BY-LAW NO. 1999.

BEING A BY-LAW of the Municipal Corporation of the City of North Bay to authorize the Agreement between the City and Philip McCarthy affecting a Bus System currently being operated under earlier agreements dated October 15th, 1959 and November 14th, 1961.

AND WHEREAS By-law No. 1990 of the Municipal Corporation of the City of North Bay was passed on the 18th, day of September, 1961 and that part of it comprising Appendix "A" to that By-law, being the agreement of November 14th, 1961 between the parties hereinabove mentioned, provided for certain financial arrangements between the said parties up to but not extending beyond the 31st, day of December 1961.

AND WHEREAS it is deemed necessary and expedient to make certain revisions and amendments to the said agreements for the purpose of extending continuing financial assistance to the Operator in meeting his operating deficit.

NOW THEREFORE THE COUNCIL OF THE MUNICIPAL CORPORATION OF THE CITY OF NORTH BAY ENACTS AS FOLLOWS:-

1. THAT the Mayor and City Manager be authorized to execute an Agreement between the City of North Bay and the said Philip McCarthy in the form annexed hereto as Appendix "A" to this By-law.

2. THAT such Agreement when executed, shall form and become a part of this By-law.

3. THAT by-law shall take effect immediately upon approval of same in writing being given by The Ontario Municipal Board.

READ A FIRST TIME IN OPEN COUNCIL THIS 20TH DAY OF NOVEMBER 1961.

READ A SECOND TIME IN OPEN COUNCIL THIS 20TH DAY OF NOVEMBER 1961.

RULES OF ORDER WERE SUSPENDED AND BY-LAW READ A THIRD TIME IN OPEN COUNCIL AND PASSED THIS 20TH DAY OF NOVEMBER 1961.

DEPUTY MAYOR

CITY CLERK
THIS AGREEMENT made this 20 day of November, A.D. 1961 BETWEEN: THE MUNICIPAL CORPORATION OF THE CITY OF NORTH BAY Herinafter called the "City" OF THE FIRST PART AND: PHILIP McCARTHY of the City of North Bay Day, in the District of Nipissing, carrying on business under the firm name and style of "McCARTHY BUS SERVICES" AND ON BEHALF OF a Company to be Incorporated for the purpose of carrying on such business, Herinafter called the "Operator" OF THE SECOND PART WITNESSETH THAT WHEREAS the parties hereto are desirous of entering into arrangements for the effective operation and control of the City Bus Service now being carried on by the Operator. NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set out, the parties hereto have agreed and do hereby agree each with the other as follows:- (1) The Operator covenants that he will immediately upon the execution by the City of this agreement cause to be incorporated a Limited Company under the Provisions of the Companies Act for the Province of Ontario, said Company being for the purpose of owning and operating a Bus Service to serve the City of North Bay. (2) The Operator covenants that he will immediately upon the said incorporation being completed, cause to be executed a Chattel Mortgage in favour of the Municipal Corporation of the City of North Bay to secure the amount of indebtedness now owing by the said Philip McCarthy as operator of McCarthy Bus Service to the Municipal Corporation of the City of North Bay under a certain Chattel Mortgage which Chattel Mortgage shall constitute a first Charge upon all of the buses operated by McCarthy Bus Services from time to time as well as all equipment attached to or used in conjunction with such buses in providing the said bus service.
The said Chattel Mortgage to be for the term of one year and to be renewable annually to secure the amount of such indebtedness as at the time of such renewal taking into consideration any payments made by the said incorporated company to the City in accordance with the terms as hereinafter set out.

(3) The Operator covenants that he will submit to the Council of the Municipal Corporation of the City of North Bay or to such other body as designated by the said Council an Annual Budget of the said company for the forthcoming calendar year not later than February 15th in each year during the currency of this agreement; the first of such budgets to be submitted to the said City of North Bay on the 15th day of February, 1962 and each such budget to contain statements of expenditures and operating costs for the preceding calendar year; and will submit quarterly statements of the operation, and annual audited statements of the operation during the currency of this agreement, regularly and promptly to the City.

(4) The City shall have control of the said budget and expenditures and shall have the right to allow, disallow or vary any or all expenditures as proposed in such budget provided that before such disallowance or variance shall be made, the said Council or such other body as designated by the said Council shall first give to the Operator full opportunity to explain and to justify the proposed expenditures and budget.

(5) The City covenants that any operating deficit incurred by the said Company in accordance with annual audited statements as submitted, shall be paid by the City to the incorporated company formed for the purpose of operating the said bus service provided that such payment, not in excess of Nineteen Thousand, two hundred Dollars ($19,200.00) will only be made on account of a deficit incurred after strict adherence by the Company to the budget earlier approved by the City. The City agrees that it shall, upon written direction from the authorized officials of such limited company, pay any, or any part of, or all payments as due hereunder at any bank or other lending institutions as directed by the said limited company.
(6) This agreement and every thing herein contained shall extend for a period of five (5) years dating from the 1st day of January 1962 and provided that the Operator has given satisfactory service and that the said budgets as herein set out have been adhered to, and the said Agreement and everything herein contained shall be renewable on further negotiation with the Council of the Municipal Corporation of the City of North Bay.

(7) In the event that the monthly operating deficit of the bus services as operated by the incorporated company to be formed by the Operator, does not amount to the sum of Sixteen Hundred Dollars ($1,600.00) as shown on the quarterly statements as submitted to the City, then the amount of payments for the next following three (3) months period shall be reduced by the amount as shown on the statements for the preceding three (3) months period.

(8) The City covenants that it shall incorporate the terms of this Agreement into a by-law and that such by-law shall be forwarded to the Municipal Board and shall be passed and take effect as soon as such approval has been obtained.

(9) The Operator and the incorporated company to be formed shall covenant that any profit after income tax realized by reason of the operation of the said bus service shall be paid to the Municipal Corporation of the City of North Bay, the amount of such profit to be applied as against the existing indebtedness under any Chattel Mortgage registered preceding the date of such payment.

(10) The City or its agent or designate shall have free access at all times to inspect, examine and copy any and all books and records pertaining to the operation of the said business and to inspect the vehicles, fare boxes and other equipment used in the operation of the said business and the operator shall, at all times, furnish to the City correct information, accounts and statements of and concerning all aspects of the said business without any concealment or suppression.

(11) The parties hereto and each of them expressly acknowledge and confirm the provisions of a certain agreement made between them under date of the 15th day of October, 1959 as well as a further agreement between them made the 14th day of November, 1961 and the provisions of the said two agreements insofar as they are not
repugnant to the provisions or intent of this agreement, shall be and remain in full force and effect.

(12) This Agreement shall enure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns, from and after the execution hereof to an until the 31st day of December, 1966; provided that it is the intention of the parties hereto that a new agreement replacing the within agreement shall be negotiated and executed for the within declared purposes to take effect from and after the 31st day of December, 1966, provided that any provisions of any agreement between the parties hereto, made prior to this date, which are contrary to the intention of and to the provisions of this agreement, shall be and they are hereby rescinded and the provisions of this agreement shall, in such case, govern and be binding.

IN WITNESS WHEREOF, the City, of the First Part, has affixed its Corporate Seal attested by its proper officers in that behalf and the Operator, of the Second Part, has set his hand and seal the day and year first above written.

MUNICIPAL CORPORATION OF THE CITY
OF NORTH BAY

PHILIP McCARTHY, Owner and Operator
of "McCarthy Bus Services"
IN THE MATTER OF:

Section 64 of The Ontario Municipal Board Act (R.S.O. 1960, c. 274), and

Paragraph 88(a) of subsection (1) of Section 379 of The Municipal Act (R.S.O. 1960, c. 249),

AND

IN THE MATTER OF an application of the Corporation of the City of North Bay for approval of the payment by the applicant of certain deficits incurred in the operation by Philip McCarthy of a bus system to serve the inhabitants of the City of North Bay, in accordance with the provisions of agreement dated the 28th day of November, 1961, attached to and forming part of By-law 1999 of the applicant corporation

BEFORE:

J. A. KENNEDY, Q.C.,
Chairman

D. JAMIESON,
Member

Thursday, the 7th day of December, 1961

IT IS ORDERED, under and in pursuance of the legislation hereinbefore referred to and of any and all other powers vested in the Board, that the said application be and the same is hereby granted and that the payment by the applicant corporation of the amount of certain deficits incurred in the operation by Philip McCarthy of a bus system to serve the inhabitants of the City of North Bay, as provided in an agreement dated the 28th day of November, 1961, attached to and forming part of By-law 1999 of the applicant corporation, and the said By-law 1999 be and the same are hereby approved.

[Signature]
ACTING SECRETARY

[Stamp]
ENTERED
O. B. No. 62-3
Folio No. 1

JAN 2 1962

[Stamp]