

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-

Insert Name of Member Municipality

(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 [insert date of transfer].
- 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, contactors, 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, contactors, 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

Insert Legal Name of Municipality

Name:

Title:

Date

Name:

Title:

Date

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

Schedule “A” –Description of Identified Roads

Rural Road Transfer

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

- List all applicable roads

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

- List all applicable roads

Urban Road Download

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

- List all applicable roads

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 [redacted] days of the Transfer Date. Each subsequent annual payment (2027-2035) shall be made on or before [redacted] of each respective year.

Year	Amount
2026	A prorated percentage of \$XX
2027	\$XX
2028	\$XX
2029	\$XX
2030	\$XX
2031	\$XX
2032	\$XX
2033	\$XX
2034	\$XX
2035	\$XX
Total	\$XX

Schedule “C” – Maintenance Provisions

[Insert draft Winter Maintenance Agreement or other type of maintenance agreement as may be required based on arrangements between the Parties.]