



CLEARING THE PATH – PRIMARY WEIGHT CORRIDOR

MAINTENANCE AGREEMENT

BETWEEN:

**THE SASKATCHEWAN ASSOCIATION OF RURAL MUNICIPALITIES
(herein "SARM")**

- and -

**THE MUNICIPALITY OF PREECEVILLE
(herein "the Municipality")**

Whereas the Ministry of Highways and Infrastructure ("the Ministry") is responsible for developing and implementing policies and programs for transportation that support the economic growth and well-being of Saskatchewan;

And Whereas SARM and the Ministry have entered into an agreement where SARM shall administer municipal road programs on behalf of the Ministry;

And Whereas SARM has developed the Clearing the Path - Primary Weight Corridor Program ("The CTP Program") for the purpose of providing primary weight corridors suitable for the safe and efficient transportation of local, provincial and national traffic at primary weights;

And Whereas the Ministry is satisfied that it is in its interest to make a financial contribution to the incremental cost of maintenance on primary weight corridors for municipalities participating in the CTP Program;

And Whereas the Municipality has applied for maintenance funding under the CTP Program;

INTENT

The purpose of this agreement is to record the roles and responsibilities of the parties with respect to the CTP Program. Notwithstanding any contractual or obligatory language used in this agreement, this agreement is not intended to create legally binding obligations or legal rights in favour of either party.

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RECEIVED
Sept 10, 2013

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Now, therefore, the parties agree as follows:

1. DEFINITIONS

- a) "Anniversary date" means the date the Municipality signs this agreement.
- b) "incremental maintenance" means the difference between the level of maintenance required for a secondary weight municipal road and the level of maintenance required for a primary weight municipal road;
- c) "program year" means the fiscal year of the Municipal Roads for the Economy Program, commencing April 1st and ending March 31st the following year.
- d) "primary weight" means primary weights as established by "*The Vehicle Weight and Dimension Regulations, 2010*".
- e) "Primary Weight Corridor" means a continuous length of municipal road that connects to a provincial highway designated as primary weight and where trucks are allowed to operate at primary weight and located in the municipality as shown on the municipal project map hereto attached and as described below:

Highway No. 47 south, Highway No. 49 from Highway No. 47 junction to Highway No. 9; Highway No. 47 north to Railway Avenue SW/SE to 4th Street SW to Highway No. 49 to Highway No. 9

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2. FINANCIAL CONTRIBUTION BY SARM

- 2.1 Subject to provisions set forth in this agreement, and an annual review of the program and budgetary appropriations by the Legislature, SARM will make an annual contribution to the Municipality of \$1100 for each of the 3.3 kilometers of the Primary Weight Corridor located in the Municipality.
- 2.2 The term of this agreement is one program year, but shall be renewed automatically thereafter for each subsequent program year, while maintaining the provisions set forth in this agreement, until this agreement is terminated in accordance with paragraph 10.
- 2.3 For new corridors, the contribution for the first year of the agreement shall be pro-rated by the number of months remaining in the current program year, commencing the date of the Municipality's signature. Payment shall be made to the Municipality within 60 days of the signing of this agreement by SARM, provided that agreements are in place with those other Municipalities that are required to establish the Primary Weight Corridor.
- 2.4 SARM undertakes to provide additional funding to the municipality in subsequent years, subject to approvals and budget appropriations. In order to be eligible to receive funding in subsequent years the municipality must continue to maintain the eligible roads to ensure the accommodation of primary weight traffic, which is subject to review by SARM.

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- 2.5 Subject to approvals and budget appropriations, contributions in subsequent years will be paid on the anniversary date of this agreement, or such other time as is mutually agreed, provided:
- (a) SARM receives a Statutory Declaration signed by the Reeve and Administrator of the Municipality in accordance with paragraph 3;
 - (b) no notice of deficiency has been issued in accordance with paragraph 4; and
 - (c) SARM has reviewed any certificates of noncompliance issued in accordance to paragraph 4 to ensure that no conditions of noncompliance are outstanding.
- 2.6 Funding provided to the Municipality pursuant to paragraph 2.1 shall be used exclusively to pay for the incremental maintenance of the Primary Weight Corridor.
- 2.7 The Municipality shall be responsible for all other costs related to the maintenance of the Primary Weight Corridor.

3. LEVEL OF MAINTENANCE

- 3.1 The Municipality shall maintain the Primary Weight Corridor to a level of maintenance that is suitable for the safe and efficient movement of all vehicles, including vehicles operating at primary weights.
- 3.2 Annually and prior to the anniversary date, the Municipality shall provide a Statutory Declaration, signed by the Reeve (Mayor) and Municipal Administrator, certifying all work or services provided are of a good quality and completed in a good and professional manner, in accordance with good and recognized standards, methods, practices and principles employed in the industry for similar work and in accordance with the terms of this agreement and all applicable codes, laws and regulations.

4. CERTIFICATE OF NON-COMPLIANCE

- 4.1 On request by the Ministry or SARM, the Primary Weight Corridor may be inspected by an inspector appointed pursuant to paragraph 4.4 to determine whether or not the road has and is being maintained to the level required by paragraph 3 of this agreement.
- 4.2 If the Inspector is of the opinion that the Municipality has failed to maintain the Primary Weight Corridor to the level required by paragraph 3, the Inspector shall give the Municipality notice of the deficiency and an opportunity to remedy the deficiency in accordance with the terms in 10.3, before issuing a certificate of non-compliance.
- 4.3 The Inspector will promptly send a report to SARM should a notice of deficiency or certificate of non-compliance be issued.
- 4.4 The Inspector shall be appointed by the Ministry of Highways and Infrastructure and approved by SARM. The fees and expenses of the Inspector shall be paid by the Program except if the Inspector is an employee of the Government, in which case there will be no charge for his or her services.

5. DIRECTION, CONTROL AND SUPERVISION OF THE PRIMARY WEIGHT CORRIDOR

- 5.1 Nothing in this agreement alters, transfers or diminishes the Municipality's responsibility for the direction, control and management of the Primary Weight Corridor, including maintenance, in accordance with its statutory obligations.
- 5.2 The Municipality shall allow all trucks to operate at primary weight on the entire length of the Primary Weight Corridor in each year of this agreement from January 1 to March 31 inclusive; and from July 1 to December 31 inclusive.
- 5.3 The Municipality may restrict truck weight on the Primary Weight Corridor from April 1 to June 30 inclusive or on any dates connecting provincial highways are under spring weight restrictions.
- 5.4 The Municipality has the authority to require bulk haul agreements with companies for bulk haul use of the Primary Weight Corridor.
- 5.5 The Municipality has the authority to implement weight restrictions for periods of time where adverse weather conditions would subject the roads to excessive damage if haul was allowed.

6. EXISTING TRANSPORTATION PARTNERSHIP AGREEMENTS (TPA);

- 6.1 Where the Primary Weight Corridor includes a municipal road that is currently being funded by the Ministry of Highways and Infrastructure under a TPA, all of the terms and conditions of that agreement shall remain in force for that portion of the municipal road.
- 6.2 Where an existing TPA currently permits only secondary truck traffic as established by "*The Vehicle Weight and Dimension Regulations, 2010*", the municipality consents to allow primary weight truck traffic for that portion of the municipal road and the terms and conditions of this agreement shall also apply.
- 6.3 Where an existing TPA currently permits primary weight truck traffic, there shall be no additional payment for that portion of the municipal road, under paragraph 2 of this agreement, however the remaining terms and conditions of this agreement shall also apply.

7. INDEMNITY

- 7.1 The Municipality shall indemnify and hold harmless SARM and the Government of Saskatchewan, its Ministries, Ministers, employees, agents and representatives, against all claims, liabilities, losses, damages, costs, expenses and causes of action, or demands or other proceedings by whomsoever made, relating to injury, including death, to persons or loss of or damage to property, that are in any manner based upon, occasioned by attributable to or arise out of:
- (a) any breach or failure by the Municipality to perform any provision of this agreement; or
 - (b) the acts or omissions of the Municipality, its contractors, officers, agents or employees.

8. RELATIONSHIP OF GOVERNMENT AND MUNICIPALITY

- 8.1 The Ministry's role in this regard is confined to providing financial support. Nothing in this agreement shall be construed to make the parties principal and contractor or agent, or render either of them liable for the acts, omissions, debts, responsibilities or obligations of the other.

9. INSPECTION AND AUDIT

- 9.1 SARM shall, at all times and for all purposes, have full and free access to the site where work or services has been, is or is to be performed and the Municipality shall provide all reasonable assistance to facilitate inspection of the work in progress, or the completed work, at any time during the term of this agreement.
- 9.2 The Municipality shall keep proper accounts and records of all expenditures incurred in connection with the performance of this agreement and shall keep all invoices, receipts and vouchers relating thereto and such accounts, records, invoices, receipts and vouchers shall be opened during business hours to audit and inspection by SARM or the Ministry of Highways and Infrastructure who may make copies thereof and take extracts therefrom.
- 9.3 The Municipality shall consult and furnish to SARM such information as may be required in connection with the audit and inspection.

10. TERMINATION

- 10.1 Either party may terminate this agreement by giving the other party at least one year's written notice of termination. The agreement shall terminate upon the date stated in the notice provided that SARM shall, upon receiving a statutory declaration, pay any contribution that becomes due during the notice period.
- 10.2 If a certificate of non-compliance is issued or the Municipality is in breach of any obligation, representation, warranty, covenant or undertaking set forth in this agreement, then SARM may give written notice of its intention to terminate the agreement and may demand repayment of SARM's contributions.

- 10.3 If the Municipality fails to remedy the breach within 30 days of the date that notice is given to it by SARM then SARM may, by giving written notice to the Municipality, terminate this agreement and direct the Municipality to forthwith pay to SARM all contributions paid to the Municipality in the previous 12 months, or such lesser sum as SARM may determine.
- 10.4 The failure by SARM to require the fulfilment of the Municipality's obligations, or to exercise any rights herein contained, shall not constitute a waiver, a renunciation or a surrender of those rights.

11. NOTICES

- 11.1 Any notice required to be given by one party to the other, may be given by delivery in person, mail, fax or email to the party's representative on the Advisory Committee.
- 11.2 Any notice required to be given by one party to the other, may be given by delivery in person, mail, fax or email as follows:

SARM	Tayah Hanson, Program Manager Saskatchewan Association of Rural Municipalities 200 – 2221 Cornwall Street REGINA, SK S4P 2L1 Telephone: (306) 761-3736 or (306) 757-3577 Fax: (306) 565-2141 Email: thanson@sarm.ca
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Municipality	LORELEI KARCHA, Administrator Town of Preeceville BOX 560 PREECEVILLE, SK S0A 3B0 Telephone: (306) 547-2810 Fax: (306) 547-3116 Email: preeceville@sasktel.net
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12. ADVISORY COMMITTEE

- 12.1 In order to facilitate the administration and operation of this agreement, there shall be an Advisory Committee consisting of representatives appointed by SARM and representatives of the Ministry of Highways and Infrastructure. The Committee shall meet from time to time and in such manner as it determines for the purpose of monitoring progress, exchanging information, resolving issues and discussing any matter or issue that arises out of this agreement.

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13. DISPUTE RESOLUTION

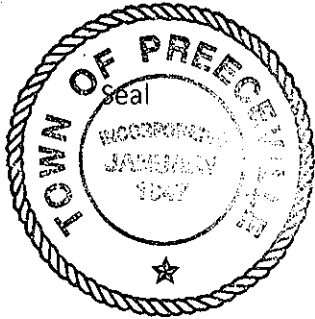
- 13.1 All disputes between the parties arising out of this agreement shall be resolved in accordance with the following process:
- (a) the dispute shall be referred for resolution to the Advisory Committee;
 - (b) if the Advisory Committee is unable to reach agreement it shall engage the services of a professional mediator;
 - (c) if mediation is unsuccessful the Parties shall refer the dispute to an independent arbitrator, whose decision shall be final and binding; and
 - (d) if the Parties are unable to reach agreement on the identity of the independent arbitrator, then either party may refer the dispute to the courts to resolve the issue.
- 13.2 Unless otherwise agreed in writing by the Ministry of Highways and Infrastructure, the Municipality shall continue to carry out its duties under this agreement during proceedings under this section.
- 13.3 The Parties shall be equally responsible for the cost of a mediator or arbitrator.

14. GENERAL

- 14.1 This agreement constitutes the entire agreement between the parties and supersedes all previous negotiations. No implied terms or obligations of any kind shall arise from anything in this agreement or otherwise, and the express provisions and agreements contained herein are the only provisions and agreements upon which any rights against a party may be founded.
- 14.2 No change or modification of this agreement shall be valid unless it be in writing and signed by each party hereto.
- 14.3 This agreement shall be construed to be in accordance with and governed by the laws in force in the Province of Saskatchewan.

IN WITNESS WHEREOF the parties hereto have executed this agreement on the day and year hereunder mentioned.

MUNICIPALITY OF PREECEVILLE:



Robinson - Acting Administrator
Mayor

Date: Aug. 14, 2013

SARM:



[Signature]
Date: Sept 5, 2013