Minutes – Executive Policy Committee – September 23, 2015

REPORTS

Item No. 9 Sale of a Portion of City-owned Property located south of St. Boniface Industrial Park to Parmalat Canada Inc.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee recommended to Council that Item No. 1 of the Report of the Standing Policy Committee on Property and Development dated July 14, 2015 be amended as follows:

1. That Recommendation 2.A. be amended to delete the words "concurrently with the payment of the purchase price for the Site" and replace them with "on or prior to March 1, 2016", so that Recommendation 2.A. reads as follows:

   "A. cash contribution by Parmalat Canada Inc. in the amount of $1,500,000.00, to be paid to the City on or prior to March 1, 2016."

2. That Recommendation 4.B. be amended to add subparagraph iii. as follows:

   "iii. notwithstanding the foregoing, the Chief Administrative Officer shall be authorized to proceed with the negotiation, award and approval of contract and the installation of the works contemplated by Recommendation 4.F. hereof in advance of fully-executed funding agreements between the City and Parmalat and the Province of Manitoba respectively."

3. The Proper Officers of the City do all things necessary to implement the intent of the foregoing.

DECISION MAKING HISTORY:

Moved by Councillor Orlikow,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item/material, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Orlikow,

WHEREAS on July 15, 2015 Council approved a report entitled "Sale of a Portion of City-owned Property located south of St. Boniface Industrial Park to Parmalat Canada Inc." (the "Report"), which provided in part:

2. That in order to facilitate the sale of the City-owned property shown hatched on Misc. Plan No. 14362/6, attached (the "Site"), to Parmalat Canada Inc., Council approve the installation of the necessary services as described herein with a net cost of $5.61 million to be funded as follows:

    A. cash contribution by Parmalat Canada Inc. in the amount of $1,500,000.00, to be paid to the City concurrently with the payment of the purchase price for the Site;

    B. contribution by the Province of Manitoba in the amount of $2,000,000.00 plus interest at the RBC prime rate, to be front-ended by the City and reimbursed by the Province of Manitoba over an estimated 18 year period through the Province's annual Community Revitalization Levy with respect to the Site; and

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4. That the Chief Administrative Officer be delegated the authority:

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    B. to proceed with the installation of the necessary services as described herein in order to facilitate the sale of the Site to Parmalat Canada Inc., subject to fully-executed funding agreements between:

DECISION MAKING HISTORY (continued):

i. the City and Parmalat Canada Inc., setting out the terms and conditions of Parmalat Canada Inc.'s contribution to wastewater oversizing costs in the amount of $520,000.00 and site servicing costs in the amount of $1,500,000.00; and

ii. the City and the Province of Manitoba, setting out the terms and conditions of the Province's agreement to reimburse the City for site servicing costs in the amount of $2,000,000.00 plus interest at the RBC prime rate.

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F. to negotiate, on a single source basis, and approve the terms and conditions and award a contract to Man-shield Construction Inc. if required in an amount not to exceed $240,000, plus P.S.T. and G.S.T as applicable for the partial excavation of the storm water retention basin required to facilitate the sale of the subject site (it being understood that fill material will be used for site preparation).

AND WHEREAS Parmalat Canada Inc. ("Parmalat") has requested that its funding contribution occur in 2016, to coincide with the anticipated schedule for installation of services, and the Public Service concurs with such request;

AND WHEREAS the Public Service has determined that work to be done by Man-shield Construction Inc. with respect to the partial excavation of the storm water retention basin (it being understood that fill material will be used for site preparation) pursuant to Recommendation 4.F. of the Report will need to be undertaken prior to receipt of fully-executed funding agreements between the City and Parmalat and the Province of Manitoba respectively;

NOW THEREFORE BE IT RESOLVED THAT:

1. Council amend Recommendation 2.A. of the Report to delete the words "concurrently with the payment of the purchase price for the Site" and replace them with "on or prior to March 1, 2016", so that Recommendation 2.A. reads as follows:

   A. cash contribution by Parmalat Canada Inc. in the amount of $1,500,000.00, to be paid to the City on or prior to March 1, 2016;

DECISION MAKING HISTORY (continued):

2. Council amend Recommendation 4.B. of the Report to add subparagraph iii. as follows:

    iii. notwithstanding the foregoing, the Chief Administrative Officer shall be authorized to proceed with the negotiation, award and approval of contract and the installation of the works contemplated by Recommendation 4.F. hereof in advance of fully-executed funding agreements between the City and Parmalat and the Province of Manitoba respectively.

3. The Proper Officers of the City do all things necessary to implement the intent of the foregoing.

Carried