirements. Receipts shall include donor name, amount/value of donation, date received, and any additional details per CRA requirements.

Issuing a receipt that does not meet CRA requirements, or failing to maintain adequate documentation, can risk suspension of receipting privileges or revocation of qualified donee status. The Town will retain appropriate records to support CRA audit and compliance.

SECTION: Finance		POLICY #: FIN-
Date Approved: DRAFT		Donation Policy
Revision Date: February 23, 2026	Review Date: March 16, 2026	
Authority: FIN-03-26, DCS-03-26		

APPRAISAL AND VALUATION

For tax receipt purposes, the eligible amount of a donation is the fair market value (FMV) of the gift at the time it is made, less the value of any advantage the donor receives.

For in-kind gifts with a value in excess of \$1,000 the donor is responsible for providing satisfactory evidence of fair market value, and the Town must secure acceptable documentation before issuing receipts. Where the Town cannot determine FMV reliably, a receipt will not be issued.

If a donor receives a benefit or advantage (e.g., goods, services, event tickets) in exchange for a donation, the eligible amount reported on the receipt is equal to the FMV of the gift minus the FMV of the advantage. Generally, if the FMV of the advantage exceeds 80% of the FMV of the donation, CRA presumes there was no intention to make a gift, and no official receipt shall be issued. Minimal, insignificant advantages whose total FMV is the lesser of \$75 or 10% of the FMV of the donation may be ignored when calculating the eligible amount, per CRA rules.

UNSPENT OR RESTRICTED DONATIONS

The Town of Hanover recognizes that donations may be restricted by the donor for a specific purpose or may remain unspent at the end of a fiscal year. All donations, whether cash or in-kind, must be handled in a manner that:

1. Respects the donor's intent;
2. Maintains CRA compliance for issued official donation receipts; and
3. Ensures transparency and accountability in municipal financial management.

Unrestricted Donations

Donations with no specified restrictions become part of the Town's general revenue or designated reserve accounts. These funds may be used for any municipal purpose consistent with the Town's mandate and strategic priorities. Official donation receipts for unrestricted gifts remain valid for tax purposes.

Restricted or Designated Donations

Donations given for a specific program, project, or asset must be used exclusively for that purpose, as specified by the donor.

If the funds are not fully expended within the fiscal year:

- The Town shall carry forward the unspent funds in a designated reserve account until the purpose can be fulfilled.
- The Town may seek written consent from the donor to redirect the funds to a related purpose.
- If the donor cannot be reached or the original purpose is no longer feasible, the Town may request Council approval to use the funds for a similar project or program aligned with the original intent.
- As a last resort, the Town may return the donation to the donor.

SECTION: Finance		POLICY #: FIN-
Date Approved: DRAFT		Donation Policy
Revision Date: February 23, 2026	Review Date: March 16, 2026	
Authority: FIN-03-26, DCS-03-26		

The Town shall document all approvals, consents, and Council decisions in accordance with CRA recordkeeping requirements.

DOCUMENTATION AND REPORTING

All donations must be documented, including donor information, purpose, value, conditions, and designation. The Treasurer shall maintain a donation ledger detailing all restricted and unrestricted donations, the amounts spent, and funds carried forward. Annual reporting on donation activity shall be provided to Council, and annual summary reports prepared.



Staff Report To Council

From: Andrew Wilken, Director of Development & Infrastructure/CBO
Date: March 16, 2026
Report: PB-06-26
Subject **Block 124 Tree Retention Subdivision Agreement Amendment (2501563 Ontario Inc – Saugeen Cedar Heights West)**

Recommendation

That Report PB-06-26 Block 124 Tree Retention Subdivision Agreement Amendment (2501563 Ontario Inc. – Saugeen Cedar Heights West) be received; and

That council pass By-Law No. 3384-26 to amend By-Law No. 3353-23, being a by-law to enter into a Subdivision Agreement Amendment between the Town of Hanover and 2501563 Ontario Inc.

Background

The Town of Hanover entered into a Subdivision Agreement with 2501563 Ontario Inc. on January 25, 2023, for the Saugeen Cedar Heights West Subdivision (SCHW) through By-law 3353-23.

The Environmental Impact Study (EIS) prepared by WSP evaluated the natural heritage features within the subdivision lands and identified several woodland areas that would be removed to accommodate the approved road network, grading, and residential development. This included the non-significant woodland within Block 124, located in the northeast quadrant of the subdivision. The EIS also established a woodland and wetland offsetting plan to address the environmental impacts associated with these removals.

During the early stages of subdivision approval, Block 124 was identified as a tree retention area in Schedule B-8 (Tree Retention Plan) of the Subdivision Agreement. This designation was intended to allow appropriate time for environmental monitoring and mitigation measures associated with subdivision construction, however ultimately could be developed into residential lots.

As the subdivision continues to progress, an amendment would be required to remove Block 124 from Schedule B-8 (Tree Retention Plan) so that the agreement reflects the approved environmental documentation and the intended development of the subdivision.

As part of the formed Plan of Subdivision and a condition of the Town of Hanover in Schedule H, as well as draft conditions within County of Grey, Block 124 was designated as future development in the Subdivision Agreement with the intent on creating residential lots in future within Block 124.

Discussion

Block 124 was originally identified as a tree retention area to accommodate temporary environmental protection measures during the early stages of construction. These measures included maintaining canopy cover and allowing time for wildlife relocation and Species at Risk (SAR) bat acoustic monitoring. These requirements have now been satisfied, and the associated timing windows have passed and relocation has presumably occurred.

In 2025, the developer presented a proposal to Town staff that would include three (3) consents to permit the construction of four (4) single detached dwellings on buildable lots. The high-level plan denoting building lots A-D as prepared by Cobide Engineering dated December 2024 is included herein. Planning Advisory Committee reviewed the proposal for the lot creation on March 11, 2025. At that time, the committee had no concerns subject to positive comments received at the time of consents from both Saugeen Valley Conservation Authority (SVCA) and Grey County Planning Ecology staff. Subject to meetings between the developer, SVCA, County Ecology and Town staff, the developer with their consultant completed an updated water balancing report undertaken by Gaman Consulting to address concerns that SVCA had with respect to the wetlands in Block 124. This water balancing update was provided to SVCA in summer 2025. While this scoped study is not necessary for this subdivision agreement amendment proposed, it would be required for SVCA sign off prior consent approval in future planning applications.

Grey County's Planning Ecologist has reviewed the matter and confirmed that the woodland removal within Block 124 was anticipated through the EIS and accounted for within the approved woodland and wetland offsetting plan. As a result, no additional environmental compensation or mitigation measures are required.

Maintaining Block 124 in its entirety as a tree retention area within the Subdivision Agreement is no longer necessary. Any environmental features and retention areas denoted within the approved EIS still must be maintained and therefore must be considered. Removing Block 124 in its entirety from Schedule B-8 Tree Retention plan does not permit the developer to remove all woodland in this block, nor is that their intention as reflected in their plan.

The proposed amendment does not change the environmental impact obligations of the developer or the Town. The amendment will accurately align the Subdivision Agreement with the approved EIS, offsetting and design in its current form.

Financial Implications

There are no direct financial implications to the Town. All woodland and wetland compensation obligations remain the responsibility of the developer and must be completed prior to the assumption of the subdivision by the Town.

Link to Strategic Plan

This report supports the indicated Strategic Goals and Action Plans of the Town of Hanover.

☐ **Goal 1: Safe and Reliable Infrastructure**

Build, maintain and continuously improve our municipally owned properties, buildings, and equipment.

☒ **Goal 2: Healthy and Welcoming Community**

Care for our natural environment and provide an enviable quality of life for everyone who calls Hanover “home”.

☐ **Goal 3: Strong and Vibrant Economy**

Refresh downtown Hanover and retain and attract local economic investment and jobs.

☒ **Goal 4: Balanced Growth**

Work together to create a community we can all be proud of.

☐ **Goal 5: Open and Responsible Government**

Deliver services in a friendly, efficient and effective manner while providing an exceptional working environment for our employees.

Respectfully submitted,

Concurrence,

Andrew Wilken,
Director of Development and Infrastructure/CBO

Sherri Walden
CAO

THE CORPORATION OF THE TOWN OF HANOVER**BY-LAW NO. 3384-26**

A By-law to authorize the Mayor and Clerk to amend By-law No. 3353-23, being a By-law to enter into a Subdivision Agreement between the Town of Hanover and 2501563 Ontario Inc.

WHEREAS Section 51(26) of the Planning Act, R.S.O. 1990 provides that a municipality or approval authority, or both, may enter into agreements imposed as a condition to the approval of a plan of subdivision and the agreements may be registered against the land to which it applies and the municipality or the approval authority, as the case may be, is entitled to enforce the provisions of it against the owner and, subject to the Registry Act and the Land Titles Act, any and all subsequent owners of the land;

AND WHEREAS the Council of the Corporation of the Town of Hanover has entered into a Subdivision Agreement with 2501563 Ontario Inc. under By-law 3353-23 dated January 25, 2023;

AND WHEREAS the approved Environmental Impact Study (WSP, 2020/2021) and associated woodland/wetland offsetting plan identified that the non-significant woodland within Block 124 be removed and fully compensated through the approved 1:1 replacement plan;

AND WHEREAS the designation of Block 124 as a “tree retention area” in Schedule B-8 of the Subdivision Agreement is no longer required, as all ecological timing windows and wildlife relocation requirements have been satisfied;

NOW THEREFORE the Municipal Council of the Corporation of the Town of Hanover hereby enacts as follows:

1. That Council of the Town of Hanover hereby authorizes the Subdivision Agreement between the Corporation of the Town of Hanover and 2501563 Ontario Inc., dated January 25, 2023, to be amended to remove Block 124 from Schedule B-8 (Tree Retention Plan), thereby eliminating Block 124 from the list of designated tree retention areas.
2. That all remaining tree protection and retention requirements identified in the WSP Environmental Impact Study and associated agency approvals shall remain in full force and effect.
3. That the above amendment to the Subdivision Agreement shall be prepared and executed in a form satisfactory to the Town of Hanover’s solicitor.
4. That all other provisions of By-law No. 3353-23 of the Town of Hanover remain in full force and effect;
5. That the Mayor and Clerk are hereby authorized and directed to fully execute the Subdivision Agreement upon receipt of all necessary documentation and securities; and;
6. That this By-law shall come into force and effect upon third and final reading thereof.

READ A FIRST, SECOND and THIRD TIME and FINALLY PASSED this 16th day of March 2026.

Sue Paterson, Mayor

Vicki McDonald, Clerk

THE CORPORATION OF THE TOWN OF HANOVER

BY-LAW NO. 3353 - 23

A By-law to authorize the Mayor and Clerk to execute an agreement between the Town of Hanover and 2501563 Ontario Inc.;

WHEREAS the Council of the Corporation of the Town of Hanover deems it necessary to enter into a Subdivision Agreement with 2501563 Ontario Inc.;

NOW THEREFORE the Municipal Council of the Corporation of the Town of Hanover hereby enacts as follows:

1. That the Subdivision Agreement between the Corporation of the Town of Hanover and 2501563 Ontario Inc., dated January 25, 2023 is hereby accepted and approved.
2. THAT the Mayor and Clerk are hereby authorized to sign and seal the subdividers agreement and all necessary documents on behalf of the Corporation, related to the subdividers agreement.

READ A FIRST, SECOND and THIRD TIME and FINALLY PASSED this 25th day of January, 2023.


Sue Paterson, Mayor


Vicki, McDonald, Clerk

SUBDIVISION AGREEMENT

INDEX

1.	Approvals and Decisions
2.	Definitions
3.	Developer’s Engineer
4.	Approved Plans
5.	Relocation of Utilities, Bell Canada/Wightman Telecommunications & Additional Works
6.	Staging of Services
7.	Street Names & Traffic Signs
8.	Topsoil & Sodding
9.	Tree Planting
10.	Lot / Block Grading & Drainage
11.	Boulevards and Vacant Lots and Blocks
12.	Conditions for Commencement of Construction
13.	Building Permits
14.	Occupancy
15.	Scheduling of Works
16.	Maintenance of Works
17.	Emergency Repairs
18.	Snow Removal & Garbage Collection
19.	Establishment of Bench Marks
20.	Conveyances and Cash-In-Lieu
21.	Solicitor’s Certificate
22.	Taxes
23.	Administration Fees
24.	Insurance
25.	Securities
26.	The Construction Lien Act
27.	Final Acceptance of Works
28.	Indemnification
29.	Signs Respecting Assumption of Roads by Municipality
30.	Open Fires
31.	Notices
32.	By-Laws
33.	Agreement Binding
34.	Successors & Assigns
Schedule ‘A’	Description of Lands being Subdivided
Schedule ‘B’	Plan of Subdivision
Schedule ‘B-1’	Draft Plan of Subdivision
Schedule ‘B-2’	Stormwater Management Plan
Schedule ‘B-3’	Lot Grading Plan
Schedule ‘B-4’	Sanitary Sewer Plan
Schedule ‘B-5’	Water Distribution Plan
Schedule ‘B-6’	Sidewalks
Schedule ‘B-7’	Approved Street Names
Schedule ‘B-8’	Tree Retention Plan
Schedule ‘C’	Hanover Public Works and Westario Power Standards and Approved Construction Plan Drawings
Schedule ‘D’	Estimated Cost of Construction
Schedule ‘E’	Lot / Special Requirements
Schedule ‘F’	Easements to be Granted to the Town of Hanover
Schedule ‘G’	Lands to be Deeded to Municipality Inclusive of Parks Dedication or Cash-In-Lieu thereof
Schedule ‘H’	Conditions of Draft Approval of the Plan of Subdivision

SUBDIVISION AGREEMENT

THIS AGREEMENT made in duplicate this **25th** day of **January, 2023**.

B E T W E E N :

THE CORPORATION OF THE TOWN OF HANOVER

hereinafter called the "**TOWN**" of the FIRST PART

A N D :

2501563 ONTARIO INC.

hereinafter called the "**OWNER**" of the SECOND PART

A N D :

hereinafter called the "**MORTGAGEE**" of the THIRD PART

WHEREAS the OWNER warrants that it is the Owner of the lands described in Schedule "A" to this agreement (hereinafter referred to as the "lands");

WHEREAS the OWNER represents that the Mortgagee is the only mortgagee of the lands

AND WHEREAS the OWNER desires to subdivide the lands in accordance with the proposed plan of subdivision attached as Schedule "B" to this agreement (hereinafter referred to as the "plan");

AND WHEREAS the TOWN agrees that it will recommend to the proper authority the release of the plan for registration subject to the terms and conditions of this agreement and the conditions of draft plan approval;

AND WHEREAS the TOWN has been authorized by the Minister to require the developer to agree to construct and install certain roadways, structures, sidewalks, landscaping, conservation works and any other requirements as hereinafter provided and herein referred to as the "works" and to make financial arrangements with the Municipality for the installation and construction of required works before final approval of the Plan by the Minister;

NOW THEREFORE, THIS AGREEMENT WITNESSETH THAT in consideration of the covenants hereinafter contained and in consideration of the Town approving and recommending to the appropriate authorities the approval of the plan for registration, the parties hereto agree each with the other as follows:

ENGINEERING, BUILDING, LANDSCAPING AND NOISE REQUIREMENTS

1. Approvals and Decisions

- 1.1** Where, under the terms of this agreement, approvals and decisions are to be given or made, they shall be given or made by the Town Director of Public Works or other official having jurisdiction or control over the particular matter or land for which the approval or decision is required.
- 1.2** Approvals and decisions shall not be unreasonably or arbitrarily withheld by the Town, and they shall be given or made according to reasonable standards and principles.

2. Definitions

Unless the context otherwise require, where used herein:

- 2.1** SUBDIVISION means the land described in Schedule 'A' and shown in heavy outline on the Plan attached as Schedule 'B' hereto;
- 2.2** COUNCIL means the Council of the Corporation of the Town of Hanover;
- 2.3** TOWN SOLICITOR means the lawyer of the Corporation of the Town of Hanover for the time being or such other person or persons designated by him;

- 2.4 TOWN TREASURER means the Treasurer of the Corporation of the Town of Hanover for the time being or such other person or persons designated by him;
- 2.5 ENGINEERING SERVICES wherever, under the terms of this agreement, the Owner is required to design and install any works, the Owner shall employ competent engineers registered with the Association of Professional Engineers of Ontario;
- 2.6 WORKS for the purposes of this agreement, the "Works" shall mean all servicing and landscaping required to be done by the Owner under the terms of this agreement and without limiting the generality of the foregoing, the works shall include sanitary sewers and connection, storm water detention and management facilities, storm sewers and connections, watermains and water service connections, roadways, structures, required fencing, sidewalks, bike paths, parkland grading, boulevard grading and buffer block grading, sodding, tree planting, landscaping, walkways, pedestrian bridges and pedestrian underpasses, street lighting and all other matters and things required to be done by the Owner in accordance with this agreement;
- 2.7 OWNER OR OWNERS includes the parties of the First Part, their heirs, executors, administrators, successors and assigns and agents thereof or contractor, or subcontractor.

3. Developer's Engineer

- 3.1 The Owner shall, at his own expense obtain the services of a competent engineer registered with the Association of Professional Engineers of Ontario to;
- 3.2 prepare and furnish all required plans and drawings for construction of the works;
- 3.3 prepare all necessary tender documents and contracts;
- 3.4 obtain the necessary approvals in conjunction with the Town or its agents;
- 3.5 provide field inspection and lay-out, contract administration and supervision of construction to the satisfaction of the Town. The Town may, where reasonably necessary, require the Owner to provide a resident engineer or other qualified person at the subdivision site in furtherance of the Owner's obligation aforesaid;
- 3.6 obtain all records of construction of the works and upon completion of the works, deposit "as constructed" plans in a printed and digital PDF format satisfactory to the Town;
- 3.7 furnish the Town, at no cost to the Town with a certificate for the grading and drainage of the subdivision, including as constructed grading plans showing the direction of drainage, drainage swales, design elevations, retaining walls, berms, etc. that has not been constructed as per the approved grading plan, certifying that the proposed lot grading and drainage is in conformity with the overall drainage plan for the plan approved by the Town;
- 3.8 act as the Owner's representative in all matters pertaining to construction for all the services specified in this agreement;
- 3.9 provide to the Town as and when required, copies of any or all contracts or subcontracts or both entered into by or on behalf of the Owner for the construction of any or all of the works, together with any or all of the following contract documentation;
 - 3.9.1 provide certificates of progress payments,
 - 3.9.2 provide certificates of the substantial performance given pursuant to the provisions of the Construction Lien Act, and
 - 3.9.3 provide particulars of publication of the certificate of the substantial performance.
 - 3.9.4 provide WSIB Clearance Certificate from developer and contractor.

4. Approved Plans

- 4.1 The Owner shall, at its own expense unless otherwise provided by this agreement and within the time limits specified by this agreement design, do, install, pay and complete in a good and workmanlike manner to the satisfaction of the Town, and all other government agencies, that are specifically referred to in the conditions of draft approval for the plan:
 - 4.1.1 all of the following works, matters, and things in accordance with and as shown on the approved plans and specifications for them, more particularly described in Schedule 'C' to this agreement shall be in accordance with all Town approved specifications including agency requirements:
 - storm water detention and management facilities;
 - sanitary sewer drainage works connecting to an outlet designated by the Town;

- a potable water system including any trunks within or outside the plan designated by the Town as necessary to service the lands;
- all Town roads shown on or abutting the plan, including curbs with correctly located curb depressions, boulevard grading, sodding, tree planting, and landscaping;
- all improvements to abutting roads including curbs with correctly located curb depressions, boulevard grading, sodding, tree planting, and landscaping;
- all street name signs, devices and other installations, including signs to be erected at the end of all streets shown on the plan to be extended, advising that the street will be extended in the future;
- all sidewalks, walkways, bike paths, foot bridges, and pedestrian grade separations;
- all servicing, drainage and grading with acceptable top soil to within fifty (50) millimetres of the final approved grade of all parkland;
- all grading, drainage, top dressing, sodding and landscaping of all boulevard areas, buffer strips, watercourse areas, and other public open space;
- all walls and fencing;
- street lights to be LED and as specified by the Town;

4.1.2 all other works, matters and things referred to in this agreement, including all of the schedules to this agreement.

4.2 The Owner shall, prior to registration of the plan, make all of the payments/arrangements required by this agreement.

4.3 Despite anything contained in this agreement, the plan shall not be released by the Town for registration until this agreement has been executed and until all the plans and specifications for all of the works required by this agreement are fully approved by the Town. The approval of these plans and specifications by the Town shall not absolve the Owner of the responsibility for errors in and omissions from these plans and specifications as submitted by the Owner.

5. Relocation of Utilities, Bell Canada/Wightman Telecommunications and Additional Works

5.1 The Owner shall, prior to final approval of the plan for registration, make satisfactory arrangements with the Town, and any other public or private utility company for the relocation of any utilities necessitated by the development of the lands in accordance with the plan, including granting to the Town, and the utility company at the Owner's expense, any easements necessary to complete this relocation. The relocation of utilities shall be works within the meaning of this agreement.

5.2 The Owner shall, prior to final approval of the plan for registration, make satisfactory arrangements, financial and otherwise, with Bell Canada/Wightman Telecommunications for any facility servicing the plan which are required by the Town to be installed underground.

5.3 The Owner and every builder building within the plan shall protect all public utilities from damage during the construction and maintenance of the works required by this agreement or while doing any work on any lot or block within the plan, including the erection of any buildings thereon. The protection works shall consist of fencing or other barricades or methods satisfactory to the owner of the public utility.

5.4 In the event the Owners or any builder damages any public utility located on or under any road allowance, as a result of the development of the subdivision, the Owner and the builder shall make satisfactory arrangements with the owner of the public utility for the repair of the damage at the expense of the Owner and the builder.

5.5 The Owner shall pay for any costs involved in the relocation of existing services such as hydrants, utility poles or other services or plans, which may become necessary because of the development of the subdivision.

6. Staging of Services

6.1 The Town and Westario Power may instruct the Owner to construct the services in particular stages suitable to the Town and Westario Power and the Owner shall comply. The approval of staging rests solely with the Town and Westario Power. If the work is thus staged, the Owner shall be only obligated to furnish the required securities pertaining to the part of works to be constructed in a particular stage.

6.2 Before proceeding with an additional stage, the Owner shall obtain the written approval of the Town and Westario Power and no services will be permitted to be installed until this approval has been received. The Town and Westario Power reserves the right to

require additional securities as necessary for the works to be constructed in any additional stages.

7. Street Names & Traffic Signs

- 7.1** The Owner shall provide and erect one three-way street name sign at each “T” intersection and two four-way street name signs at each cross-intersections with external street adjoining the plan in locations approved by the Town. These signs shall conform to the specifications of the Town of Hanover. All street names shall be approved by the Town of Hanover.
- 7.2** The Owner shall erect and maintain signs at the end of all streets shown on the plan, which will be extended to adjoining lands, having wording approved by the Town, advising that the street will be extended in the future. The signs shall be erected prior to any building permits being issued.

8. Topsoil & Sodding

- 8.1** The Owner shall, except where existing trees are to be retained, remove and stockpile all top soil and shall rough grade all road allowances and walkways shown on the plan to their full width prior to the installation or construction of watermains, sanitary sewers, curbs, gutters, sidewalks or utilities.
- 8.2** The Owner shall apply a minimum of ten (10) centimetres of good quality topsoil overall on all boulevards, buffer blocks, park blocks and front yards. The Owner shall fully sod (including rolling the sod) all boulevards, buffer blocks and front yards with acceptable nursery sod in conformity with the overall grading and drainage plan, landscape and fencing plan, and parkland landscape plan. The sod shall be laid after residence is completed.

9. Tree Planting

- 9.1** The Owner shall delineate the identified tree retention zones with a silt fence and not alter the grading without approval from the Town. All lots are to have one new tree planted in the front yard. All lots that do not have a suitable tree in the rear yard are to also have one new tree planted.

10. Lot / Block Grading & Drainage

- 10.1** The Owner agrees that neither it nor its successors and assigns will alter the grading or change the elevation or contour of the land except in accordance with drainage plans approved by the Town and illustrated on Schedule ‘B-3’.
- 10.2** The Owner shall attach a copy of paragraph 10.1 to all agreements of purchase and sale of land within the plan and shall include in all conveyances of land within the plan, a covenant executed by the purchaser of the land and binding on its successors and assigns in which the purchaser agrees not to alter the grading or the drainage except in accordance with drainage plans approved by the Town. This shall include regards for the identified tree retention zone on the approved Subdivision plans, as well as the ‘no development line’ associated with the Saugeen River slope on the northern lots. A permit from the SVCA may be required for lots bordering the northern and southern watercourses, and any wetlands on the property.

11. Boulevards and Vacant Lots and Blocks

- 11.1** The Owner shall, at all times prior to final acceptance of the works, keep all the boulevards within the plan free and clear of all materials and obstructions.
- 11.2** The Owner and its successors and assigns shall:
- 11.2.1** carry out continuous maintenance to the satisfaction of the Town on all vacant lots or blocks within the plan. Such maintenance will include weed control, grass and weed cutting to maintain a height not exceeding sixty (60) centimetres, cleanliness of the lot or block by removal of debris and maintenance of approved drainage through grading when required by the Town.

12. Conditions for the Commencement of Construction

- 12.1** The Owner shall not commence any work within the plan, including filling, grading or removal of trees and top soil or installing any of the works required by this agreement, until:
- 12.1.1** all existing trees on the plan have been identified and designated for removal or protection; and
- 12.1.2** that prior to final approval by the Ministry, the Owner shall submit for the review and approval of the Saugeen Valley Conservation Authority, and the Ministry of the Environment, Conservation and Parks, a surface water/storm

water management report prepared by a technically qualified consultant. This report shall detail the methods that will be used to control surface water flow and erosion and sedimentation within the development lands and abutting properties during and following construction; and

- 12.1.3** a detailed soils investigation of the lands prepared by a qualified geotechnical engineer has been approved by the Town; and
 - 12.1.4** the approved siltation and erosion control works, the approved tree protection works, the approved wetland compensation works, all temporary and other suitable approved barriers and all other works required by the Town, and other governmental agencies (including conservation authorities) have been installed. Note: wetland compensation works shall be completed to the satisfaction of SVCA within 24 months of the first building permit being issued; and
 - 12.1.5** the detailed plans and specifications for all of the works required by this agreement have been approved by the Town and all other governmental agencies (including conservation authorities) whose approval is required and all certificates and permits required by law have been obtained; and
 - 12.1.6** the plan has been registered or the Owner has received authorization, in writing from the Town, that the work may proceed at the Owner's sole risk and expense; and
 - 12.1.7** the Town has authorized the Owner, in writing, to commence the work.
- 12.2** Despite paragraph 12.1, the Owner may, with authorization in writing by the Town, commence filling, grading or removal of trees and top soil provided the Owner has:
- 12.2.1** complied with all of the requirements of paragraphs 12.1.1 to 12.1.5 inclusive; and
 - 12.2.2** has deposited with the Town a Letter of Credit from a Schedule 1 Canadian Chartered Bank or another form of security in an amount satisfactory to the Town, as a performance guarantee to ensure that the works required by paragraphs 12.1.2 and 12.1.4 are installed and maintained. This performance guarantee shall be administered in accordance with Section 25 of this agreement.

13. Building Permits

- 13.1** The Owner agrees that neither it nor any builder within the subdivision will apply for or be entitled to receive any building permits until:
 - 13.1.1** All required services, including sanitary sewer, storm sewer, water, hydro, gas, etc. and all granular material required up to base course asphalt.
 - 13.1.2** The Owner or the Builder has provided an engineering report satisfactory to the Town which indicates the special foundation requirements, if any, to support structures that may be erected on disturbed ground or on lots or blocks where filling has occurred, or where site conditions may have poor bearing capacity.
 - 13.1.3** The Owner has made satisfactory arrangements with Canada Post and the Town for the provision of mail facilities, including where applicable, suitable sites for the installation of Canada Post Super Mailboxes.
 - 13.1.4** The Owner has entered into an agreement with the Westario Power Board of Directors for the provision of an underground electrical distribution system to service the lands shown on the plan and such other matters as the Westario Power Board of Directors may require.
 - 13.1.5** The Owner has entered into an agreement with the Westario Power Board of Directors for the provision of a street lighting system satisfactory to the Town.

14. Occupancy

- 14.1** The Owner agrees that neither it nor its successors and assigns shall permit the occupancy of any building or part thereof erected on the lands:
 - 14.1.1** until the "basic services", which include sanitary sewers, storm sewers, storm drainage works, watermains, base course asphalt, curbs and gutters, electrical and permanent street name and traffic signs have been installed and approved by the Town;

15. Scheduling of Works

- 15.1** It is the intention of this agreement that all works be installed expeditiously and continuously. All underground works including base course asphalt shall be completed as soon as all trenches have been consolidated. Surface course asphalt and completion of boulevard sodding shall be completed when 75% of the lots have been built upon. Should the Owner fail to complete any of the works pursuant to this agreement as scheduled, the Town may rely upon the securities as outlined in Section 25 to complete the works under this agreement, or this agreement can be extended with the approval of Council. Should an extension agreement not be granted this subdivision agreement shall be null and void.

16. Maintenance of Works

- 16.1** The Owner shall maintain the underground works for a two (2) year period following approval or substantial completion of such services. The Owner shall maintain the base course asphalt and curbs until 75% of the lots are built upon, after which it shall place top course asphalt, complete all outstanding sodding, sidewalks, walkways and any other work not completed at that time.
- 16.2** The Owner shall maintain all of the above ground works and shall remain responsible for all lot grading on non-built upon and non-occupied lots. Upon completion of all the aboveground works, the Owner shall maintain the aboveground works for one more year after the date the Town has inspected these works and if they are found to be satisfactory, shall recommend final acceptance of the works and that the works be assumed by the Town.
- 16.3** The Owner shall, until final acceptance of the works by the Town, maintain and sweep all streets within the subdivision which have received base course asphalt or top course asphalt and all adjacent Town streets which have been dirtied as a result of operations within the development and keep them clean of dirt, mud, dust, refuse rubbish and litter of all types which in the opinion of the Town are a result of the building operations. Until final acceptance of the works by the Town, the Owner shall repair and/or sweep any such roadway within twenty-four (24) hours of receiving written notice from the Town. In the event such notice is not complied with within the said twenty-four (24) hour period, the Town may cause such work to be done and the cost of so doing shall be paid by the Owner to the Town within thirty (30) days of the date of the invoice from the Town.
- 16.4** The Owner agrees that in the event any dwelling units constructed within the plan are occupied before the streets on the plan have been finally accepted by the Town, the Town through its servants, contractors or agents may provide and maintain proper vehicular access and the Town shall be deemed to have acted as agent for the Owner and shall not be deemed in any way to have accepted the streets within the plan upon which such work has been done. The Owner hereby acknowledges that if the Town, by providing any access or removing any ice or snow under the provisions of this agreement, damages or interferes with the works of the Owner or causes any damage to such works, the Owner hereby waives all claims against the Town that it might have arising therefrom and agrees that it will make no claims against the Town for such interference or damage provided such interference or damage was not caused intentionally or through gross negligence on the part of the Town, its servants, contractors or agents. Subject to the conditions above, the Town hereby agrees to provide snow removal on any road upon which the base course has been completed and where occupancy of building so requires. To facilitate this operation, all catchbasins and all other services and appurtenances, including manholes, must be installed flush with the base course, to be raised at the time of application of the final course of asphalt.
- 16.5** Notwithstanding the above, the Owner may choose to place the top course of asphalt sooner, at his discretion.

17. Emergency Repairs

- 17.1** After the Owner has commenced development of the said lands, but before the Public Services have been assumed by the Town as provided herein, if any of the services to be provided by the Owner do not function or do not function properly and, in the opinion of the Town, repairs are necessary to be made immediately to prevent damage or hardship to persons or property, the Owner consents to the Town, its servants, employees or agents, making whatever repairs may be deemed necessary and further covenants and agrees to reimburse the Town for any expense incurred in making the said repairs within thirty (30) days of the date of the invoice from the Town.

18. Snow Removal and Garbage Collection

- 18.1** The Town shall provide snow removal access and garbage pickup to any building lot upon occupancy of the said lot. The Town shall not be responsible for clearing snow or collection of garbage in the event their access to the said street is denied or inhibited in any way.

19. Establishments of Bench Marks

- 19.1** The Owner shall ensure that the elevations for all works to be constructed are tied in to a Geodetic survey, which is on the same datum as previous works constructed within the Town of Hanover.

CONVEYANCE OF LAND AND EASEMENTS**20. Conveyances and Cash-In-Lieu**

- 20.1** At no cost to the Town, the Owner shall grant to the Town, free of encumbrances, the lands, easements to this agreement for municipal purposes. The Owner shall also grant gratuitously such other easements, including easements for temporary turning circles as may be required for municipal services and for other necessary services, private utilities or for construction of electrical power lines and/or telecommunication systems to service the lands. The executed deeds for all easements and lands to be conveyed to the Town shall be lodged with the Town before the registration of the plan or any part thereof.
- 20.2** The Owner, if required by the Town, shall pay to the Town prior to final approval of the plan for registration, money in lieu of the conveyance of land for park or other public recreational purposes. The Owner shall also pay to the Town, parkland development costs for the area of land for which moneys in lieu is paid. The amount of these payments are shown on Schedule 'G' of this agreement.

21. Solicitor's Certificate

- 21.1** The Owner shall provide the Town with a Solicitor's Certificate, within thirty (30) days of the registration of the subdivision plan, and prior to applying for any building permits, certifying that the lands to be or already conveyed to the Town pursuant to this agreement are free from encumbrance, and that the Grantee or the Town, as the case may be, is or will be the registered owner thereof.
- 21.2** The Owner and the Mortgagees consent to the registration of this agreement on the title to the lands and the Owner agrees to pay to the Town, the cost of this registration and the cost of the registration of all conveyances of land, grants of easement or other documents required by this agreement on the title to the whole or any part of the lands shown on the plan. Prior to the registration of the plan, the Owner shall deposit with the Town a sum of money as estimated by the Town Solicitor to cover the cost of this registration and this deposit shall be adjusted by additional payments or refunds based on the actual total cost of registration.

22. Taxes

- 22.1** The Owner shall pay all arrears of taxes outstanding against the lands prior to final approval of the plan for registration. The Owner shall also pay all taxes levied or to be levied on the said lands in accordance with the last revised assessment roll entries until such time as the land has been assessed and entered on the Collector's Roll according to the plan. The Owner shall pay municipal taxes for that part of the year up to the date which any transfer of lands within the plan or any part thereof takes place if such transfer results in the lands being exempt from taxation for any part of that year.

23. Administration Fees

- 23.1** The Owner shall pay to the Town prior to the registration of the plan, in addition to normal permit fees in respect of administrative, planning and engineering costs incurred by the Town, \$ 3,000.00 and a further \$ 3,000.00 prior to the issuance of any building permit.

24. Insurance

- 24.1** The Owner shall take out and keep in full force and effect until final acceptance of the works, at its sole cost and expense, the following insurance:
- 24.1.1** comprehensive general liability insurance applying to all operations of the Owner which shall include bodily injury liability and property damage liability, completed operations liability, and contractual liability. This policy shall contain no exclusions for damage or loss from blasting, vibration, pile driving, the removal or weakening of support, shoring, and underpinning or from any

other activity or work that may be done in connection with the development of the plan.

Such policy shall be written with limits of not less than FIVE MILLION DOLLARS (\$5,000,000.00) exclusive of interest or costs, per occurrence and shall include as an additional named insured, the Town.

- 24.1.2** automobile liability insurance, for any vehicles owned by the Owner, with an inclusive limit of liability of ONE MILLION DOLLARS (\$1,000,000.00) exclusive of interest or costs, per occurrence for loss or damage resulting from bodily injury to or death of one or more persons and for loss or damage to property.
- 24.2** Such policies shall not be terminated, cancelled, or materially altered unless written notice of such termination, cancellation, or material alteration is given by the insurers to the Town at least thirty (30) days before the effective date thereof.
- 24.3** All policies of insurance stipulated herein will be with insurers acceptable to and in a form satisfactory to the Town.
- 24.4** If required by the Town, the Owner shall prove to the satisfaction of the Town that all premiums on such policy or policies have been paid and that all insurance is in full force and effect.
- 24.5** The Owner shall deposit with the Town, prior to commencing any work on the Plan, a certificate of insurance.
- 24.6** The Owner shall file a renewal certificate with the Town not later than one (1) month before the expiry date of any policy provided pursuant to this agreement, until the Town has indicated in writing that the policy need not continue in force any longer. In the event that such renewal certificate is not received, the Town shall be entitled to either renew the policy at the expense of the Owner or to order that all work on the land within the plans cease until the policy is renewed.
- 24.7** The issuance of such a policy of insurance shall not be construed as relieving the Owner from the responsibility for other or later claims, if any, for which it may be held responsible.

25. Securities

- 25.1** Prior to commencing any work on the Plan, the Owner shall deposit with the Town as a performance guarantee to ensure total performance of this agreement by the Owner, in a form acceptable to the Town's Solicitor guaranteeing up to a maximum of Two Hundred Thousand Dollars (\$200,000.00) for amounts which are due or which become due pursuant to this agreement and further that Lots 34, 41, 92 and 98 shall be deeded to the Town, in trust, as per Schedule 'G'. The guarantee and Lots 34, 41, 92 and 98 shall be released by the Town at the end of the warranty periods referred to in this Agreement, provided no amount of money is owed from the Owner or Guarantor to the Town.
- 25.2** Owner in Default – If, in the opinion of the Town, the Owner is not installing any works required in connection with this agreement within the specified time or in order that it may be completed within the specified time or is improperly performing the work, or shall the Owner neglect or abandon such works before completion or unreasonably delay the same so that the conditions of this agreement are being violated, or carelessly performed, or shall the Owner neglect or refuse to renew or again perform such work as may be rejected by the Town as defective or unsuitable, or shall the Owner, in any manner, in the opinion of the Town, make default in the performance of any of the terms of this agreement, then in which case, the Town shall notify the Owner in writing of such default or neglect and if such default or neglect not be remedied within ten (10) clear days after such notice or within such time period as may be designated by the Town, then, in that case, the Town thereupon shall have full authority and power immediately to purchase such materials, tools and machinery and to employ such workmen as shall be required for the proper completion of the said works at the cost and expense of the Owner. In case of emergencies, such work may be done without prior notice but the Owner shall be notified forthwith. The cost of such work will be calculated by the Town, whose decision shall be final. Any work done at the direction of the Town pursuant to the provisions of this clause shall not be an assumption by the Town of any liability in connection therewith nor a release of the Owner from any of its obligations under this agreement.
- 25.3** The Town agrees to reduce, from time to time, the amount of the performance guarantee referred to in this agreement unless otherwise stipulated in this agreement, hereof by an amount equal to ninety percent (90%) of the value of the works completed to the satisfaction of the Town upon receipt of the following:

- 25.3.1** a statutory declaration that all accounts relative to the installation of the completed works have been paid; and
- 25.3.2** Owner to certify to the Town that there are no liens or potential lien claims relating to any of the completed works as and when the Owner requests the Town to reduce the performance guarantee or finally accept the works pursuant to the Construction Lien Act; and
- 25.3.3** certification of the substantial performance of all contracts and subcontracts as required by the Construction Lien Act for such completed works, together with the proof of publication thereof.

The remaining ten percent (10%) of the performance guarantee for the underground services and plant materials shall be retained by the Town until expiration of the maintenance period for the underground works and acceptance by the Town.

The remaining ten percent (10%) of the performance guarantee for the aboveground work shall be retained by the Town until final acceptance of the subdivision works by the Town Council.

26. The Construction Lien Act

- 26.1** The Owner shall comply with all of the provisions of the Construction Lien Act, RSO. 1990, as amended, from time to time (herein called the "Act") and without limiting the generality of the foregoing, shall hold in its possession all the statutory holdbacks and any additional funds required to be held by the Act. These holdbacks and funds shall not be disbursed except in accordance with the Act.
- 26.2** The Owner shall indemnify and hold harmless the Town from all losses, damages, expenses, actions, causes of action, suits, claims, demands and costs whatsoever which may arise either directly or indirectly by reason of any failure, neglect or refusal by the Owner to comply with the Act or by reason of any action brought against the Town or of them pursuant to the Act and arising out of the performance of this agreement by the Owner and its servants, employees, agents and subcontractors.
- 26.3** The Town Treasurer may, at any time, authorize the use of all or part of the performance guarantee referred to in paragraph 26.1 of this agreement:
 - 26.3.1** to pay, discharge, vacate, and obtain and register a release of all charges, claims, liens, and all preserved or perfected liens made, brought, or registered pursuant to the Act which affects any lands owned by the Town, including public highways in the event the Owner defaults in the performance of this agreement; and
 - 26.3.2** to pay to the Town any amounts owing to them pursuant to paragraph 26.2 of this agreement.
- 26.4** The Owner acknowledges that the Town shall not be required to reduce or release the performance guarantee in accordance with paragraph 26 of this agreement until the Town is satisfied that all of the provisions of paragraph 26 and 27 together with all other provisions of this agreement have been complied with.

27. Final Acceptance or Works

- 27.1** The performance by the Owner of all of its obligations under this agreement shall be a condition precedent to the final acceptance of the works by the Town. Prior to the final acceptance of the works by the Town, the Owner shall furnish the Town with:
 - 27.1.1** a statutory declaration by or on behalf of the Owner that the Owner has paid all accounts that are payable in connection with the installation and maintenance of works and that there are no outstanding claims relating to the works;
 - 27.1.2** Owner to certify to the Town that there are no liens or potential lien claims relating to any of the completed works as and when the Owner requests the Town to reduce the performance guarantee or finally accept the works pursuant to the Construction Lien Act;
 - 27.1.3** a surveyor's certificate by an Ontario Land Surveyor stating that all standard iron bars are in place as shown on the plan. This certificate shall be submitted one (1) month prior to application by the Owner for substantial completion of the works;
 - 27.1.4** a certificate under stamp and seal from the Owner's consulting engineer certifying that all of the works required by this agreement have been constructed in accordance with the approved plans and Town's specifications;

- 27.1.5** one complete set of “as constructed” plans in a printed and digital PDF format satisfactory to the Town for all works including lot grading;
- 27.1.6** final acceptance of the overall lot grading plan shall be at the time this agreement has been satisfied (75% of lots developed);
- 27.1.7** construction of all sidewalks shall be completed as per Schedule ‘B-6’ and to the Town’s standards at the time this agreement has been satisfied (75% of lots developed).

28. Indemnification

- 28.1** Until the final acceptance of all the works required by this agreement, by resolution of the Town Council, the Owner shall indemnify the Town against all actions, causes of action, suits, claims, demands and costs whatsoever arising by reason of the Owner, its agents or employees doing, failing to do, or doing incorrectly or negligently anything it is required to do by the terms of this agreement.
- 28.2** The Owner shall take all precautions necessary to protect the public against injury on any lands set out in the plan, and when necessary keep out danger signals at night and at such other times and places as public safety may require.
- 28.3** The said indemnity shall apply to all lands set out in the plan, including lands which have been designated as parklands and deeded to the Town pending final acceptance of the entire plan by the Town.

29. Signs Respecting Assumption of Roads by Municipality

- 29.1** Prior to commencement of construction the Owner shall install the following signage: "ROADS NOT ASSUMED BY THE MUNICIPALITY. USE AT YOUR OWN RISK". The said signage shall remain in place until final acceptance of the subdivision by the Municipality.

30. Open Fires

- 30.1** The Owner agrees that there shall be no open fires started on the lands, except in accordance with a fire permit issued by the Town Fire Chief in accordance with the Ontario Fire Code and the Town By-Laws. This paragraph shall also apply to all persons, including their contractors and subcontractors, who are constructing buildings within the plan. The Owner shall bring this clause to the attention of all such persons by means of attaching a copy of it to all agreements of purchase and sale of all lots or blocks in the subdivision sold to such persons.

31. Notices

- 31.1** Any notice to be given to the Owner by this agreement, shall be sufficiently given to the Owner if given in writing to either the Owner or to the Owner's professional engineer by either personal service or prepaid first class mail or prepaid registered mail addressed to the Owner or the Owner's professional engineer or landscape architect at the addresses shown on the approved plans referred to in Schedule 'C' to this agreement, or such other addresses as either party may designate in writing and any notice so mailed shall be deemed to have been given twenty-four (24) hours after mailing.

To the Owner(s) at: 2501563 Ontario Inc.
302300 Concession 2 SDR
R.R. # 1
Hanover, Ontario
N4N 3B8

To the Mortgagee at:

To the Town at: Clerk
Town of Hanover
341 10th Street
Hanover, Ontario
N4N 1P5

All schedules are for illustration purposes only. For details, refer to construction drawings.

32. By-Laws

- 32.1** Notwithstanding any of the provisions of this agreement, the Owner, its successors and assigns, shall be subject to all of the by-laws of the Town of Hanover presently in

force and all future by-laws insofar as such future by-laws do not conflict with the terms of this agreement.

33. Agreement Binding

33.1 The Owner shall not call into question, directly or indirectly in any proceedings whatsoever, in law or in equity or before any administrative tribunal, the right of the Town to enter into this agreement and to enforce each and every term, covenant and condition herein contained and this agreement may be pleaded as an estoppel against the Owner in any such proceeding.

34. Successors & Assigns

34.1 The covenants, agreements, conditions and undertakings herein contained on the part of the Owner shall run with the lands and shall be binding upon it and upon its successors and assigns and shall be appurtenant to the adjoining highway in the ownership of the Town of Hanover.

IN WITNESS WHEREOF THE PARTIES HERETO have hereunto affixed their corporate seals attested by the hands of their proper officers duly authorized in that behalf.

SIGNED, SEALED AND
DELIVERED

in the presence of:

Witness

Witness

Witness

THE CORPORATION OF THE TOWN OF HANOVER

Per: 
Susan Paterson - Mayor

Per: 
Vicki McDonald - Clerk

2501563 ONTARIO INC.

Per: 
Owner - 

Per: _____
Owner -

I have authority to bind the Corporation

{MORTGAGEE'S NAME, IF APPLICABLE}

Per: _____
Mortgagee

SCHEDULE ‘A’ TO THE SUBDIVISION AGREEMENT

Description of Lands Being Subdivided

All and singular that certain parcel or tract of land and premises situate, lying and being in the Town of Hanover, in the County of Grey and Province of Ontario, and being composed of Part of Lots 9 and 10, Concession 1, North of the Durham Road, in the Geographic Township of Bentinck, Town of Hanover, County of Grey and more specifically described on the surveyor’s certificate for the boundaries as shown on the draft plan dated _____, and the boundary survey plan 16R-_____ dated _____.

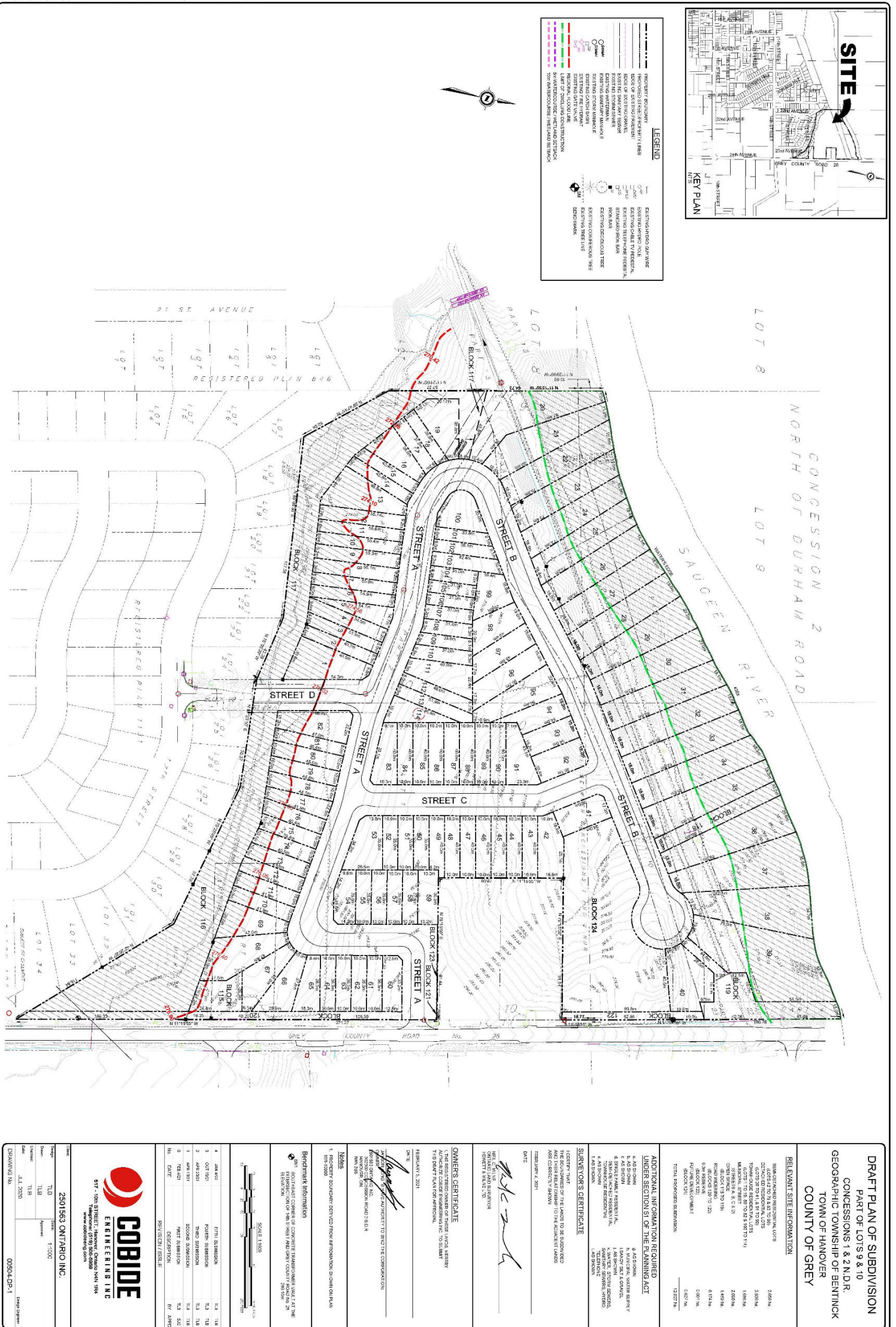
SCHEDULE 'B' TO THE SUBDIVISION AGREEMENT

Plan of Subdivision

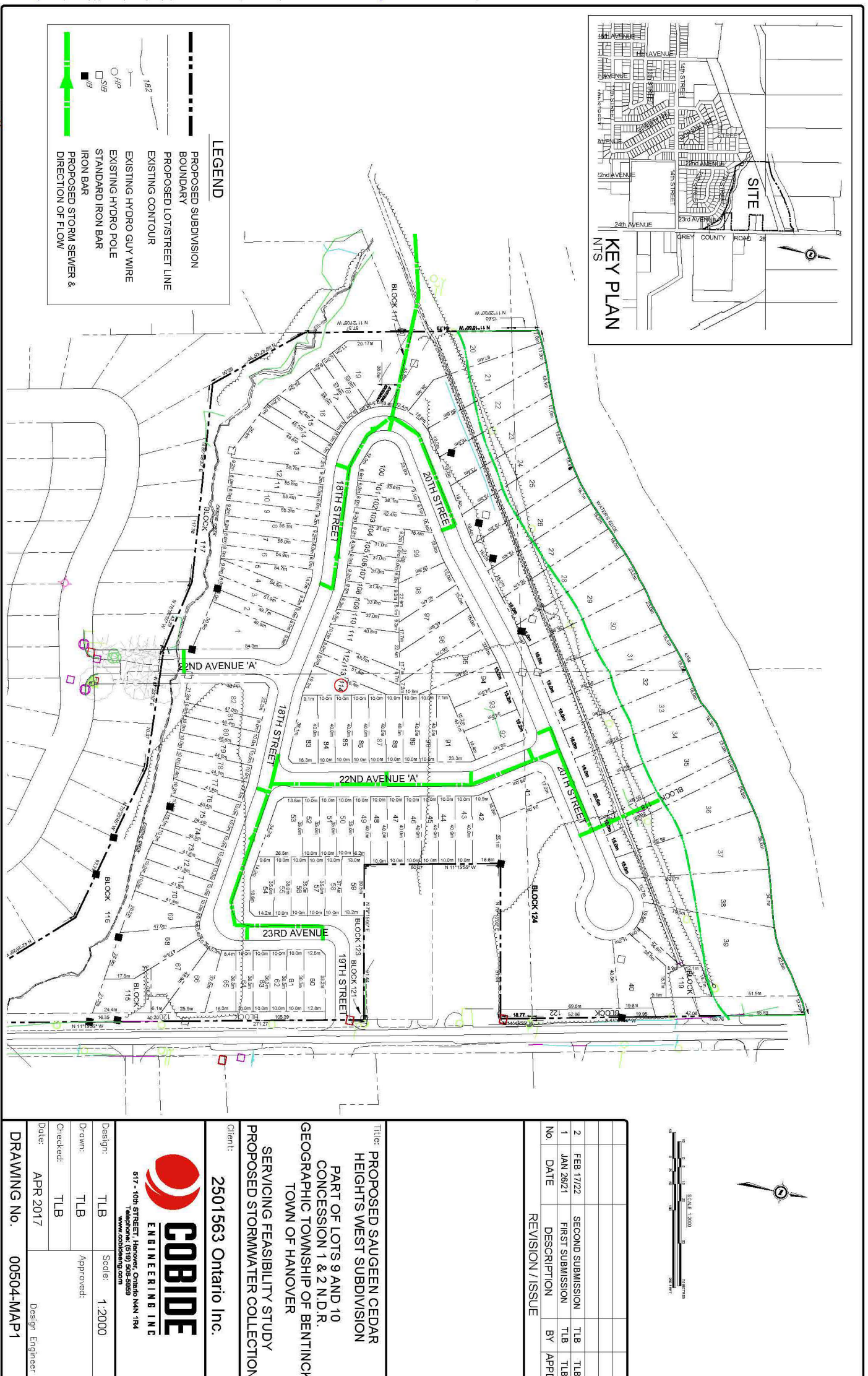
In the Town of Hanover, County of Grey being composed of all Lots 1 to 114 inclusive and Blocks 115 to 127 inclusive, Plan 16M-_____ available for inspection at the Grey Registry Office and at the Municipal Office of the Town of Hanover at 341 10th Street, Hanover, Ontario, N4N 1P5.

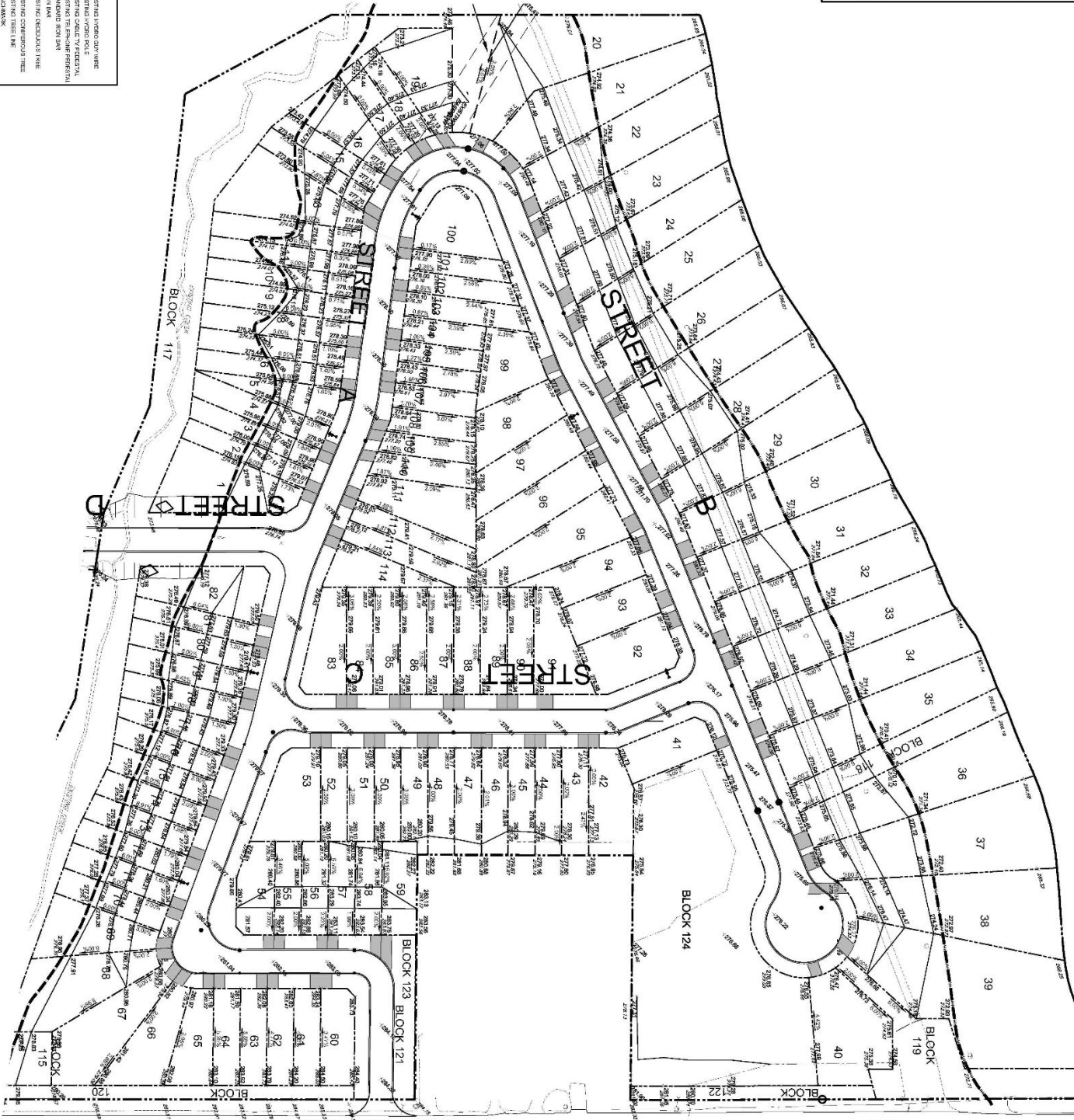
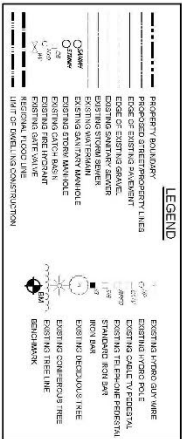
SCHEDULE 'B-1' TO THE SUBDIVISION AGREEMENT
Draft Plan of Subdivision

C:\Users\tburn\Desktop\Take Home\00504 Draft Plan 2022-01-04.dwg Jan 04, 2022 - 8:53pm



SCHEDULE 'B-2' TO THE SUBDIVISION AGREEMENT
Stormwater Management Plan





Benchmark Information

 SOUTH EAST CORNER OF COMPOSITE HALL (COMMON WALL) AT THE INTERSECTION OF 44th STREET AND HWY 7 (200)
ELEVATION
200 TYP

NO.	DATE	DESCRIPTION	BY	APP'D	
		REVISION / ISSUE			

Note: For walls shown on grad and finished



COBIDE
ENGINEERING INC.
817 10th Street, Hanover, Ontario M0A 1Y4
Tel: 519-835-1100
www.cobideengineering.com

SAUGEEN CEAR HEIGHTS WEST
Town of Hanover, Ontario

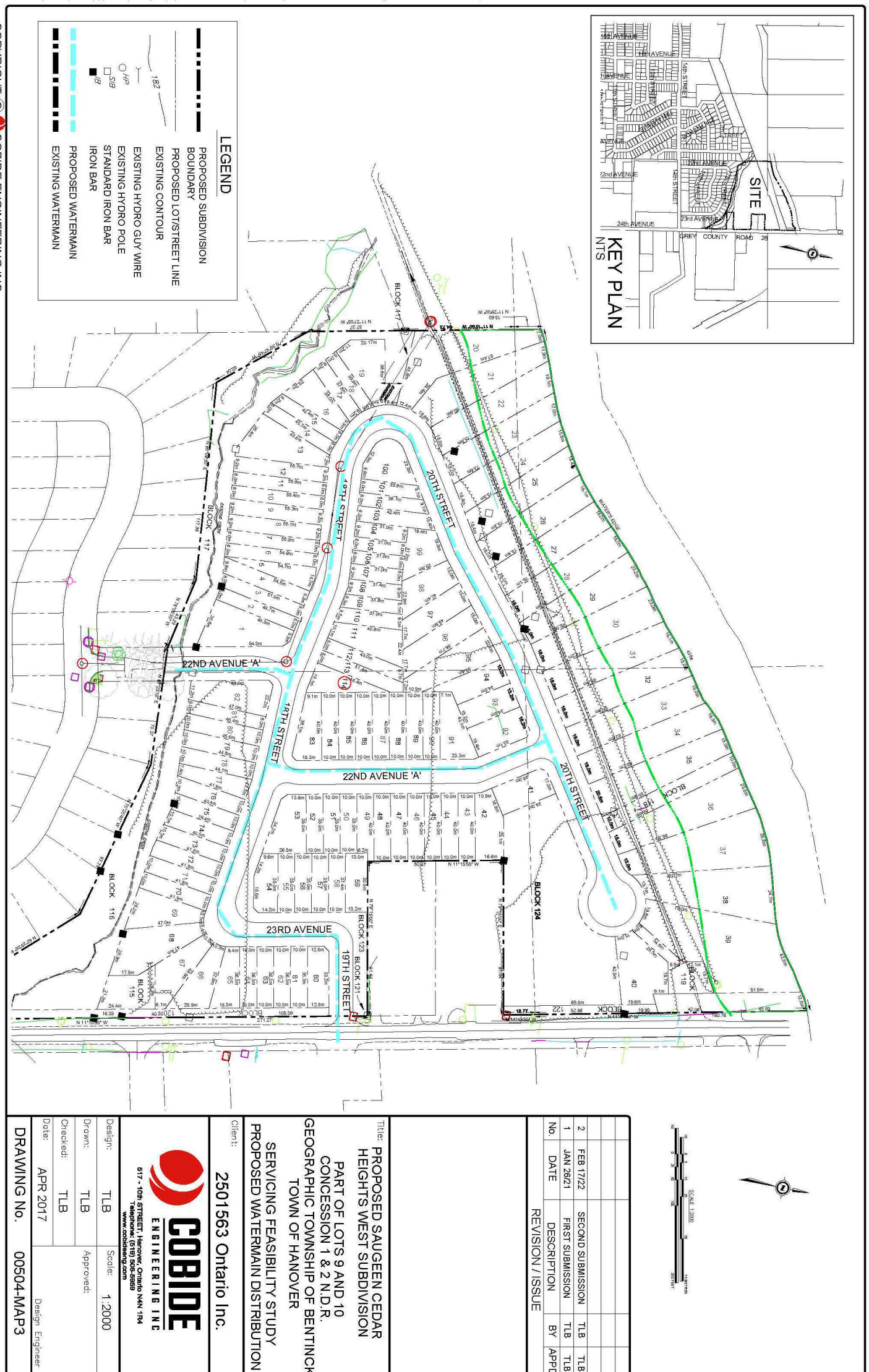
LOT GRADING PLAN

2501563, ONTARIO INC.

DATE:		Scale: 1:350 Approx.	
Design:	T.L.B.		
Check:	T.L.B.		
Issue:	AUG 2021		
DRAWING NO.	00504-C9	Image: 00504	

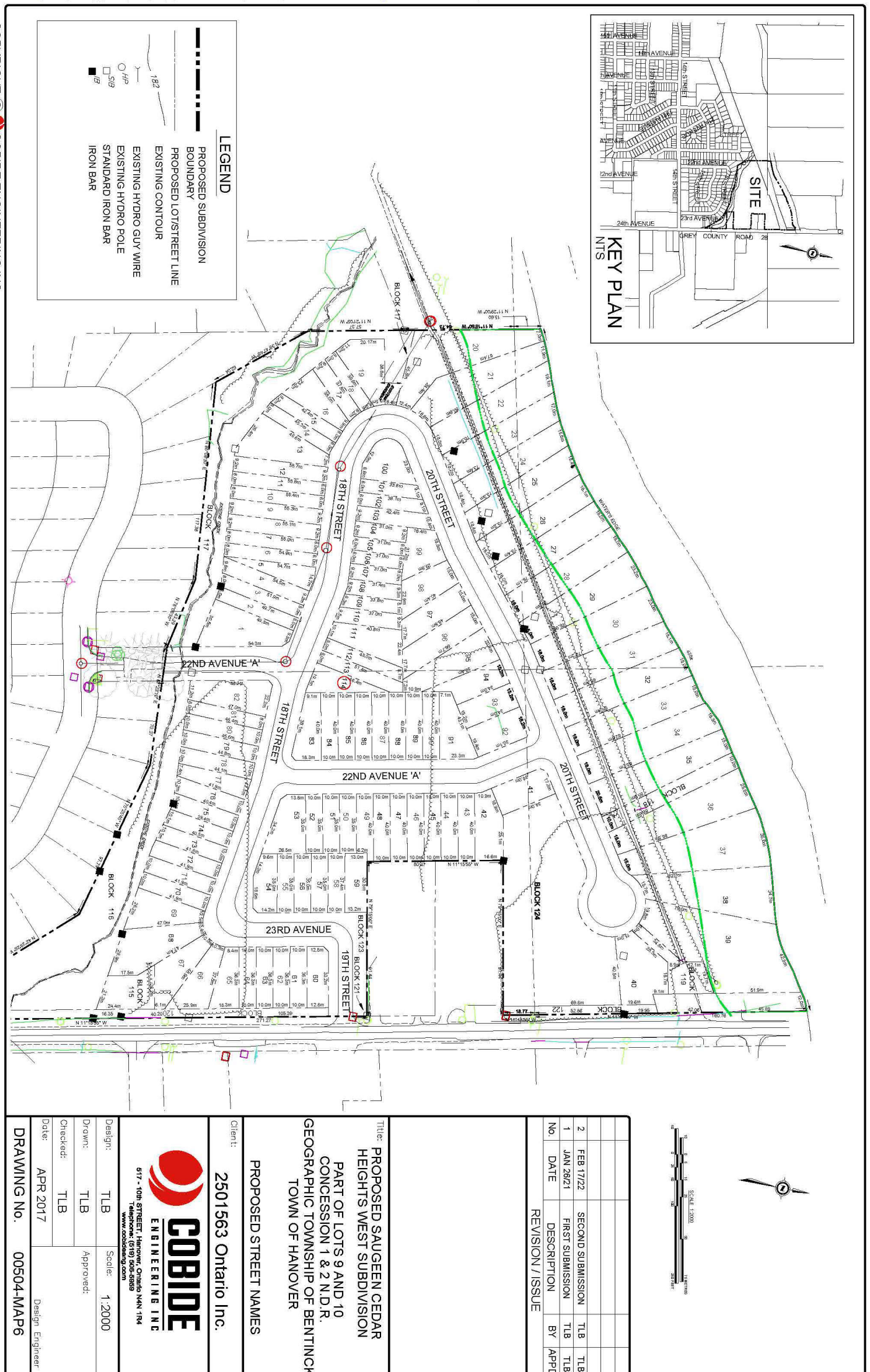
- 16 -

SCHEDULE 'B-5' TO THE SUBDIVISION AGREEMENT
Water Distribution Plan



SCHEDULE 'B-7' TO THE SUBDIVISION AGREEMENT

Approved Street Names



SCHEDULE 'B-8' TO THE SUBDIVISION AGREEMENT

Tree Retention Plan



SCHEDULE 'C' TO THE SUBDIVISION AGREEMENT

Hanover Public Works and Westario Power Standards and Approved Construction Plan Drawings

HANOVER PUBLIC WORKS SERVICING STANDARDS:

1. Engineering Studies:
The Developer and Consulting Engineer shall undertake sufficient engineering studies, including drainage and soil investigations, to ensure that the proposed municipal works and services are compatible with existing site and servicing constraints and can be carried out in a manner which would satisfy all Town standards and conform with good engineering practice.
2. OPSS & OPSD:
The applicable Ontario Provincial Standard Specifications and Drawings shall apply to all work, unless superseded by standards imposed by the Town of Hanover.
3. Field Revisions:
The Director of Public Works reserves the right to order field revisions at the sole expense of the Developer.
4. Testing:
The Director of Public Works reserves the right to call for qualitative and quantitative tests to verify conformance to specifications and drawings, at the expense of the Developer.
5. Boulevards:
All boulevards and other areas to be landscaped shall be finished with minimum 100mm of topsoil on which is placed nursery sod, and is watered as necessary to provide for proper root growth.
6. Parks:
Lands to be conveyed to the Town for parks purposes shall have minimum 100mm of topsoil graded over such lands and such lands shall be seeded or sodded in accordance with the requirements of the approved park grading plan.
7. Signage:
The following street signage shall be installed:
 - stop signs
 - street name signs
 - no exit signs
 All street and traffic signs shall be approved prior to their installation by the Director of Public Works and shall be supplied and erected at the Developer's expense.

WESTARIO POWER SERVICING STANDARDS:

1. Engineering Studies:
The Developer shall retain the services of a qualified professional engineer for the design and supervision of the proposed electrical distribution system including street lighting. The Developer shall provide Westario Power the final and approved site proposal no later than 6 months prior to the commencement of construction. The supplied package shall include surveyed CAD layouts. All works to be constructed shall be approved by Westario Power prior to their installation.
2. Construction Co-Ordination:
The Developer will be responsible for the following:
 - i) The routes for cable trenches must be cleared of all obstacles and rough graded to within 150mm of final grade before any trenching for electrical supply will be commenced.
 - ii) The Developer shall co-ordinate as far as is possible within his/her jurisdiction the layout and installation of the other services and utilities, such as telephone, cable TV, and gas, to permit the underground electrical facilities to be installed in the most economical and efficient manner.
 - iii) All trenching for joint-use Electric/Bell/TV underground installation shall be the responsibility of the Developer, to Westario Power's specifications. This will include line and grade for all excavations, sand bedding, backfill, restoration, and 4 weeks advance notice.

- iv) All transformer foundation and grounding infrastructure. This shall be performed to the Westario Power specifications.
- 3. Temporary Service:
The Developer acknowledges that the installation will not normally commence until all other servicing and grading is completed to the property lines of the building blocks, and if temporary electrical service is required for building purposes, this will either be supplied from the underground installation or from temporary overhead, and the cost of the temporary overhead will be chargeable completely to the Developer, or such person requesting the temporary service.
- 4. Field Revisions:
All design of electrical services is based on the premise that electrical service will be required for all of the building blocks shown on the Plan. If for any reason the building blocks shown on the Plan are to be changed in dimension or location, the costs associated in accommodating these changes will be wholly chargeable to the Developer. Field changes shall be captured by the Developer and communicated to Westario Power.
- 5. Ontario Hydro Safety Codes:
The Developer acknowledges that he/she is aware of and agrees to comply with Section 26-014 “Liquid Filled Equipment, Outdoors” of the Ontario Hydro Safety Code, 20th edition. Briefly, this code requires a 6-metre separation between dielectric liquid-filled equipment and any combustible surfaces or materials on a building or any door or window, or any ventilation inlet or outlet. If the Developer does not adhere to this rule, Westario Power has the right to rectify this situation at the total cost of the Developer and shall invoice the Developer on a net 30 day payment basis.
- 6. Approved Construction Plan Drawings:
Approved Construction Plan Drawings as prepared by the Consulting Engineer in accordance with the Hanover Public Works and Westario Power engineering standards form part of this Agreement are listed below. Revisions to any of these drawings or specifications must be approved and initialled by authorized representatives of the Developer, the Town and Westario Power. Any and all revisions shall be submitted to Westario Power for review and planning amendments as soon as those revisions are known.

Schedule of Plans

<u>Drawing Number</u>	<u>Drawing Name</u>	<u>Revision Date</u>
00504-TS	Title Page	Jan. 16, 2023
00504-C1	General Servicing Plan	Jan. 16, 2023
00504-C2	Street A Plan and Profile	Jan. 16, 2023
00504-C3	Street A Plan and Profile	Jan. 16, 2023
00504-C4	Street A Plan and Profile	Jan. 16, 2023
00504-C5	Street B Plan and Profile	Jan. 16, 2023
00504-C6	Street B Plan and Profile	Jan. 16, 2023
00504-C7	Street C Plan and Profile	Jan. 16, 2023
00504-C8	Street D Plan and Profile	Jan. 16, 2023
00504-C9	Lot Grading Plan	Jan. 16, 2023
00504-C1	Stream Crossing Details	Jan. 16, 2023
00504-DET1	Engineering Standards – Typical Cross Sections & Miscellaneous Details	Jan. 16, 2023
00504-DET2	Miscellaneous Details 1	Jan. 16, 2023
00504-DET3	Miscellaneous Details 2	Jan. 16, 2023
00504-DET4	Typical Infiltration Gallery Design	Jan. 16, 2023
00504-ESC	Erosion and Sedimentation Control Plan	Jan. 23, 2023
00504-SIGNP	Signage Plan	Jan.23, 2023

SCHEDULE 'D' TO THE SUBDIVISION AGREEMENT
Estimated Cost of Construction

Project No. 00504					January 11, 2023
		Saugeen Cedar Heights West Subdivision Construction Cost Estimate Town of Hanover			
Item	Tender Cost Summary				Total
1.0	General Construction Items and Removals				\$30,000.00
2.0	Sanitary Sewers				\$515,625.00
3.0	Watermain and Appurtenances				\$555,500.00
4.0	Storm Sewers				\$656,350.00
5.0	Road Works				\$847,400.00
6.0	Contingency Allowance				\$50,000.00
Total Preliminary Cost					\$2,654,875.00
1.0	General Construction Items and Removals	Quantity	Unit	Unit Price	Total
1.01	Mobilization/ Demobilization	100%	LS	\$10,000.00	\$10,000.00
1.02	Materials Testing	100%	LS	\$15,000.00	\$15,000.00
1.03	Supply, Install, Maintain and Remove Temporary Mud Mat (Provisional)	1	Each	\$2,500.00	\$2,500.00
1.04	Traffic Control	100%	LS	\$2,500.00	\$2,500.00
Total Section 1.0					\$30,000.00
2.0	Sanitary Servicing	Quantity	Unit	Unit Price	Total
2.01	Install New Sanitary Manhole on Existing Sewer	1	Each	\$15,000.00	\$15,000.00
2.02	200 mm PVC SDR-35 Sanitary Sewer	905	m	\$225.00	\$203,625.00
2.03	100 mm dia. Sanitary Service	114	Each	\$1,750.00	\$199,500.00
2.04	1200 mm dia. Manhole	9	Each	\$7,500.00	\$67,500.00
2.05	1200 mm dia. Manhole c/w Safety Platform	3	Each	\$1,000.00	\$3,000.00
2.06	Extend Ex. 1200 mm dia. Manhole c/w Internal Drop Structure	3	Each	\$4,000.00	\$12,000.00
2.07	Video Inspection of Sewer - Substantial Performance	100%	LS	\$7,500.00	\$7,500.00
2.08	Video Inspection of Sewer - 3 Months Prior to End of Warranty Period	100%	LS	\$7,500.00	\$7,500.00
Total Section 2.0					\$515,625.00
3.0	Watermain and Appurtenances	Quantity	Unit	Unit Price	Total
3.01	200 mm PVC DR 18 Watermain	1,020	m	\$250.00	\$255,000.00
3.02	300 mm PVC DR 18 Watermain	10	m	\$300.00	\$3,000.00
3.03	200 mm Dia. Gate Valve	10	Each	\$3,500.00	\$35,000.00
3.04	Supply and Install 19mm Municipex Water Service	114	Each	\$1,500.00	\$171,000.00
3.05	Supply and Install Hydrant c/w Hydrant Sign	7	Each	\$11,000.00	\$77,000.00
3.06	Supply and Install 50mm Blow-Off	1	Each	\$4,000.00	\$4,000.00
3.07	Commission Watermain	100%	LS	\$7,500.00	\$7,500.00
3.08	Connection to Existing Watermain	1	Each	\$3,000.00	\$3,000.00
Total Section 3.0					\$555,500.00
4.0	Storm Sewers	Quantity	Unit	Unit Price	Total
4.01	300 mm dia. HDPE Storm Sewer	322	m	\$200.00	\$64,400.00
4.02	375 mm dia. HDPE Storm Sewer	176	m	\$225.00	\$39,600.00
4.03	450 mm dia. HDPE Storm Sewer	276	m	\$275.00	\$75,900.00
4.04	525 mm dia. HDPE Storm Sewer	109	m	\$300.00	\$32,700.00
4.05	600 x 600 mm Precast Concrete Catchbasin	10	Each	\$3,750.00	\$37,500.00
4.06	600 x 1450 Precast Concrete Twin Inlet Catchbasin	1	Each	\$5,500.00	\$5,500.00
4.07	1200 mm dia. Manhole	3	Each	\$6,500.00	\$19,500.00
4.08	1200 mm dia. Manhole on Existing Storm Sewer	1	Each	\$7,500.00	\$7,500.00
4.09	1200 mm dia. Catchbasin Manhole	11	Each	\$6,500.00	\$71,500.00
4.10	1500 mm dia. Catchbasin Manhole	1	Each	\$9,500.00	\$9,500.00
4.11	1500 mm dia. Precast Concrete Twin Inlet Catchbasin Manhole	4	Each	\$10,000.00	\$40,000.00
4.12	150 mm dia. Perforated Subdrain	2110	m	\$25.00	\$52,750.00
4.13	Supply & place Rip-Rap	400	m²	\$75.00	\$30,000.00
4.14	Supply & Install precast concrete headwall c/w handrail	2	Each	\$25,000.00	\$50,000.00
4.15	Supply & Install OGS	2	Each	\$60,000.00	\$120,000.00
Total Section 4.0					\$656,350.00
5.0	Road Works	Quantity	Unit	Unit Price	Total
5.01	Granular 'B' (450 mm Depth)	14,500	Tonne	\$14.00	\$203,000.00
5.02	Granular 'A' (150 mm Depth)	5,300	Tonne	\$17.00	\$90,100.00
5.03	HL-4 Hot Mix (50mm Base Course)	1,300	Tonne	\$125.00	\$162,500.00
5.04	HL-3 Hot Mix (40mm Surface Course)	1,050	Tonne	\$125.00	\$131,250.00
5.05	Imported Granular Fill (Provisional)	1,000	Tonne	\$7.00	\$7,000.00
5.06	Supply and Install Concrete Mountable Curb and Gutter (OPSD 600.100)	2,110	m	\$60.00	\$126,600.00
5.07	Supply and Install 1.5m Concrete Sidewalk	900	m²	\$80.00	\$72,000.00
5.08	Supply & Install Tactile Plates	4	Each	\$300.00	\$1,200.00
5.09	Dust Control	100%	LS	\$2,500.00	\$2,500.00
5.10	Supply and Install Traffic Signs	7	Each	\$250.00	\$1,750.00
5.11	Pavement Markings	100%	LS	\$4,500.00	\$4,500.00
5.12	Subgrade and Boulevard Preparation	100%	LS	\$20,000.00	\$20,000.00
5.13	Supply and Place Electrical Duct Crossings	100%	LS	\$25,000.00	\$25,000.00
Total Section 5.0					\$847,400.00
Notes:					
1. The Estimate of Construction costs is provide for budgetary purposes only. This is not to be interpreted as a guarantee by Cobide Engineering Inc.					

SCHEDULE 'E' TO THE SUBDIVISION AGREEMENT

Lot / Special Requirements

The following lots and blocks require certain conditions:

1. Lots 1-40, 66-82 and 100-114 (dependent upon house design) require special engineering prior to development and prior to footings being placed.
Subsequent to regrading all lots with excess of 1.2 m of fill to be identified.

SCHEDULE 'F' TO THE SUBDIVISION AGREEMENT

Easements to be Granted to the Town of Hanover

The following easements are to be defined on reference plans registered in the Grey County registry office and conveyed to the Town of Hanover, at no cost to the Town, in accordance with the requirement of the Town Solicitor:

1. Lots 1 to 10, 18 to 20, 82 and 100 inclusive are subject to an existing easement for sanitary sewer.

SCHEDULE 'G' TO THE SUBDIVISION AGREEMENT**Lands to be Deeded to Municipality Inclusive of
Parks Dedication or Cash-in-Lieu thereof**

The following lands are to be conveyed to the Town of Hanover, at no cost to the Town, in accordance with the requirements of the Town Solicitor:

Lands to be Conveyed to the Town:

Lots 34, 41, 92 and 98, Registered Plan 16M-_____, in the Town of Hanover, County of Grey shall be deeded to the Town at the time of registration of the Plan, for security purposes and will be released by the Town at the end of the warranty periods referred to in this Agreement, provided no amount of money is owed from the Owner or Guarantor to the Town.

Block 118, Registered Plan 16M-_____, in the Town of Hanover, County of Grey shall be deeded to the Town of Hanover for storm sewer

Blocks 115 to 117 and 119, Registered Plan 16M-_____, in the Town of Hanover, County of Grey shall be deeded to the Town of Hanover for open space purposes

Lands to be Conveyed to County of Grey:

Blocks 120 to 122 and 127, Registered Plan 16M-_____, in the Town of Hanover, County of Grey shall be deeded to the County of Grey for road widening.

Cash-in-lieu of Parkland:

Parkland payment in the amount of \$31,975.00 owing at the time of signing this agreement.

SCHEDULE 'H' TO THE SUBDIVISION AGREEMENT**Conditions of Draft Approval of the Plan of Subdivision**

1. That this approval applies to the draft Plan of Subdivision File No. 42T-2021-01 as prepared by Cobide Engineering Inc. dated July 2020, with a sixth revision submission date of February 27, 2022 showing:
 - 31 detached dwelling lots (Lots 20 - 41 and 91 - 99),
 - 46 lots for semi-detached dwellings (Lots 42-79 and 83-90),
 - 37 lots for townhouses (Lots 1 - 19, 80 - 82, and 100 - 114),
 - Future development block (Block 124),
 - Municipal streets (18th Street, 19th Street, 20th Street, 22nd Avenue, 22nd Avenue 'A' and 23rd Avenue),
 - Road widening & Daylighting (Blocks 120 - 122 and 127),
 - 0.3 metre reserves (Blocks 123, 125 and 126),
 - Open space (Blocks 115 – 117 and 119) and storm sewer (Block 118)
 - on Part of Lots 9 and 10, Concessions 1 and 2, North of the Durham Road (NDR), geographic Township of Bentinck, Town of Hanover, County of Grey.
2. That 18th Street, 19th Street, 20th Street, 22nd Avenue, 22nd Avenue 'A' and 23rd Avenue be deeded to the Town of Hanover and named to the satisfaction of the Town of Hanover.
3. That Blocks 120 to 122 and 127 (road widening) along Grey Road 28 (24th Avenue) shall be deeded to the County of Grey.
4. That an entrance permit be granted by the County of Grey for any new entrances or intersections such as 19th Street that are connecting onto Grey Road 28 (24th Avenue). Any work within the County's road allowance will require an encroachment permit.
5. That the owner conveys up to 5% of the land included in the plan to the Town for parkland purposes. Alternatively, the Town may accept cash-in-lieu of all or a portion of the conveyance.
6. That a suitable Subdivision Agreement be entered into between the owner and the Town of Hanover. The agreement shall contain all matters set out as Conditions of Approval as deemed necessary in this Decision and any other matters as deemed appropriate by the Town of Hanover, including but not limited to sidewalks, phasing, the construction of roads, temporary road turnaround construction, landscaping and fencing. Furthermore, the owner shall agree in writing to satisfy all the requirements, financial and otherwise, of the Town of Hanover concerning 18th Street, 19th Street, 20th Street, 22nd Avenue, 22nd Avenue 'A' and 23rd Avenue. Wording shall also be included in the Subdivision Agreement to implement the recommendations of the Environmental Impact Study prepared by WSP dated November 2020, with an Addendum dated January 21, 2022, including;
 - a) the preparation of a Tree Planting Plan including habitat replacement,
 - b) delineating vegetation clearing zones and vegetation retention zones using tree protection fencing,
 - c) delineating the no development areas and setbacks, and
 - d) setting tree clearing timeframes

The Subdivision Agreement shall specify that upon registration of the plan of subdivision, two (2) detached residential lots will be transferred to the Town of Hanover and held until such time as satisfactory replanting and monitoring has occurred to implement the Tree Planting Plan. Following completion of the Tree Planting Plan, the two (2) detached residential lots will be transferred back to the developer for development purposes.
7. That prior to final approval, the Developer shall satisfy the following requirements of the Saugeen Valley Conservation Authority:
 - a) That a hydrology/hydrogeology assessment is undertaken to the satisfaction of SVCA to determine impacts, if any, of proposed development (22nd Avenue 'A' and uncontrolled stormwater outlet) on the HHFE floodplain.
 - b) That a hydrology/hydrogeology assessment be undertaken to SVCA's satisfaction to address the impacts of development on fish habitat, and the hydrologic impact of wetland removal.
 - c) That the SVCA be satisfied with the final Environmental Impact Study.
 - d) That the final site plan / grading plan demonstrate development will occur in accordance with the recommendations for mitigation measures outlined in WSP's Environmental Impact Study (EIS) dated November 27, 2020, with addendum dated January 21, 2022, and hydrologic/hydrogeologic assessment to SVCA staff's satisfaction.

- e) That a Tree Planting Plan be developed to the satisfaction of SVCA for proposed woodland/wetland removal compensation.
 - f) That the Town of Hanover and the SVCA must be satisfied with the final Stormwater Management Report and engineering drawings.
 - i) That the Subdivision Agreement include requirements to implement the findings of the EIS, hydrology/hydrogeology report, floodplain report, stormwater report and related plans, site plan/grading plan, and Planting Plan to the satisfaction of SVCA.
8. That prior to any grading or construction on the site and prior to final approval of the subdivision by the County, the Developer shall submit for approval of the Saugeen Valley Conservation Authority and Town of Hanover a Stormwater Management Report, a Sediment Control Plan, and a detailed Lot Grading Plan prepared by a technically qualified consultant. The report shall detail the methods that will be used to control stormwater and erosion and sedimentation within the proposed Draft Plan of Subdivision lands and abutting properties during and following construction. The report shall also detail the methods that will reduce any negative impacts to water quality.
9. That prior to any grading or construction on the site and prior to final approval of the subdivision by the County, the owner shall submit for approval of the Saugeen Valley Conservation Authority and Town of Hanover the Tree Planting Plan prepared by a technically qualified consultant. The reports shall detail the methods that will be used to mitigate impacts to the features within the Draft Plan of Subdivision lands and abutting properties during and following construction. Recommendations of the Tree Planting Plan shall be established as requirements for the offsetting protections of the offset areas in perpetuity. Recommendations of the EIS and Tree Planting Plan shall be established as requirements for the development of each effected property in the form of zoning, Subdivision Agreement, or other appropriate methods that will ensure the development on each lot follows the approved reports indefinitely.
10. That prior to final approval by the County, that appropriate zoning is in effect for this proposed subdivision that conforms to the Town of Hanover Official Plan and that addresses the following:
 - The Residential lots,
 - The open space lands, and
 - The Hazard mapping as recommended by the Saugeen Valley Conservation Authority.
11. That this draft approval represents the allocation by the Town of Hanover of water and wastewater treatment capacity for one hundred and fourteen (114) residential units.
12. That the Developer shall agree in the Subdivision Agreement that sidewalks, walkways, and pedestrian paths are to be developed in accordance with Town standards at the time of the construction, to the satisfaction of the Town.
13. That the Developer shall agree in the Subdivision Agreement that Development Charges, processing, and administration fees be paid in accordance with the Town, County, and school board policies and by-laws.
14. That the Developer shall agree in the Subdivision Agreement that such easements, land dedication, or agreements as may be required for access, gas, utilities, communications, telecommunications, servicing, drainage and construction purposes shall be granted to the appropriate agencies or authorities, to their satisfaction free and clear of all encumbrances.
15. That the Developer shall agree to the following in the Subdivision Agreement;
 - a) Should previously unknown or unassessed deeply buried archaeological resources be uncovered during development, such resources may be a new archaeological site and therefore subject to Section 48(1) of the Ontario Heritage Act. The proponent or person discovering the archaeological resources must cease alteration of the site immediately and engage a licensed archaeologist to carry out archaeological fieldwork, in compliance with Section 48(1) of the Ontario Heritage Act.
 - b) That anyone working on the subject lands who uncovers a burial site containing human remains shall cease fieldwork or construction activities and immediately report the discovery to the police or coroner in accordance with the Funeral, Burial and Cremation Services Act.
16. The Owner shall obtain a letter from the Ministry of Tourism, Culture and Sport that the Archaeological Assessment has been entered in the Ontario Public Register of Archaeological Reports, which is to be shared with the Town of Hanover.
17. The Developer will consult with Canada Post to determine suitable permanent locations for the placement of Community Mailboxes and to indicate these locations on appropriate servicing plans and include them in the Subdivision Agreement.
18. The Developer will confirm to Canada Post that the final secured permanent locations for the Community Mailboxes will not be in conflict with any other utility including hydro transformers,

- bell pedestals, cable pedestals, flush to grade communication vaults, landscaping enhancements (tree planting), and bus pads.
19. The Developer will install concrete pads at each of the Community Mailbox locations as well as any required walkways across the boulevard and any required curb depressions for wheelchair access as per Canada Post's concrete pad specification drawings.
 20. The Developer will agree to prepare and maintain an area of compacted gravel to Canada Post's specifications to serve as a temporary Community Mailbox location until the permanent site is requested by the municipality. This location will be in a safe area away from construction activity in order that Community Mailboxes may be installed to service addresses that have occupied prior to the pouring of the permanent mailbox pads. This area will be required to be prepared a minimum of 30 days prior to the date of first occupancy.
 21. The Developer will communicate to Canada Post the excavation date for the first foundation (or first phase) as well as the expected date of first occupancy.
 22. The Developer agrees, prior to offering any of the residential units for sale, to place a 'Display Map' on the wall of the sales office in a place readily available to the public which indicates the location of all Canada Post Community Mailbox site locations, as approved by Canada Post and the Town of Hanover.
 23. The Developer agrees to include in all offers of purchase and sale a statement, which advises the prospective new home purchaser that mail delivery will be from a designated Community Mailbox, and to include the exact locations (list of lots numbers) of each of these Community Mailbox locations; and further, advise any affected homeowners of any established easements granted to Canada Post.
 24. The Developer will be responsible for officially notifying the purchasers of the exact Community Mailbox locations prior to the closing of any home sales with specific clauses in the Purchase offer.
 25. Canada Post further requests the owner/developer be notified of the following:
 - a) The owner/developer of any condominiums will be required to provide signature for a License to Occupy Land agreement and provide winter snow clearance at the Community Mailbox locations.
 - b) Enhanced Community Mailbox Sites with roof structures will require additional documentation as per Canada Post Policy.
 - c) There will be no more than one mail delivery point to each unique address assigned by the Municipality.
 - d) Any existing postal coding may not apply, the owner/developer should contact Canada Post to verify postal codes for the project.
 26. That the owner(s) agree in the Subdivision Agreement to include in all Offers of Purchase and Sale a statement advising prospective purchasers that accommodation within a public school in the community is not guaranteed and students may be accommodated in temporary facilities; including but not limited to accommodation in a portable classroom, a "holding school", or in an alternate school within or outside of the community.
 27. That the owner(s) shall agree in the Subdivision Agreement to include in all Offers of Purchase and Sale a statement advising prospective purchasers that student busing is at discretion of the Student Transportation Service Consortium of Grey-Bruce.
 28. That the owners(s) agree in the Subdivision Agreement to include in all Offers of Purchase and Sale a statement advising prospective purchasers that if school buses are required within the Subdivision in accordance with Board Transportation policies, as may be amended from time to time, school bus pick up points will generally be located on the through street at a location as determined by the Student Transportation Service Consortium of Grey Bruce.
 29. That the owner(s) shall agree in the Subdivision Agreement to provide sidewalks and pedestrian linkages throughout the subdivision and connect to 24th Avenue and the subdivision to the south, to accommodate and promote safe walking routes. This pedestrian linkage to 24th Avenue will be constructed at the same time as the east end Community Trail System.
 30. That prior to final approval by the County, that the Town of Hanover is advised in writing that an electrical distribution system to service the lands shown on the plan is available.
 31. That prior to final approval being given, that the County is advised in writing by the Saugeen Valley Conservation Authority, how conditions 7 to 9 have been satisfied.
 32. That prior to final approval being given, that the County is advised in writing by Canada Post how conditions 17 to 25 have been satisfied.
 33. That prior to final approval being given, that the County is advised in writing by Bluewater District School Board how conditions 26 to 29 have been satisfied.
 34. That prior to final approval being given, that the County is advised in writing by the Town of Hanover how conditions 2 to 33 have been satisfied.
 35. If final approval is not given to this plan within three years of the draft approval date, and no extensions have been granted, draft approval shall lapse under Subsection 51(32) of the

Planning Act, RSO 1990, as amended. If the owner wishes to request an extension to draft approval, a written explanation together with the applicable application fee and a resolution from the local municipality must be received by the County of Grey Director of Planning, prior to the lapsing date. If the extension being requested is beyond a year, justification for the extension, a resolution from the location municipality and approval from the County will be required. Please note that an updated review of the Plan and revisions to the conditions of approval may be necessary if an extension is to be granted.

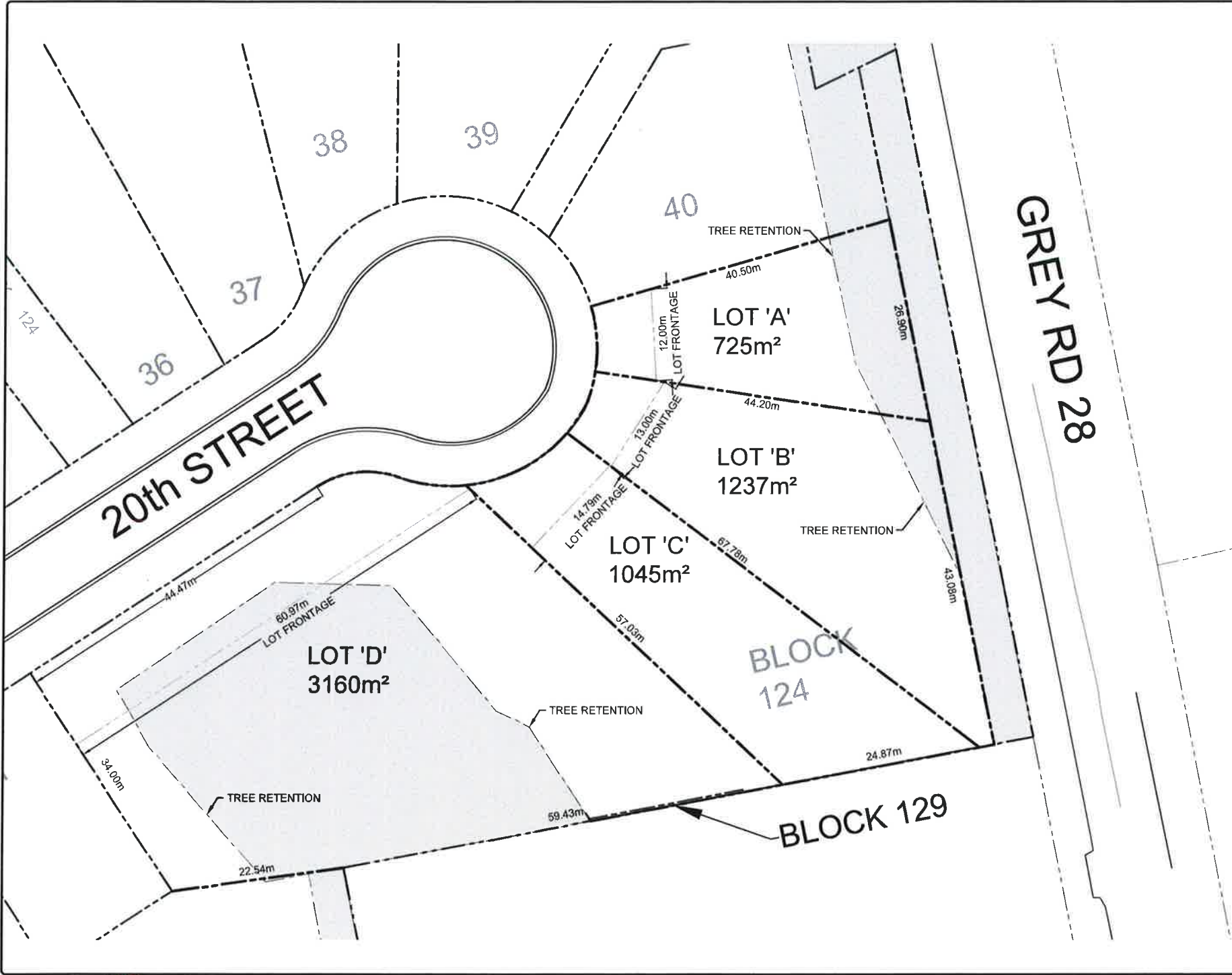
36. That the Owner have prepared by an Ontario Land Surveyor a final plan in accordance with the Surveys Act, and with the Registry Act or the Land Titles Act, as the case may be and have provided that plan to the County of Grey prior to the lapsing date the mylars and white prints necessary for final approvals and registration.
37. That consistent with the County of Grey's current provisions for processing and approving plans of subdivision the Owner's surveyor shall agree to provide to the County a digitized disk of this final plan to be registered in a computerized format which is acceptable to the County of Grey.
38. That the Owner remit to the County the applicable final approval fee when the final plan is being presented to the County for the County's consideration for final approval.

NOTES TO DRAFT APPROVAL

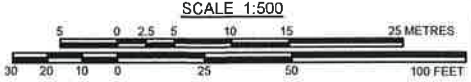
1. It is the applicant's responsibility to fulfil the conditions of draft approval and to ensure that the required clearance letters are forwarded by the appropriate agencies to the County of Grey, quoting the County file number.
2. An electrical distribution line operating at below 50,000 volts might be located within the area affected by this development or abutting this development. Section 186 – Proximity - of the Regulations for Construction Projects in the Occupational Health and Safety Act, requires that no object be brought closer than 3 metres (10 feet) to the energized conductor. It is the proponent's responsibility to be aware, and to make all personnel on site aware, that all equipment and personnel must come no closer than the distance specified in the Act. They should also be aware that the electrical conductors can raise and lower without warning, depending on the electrical demand placed on the line. Warning signs should be posted on the wood poles supporting the conductors stating "**DANGER - Overhead Electrical Wires**" in all locations where personnel and construction vehicles might come in close proximity to the conductors.
3. Clearances are required from the following:
 - Town of Hanover, 341 10th Street, Hanover, Ontario, N4N 1P5
 - Saugeen Valley Conservation Authority, 1078 Bruce Road 12, Box 150, Formosa, Ontario, NOG 1WO
 - Canada Post, Delivery Planning Officer, 955 Highbury Avenue North, London, ON, N5Y 143
 - Bluewater District School Board, P.O. Box 190, 351 1st Avenue North Chesley, ON, NOG 110
 - Westario Power Inc. for approving an electrical distribution system to service the lands shown on the plan.
4. We suggest you make yourself aware of the following subsections of the Land Titles Act:
 - a) subsection 144(1) requires all new plans to be registered in a Land Titles system if the land is situated in a land titles division; and
 - b) subsection 144(2) allows certain exceptions.

The subdivision plan for Registration must be in conformity with the applicable Ontario Regulation under The Registry Act.
5. Inauguration or extension of a piped water supply, a sewage system, or a storm drainage system is subject to the approval of the Ministry of the Environment Conservation and Parks under the Ontario Water Resources Act, RSO 1990, as amended.
6. All measurements in subdivision final plans must be presented in metric units.
7. That the applicant contacts Canada Post for the supply and installation of Community Mailboxes (CMB). The location of these CMB's will require the approval of the Town of Hanover.
8. The final plan approved by the County must be registered within thirty (30) days or the County may withdraw its approval under subsection 51(32) of the Planning Act RSO 1990, as amended.

H:\Weller\00504 Weller - Huck Property\Drawings\Submissions\2024-07-25 Block 124 Lot Config\Concept 400504 - Block 124 - 2024-12-09.dwg



CAUTION:
THE POSITION OF POLE LINES, CONDUITS, WATERMAINS, SEWERS
AND OTHER UNDERGROUND AND OVERGROUND UTILITIES AND
STRUCTURES IS NOT NECESSARILY SHOWN ON THE DRAWINGS, AND,
WHERE SHOWN, THE ACCURACY OF THE POSITION OF SUCH UTILITIES
AND STRUCTURES IS NOT GUARANTEED. BEFORE STARTING WORK,
THE CONTRACTOR SHALL INFORM THEMSELF OF THE EXACT
LOCATION OF ALL SUCH UTILITIES AND STRUCTURES, AND SHALL
ASSUME ALL LIABILITY FOR DAMAGE TO THEM.



1	DEC 09/24	FIRST SUBMISSION	JHL	TLB
No.	DATE	DESCRIPTION	BY	APPD
REVISION / ISSUE				

Title: SAUGEEN CEDAR WEST
BLOCK 124
TOWN OF HANOVER
COUNTY OF GREY
LOT CONFIGURATION SKETCH

Client: 2501563 ONTARIO INC.

 **COBIDE**
ENGINEERING INC
517 10th St, Hanover, ON N4N 1R4
Telephone: (519) 506-5959
www.cobideeng.com

Design:	JHL	Scale:	1:500
Drawn:	JHL	Approved:	
Checked:	TLB		
Date:	DEC 2024		Design Engineer

DRAWING No. 00504-SK4

Staff Report To Council

From: Sherri Walden, CAO
 Melissa Hilgendorff, Human Resources Manager

Date: March 16, 2026

Report: CAO-06-26

Subject **CAO Recruitment**

Recommendation

That Report CAO-06-26 CAO Recruitment be received; and

That council provide direction with respect to the CAO recruitment process.

Background

On February 24, 2026, CAO Sherri Walden provided written notice of retirement effective December 31, 2026.

At the May 5, 2025, meeting council received Report CL-04-25 Strong Mayor Powers that detailed the further expansion of powers to municipalities with a council size of six or more members, effective May 1, 2025. In Ontario, Strong Mayor Powers have been in effect since November 23, 2022, when the *Strong Mayors, Building Homes Act, 2022* was enacted by the Ontario government and conveyed additional powers to the mayors of the Cities of Toronto and Ottawa. This legislation amended the *Municipal Act, 2001* adding a new “Part VI.1 - Special Powers and Duties of the Head of Council” which are defined in *Ontario Regulation (O.Reg.) 530/22*. Later that year the province expanded these powers under the *Better Municipal Governance Act*, with the objective of accelerating the advancement of provincial priorities through streamlining decision-making processes particularly with respect to housing and infrastructure. In 2023, another 45 municipalities were designated to receive Strong Mayor Powers. The May 1st, 2025, expansion of powers included an additional 169 municipalities, of which Hanover was one of them.

Report CL-04-25 detailed a summary of the powers and duties afforded to the head of council in designated municipalities. The powers include responsibilities in the following areas of governance – council governance, administration, provincial priorities, budget and other.

With respect to CAO recruitment, Strong Mayor Powers includes the following authority with the administrative function:

Administration Governance - Description of Authority

- Ability to hire and appoint CAO and assign duties as well as to dismiss / revoke CAO appointment.
- Hire or dismiss certain department heads, excluding the statutory positions which continue to be appointed by council (Clerk/Deputy Clerk, Treasurer/Deputy

Treasurer, Chief Building Official, Fire Chief, Police Chief, Integrity Commissioner, Medical Officer of Health, Registrar, Ombudsman, Auditor General and Other officers required by the Municipal Act or persons prescribed by regulation).

- Determine or change municipality's organizational structure.
- Direct staff to undertake research, provide advice to mayor and council on policies and programs and implement mayoral decisions.

On July 10, 2025, Mayor Paterson issued Mayoral Decision MDE-2025-001 Delegation of Power – Chief Administrative Officer as follows:

Pursuant to the powers extended to the head of council under Part VI.1 of the Municipal Act, 2001 (the "Act") and Ontario Regulation 530/22, as amended, made under the Act, I, Susan Paterson, Mayor of the Town of Hanover do hereby delegate to the Council of the Corporation of the Town of Hanover: 1. The powers assigned under Section 284.5 and 284.15 of the Act, to appoint or dismiss the Chief Administrative Officer. This delegation takes effect at 12:01 a.m. on July 10, 2025, and shall remain in effect until modified or revoked.

As 2026 is also a municipal election year, consideration needs to be given to the potential for 'Lame Duck' status. The *Municipal Act, 2001, Section 275* limits the authority of council in certain areas, prior to a municipal election if council is in 'Lame Duck' status. 'Lame Duck' status applies if there is potential that the new council will include less than 75% of current Council members. At this time, should 6 of our current 7 council members not be running in the 2026 municipal election in their current council positions, then council will be in 'Lame Duck' status from August 21, 2026 to November 16, 2026. Should 'Lame Duck' status apply, then one of the actions that is restricted by council as per Section 275 of the *Municipal Act, 2001* is 'the appointment or removal from office of any officer of the municipality.'

Discussion

Based on the above, it is proposed that the CAO recruitment process be implemented as detailed with the goal to confirm and appoint the incumbent CAO no later than the August 10, 2026, council meeting.

Since 2010, Hanover has previously implemented 3 recruitment processes for a CAO. In 2010 and 2022, an internal recruitment process was implemented. In 2014, an external process was implemented with the assistance of Ward & Uptigrove who provided Human Resources consulting expertise.

Staff have considered the options available for council's consideration with respect to the recruitment process and share the following:

A. Direct Recruitment

This process would see the Town undertaking the recruitment process directly and as necessary engaging the assistance of specialists such as human resources consultants and legal. The Human Resources Manager, with the assistance and input of the council appointed recruitment ad hoc committee, would facilitate the process. Should council deem appropriate, current CAO, may play a support or input role.

In this process a council recruitment ad hoc committee should be appointed and include no more than 3 members of council. This number is recommended to ensure the

definition of conducting a meeting as per the Municipal Act is considered. It is further recommended that this ad hoc committee includes the Mayor, Deputy Mayor and 1 council member.

Human resources, legal or other specialists would be engaged when necessary. A human resources specialist may provide a suite of assistance that could include but is not limited to defining the hiring criteria, resume screening, interview assistance, background checks and personality assessment. Specialized assistance is likely to be required given limited experience of existing human resources staff with executive level recruitment. As noted, in 2014, the Town engaged a human resources specialist to assist with the CAO recruitment process. Staff have sought a preliminary cost estimate from a company for assistance. The estimate is \$18,000 with a note that the cost would be further defined once the scope of services was confirmed.

It is recommended that a human resources legal firm be engaged at the offer of employment and employment agreement stage. The impact and reality of Strong Mayor Powers for the CAO and senior management positions, excluding those that are statutory, will be a factor for the incumbent and their employment agreement. It is imperative that this agreement be legally compliant and enforceable.

Should this option be council's direction, the preliminary timelines and tasks include the following:

Date	Task	Responsibility
March 16, 2026	Council direction with respect to CAO recruitment. Appointment of CAO recruitment ad hoc committee to consist of no more than 3 council members.	Council
April 9, 2026	Job description review and finalized.	Human Resources Manager with input from council ad hoc committee
April 22, 2026	Job posting review and finalized.	Human Resources Manager with input from council ad hoc committee
April 27, 2026	CAO posting.	Human Resources Manager
May 15, 2026	Application deadline.	Applicants
May 15, 2026	Interview questions feedback and confirmed.	Human Resources Manager with input from council ad hoc committee

May 25, 2026	Select candidates for interview and send interview invitations. Finalize interview questions.	Human Resources Manager with input from council ad hoc committee
June 1 & 2, 2026	Conduct interviews	Human Resources Manager with input from council ad hoc committee
June – dates to be determined	Conduct second interviews if required.	Human Resources Manager and all council members
June 26, 2026	Reference checks, confirm candidate, offer of employment negotiations legal assistance.	Human Resources Manager and Mayor
July 3, 2026	Offer of employment response deadline.	Candidate
August 10, 2026	Appoint new CAO.	Council
October 5, 2026	New CAO begins employment.	New Hire

B. External Recruitment Firm

This process would see the Town issuing a scope of work and engaging the expertise of a third-party recruitment firm. An external recruitment firm would provide targeted efforts and assistance to recruit applicants and promote the position, as well as assist throughout the interview and hiring phases. The scope of work would have to be defined based on the needs of the Town. In conversation with municipalities that have engaged an external recruitment firm, the cost can be \$25,000 and above pending the tasks.

A council recruitment ad hoc committee is also recommended for this process and includes no more than 3 members of council. This number is recommended to ensure the definition of conducting a meeting as per the Municipal Act is considered. It is further recommended that this ad hoc committee includes the Mayor, Deputy Mayor and 1 council member.

For this option, a human resources legal firm will also need to be engaged at the offer of employment and employment agreement stage for the same reason noted above.

Should this option be council's direction, the preliminary timelines and tasks include the following:

Date	Task	Responsibility
March 16, 2026	Council direction with respect to CAO recruitment. Appointment of CAO recruitment ad hoc committee of council to consist of no more than 3 council members.	Council
March 27, 2026	External recruitment firm scope of work, proposals submitted, firm selected.	Human Resources Manager and council ad hoc committee
Dates to be determined	Tasks to be determined with the external recruitment firm.	External Firm with input from council ad hoc committee and Human Resources Manager
August 10, 2026	Appoint new CAO.	Council
October 5, 2026	New CAO begins employment.	New Hire

Financial Implications

The following are the estimates for external assistance based on the options detailed above.

A. Direct Recruitment (*if deemed necessary)

- Specialist human resources input* \$10,000 - 18,000
- Legal input \$ 3,000 – 5,000
- Advertising \$ 3,000 - 5,000

Legal input and advertising would be allocated to current 2026 budget accounts. The hiring of a human resources specialist would be an unplanned expenditure.

B. External Recruitment Firm

- Recruitment Firm \$25,000 - 30,000
- Legal input \$ 3,000 - 5,000
- Advertising \$ 3,000 - 5,000

Legal input and advertising would be allocated to current 2026 budget accounts. The hiring of a recruitment firm would be an unplanned expenditure.

Link to Strategic Plan

This report supports the indicated Strategic Goals and Action Plans of the Town of Hanover.

☐ **Goal 1: Safe and Reliable Infrastructure**

Build, maintain and continuously improve our municipally owned properties, buildings, and equipment.

☐ **Goal 2: Healthy and Welcoming Community**

Care for our natural environment and provide an enviable quality of life for everyone who calls Hanover “home”.

☐ **Goal 3: Strong and Vibrant Economy**

Refresh downtown Hanover and retain and attract local economic investment and jobs.

☐ **Goal 4: Balanced Growth**

Work together to create a community we can all be proud of.

☒ **Goal 5: Open and Responsible Government**

Deliver services in a friendly, efficient and effective manner while providing an exceptional working environment for our employees.

Respectfully submitted,

Sherri Walden
CAO

Melissa Hilgendorff
Human Resources Manager



FINANCE COMMITTEE MEETING MINUTES

February 23, 2026, 4:00 pm
 Council Chambers | Civic Centre
 341 10th Street
 Hanover, ON N4N 1P5

MEMBERS PRESENT Mayor Sue Paterson
 Deputy Mayor Warren Dickert (virtual)
 Councillor Dave Hocking
 Councillor Carol Hudson
 Councillor Brandon Koebel (virtual)

MEMBERS ABSENT Councillor Harold Fleet
 Councillor Susan Sakal

STAFF PRESENT Vicki McDonald, Clerk
 Tanya Patterson, Administrative Assistant/Deputy Clerk
 Sherri Walden, CAO
 Jelena Savic, Director of Corporate Services/Treasurer

1. Call to Order

Mayor Paterson called the meeting to order at 4:00pm.

2. Land Acknowledgment

We want to acknowledge the Traditional Territory of the Anishinabek Nation: The People of the Three Fires known as Ojibway, Odawa, and Pottawatomie Nations. And further give thanks to the Chippewas of Saugeen, and the Chippewas of Nawash, now known as the Saugeen Ojibway Nation, as the traditional keepers of this land.

3. Disclosure of Pecuniary Interest

None

4. Agenda Additions or Deletions

None

5. Adoption of Previous Minutes - February 24, 2025

Moved by DEPUTY MAYOR DICKERT
Seconded by COUNCILLOR HOCKING

That the minutes of the Finance Committee meeting of February 24, 2025 be received for information.

CARRIED

6. Staff Reports

6.1 Report FIN-01-26 DCS - 2025 Council Remuneration and Expenses

Moved by COUNCILLOR HOCKING
Seconded by COUNCILLOR HUDSON

That report FIN-01-26 DCS - 2025 Council Remuneration and Expenses be received for information.

CARRIED

6.2 Report FIN-02-26 DCS - Investment Policy Update

Director of Corporate Services and Treasurer, Jelena Savic, provided a comprehensive overview of the proposed amendments to the Corporate Investment Policy.

Councillor Hudson requested clarification regarding investment risk related to equity holdings. The Director explained that returns on equity investments are more difficult to predict compared to fixed-income investments. A portfolio can be structured with varying proportions of equity, with higher equity allocations offering the potential for greater long-term growth but also greater risk. Fixed-income allocations provide more predictable returns, which helps determine the level of investment income available to offset taxation.

Deputy Mayor Dickert noted that the investment procedures reference the ability to make administrative updates without Council approval and requested clarification. The Director confirmed that these updates would be limited to internal administrative matters—such as changes to signing authority—and would require senior management and CAO approval. They would not involve any changes to investment strategy.

Councillor Koebel asked how interest earnings from the Town's investments are currently handled. Ms. Savic confirmed that dividends are

reinvested automatically, but there is no internal policy directing how those earnings should ultimately be allocated.

Deputy Mayor Dickert further asked whether any existing policies would restrict Council from implementing the report's recommendations. Ms. Savic confirmed that no restrictive policies exist and noted that both policy and strategy should be reviewed regularly and may be amended at any time. She also clarified that future Councils could adjust the policy based on their preferred risk tolerance.

In response to Councillor Koebel's question regarding diversification, the Director explained that she will bring Council's discussion to the One Investment team for input on portfolio performance. Based on Council's risk tolerance, allocations would be optimized according to One Fund recommendations. She requested Council's direction on its preferred allocation. For example, a 75% allocation to fixed-income securities would result in 75% of the Town's funds being placed in fixed-income products.

Councillor Hocking raised concerns about increased reliance on property taxes if the Town adopts a more conservative investment strategy and sees lower returns. He suggested that a higher equity allocation may increase returns and reduce tax pressure. It was noted that different risk tolerances could be applied to different investment types, and a tiered approach may be appropriate but that higher return vehicles generally carry higher risk and may not be aligned with the underlying principle of capital preservation.

Ms. Savic clarified that the Town currently invests in the One Fund equity portfolio. One Fund advisors are available to present to Council if desired.

The Committee discussed risk tolerance and maximum portfolio allocations. It was noted that tolerance should align with the intended use and time horizon of the funds. The Town's reserves are currently held in bank accounts and are not invested, and the One Fund allocation is not tied to any specific purpose. Ms. Savic recommended reviewing the reserve and reserve fund structure as part of developing a tiered investment strategy.

Item 1: Risk Tolerance – Equities (Option 1)

Following discussion on establishing a maximum equity allocation, a recommended structure of 25% equity with a ceiling of 50% was proposed.

Item 2: Use of Investment Income and Withdrawal Processes (Option 3 – Hybrid Model)

The Committee discussed preferred approaches for using investment income, criteria for withdrawals, and whether income and/or principal should be accessed. There was consensus that a review of the Town's reserve funds would be beneficial.

Item 3: Treatment of Significant One-Time Inflows (Option 2)

The Finance Committee preferred the development of a separate strategy and reporting process for handling significant, atypical one-time inflows. These situations would be managed outside of routine investment procedures.

The Committee also noted that the Asset Management Plan funding strategy anticipates minimal reserve levels and high reserve utilization. However, this may not reflect the Town's preferred approach. Establishing appropriate reserve targets and minimums is prudent for risk management. Investment policy should not restrict the use of reserves or impede the execution of the Asset Management Plan. These considerations will be incorporated into the policy update.

Moved by COUNCILLOR HOCKING

Seconded by COUNCILLOR KOEBEL

That Report FIN-02-26 DCS Investment Policy Update be received; and

That the Finance Committee endorse and direct staff to incorporate the following directions into Investment Policy FIN-006:

Item 1. Risk Tolerance & Maximum Portfolio Allocations - Option 1 Higher Equity Allocation of 25% up to threshold of 50%

Item 2. Use of Investment Income and Withdrawal Processes - Option 3 - Hybrid Model

Item 3. Treatment of Significant One-Time Inflows - Option 2 Create Separate Strategy or Large Inflows and establish a target balance as well as a minimum level which reserves cannot dip below.

CARRIED

6.3 Report FIN-03-26 DCS - Donation Policy

Moved by COUNCILLOR HUDSON

Seconded by DEPUTY MAYOR DICKERT

That Report FIN-03-26 DCS - Donation Policy be received; and

That Council recommend approval of the Donation Policy, as proposed.

CARRIED

7. Items for Discussion

The Director of Corporate Services sought feedback from the Finance Committee regarding the structure and content of the reports, and on which elements the Committee considers most beneficial. Members of the Committee indicated that the reports presented at this meeting were appropriate in both content and format.

8. Correspondence

None

9. Closed Meeting

None

10. Adjournment

Moved by DEPUTY MAYOR DICKERT

Seconded by COUNCILLOR HUDSON

THAT this meeting of Hanover Council now be adjourned at 5:14pm

CARRIED

Susan Paterson, Mayor

Vicki McDonald, Clerk



JOINT HEALTH & SAFETY COMMITTEE MINUTES

Monday, March 2, 2026 | 10:00am (Rescheduled from March 5, 2026 at 2pm)

Civic Centre – Winkler Room

PRESENT

Jeff Dentinger, Tom Karl (Chair), Rob McIntosh, Andrew Dippel, Sean Bryant, Ken Campbell

OTHERS PRESENT

Melissa Hilgendorff

REGRETS

Zach Smith

1. WELCOME

Tom welcomed everyone to the meeting.

2. MEMBERSHIP UPDATE

Tom noted this would be his final meeting prior to retirement. Rob McIntosh will be assuming Tom's management representative position on the committee.

3. ADOPTION OF DECEMBER 4, 2025 MINUTES

Moved by Sean Bryant; Seconded by Andrew Dippel

CARRIED

4. ADOPTION OF DEPT-SPECIFIC JHSC MINUTES

4.1 Fire Department – December 2025

4.2 PRC – December 2025

Moved by Andrew Dippel; Seconded by Jeff Dentinger

CARRIED

5. BUSINESS ARISING

5.1 Hearing Conservation Program

Ten staff in priority roles have completed baseline hearing tests, including one new hire in 2026. Requests for baseline hearing test completion will be issued for full time Fire staff, Civic Facilities staff, By-Law, Cemetery Staff (upon seasonal return), Building Inspection Staff, and PRC Custodians.

Sean noted the hearing clinic is able to create custom hearing protection, if needed.

5.2 JHS-022(G) Working Alone

The updated, approved guideline was released February 11, 2026 and departments have commenced review with signoff.

6. INSPECTION REPORTS FOLLOW-UP

- 6.1 The committee reviewed the status of monthly inspections and corrective actions. Civic Facilities resumed monthly inspections of the Medical Clinic starting in 2026.
- 5.2 JHSC reviewed the recent and upcoming parachute inspection schedule and provided the following status update.

MONTH	LOCATION	JHSC	STATUS
January	Civic Facilities	Ken	Rescheduled - March
February	Parks & Recreation	Jeff	Complete
March	Public Works	Zach	
April	Fire	Andrew	
May	Civic Office	Sean	
June	Water/Wastewater	Rob	
July	Civic Facilities	Jeff	
August	Parks & Recreation	Ken	
September	Public Works	Sean	
October	Fire	Rob	
November	Civic Office	Zach	
December	Water/Wastewater	Andrew	

7. QUARTERLY H&S SHOUT OUT SELECTION

- 7.1 Public Works was recognized for their dedication to ensuring public and staff safety through their winter maintenance efforts.

8. INCIDENT REPORTS

- 8.1 Incident reports were reviewed. Jeff provided context related to slip/trip/fall incidents at the firehall. JHSC requested aquatic supervisors complete a safety talk with department staff regarding rolling lane ropes. Sean will connect with aquatic supervisors to determine any fixes needed to the carabiner on the lane rope reel.

9. ITEMS FOR DISCUSSION AND INFORMATION

- 9.1 2026 Health & Safety Budget Status
Melissa provided an update on budget status.
- 9.2 Health & Safety Training
- 9.2.1. JHSC Recertification – Zach completed recertification December 8, 2025. Sean must recertify by June 22, 2026 and Andrew must recertify by September 20, 2026.
- 9.2.2. JHSC Certification – Rob will need to take JHSC Part 1 & 2.
- 9.2.3. Working at Heights – An alternative local training provider has been sourced following the unfortunate passing of the previous provider. Refresher training plans are in progress for late March 2026.
- 9.2.4. Health & Safety for Leaders – Rob McIntosh, Manager of Parks, Recreation & Civic Facilities, completed the course on February 17, 2026.

9.2.5. First Aid – In-house recertification and full courses will be planned for late 2026.

10. NEW BUSINESS

10.1 Policy & Procedure Review

10.1.1. JHS-037 Infection Control – COVID-19 Immunization – Melissa noted that revisions to the policy provide alignment with federal, provincial, and public health requirements should COVID-19 resurface as a larger issue. There are no staff in 'designated groups' at this time. The committee approved revisions to the policy, which will be brought forth for council approval.

10.1.2. JHS-037(F1) COVID-19 Vaccination Medical Exemption Form - The committee approved revisions to the form, which will be brought forth for council approval in combination with the policy.

10.2 Other

10.2.1. P&H Centre Drinking Water

Sean reviewed a staff inquiry related to the level of sodium in tap water at the P&H Centre.

Certified Water/Wastewater Treatment staff confirmed that when a water softener is properly maintained, the water is safe for consumption. Softened water does contain more sodium than hard water, though levels remain very low – around 28mg per cup. For comparison, a cup of milk contains roughly 122mg, and many everyday foods contain far higher levels. In addition, Hanover's water is very hard and a softener is necessary for plumbing, equipment and appliance operations and longevity.

JHSC acknowledges that some employees may prefer not to drink softened water for personal dietary needs or taste preferences. While Hanover's drinking water is safe, as a follow-up, Andrew will source Ministry of Environment threshold information. Melissa will inquire with Water/Wastewater staff for testing to be completed at the staff drinking water sinks at the P&H Centre. Findings will be discussed at the next quarterly meeting unless required sooner.

Staff may bring in their own water if desired based on their personal and/or dietary preferences.

11. REVIEW OF H&S GOALS & OBJECTIVES

The JHSC reviewed the goals and objectives for 2026 and provided the following progress updates:

Objective	Timeline	Status/Progress
1. Review, update and sign Corporate Health & Safety Policy Statement. (Priorities 1 & 3)	1 st Quarter	Complete
2. Review and update Workplace Violence & Harassment Policy. (Priorities 1 & 3)	1 st Quarter	Complete

3. Ensure H&S Board content is maintained and updated as required. (Priorities 2 & 7)	Ongoing	In Progress / Ongoing
4. Arrange and provide a Health and Safety / Wellness Seminar for staff. (Priority 5)	4 th Quarter	Pending
5. Maintain an effective communication strategy using Staff Connections, staff memos, management and department meetings, the Intranet, H&S Boards, etc. (Priorities 2 & 7)	Ongoing	In Progress / Ongoing
6. Identify and address trends in incidents and monthly inspections. (Priorities 4 & 6)	Ongoing	In Progress / Ongoing
7. Monitor and review existing policies and standard operating guidelines according to the established schedule, and develop new guidelines as needed that are standardized for use by all departments, where possible. (Priorities 2 & 3)	Ongoing	In Progress / Ongoing
8. Support occurrence of regular “tool box talks” and/or health and safety discussions at monthly departmental meetings, with documentation of discussions and signoffs as required. (Priorities 2 & 3)	Ongoing	In Progress / Ongoing
9. Submit Health & Safety Shout-Outs for inclusion in Staff Connections where there is a significant health and safety achievement, initiative, or event that merits special recognition. (Priority 2)	Quarterly	In Progress / Ongoing
10. Have JHSC members attend workplace inspections on a regular basis to ensure consistency in approach and thoroughness of inspection activities (Priority 6)	Ongoing	In Progress / Ongoing
11. Arrange Workplace Investigations Training through Wellnet for all JHSC members, managers and supervisors. (Priority 5)	3 rd Quarter	In Progress
12. Review and provide input into department/facility-specific safety-related procedures, as developed. (Priority 3)	As developed	In Progress / Ongoing
13. Implement and maintain JHS-013(G) Hearing Conservation Program for implementation including hearing testing for applicable staff and new hires. (Priorities 1 & 3)	4 th Quarter	In Progress

12. UPCOMING IMPORTANT DATES

12.1 Schedule of Quarterly Meetings

12.1.1. Thursday, June 4, 2026 at 1:00pm | P&H Centre - Boardroom

12.1.2. Thursday, September 10, 2026 at 1:00pm | Fire Department – Boardroom

12.1.3. Thursday, December 10, 2026 at 1:00pm | P&H Centre - Boardroom

13. **ADJOURNMENT** – The meeting adjourned at 10:56am.
Moved by Jeff Dentinger; Seconded by Rob McIntosh

CARRIED

PLANNING ADVISORY COMMITTEE MINUTES

Tuesday, March 10, 2026 | 4:00 pm
Saugeen Room and Zoom with OWL device

MEMBERS PRESENT	Chair Mark Ebert Harold Fleet (virtual) Terry Leis Tony Diaco (virtual)
OTHERS PRESENT	Andrew Wilken, Secretary-Treasurer Sherri Walden, CAO April Marshall, Economic Development Manager (virtual) Sue Paterson, Mayor Susan Sakal, Councillor (virtual) Brandon Koebel, Councillor (virtual) Carol Hudson (virtual)
REGRETS	Tim Norwood Keith Hopkins
DISCLOSURE OF PECUNIARY INTEREST	None
DELEGATIONS	None

1. Adoption of November 10, 2025, Regular Meeting Minutes

Moved by TERRY LEIS / Seconded by TONY DIACO

That the minutes of the November 10, 2025, regular meeting be approved as printed and circulated.

CARRIED

2. Business arising from Minutes

The Secretary-Treasurer informed the committee that the Minor Variance application submitted by AUM Developers, for the property on 645 10th Street sought approval for a two-storey building with retail and restaurant uses on the ground floor and residential units above. The application proceeded to the Committee of Adjustment and was approved.

The Secretary-Treasurer further informed the committee that a Site Plan Control Agreement is being prepared for the proposed development at 167 10th Street, which includes a five-storey apartment building with approximately 68 residential units. Staff have been in contact with the developer and are currently discussing the conditions for the agreement.

3. Official Plan Update

The Secretary - Treasurer reported that staff continue to work with Dana Kieffer from Cobide Engineering on policy and background components of the Official Plan update. Timing is important with proposed boundary revisions and could affect land needs and planning policies. CAO Sherri Walden confirmed the Restructuring Proposals was submitted to the Province on December 22.

4. Development Charges Study Update

The Secretary-Treasurer noted that development charges and capital planning outlooks are being finalized. Staff aim to update the study in spring or summer to match any changes.

5. Zoning By-Law Amendment Application, Z1-26, Datak Investments Inc. (C/o Tracy Bryden) ----- 341152 Grey Road 28

The Secretary-Treasurer informed the committee regarding the Zoning By-law Amendment application for the property located at 341152 Grey Road 28, previously occupied by the House Rules outlet business. The applicant is requesting to rezone the property from a site-specific Future Development (D-23)

designation to General Industrial (M2) designation to permit a carpentry shop and showroom.

It was noted that the property was previously identified as a Special Policy Area but is now designated as Industrial in the Town of Hanover's Official Plan. No exterior construction or site alterations are proposed currently, as the request is primarily for a change of use. A Site Plan Control Agreement will be required, including a condition that the property connect to municipal services when they become available.

Several questions were asked regarding the ownership of the adjacent residential unit and the status of the current business, which were satisfactorily answered by the Secretary-Treasurer.

Subsequent to a good discussion with regards to this application, it was then;

Moved by HAROLD FLEET / Seconded by TERRY LEIS

That the Planning Advisory Committee recommend to Council that they have no objections to the approval of Zoning By-Law Amendment Application No. Z1-26.

CARRIED

6. Minor Variance Application, A2-26, Drew & Miles Johnson ----- 269 6th Street A

The Secretary-Treasurer informed the committee regarding Minor Variance Application A2-26 for the property located at 269 6th Street A. The applicant is proposing to construct an attached Additional Dwelling Unit and is requesting relief from the maximum permitted floor area and the minimum rear yard setback requirements.

The proposed unit has a floor area of approximately 90.06 m² / 969.5 ft², whereas the zoning by-law permits a maximum of 83 m² / 893.41 ft². The applicant is also requesting a reduced rear yard setback of 3.6 metres, where 7.5 metres is required. It was explained that the slightly irregular shape and corner configuration of the lot contribute to the need for the requested variances. A shared driveway access is proposed on the east side of the property.

Formal circulation of the application has not yet commenced so, no public comments have been received to date.

Committee members discussed the proposal and asked questions regarding the lot size and the notification process for neighbouring properties. The Secretary-Treasurer informed the committee that all properties within 60 metres will receive notice and that the Committee of Adjustment will review any public comments received.

Subsequent to discussion with regards to this application, it was then;

Moved by HAROLD FLEET / Seconded by TONY DIACO

That the Planning Advisory Committee recommend to Council and Committee of Adjustment that they have no objections to the approval of Minor Variance Application No. A2-26.

CARRIED

7. Site Plan Control Agreement, 10005703332 Ontario Ltd. ----- 729 14th Street

The Secretary-Treasurer informed the committee regarding the proposed Site Plan Control Agreement for 10005703332 Ontario Ltd. for the property located at 729 14th Street. The proposal includes the construction of a pharmacy at the corner of 14th Street and Grey Road 28 (24th Ave). It was noted that the property was previously used for vehicle storage and was severed approximately 18 months ago by the former property owner.

As part of the development, the applicant will be required to contribute approximately \$15,000 towards curb and gutter improvements along 14th Street, south side. The proposal also includes a sidewalk connection to the recently constructed sidewalk on 24th Avenue. Due to grade changes on the site, a retaining wall will be required, and a stormwater management chamber will be installed beneath the parking lot to manage pre-post stormwater flows.

The site plan complies with the zoning by-law requirements for parking, loading, garbage enclosure and all other provisions within the bylaw.

Committee members discussed the proposal and asked questions regarding access to the site (off 14th street), sidewalk connections and whether the pharmacy represents a relocation of an existing business. The Secretary-Treasurer informed the committee that this will be a new operation and will not result in the closure of any existing pharmacies.

Subsequent to discussion with regards to this application, it was then;

Moved by TERRY LEIS / Seconded by HAROLD FLEET

That the Planning Advisory Committee recommend to Council that they have no objections to the approval of the Site Plan Control Application.

CARRIED

8. Environmental Considerations

The Secretary - Treasurer informed the committee that no specific environmental concerns were identified for the applications discussed. No natural features were being removed as part of the applications proposed at the meeting, however some landscaping will be associated with the development at 729 14th street.

CAO Sherri Walden informed the committee that Grey County is currently working on the development of a green development framework. A survey for residential builders remains open until March 20. The Town has circulated the survey to local builders and will review the results once they become available.

9. Correspondence

None

10. New Business

None

11. Adjournment

Moved by HAROLD FLEET

That the meeting now be adjourned at 4:29 pm.

Chair, Mark Ebert

Secretary-Treasurer, Andrew Wilken

THE CORPORATION OF THE TOWN OF HANOVER

BY-LAW NO. 3384-26

A By-law to authorize the Mayor and Clerk to amend By-law No. 3353-23, being a By-law to enter into a Subdivision Agreement between the Town of Hanover and 2501563 Ontario Inc.

WHEREAS Section 51(26) of the Planning Act, R.S.O. 1990 provides that a municipality or approval authority, or both, may enter into agreements imposed as a condition to the approval of a plan of subdivision and the agreements may be registered against the land to which it applies and the municipality or the approval authority, as the case may be, is entitled to enforce the provisions of it against the owner and, subject to the Registry Act and the Land Titles Act, any and all subsequent owners of the land;

AND WHEREAS the Council of the Corporation of the Town of Hanover has entered into a Subdivision Agreement with 2501563 Ontario Inc. under By-law 3353-23 dated January 25, 2023;

AND WHEREAS the approved Environmental Impact Study (WSP, 2020/2021) and associated woodland/wetland offsetting plan identified that the non-significant woodland within Block 124 be removed and fully compensated through the approved 1:1 replacement plan;

AND WHEREAS the designation of Block 124 as a “tree retention area” in Schedule B-8 of the Subdivision Agreement is no longer required, as all ecological timing windows and wildlife relocation requirements have been satisfied;

NOW THEREFORE the Municipal Council of the Corporation of the Town of Hanover hereby enacts as follows:

1. That Council of the Town of Hanover hereby authorizes the Subdivision Agreement between the Corporation of the Town of Hanover and 2501563 Ontario Inc., dated January 25, 2023, to be amended to remove Block 124 from Schedule B-8 (Tree Retention Plan), thereby eliminating Block 124 from the list of designated tree retention areas.
2. That all remaining tree protection and retention requirements identified in the WSP Environmental Impact Study and associated agency approvals shall remain in full force and effect.
3. That the above amendment to the Subdivision Agreement shall be prepared and executed in a form satisfactory to the Town of Hanover’s solicitor.
4. That all other provisions of By-law No. 3353-23 of the Town of Hanover remain in full force and effect;
5. That the Mayor and Clerk are hereby authorized and directed to fully execute the Subdivision Agreement upon receipt of all necessary documentation and securities; and;
6. That this By-law shall come into force and effect upon third and final reading thereof.

READ A FIRST, SECOND and THIRD TIME and FINALLY PASSED this 16th day of March 2026.

Sue Paterson, Mayor

Vicki McDonald, Clerk

THE CORPORATION OF THE TOWN OF HANOVER

BY-LAW NO. 3385-26

BEING a by-law to authorize the execution of the Municipal Housing Infrastructure Program – Health and Safety Water Stream Transfer Payment Agreement with His Majesty the King in Right of Ontario as represented by the Minister of Infrastructure

WHEREAS Section 9 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, grants municipalities the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS the Corporation of the Town of Hanover applied for and was approved for \$1,752,000 to carry out the replacement of Well No. 1, and reconstruction or replacement of Well No. 2 in the Town of Hanover to protect long-term water supply capacity;

AND WHEREAS the Council of the Corporation of the Town of Hanover deems it desirable and necessary to enter into the Transfer Payment Agreement;

NOW THEREFORE BE IT RESOLVED THAT THE CORPORATION OF THE TOWN OF HANOVER HEREBY ENACTS AS FOLLOWS:

1. THAT the Mayor and Clerk are hereby authorized and directed to execute the Municipal Housing Infrastructure Program – Health and Safety Water Stream Transfer Payment Agreement, as set out in the agreement attached hereto as Schedule 'A' and forming part of this by-law.
2. THAT this by-law shall come into full force and effect upon the date of its passing.

READ A FIRST, SECOND and THIRD TIME and FINALLY PASSED this 16th day of March, 2026.

Susan Paterson, Mayor

Vicki McDonald, Clerk

**ONTARIO TRANSFER PAYMENT AGREEMENT
MUNICIPAL HOUSING INFRASTRUCTURE PROGRAM – HEALTH AND SAFETY
WATER STREAM**

THE AGREEMENT is effective as of the _____ day of _____, 20____.

BETWEEN:

**His Majesty the King in right of Ontario
as represented by the Minister of Infrastructure
(the “Province”)**

- and -

**CORPORATION OF THE TOWN OF HANOVER
(the “Recipient”)**

BACKGROUND

The Municipal Housing Infrastructure Program (MHIP) – Health and Safety Water Stream (HSWS) is an application-based program.

MHIP-HSWS will provide funding for projects that assist municipalities and First Nations in building, rehabilitating, and expanding aging infrastructure related to water, wastewater, stormwater, flood, and erosion. These efforts aim to address critical health and safety concerns, maintain the existing housing supply, and enhance community resilience and adaptation.

CONSIDERATION

In consideration of the mutual covenants and agreements contained in the Agreement and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Province and the Recipient agree as follows:

1.0 ENTIRE AGREEMENT

1.1 Schedules to the Agreement. The following schedules form part of the Agreement:

Schedule "A" -	General Terms and Conditions
Schedule "B" -	Project Specific Information and Additional Provisions
Schedule "C" -	Project Description and Financial Information
Schedule "D" -	Eligible and Ineligible Costs
Schedule "E" -	Milestone Payment Plan
Schedule "F" -	Reporting Requirements
Schedule "G" -	Communications Protocol
Schedule "H" -	Indigenous Consultation Protocol

1.2 Entire Agreement. The 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.

2.0 CONFLICT OR INCONSISTENCY

2.1 Conflict or Inconsistency. In the event of a conflict or inconsistency between the Additional Provisions and the provisions in Schedule "A", the following rules will apply:

- (a) the Parties will interpret any Additional Provisions in so far as possible, in a way that preserves the intention of the Parties as expressed in Schedule "A"; and
- (b) where it is not possible to interpret the Additional Provisions in a way that is consistent with the provisions in Schedule "A", the Additional Provisions will prevail over the provisions in Schedule "A" to the extent of the inconsistency.

3.0 COUNTERPARTS AND ELECTRONIC SIGNATURES

3.1 One and the Same Agreement. The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

3.2 Electronic Signatures. This Agreement may be executed electronically. The electronic signature of a Party may be evidenced by one of the following means and transmission of this Agreement may be as follows:

- (a) a manual signature of an authorized signing officer placed in the respective signature line of this Agreement and this Agreement scanned as a pdf file and delivered by email to the other Party;

- (b) a digital signature placed in the respective signature line of this Agreement, including:
 - (i) the name of the authorized signing officer typed in the respective signature line of this Agreement,
 - (ii) an image of a manual signature inserted in the respective signature line of this Agreement,
 - (iii) an Adobe signature of an authorized signing officer, or
 - (iv) any other digital signature of an authorized signing officer with the other Party's prior written consent, and this Agreement delivered by email to the other Party; or
- (c) any other means with the other Party's prior written consent.

4.0 AMENDING THE AGREEMENT

- 4.1 Amending the Agreement.** The Agreement may only be amended by a written agreement duly executed by the Parties.

5.0 ACKNOWLEDGEMENT

- 5.1 Acknowledgement.** The Recipient acknowledges that:

- (a) by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *Broader Public Sector Accountability Act, 2010* (Ontario), the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario);
- (b) His Majesty the King in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the *Broader Public Sector Accountability Act, 2010* (Ontario);
- (c) the Funds are:
 - (i) to assist the Recipient to carry out the Project and not to provide goods or services to the Province;
 - (ii) funding for the purposes of the *Public Sector Salary Disclosure Act, 1996* (Ontario);

- (d) the Province is not responsible for carrying out the Project;
- (e) the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act; and
- (f) the Province is bound by the *Financial Administration Act* (Ontario) (“FAA”) and, pursuant to subsection 11.3(2) of the FAA, payment by the Province of Funds under the Agreement will be subject to,
 - (i) an appropriation, as that term is defined in subsection 1(1) of the FAA, to which that payment can be charged being available in the Funding Year in which the payment becomes due; or
 - (ii) the payment having been charged to an appropriation for a previous fiscal year.

SIGNATURE PAGE FOLLOWS

Case #2025-05-1-3207383240

The Parties have executed the Agreement on the dates set out below.

**HIS MAJESTY THE KING IN RIGHT OF
ONTARIO**, as represented by the Minister of
Infrastructure

Date: _____

p.p. Trevor Fleck, ADM
The Honourable Todd McCarthy
Minister of Infrastructure

**CORPORATION OF THE TOWN OF
HANOVER**

Date: _____

Name: _____

Title: _____

I have authority to bind the Recipient.

Date: _____

Name: _____

Title: _____

I have authority to bind the Recipient.

SCHEDULE "A" GENERAL TERMS AND CONDITIONS

A1.0 INTERPRETATION AND DEFINITIONS

A1.1 **Interpretation.** For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency will be in Canadian dollars and currency; and
- (e) "include", "includes" and "including" denote that the subsequent list is not exhaustive.

A1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

"Additional Provisions" means the terms and conditions set out in Schedule "B".

"Agreement" means this agreement entered into between the Province and the Recipient, all of the schedules listed in section 1.1, and any amending agreement entered into pursuant to section 4.1.

"Business Day" means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; National Day for Truth and Reconciliation; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

"Construction Contract Award Deadline" means the construction contract award deadline set out in Schedule "F".

"Construction Contract Award Documentation" refers to a report from council including a resolution or by-law recognizing the awarding of the Project construction contracts following tender.

“Contract” means an agreement between the Recipient and a third-party
“Contract” means an agreement between the Recipient and a third-party whereby the third-party provides a good, service or both for the Project in return for financial consideration that the Recipient wants to pay using the Funds under this Agreement.

“Effective Date” means the date set out at the top of the Agreement.

“Eligible Costs” means the costs in respect of the Project that the Recipient has incurred and paid and that are eligible for payment under the terms and conditions of the Agreement, and that are further described in Schedule “D”.

“Event of Default” has the meaning ascribed to it in section A13.1.

“Expiry Date” means the expiry date set out in Schedule “B”.

“Funds” means the money the Province provides to the Recipient pursuant to the Agreement.

“Indemnified Parties” means His Majesty the King in right of Ontario, and includes His ministers, agents, appointees, and employees.

“Indigenous Community”, includes First Nation, Métis, and Inuit communities or peoples of Canada.

“Indigenous Consultation Record” means a document that summarizes the Recipient’s consultation and engagement activities, including a list of Indigenous Communities consulted, concerns raised, and how each of the concerns have been addressed or, if not addressed, an explanation as to why not;

“Ineligible Costs” means the costs in respect of the Project that are ineligible for contribution by the Province under the terms and conditions of the Agreement, and that are described in Schedule “D”.

“Loss” means any cause of action, liability, loss, cost, damage, or expense (including legal, expert and consultant fees) that anyone incurs or sustains as a result of or in connection with the Project or any other part of the Agreement.

“Maximum Funds” means the maximum set out in Schedule “B”.

“Notice” means any communication given or required to be given pursuant to the Agreement.

“Notice Period” means the period of time within which the Recipient is required to remedy an Event of Default pursuant to section A13.3(b), and

includes any such period or periods of time by which the Province extends that time pursuant to section A13.4.

“Parties” means the Province and the Recipient.

“Party” means either the Province or the Recipient.

“Proceeding” means any action, claim, demand, lawsuit, or other proceeding that anyone makes, brings or prosecutes as a result of or in connection with the Project or with any other part of the Agreement.

“Project” means the undertaking described in section C1.0 of Schedule “C”.

“Project Data” means, but is not limited to, information pertaining to physical infrastructure location (geospatial data), condition and state of repair of assets, and asset capacity (both actual and maximum infrastructure utilization metrics), and/or any relevant analytics. Data formats may include, but are not limited to, datasets, metadata, system architecture documentation, performance metrics, and other information that the Province considers necessary to assess project outcomes and support policy development.

“Project Start Deadline” means the project start deadline set out in Schedule “B”.

“Project Completion Deadline” means the project completion deadline set out in Schedule “B”.

“Records Review” means any assessment the Province conducts pursuant to section A7.4.

“Reports” means the reports described in Schedule “F”.

“Requirements Of Law” means all applicable statutes, regulations, by-laws, ordinances, codes, official plans, rules, approvals, permits, licenses, authorizations, orders, decrees, injunctions, directions and agreements with all authorities.

“Total Eligible Cost” means the amount set out in Schedule C2.1.

A2.0 REPRESENTATIONS, WARRANTIES, AND COVENANTS

A2.1 General. The Recipient represents, warrants, and covenants that:

- (a) it is, and will continue to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;

- (b) it has, and will continue to have, the experience and expertise necessary to carry out the Project;
- (c) it is in compliance with, and will continue to comply with, all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules, and by-laws related to any aspect of the Project, the Funds, or both; and
- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete.

A2.2 Execution of Agreement. The Recipient represents and warrants that it has:

- (a) the full power and capacity to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement, including passing a municipal by-law/Band Council Resolution authorizing the Recipient to enter into the Agreement if required.

A2.3 Governance. The Recipient represents, warrants, and covenants that it has, will maintain in writing, and will follow:

- (a) procedures to enable the Recipient to manage Funds prudently and effectively;
- (b) procedures to enable the Recipient to complete the Project successfully;
- (c) procedures to enable the Recipient to identify risks to the completion of the Project and strategies to address the identified risks, all in a timely manner;
- (d) procedures to enable the preparation and submission of all Reports required pursuant to Article A7.0; and
- (e) procedures to enable the Recipient to address such other matters as the Recipient considers necessary to enable the Recipient to carry out its obligations under the Agreement.

A2.4 Supporting Proof. Upon the request of the Province, the Recipient will provide the Province with proof of the matters referred to in Article A2.0.

A2.5 Adverse Fact or Event. The Recipient will inform the Province immediately of any fact or event of which it is aware that has or will compromise, wholly or in part, the Project.

A3.0 TERM OF THE AGREEMENT

A3.1 Term. The term of the Agreement will commence on the Effective Date and will expire on the Expiry Date unless terminated earlier pursuant to Article A12.0 or Article A13.0.

A3.2 Project Deadlines. The Recipient will:

- (a) commence the Project by the Project Start Deadline;
- (b) award the majority of Project construction contracts by the Construction Contract Award Deadline as set out in Schedule F; and
- (c) complete the Project by the Project Completion Deadline.

A4.0 FUNDS AND CARRYING OUT THE PROJECT

A4.1 Funds Provided. The Province will:

- (a) provide the Recipient with Funds up to the Maximum Funds for the purpose of carrying out the Project;
- (b) provide the Funds to the Recipient in accordance with the payment plan attached to the Agreement as Schedule “E”; and
- (c) deposit the Funds into an account the Recipient designates provided that the account:
 - (i) resides at a Canadian financial institution; and
 - (ii) is in the name of the Recipient.

A4.2 Limitation on Payment of Funds. Despite section A4.1:

- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the certificates of insurance or other proof required pursuant to section A11.2;
- (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project;

- (c) the Province is not obligated to provide instalments of Funds until;
 - (i) where the Project is subject to the *Environmental Assessment Act* (Ontario), the Recipient has provided the Province with all applicable notices of completion issued in accordance with that Act for the Project and 60 days have passed since the final notice of completion was issued;
- (d) the Province may adjust the amount of Funds it provides to the Recipient in connection with any Payment Milestone set out in Schedule "E" based upon the Province's assessment of the information the Recipient provides to the Province pursuant to section A7.2.

A4.3 Use of Funds and Carry Out the Project. The Recipient will do all of the following:

- (a) carry out the Project in accordance with the Agreement;
- (b) use the Funds only for the purpose of carrying out the Project;
- (c) spend the Funds only in accordance with the Eligible Costs;
- (d) not use the Funds to cover any cost that has been or will be funded or reimbursed by one or more of any third party, ministry, agency, or organization of the Government of Ontario.

A4.4 Interest-Bearing Account. If the Province provides Funds before the Recipient's immediate need for the Funds, the Recipient will place the Funds in an interest-bearing account in the name of the Recipient at a Canadian financial institution.

A4.4.1 Use of Interest. Unless otherwise directed by the Province by Notice, if the Recipient earns any interest on the Funds, the Recipient must use any interest earned on Eligible Costs.

A4.5 Interest. Upon Notice to the Recipient by the Province, if the Recipient earns any interest on the Funds, the Province may do either or both of the following:

- (a) deduct an amount up to the interest earned from any further instalments of Funds;
- (b) demand from the Recipient the payment of an amount up to the interest earned.

A4.6 Recipient's Acknowledgement of Responsibility for Project. The Recipient will, in respect of the Project, assume full responsibility for the Project, including, without limitation:

- (a) complete, diligent, and timely Project implementation within the costs and timelines specified in the Agreement and in accordance with all other terms and conditions of the Agreement;
- (b) all of the costs of the Project, including, without limitation, unapproved expenditures, Ineligible Costs, cost escalations and cost overruns, if any;
- (c) subsequent operation, maintenance, repair, rehabilitation, construction, demolition, or reconstruction, as required and in accordance with industry standards, and any related costs for the full lifecycle of the Project; and
- (d) the engineering work being undertaken in accordance with industry standards.

A4.7 Rebates, Credits, and Refunds. The Province will calculate Funds based on the actual costs to the Recipient to carry out the Project, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit, or refund.

A4.8 Increase in Project Costs. If, at any time during the Term, the Recipient determines that it will not be possible to complete the Project due to cost escalations or cost overruns (a "**Shortfall**"), the Recipient will immediately notify the Province of that determination. The Province may exercise one or more of the remedies available to it pursuant to section A13.2.

A4.9 Retention of Contribution. The Province will retain 15% of the Maximum Funds in respect of the Project ("**Holdback**") up until the following conditions have been met:

- (a) the Recipient has fulfilled all of its obligations under the Agreement for the Project; and
- (b) the Province has carried out the reconciliation, as set out in section A4.10 (Final Reconciliation and Adjustments), and has made any adjustments required in the circumstances.

A4.10 Final Reconciliation and Adjustments. Without limiting the rights of the Province under this Agreement or otherwise, following receipt and satisfactory review of the Final Report and supporting material by the Province, the Province will carry out a final reconciliation of payment in respect of the Project and make any adjustments required in the circumstances.

A5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

A5.1 Acquisition. If the Recipient acquires goods, services or both with the Funds, it will:

- (a) Do so through a process that is transparent, fair and promotes the best value for the money expended and at competitive prices that are no greater than fair market value after deducting trade discounts or any other discounts available to the Recipient; and
- (b) Comply with any Requirements Of Law that may be applicable to how the Recipient acquires goods, services or both.

A5.2 Contracts. The Recipient will ensure that all Contracts:

- (a) Are consistent with this Agreement;
- (b) Do not conflict with this Agreement;
- (c) Incorporate the relevant provisions of this Agreement to the fullest extent possible;
- (d) Require that any parties to those Contracts comply with all Requirements Of Law; and
- (e) Authorize the Province to perform audits of the parties to those Contracts in relation to the Project as the Province sees fit in connection with Article A7.0 of this Schedule "A".

A5.3 Disposal of Assets. The Recipient will not, without the Province's prior consent, sell, lease or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as provided for in Schedule "B" at the time of purchase.

A6.0 CONFLICT OF INTEREST

A6.1 Conflict of Interest Includes. For the purposes of Article A6.0, a conflict of interest includes any circumstances where:

- (a) the Recipient; or
- (b) any person who has the capacity to influence the Recipient's decisions, has outside commitments, relationships, or financial interests that could, or could be seen by a reasonable person to, interfere with the Recipient's objective, unbiased, and impartial judgment relating to the

Project, the use of the Funds, or both.

A6.2 No Conflict of Interest. The Recipient will carry out the Project and use the Funds without an actual, potential, or perceived conflict of interest unless:

- (a) the Recipient:
 - (i) provides Notice to the Province disclosing the details of the actual, potential, or perceived conflict of interest; and
 - (ii) requests the consent of the Province to carry out the Project with an actual, potential, or perceived conflict of interest;
- (b) the Province provides its consent to the Recipient carrying out the Project with an actual, potential, or perceived conflict of interest; and
- (c) the Recipient complies with any terms and conditions the Province may prescribe in its consent.

A7.0 REPORTS, ACCOUNTING, AND REVIEW

A7.1 Province Includes. For the purposes of sections A7.4, A7.5 and A7.6, "Province" includes any auditor or representative the Province may identify.

A7.2 Preparation and Submission. The Recipient will:

- (a) submit to the Province at the address set out in Schedule "B":
 - (i) all Reports in accordance with the timelines and content requirements set out in Schedule "F";
 - (ii) any other reports in accordance with any timelines and content requirements the Province may specify from time to time;
- (b) ensure that all Reports and other reports are:
 - (i) completed to the satisfaction of the Province; and
 - (ii) signed by an authorized signing officer of the Recipient.

A7.3 Record Maintenance. The Recipient will keep and maintain:

- (a) all financial records (including invoices and evidence of payment) relating to the Funds or otherwise to the Project in a manner consistent with generally accepted accounting principles applicable in Canada; and

- (b) all non-financial records and documents relating to the Funds or otherwise to the Project.

A7.4 A7.4 Records Review. The Province may, at its own expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to conduct an audit or investigation of the Recipient regarding the Recipient's compliance with the Agreement, including assessing any of the following:

- (a) the truth of any of the Recipient's representations and warranties;
- (b) the progress of the Project;
- (c) the Recipient's allocation and expenditure of the Funds.

A7.5 Inspection and Removal. For the purposes of any Records Review, the Province may take one or both of the following actions:

- (a) inspect and copy any records and documents referred to in section A7.3;
- (b) remove any copies the Province makes pursuant to section A7.5(a).

A7.6 Cooperation. To assist the Province in respect of its rights provided for in section A7.5, the Recipient will cooperate with the Province by:

- (a) ensuring that the Province has access to the records and documents wherever they are located;
- (b) assisting the Province to copy records and documents;
- (c) providing to the Province, in the form the Province specifies, any information the Province identifies; and
- (d) carrying out any other activities the Province requests.

A7.7 No Control of Records. No provision of the Agreement will be construed to give the Province any control whatsoever over any of the Recipient's records.

A7.8 Auditor General. The Province's rights under Article A7.0 are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

A8.0 COMMUNICATIONS REQUIREMENTS

A8.1 Communications Protocol. The Parties agree to be bound by the terms and conditions of the communications protocol provided for in Schedule “G” (Communications Protocol).

A9.0 INDIGENOUS CONSULTATION

A9.1 Indigenous Consultation Protocol. The Parties agree to be bound by the terms and conditions of the Indigenous Consultation Protocol provided for in Schedule “H” (Indigenous Consultation Protocol).

A9.2 Legal Duty to Consult. In the event that the Province determines that a legal duty to consult and, where appropriate, accommodate Indigenous Communities (the “**Duty to Consult**”) arises in respect of the Province’s proposed funding of the Project:

- (a) no site preparation, removal of vegetation or construction will occur in respect of the Project until the Province provides confirmation in writing to the Recipient otherwise;
- (b) the Province may, in writing, require the Recipient to suspend further site preparation, removal of vegetation or construction pending completion of the required consultation;
- (c) despite section A.4.1, if the Province has not provided confirmation in writing to the Recipient that site preparation, removal of vegetation or construction may begin or resume, the Province has no obligation to pay any Eligible Costs that are capital costs incurred during that period, as determined by the Province; and,
- (d) the Province must be satisfied that:
 - (i) Indigenous Communities have been notified and, if applicable, consulted;
 - (ii) where consultation has occurred, the Recipient has provided an Indigenous Consultation Record;
 - (iii) the Recipient is carrying out accommodation measures, where appropriate; and
 - (iv) any other information that the Province deems appropriate has been provided to the Province.

A10.0 INDEMNITY

A10.1 Indemnify. The Recipient will indemnify and hold harmless the Indemnified Parties from and against any Loss and any Proceeding, unless solely caused by the gross negligence or wilful misconduct of the Indemnified Parties.

A11.0 INSURANCE

A11.1 Insurance. The Recipient represents, warrants, and covenants that it has, and will maintain, 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 person carrying out a project similar to the Project 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 the amount set out in Schedule “B” per occurrence, which commercial general liability insurance policy will include the following:

- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient’s obligations under, or otherwise in connection with, the Agreement;
- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) at least 30 days’ written notice of cancellation.

A11.2 Proof of Insurance. The Recipient will:

- (a) provide to the Province, either:
 - (i) certificates of insurance that confirm the insurance coverage required by section A11.1; or
 - (ii) other proof that confirms the insurance coverage required by section A11.1; and
- (b) in the event of a Proceeding, and upon the Province’s request, the Recipient will provide to the Province a copy of any of the Recipient’s insurance policies that relate to the Project or otherwise to the Agreement, or both.

A12.0 TERMINATION ON NOTICE

A12.1 Termination on Notice. The Province may terminate the Agreement at any time without liability, penalty, or costs upon giving 30 days' Notice to the Recipient.

A12.2 Consequences of Termination on Notice by the Province. If the Province terminates the Agreement pursuant to section A12.1, the Province may take one or more of the following actions:

- (a) cancel further instalments of Funds;
- (b) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient; and
- (c) determine the reasonable costs for the Recipient to wind down the Project, and do either or both of the following:
 - (i) permit the Recipient to offset such costs against the amount the Recipient owes pursuant to section A12.2(b); and
 - (ii) subject to section A4.1(a), provide Funds to the Recipient to cover such costs.

A13.0 EVENT OF DEFAULT, CORRECTIVE ACTION, AND TERMINATION FOR DEFAULT

A13.1 Events of Default. Each of the following events will constitute an Event of Default:

- (a) in the opinion of the Province, the Recipient breaches any representation, warranty, covenant, or other term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
 - (i) carry out the Project;
 - (ii) use or spend Funds; or
 - (iii) provide, in accordance with section A7.2, Reports or such other reports as the Province may have requested pursuant to section A7.2(a)(ii);
- (b) the Recipient's operations, its financial condition, its organizational structure or its control changes such that it no longer meets one or more of the eligibility requirements of the program under which the

Province provides the Funds;

- (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver;
- (d) the Recipient ceases to operate.

A13.2 Consequences of Events of Default and Corrective Action. If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Project;
- (b) provide the Recipient with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel further instalments of Funds;
- (f) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient;
- (g) demand from the Recipient the payment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;
- (h) demand from the Recipient the payment of an amount equal to any Funds the Province provided to the Recipient;
- (i) demand from the Recipient the payment of an amount equal to the costs the Province incurred or incurs to enforce its rights under the Agreement, including the costs of any Records Review and the costs it incurs to collect any amounts the Recipient owes to the Province; and
- (j) upon giving Notice to the Recipient, terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province.

A13.3 Opportunity to Remedy. If, pursuant to section A13.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the

Province will give Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

A13.4 Recipient not Remediating. If the Province provides the Recipient with an opportunity to remedy the Event of Default pursuant to section A13.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,
- (d) the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections A13.2(a), (c), (d), (e), (f), (g), (h), (i) and (j).

A13.5 When Termination Effective. Termination under Article A13.0 will take effect as provided for in the Notice.

A14.0 FUNDS UPON EXPIRY

A14.1 Funds Upon Expiry. Upon expiry of the Agreement, the Recipient will pay to the Province any Funds remaining in its possession, under its control, or both.

A15.0 DEBT DUE AND PAYMENT

A15.1 Payment of Overpayment. If at any time the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
- (b) demand that the Recipient pay to the Province an amount equal to the excess Funds.

A15.2 Debt Due. If, pursuant to the Agreement:

- (a) the Province demands from the Recipient the payment of any Funds, an

amount equal to any Funds or any other amounts owing under the Agreement; or

- (b) the Recipient owes to the Province any Funds, an amount equal to any Funds or any other amounts owing under the Agreement, whether or not the Province has demanded their payment,

such amounts will be deemed to be debts due and owing to the Province by the Recipient, and the Recipient will pay the amounts to the Province immediately, unless the Province directs otherwise.

A15.3 Interest Rate. The Province may charge the Recipient interest on any money owing to the Province by the Recipient under the Agreement at the then current interest rate charged by the Province of Ontario on accounts receivable.

A15.4 Payment of Money to Province. The Recipient will pay any money owing to the Province by cheque payable to the "Ontario Minister of Finance" and delivered to the Province at the address set out in Schedule "B".

A15.5 Fails to Pay. Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to pay any amount owing under the Agreement, His Majesty the King in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by His Majesty the King in right of Ontario.

A16.0 NOTICE

A16.1 Notice in Writing and Addressed. Notice will be:

- (a) in writing;
- (b) delivered by email, postage-prepaid mail, personal delivery or courier and
- (c) addressed to the Province or the Recipient as set out in Schedule "B", or as either Party later designates to the other by Notice.

A16.2 Notice Given. Notice will be deemed to have been given:

- (a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; and
- (b) in the case of email, personal delivery or courier, on the date on which the Notice is delivered.

A16.3 Postal Disruption. Despite section A16.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail will not be deemed to be given; and
- (b) the Party giving Notice will give Notice by email, personal delivery or courier.

A17.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

A17.1 Consent. When the Province provides its consent pursuant to the Agreement:

- (a) it will do so by Notice;
- (b) it may attach any terms and conditions to the consent; and
- (c) the Recipient may rely on the consent only if the Recipient complies with any terms and conditions the Province may have attached to the consent.

A18.0 SEVERABILITY OF PROVISIONS

A18.1 Invalidity or Unenforceability of Any Provision. The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement.

A19.0 WAIVER

A19.1 Condonation not a waiver. Failure or delay by either Party to exercise any of its rights, powers or remedies under the Agreement will not constitute a waiver of those rights, powers or remedies and the obligations of the Parties with respect to such rights, powers or remedies will continue in full force and effect.

A19.2 Waiver. Either Party may waive any of its rights, powers or remedies under the Agreement by providing Notice to the other Party. A waiver will apply only to the specific rights, powers or remedies identified in the Notice and the Party providing the waiver may attach terms and conditions to the waiver.

A20.0 INDEPENDENT PARTIES

A20.1 Parties Independent. The Recipient is not an agent, joint venturer, partner, or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is or take any actions that could establish or imply such a relationship.

A21.0 ASSIGNMENT OF AGREEMENT OR FUNDS

A21.1 No Assignment. The Recipient will not, without the prior written consent of the Province, assign any of its rights or obligations under the Agreement.

A21.2 Agreement Binding. All rights and obligations contained in the Agreement will extend to and be binding on:

- (a) the Recipient's heirs, executors, administrators, successors, and permitted assigns; and
- (b) the successors to His Majesty the King in right of Ontario.

A22.0 GOVERNING LAW

A22.1 Governing Law. The Agreement and the rights, obligations, and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

A23.0 FURTHER ASSURANCES

A23.1 Agreement into Effect. The Recipient will:

- (a) provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains; and
- (b) do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

A24.0 JOINT AND SEVERAL LIABILITY

A24.1 Joint and Several Liability. Where the Recipient comprises more than one entity, each entity will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

A25.0 RIGHTS AND REMEDIES CUMULATIVE

A25.1 Rights and Remedies Cumulative. The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

A26.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS**A26.1 Other Agreements.** If the Recipient:

- (a) has failed to comply with any term, condition, or obligation under any other agreement with His Majesty the King in right of Ontario or one of His agencies (a **"Failure"**);
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (d) such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

A27.0 SURVIVAL

A27.1 Survival. The following Articles and sections, and all applicable cross-referenced Articles, sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0, Article 2.0, Article A1.0 and any other applicable definitions, section A2.1(a), sections A4.4, A4.5, A4.7, A4.9, A4.10, section A5.3, section A7.1, section A7.2 (to the extent that the Recipient has not provided the Reports or other reports as the Province may have requested and to the satisfaction of the Province), sections A7.3, A7.4, A7.5, A7.6, A7.7, A7.8, Article A8.0, Article A10.0, section A12.2, section A13.1, sections A13.2(d), (e), (f), (g), (h), (i) and (j), Article A14.0, Article A15.0, Article A16.0, Article A18.0, section A21.2, Article A22.0, Article A24.0, Article A25.0 and Article A27.0.

END OF GENERAL TERMS AND CONDITIONS

SCHEDULE "B"
PROJECT SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS

Maximum Funds	\$1,752,000.00
Expiry Date	March 31, 2030
Project Start Deadline	June 30, 2026
Project Completion Deadline	March 31, 2029
Amount for the purposes of section A5.3 (Disposal of Assets) of Schedule "A"	\$50,000
Insurance	\$2,000,000
Contact information for the purposes of Notice to the Province	Position: Manager, Infrastructure Renewal Programs Unit Address: Ministry of Infrastructure Infrastructure Program Delivery Branch 777 Bay St. Toronto, ON M5G 2E5 Email: HSWS@ontario.ca
Contact information for the purposes of Notice to the Recipient	Position: Director of Development/Infrastructure/CBO Address: 341 10th Street, HANOVER, Ontario N4N1P5 Email: awilken@hanover.ca

Additional Provisions:

None

SCHEDULE "C"

PROJECT DESCRIPTION AND FINANCIAL INFORMATION

C1.0 PROJECT DESCRIPTION

The Recipient will carry out the replacement of Well No. 1, and reconstruction or replacement of Well No.2 in the Town of Hanover to ensure long-term water supply capacity.

The outcomes of this water infrastructure project will improve health and safety and promote the preservation of the current housing supply within the community.

C2.0 FINANCIAL INFORMATION

C2.1 Total Eligible Costs. The total Eligible Costs means \$2,400,000.00.

C2.2 Province's Reimbursement Rate. Without limiting the generality of the Province's rights and remedies under this Agreement, the Province will reimburse the Recipient for up to a maximum 73% of Total Eligible Costs, or up to the Maximum Funds.

C2.3 Combining Funding from Other Government Sources (Stacking). The Recipients are permitted to stack other municipal, First Nation, or federal funds to fund the 27% minimum recipient contribution. Applicants are responsible for determining if federal funding can be used towards the project being submitted to the Province. Provincial stacking will not be permitted, with the exception of funding received from the Building Faster Fund (BFF) and the Ontario Community Infrastructure Fund (OCIF).

SCHEDULE "D"

ELIGIBLE AND INELIGIBLE COSTS

D1.0 ELIGIBLE COSTS

D1.1 Eligible Costs are those direct costs that are, in the Province's sole and absolute discretion, properly and reasonably incurred and paid by the Recipient, are necessary for the successful completion of the Project, and are paid to an arm's length third party, as evidenced by invoices, receipts or other records that are satisfactory to the Province. Eligible Costs do not include Ineligible Costs. Eligible Costs include the following costs incurred and paid after April 1, 2024:

- (a) Costs associated with the planning, environmental assessments, design and engineering, project management, materials and construction of the Project;
- (b) Costs associated with Indigenous consultation related to the Project; and
- (c) Costs associated with any compliance audit undertaken in accordance with Article F3.0.

D2.0 INELIGIBLE COSTS

D2.1 Unless a cost is considered an Eligible Cost pursuant to section D1.1, such cost will be an Ineligible Cost. Without limiting the discretion of the Province in section D1.1, the following costs are Ineligible Costs and are therefore ineligible to be paid from the Funds:

- (a) All capital costs, including site preparation, removal of vegetation and construction costs, prior to confirmation in writing from the Province to the Recipient that site preparation, removal of vegetation or construction may begin or resume, as described in section A9.2;
- (b) Financing and financing charges, debt restructuring, loan interest payments bank fees, and legal fees including those related to easements;
- (c) Costs associated with operating expenses for assets and regularly scheduled maintenance work;
- (d) Costs of relocating entire communities;
- (e) Planning costs, if not tied to a capital project (i.e., planning-only project submitted);

- (f) Land acquisition; leasing land, buildings and other facilities; real estate fees and related costs;
- (g) Leasing equipment other than equipment directly related to the construction of the Project;
- (h) Costs related to furnishing and non-fixed assets which are not essential for the operation of the asset/Project;
- (i) Any overhead costs, including salaries and other employment benefits of any employees of the Recipient, any direct or indirect operating or administrative costs of the Recipient, and more specifically any costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by the Recipient's staff;
- (j) Any goods and services costs which are received through donations or in kind;
- (k) Provincial sales tax, goods and services tax, or harmonized sales tax; and
- (l) Any costs eligible for rebates.

SCHEDULE “E” MILESTONE PAYMENT PLAN

E1.0 MILESTONE PAYMENTS

E1.1. The table below sets out the Project milestones and, if the conditions for achieving the milestone are met, the amount that the Recipient is entitled to be paid in connection with the completion of that milestone, subject to the Recipient’s compliance with the terms of the Agreement, calculated as a percentage of the Maximum Funds.

PAYMENT MILESTONE	PAYMENT AMOUNT	REQUIRED REPORTS (see Schedule “F” for more detail)
Milestone 1: Execution of the Agreement.	Up to 25% of the Maximum Funds	The following documentation is required to be provided to the Province by the Recipient prior to execution of the Agreement: • Municipal by-law/Band Council resolution as described in section A2.2(b), • Initial Project Report as described in Schedule “F”, • Notice of completion for Environmental Assessment (if applicable), and • Any other reporting requested by the Ministry.
Milestone 2: Subject to the terms and conditions of this Agreement, the receipt, to the satisfaction of the Province, of the Construction Contract Award Documentation and Project Progress Report described in Schedule “F”.	Up to 25% of the Maximum Funds. The payment amount is subject to the adjustments set out in section A4.2(c).	• Construction Contract Award Documentation, • Council award by-law or delegation of authority for construction contract award(s), • Record of expenditures,

Deadline to award the majority of tenders is March 31, 2027, and the deadline to submit Milestone 2 documentation is June 24, 2027.		• Proof of project signage, • Project Progress Report, including a revised expenditure forecast, and • Any other reporting requested by the Ministry.
Milestone 3: Subject to the terms and conditions of this Agreement, the receipt, to the satisfaction of the Province, of the 85% Expenditure Documentation and Project Progress Report described in Schedule “F”.	Up to 35% of the Maximum Funds. The payment amount is subject to the adjustments set out in section A4.2(c).	• 85% Expenditure Documentation confirming that at least 85% of the TEC has been incurred, • Record of expenditures • Project Progress Report, including a revised expenditure forecast, and • Any other reporting requested by the Ministry.
Milestone 4: Subject to the terms and conditions of this Agreement, the receipt, to the satisfaction of the Province, of the Final Report.	Release of Holdback as defined in section A4.9: Up to 15% of the Maximum Funds. The payment amount is subject to the reconciliation and adjustments set out in sections A4.2(c) and A4.10.	• Final Report, • Record of expenditures • Compliance with the Financial Information Return (FIR) for municipalities, • Compliance audit documentation if required by the Province, and • Any other reporting requested by the Ministry.

SCHEDULE "F" REPORTING REQUIREMENTS

F1.0 DOCUMENTATION REQUIRED FOR EXECUTION OF THE AGREEMENT

Name of Document	Description	Submission Timeframe
Initial Project Report	Recipient's forecast of timelines and costs (expenditure forecast) to Project completion.	Within two weeks of being sent by the Province and prior to execution of the Agreement.
Council By-Law/ Band Council Resolution (BCR)	Municipal by-law as described in section A2.2(b). <u>If delegated authority is given, the Recipient must include the delegation by-law (refer to Section 23.1 of the <i>Municipal Act, 2001</i>). "Band Council Resolution" means a written resolution signed and adopted by a quorum of Council at a duly convened meeting.</u>	Prior to execution of the Agreement.
Executed Agreement	The executed Agreement between the Province and Recipient.	Required for Milestone 1 payment.

F2.0 REPORTS

F2.1 Reporting Requirements. The Recipient will submit to the Province the following Reports in a format to be provided by the Province and in accordance with the timelines below.

Required Documentation	Description	Submission Timeframe
Construction Contract Award Documentation	A report from council including a resolution or by-law recognizing the awarding of the Project construction contracts following tender.	At least 70% of Project construction contracts must be awarded by the Construction Award Deadline of March 31, 2027. The Construction Contract Award Documentation is due within 60 Business Days of this award. Required for Milestone 2 payment.

Project Progress Report	A report that includes: • an update on the Project's status and signage status; • revised expenditure forecast, which must be based on contracts awarded to complete the Project; • the amount of interest earned on the Funds; • an updated Indigenous Consultation Record, if applicable; and • any other information as requested by the Province.	Project Progress Reports are required twice per calendar year, in the Spring and Fall, for the duration of the project. This Report is due within 30 Business Days of a written notice from the Province unless otherwise indicated by the Province. A Project Progress Report is required for Milestone 2 and Milestone 3 payments.
85% Expenditure Documentation	A report that confirms that at least 85% of TEC has been incurred.	Required for Milestone 3 payment.
Final Report	A report that summarizes the Project's final timelines, costs, and outcomes, and includes Project photos and the information required under the Project Progress Reports.	This Report is due within 60 Business Days of the Project Completion Deadline. Required for Milestone 4 payment.
Project Data Collection Reports	Without limiting the generality of section A7.2(a)(ii), the Province may, upon request, require the Recipient to provide Data relevant to the development, implementation, or operation of the Project and collected by using a digital twin or related tools, models or processes. The Province reserves the right to specify the format, frequency, level of detail and method of submission for such Project Data requests. Project Data will be provided at the level of detail requested by the province, aggregated where required to protect private and	The Recipient is expected to make reasonable efforts to comply with these requests within the timeframe requested in a written notice from the Province.

	commercially sensitive information as required by FIPPA or MFIPPA.	
Other Reports	Reports with such content as may be requested by the Province from time to time, which may include the Indigenous Consultation Record described in Schedule "H".	To be submitted within the timeframe requested in a written notice from the Province.

F3.0 COMPLIANCE AUDIT AND FINANCIAL INFORMATION RETURNS

F3.1 Financial Information Returns. If the Recipient is a municipality, then, without limiting the Province's rights under Article A13.0, the Province shall not be required to release the Holdback until the Province is satisfied that the Recipient has submitted Financial Information Returns, in accordance with subsection 294(1) of the *Municipal Act, 2001*, in respect of the second calendar year preceding the calendar year in which the Project is completed.

F3.2 Financial Information Return Compliance. If the Recipient does not submit the FIR in accordance with F3.1, without limiting the Province's rights under Article A13.0, the Province may suspend the payment of Funds until the FIR are satisfactorily completed.

F3.3 Compliance Audit. Without limiting the generality of Article A7.0 (Reports, Accounting, and Review), the Recipient may be required to engage the services of an external auditor to conduct a final compliance audit upon reaching the Project Completion Deadline.

Additional compliance audits may be conducted by the Province at its sole discretion, for which the Recipient shall assist and disclose any information requested by any independent auditor.

F3.4 Requirements of Compliance Audit. Each compliance audit will be conducted in accordance with Canadian Generally Accepted Auditing Standards, as adopted by the Canadian Institute of Chartered Accountants, applicable as of the date on which a record is kept or required to be kept under such standards. In addition, each compliance audit will assess the Recipient's compliance with the terms of the Agreement and will prepare a report that addresses, without limitation:

- (a) whether the Funds were spent in accordance with the Agreement;
- (b) the progress or state of completion of the Project;

- (c) whether the financial information the Recipient provided to the Province was complete, accurate, and provided in a timely manner;
- (d) whether the Recipient's information and monitoring processes and systems are adequate to carry out its obligations under the Agreement;
- (e) the Recipient's overall management and administration of the Project;
- (f) recommendations for improvement or redress of non-compliance of the terms of the Agreement by the Recipient; and
- (g) whether the Recipient took timely corrective action on any prior audit findings, if any.

SCHEDULE “G” COMMUNICATIONS PROTOCOL

G1.0 DEFINITIONS

G1.1 **Definitions.** For the purposes of this Schedule “G” (Communications Protocol):

“**Joint Communications**” means events, news releases, and signage that relate to the Agreement that are not operational in nature, and that are collaboratively developed and approved by the Province and the Recipient.

“**Communications Activities**” means, but is not limited to, public or media events or ceremonies including key milestone events, news releases, reports, web and social media products or postings, blogs, news conferences, public notices, physical and digital signs, publications, success stories and vignettes, photos, videos, multi-media content, advertising campaigns, awareness campaigns, editorials, multi-media products, and all related communication materials under the Agreement.

“**Contentious Issues**” means matters that are, or may reasonably be expected to be, of concern to the Legislative Assembly or the public, or are likely to result in inquiries being directed to the Minister or the provincial government.

Contentious Issues may be raised by:

- Members of the Legislative Assembly
- The public
- Media
- Stakeholders
- Service delivery partners

G2.0 PURPOSE

G2.1 **Purpose.** This communications protocol outlines the roles and responsibilities of each of the Parties to the Agreement in respect of Communications Activities related to the Project.

G2.2 **Guidance.** This communications protocol will guide all planning, development and implementation of Communications Activities with a view to ensuring efficient, structured, continuous, consistent, and coordinated communications to the public.

G2.3 **Application to Communications Activities.** The provisions of this communications protocol apply to all Communications Activities related to the Agreement and the Project.

G3.0 GUIDING PRINCIPLES

- G3.1 **Information to public.** Communications Activities undertaken through this communications protocol should ensure that the public are informed about the Project and its benefits, including the ways in which the Project helps improve their quality of life.
- G3.2 **Factors to Consider.** The scale and scope of Communications Activities undertaken for any Project will take into consideration the financial value, scope and duration of the Project and the feasibility of Joint Communications for such Communications Activities.
- G3.3 **Deficiencies and Corrective Actions.** The Province will communicate to the Recipient any deficiencies or corrective actions, or both, identified by the Province or, as applicable, the Committee.
- G3.4 **Approval of Communications Material.** The announcement or publication of the Project must be approved by the Parties prior to being carried out.
- G3.5 **Costs of Communication Activities.** With the exception of advertising campaigns outlined in Article G.9.0 (Advertising Campaigns), the costs of Communication Activities and signage will follow the eligibility rules established in Schedule “D” (Eligible and Ineligible Costs).

G4.0 JOINT COMMUNICATIONS

- G4.1 **Subject Matter.** The Parties may have Joint Communications about the funding and status of the Project, including recognition of key project milestones.
- G4.2 **Prior Knowledge and Agreement.** Joint Communications in respect of the Project should not occur without the prior knowledge and agreement of the Parties.
- G4.3 **Recognition of the Province’s Contributions.** All Joint Communications material must be approved by the Province and will recognize the Province’s contribution to the Project.
- G4.4 **Notice and Timing.** The Recipient and the Province may request Joint Communications. The Party requesting the Joint Communications will provide at least 15 Business Days’ notice to the other Party. If the Communications Activity is an event, it will take place at a date and location mutually agreed to by the Parties.
- G4.5 **Participation and Representatives.** The Party requesting a Joint Communications will provide the opportunity for the other Party to choose to

participate and, if they do so choose, their own designated representative (in the case of an event).

- G4.6 **English and French.** The Province has an obligation to communicate in English and French. Communications products related to events must be bilingual in many instances. In such cases, the Province will provide the translation services and final approval on products.

G5.0 INDIVIDUAL COMMUNICATIONS

- G5.1 **The Province's Obligations.** Notwithstanding Article G.4.0 (Joint Communications), the Parties agree that the Province has the right to communicate information to Ontarians about the Agreement and the use of Funds to meet its legislated and regulatory obligations through their respective own Communications Activities.
- G5.2 **Restrictions.** Each Party may include an overview in respect of the Project in their own Communications Activities. The Province and the Recipient will not unreasonably restrict the use of, for their own purposes, Communications Activities related to the Project and, if the communications are web- or social-media based, the ability to link to it.
- G5.3 **Publication.** The Recipient will indicate, in respect of the Project-related publications, whether written, oral, or visual, that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.
- G5.4 **Recognition in Documents.** In respect of the Project where the deliverable is a document, such as but not limited to plans, reports, studies, strategies, training material, webinars, and workshops, the Recipient will clearly recognize the Province's respective financial contribution for the Project.
- G5.5 **Acknowledgement of Support.** Unless the Province directs the Recipient to do otherwise, the Recipient will, in respect of the Project-related publications, whether written, oral, or visual, acknowledge the Province's support for the Project.

G6.0 OPERATIONAL COMMUNICATIONS

- G6.1 **Responsibility of Recipient.** The Recipient is solely responsible for operational communications in respect of the Project, including but not limited to calls for tender, contract awards, and construction and public safety notices.

G7.0 MEDIA RELATIONS

- G7.1 Significant Media Inquiry.** The Province and the Recipient will share information promptly with the other Party if significant media inquiries are received or if emerging contentious issues arise in respect of a Project. Significant media inquiries include, but are not limited to, contentious media requests where either or both the province and the recipient are implicated. Note that any media request that impacts or falls under the purview of the province (e.g., program guidelines, funding allocations) must be shared with each partner to determine who is best positioned to respond.

G8.0 SIGNAGE

- G8.1 Recognition of Funding Contribution.** The Parties agree that the Province and the Recipient may each have signage recognizing their funding contribution in respect of the Project.
- G8.2 Funding Recognition.** Unless otherwise agreed by the Province, the Recipient will produce and install a sign to recognize the funding contributed by the Province at the Project site in accordance with, as applicable, their current respective signage guidelines. Provincial sign design, content, and installation guidelines will be provided by the Province.
- G8.3 Notice of Sign Installation.** The Recipient will inform the Province of sign installations, including providing the Province with photographs of the sign once the sign has been installed.
- G8.4 Timing for Erection of Sign.** If erected, signage recognizing the Province's contributions will be installed at the Project site(s) 30 days prior to the start of construction, be visible for the duration of the Project, and remain in place until 90 days after construction is completed and the infrastructure is fully operational or opened for public use.
- G8.5 Size of Sign.** If erected, signage recognizing the Province's respective contribution will be at least equivalent in size and prominence to Project signage for contributions by other orders of government and will be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.
- G8.6 Responsibility of Recipient.** The Recipient is responsible for the production and installation of Project signage, and for maintaining the signage in a good state of repair during the Project, or as otherwise agreed upon.

G9.0 ADVERTISING CAMPAIGNS

- G9.1 Notice of Advertising Campaigns.** Recognizing that advertising can be an effective means of communicating with the public, the Recipient agrees that the Province may, at their own cost, organize an advertising or public information campaign in respect of the Project or the Agreement. However, such a campaign will respect the provisions of the Agreement. In the event of such a campaign, the Province will inform the Recipient of its intention no less than 21 Business Days prior to the campaign launch.

SCHEDULE "H"

INDIGENOUS CONSULTATION PROTOCOL

H1.0 INDIGENOUS CONSULTATION

H1.1 **Procedural Aspects of Consultation.** If consultation with Indigenous Communities is required, the Recipient agrees that:

- (a) the Province may delegate certain procedural aspects of the consultation to the Recipient; and
- (b) the Province will provide the Recipient with an initial list of the Indigenous Communities the Recipient will consult.

H1.2 **Development of Indigenous Consultation Plan.** The Province, based on the scope and nature of the Project, may require the Recipient, in consultation with the Province, to develop and comply with an Indigenous consultation plan ("**Indigenous Consultation Plan**").

H1.3 **Provision of Plan to Province.** If, pursuant to section H1.2, the Province provides Notice to the Recipient that an Indigenous Consultation Plan is required, the Recipient will, within the timelines provided in the Notice, provide the Province with a copy of the Indigenous Consultation Plan.

H1.4 **Changes to Plan.** The Recipient agrees that the Province, in its sole discretion and from time to time, may require the Recipient to make changes to the Indigenous Consultation Plan.

H1.5 **Requirement for Indigenous Consultation Record.** If consultation with an Indigenous Community is required, the Recipient will maintain an Indigenous Consultation Record and provide such record to the Province, and any update to it, as part of its reporting to the Province pursuant to section F2.1.

H1.6 **Notification to and Direction from the Province.** The Recipient will immediately notify the Province:

- (a) of contact by Indigenous Communities regarding the Project; or
- (b) of any Indigenous archaeological resources that are discovered in relation to the Project,

and, in either case, the Recipient agrees that the Province may direct the Recipient to take such actions as the Province may require. The Recipient will comply with the Province's direction.

Case #2025-05-1-3207383240

H1.7 Direction from the Province and Contracts. In any Contract, the Recipient will provide for the Recipient's right and ability to respond to direction from the Province as the Province may provide in accordance with section H1.6.

THE CORPORATION OF THE TOWN OF HANOVER

BY-LAW NO. 3386-26

A By-law of the Town of Hanover to confirm the proceedings of the Council of the Corporation of the Town of Hanover at its regular meeting held on March 16, 2026

WHEREAS the Municipal Act, S.O. 2001, c.25, as amended, Section 5 and amendments thereto, provides that the powers of a municipal corporation shall be exercised by its Council;

AND WHEREAS the Municipal Act, S.O. 2001, c.25, as amended, Section 5 and Section 9, and amendments thereto, provides that except where otherwise provided, the powers of any Council shall be exercised by by-law;

AND WHEREAS in many cases action which is taken or authorized to be taken by Council does not lend itself to the passage of an individual by-law;

NOW THEREFORE the Council for the Corporation of the Town of Hanover hereby enacts as follows:

1. THAT the actions of the Council at its regular meeting held on March 16, 2026 in respect of each motion, resolution and other action taken by the Council, and its Committees, at its said meetings are, except where the prior approval of the Ontario Municipal Board or other authority is by law required, hereby adopted, ratified and confirmed as if all such proceedings were expressly embodied in this By-law.
2. THAT where no individual by-law has been or is passed with respect to the taking of any action authorized in or by the above mentioned Minutes or with respect to the exercise of any powers by the Council in the above mentioned Minutes, then this by-law shall be deemed for all purposes to be the by-law required for approving and authorizing and taking of any action authorized therein or thereby, or required for the exercise of any powers therein by the Council.
3. AND THAT the Mayor and the proper officers of The Corporation of the Town of Hanover are hereby authorized and directed to do all things necessary to give effect to the said action of the Council or to obtain approvals where required and, except where otherwise provided, the Mayor, the Clerk and the Treasurer are hereby directed to execute all documents necessary on behalf of the Corporation of the Town of Hanover and to affix thereto the corporate seal of the Corporation of the Town of Hanover.

READ a FIRST, SECOND and THIRD TIME and FINALLY PASSED this 16th day of March, 2026.

Susan Paterson, Mayor

Vicki McDonald, Clerk