



TOWN OF MINTO

DATE: November 14, 2017
REPORT TO: Mayor and Council
FROM: Bill White, CAO/Clerk
SUBJECT: Sale of Town of Minto Gravel Pit, E. Dennison Contracting Ltd. 12th Line

STRATEGIC PLAN:

5.5 Pursue, develop and encourage public private partnerships that are fiscally responsible, transparent and mutually beneficial including sponsorships. Establish and maintain appropriate relationships with private business.

BACKGROUND

At the October 17 meeting Council considered a conditional offer from E. Dennison Contracting Ltd. to buy the Town's gravel pit on the 12th Line passed the following resolution:

MOTION: COW 2017-255

THAT Council receives the report from the C.A.O. Clerk dated October 12, 2017 regarding Agreement of Purchase and Sale E. Dennison Contracting Ltd. Town Gravel Pit 12th Line, that the lands be declared surplus to the needs of the Town of Minto, and that staff proceed to issue notice and obtain a valuation of the lands so as to comply with the Town's disposition of property by-law.

To conclude the Town was required to meet the following three requirements of its disposition of property by-law:

1. Declare the land surplus (accomplished by above resolution October 17)
2. Provide notice of the pending sale (Wellington Advertiser)
3. One appraisal of the fair market value of the land (completed by William Nelson B.Math FRI CRF).

COMMENTS:

The opinion of value provided by William Nelson estimates fair market value \$200,000 and \$225,000 as of November 7, 2017. This value is based on the pit being near the end of its useful life, and there being no on-going liability regard site remediation. Rural properties between 5 and 35 acres have sold for single family homes in the range of \$180,000 to \$230,000. Staff finds the opinion of value to be reasonable.

Council is asked to consider a bylaw authorizing the Mayor and Clerk to sign documents to conclude the transaction. The public notice issued did not result in any formal correspondence to the Town on the proposed sale. Staff had reviewed the agreement of

purchase and sale with legal counsel who consented to changes to the offer to confirm no on-going liability being assumed by the Town.

FINANCIAL CONSIDERATIONS:

Given the opinion of value the \$250,000 purchase price is acceptable. Council will recall the Town has on reserve \$368,000 for future rehabilitation requirements, which means the Town can redirect \$618,000 to other capital initiatives.

RECOMMENDATION:

That Council of the Town of Minto receives the C.A.O. Clerks report dated November 14, 2017 regarding Sale of Town of Minto Gravel Pit, E. Dennison Contracting Ltd. 12th Line and considers a by-law in regular session authorizing the Mayor and Clerk to sign all documents related to closing of the transaction.

Bill White, C.A.O. Clerk