

January 13, 2016

Report To: Mayor & Council

From: Doug Brown, Manager of Operations & Facilities

SUBJECT: Extension of License Agreement with the Minister of Economic Development, Employment & Infrastructure (Provincial Government-MNR) for the Rental of One Bay in the Airport Maintenance Garage

As you are probably aware in 2015 Tom Batiuk, Airport Supervisor successfully negotiated with the MNR for the rental of a maintenance bay in the Airport Maintenance Garage for the storage of a snowmobile trailer and two snowmobiles.

Please find attached an administration report prepared by Tom Batiuk, Airport Supervisor outlining all the pertinent information on the renting of one bay in the maintenance garage to the MNR at a rate of \$101.80 per day from January 1st, 2016 to March 31, 2016.

It is recommended by the Operations & Facilities Executive committee that the Mayor & Clerk be authorized to enter into a 3-month extension license agreement with the Minister of Economic Development, Employment & Infrastructure at a rate of \$3,970.59 (all applicable taxes extra) per term for the storage of MNR equipment (snowmobile trailer and 2 snowmobiles) within one bay of the airport maintenance garage.

Respectfully submitted
Operations & Facilities Division



D.Brown, P. Eng.
Manager of Operations & Facilities

Council approval of this report will authorize the Mayor & Clerk to enter into a 3-month license agreement with the Minister of Economic Development, Employment & Infrastructure at a rate of \$3,970.59 (all applicable taxes extra) per term for the storage of MNR equipment (snowmobile trailer and 2 snowmobiles) within one bay of the airport maintenance garage.

F/n: 2016JanMNRagreementmaintenancebay

RECOMMENDED

JAN 20 2016

DIV. MNC

EXECUTIVE COM.

2016-01-12

To: Doug Brown

From: Tom Batiuk

Re: Lease for Garage Bay for MNR

Please find attached the rental lease agreement for the MNR to use the garage bay located at the airport. This lease will result in a revenue stream to the airport in the amount of \$3970.59 based on the 3 days per week. This lease will be paid in equal monthly installments to the airport in the amount of \$1323.53 for the term of January 1st, 2016 to March 31st, 2016. This will not affect the airport operation in any capacity. It is my recommendation that we execute this agreement and commence business with the MNR to utilize this space as laid out in the attached agreement.

Kind Regards,

A handwritten signature in black ink, appearing to be 'Tom Batiuk', with a stylized flourish at the end.

Tom Batiuk
Airport Supervisor

LICENSE EXTENSION AND AMENDING AGREEMENT

THIS AGREEMENT made in triplicate as of November 1, 2015.

BETWEEN:

THE CORPORATION OF THE TOWN OF FORT FRANCES

(the "Licensor")

OF THE FIRST PART

- and -

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE
MINISTER OF ECONOMIC DEVELOPMENT, EMPLOYMENT AND
INFRASTRUCTURE**

(the "Licensee")

OF THE SECOND PART

WHEREAS:

- A. By a license agreement dated February 15, 2015 (the "Original License"), the Licensor did license unto the Licensee for a term of three (3) months commencing on February 15, 2015 and ending on May 14, 2015 (the "Term"), the premises more particularly described as eight hundred (800) square feet and occupying a portion of the Building as set out on Schedule "C" attached thereto (the "Licensed Premises"), in the building municipally known as 1300 Frog Creek Road (the "Building"), in the unorganized township of Miscampbell, also in the Town of Fort Frances of, in the Province of Ontario (the "Lands"), as more particularly described in Schedule "A" attached thereto, in addition to other terms and conditions as set out therein.
- B. The Licensor and the Licensee have now exercised its right to extend the Term in accordance with the terms of the Original License as amended and extended, with an extension term commencing on January 1, 2016 and expiring on March 31, 2016 (the "First Extension Term"), in addition to other terms and conditions as set out herein.
- C. The Original License and this license extension and amending agreement (the "Agreement") are hereinafter collectively referred to as the "License", except as specifically set out herein.
- D. The parties have agreed to extend and amend the License on the following terms and conditions:

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the sum of Two Dollars (\$2.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. The parties hereto confirm that the foregoing recitals are true in substance and in fact.
- 2. The License is hereby extended for a further term of three (3) months commencing on January 1, 2016 and ending on March 31, 2016 (the "First Extension Term").
- 3. The Licensee hereby covenants to pay to the Licensor a license fee (the "License Fee") on the first day of each month of the First Extension Term, for the period from January 1, 2016 to March 31, 2016, the License Fee shall be Three Thousand, Nine Hundred and Seventy Dollars and Fifty-Nine Cents (\$3,970.59) payable in equal monthly installments of One Thousand, Three Hundred and Twenty-Three Dollars and Fifty-Three Cents (\$1,323.53) plus applicable Sales Taxes based on a rate of One Hundred and One Dollars and Eighty-One Cents (\$101.81) per day for three (3) days of use per week.
- 4. As a courtesy to the Licensor, the Licensee may provide twenty-four (24) hours notice to the Licensor of its intended time of use of the Licensed Premises. The Licensor will provide keys to the Licensee for access and security for the Building.

5. The Licensee shall pay to the Licensor all applicable Sales Taxes assessed on the License Fee payable by the Licensee to the Licensor under this License.

"Sales Taxes" means all business transfer, multi-usage sales, sales, goods and services, harmonized sales, use, consumption, value-added or other similar taxes imposed by the Government of Canada and/or Ontario upon the Licensor, or the Licensee, or in respect of this License, or the payments made by the Licensee hereunder or the goods and services provided by the Licensor hereunder including, without limitation, the use of the Licensed Premises and the provision of administrative services to the Licensee hereunder.

6. The Licensee shall have the continuing right to terminate this License throughout the term and any extensions or renewals thereto, at any time, by giving the Licensor not less than fourteen (14) days' prior written notice of termination without penalty, compensation, damages or bonus.

In the event the Licensee exercises such right of termination, the Licensor shall promptly refund the Licensee any prepaid License Fee with respect to the period following the effective date of the early termination, calculated on a pro rata basis based on the remaining number of days in the current license period.

7. The extension contemplated pursuant to this Agreement is subject to all the covenants and agreements contained in the License, as amended, renewed and extended from time to time, save and except:

(a) The Licensee shall be entitled to extend the License for three (3) further terms of five (5) months each, such term shall commence on the first (1st) day of November and expire on the thirty-first (31st) day of March of the next calendar year (Each a "Further Extension Term"). Each Further Extension Term shall be upon the same terms and conditions of the License except that there shall be no further right of extension and except for the License Fee, which shall for each Further Extension Term be based upon the market license rate as determined by the parties as of the date which is not less than six (6) months prior to the commencement of the respective Further Extension Term, or failing such agreement, by arbitration in accordance with the Arbitration Act, 1991, S.O. 1991, c.17, as amended, or any successor act. The Licensee shall give written notice to the Licensor of its extension of this License not less than ninety (90) days prior to the end of the First Extension Term or the respective Further Extension Term.

8. The Licensor and the Licensee hereby mutually covenant and agree that during the First Extension Term they shall each perform and observe all of the covenants, provisos and obligations on their respective parts to be performed pursuant to the terms of the License.

9. The Licensor and any of its successors, assigns, directors, officers, employees, agents, servants, and representatives shall not engage in any activity where such activity creates a conflict of interest, actual or potential, in the sole opinion of the Licensee, with the License or the exercise of any of the rights or obligations of the Licensor hereunder. The Licensor shall disclose to the Licensee in writing and without delay any actual or potential situation that may be reasonably interpreted as either a conflict of interest or a potential conflict of interest.

For clarification, a "conflict of interest" means, in relation to the performance of its contractual obligations pursuant to this License, the Licensor's other commitments, relationships or financial interests (i) could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgement; or (ii) could or could be seen to compromise, impair or be incompatible with the effective performance of its contractual obligations pursuant to this License.

10. Except as otherwise specifically provided in this Agreement, all words and expressions used in the Original License shall apply to and be read as applicable to the provisions of this Agreement.

11. The provisions of this Agreement shall be interpreted and governed by the laws of the Province of Ontario.

12. The Licensor acknowledges and agrees that the commercial and financial information in this Agreement is subject to the Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. F.31, as amended.

13. This Agreement shall be binding upon and enure to the benefit of the administrators, successors and/or assigns of the respective parties hereto.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

14. This Agreement shall not be binding upon the Licensee until it has been executed by or on behalf of the Licensee.

EXECUTED by each of the parties hereto under seal on the dates written below.

**SIGNED, SEALED AND
DELIVERED**

Dated this ____ day of _____, 20__.

THE CORPORATION OF THE TOWN OF FORT FRANCES

Per: _____

Name:

Title:

Authorized Signing Officer

Dated this ____ day of _____, 20__.

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS
REPRESENTED BY THE MINISTER OF ECONOMIC DEVELOPMENT,
EMPLOYMENT AND INFRASTRUCTURE, AS REPRESENTED BY
ONTARIO INFRASTRUCTURE AND LANDS CORPORATION**

Per: _____

Name:

Title:

Authorized Signing Officer