

AGENDA

REGULAR MEETING OF CITY COUNCIL

2013 09 23

4:30 P.M.

COUNCIL CHAMBERS

1. ADOPTION OF MINUTES

Mover: Councillor P. Mick
Seconded: Councillor L. Turco

Resolved that the Minutes of the Regular Council Meeting of 2013 09 09 be approved.

2. QUESTIONS AND INFORMATION ARISING OUT OF THE MINUTES AND NOT OTHERWISE ON THE AGENDA

3. APPROVE AGENDA AS PRESENTED

Mover: Councillor B. Watkins
Seconded: Councillor L. Turco

Resolved that the Agenda for 2013 09 23 City Council meeting as presented be approved.

4. DELEGATIONS/PROCLAMATIONS

- a) Julie Frenette, President Francophone Centre will be in attendance concerning proclamation – Francophone Day.
- b) Georgia McIntyre, Public Health Inspector Algoma Public Health will be in attendance concerning proclamation – Environmental Health Week.
- c) Matt Trainor, Chair – Community Advisory Committee and Morgan Levy, Community Resource Facilitator - Learning Disability Association of Sault Ste. Marie will be in attendance concerning proclamation – Learning Disabilities Awareness Month.
- d) Rhonda Bateman, General Manager and Anjum Amin, Water Resources Engineer – Conservation Authority will be in attendance to present information concerning the recent storm event.

- e) Dr. Gayle Broad, Research Director – NORDIK will be in attendance concerning the project Animating the John Rowswell Hub Trail.
- f) Dave Pettalia, President – Sault Ste. Marie and District Labour Council, Tom Cardinal, Business Manager – United Brotherhood of Carpenters and Joiners, Wayne Scott, President – Labourers International Local 1036, a representative of the Sault Ste. Marie Construction Association, Mike Moore – Mike Moore Construction Ltd., Sean Reid – Progressive Contractors Association of Canada/Christian Labourer Association and Shawn Evoy – North America Construction, will be in attendance concerning agenda item 6.(1)(b).
- g) Nick Apostle, Commissioner of Community Services will be in attendance to present the department's 2013 budget and year-to-date financial information – agenda item 6.(2)(a).

PART ONE – CONSENT AGENDA

5. COMMUNICATIONS AND ROUTINE REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES

Mover: Councillor P. Mick
 Second: Councillor R. Niro

Resolved that all the items listed under date 2013 09 23 – Part One – Consent Agenda be approved as recommended.

- a) Correspondence from AMO is attached for the information of Council.
- b) Correspondence from the City of Stratford (concerning enhancing community safety) is attached for the information of Council.
- c) Correspondence from the Minister of Natural Resources is attached for the information of Council.
- d) Correspondence from the Bancroft and Hastings Highlands Disaster Relief Committee concerning fundraising support is attached for the information of Council.
- e) **Council Travel**

Mover: Councillor B. Watkins
 Second: Councillor R. Niro

Resolved that Mayor Debbie Amaroso's request to travel to the Northern Ontario Business Awards and Northern Ontario Large Urban Mayors meeting taking place in North Bay (2 days in October) at an estimated cost of \$650 be approved.

Mover: Councillor P. Mick
 Second: Councillor R. Niro

Resolved that Councillor Lou Turco be authorized to travel to the AMO Board meeting being held in Toronto (2 days in September) at an estimated cost to the City of \$300.

Mover: Councillor P. Mick
Seconded: Councillor R. Niro

Resolved that Councillor Terry Sheehan be authorized to travel to the Algoma District Municipal Association meeting being held in Wawa (1 days in September) at an estimated cost to the City of \$200.

f) **Staff Travel**

A report of the Chief Administrative Officer is attached for the consideration of Council.

Mover: Councillor P. Mick
Seconded: Councillor L. Turco

Resolved that the report of the Chief Administrative Officer dated 2013 09 23 concerning Staff Travel requests be approved as requested.

g) **Tenders for Equipment**

A report of the Manager of Purchasing is attached for the consideration of Council.

Mover: Councillor B. Watkins
Seconded: Councillor L. Turco

Resolved that the report of the Manager of Purchasing, dated 2013 09 23, be endorsed and that the tenders for the supply and delivery of various pieces of equipment, as required by the Public Works & Transportation Department, be awarded as recommended.

h) **Request for Financial Assistance For National/International Sports Competition – Zephyr Rouleau**

A report of the Manager of Recreation and Culture is attached for the consideration of Council.

Mover: Councillor P. Mick
Seconded: Councillor R. Niro

Resolved that the report of the Manager of Recreation and Culture dated 2013 09 23 concerning Request for Financial Assistance for National/International Sports Competitions be accepted and the recommendation to provide \$200 to Zephyr Rouleau to participate in the World Karate and Kickboxing Council's World Championships in Taranto, Italy from October 14-19, 2013 be approved.

i) **Contract 2013-10E – Small Pump Station Upgrades**

A report of the Land Development and Environmental Engineer is attached for the consideration of Council.

The relevant By-law 2013-172 is listed under Item 10 of the Agenda and will be read with all other by-laws listed under that item.

j) **Suncor and Shell Properties**

A report of the Commissioner of Engineering and Planning is attached for the consideration of Council.

Mover: Councillor B. Watkins
Seconded: Councillor R. Niro

Resolved that the report of the Commissioner of Engineering and Planning dated 2013 09 23 concerning Suncor and Shell Properties be accepted as information.

k) **Sidewalk Construction – From 303/313 McDonald to Pine Street, South Side**

A report of the Director of Engineering Services is attached for the consideration of Council.

Mover: Councillor P. Mick
Seconded: Councillor L. Turco

Resolved that the report of the Director of Engineering Services dated 2013 09 23 concerning Sidewalk Construction – from 303/313 MacDonald Avenue to Pine Street, South Side be accepted and the recommendation to have the sidewalk proposal proceed through the local improvement process be approved.

l) **Former St. Thomas Street Storm Sewer Replacement**

A report of the Design and Construction Engineer is attached for the consideration of Council.

Mover: Councillor B. Watkins
Seconded: Councillor L. Turco

Resolved that the report of the Design and Construction Engineer dated 2013 09 23 concerning Former St. Thomas Street Storm Sewer Replacement be accepted and the recommendation to add the replacement work to the Heritage Discovery Centre Contract as a change order at a total cost of \$80,000 with funding from the 2013 Urban Only Capital Construction Account be approved.

m) **Stormwater Management Environmental Assessments – Two Locations – McNabb Street and MacDonald Avenue**

A report of the Director of Engineering Services is attached for the consideration of Council. Also attached is correspondence from the YMCA and Algoma Child and Youth Services and a previous engineering report.

Mover: Councillor B. Watkins

Seconded: Councillor L. Turco

Resolved that the report of the Director of Engineering Services dated 2013 09 23 concerning Stormwater Management Environmental Assessments – Two Locations – McNabb Street and MacDonald Avenue be accepted and the recommendation to authorize entering into an agreement with Tulloch Engineering for completion of environmental assessments for flooding mitigation in the areas of McNabb Street near Pim Street and MacDonald Avenue near Brien Avenue be approved.

n) **Parking Enforcement's Four Year Implementation Plan for Solar Powered Pay and Display Machines on Queen Street**

A report of the Manager of Transit and Parking is attached for the consideration of Council.

Mover: Councillor P. Mick

Seconded: Councillor R. Niro

Resolved that the report of the Manager of Transit and Parking dated 2013 09 23 concerning Parking Enforcement's Four Year Implementation Plan for Solar Powered Pay and Display Machines on Queen Street be accepted as information.

PART TWO – REGULAR AGENDA

6. REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES

(1) ADMINISTRATION

a) Request for Disaster Declaration

A report of the Chief Administrative Officer is attached for the consideration of Council.

Mover: Councillor B. Watkins

Seconded: Councillor R. Niro

Whereas the municipality of the Corporation of the City of Sault Ste. Marie recently experienced severe flooding as a result of extraordinary and unforeseen amounts of heavy rainfall on September 9, 2013 and experienced substantial damage to municipal property and infrastructure and has received reported losses of private damage, the Council of the Corporation of the City of Sault Ste. Marie hereby requests the Minister of Municipal Affairs & Housing to declare the City of Sault Ste. Marie a "disaster area" for the purposes of the Ontario Disaster Relief Assistance Program (ODRAP);

Further, should the Minister declare a disaster area regarding the private component of ODRAP, Council will immediately, under the authority of ODRAP, appoint members to a Disaster Relief Committee to administer ODRAP.

b) Supporting Resolution for the “Fair & Open Tendering Act” To End Labour Monopolies

A report of the Commissioner of Human Resources is attached for the consideration of Council. Additional information is also attached for Council's information.

Mover: Councillor P. Mick

Seconder: Councillor L. Turco

Whereas public employers like municipalities are not businesses and have a different purpose and mandate from commercial enterprises; and

Whereas the OLRB treats many public employers as businesses for the purpose of the construction industry provision of the Labour Relations Act, 1955; and

Whereas when a public employer is organized by an affiliated construction craft union it creates a labour monopoly for construction work that is contracted out by the employer; and

Whereas the construction section of the Labour Relations Act should not apply to public employers like municipalities; and

Whereas some local qualified construction contractors are excluded from bidding on publicly funded City construction projects due to the existing construction union affiliation monopoly thereby forcing the City in many cases to contract work to out-of-town contractors; and

Whereas construction union labour monopolies significantly increase the cost of construction projects to the taxpayer; and

Whereas an amendment to the Labour Relations Act, 1995 would ensure public employers are able to tender construction work in a free and open competitive environment that would maximize fairness and value for construction expenditures;

Now Therefore Be It Resolved that the City of Sault Ste. Marie ask the Province of Ontario to amend Section 126 of the Ontario Labour Relations Act, 1995 so that it explicitly states municipalities are not construction employers.

(2) COMMUNITY SERVICES DEPARTMENT

a) Community Services Department Budget Update

A report of the Commissioner of the Community Services Department is attached for the information of Council.

Moved by: Councillor P. Mick

Seconded by: Councillor R. Niro

Resolved that the report of the Commissioner of Community Services dated 2013 09 23 concerning the Community Services Department Budget Update be received as information.

(3) ENGINEERING

(4) FIRE

(5) LEGAL

(6) PLANNING

a) Application No. A-20-13-Z – filed by Marilyn Nicastro – 728 Wellington Street West

A report of the Planning Division is attached for the consideration of Council.

Mover: Councillor B. Watkins

Seconder: Councillor R. Niro

Resolved that the report of the Planning Division dated 2013 09 23 concerning Application No. A-20-13-Z – filed by Marilyn Nicastro – 728 Wellington Street West be received and that City Council approve the request to rezone the subject property from 'R2', (Single Detached Residential) zone, to 'R3', (Low Density Residential) zone, subject to the following:

- 1) That a total of 2 dwelling units be permitted.
- 2) That the required minimum frontage be reduced from 18m to 15.
- 3) That the property be designated subject to Site Plan Control.

b) Amendment to Site Plan Control Agreement – 626 Fifth Line East – Martins Trailers

A report of the Planning Division is attached for the consideration of Council.

Mover: Councillor P. Mick

Seconder: Councillor L. Turco

Resolved that the report of the Planning Division dated 2013 09 023 concerning Amendment to Site Plan Control Agreement – 626 Fifth Line East – Martins Trailers be received and that City Council deny the applicant's request to amend the Site Plan Control Agreement at 626 Fifth Line East until such time as the subject property is developed in accordance with the current agreement, final occupancy permits have been issued, and all aspects of the business have been relocated from 32 Powley Road.

c) Urban Beekeeping

A report of the Planning Division is attached for the consideration of Council.

Mover: Councillor B. Watkins
Seconded: Councillor L. Turco

Resolved that the report of the Planning Division dated 2013 09 23 concerning Urban Beekeeping be received and that City Council continue with the status quo, which is that beekeeping is permitted as an agricultural use in a Rural Area zone, subject to all applicable legislation, including the Ontario Bees Act. Individual applications for bee hives in other zones can be assessed on a case by case basis by way of a rezoning application.

(7) PUBLIC WORKS AND TRANSPORTATION

(8) BOARDS AND COMMITTEES

a) 2012 Annual Report – Sault Ste. Marie Police Service

A report of the Chief of Police is attached for the consideration of Council. The Annual Report is attached under separate cover.

Mover: Councillor B. Watkins
Seconded: Councillor R. Niro

Resolved that the report of the Chief of Police dated 2013 09 23 concerning 2012 Annual Report – Sault Ste. Marie Police Services be received as information.

b) 2013 Second Quarter Shareholder Report – PUC Inc. and PUC Services Inc.

A report of PUC Inc. and PUC Services Inc. is attached for the consideration of Council.

Mover: Councillor B. Watkins
Seconded: Councillor L. Turco

Resolved that the 2013 Second Quarter Shareholder Report of the PUC Inc. and PUC Services Inc. be received as information.

c) 2012 Annual Reports – PUC Inc., PUC Services Inc. and the Public Utilities Commission

Reports of PUC Inc., PUC Services Inc. and the Public Utilities Commission are attached under separate cover for the consideration of Council.

Mover: Councillor B. Watkins
Seconded: Councillor R. Niro

Resolved that the 2012 Annual Reports of PUC Inc., PUC Services Inc. and the Public Utilities Commission be received as information.

**7. UNFINISHED BUSINESS, NOTICE OF MOTIONS AND RESOLUTIONS
PLACED ON AGENDA BY MEMBERS OF COUNCIL**

- a) Mover: Councillor S. Butland
Seconded: Councillor T. Sheehan

Whereas many significant alternative energy initiatives have been denied because of lack of transmission capacity,

Be It Resolved that the Environmental Initiatives Committee through appropriate staff consider and evaluate the MicroFIT Solar proposal from Solar Logix with attention to feasibility, logistics and economics and report back to Council.

- b) Moved by: Councillor T. Sheehan
Seconded by: Councillor P. Christian

Whereas Sault Ste. Marie's public parks are thoroughly enjoyed by all of its citizens; and

Whereas the City of Sault Ste. Marie is approached with various offers of donations for public parks individuals, private businesses and public sector organizations,

Therefore Be It Resolved that City Council requests that appropriate City Staff advise how a policy could be developed that would cover both monetary and in-kind donations for our beautiful public parks.

**8. COMMITTEE OF THE WHOLE FOR THE PURPOSE OF SUCH MATTERS AS
ARE REFERRED TO IT BY THE COUNCIL BY RESOLUTION**

9. ADOPTION OF REPORT OF THE COMMITTEE OF THE WHOLE

10. CONSIDERATION AND PASSING OF BY-LAWS

By-laws before Council TO BE PASSED which do not require more than a simple majority.

- Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco

Resolved that all by-laws listed under Item 10 of the agenda under date 2013 09 23 be approved. By-laws before Council TO BE PASSED which do not require more than a simple majority.

AGREEMENTS

a) **2013-172**

A by-law to authorize execution of a contract between the City and Avery Construction Ltd. for the Muriel Avenue, Tallack Boulevard, Fort Creek Drive and Pine Street Sewage Pumping Station Upgrades (Contract 2013-10E).

A report from the Land Development and Environmental Engineer is on the Agenda.

b) **2013-174**

A by-law to authorize an agreement between the City and Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation to carry out winter control maintenance operations on Secondary Highways 550 and 565 located in Prince Township.

PARKING

c) **2013-173**

A by-law to appoint by-law enforcement officers to enforce the by-laws of the Corporation of the City of Sault Ste. Marie.

11. QUESTIONS BY, NEW BUSINESS FROM, OR ADDRESSES BY MEMBERS OF COUNCIL CONCERNING MATTERS NOT OTHERWISE ON THE AGENDA

12. ADDENDUM TO THE AGENDA

13. ADJOURNMENT

Mover: Councillor B. Watkins

Seconder: Councillor L. Turco

Resolved that this Council now adjourn.

MINUTES

REGULAR MEETING OF CITY COUNCIL

2013 09 09

4:30 P.M.

COUNCIL CHAMBERS

Present: Mayor D. Amaroso, Councillors L. Turco, S. Butland, S. Myers, M. Bruni, J. Krmpotich, B. Watkins, R. Niro, F. Fata, T. Sheehan, P. Mick

Absent: Councillors F. Manzo (illness), P. Christian (conference)

Officials: J. Fratesi, R. Tyczinski, N. Kenny, S. Hamilton Beach, N. Apostle, V. McLeod, B. Freiburger, J. Dolcetti, C. Taddo, J. Luszka, D. McConnell, J. St. Jules, F. Coccimiglio

1. ADOPTION OF MINUTES

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that the Minutes of the Regular Council Meeting of 2013 08 12 be approved. CARRIED

2. QUESTIONS AND INFORMATION ARISING OUT OF THE MINUTES AND NOT OTHERWISE ON THE AGENDA

3. APPROVE AGENDA AS PRESENTED

Moved by: Councillor P. Mick

Seconded by: Councillor R. Niro

Resolved that the Agenda and Addendum #1 for 2013 09 09 City Council meeting as presented be approved. CARRIED

4. DELEGATIONS/PROCLAMATIONS

- a) Lou St. Jules, Publicity Co-ordinator for Elks Lodge, Lady Pat Beek – Past Honoured Royal Lady, Ladies Lodge 155, Wayne Sherlock, Past Provincial

President and Eric Brauner, Exalted Ruler, Sault Ste. Marie Lodge 341 were in attendance concerning Proclamation – Elks & Royal Purple Oncology Van Program Week.

- b) Gayle Manley, President, Zonta Club of Sault Ste. Marie and Dorothy Motluk, Member were in attendance concerning proclamation – Ovarian Cancer Awareness Month.
- c) Dayna Caruso, Volunteer and Fundraising Co-ordinator for Northern Ontario Families of Children with Cancer was in attendance concerning proclamation – Childhood Cancer Awareness Month.
- d) Katie Hewgill was in attendance concerning the Sault Ste. Marie Muscular Dystrophy Walk. Please see agenda item 5.(f).
- e) Phil Becker, General Manager, International Bridge Authority was in attendance concerning Proposed Toll Rate Increase – International Bridge.
- f) Virginia McLeod, Supervisor, Community Services Department was in attendance concerning the best practice presentation – Clean Marine Program – Roberta Bondar Marina.
- g) Jerry Dolcetti, Commissioner of Engineering and Planning was in attendance to present the department's 2013 budget and year-to-date financial information – agenda item 6.(3)(a).
- h) Peter Vaudry and Stephanie Pagnucco – Age Friendly Community were in attendance concerning agenda item 6.(8)(a).
- i) Mark Brown was in attendance concerning agenda item 5.(a)(a).

PART ONE – CONSENT AGENDA

5. COMMUNICATIONS AND ROUTINE REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES

Moved by: Councillor B. Watkins

Seconded by: Councillor L. Turco

Resolved that all the items listed under date 2013 09 09 – Part One – Consent Agenda be approved as recommended with the exception of agenda item 5.(o) and 5.(v). CARRIED

- a) Correspondence from AMO, FONOM was received by Council.
- b) Correspondence from the Minister of Energy concerning the Municipal Energy Plan and Long-Term Energy Plan was received by Council.

- c) Correspondence from the Minister of Rural Affairs concerning the renewed Rural Economic Development program was received by Council.
- d) Correspondence from the Minister of Community Safety and Correctional Services concerning Pic Mobert First Nation was received by Council.
- e) Correspondence from CN concerning the publication "CN in the Community" was received by Council. The full communication package is available in the Mayor's Office for viewing.
- f) Correspondence concerning the Sault Ste. Marie Walk for Muscular Dystrophy was received by Council.
- g) Correspondence from the Coalition for Algoma Passenger Trains was received by Council.
- h) Correspondence from the Sault Ste. Marie International Bridge Authority concerning a proposed toll increase was received by Council.
- i) Correspondence from the Alzheimer Society Sudbury-Manitoulin was received by Council.

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Whereas Alzheimer's disease and other dementias are progressive, degenerative diseases of the brain that cause thinking and memory to become seriously impaired; and

Whereas Alzheimer's disease and other dementias most often occur in people over the age of 65 but can strike adults at any age; and

Whereas Alzheimer's disease and other dementias affect more than 500,000 Canadians currently and that this figure is projected to reach 1.1 million within a generation; and

Whereas Alzheimer's disease and other dementias also take their toll on hundreds of thousands of families and care partners; and

Whereas an estimated further three million Canadians face the burden and challenges of providing care for those suffering with Alzheimer's disease and other dementias; and

Whereas there is no known cause or cure for this devastating illness; and

Whereas the cost related to the health care system is in the billions and only going to increase, at a time when our health care system is already facing enormous financial challenges; and

Whereas Canada, unlike many countries, does not have a national dementia strategy; and

Whereas there is an urgent need to plan and raise awareness and understanding about Alzheimer's disease and other dementias for the sake of improving the quality of life of the people it touches; and

Whereas MP Claude Gravelle Nickel Belt has introduced Bill C-356, "An Act Respecting a National Strategy for Dementia", as he works for broad, all party

and non-partisan support for an issue that touches us all. His legislation calls for a national plan that includes the development of strategies in primary health care, in health promotion and prevention of illness, in community development, in building community capacity and care partner engagement, investments in research and other (advisory board, objectives, investment in research, and caregivers and more);

Now Therefore Be It Resolved that the City of Sault Ste. Marie calls on all levels of government and the Federation of Municipalities to adopt a national dementia strategy, and urges all citizens of our communities to become more aware and engaged concerning the far-reaching effects of this devastating disease. CARRIED

- j) Information concerning Linking Municipalities and the Growth Plan for Northern Ontario was received by Council.

- k) Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco

Resolved that Council, pursuant to Section 259(1)(c) Municipal Act, authorize the absence from Council meetings of Councillor Manzo due to illness for a period in excess of three successive months and that such authorization be extended to November 30, 2013 and reviewed again at that time. CARRIED

- l) **Staff Travel**

The report of the Chief Administrative Officer was received by Council.

- Moved by: Councillor B. Watkins
Seconded by: Councillor R. Niro

Resolved that the report of the Chief Administrative Officer dated 2013 09 09 concerning Staff Travel requests be approved as requested. CARRIED

- m) **Tender for Screened Street Sand (2013WA16T)**

The report of the Manager of Purchasing was received by Council.

- Moved by: Councillor P. Mick
Seconded by: Councillor R. Niro

Resolved that the Report of the Manager of Purchasing dated 2013 09 09 be endorsed and that the tender for the supply and loading of Screened Street Sand, as required by the Public Works and Transportation Department, be accepted as recommended. CARRIED

- n) **Mayor and Council Travel Expenses – January 1 – June 30, 2013**

The report of the Commissioner of Finance and Treasurer was received by Council.

- Moved by: Councillor B. Watkins
Seconded by: Councillor L. Turco

Resolved that the report of the Commissioner of Finance and Treasurer dated 2013 09 09 concerning Mayor and Council Travel Expenses for the period January 1 to June 30, 2013 be received as information. CARRIED

o) **Supporting Resolution for the "Fair & Open Tendering Act" To End Labour Monopolies**

The report of the Commissioner of Human Resources was received by Council.

Moved by: Councillor B. Watkins

Seconded by: Councillor R. Niro

Whereas public employers like municipalities are not businesses and have a different purpose and mandate from commercial enterprises; and

Whereas the OLRB treats many public employers as businesses for the purpose of the construction industry provision of the Labour Relations Act, 1955; and

Whereas when a public employer is organized by an affiliated construction craft union it creates a labour monopoly for construction work that is contracted out by the employer; and

Whereas the construction section of the Labour Relations Act should not apply to public employers like municipalities; and

Whereas some local qualified construction contractors are excluded from bidding on publicly funded City construction projects due to the existing construction union affiliation monopoly thereby forcing the City in many cases to contract work to out-of-town contractors; and

Whereas construction union labour monopolies significantly increase the cost of construction projects to the taxpayer; and

Whereas an amendment to the Labour Relations Act, 1995 would ensure public employers are able to tender construction work in a free and open competitive environment that would maximize fairness and value for construction expenditures;

Now Therefore Be It Resolved that the City of Sault Ste. Marie ask the Province of Ontario to amend Section 126 of the Ontario Labour Relations Act, 1995 so that it explicitly states municipalities are not construction employers. POSTPONED TO SEPTEMBER 23, 2013

Moved by: Councillor J. Krmpotich

Seconded by: Councillor S. Butland

That agenda item 5.(o) be postponed to September 23, 2013. CARRIED

Recorded Vote:

For: Councillors S. Butland, M. Bruni, J. Krmpotich, B. Watkins, R. Niro, F. Fata, T. Sheehan, P. Mick

Against: Mayor D. Amaroso, Councillors L. Turco, S. Myers

Absent: Councillors P. Christian, F. Manzo

p) **Essar Centre – Pouring Rights Agreement with Molson Coors Canada**

The report of the Commissioner of Community Services was received by Council.

The relevant By-law 2013-164 is listed under Item 10 of the Minutes.

q) **Firearms By-law Exemptions – Ermatinger•Clegue National Historic Site – Special Events**

The report of the Curator, Ermatinger•Clegue National Historic Site was received by Council.

The relevant By-law 2013-171 is listed under Item 10 of the Minutes.

r) **Bike Pump Park – Update**

The report of the Commissioner of Community Services was received by Council.

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that the report of the Commissioner of Community Services dated 2013 09 09 concerning Bike Pump Park Update be received as information. CARRIED

s) **Stormwater Management Master Plan and Policy**

The report of the Land Development and Environmental Engineer was received by Council.

Moved by: Councillor P. Mick

Seconded by: Councillor R. Niro

Resolved that the report of the Land Development and Environmental Engineer dated 2013 09 09 concerning Stormwater Management Master Plan and Policy be accepted and the recommendation that the Notice of Completion be issued, be approved. CARRIED

t) **Unforeseen Storm Sewer Repair – Denwood Drive**

The report of the Design and Construction Engineer was received by Council.

Moved by: Councillor B. Watkins

Seconded by: Councillor L. Turco

Resolved that the report of the Design and Construction Engineer dated 2013 09 09 concerning Unforeseen Storm Sewer Repair - Denwood Drive be accepted and the recommendation to add the necessary repair work to Contract 2013-9E as a change order in the amount of \$215,348.20 with funding from the 2013 Urban Only Capital Construction account, be approved. CARRIED

u) **New 75' Pumper/Aerial Truck**

The report of the Assistant Fire Chief – Support Services was received by Council.

Moved by: Councillor B. Watkins

Seconded by: Councillor R. Niro

Resolved that the report of the Assistant Fire Chief - Support Services dated 2013 09 09 concerning New 75' Pumper/Aerial Truck be accepted and the

recommendation to issue a purchase order for equipment to be supplied by Safetek Emergency Vehicles/Smeal Fire Apparatus at a cost (including equipment) of \$869,000 with funding from the Fire Services Equipment account be approved. CARRIED

v) **Jeff and Patricia Avery – 179 & 227 Pointe Aux Pins Drive – Planning Application A-10-13-Z.OP and 57T-13-502**

The report of the City Solicitor was received by Council.

Moved by: Councillor S. Myers

Seconded by: Councillor S. Butland

Resolved that the report of the City Solicitor dated 2013 09 09 concerning OMB Appeal – Application A-10-13-Z.OP and 57T-13-502 be accepted and that despite the appeal, Council confirms its decision to defeat the Application.

Recorded Vote:

For: Mayor D. Amaroso, Councillors S. Butland, S. Myers, M. Bruni, J. Krmpotich, R. Niro

Against: Councillors L. Turco, B. Watkins, F. Fata, T. Sheehan, P. Mick

Absent: Councillors P. Christian, F. Manzo

w) **Easement Required for Shell Canada for Access to City Owned Street – Property Triangle in Front of Shell Terminal – McNabb Street to South Market**

The report of the City Solicitor was received by Council.

The relevant By-law 2013-166 is listed under Item 10 of the Minutes.

x) **Easement Required for Union Gas for a Gas Line Through the Heritage Discovery Centre Lands**

The report of the Assistant City Solicitor was received by Council.

The relevant By-law 2013-170 is listed under Item 10 of the Minutes.

y) **Licensing By-laws – Housekeeping**

The report of the Solicitor/Prosecutor was received by Council.

The relevant By-law 2013-167 is listed under Item 10 of the Minutes.

z) **Amendment to Property Standards By-law 2012-9**

The report of the Solicitor/Prosecutor was received by Council.

The relevant By-law 2013-165 is listed under Item 10 of the Minutes.

aa) **Proposed Rental Housing Community Improvement Plan**

The report of the Planning Division was received by Council.

The relevant By-law 2013-168 is listed under Item 10 of the Minutes.

bb) **Application A-15-13-Z – Minor Amendments No. 7 – filed by the City of Sault Ste. Marie**

The report of Planning Division was received by Council.

Moved by: Councillor P. Mick

Seconded by: Councillor R. Niro

Resolved that the report of the Planning Division dated 2013 09 09 concerning application A-15-13-Z – Minor Amendments No. 7 – filed by the City of Sault Ste. Marie be received and that City Council accept this report as information and authorize staff to provide public notice. CARRIED

cc) **Sault Freecycle Initiative Waste Diversion**

The report of the Deputy Commissioner, Public Works and Transportation was received by Council.

Moved by: Councillor B. Watkins

Seconded by: Councillor L. Turco

Resolved that the report Deputy Commissioner, Public Works and Transportation dated 2013 09 09 concerning Sault Freecycle Initiative Waste Diversion be received as information. CARRIED

dd) **Church Street – “Wrong Way” Signage**

The report of the Deputy Commissioner, Public Works and Transportation was received by Council.

Moved by: Councillor B. Watkins

Seconded by: Councillor R. Niro

Resolved that the report Deputy Commissioner, Public Works and Transportation dated 2013 09 09 concerning Church Street – “Wrong Way” Signage be received as information. CARRIED

ee) **Municipal Coat of Arms**

The report of the City Clerk is attached for the information of Council.

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that the report of the City Clerk dated 2013 09 09 concerning Municipal Coat of Arms be received as information and the blazon be approved as recommended. CARRIED

PART TWO – REGULAR AGENDA

6. REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES

(1) ADMINISTRATION

(2) COMMUNITY SERVICES DEPARTMENT

(3) ENGINEERING

a) Engineering Department Budget Update

The report of the Commissioner of Engineering and Planning was received by Council.

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that the report of the Commissioner of Engineering and Planning dated 2013 09 09 concerning Engineering and Planning Budget Update be received as information. CARRIED

(4) FIRE

(5) LEGAL

(6) PLANNING

(7) PUBLIC WORKS AND TRANSPORTATION

(8) BOARDS AND COMMITTEES

a) Age-Friendly Sault Ste. Marie – Phase Three – Social Participation & Respect and Social Inclusion

A copy of the recent survey was received by Council..

Moved by: Councillor P. Mick

Seconded by: Councillor R. Niro

Resolved that the recent survey Age-Friendly Sault Ste. Marie – Phase Three – Social Participation & Respect and Social Inclusion be received as information. CARRIED

**7. UNFINISHED BUSINESS, NOTICE OF MOTIONS AND RESOLUTIONS
PLACED ON AGENDA BY MEMBERS OF COUNCIL**

- a) Moved by: Councillor T. Sheehan
Seconded by: Councillor P. Christian
Whereas Sault Ste. Marie's public parks are thoroughly enjoyed by all of its citizens; and
Whereas the City of Sault Ste. Marie is approached with various offers of donations for public parks individuals, private businesses and public sector organizations,
Therefore Be It Resolved that City Council requests that appropriate City Staff advise how a policy could be developed that would cover both monetary and in-kind donations for our beautiful public parks. OFFICIALLY READ NOT DEALT WITH – WITHDRAWN UNTIL COUNCILLOR CHRISTIAN PRESENT
- b) Moved by: Councillor S. Myers
Seconded by: Councillor L. Turco
Whereas golf is growing in popularity among all age groups in Sault Ste. Marie; and
Whereas the outdoor golf season is short; and
Whereas the City is looking for new opportunities to maximize the use of the new West End Community Centre and generate additional revenue
Therefore Be It Resolved that appropriate staff be report back to Council as to the feasibility of providing indoor golf practice activity at the West End Community Centre. CARRIED
- c) Moved by: Councillor R. Niro
Seconded by: Councillor S. Butland
Whereas it is the City's wish to increase its waste diversion rate through recycling; and
Whereas the recycling collection system has changed from a blue and yellow box system to a cart based system; and
Whereas under our current by-law 2004-68, multi-family developments with 5 units or more must supply their own collection containers;
Now Therefore Be It Resolved that appropriate staff review by-law 2004-68 and consider increasing the cut off of 5 units or more for collection containers for multi-residential recycling. CARRIED

**8. COMMITTEE OF THE WHOLE FOR THE PURPOSE OF SUCH MATTERS AS
ARE REFERRED TO IT BY THE COUNCIL BY RESOLUTION**

9. ADOPTION OF REPORT OF THE COMMITTEE OF THE WHOLE

10. CONSIDERATION AND PASSING OF BY-LAWS

By-laws before Council TO BE PASSED which do not require more than a simple majority.

Moved by: Councillor B. Watkins

Seconded by: Councillor L. Turco

Resolved that all by-laws listed under Item 10 of the AGENDA under date be approved. CARRIED

Pecuniary Interest – Councillor Niro - By-law 2013-160 – nephew is branch supervisor at Roofmart Canada's Sault Ste. Marie location. CARRIED

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that By-law 2013-160 being a by-law to designate the lands located at 550 Second Line East an area of site plan control (Roofmart Canada Limited) be PASSED in open Council with 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that By-law 2013-161 being a by-law to designate the lands located at 545 Second Line West (rear), 152, 155, 164, 169, 173 Vivian Avenue, and the unopened portion of Vivian Avenue an area of site plan control (Gervasi) be PASSED in open Council this 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that By-law 2013-162 being a by-law to amend Sault Ste. Marie Zoning By-law 2005-150 concerning lands located at 720 Douglas Street (Guzzo) be PASSED in open Council this 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that By-law 2013-163 being a by-law to designate the lands located at 720 Douglas Street an area of Site Plan Control (Guzzo) be PASSED in open Council this 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick

Seconded by: Councillor L. Turco

Resolved that By-law 2013-164 being a by-law to authorize an agreement between the City and Molson Coors Canada for the exclusive beer pouring rights for the Essar Centre be PASSED in open Council this 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco
Resolved that By-law 2013-165 being a by-law to amend By-law 2012-9, the Property Standards By-law for The Corporation of the City of Sault Ste. Marie be PASSED in open Council this 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco
Resolved that By-law 2013-166 being a by-law to authorize an easement with Shell Canada from The Corporation of the City of Sault Ste. Marie over a portion of City owned property located on McNabb Street south of the Shell Canada tanks for access to a municipally owned street be PASSED in open Council this 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco
Resolved that By-law 2013-167 being a by-law to repeal Licensing By-laws 2473, 4300 and 70-117 of the City of Sault Ste. Marie be PASSED in open Council this 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco
Resolved that By-law 2013-168 being a by-law to implement the Rental Housing Community Improvement Plan be PASSED in open Council this 9th day of September. CARRIED

Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco
Resolved that By-law 2013-169 being a by-law to permit the temporary closing of Denwood Drive from Chambers Avenue to Glen Avenue from September 10, 2013 until November 1, 2013 be PASSED in open Council this 9th day of September, 2013. CARRIED

Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco
Resolved that by-law 2013-170 being a by-law to authorize an easement with Union Gas for a gas line through a portion of City owned property, namely the Heritage Discovery Centre be PASSED in open Council this 9th day of September 2013. CARRIED

Moved by: Councillor P. Mick
Seconded by: Councillor L. Turco
Resolved that By-law 2013-171 being a by-law to exempt the Ermatinger-Clergue National Historic Site and Friends of ECNHS from By-law 2008-168 being a firearms by-law to prohibit the discharge of firearms in the municipality be PASSED in open Council this 9th day of September, 2013. CARRIED

11. **QUESTIONS BY, NEW BUSINESS FROM, OR ADDRESSES BY MEMBERS
OF COUNCIL CONCERNING MATTERS NOT OTHERWISE ON THE AGENDA**

12. **ADDENDUM TO THE AGENDA**

13. **ADJOURNMENT**

Moved by: Councillor B. Watkins

Seconded by: Councillor R. Niro

Resolved that this Council now adjourn. CARRIED

Mayor

Deputy City Clerk

Malcolm White

From: AMO Communications <communicate@amo.on.ca>
Sent: Thursday, September 12, 2013 6:35 PM
To: Malcolm White
Subject: Policy Update - AMO Report to Members - Highlights of the August 2013 Board Meeting

TO THE IMMEDIATE ATTENTION OF THE CLERK AND COUNCIL

September 12, 2013

**AMO Report to Members
 Highlights of the August 2013 Board Meeting**

To keep members informed, AMO provides updates on important issues considered at regular AMO Board of Directors' meetings. Highlights of the August 17, 2013 Board Meeting follow:

Municipal Waste Diversion Issues

The Board approved AMO's proposed submission to Bill 91, the Waste Reduction Act. Key points that will be emphasized in the response include: the importance of municipal roles and responsibilities in waste diversion, that reasonable costs be established through mediated negotiation and continuous improvement, that accessibility and convenience service standards for residents are supported as well as other key points. AMO will also be preparing messaging for members on the municipal role, efforts and investments in provincial diversion programs so councils can provide their support to the Bill.

Contact: Monika Turner, Director of Policy, email: mturner@amo.on.ca, Ext. 318.

Energy Matters: Long-Term Energy Plan, Conservation Consultations and Regional Energy (Electricity) Planning

The Board approved a response to the Minister of Energy who is seeking municipal feedback to a Long Term Energy Plan, energy conservation and regional energy planning consultations. A Long Term Energy Plan that addresses crucial energy, economic and environmental issues is needed. AMO's Energy Task Force indicated that municipalities are supportive of regional energy generation with the understanding that regional plans will integrate local and provincial energy goals.

Contact: Cathie Brown, Senior Advisor, email: cathiebrown@amo.on.ca, Ext. 342.

Response to the Ministry of Infrastructure on New Rural, Small Urban, Northern Fund

Discussion ensued on AMO's proposed approach to the distribution formula of the \$100 million Rural, Small Urban and Northern Municipal Infrastructure Fund. The Board endorsed AMO's Caucus Committee recommendation of a base plus per capita funding model as the most equitable means to deliver immediate funding that supports road and bridge infrastructure including those communities affected by this year's particularly violent storms which have impacted roads and roadways. The

Board did not support a grant application approach but felt a modified per capita model would help more municipalities with work that could improve the life cycle of assets.

Contact: Craig Reid, Senior Advisor, email: creid@amo.on.ca, Ext. 334.

Bill 73, *Fair and Open Tendering Act* (Labour Relations for Certain Public Sector Employees in the Construction Industry)

The Board supported the proposed Bill 73, *Fair and Open Tendering Act*. This Private Members Bill addresses closed tendering by amending the *Labour Relations Act* to clarify that municipalities and school boards are not construction employers and should have the ability to openly tender construction work to gain the best value for construction expenditures. There is an exemption process that involves the Ontario Labour Relations Board, one that is time consuming with attendant costs.

Contact: Sumeeta Kapur, Policy Advisor, email: skapur@amo.on.ca, Ext. 353.

Update on Renewed Federal-Provincial Housing Program Agreements

The 2013 federal budget announced five-year extensions and funding for housing and homelessness programs, three of which are of importance to municipalities: Investment in Affordable Housing; Social Housing Agreement; and the National Homelessness Partnering Strategy. The federal government and the Province are about to negotiate the extension to the agreement to determine program design. The Board received an update on these renewed federal-provincial housing program agreements. As per the MOU protocol (renewed at the 2013 AMO Conference), the Province is involving AMO in this work.

Contact: Michael Jacek, Senior Advisor, email: mjacek@amo.on.ca, Ext. 329.

DON'T FORGET TO REGISTER: On the Horizon. AMO's 2013 Counties, Regions & Single-Tier Symposium occurs October 24 and 25 at the Quality Hotel & Conference Centre in Oshawa. Program Highlights (subject to change) include:

- Innovative Housing Options that Adapt to Changing Demographics
- Municipal Leadership, Public Opinion and Social Services in the Age of Austerity
- Capital and Social Legacies from Major Sporting Events in Ontario's Municipalities
- And so much more!

Registration is available online.

Attend the **Stark Realities of OMERS Sustainability** session, a free 90-minute session which occurs in advance of the start of the Symposium on October 24. All municipalities are urged to send representatives to this special session. Separate registration is required. Learn more about this session on the MEPCO website.

PLEASE NOTE AMO Breaking News will be broadcast to the member municipality's council, administrator and clerk. Recipients of the AMO broadcasts are free to redistribute the AMO broadcasts to other municipal staff as required. We have decided to not add other staff to these broadcast lists in order to ensure accuracy and efficiency in the management of our various broadcast lists.



Standing Committee on Justice: Siting Large Energy

SEPTEMBER 10, 2013

Association of
Municipalities
of Ontario

200 University Avenue, Suite 801
Toronto, ON M5H 3C6 Canada
Tel: 416-971-9856 Fax: 416-971-6191
email: amo@amo.on.ca
website: www.amo.on.ca

Standing Committee on Justice: Siting Large Energy

Thank you, for providing the Association of Municipalities of Ontario with the opportunity to contribute to your discussions.

I am the president of AMO, which represents nearly all of Ontario's 444 municipalities. Our role is to support and enhance strong and effective municipal government in Ontario. We share the municipal perspective with policy-makers primarily at the provincial level with the objective of developing stronger public policies with better outcomes.

We understand that part of your mandate is to make recommendations on the future planning and siting of energy services. Ontario's municipalities welcome the opportunity to provide input on this important matter and specifically, on the siting of large energy projects. It is clear that on this front, a better path is needed. My remarks will focus on how we can move forward. It would be inappropriate for AMO to comment on the gas plant cancellation component of your mandate as we have no direct knowledge.

AMO advocates for a new process that demonstrates key principles of municipal government and community involvement early on. This contributes to transparency and is our first area of advice. Going forward, communities need to understand what decisions are being made, how they are made, as well as the costs and consequences of different alternatives. It is essential that the science, the rationale and the options are dealt with in public information sessions and other forums and consultations *before* a project moves to the RFP stage.

Most importantly, the public needs to be engaged – not just notified. Local governments and communities need to have a voice and to know how this voice has been acted upon, as well as why it may not be possible to accommodate certain options/alternatives and concerns.

The new process also needs to recognize that municipalities have a duty to their citizens. We are mandated to protect public safety, to provide adequate infrastructure,

Standing Committee on Justice: Siting Large Energy

protect the environment, stimulate economic viability and balance corporate well-being against individual's needs and interests.

Given the broad range of concerns and the complexity involved, it seems to us that we need more than just energy experts to plan energy. Choosing the right location goes beyond identifying just the energy needs in a region, but an understanding of local plans, initiatives and concerns – local ambitions. Major development proposals need to be viewed through the “triple bottom line” lens - meaning that social, environmental and economic costs and benefits must be addressed. The provincial interest and local interest need to be mutually evaluated to tackle both local and broader needs.

Finally, municipal governments can provide valuable insight not only on what sites would work best, but also how to maximize public investment by integrating new infrastructure into local land use and other planning. Integration of planning needs must occur earlier on.

Linking into local land use planning early on just makes sense. The planning process in Ontario is a mature one, understood and can be the vehicle to bring forward change.

Doing it well does take time. It is important that the process respects the timeframes required for normal municipal business. The development of municipal comprehensive planning documents can take up to eighteen months before adopted, let alone approved. Good, integrated planning with solid, meaningful input will take time. As a process, it also needs to recognize that across Ontario, municipal governments have different capacities and priorities. It needs to accommodate municipalities that have few staff, lack expertise or the resources to purchase that expertise.

One thing I have learned as president of AMO is that when governments work together, we are able to come up with improved solutions that serve the public good. Thank you again for the opportunity to address this committee.



Working with Media & Social Media in Northern Ontario

Municipal communicators must be able to share information. Give clear instructions. Sell ideas. Messages should be easy to understand, and easy to remember.

AMO's Media and Social Media Training program will improve your ability to:

- Express yourself clearly,
- Develop strong messages quickly,
- Manage issues better, and
- Lead under pressure.

While the session is grounded in municipal experience, the material will be of interest to other public and private sector leaders. All are welcome to register.

The session will cover:

Media Relations in Northern Ontario:



Media relations in the North is unique and sometimes difficult to navigate. The AMO workshop focusses on the areas of greatest concern to Northern municipal leaders including, but not limited to:

- How to 'be the media'
- Understanding what makes news and why
- How to meet the different demands of local and regional print, radio and television
- Finding the right message, in real time and while under pressure
- How to make messages stronger
- How to build relationships with media in real time and online

Social Media:



- How it is being used by municipalities and elected officials in comparable communities
- Developing effective social media policies
- Best practices related to corporate use and personal use
- Resource allocation
- Risk management (internally, externally and around the Council Chamber).

About the Instructor:

Brian Lambie,
President, Redbrick Communications

As AMO's primary media contact, Brian deals with media on a daily basis, taking calls from the most senior reporters at Queen's Park to the most inexperienced reporters at your local newspaper.

He has trained hundreds of public and private sector officials in the past decade and is a popular conference speaker. His clients include municipalities, Ontario government ministries and private companies.

Dates and Locations:

Media Relations and Social Media Use in *Northern Communities*

- North Bay: October 2
- Thunder Bay: October 16

All sessions will be full-day sessions (9 am - 4 pm) with registration at 8:30 am and lunch provided.

Session Cost:

- \$400 plus HST (\$452 total)

Additional sessions with targeted messages for large urban, small urban and rural communities are also available. Details on these sessions can be found at www.amo.on.ca

5(a)

Working with Media & Social Media Registration Form

Please type or print clearly. Use one form per registrant. Payment **MUST** accompany registration.
Please fax registration form to 416.971.9372

First Name		Last Name	
Title		Municipality	
Address			
City	Province	Postal Code	
Phone	Fax	E-mail	

Please indicate location preference	Cost	Final Cost
North Bay: October 2 (Location tbc)	\$400 + 13% HST	\$452.00
Thunder Bay: October 16 (Valhalla Inn, 1 Valhalla Inn Road)	\$400 + 13% HST	\$452.00
Kingston: November 13 (Delta Kingston Waterfront, 1 Johnson Street)	\$400 + 13% HST	\$452.00
London: November 20 (Four Points by Sheraton, 1150 Wellington Road)	\$400 + 13% HST	\$452.00
Mississauga: November 6 (Delta Toronto Airport West, 5444 Dixie Road)	\$400 + 13% HST	\$452.00

PAYMENT

Registration forms **CANNOT** be processed unless accompanied by proper payment.

Refund Policy: Cancellations must be made in writing and received by AMO no later than 14 days prior to the session selected to receive a partial refund minus the administration fee of \$ 75.00 plus HST. No refunds will be made for any cancellations made less than 14 days prior to session selected.

☐ Cheque payable to: Association of Municipalities of Ontario 200 University Avenue, Suite 801 Toronto, ON., M5H 3C6	☐ Mastercard ☐ Visa	
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	Signature	



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Economic Development Task Force September 2013

The Task Force met on September 13, 2013 and received presentations from the Ministry of Economic Development, the Ministry of Training, Colleges and Universities, the Ministry of Agriculture and Food

Chaired by Marolyn Morrison, Mayor of the Town of Caledon and Councillor for the Region of Peel, the Task Force received the following presentations:

Youth Jobs Strategy

Sam Boonstra, Director, Entrepreneurship Branch, Ministry of Economic Development, Trade and Employment and Bridget Au, Senior Service Integration Advisor, Transportation & Planning, Ministry of Training, Colleges and Universities.

The Ministry of Economic Development, Trade and Employment and the Ministry of Training, Colleges and Universities presented an overview of the government's proposed Youth Jobs Strategy. In the 2013 Budget, the government announced a new two-year \$295 million Youth Jobs Strategy which is intended to create 30,000 new job opportunities for youth. The strategy would focus on jobs, entrepreneurship and innovation for youth in Ontario through four key initiatives:

- The Youth Employment Fund – provides \$195 million to expand employment opportunities for 25,000 youths across Ontario. The focus of this initiative will be on at-risk youth, employers and training.

- The Youth Entrepreneurship Fund – supports young entrepreneurs through mentorship, start-up capital and outreach.
- The Youth Innovation Fund – supports skills development in the area of leading and managing industrial research, development and commercialization.
- Youth Skills Connections – promotes partnerships among business, labour, educators and youth to identify and solve skills development issues.

Further details on the Youth Jobs Strategy will be released later this fall.

Rural Economic Development (RED) Program

Karla Uliana, Senior Policy Specialist, Rural Development Policy, Ministry of Agriculture and Food

The Ministry of Agriculture and Food presented an overview of the revised Rural Economic Development (RED) program

The program will have up to \$4.5 million in funding per year over three years and is designed to help rural communities and regions build a foundation for economic growth and investment as well as promote collaboration for economic growth. Projects benefits must support strengthening economic development activities in Ontario's rural communities. For more information and to download the guidelines and application form visit the Ministry's website.

Investment Ready: Certified Site Program

Tania Cassin--Kendall, Acting Senior Program Advisor, Certified Site Program, Ministry of Economic Development, Trade and Employment

Last month, the Investment Ready: Certified Site Program was announced at the AMO Conference by Premier Kathleen Wynne. Site certification is becoming an industry standard in North American investment attraction.

Certified sites reduce uncertainty associated with the cost of land, approvals process, development costs and time to market; ultimately fostering faster site selection decisions and investment transactions. Eligible land owners will be provided with a grant reimbursement of 50% of costs, up to \$25,000, for eligible expenses that support the certification process. The program design and requirements are currently being tested by five pilot communities prior to the opening of the application process later in 2013.

The Return on the Recreation Investment

Howie Dayton, Director of Recreation, City of Mississauga

The City of Mississauga presented a case study on how it is using business planning principles to support recreation through strategic community investments. The presentation shared leading thinking and resources on recreation policy, the concept of quality of place and how it is linked to the economic health and well-being of communities. The task force learned of several opportunities to build the profile and capacity of municipal recreation, parks as well as cultural infrastructure and services to support broader community objectives.

The next task force meeting will be held on November 27, 2013.

If you have any ideas or thoughts for a potential conference/workshop session or discussion items for future task force meetings, please contact Matthew Wilson or Nicholas Ruder at AMO.

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Working to make Ontario municipalities stronger

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Quality Hotel and Conference Centre
1011 Bloor Street East, Oshawa, ON
October 24 (Start time 12:30 a.m. EST*)
October 25 (end time 4:00 p.m. EST*)

2013 Counties, Regions and Single Tiers (CRST) Symposium

on the horizon

FLOODS

What's your message?

WINTER

RADIATION

DERAILMENTS

WILDFIRES

OUTBREAKS

LANDSLIDES

**EXTREME
HEAT**

MANMADE

TORNADOES

The Value of Communications in a Community Emergency

In a community emergency situation, effective communications and engagement with the public are of paramount importance. Drawing upon recent experiences, **Commissioner of Community Safety, Dan Hefkey**, will speak about the principles of effective communication and public engagement in emergency situations including:

- What could go wrong?
- Who is in charge?
- What is the strategy?
- What can be learned from recent events?

For hotel guest room bookings, a rate of \$109.00 plus applicable taxes has been negotiated at the Quality Hotel. To make a reservation please contact the hotel directly at (905) 576-5101 and ask for the AMO rate.

Register online at www.amo.on.ca or using the attached form.

This Symposium sold out last year, don't miss out register today.

5(a)

CRST Symposium Registration Form

Quality Hotel and Conference Centre, Oshawa, ON

October 24 & 25, 2013

PLEASE PRINT IN BLOCK LETTERS. FAX REGISTRATION TO 416.971.9372 OR EMAIL EVENTS@AMO.ON.CA

First Name: _____ Last Name: _____

Title or Function: _____

Municipality/Organization: _____

Address: _____

City: _____ Province: _____ Postal Code: _____

Tel: _____ Fax: _____ E-mail: _____

REGISTRATION FEES (does not include hotel accommodation)

	AMO Members	Non-Members	Amount
		<i>Fees in brackets includes HST</i>	
Full Registration	\$450.00 (\$508.50)	\$550.00 (\$621.50)	_____
One Day - Thursday	\$150.00 (\$169.50)	\$180.00 (\$203.40)	_____
One Day - Friday	\$300.00 (\$372.00)	\$370.00 (\$418.10)	_____
		TOTAL DUE \$	_____

☐ ENERGY FROM WASTE STUDY TOUR

PLEASE CHECK if you will be attending the Energy from Waste Study Tour on Thursday, October 24. Please be aware that the tour requires the mandatory wearing of safety equipment, that will be provided on-site.

PAYMENT METHOD

☐ Cheque Payable to: Association of Municipalities of Ontario 200 University Avenue, Suite 801 Toronto, Ont., M5H 3C6 HST: 106732944	☐ MasterCard	☐ Visa
	Card Number:	
	Name on Card:	
	Expiry Date:	
	Signature:	
Refund Policy: Cancellations must be made in writing and received by AMO no later than September 20, 2013. An administration fee of \$75.00 plus 13% HST (\$84.75) will apply. Cancellations received after September 20, 2013 will not be refunded.		

PLEASE SEND COMPLETED REGISTRATION FORM TO:

Association of Municipalities of Ontario, 200 University Avenue, Suite 801,
 Toronto, ON, M5H 3C6 Fax: 416.971.9372

AMO collects, uses and discloses the information requested to promote the interests of the municipal sector. It may also be shared with selected third parties to generate operating revenues for AMO. Under the Federal Personal Information Protection and Electronic Documents Act (PIPEDA) some of the information may constitute personal information. By filling out this form you agree that all personal information provided by you on the form may be collected, used and disclosed by AMO for all purposes described above. Please note as an attendee at the conference your likeness may be used in promotional materials and on our website for subsequent events.





THE CORPORATION OF THE CITY OF STRATFORD

Resolution: Enhancing Community Safety

WHEREAS the railway has an extensive history in Canada and the City of Stratford with two rail lines running through Stratford: the Canadian National Railway (CNR) and the Goderich-Exeter Railway (GEXR) spur lines; and,

WHEREAS in recent months, Canadians have witnessed the tragic derailment that took place in the community of Lac-Mégantic, Quebec, and the serious bridge derailment in Calgary, Alberta, following the recent floods; and,

WHEREAS communities like Stratford, are on the frontline of responding to those kinds of accidents and must be properly informed and equipped to protect residents; and,

WHEREAS the Federation of Canadian Municipalities (FCM) has formed a National Municipal Rail Safety Working Group to address the concerns of railway safety with the federal government and Canada's railway industry;

THEREFORE BE IT RESOLVED that the City of Stratford acknowledges the work of FCM's new Rail Safety Working group and endorses its 3 guiding principles:

1. To ensure that the safety of Canada's rail transportation system must be a federal priority and a clear federal responsibility;
2. To ensure that the government must respond to safety recommendations made by the Transportation Safety Board, and address previously identified safety deficiencies; and,
3. To acknowledge that Federal-municipal partnership is essential to ensuring rail safety;

BE IT FURTHER RESOLVED that as an interim step to enhance community safety, The Corporation of the City of Stratford communicate with all railway companies running through the City of Stratford requesting that they provide the necessary information on railway traffic to the City's Fire Chief in order to provide for appropriate emergency preparedness; and,

BE IT FINALLY RESOLVED that this motion be shared with the Federal Minister of Transport, local area MPs, the Federation of Canadian Municipalities, the Association of Municipalities of Ontario (AMO), and the other municipalities across the province.

Adopted by City Council of The Corporation of the City of Stratford on August 12, 2013.

The Corporation of the City of Stratford, P.O. Box 818, Stratford ON N5A 6W1
Attention: City Clerk, 519-271-0250 ext 235, clerks@city.stratford.on.ca

"Community Excellence with Worldwide Impact"

Ministry of Natural
Resources

Office of the Minister

Room 6630, Whitney Block
99 Wellesley Street West
Toronto ON M7A 1W3
Tel: 416-314-2301
Fax: 416-314-2216

Ministère des Richesses
naturelles

Bureau du ministre

Édifice Whitney, bureau 6630
99, rue Wellesley Ouest
Toronto (Ontario) M7A 1W3
Tél.: 416-314-2301
Téléc.: 416-314-2216



MNR5385MC-2013-1998

SEP 12 2013

Her Worship Debbie Amaroso
Mayor
City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie ON P6A 5X6

Dear Mayor Amaroso.

RECEIVED
SEP 16 2013
MAYOR'S OFFICE

It was a pleasure to meet with the Northern Ontario Large Urban Mayors delegation at the 2013 Annual Conference of the Association of Municipalities of Ontario (AMO) in Ottawa.

As Minister, I am privileged to work alongside many talented individuals, and it is always gratifying to meet with municipal leaders from across Ontario who are dedicated to their communities. The AMO conference is a valuable opportunity to hear first-hand about the challenges facing Ontario, and discuss what we can do, together, to move our province forward.

A great deal of informative and productive dialogue took place at AMO 2013 that will help inform the decisions and actions that are taken in the months ahead. I am confident that our shared commitment to partnership will serve us in good stead.

I will be writing to you in more detail at a later date. In the meantime, I wanted you to know that I appreciated our meeting.

Sincerely,



David Oraziotti
Minister of Natural Resources

5(d)

Bancroft & Hastings Highlands Disaster Relief Committee



**Hastings Highlands Municipal Office
33011 Hwy 62 North, Maynooth, On K0L 2S0**



September 2013

Dear Council Head and Members of Council

On May 16, 2013, the Minister of Municipal Affairs and Housing, in response to local council motions, declared the Town of Bancroft and the Municipality of Hastings Highlands as disaster areas for the purpose of the Ontario Disaster Relief Assistance Program (ODRAP)

The Town of Bancroft and the Municipality of Hastings Highlands experienced flood conditions during the last weekend of April, caused by heavy rain falls in addition to the spring thaw. This flood led to severe infrastructure damage to homes and small businesses, as well as the temporary closure of schools and businesses in both municipalities.

A Disaster Relief Committee has been appointed in accordance with the requirements of ODRAP in order to coordinate both fund-raising efforts and to adjudicate claims from private residents, farmers and small businesses that were impacted by the flood.

The Committee has set a financial goal of \$87,500 and is making measurable gains towards meeting it by the fundraising campaign deadline of October 31, 2013. This \$87,500 goal was established following preliminary assessments by the Provincial Disaster Assessment Team. Under ODRAP, the province will top up funds raised to the amount that is needed to pay eligible claims at 90 per cent up to a maximum of \$2:\$1 ratio. Claims for financial support will continue to be submitted until August 30, 2013.

The Bancroft and Hastings Highlands area is predominately rural in nature and is not densely populated. For that reason, we know that the \$87,500 goal is a challenging one but we are working extremely hard towards that end and are confident we can reach it. Our fundraising campaign began less than a month ago and early results are encouraging. For your information, I am enclosing a copy of our brochure which is a living document and will evolve as events are completed and new initiatives roll out.

On behalf of the Bancroft and Hastings Highlands Disaster Relief Committee, I am asking municipal councils across the province to support our fundraising efforts by making a donation to this worthy cause. Contributions in any amount will be gratefully received.

Cheques should be made out to Bancroft and Hastings Highlands Disaster Relief Committee and mailed to the Municipality of Hastings Highlands at 33011 Highway 62 N, PO Box 130, Maynooth, ON K0L 2S0.

Yours truly

Dennis Purcell

Dennis Purcell
DRC Chair

MAKE A DONATION

Donations are eligible for a tax receipt, issued by the Municipality of Hastings Highlands.

►► I would like to make a donation:

20\$ ___ 50\$ ___ \$100 ___ Other ___

Name: _____

Address _____

Telephone # _____

Email: _____

Date: _____

Please make cheque payable to the Bancroft & Hastings Highlands Disaster Relief Committee and send to the Municipality of Hastings Highlands.

☐ I require a tax receipt.

Thank you for your support!



CLAIMS APPROVALS

Applications for funding assistance have been available, over the course of the summer, through the Ontario Disaster Assistance Relief Program (ODRAP).

Applicants were able to acquire these forms, in person and on-line, from both municipal offices. The deadline to submit applications was August 30, 2013.

Multiple applications, from both municipalities, have been adjudicated and multiple approvals for advance funding have occurred.

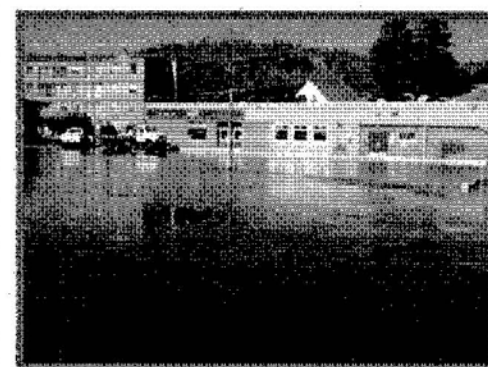
This advance funding is critical for residents, who continue to live with the consequences of the flood today.

Bancroft and Hastings Highlands
Disaster Relief Committee
Municipality of Hastings
Highlands 33011 Hwy 62 N
P.O. Box 130, Maynooth, ON
K0L 2S0



DISASTER RELIEF 2013

Bancroft & Hastings Highlands Disaster Relief



Request for Support 2013

561



Disaster Relief

The Bancroft and Hastings Highlands Disaster Relief Committee has been established to respond to community need after severe flooding in April caused significant damage in Bancroft and Hastings Highlands.

This is a joint effort between The Town of Bancroft and The Municipality Hastings Highlands which has been appointed in accordance with the Ministry of Municipal Housing and Affairs.

Following an assessment by the Ministry of Municipal Housing and Affairs, the Bancroft and Hastings Highlands Disaster Relief Committee has set a financial goal of \$87,500 which we are seeking to raise by October 31, 2013.

The province tops up private funds raised to the amount that is needed to pay eligible claims at 90 per cent, up to a maximum of \$2:\$1 ratio.

REQUEST FOR SUPPORT

The Bancroft and Hastings Highlands Disaster Relief Committee is appealing to businesses, municipalities, and community organizations to provide financial assistance in support of 2013 flood victims. The needs in our region continue to be on-going and substantial.



COMMUNITY EFFORTS

Many fundraising efforts have occurred and together the community has raised over \$11,000 for flood victims in our region.

Notable donations include \$5000 from the Insurance Bureau of Canada; \$500 from the Bancroft & Area Community Policing Advisory Committee; and \$300 from the Papineau Lake Community Association.

The financial needs in Bancroft and Hastings Highlands, however, continue to be greater than the funds raised.

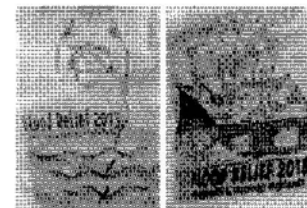
Tax receipts are available upon request.



PRODUCT SALES

Two styles of t-shirts are available for \$20 at the Hastings Highlands Public Library.

These use images created by local artists Arne Roosman and Ren Lonechild.



ED ROBERTSON CONCERT

Ed Robertson of Barenaked Ladies will be joined by Mary Milne, at the Village Playhouse in Bancroft for a concert in support of flood relief, on September 27, 2013. Tickets for



this concert have sold out and the committee is actively seeking in-kind gifts to support a silent auction. Donations of products and services are being received by the Municipality of Hastings Highlands.



~Photo credits : Diane Hannah

57(2)

Joseph M. Fratesi, B.A., J.D. (LL.B.)
Chief Administrative Officer



56f
99 Foster Drive
P.O. Box 580, Civic Centre
Sault Ste. Marie, Ontario
Canada. P6A 5N1
(705) 759-5347
(705) 759-5952 (Fax)
E-Mail:
j.fratesi@cityssm.on.ca
b.berlingieri@cityssm.on.ca

2013 09 23

Mayor Debbie Amaroso and
Members of City Council
Civic Centre

RE: STAFF TRAVEL REQUESTS

Dear Council:

The following staff travel requests are presented to you for approval:

1. **Francois Couture – Engineering & Planning – Building Division**
OBOA Annual Meeting & Training
October 6 - 10, 2013
Hamilton, Ontario
Estimated total cost to the City - \$ 1,562.33
Estimated net cost to the City - \$ 1,562.33
2. **Don Maki – Engineering & Planning – Building Division**
LMCBO Fall Workshop
October 22 - 25, 2013
Orillia, Ontario
Estimated total cost to the City - \$1,081.00
Estimated net cost to the City - \$1,081.00
3. **John Luszka – Human Resources Department**
Pharmacy Solutions in Drug Plan Management - 2013
September 25 – 26, 2013
Toronto, Ontario
Estimated total cost to the City - \$ 453.41
Estimated net cost to the City - \$ 104.50
4. **Peter Liepa – Finance – Tax & Licence Division**
Municipal Liason Group (MPAC)
October 17, 2013
Pickering, Ontario
Estimated total cost to the City - \$ 669.54
Estimated net cost to the City - \$ 669.54

5. Joanne Pearson – Social Services – Housing Operations Division

ONPHA Conference

October 18 – 20, 2013

Toronto, Ontario

Estimated total cost to the City - \$ 1,479.98

Estimated net cost to the City - \$ 1,479.98

6. Mike Lebel – Public Works & Transportation Department

Snow & Ice Colloquium - 2013

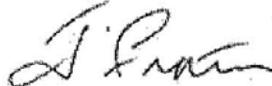
October 22 - 25, 2013

Mississauga, Ontario

Estimated total cost to the City - \$1,271.76

Estimated net cost to the City - \$1,271.76

Yours truly,



JMF: bb

Joseph M. Fratesi
Chief Administrative Officer

5(g)

Tim Gowans
Manager of Purchasing



Finance Department
Purchasing Division

2013 09 23

Mayor Debbie Amaroso and
Members of City Council

RE: TENDERS FOR EQUIPMENT – PUBLIC WORKS & TRANSPORTATION DEPT.

PURPOSE

Attached hereto for your information and consideration are the summaries of the tenders received for the supply & delivery of various pieces of equipment required by the Public Works & Transportation Department.

BACKGROUND

The tender was publicly advertised and tender documents forwarded to all firms on our bidders lists. A public opening of the tenders was held July 30, 2013 with Councillor Susan Myers representing City Council.

ANALYSIS

The tenders received have been thoroughly evaluated and reviewed by Mr. Mike Blanchard, Manager of Equipment & Building Maintenance, and the low tendered prices, meeting specifications, have been indicated on their respective summaries.

IMPACT

On May 13, 2013, Council approved the PWT New Equipment Needs Report for 2013 with an allocation of \$1,585,000.00 for the purchase of the equipment contained in this report which included a single Tandem Plow Truck. The total purchase price for the listed equipment amounts to \$1,431,184.23.

There is an additional cost of \$167,961.18, associated with the purchase of a second Tandem Plow Truck to replace a unit destroyed in a fire. This cost will be totally funded through insurance proceeds.

The total purchase price for this equipment replacement is \$1,599,145.41; H.S.T. extra.

STRATEGIC PLAN

This equipment replacement is not an activity listed in the Corporate Strategic Plan.

RECOMMENDATION

It is therefore my recommendation that the tenders for equipment be awarded as follows:

-More-

2013 09 23

Page 2

<u>Item</u>	<u>Supplier</u>	<u>Amount</u> <u>(H.S.T. Extra)</u>
Two (2) 58000 GVW Tandem Trucks c/w Plow, Wing, Harness & Dump Box	Lakeway Truck Centre Ltd.	\$ 335,922.36
One (1) Municipal Tractor c/w Snowblower, Plow & Sweeper	Work Equipment Ltd.	\$ 133,000.00
One (1) Vacuum Body Sewer Cleaning Truck	TMS Truck Centre Ltd.	\$ 362,504.00
One (1) 4-Wheel Vacuum Street Sweeper	Joe Johnson Equipment Inc.	\$ 249,627.00
One (1) Detachable Loader Mounted Snowblower	J.A. LaRue Inc.	\$ 144,448.00
One (1) 19,500 GVW Rear Dumping Trash Compactor Truck	Haul-All Equipment Ltd.	\$ 152,660.00
One (1) 250 KW Emergency Building Generator	Toromont CAT	\$ 111,679.05
Two (2) 13500 GVW Dump Trucks	Commercial Truck Equipment Corp.	\$ <u>109,305.00</u>
	TOTAL:	<u>\$1,599,145.41</u>

This report is submitted for Council's approval.

Respectfully submitted,



Tim Gowans
Manager of Purchasing

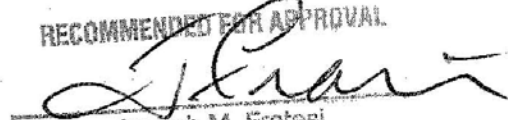
TG:nt
Attach.

Recommended for approval,



W. Freiburger
Commissioner of Finance & Treasurer

RECOMMENDED FOR APPROVAL



Joseph M. Fratesi
Chief Administrative Officer

FINANCE DEPARTMENT
PURCHASING DIVISION
Budget Amount: \$195,000.00

Received: July 30, 2013
File: 2013WA07T

SUMMARY OF TENDERS
ONE (1) 58000 GVW TANDEM TRUCK C/W PLOW, WING, HARNESS & 14' CONTRACTOR TYPE DUMP BOX

<u>Firm</u>	<u>Opt.</u>	<u>Make & Model</u>	<u>Delivery</u>	<u>Warranty</u>	<u>Total Tendered Price</u> <u>(H.S.T. extra)</u>	<u>Remarks</u>
All North Truck Centre Sault Ste. Marie, ON		2014 Mack GU433 Del/TENCO Equipment Pkg	120 w/days	1 yr/161,000 km Basic 7 yr/400,000 km Ext. Eng. 1 yr. Equip. Pkg.	\$198,033.25	Does not meet Specifications Front Axle not set back
Lakeway Truck Centre Sault Ste. Marie, ON	1	2014 International 7500 SBA Gin-Cor Equipment Pkg	120 w/days	1 yr/unlimited Basic 7 yr/240,000 km Ext. Eng. 1 yr. Equip. Pkg.	\$167,961.18	Meets Specifications
	2	2014 International 7500 SBA S & B Services Equipment Pkg	120 w/days	1 yr/unlimited Basic 7 yr/240,000 km Ext. Eng. 1 yr. Equip. Pkg.	\$185,709.18	Meets Specifications
TMS Truck Centre Ltd. Sault Ste. Marie, ON	1	2014 Freightliner 108 SD Larochelle Equipment Pkg	115-120 w/days	2 yr/unlimited Basic 7 yr/400,000 km Ext. Eng. 1 yr. Equip. Pkg.	\$168,545.00	Meets Specifications Registration Extra
	2	2014 Freightliner 108 SD Del/TENCO Equipment Pkg	115-120 w/days	2 yr/unlimited Basic 7 yr/400,000 km Ext. Eng. 1 yr. Equip. Pkg.	\$180,699.00	Meets Specifications Registration Extra
	3	2014 Freightliner 108 SD Gin-Cor Equipment Pkg	115-120 w/days	2 yr/unlimited Basic 7 yr/400,000 km Ext. Eng. 1 yr. Equip. Pkg.	\$173,086.00	Meets Specifications Registration Extra

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$170,917.30 including the non-refundable portion of the H.S.T.

It is my recommendation that the tendered price, submitted by Lakeway Truck Centre, for Option 1, be accepted.

Tim Gowans
Manager of Purchasing

579

FINANCE DEPARTMENT
PURCHASING DIVISION
Budget Amount: \$155,000.00

Received: July 30, 2013
File: 2013WA08T

SUMMARY OF TENDERS
ONE (1) 4WD MUNICIPAL TRACTOR C/W SNOWBLOWER, PLOW & SWEEPER

<u>Firm</u>	<u>Make & Model</u>	<u>Delivery</u>	<u>Warranty</u>	<u>Total Tendered Price (Including trade-in; H.S.T. extra)</u>	<u>Remarks</u>
CUBEX Ltd. Brantford, ON	2013 MacLean MV2	30-45 w/days	12 months/600 hrs. 24 mon. engine	\$118,414.08	Does not meet Specifications Not equipped with Deep Reduction Gearbox Controls not as spec'd wheelbase, length, width & height greater than spec'd not equipped with sliding rear window snowblower not as spec'd
Joe Johnson Equipment Inc. Innisfil, ON	2013 Trackless MT6	60 w/days	12 months/600 hrs. 24 mon. engine	\$146,500.00	Meets Specifications
Viking Cives Ltd. Mount Forest, ON	2013 M-B MSV	60 w/days	1 year	\$123,909.31	Does not meet Specifications Not equipped with deep reduction gearbox wheelbase, length & height greater than spec'd fuel tank smaller than spec'd not equipped with sliding rear window snowblower not as spec'd
Work Equipment Ltd. Courtland, ON	2013 Trackless MT6	45 w/days	12 months/600 hrs. 24 mon. engine	\$133,000.00	Meets Specifications

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$135,340.80 including the non-refundable portion of the H.S.T.

It is my recommendation that the tendered price which includes the Trade-In Allowance, submitted by Work Equipment Ltd., be accepted.

Tim Gowans
Manager of Purchasing

569

FINANCE DEPARTMENT
PURCHASING DIVISION
Budget Amount: \$400,000.00

Received: July 30, 2013
File: 2013WA09T

SUMMARY OF TENDERS
ONE (1) VACUUM BODY SEWER CLEANING TRUCK

<u>Firm</u>	<u>Opt.</u>	<u>Make & Model</u>	<u>Delivery</u>	<u>Warranty</u>	<u>Total Tendered Price (Including trade-in; H.S.T. extra)</u>	<u>Remarks</u>
CM Equipment Ontario Ajax, ON		Freightliner 114SD 2014 VacCon V-312E/1300LMA	145-160 w/days	2 yr.-Chassis 1 yr.-Equipment	\$373,260.00	Does not meet Specifications Specifications Chart not fully completed
CUBEX Ltd. Brantford, ON		2014 Freightliner 108SD Vacall AJV 1213	180-210 w/days	2 yr.-Chassis 1 yr. plus-Equipment	\$340,394.46	Does not meet Specifications Not equipped with blower as spec'd Compressor capacity less than spec'd Vacuum system not driven by auxiliary engine Hose Reel not as spec'd Does not maintain full constant vacuum when in motion Pipe storage not as spec'd
Joe Johnson Equipment Inc. Innisfil, ON	A	2014 Freightliner 108SD 2014 Vactor 2100 Plus	185-210 w/days	2 yr.-Chassis 1 yr. plus-Equipment	\$362,973.00	Meets Specifications
	B	2014 International 7500 SBA 2014 Vactor 2100 Plus	185-210 w/days	1 yr.-Chassis 1 yr. plus-Equipment	\$369,678.00	Meets Specifications
Lakeway Truck Centre Sault Ste. Marie, ON		2014 International 7500 SBA 2014 Vactor 2100 Plus	200-360 w/days	1 yr.-Chassis 1 yr. plus-Equipment	\$365,760.51	Meets Specifications
TMS Truck Centre Ltd. Sault Ste Marie, ON		2014 Freightliner 108SD 2014 Vactor 2100 Plus	260 w/days	2 yr.-Chassis 1 yr. plus-Equipment	\$362,504.00	Meets Specifications

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$368,884.07 including the non-refundable portion of the H.S.T.

It is my recommendation that the tendered price which includes the Trade-In Allowance, submitted by TMS Truck Centre Ltd., be accepted.

Tim Gowans
Manager of Purchasing

519

FINANCE DEPARTMENT
PURCHASING DIVISION
Budget Amount: \$235,000.00

Received: July 30, 2013
File: 2013WA10T

SUMMARY OF TENDERS
ONE (1) 4-WHEEL VACUUM STREET SWEEPER

<u>Firm</u>	<u>Opt.</u>	<u>Make & Model</u>	<u>Delivery</u>	<u>Warranty</u>	<u>Total Tendered Price</u> <u>(Including trade-in;</u> <u>H.S.T. extra)</u>	<u>Remarks</u>
Amaco Construction Equipment Inc. Mississauga, ON		Autocar Chassis 2013 Johnston VT651	165-180 w/days	not stated	\$241,204.98	Does not meet Specifications Main Broom Narrower than spec'd Vacuum Hose Smaller than spec'd Auxiliary Engine shares Vehicle Battery
CUBEX Ltd., Brantford, ON		2013 Ravo-Fayat 5 Series	150-180 w/days	2 yrs/2000 hrs	\$217,622.15	Does not meet Specifications Not equipped with Dual Position steering Hopper smaller than spec'd Vacuum Hose Smaller than spec'd Main Broom Narrower than spec'd Water Reservoir smaller than spec'd
Joe Johnson Equipment Inc. Innisfil, ON	A	2014 Freightliner M2 106 2014 Elgin Whirlwind MV	245-265 w/days	2 years-Chassis 1 year-Equipment	\$223,537.00	Does not meet Specifications Not Cab-Over Chassis as specified
	B	2014 Autocar Xpert 2014 Elgin Whirlwind MV	135-155 w/days	1 year-Chassis 1 year-Equipment	\$249,627.00	Meets Specifications

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$254,020.44 including the non-refundable portion of the H.S.T.

It is my recommendation that the tendered price which includes the Trade-In Allowance, submitted by Joe Johnson Equipment Inc., for Option B, be accepted.

Tim Gowans
Manager of Purchasing

579

FINANCE DEPARTMENT
PURCHASING DIVISION
Budget Amount: \$185,000.00

Received: July 30, 2013
File: 2013WA11T

SUMMARY OF TENDERS
ONE (1) DETACHABLE LOADER MOUNTED SNOWBLOWER

<u>Firm</u>	<u>Make & Model</u>	<u>Delivery</u>	<u>Warranty</u>	<u>Total Tendered Price</u> <u>(Including trade-in;</u> <u>H.S.T. extra)</u>	<u>Remarks</u>
J.A. Larue Inc. Quebec City, QC	2014 Larue D60	90 w/days	2 yrs-engine 1 yr-equipment	\$144,448.00	Meets Specifications
RPM Tech Inc. Laval, QC	2013 RPM 227M	30 w/days	2 yrs-engine 1 yr-equipment	\$136,940.88	Does not meet Specifications Input/Output Shafts not as spec'd

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$146,990.28 including the non-refundable portion of the H.S.T.

It is my recommendation that the tendered price which includes the Trade-In Allowance, submitted by J.A. Larue Inc., be accepted.

Tim Gowans
Manager of Purchasing

569

FINANCE DEPARTMENT
PURCHASING DIVISION
Budget Amount: \$170,000.00

Received: July 30, 2013
File: 2013WA12T

SUMMARY OF TENDERS
ONE (1) 19500 GVW REAR DUMPING/SIDE LOADING TRASH COMPACTOR TRUCK

<u>Firm</u>	<u>Opt.</u>	<u>Make & Model</u>	<u>Delivery</u>	<u>Warranty</u>	<u>Total Tendered Price</u> <u>(H.S.T. extra)</u>	<u>Remarks</u>
Haul-All Equipment Limited Lethbridge, AB	1	2014 Ford F550 2013 Haul-All M1600S	120 w/days	36 month-chassis 1 yr-equipment	\$152,660.00	Meets Specifications
	2	2014 International Terrastar 2013 Haul-All M1600S	120 w/days	36 month-chassis 1 yr-equipment	\$155,150.00	Meets Specifications

Note: The low tendered price, meeting specifications, is boxed above.

Although tenders from only one Bidder were received, they are deemed to be fair & equitable.

The total cost to the City will be \$155,346.82 including the non-refundable portion of the H.S.T.

It is my recommendation that the tendered price which includes the Trade-In Allowance, submitted by Haul-All Equipment Limited, for Option 1,, be accepted.

Tim Gowans
Manager of Purchasing

569

FINANCE DEPARTMENT
PURCHASING DIVISION
Budget Amount: \$115,000.00

Received: July 30, 2013
File: 2013WA13T

SUMMARY OF TENDERS
ONE (1) 250 KW EMERGENCY BUILDING GENERATOR

<u>Firm</u>	<u>Make & Model</u>	<u>Delivery</u>	<u>Warranty</u>	<u>Total Tendered Price</u> <u>(H.S.T. extra)</u>	<u>Remarks</u>
GAL Power Northern Sudbury, ON	2013 SDMO Model V250U	70 w/days	2 years	\$79,775.00	Does not meet Specifications Specifications Chart not completed No local Service
Genco Generators Inc. Wellesley, ON	2013 Genco Model GDX-300-3	80 w/days	2 yr./2,500 hours	\$71,123.59	Does not meet Specifications No local Service
HD Equipment Sales & Service Sault Ste. Marie, ON	2013 D.N. Power Generation Model DNCC344	120 w/days	1 yr./2,000 hours	\$58,995.00	Does not meet Specifications Runtime less than spec'd with integrated tank Sound Insulation not as spec'd Not equipped with heater (CSA Require.) Transfer Switch not as spec'd
Northshore Tractor Ltd. Echo Bay, ON	2013 Power Star Model 6D250C3	40 w/days	2 yr./1,500 hours	\$68,487.30	Does not meet Specifications Runtime less than spec'd
Sommers Motor Generator Sales Ltd. Tavistock, ON	2013 Sommers SDDTWAS300U	70-80 w/days	2 yr./3,000 hours	\$93,250.00	Does not meet Specifications No local Service Sound Insulation not as spec'd
Toromont CAT Concord, ON	2013 Caterpillar Model C9-250KW	150 w/days	2 years	\$111,679.05	Meets Specifications
Total Power Sudbury, ON	2013 Generac Model SD250	45 w/days	2 years	\$79,000.00	Does not meet Specifications No local Service

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$113,644.60 including the non-refundable portion of the H.S.T.
It is my recommendation that the tendered price, submitted by Toromont CAT, be accepted.

Tim Gowans
Manager of Purchasing

569

FINANCE DEPARTMENT
PURCHASING DIVISION
Budget Amount: \$130,000.00

Received: July 30, 2013
File: 2013WA14T

SUMMARY OF TENDERS
TWO (2) 13500 GVW DUMP TRUCKS

<u>Firm</u>	<u>Make & Model</u>	<u>Delivery</u>	<u>Warranty</u>	<u>Total Tendered Price</u> <u>For Two (2)</u> <u>(Including trade-in;</u> <u>H.S.T. extra)</u>	<u>Remarks</u>
Commercial Truck Equipment Corp. Woodstock, ON	2014 Ford F350 Rugby Dump Body	60-70 w/days	3 yr/60,000 km Basic 3 year Dump Body	\$109,305.00	Meets Specifications
Maitland Ford Lincoln Sault Ste. Marie, ON	2013 Ford F350 Twin Equip. Dump Body	45 w/days	3 yr/60,000 km Basic 5 year Dump Body	\$111,408.00	Meets Specifications Registration & License Extra

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$111,228.77 including the non-refundable portion of the H.S.T.

It is my recommendation that the tendered price which includes the Trade-In Allowance, submitted by Commercial Truck Equipment Corp., be accepted.

Tim Gowans
Manager of Purchasing

569



Bellevue & Bondar Marinas
Cultural
Historic Sites
Leisure Services/Leadership
Recreational Lock
Roberta Bondar Tent Pavilion
Seniors' Services
Sports/Events/Development

September 23, 2013

Mayor Debbie Amaroso
and Members of City Council

REQUEST FOR FINANCIAL ASSISTANCE FOR NATIONAL / INTERNATIONAL SPORTS COMPETITIONS – ZEPHYR ROULEAU

PURPOSE

This report is to seek City Council's approval of an application under the Parks and Recreation Advisory Committee's Financial Assistance Program for National/International Sports Competitions.

BACKGROUND

The Parks and Recreation Advisory Committee's Financial Assistance Program for National/International Sports Competitions is a program endorsed by City Council to support local athletes, including teams and individuals who excel at their given sport on the national or international level. The program has a set of criteria by which applications are assessed and specific levels of financial assistance are governed. City Council gives final approval of all applications.

ANALYSIS

The attached application was received from Stephen Rouleau on behalf of his 15 year old son Zephyr Rouleau for a financial assistance grant to attend the World Karate and Kickboxing Council's World Championships in Taranto, Italy from October 14 to 19, 2013. The Parks and Recreation Advisory Committee reviewed the application at their meeting on September 3, 2013 and found that it meets the criteria of the Financial Assistance Policy. The following resolution was passed:

Moved by: R. Carricato

Seconded by: G. Cavallo

"Resolved that the Parks and Recreation Advisory Committee endorse the application for Zephyr Rouleau in the amount of \$200 to attend the World Karate and Kickboxing Council's World Championships in Taranto, Italy from October 14 to 19, 2013 and that a report be sent to City Council for their approval."

CARRIED

5(h)

IMPACT

Core funding for various financial assistance programs is provided in the City's budget.

STRATEGIC PLAN

This is not included in the City's Corporate Strategic Plan.

RECOMMENDATION

That the report of the Manager of Recreation and Culture concerning a financial assistance grant for Zephyr Rouleau be received and that the recommendation of the Parks and Recreation Advisory Committee that City Council approve a \$200 financial assistance grant to attend the World Karate and Kickboxing Council's World Championships in Taranto, Italy from October 14 to 19, 2013, be approved.

Respectfully submitted,



Joseph J. Cain
Manager Recreation and Culture

Recommended for approval,

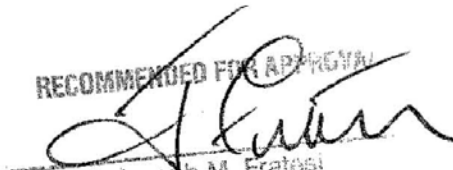


Nicholas J. Apostle
Commissioner Community Services

ii/reccuit/prac/national int sport financial assist/2013/council report rouleau

attachments

RECOMMENDED FOR APPROVAL



Joseph M. Fratoni
Chief Administrative Officer

5(h)

COMMUNITY SERVICES DEPT.

JUL 22 2013

RECEIVED



**REQUEST FOR FINANCIAL ASSISTANCE FOR
NATIONAL/INTERNATIONAL SPORTS COMPETITIONS
APPLICATION FORM**

PLEASE PRINT

Name and Address of Applicant:

Correspondence will be directed to this name and address.

Name: STEPHEN ROULEAU FOR ZEPHYR ROULEAUAddress: SAULT STE. MARIE Postal Code: [REDACTED]Phone: [REDACTED] (H) [REDACTED] (W) Fax: [REDACTED]Email: [REDACTED]**Name and Address of Athlete(s):** (if different from applicant)

Attach team list to application form if applicable. (athletes only)

Name: ZEPHYR ROULEAU (AGE 15)Address: 25 RAVINA ST. SAULT STE. MARIEPostal Code P6B 5Y3**Name of Team or Club (if applicable):****Name of National or International Sporting Competition:**THE 5TH WKC WORLD CHAMPIONSHIPS**Date(s) of Competition:**OCTOBER 14TH TO 19TH, 2013**Location of Competition:**TARANTO, ITALY**Name of Sports Governing Body:**WORLD KARATE + KICKBOXING COUNCIL (WKC)

Please append correspondence (email or letter) that confirms individual or team eligibility as a Northern Ontario, Ontario or Canadian representative from the applicable sport governing body. APPLICATIONS WILL NOT BE PROCESSED OR APPROVED WITHOUT PROOF OF ELIGIBILITY.

Total Amount of Assistance Requested:
(See Policy for application limits)

\$ 200.00

Please specify, as accurately as possible, how the financial assistance will be used if approved.

REGISTRATION FEE'S @ 70 EURO'S / EVENT

Have you previously requested financial assistance from the City?

No _____ Yes ☒ Amount \$ 200?

If yes, please indicate the year(s):

2011

If this application for funding is approved, the payment cheque should be payable to:

STEPHEN ROULEAU

- For recipients under the age of 18, payment will generally be provided to a parent or guardian, as circumstances dictate.
- Funding for sports teams will be payable to the coordinating group, sport association or financial representative.

I CERTIFY that to the best of my knowledge, the information provided in the Request for Financial Assistance for National/International Sports Competitions Application Form is accurate and complete and is endorsed by the individual or the not-for-profit sports team I represent.

DATE: 2013 07 19
Year Month Day

STEPHEN ROULEAU [Signature] [Redacted]
Name Title Signature Phone Number
(Applicant) (If applicable)

John Gencarelli President [Signature] [Redacted]
Name Title Signature Phone Number
(Club Official)

- Two signatures are required.
- Applications submitted with only one signature will not be accepted.
- Applications received after the date of the competition will not be accepted.

PLEASE RETURN THIS FORM IN PERSON OR BY MAIL TO:

Recreation and Culture Division
Community Services Department
Civic Centre,
99 Foster Drive,
Sault Ste. Marie, ON
P6A 5X6

For additional information:

Please call 759-5310 between the hours of 8:30 a.m. to 4:30 p.m., Monday to Friday.

The information requested above is being collected pursuant to the Municipal Act and in accordance with the Municipal Freedom of Information and Protection of Privacy Act. The information collected will be strictly used to determine eligibility for a financial assistance grant to attend a national or international sporting competition as defined in the Financial Assistance Policy. For more information or if you have any questions regarding its collection and use please contact the Recreation and Culture Division of the Community Services Department at 759-5310.

Request for Financial Assistance for National/International Sports Competitions

Please find attached and application to requesting financial assistance for Zephyr Rouleau who will be competing at the World Karate and Kickboxing (WKC) championships in Taranto, Italy (October 14-19th, 2013).

Zephyr Rouleau qualified for the WKC Championships in Italy by winning three silver medals (Continuous/light contact sparring, Chinese/soft style forms and Korean forms) at the WKC National qualifier held in Ottawa (May 2013). Zephyr had qualified for Nationals by winning several gold at the Northern Ontario Provincial Championships held here in Sault Ste. Marie.

Zephyr's three silver medals at National's qualified him to compete in each of those three events at the World Championships in Italy. A copy of his invite and of the National results are attached to the application.

For more information about the World Karate and Kickboxing Council (WKC) and the World Championships in Taranto, Italy, Spain please go to www.worldkickboxingcouncil.com.

For more information regarding the Provincial and National championships which Zephyr competed at and qualified for the World Championships please go to the Canadian WKC site at www.wkccanada.com or contact Master John Gencarelli [REDACTED]

If additional information is required as part of the application for funding please contact Stephen and/or Dawnna Rouleau [REDACTED]

Background Information on Zephyr Rouleau (age 15)

Zephyr has been training in Dahn Moo Do with Chief Master John Gencarelli for the past 8 years. Over that time he has learned a lot about working hard, discipline and dedication. He has competed in many local, Provincial, State and National Championships and one World Championships (Cadiz, Spain 2011) all before earning his Black Belt.

The work has paid off; his room is filled with trophies and medals and after much hard work and dedication Zephyr earned his Black Belt in May 2013.

Zephyr is a grade 11 student at White Pines where he is also enrolled in the Integrated Arts Program. As part of that program Zephyr has been involved in a number of theatre productions including having a starring role in the play "Into the Woods". This fall he is performing in "Fiddler on the Roof". He sings and plays several instruments including guitar, piano and drums and has performed in venues as large as the Essar Centre.

Zephyr also volunteers his time with a number of organizations and at special events; such as Rotaryfest, Adult Special Education classes, Community day and Christmas parades, Algoma Public Health's student education program and with Sault Search and Rescue where he has helped during fund raisers, dragon boats and during training exercises.

He is currently training for the WKC World Championships to be held in Taranto, Italy (October 4-19th, 2013).

Stephen and Dawnna Rouleau
Sault Ste. Marie, Ontario



Tuesday, July 16th 2013

Object: Confirmation of Participation

This is to confirm that Zephyr Rouleau will be participating at the WKC world championship in Taranto Italy from October 14th to October 19th, 2013.

In addition, we confirm that the World Championship is sanctioned by the WKC World Karate & Kickboxing Council.

For more information, please contact Master John Douvris by telephone at 613-234-5000 or via email at info@douvris.com.

A handwritten signature in black ink, appearing to be 'JD' followed by a long horizontal stroke.

Master John Douvris

Ty Pravong- Bronze
Jeremy Ouellette- 4th place

BOYS 12 AND UNDER MUSICAL WEAPONS
Jeremy Ouellette- Gold
Justin Prietramphann- Silver
Karlson Khamvongsa- Bronze
Ty Pravong- 4th place

BOYS 12 AND UNDER CREATIVE WEAPONS
Keven Labrecque- Gold
Jeremy Ouellette- Silver
Ty Pravong- Bronze
Karlson Khamvongsa- 4th place

BOYS 13-15 FORMS AND WEAPONS

BOYS 13-15 HARD STYLE
Raven Wheask- Gold
Justin Liu- Silver
Marc Antoine Lauzon- Bronze
Philippe Marmide- 4th place

BOYS 13-15 CHINESE/SOFT STYLE
Steven Adams- Gold
Zephyr Rouleau- Silver
Arden Lohara- Bronze
David Smith- 4th place

BOYS 13-15 KOREAN STYLE
Raven Wheask- Gold
Zephyr Rouleau- Silver
David Padcock- Bronze
Arden Lohara- 4th place

BOYS 13-15 FREE STYLE
Raven Wheask- Gold
Steven Adams- Silver
William Poon- Bronze
Grant Gauthier- 4th place

BOYS 13-15 EXTREME
Raven Wheask- Gold
Felix Marchand- Silver
Steven Adams- Bronze
Mikael Seranousian- 4th place

BOYS 13-15 TRADITIONAL WEAPONS
Justin Liu- Gold
Marc Antoine Lauzon- Silver
Steven Adams- Bronze
Louis Angers- 4th place

BOYS 13-15 MUSICAL WEAPONS
Chad Patry Dantigny- Gold
Raven Wheask- Silver
Jacob Venne- Bronze
Steven Adams- 4th place

BOYS 13-15 CREATIVE WEAPONS
Justin Liu- Gold
Raven Wheask- Silver
Marc Andre Lauzon- Bronze
Joshua Wong- 4th place

BOYS 16-17 FORMS AND WEAPONS

BOYS 16-17 HARD STYLE
Alex Cousineau- Gold
Ryan Welsh- Silver
Alexandra Hamelin- Bronze
Keven Gauthier- 4th place

BOYS 16-17 CHINESE/SOFT STYLE
Alex Cousineau- Gold
Roberto De Palma- Silver
Ryan Welsh- Bronze- 4th place

BOYS 16-17 KOREAN STYLE
Nick Marchuk- Gold

GIRLS 12 AND UNDER MUSICAL WEAPONS
Anita Bregault- Gold
Andrea Elashuk- Silver
Kyla Mist- Bronze
Rose Rhaume- 4th place

GIRLS 12 AND UNDER CREATIVE WEAPONS
Jennifer Liu- Gold
Andrea Elashuk- Silver
Kyla Giardino- Bronze
Eloise Morin- 4th place

GIRLS 13-15 FORMS AND WEAPONS

GIRLS 13-15 HARD STYLE
Stefany Mercier- Gold
Stephanie Kovacs- Silver
Emily Muscio- Bronze
Katie Maxwell-Campagna- 4th place

GIRLS 13-15 CHINESE/SOFT STYLE
Cassya Walla- Gold
Danka Plouffe- Silver
Samantha Martins-MacDonald- Bronze
Katie Maxwell-Campagna- 4th place

GIRLS 13-15 KOREAN STYLE
Danka Plouffe- Gold
Cassya Walla- Silver
Megan Barnes- Bronze
Samantha Martina MacDonald- 4th place

GIRLS 13-15 FREE STYLE
Emily Muscio- Gold
Stefany Mercier- Silver
Stephanie Kovacs- Bronze
Vicky Lavole- 4th place

GIRLS 13-15 EXTREME
Caroline Filion- Gold
Emily Muscio- Silver
Stefany Mercier- Bronze
Stephanie Kovacs- 4th place

GIRLS 13-15 TRADITIONAL WEAPONS
Soleana Morison- Gold
Melissa Baillergeon- Silver
Stefany Mercier- Bronze
Serana Moffatt- 4th place

GIRLS 13-15 MUSICAL WEAPONS
Caroline Filion- Gold
Melissa Baillergeon- Silver
Stephanie Kovacs- Bronze
Alexis McGrath-Frangakis- 4th place

GIRLS 13-15 CREATIVE WEAPONS
Melissa Baillergeon- Gold
Emily Muscio- Silver
Stefany Mercier- Bronze
Alexis McGrath-Frangakis- 4th place

GIRLS 16-17 FORMS AND WEAPONS

GIRLS 16-17 HARD STYLE
Brianna Smith- Gold
Melissa Pichette- Silver
Danielle McConachie- Bronze
Theresa Handrigan- 4th place

GIRLS 16-17 CHINESE/SOFT STYLE
Brianna Ouellette- Gold
Caitlin Matthews- Silver

GIRLS 16-17 KOREAN STYLE
Brianna Ouellette- Gold
Theresa Handrigan- Silver
Caitlin Matthews- Bronze

GIRLS 16-17 FREE STYLE- None

BOYS 12 AND UNDER -55 KG CONTINUOUS
Aidan McMahon- Gold

BOYS 13-15 CONTINUOUS SPARRING

BOYS 13-15 -55 KG CONTINUOUS
Calkin Sutherland-Rollins- Gold
Nicholas Bourque- Silver
David Grady- Bronze

BOYS 13-15 -55 KG CONTINUOUS
Kurtis Prokash- Gold

BOYS 13-15 -55 KG CONTINUOUS
Cody Mullaney- Gold

BOYS 13-15 -60 KG CONTINUOUS
Justin Liu- Gold
Felix Marchand- Silver

BOYS 13-15 -65 KG CONTINUOUS
Blake Hewater- Gold
Jasper Rupples- Silver
Tareq Abu Khadra- Bronze
Andrew Begley- 4th place

BOYS 13-15 -65 KG CONTINUOUS
Spencer Cunningham- Gold
Rider Kahi- Silver
Daniel Mosannet- Bronze
Brandon Tweed- 4th place

BOYS 16-17 CONTINUOUS SPARRING

BOYS 16-17 -55 KG CONTINUOUS - None

BOYS 16-17 -60 KG CONTINUOUS - None

BOYS 16-17 -65 KG CONTINUOUS - None

BOYS 16-17 -70 KG CONTINUOUS
Mitchel Tholett- Gold
Logan Robertson- Silver
Will Basawa- Bronze
Nate Alexopoulos- 4th place

BOYS 16-17 -70 KG CONTINUOUS
Kevin Miller- Gold
Jean David Rousseau- Silver
Tyson Hirscher- Bronze
Brandon Hudson- 4th place

[BACK TO TOP](#)

GIRLS 15-17 -55 KG CONTINUOUS
Breanna Smith- Gold
Jessica Vass- Silver
Tanna Labordia- Bronze
Anna Cyr- 4th place

[BACK TO TOP](#)



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5(i)

Jerry Dolcetti, RPP
Commissioner

Catherine Taddo, P. Eng.
Land Development & Environmental
Engineer



ENGINEERING & PLANNING
DEPARTMENT

Engineering & Construction Division

2013 09 23

Our File: Contract 2013-10E

Mayor Debbie Amaroso and
Members of City Council

**RE: CONTRACT 2013-10E
SMALL PUMP STATION UPGRADES**

PURPOSE

The purpose of this report is to obtain approval to award Contract 2013-10E, Small Pump Station Upgrades.

BACKGROUND

At the June 10, 2013 meeting, Council authorized entering into an agreement for engineering services with AECOM, for the Muriel Avenue, Fort Creek Drive, and Tallack Boulevard Sewage Pump Station upgrades. Upgrades include, but are not limited to, new control panels, new submersible pumps, and additional storage at the Fort Creek location to reduce minor overflows.

ANALYSIS

A total of two (2) tenders were received. All tenders submitted were found to be complete. The results are summarized on the attached report. The low tender of **\$628,459.26** (including HST) was received from Avery Construction. This is 14% higher than the Engineer's pre-tender estimate for this contract of \$551,180.30 (including HST). The difference may be related to the fact that only two bids were received, resulting in less competitive pricing.

IMPACT

When recoverable HST is removed and allowances for engineering are added, the City's cost to complete this work is projected to be **\$646,846.24**. This is over the projected budget of \$600,000 for the project, however, there is sufficient budget remaining within the sanitary sewer surcharge account for the remaining cost.

STRATEGIC PLAN

The small pump station upgrades are linked to Objective 1A, Environmental Leadership under the Developing Solid Infrastructure strategic direction.

RECOMMENDATION

We recommend Contract 2013-10E be awarded to Avery Construction. By-law 2013-172 authorizing execution of the Contract has been placed on the Agenda for your consideration.

\\ENGINEERING DATA\COUNCIL\Taddo\2013\2013-10E - Council - Small Pump Station Award - 2013 09 23.docx

The Corporation of the City of Sault Ste. Marie
P.O. Box 580 ~ 99 Foster Drive ~ Sault Ste. Marie, ON P6A 5N1
Telephone: (705) 759-5380 ~ Fax: (705) 541-7185
www.cityssm.on.ca ~ c.taddo@cityssm.on.ca

2013 09 23

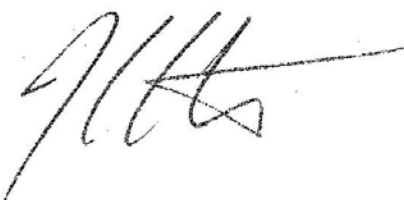
Page 2

Respectfully submitted,



Catherine Taddo, P. Eng.
Land Development and Environmental Engineer

Recommended for approval,

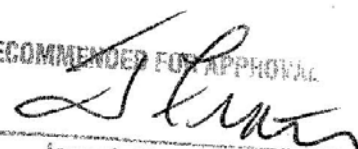


Jerry Dolcetti, RPP
Commissioner
Engineering and Planning Department

Attachs.

c: Bill Freiburger, Commissioner of Finance/Treasurer

RECOMMENDED FOR APPROVAL


Joseph M. Fratesi
Chief Administrative Officer

September 16, 2013

Ms. Catherine Taddo, P. Eng.
City of Sault Ste. Marie
Engineering Department
99 Foster Drive
Sault Ste. Marie, Ontario
P6A 5N1

Dear Ms. Taddo:

Project No: 60302557

**Regarding: Muriel, Tallack, Fort Creek and Pine Sewage Pumping Stations Upgrades
Contract No. 2013-10E
Tender Report**

We have reviewed the tenders received by the City Clerk's office on Thursday, September 12, 2013 for the above contract and present herewith our Tender Report.

1.0 Introduction

Contract No. 2013-10E – Muriel, Tallack, Fort Creek and Pine Sewage Pumping Station Upgrades consists of supplying all materials, labour and equipment for the upgrades to the Muriel, Tallack, Fort Creek and Pine Sewage Pumping Stations including new power supply, control panel enclosures, submersible pumps, and related appurtenances along with supply and installation of 82m of 1200mm dia. sanitary sewer on Fort Creek Drive.

The tender advertisement was published in the Sault Star on Saturday, August 24, 2013 for notification to prospective bidders of the availability of the tender documents. The tender documents were also available for review by potential bidders at the Sault Ste. Marie Construction Association, Sudbury Construction Association, and the Consultant's office.

A total of seven (7) Contractors, Subcontractors and Suppliers picked up tender documents during the tender period following submission of the \$50.00 refundable deposit. Plan takers consisted of four (4) general contractors, and three (3) subcontractors.

During the tender period, there were questions from plan takers on a few issues that were subsequently clarified by addendum. Two (2) addenda were issued by the Consultant to address issues/questions raised by the plan takers and to incorporate some additional work.

2.0 Summary of Tenders

Two (2) Contractors submitted sealed tenders for Contract No. 2013-10E to the City Clerk's office prior to the closing time of 3:00 p.m. on Thursday, September 12, 2013. The tenders were publicly opened at 3:15 p.m. on the same day by City Clerk Malcolm White in the presence of City and Consultant staff as well as representatives of the bidding Contractors. At the time of the tender opening, the Total Tender Values were read and the tenders were reviewed to ensure they included the required \$25,000 tender deposit and agreement to bond.

The tender deposits, which were in the form of certified cheques, were retained by the City while the balance of the tender submissions were provided to the Consultant for a further review of each tender submitted.

The following were the results of the submitted Total Tender Prices, including HST, in ascending order of bid price:

1.	Avery Construction Limited	-	\$628,459.16
2.	R.M. Belanger Limited	-	\$762,481.06

It should be noted that the Total Tender Price for each includes a contingency allowance of \$30,000 along with various provisional items.

The Engineer's tender estimate for this Contract was \$551,180.30 (incl. HST) which was compiled based on prices from previous contracts with similar scope of work. A General Summary of Tender Prices for each of the above tenders along with the Engineer's tender estimate is attached as Appendix 1. The original copies of all tenders received are attached to this report, for the City's records.

3.0 Review of Tenders Received

The tenders were reviewed to verify all tender submission requirements were complied with as stipulated in the Information to Tenderers. A Summary of the review is attached as Appendix 2. The following specific comments are noted:

1. All tenders were properly signed, sealed and executed.
2. The tenders were checked for mathematical errors. The low tender contained a very minor error (\$0.10) in computing the Total Tender Price. The corrections did not change the ranking of any other tenderers and more importantly the low tenderer.
3. The Instructions to Tenderers indicated that all tenders were to include a \$25,000 tender deposit in the form of a certified cheque. Both tenders complied with submission of the required certified cheques.
4. The tender document called for submission of Statements 'A' to 'D' which outline the tenderers' related work experience, supervisory staff, available construction equipment and

proposed sub-contractors. Both tenderers filled in the appropriate statements or attached separate breakdowns.

5. The tender also included Statement 'E' for alternative prices. None of the submissions included alternative pricing.
6. The tenderers were required to provide an Agreement to Bond from a Surety Company certifying that they are able to obtain the required 100% Performance and 50% Labour and Material Payment bonds. An Agreement to Bond was attached to each tender submitted.
7. The tenderers were to provide a completed Statement of Canadian Content. All tenderers submitted the required form.
8. All tenderers were required to acknowledge any Addenda received during the tender period. Both tenderers confirmed receipt of Addendum No.'s 1 and 2.

4.0 Low Bidder Experience

With respect to the low tenderer, Avery Construction Limited, they are a well-known local Contractor who has completed numerous City contracts in the past including a similar City contract relating to the upgrades to the McGregor and Lake Street sewage pumping stations. Subcontractors identified in their tender submission include Pioneer Construction for the asphalt paving and concrete curbs work, and S&T Electrical for the electrical and mechanical items. Both subcontractors also have experience with similar work on past City contracts.

5.0 Tender Estimate

The low tender amount of \$628,459.26 (corrected) (incl. HST) is higher than the Engineer's tender estimate by \$77,278.97 (incl. HST) or approx. 14%. It is believed that the higher tender amount could be related to the fact that only two bids were received thus resulting in less competitive pricing and/or higher than expected pricing for various aspects of the work.

6.0 Conclusions

In summary, based on our detailed review of the tenders submitted, we recommend the following:

1. The required by-law be passed by Council as per the attached Form of Agreement for execution of the related construction contract; and
2. AECOM be authorized to issue an award letter to the successful Contractor which will include requirements for the Contractor to submit the required contract documentation (ie: bonds, insurance, etc.) and prepare the related contracts for signing by both parties.

We hope you find this report acceptable, although, please do not hesitate to call should you have any questions regarding the contents of this Tender Report.

Yours very truly,
AECOM Canada Ltd.



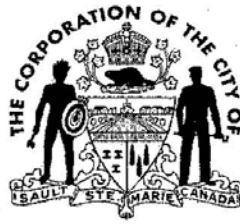
Darrell Maahs, C. Tech.
Project Manager

DRM:nm

Encl.

DM:nm
Encl.

Jerry Dolcetti, RPP
Commissioner



56j)
Engineering & Planning
Department

2013 09 23

Mayor Debbie Amaroso and
Members of City Council

SUBJECT: SUNCOR AND SHELL PROPERTIES

PURPOSE

The purpose of this report is to provide Council with information regarding the SunCor properties (795 Bay Street and 815 McNabb) and the Shell property (1010 McNabb Street).

BACKGROUND

At the Council meeting of August 12, 2013, Council approved the following resolution:

*Whereas the City of Sault Ste. Marie has been encouraging Suncor to clean up their various properties in the community for some time; and
Whereas there has not been any significant progress to date,
Now Therefore Be It Resolved that the appropriate staff prepare an information report for the September 9, 2013 Council meeting to include the approximate 2 year history of all communication between Suncor and the City of Sault Ste. Marie, options available to Council to ensure clean-up and any other information relevant to the issue; said report to include options to ensure upgrade of the Shell oil tanks in our City as well.*

ANALYSIS

Included with this report are recent photos illustrating the present conditions of the property, as well as relevant correspondence. The following describes each location:

795 Bay Street – owned by SunCor

The property is approximately 9.3 acres and is currently vacant. Historically, the property was used as a petroleum distribution terminal and from the early 1930's to the mid-1980's, and soils are predominately impacted with lead and petroleum hydrocarbons. There are test wells on site to assess impact on groundwater.

Given its waterfront location, there has been interest in development, but little has materialized, perhaps due to risk factors. A Phase 1 and Phase 2 environmental site assessment is required to determine level of contamination and provide a cost estimate for a complete risk assessment. SunCor provided a negative response to the City's letter dated 2013 04 19 (attached) requesting that an environmental site assessment be carried out. A second letter dated 2013 07 05 requesting the need to improve the

property's appearance through planting or trimming vegetation has not been acknowledged by SunCor to-date.

The City has initiated significant development in this area, including the extension of the hub trail along the south side of Bay Street through to Church Street connecting the Bushplane Centre to other tourist venues and the start of the Heritage Discovery Centre on the Ermatinger Heritage property. These projects alone are estimated at over \$5M.

Private sector development in the area, both housing and commercial, account for over \$20M in construction, and resulted in adding residential facilities in this section of the downtown area. Curb appeal has increased with the hub trail on the south side of Bay Street, and certainly the importance of this site for future use has increased.

As the photos indicate, little if anything has been done to improve the appearance of the site. The property is impacted with discarded debris, overgrown and unkempt vegetation/plant material. Given its prime location, a general clean-up of the property is warranted and the Building Division through Bylaw enforcement will bring the issue forward for action.

815 McNabb Street – Owned by Suncor

This property is approximately 10.4 acres and accommodates five (5) tanks, offices and a portion is utilized as building material storage by Rona's Building Supply retail sales/service operations. The July 5, 2013 letter is the only correspondence in our files.

Currently, these tanks are empty and their appearance can certainly be improved upon (see attached photos).

1010 McNabb Street – Owned by Shell

This property is approximately 12.29 acres and supports 7 tanks, a rail spur and administrative offices. The frontage on McNabb has some buffering/landscaping; however the size of the tanks overshadows these improvements. Correspondence on file date back to 2008 with complaints of the appearance and need for painting. Correspondence from the City was answered by Shell noting that their appearance did not constitute a structural issue and that health and safety concerns were met and the company was compliant with all regulations and laws of TSSA requirements. As to exterior colours, because of the age of the development, applicable laws are not enforceable.

Notwithstanding, it is staffs position that there is at least a corporate obligation to maintain the appearance of their property. Significant investment has been introduced to this area; approximately \$7.5M to improve road and traffic infrastructure, improved rail service and include the hub trail on the south side of McNabb. Also, private enterprises on McNabb have improved visual appearance to building facades, ie: Meakin Forest Products and Lock City Dairy (photos attached). In addition, Lock City Dairy introduced a new ice-cream parlour this summer, resulting in increased pedestrian and vehicle traffic to the area.

IMPACT

The products produced by these companies are extremely important to the economic well-being of our city and surrounding communities, its businesses and industries. Notwithstanding, Staff are of the opinion that corporate responsibility goes beyond that, and should address the appearance of their properties. This includes surface maintenance of the tanks with a protective coating that will increase their life-cycle as well as aesthetically compliment the natural beauty of our community. These properties are part of the city's entrance and impressions are quick to be made when viewing these unmaintained sites.

STRATEGIC PLAN

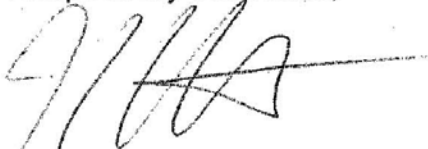
Actions in improving the appearance of land use activities fall within the Strategic Direction 3: Enhancing Quality of Life, Objective 3A – Planning for the Future.

RECOMMENDATION

As part of "next steps", the Bylaw Enforcement Officer will provide documentation and order clean-up of the 739-795 Bay Street property to include removal of debris and cut/trim vegetation as per Bylaw 2012-10 of the Municipal Act; continue discussions with the property owners on the importance of their corporate image; and develop a plan to complete the surface treatment of the tanks, thereby increasing their life cycle. Staff will also explore other avenues to enforce related legislation and report back to Council.

It is recommended that Council accept this report as information.

Respectfully submitted,



Jerry Dolcetti, RPP

Commissioner

Engineering & Planning Department

/bb

Attach.

5(j)

NUALA KENNY
CITY SOLICITOR

MELANIE BOROWICZ-SIBENIK
ASSISTANT CITY SOLICITOR

MATTHEW CAPUTO
SOLICITOR/PROSECUTOR



LEGAL DEPARTMENT



File No. LE 81

2013 04 19

Mr. Paul Swire,
Team Lead - Non Operating Network
SunCor Energy
3275 Rebecca Street
Oakville, ON L6L 6N5

Dear Mr. Swire:

RE: EXP REVIEW

I have reviewed the environmental review prepared by EXP regarding Suncor's property at 795 Bay Street. A copy is attached hereto.

The report identifies several concerns and recommends that a Phase 1 and 2 environmental site assessment be conducted. This would allow us to accurately determine the level of contamination on site and provide a cost estimate for a complete risk assessment and mitigation measures.

Therefore we are asking if Suncor would be agreeable to undertaking this work and consider contributing to the cost.

Thank you for your ongoing commitment to the site. We look forward to hearing from you.

Yours truly,

Nuala Kenny
City Solicitor
NK/cf

cc. Joseph Fratesi, CAO
cc. Councillor Stephen Butland
cc. Don McConnell, Planning Director

staff/leases and licences of occupation/Suncor Hub trail 795 Bay/letter Swire

5(j)
NUALA KENNY
CITY SOLICITOR

MELANIE BOROWICZ-SIBENIK
ASSISTANT CITY SOLICITOR

MATTHEW CAPUTO
SOLICITOR/PROSECUTOR



LEGAL DEPARTMENT



File No. LE 81

2013 07 05

Mr. Paul Swire
Team Lead - Non Operating Network
SunCor Energy
3275 Rebecca Street
Oakville, ON L6L 6N5

Dear Mr. Swire:

RE: 795 BAY STREET - SAULT STE. MARIE, ONTARIO

I write further to my letter of 2013 04 19. At that time I asked if Suncor would be prepared to participate in a further risk assessment on the subject site listed above. You indicated that you are not prepared to proceed in this manner. As you may expect the City is disappointed that this is Suncor's response. However we are still eager to improve the aesthetics of the site. To that end would you kindly consider improving the appearance of the site through planting and trimming foliage? You may consider planting sunflowers as an option. As I mentioned to you on the telephone sunflowers may fit with the Suncor image.

Additionally, as you know Suncor owns a number of abandoned oil tanks within the City limits. The oil tanks have become unsightly. The City is requesting that Suncor take appropriate steps to paint and improve the appearance of these tanks. As you may know, the City has a Property Standards By-law which requires properties to be presentable. As a major corporate citizen I would expect Suncor would be eager to comply with the City's by-laws.

Page 1 of 2

I look forward to hearing from you on these matters as soon as possible.

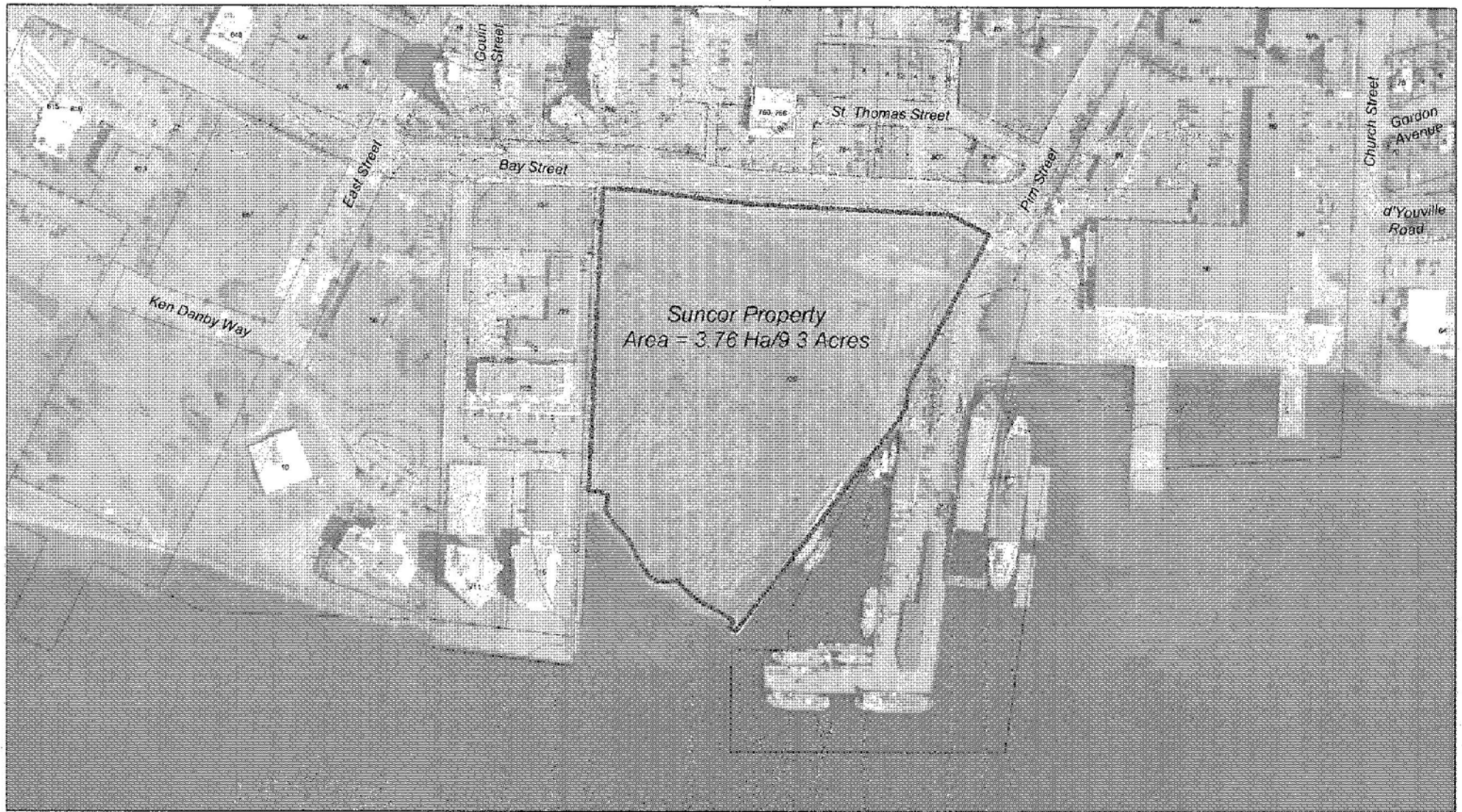
Yours truly,



Nuala Kenny
City Solicitor
NK/cf

cc. Joseph Fratesi, CAO
cc. Councillor Stephen Butland
✓ cc. Don McConnell, Planning Director

staff/leases and licences of occupation/Suncor Hub trail 795 Bay/letter Swire



BAY STREET SUNCOR PROPERTY OVERVIEW

 Suncor Property
  Contour - 1m Interval
  Parcel Fabric

The Corporation of the City of Saint John
 Engineering & Planning Department
 December 18, 2013

This map is for general reference only.
 For detailed information, see the
 Engineering and Planning Department
 Website: Spring 2017 2100

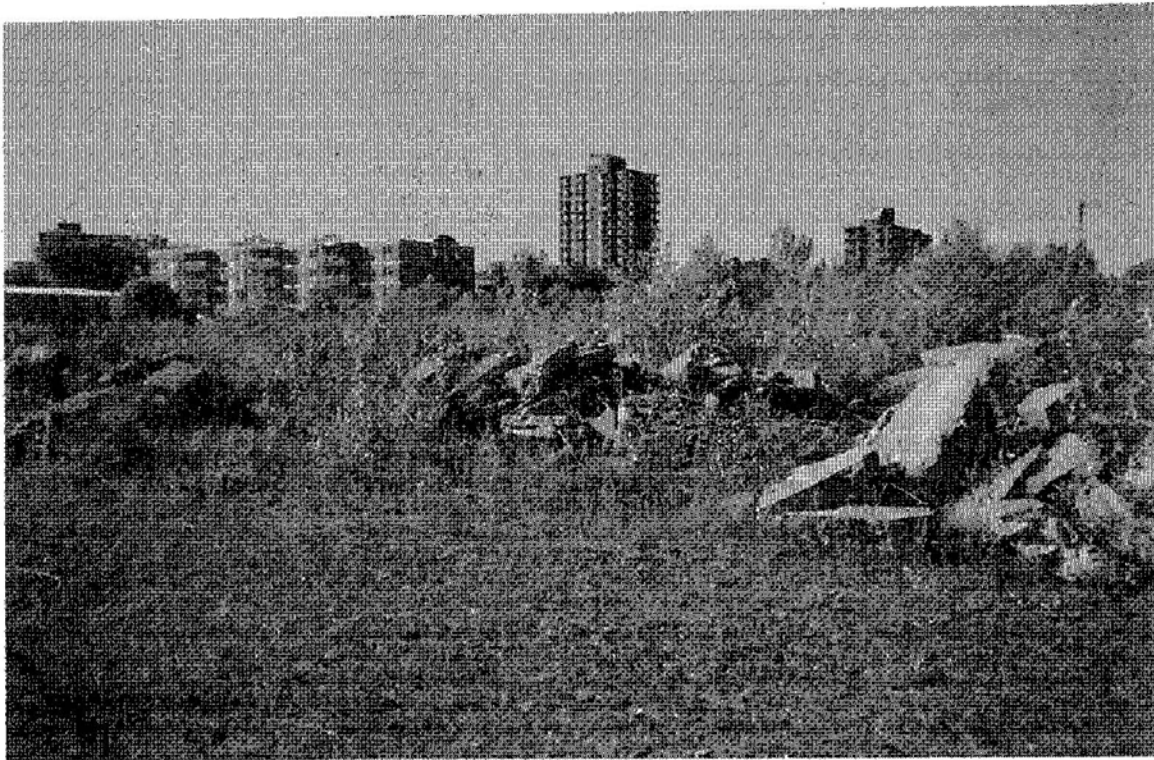
Map Scale: 1:10,000
 NAD 83 UTM Zone 18N
 DTED 1000m cells (100m)

0 10 20 40 Meters



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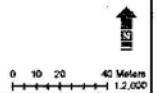
MCNABB STREET SUN OIL PROPERTY OVERVIEW

Sun Oil Property
 Contour - 1m Interval
 Parcel Fabric

The Corporation of the City of Salt Lake
 Engineering & Planning Department
 Planning Division
 September 16, 2012

This map is for general reference only.
 For official mapping use the
 Engineering and Planning Department
 Orthophoto: Spring 2012 23cm

Projection: NAD 1983 UTM Zone 18N
 GCS North American 1983



575



MCNABB STREET SHELL CANADA PROPERTY OVERVIEW



Shell Canada Property

Contour - 1m Interval



Parcel Fabric

The Corporation of the City of Seabrook
Engineering & Planning Department
Planning Division
September 16, 2013

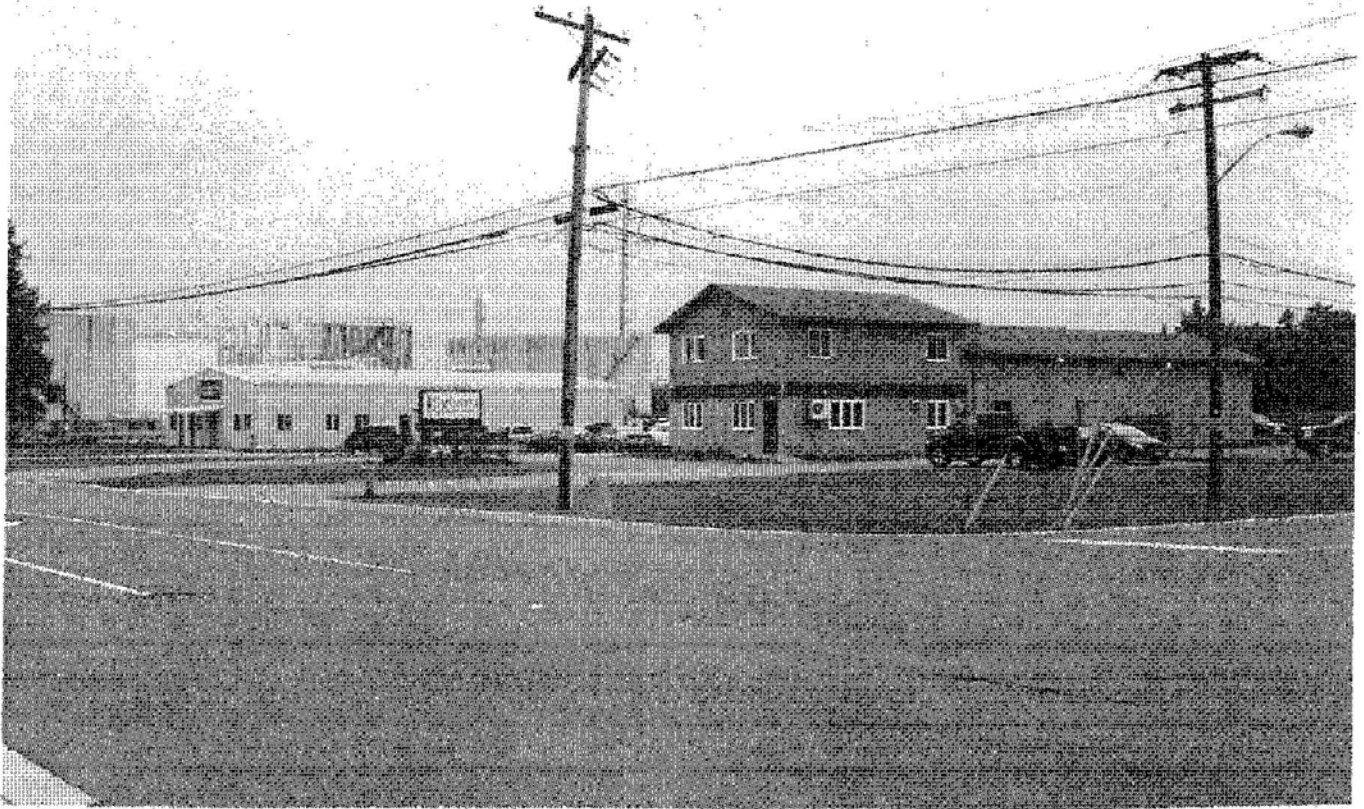
This map is for general reference only.
For official mapping, see the
Engineering and Planning Department
Ordnance Survey, Spring 2012 Edition.

Projection Details
NAD 1983 UTM Zone 18N
CGCS North American 1983

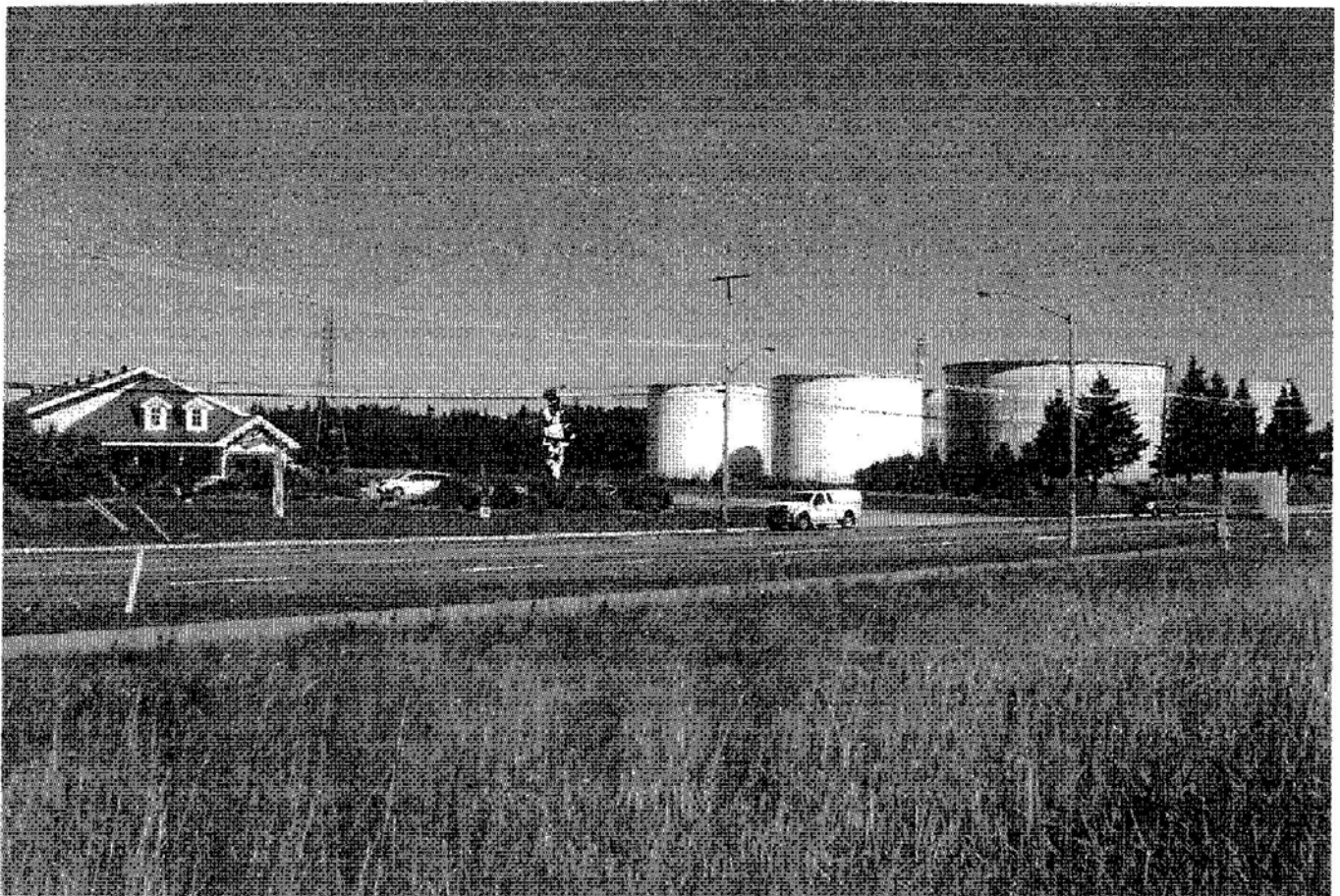
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Shell – McNabb Street



5(K)

Jerry Dolcetti, RPP
Commissioner

Don Elliott, P. Eng.
Director of Engineering Services



ENGINEERING & PLANNING
DEPARTMENT

Engineering & Construction Division

2013 09 23

File: B-07-01

Mayor Debbie Amaroso and
Members of City Council

**RE: SIDEWALK CONSTRUCTION – FROM 303/313 MACDONALD TO PINE STREET,
SOUTH SIDE**

PURPOSE

The purpose of the report is to address the following Council resolution from the 2013 08 12 meeting:

Whereas Civic numbers 303 and 313 MacDonald Avenue, on the south side of MacDonald Avenue known as Parkview and Pinecrest Condominiums, represent 116 homeowners with about 160 residents; and

Whereas there is no pedestrian access from these properties to the sidewalk on the north side of MacDonald Avenue; and

Whereas the curb cuts are in place on the northwest and southwest corners of Pine Street and MacDonald Avenue and the intersection is controlled with a four way stop; and

Whereas the distance from the driveway entrance to the corner is approximately 150 feet; and

Whereas the only pedestrian access to the intersection requires pedestrian use of the roadway which is unsafe as MacDonald Ave is a major arterial street with heavy traffic,

Now Therefore Be It Resolved that appropriate staff report on the feasibility of a sidewalk being installed on the south side of MacDonald Ave from the east side of the entrance to 303 and 313 MacDonald Avenue to Pine Street.

BACKGROUND

The City has numerous outstanding requests for sidewalks, totaling into the millions of dollars. There are insufficient funds to meet all of the needs. The intention is to provide some new sidewalks to meet these needs when we are reconstructing or resurfacing in the area, such as the west side of Great Northern Road north of Second Line. It is more cost effective when we have a contractor working in the immediate vicinity. Sidewalk projects are considered against other priorities in the capital and miscellaneous construction budgets.

ANALYSIS

This road is classified as an urban collector. The most recent traffic count indicates an average annual daily traffic of 6000 vehicles per day, so it would not be considered arterial. PWT completed a pedestrian count on Thursday, August 29th, 2013. Three (3) pedestrians came or went from the condominium complex in an eight hour period; two crossed MacDonald at the condominium driveway, then proceeded east to cross the north side of the Pine Street intersection. The third pedestrian came from Pine Street (west side) in a north bound direction and turned west to walk on the grass to the apartment complex. A fourth pedestrian, not from the apartments, walked the south side of MacDonald Avenue along the grass in an east bound direction and went south on Pine Street (west side). Seven (7) other people from the condominium complex crossed midblock to use the park across the street, mostly to walk their dogs, but did not proceed to the intersection. It appears demand for the sidewalk is low.

Engineering technical staff has determined that the construction of a 1.5 meter wide concrete sidewalk is feasible here, located between the property line and the utility poles, although there may be additional cost for a retaining wall at the parking lot for Civic 313 due to the significant difference in grade.

The construction of a new sidewalk is subject to the local improvement process. Notices would be sent to the owners of the buildings, in this case the condominium association(s). If there is no successful petition against it, then the project would be evaluated together with all of the other sidewalk priorities in the miscellaneous construction list for future consideration.

IMPACT

A pre-design, preliminary budget cost estimate for engineering and construction of this sidewalk is \$40,000. The local improvement rate collected from the property owners would amount to \$27 per meter, totalling approximately \$2,400.

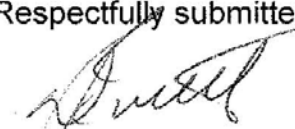
STRATEGIC PLAN

Sidewalk construction is linked to the Transportation Network Improvements objective under the Developing Solid Infrastructure strategic direction

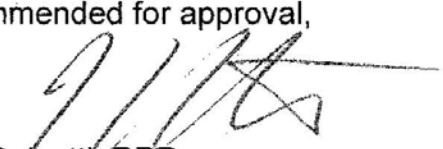
RECOMMENDATION

The Engineering Department recommends that this sidewalk proposal proceed through the local improvement process. If there is no petition against it, then the project will be placed on the outstanding miscellaneous construction list where it will be considered annually for construction in a future capital works or miscellaneous construction program, if given a high enough priority.

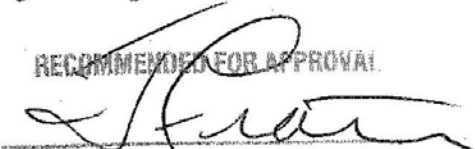
Respectfully submitted,


Don Elliott, P. Eng.
Director, Engineering Services

Recommended for approval,


Jerry Dolcetti, RPP
Commissioner
Engineering & Planning Department

RECOMMENDED FOR APPROVAL


Joseph M. Fratesi
Chief Administrative Officer

Jerry D. Dolcetti, RPP
Commissioner

Carl Rumiel, P. Eng
Design & Construction Engineer



ENGINEERING & PLANNING
DEPARTMENT

Engineering & Construction Division

2013 09 23

Our File: B-09-05

Mayor Debbie Amaroso and
Members of City Council

RE: FORMER ST THOMAS STREET STORM SEWER REPLACEMENT

PURPOSE

The purpose of this report is to obtain Council approval to authorize a change order to replace the existing storm sewer within the former St. Thomas Street road allowance where the Heritage Discovery Centre is currently under construction.

BACKGROUND

As council is aware, the City is currently constructing the Heritage Discovery Centre at 800 Bay Street. Avery Construction is the general contractor on this project. As part of this building project, the City has included replacement of the sanitary sewer through the former St. Thomas Street road allowance. Prior to construction, our records indicated that the storm sewer was concrete and in good condition. However, it was determined in the field that it was actually 450mm vitrified clay sewer which needs to be replaced.

ANALYSIS

The Engineering Division has requested a quotation for this work from Avery Construction and the quote was approximately \$69,000.

IMPACT

Based on Capital Construction Tenders coming in under budget, the Finance Department has indicated that there are sufficient funds in the 2013 Urban Only Budget which can be used for this storm sewer replacement. When non-recoverable HST and an allowance for additional engineering and contingency are added it is anticipated that this work will cost the City \$80,000.

STRATEGIC PLAN

Ensuring storm sewage conveyance is not compromised is consistent with Strategic Direction 1: Developing Solid Infrastructure. In particular Objective 1A, Environmental Leadership, is being met.

RECOMMENDATION

It is recommended that Council approve this work be added to the Heritage Discovery Centre Contract.

Respectfully submitted,

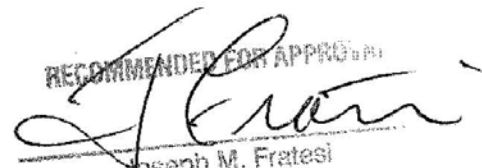


Carl Rumiel, P. Eng.
Design & Construction Engineer

Recommended for approval,



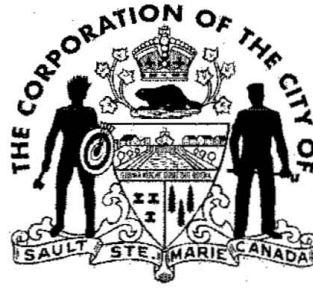
Jerry Dolcetti, RPP
Commissioner
Engineering & Planning Department

RECOMMENDED FOR APPROVAL

Joseph M. Fratesi
Chief Administrative Officer

5(m)

Jerry Dolcetti, RPP
Commissioner

Don Elliott, P. Eng.
Director of Engineering Services



Engineering & Planning
Department

2013 09 23

File: B-11-08 & 4.282

Mayor Debbie Amaroso and
Members of City Council

**RE: STORMWATER MANAGEMENT ENVIRONMENTAL ASSESSMENTS – TWO
LOCATIONS – MCNABB STREET AND MACDONALD AVENUE**

PURPOSE

The purpose of this report is to recommend that Council authorize retaining a consulting engineer to complete environmental assessments to determine the preferred method of reducing the frequency of flooding in two flood prone areas in the City.

BACKGROUND

Stormwater conveyance is accomplished with two systems in this City; a major and a minor system. The major system includes the flood control channels and aqueducts designed to carry the flow from major events, such as the Regional Storm, or a storm with a large statistical return period of 100 years. They include the Central Creek, East Davignon Creek, Fort Creek and Clark Creek open channel and aqueduct systems. Our minor system includes all enclosed storm sewers, ditches and appurtenances typically designed for events with a statistical return period of ten years or less. The provision of a minor system capable of conveying major events is cost prohibitive. In fact, many cities design to a lower return period than ten years. Private property connections are made primarily to the minor system, and the emphasis in our sewer use by-law is the provision of flood protection by the individual property owner from surcharging in the minor system during high flow events. We expect the minor system to surcharge under high flow conditions.

The focus in the municipal engineering industry has changed over the last few decades from conveying storm water away as quickly as possible to retaining the water on site and releasing it to the minor system at a lower, controlled rate. New subdivisions and developments are required to construct stormwater retention ponds on site so that the post development flow does not exceed the pre-development flow. Simply increasing a pipe size to reduce flooding in one area can sometimes just transfer the problem to a downstream location. In accordance with this design philosophy, when we encounter areas prone to surface flooding, one of the solutions may well be to construct a stormwater retention facility.

In order to determine the proper course of action, a class environmental assessment is required.

ANALYSIS

The two flood prone areas addressed by this report are McNabb Street and MacDonald Avenue.

The hydraulics and hydrology of two localized flooding locations at McNabb Street near Algoma Family Services, and on MacDonald Avenue near Brien were investigated in detail in 2012 by Tulloch Engineering. Significant surface flooding occurs at these locations in the public roadways, and private parking lots and driveways. The possible remedies include increased pipe sizes, in line enclosed pipe storage/retention and/or retention pond construction at an upstream location.

It is noted that the eventual construction of stormwater retention infrastructure may reduce the frequency of flooding but it will not eliminate it. Property owners are encouraged to complete all measures to their structures which will reduce the potential for flooding.

In accordance with the City policy for awarding routine engineering assignments, it is appropriate that the original consultants be assigned the environmental assessment work, in this case, Tulloch Engineering.

IMPACT

It is always difficult to estimate the cost of an environmental assessment as the level of effort is unknown. Funds will come from the \$50,000 allowance in the 2013 miscellaneous construction budget for this project. If these funds are not sufficient, Council will see an additional budget allowance in the 2014 miscellaneous construction budget. Preliminary budget figures for the construction of stormwater retention works for both projects range from \$1M to \$6M.

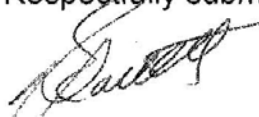
STRATEGIC PLAN

Stormwater management is linked to objective 1A, Environmental Leadership under the Developing Solid Infrastructure strategic direction.

RECOMMENDATION

It is recommended that Council authorize entering into an agreement for engineering services with Tulloch Engineering for completion of environmental assessments for flooding mitigation in the areas of McNabb near Pim, and MacDonald near Brien. An engineering agreement will be brought to Council at a later date.

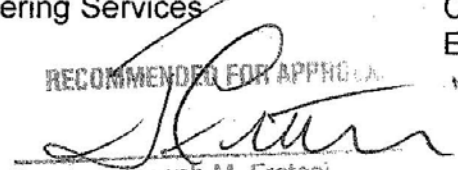
Respectfully submitted,


Don Elliott, P. Eng.
Director of Engineering Services

Recommended for approval,


Jerry Dolcetti, RPP
Commissioner
Engineering & Planning Department

RECOMMENDED FOR APPROVAL


Joseph M. Fratesi
Chief Administrative Officer



5(m)
Sault Ste. Marie YMCA
235 McNabb Street
Sault Ste. Marie, ON P6B 1Y3
705.949.3133
www.sault.ymca.ca

Mayor Amaroso & City Council
The Corporation of the City of Sault Ste. Marie
P.O. Box 580, 99 Foster Drive
Sault Ste. Marie, ON P6A 5N1

September 11, 2013

Honourable Mayor Amaroso and Esteemed City Councillors:

In light of reoccurring flood issues in the McNabb Street area, I am expressing my sincere concern over storm sewer drainage around the Sault Ste. Marie YMCA and seeking resolution of the issue.

Since 2008, the Sault Ste. Marie YMCA has flooded no less than 5 times as a result of the storm sewer drainage system not meeting the capacity of rainfall. Damages from previous floods ranged from approximately \$42,000 to \$65,000 per flood; the estimated physical damages from flooding September 9, 2013 are expected to run well over \$100,000, not to mention the incalculable costs to our reputation as pools and other activity areas must be closed until repairs are completed.

YMCA leadership have brought these concerns to city staff several times over the last number of years. My concerns were previously expressed to the City Clerk's Department in a letter dated August 14, 2011. The City's Engineering Department informed me at that time that there was a Storm Water Investigative Study completed, and further discussion revealed that our area was indeed in need of upgrading. In January of 2013, another consultant completed a report and offered several options to remedy the situation. As I understand it, on September 23, 2013, the City's Engineering Department is requesting approval to retain yet another consultant, this time to complete a class environmental assessment, which has already been approved in this year's budget.

The YMCA of Sault Ste. Marie is a charitable organization that has served this community for over 100 years. We do not have the financial resources to solve this issue ourselves, nor could we as the issue involves numerous businesses and organizations in the local area. We need your help to solve this problem.

Please, I plead with you to complete your planning requirements and move to address this situation as expeditiously as possible. I am available to further discuss this issue should you require it.

I look forward to your prompt response.

Respectfully,

A handwritten signature in black ink, appearing to read 'K. Caruso'.

Kim Caruso
Chief Executive Officer

Building healthy
communities



Algoma Family Services
SERVICES AUX FAMILLES D'ALGOMA

www.algomafamilyservices.org
afs@algomafamilyservices.org

205 McNabb Street
Sault Ste. Marie, ON
P6B 1Y3

1.800.461.2237
Tel. 705.945.5050
Fax 705.942.9273

5(m)

Mayor Amaroso & City Council
The Corporation of the City of Sault Ste. Marie
PO Box 580, 99 Foster Drive
Sault Ste. Marie, ON P6A 5N1

September 12, 2013

Honourable Mayor Amaroso and Esteemed City Councillors,

As you are aware on the evening of September 9, 2013, we experienced a tremendous amount of rain in a very short period of time. For our building on 205 McNabb Street, this has been the worst flooding to date (approximately 4th one this year alone). In the past several years, we have had water from the storm sewer system back up into our basement but not to the extent where we have experienced damage to our elevator control panel which is situated well off the floor in our basement. In addition, client files that are housed in units on raised platforms were water damaged. We are currently getting quotes for replacement of the entire panel which has been estimated at \$50,000.

We are a charitable, not for profit organization that relies solely on government funding. This type of annual funding is directed primarily toward running our mental health programs with minimal capital funding available to cover events like this. We will be seeking assistance from our insurance company.

When we were told by City Engineers a couple of years ago that we have to take on some of the responsibility for diverting this water we implemented as much as we could without going to very expensive retrofits. I don't think there is a clear understanding of what these other options entail monetarily for organizations like ours. Two of the options were one, to divert the roof water from the front to the back of the building, and the second, to create a reservoir in our parking lot that would empty into the city's storm sewer system once the street flooding subsided. Both of these options would require very expensive retrofits which we cannot afford and we are afraid that there would still be a chance that water will back up into our basement once the city's storm sewer system reaches maximum capacity.

We appreciate the work the city has undertaken to date and look forward to having the flooding issue resolved once and for all.

Sincerely,

Wyatt Poser
Manager of Administrative Services
Algoma Family Service



We build strong kids, strong families, strong communities.

5(m)
5(z)

August 14, 2011

City Clerk's Department
City of Sault Ste. Marie
P.O. Box 580
99 Foster Drive
Sault Ste. Marie ON
P6A 5N1

Attention: Mr. Malcolm White

On July 11th and July 18th of 2011, the Sault Ste. Marie YMCA experienced flooding as a result of the storm sewers backing up into the sub-basement of the building. The second flood brought five feet of water into the sub-basement damaging the service elevator and controls, submerging whirlpool and pool motors, heaters, an electrical panel, dry pool chemicals, records, and several other smaller items. Damages are estimated at \$60,000. On July 18th, 2008, the YMCA experienced a similar situation where the sub-basement flooded as a result of the storm sewers backing up, causing approximately \$42,000 in damages. With two insurance claims in a short period of time for the same issue, the YMCA is running the risk of losing our insurers.

As I understand it, Rome's, the Group Health Centre, the old Credit Union, Algoma Family Services, the United Way, and the Canadian Motor Hotel all experienced damages of different degrees as a result of the flood on July 18th, 2011.

In speaking with the City's Engineering Department, it was brought to my attention that there is a Storm Water Investigative Study in draft form to determine if the city's storm sewer system requires upgrading. I am wondering if this study will be made available to the public, and if it identifies the system from Sault College to Algoma Family Services as requiring upgrades. While the YMCA investigates ways to ensure that we are doing what we can to eliminate this problem, it is very important for us to know that the City is taking some responsibility for this issue and that the City is making the necessary upgrades. Obviously, if there are this many businesses that have been affected by the storm sewers and flooding, there is a greater problem that needs to be fixed and quickly.

I look forward to your prompt response.

Respectfully,

Kim Caruso
General Manager

SAULT STE. MARIE YMCA

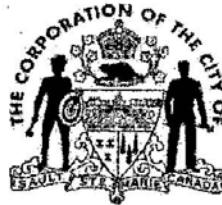
235 McNabb Street, Sault Ste. Marie, ON P6B 1Y3 Tel: (705) 949-3133 Fax (705) 949-3344 www.sault.ymca.ca



A United Way
Member Agency

Jerry D. Doicetti, RPP
Commissioner

Don J. Elliott, P. Eng.
Director of Engineering Services



ENGINEERING & PLANNING DEPARTMENT

Engineering & Construction Division

Tel: (705) 759-5378
Fax: (705) 541-7165

2011 09 26

File: B-11-08

Mayor Debbie Amaroso
Members of Council

Re: McNabb Street/MacDonald Ave. Flooding

At the 2011 08 15 meeting, Council passed the following resolutions:

Whereas the YMCA has raised concerns about the adequacy of the City's storm sewer system in their area, in light of two recent flooding incidents; and Whereas these two incidents in July have had a great financial and operational impact on the YMCA; Now Therefore Be It Resolved that the City's Engineering Department carry out a site visit and review of the circumstances around these two incidents and report back to City Council within one month as to any inadequacy of the City storm sewer system that contributed to these events and that steps be identified that can be taken by the City and the YMCA to reduce any further incidents of flooding.

Whereas several homes on the south side of MacDonald Avenue between Brien Avenue and Poplar Avenue have experienced repeated extensive flooding whenever heavy rainfall occurs; and whereas these heavy rain patterns are becoming more common; and whereas a dip in MacDonald Avenue in this area results in an accumulation of up to 2 feet of water leading to the strain on the system in that area; Therefore Be It Resolved that Engineering staff review and report back to Council within two months with a recommendation for a solution to address this issue.

Given the commonality between the two resolutions, and the similarities during the eventual recommendations, the Engineering Division determined that it would be best to address both resolutions in one report. General comments applicable to both resolutions are below, followed by specific comments for each.

It is most important to understand that storm sewer design standards are such that in high intensity rain events, we anticipate that they will surcharge. Municipalities cannot afford to construct systems big enough to carry high flows. Storm sewers in Sault Ste. Marie are designed for a ten-year return period – that is, on average, we anticipate they will surcharge every ten years. That return period can be diminished by additional flows upstream, or blockages downstream. The point is, it is not uncommon for storm sewers to surcharge. Therefore, it is wise to reduce or eliminate the adverse effects of the surcharge by protecting the buildings themselves.

In all cases of basement flooding from storm water, the most effective approach is for the owner to isolate the building as much as possible from the storm sewer system. There are things the property owner can do to reduce or even eliminate flooding. Roof water leaders on older buildings can be re-routed outside of the building, and foundation weeper drains that drain by gravity to the storm sewer can be replaced with a pumped system, often with an affordable back up power supply for power

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failures. Building owners are also wise to ensure they have a fully functioning and well maintained sanitary back check valve to prevent sanitary sewer backups.

McNabb Street Flooding – YMCA and Algoma Family Services

Engineering staff have had discussions with the consulting engineer retained by the YMCA and Algoma Family Services, and our recommendation to the building owners has been that they follow the recommendations of their consultant. The Group Health Center had many instances of flooding in the past. They implemented all of the recommendations of their consultant with good success. According to our information, the Group Health Center has had only minor problems this summer. Isolating the building from the storm sewer is the best defense against storm water backups.

MacDonald Avenue Flooding – Brien to Poplar

Several private homes on the south side of the road have had flooded basements. Two have been in contact with the Engineering Division. Both have been advised to isolate the weeping tiles/foundation drainage systems from the storm sewer. One homeowner plans to install a pumped system with back up power supply for power outages, and abandon the gravity drain to the storm sewer. Home owners who have gravity drains to the storm sewer are encouraged to do this if they are prone to flooding. The second home seems to have had a failure of the sanitary backwater check valve.

Surface Water Ponding on Both McNabb and MacDonald

In addition to the above, in high flow conditions, water ponds on the street at both locations. The ponding extends onto private property, particularly in the parking lot of the Algoma Family Services building. City staff intend to evaluate both storm sewer systems. The McNabb system extends south from McNabb through the Algoma Family Services parking lot and across several properties, including the Canadian Hotel to the ravine on the west side of Pim Street near the former Boston's car dealership. It is a very deep sewer, likely following the course of an old ravine that has been filled. We are completing a survey to accurately quantify the capacity of the system, and determine if anything can be done to reduce flooding on McNabb Street and the Algoma Family Services parking lot. We are also completing a closed circuit television (CCTV) survey to check the pipe condition and confirm there are no downstream blockages. A similar exercise can be completed on the MacDonald Avenue system.

If the outcome of that investigation is a recommendation for increased pipe sizes or some form of storm water retention/storage facilities, it will be some time before the City will be able to implement it as it will have to be evaluated together with other capital priorities. This work should be considered secondary to the efforts described above by property owners to isolate their buildings from the system. Simply increasing pipe sizes may not be the solution, as that may just transfer the flooding issue to another location downstream.

The Engineering Division is short staffed at this time due to the promotion of our former Land Development and Environmental Engineer to PWT. A Junior Engineer will begin work in the department in January. In the meantime, some tasks will be difficult to complete in a timely manner. In this situation, it would be most beneficial to contract a few engineering assignments to a consultant. It is recommended that upon completion of the field work and data collection/background work, that the evaluation, investigative report and recommendations be contracted to a qualified engineering consultant. The expense can be covered by the savings we are experiencing for six months of 2011.

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Recommendations

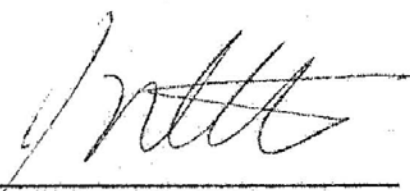
It is recommended that:

- Building owners in areas of McNabb Street and MacDonald Avenue that have had basement flooding recently be encouraged to isolate their foundation and roof water drainage systems from the City storm sewer system. Their work should be in accordance with the City sewer use by-law and the plumbing code.
- Upon completion of the field work, and data collection, the Engineering Division retain a consultant to complete a technical review of the subject flood prone areas on McNabb Street and MacDonald Avenue and provide recommendations and cost estimates for long term improvements for storm water conveyance and/or temporary storage.

Respectfully submitted,

Recommended for Approval:

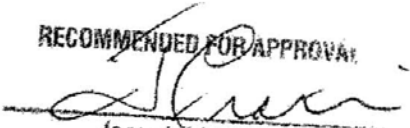


Don J. Elliott, P. Eng.
Director of Engineering Services

Jerry D. Dolcetti, RPP
Commissioner
Engineering & Planning Department

/bb

RECOMMENDED FOR APPROVAL



Joseph M. Fratesi
Chief Administrative Officer

Don Scott
Manager
Transit & Parking



**Public Works
& Transportation Department
Transit Division**

2013 09 23

Mayor Debbie Amaroso and
Members of City Council

**RE: PARKING ENFORCEMENT'S FOUR YEAR IMPLEMENTATION PLAN FOR
SOLAR POWERED PAY AND DISPLAY MACHINES ON QUEEN STREET**

PURPOSE

The purpose of this report is to inform Council of Parking Enforcement's four (4) year implementation plan to replace 75 existing parking meters with thirteen (13) solar powered pay and display pay stations. The stations will be located along Queen St. between East St. and Dennis St. and implementation will begin in early 2014 (please see Figure 1).

BACKGROUND

The City of Sault Ste. Marie currently operates 498 parking meters in the downtown business core. Some of the existing meters have been completely replaced, others have had internal mechanisms replaced and some are original from the 1960's.

Currently, the Corporation of the City of Sault Ste. Marie does not provide pay and display machines at municipal parking lots or city streets.

ANALYSIS

Compared to the existing parking meters in Sault Ste. Marie, pay and display machines are sophisticated devices that accept more flexible forms of payment such as coin, bills, debit and credit cards. Customers can go to the pay and display unit, purchase time, and then return to their vehicle to display the permit. Customer convenience is further enhanced by "transferable time", which essentially allows the customer to purchase a pay and display parking tag which can be used at any other pay and display area or parking meter operated by the City of Sault Ste. Marie in the downtown business core.

Over time, collection costs are expected to be reduced as staff will collect funds from fewer devices, less often. Financial reporting will be enhanced as pay and display machines provide a full audit trail complete with analysis of trends such as peak parking times, etc. In addition, pay and display machines serve numerous parking spaces; there are fewer pay stations to maintain compared to single space meters, ultimately reducing inventory requirements for maintenance and repair.

2013 09 23

Page 2

Aesthetically pleasing pay and display units serve to enhance the look of the streetscape. They reduce visual clutter and open up sidewalks to pedestrians during all months as winter snow removal is easier with fewer obstacles to work around.

IMPACT

The thirteen (13) pay and display units will be purchased over a period of four (4) years, with funds coming from Parking Enforcement's *transfer to capital* account, which is an annual operating account.

Three (3) pay and display units will be purchased in late 2013 and three (3) will be purchased in early 2014. The installation of the first six (6) pay and display units, combined with an awareness campaign to educate the public on how to use the equipment, will occur during the spring/summer season of 2014.

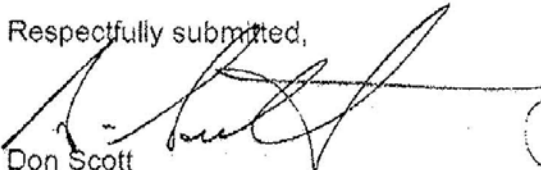
STRATEGIC PLAN

The implementation of the pay and display units are not included in the 2011 – 2014 strategic plan.

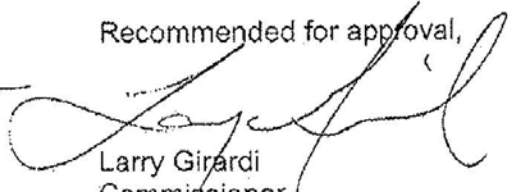
RECOMMENDATION

That the report of the Manager of Transit and Parking be received as information.

Respectfully submitted,


Don Scott
Manager of Transit and Parking

DS/ep

Recommended for approval,

Larry Girardi
Commissioner
Public Works and Transportation

RECOMMENDED FOR APPROVAL

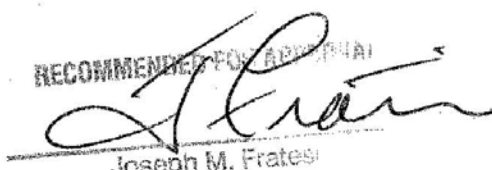
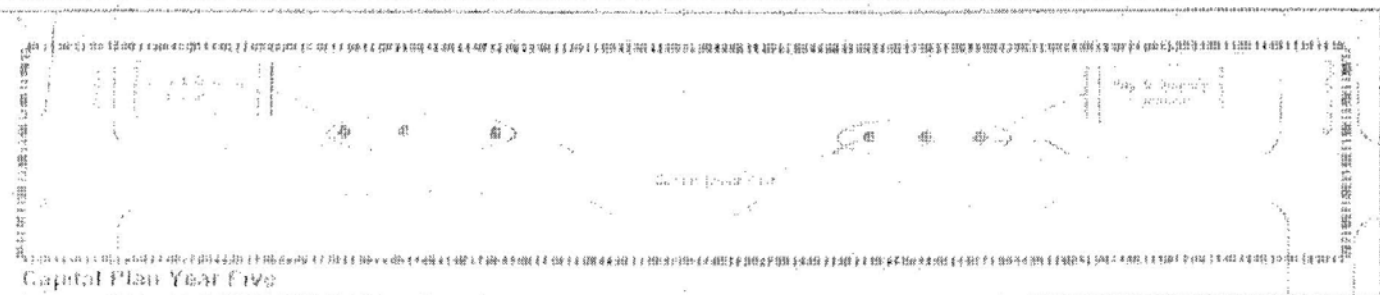
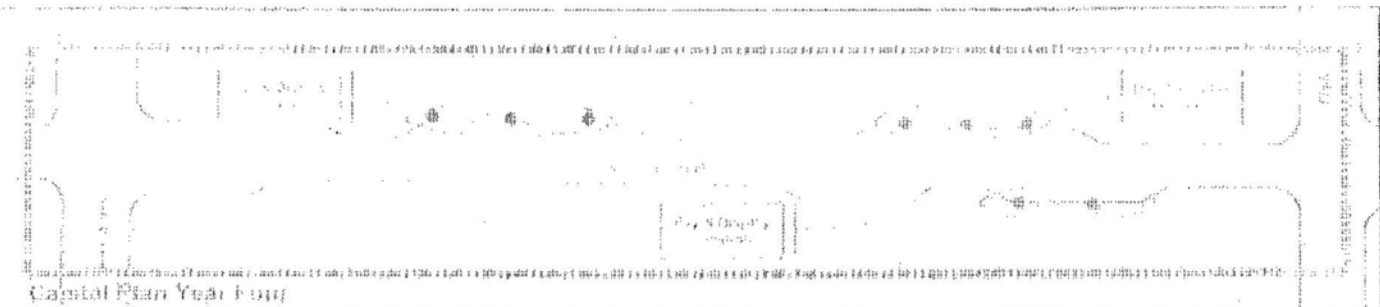
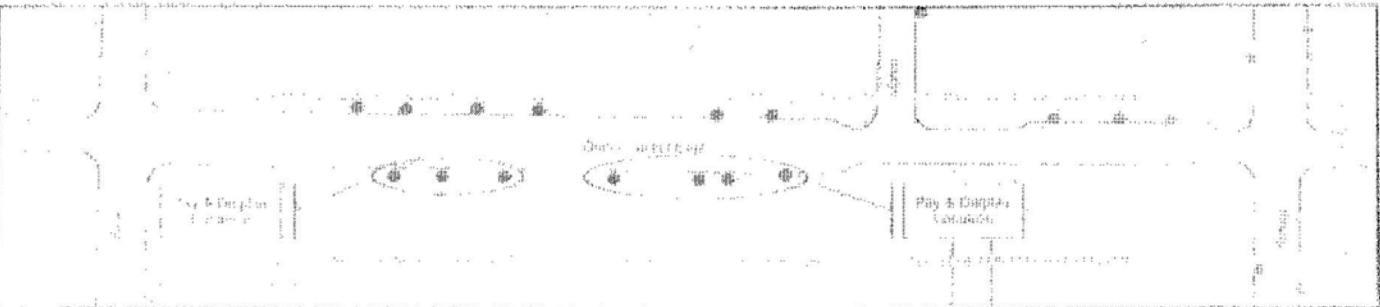
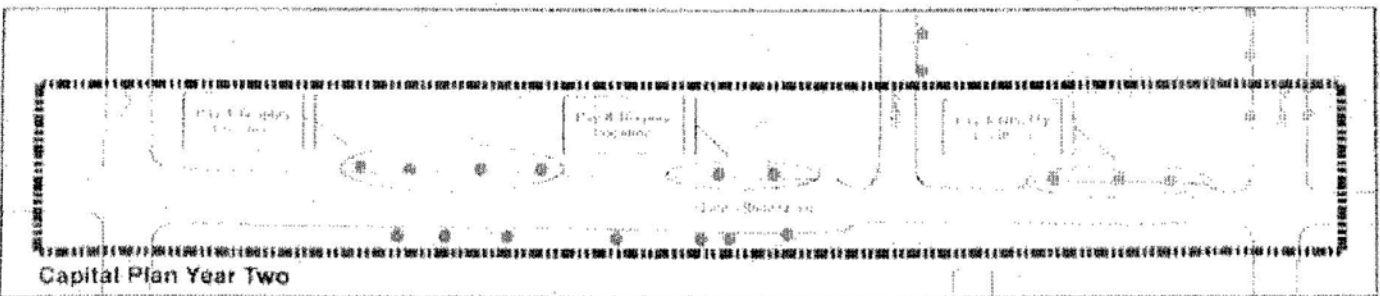
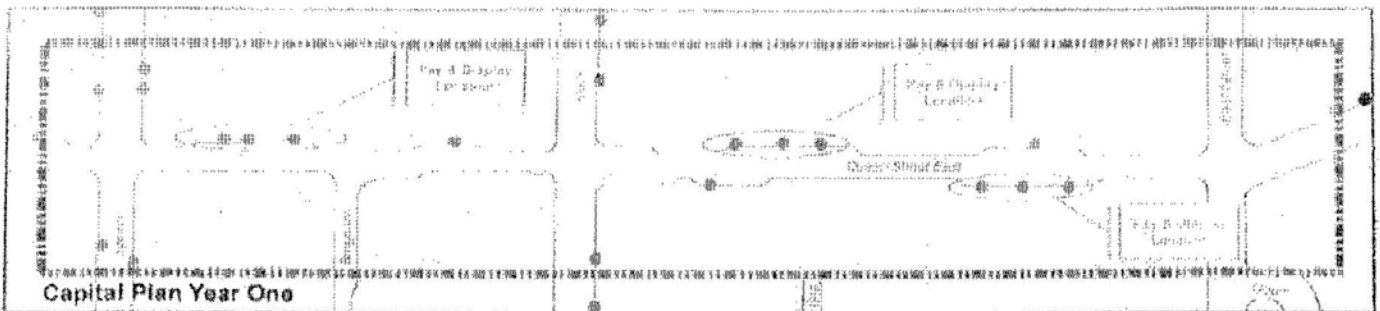

Joseph M. Fratesi
Chief Administrative Officer

FIGURE 1



FIVE YEAR IMPLEMENTATION PLAN FOR PAY & DISPLAY PAY STATIONS

1. A copy of the copy of Last Bk. Copy for passing & passing Description Working Copy May 16, 1971	2. Copy of the copy of Last Bk. Copy for passing & passing Description Working Copy May 16, 1971
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Joseph M. Fratesi, B.A., J.D. (LL.B.)
Chief Administrative Officer



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2013 09 23

Mayor Debbie Amaroso and
Members of City Council

RE: Request for Disaster Declaration

PURPOSE

The purpose of this report is to provide a recommendation to City Council to pass the requisite resolution requesting a Disaster Declaration as required by Provincial legislation in order to qualify for public and/or private assistance under the Ontario Disaster Relief Assistance Program (ODRAP).

BACKGROUND

As Council is aware, the City of Sault Ste. Marie experienced an extraordinary and unforeseen amount of heavy rainfall on Monday, Sept. 9, 2013 which caused significant damage to City infrastructure and private homes. A copy of the News Release which was issued is attached hereto.

While City staff have taken immediate action to ensure that roadways and bridges, which had been closed due to flood damage have been reopened, further investigation is required before cost estimates can be determined for the full extent of repairs which will be required to restore this infrastructure to pre-storm condition. This may take several weeks or months to calculate.

It has also been estimated that approximately 700-800 homes throughout various parts of our City have suffered flood damage. This total has been determined by City staff contacting all of the disaster restoration companies in our community who have been contacted by the homeowner directly or by their insurance. Based on information that these companies have provided, the average value of each claim is around \$30,000 per home and most of the homes, in fact, will be covered by insurance, subject to deductibles. Some homes, as well as surrounding property will not be covered by insurance based on specific individual circumstances.

The Province of Ontario, through the Ministry of Municipal Affairs and Housing has a program known as the Ontario Disaster Relief Assistance Program (ODRAP) which is made available to municipalities and is intended to assist both municipalities with the cost of repairs for damage to municipal infrastructure as well as to private residences which have suffered extensive damage as a result of a sudden and unexpected natural disaster, such as flooding.

This Program has eligibility requirements that include a review of the financial capacity of affected individuals, the municipality and the community at large and is not intended to provide full cost recovery to eligible claimants. There is a requirement for any municipality, which intends to apply for assistance under this Program, to pass a resolution **within 14 working days of the onset of the disaster** which requests the Minister of Municipal Affairs & Housing to declare our municipality a "disaster area" for purposes of the Program. A copy of the Provincial Guidelines surrounding the ODRAP is attached for Council's information. Council will note that the two components of any request under this Program include the public component which allows Provincial assistance for both disaster response and recovery and the private component which allows for assistance to be provided to individuals and homeowners based on funds that are raised by the community up to a 2:1 matching by the Province.

With respect to the public portion, the ability for the municipality to cover its own extraordinary expenses is considered and certainly the total cost of infrastructure repairs will determine the City's eligibility for this public component assistance.

With respect to the private portion, the rules are very stringent in that deductibles on insurance policies are not eligible and other costs which go beyond repairs to meet minimum compliance with the Ontario Building Code are also not eligible. In order to access the private component, a Disaster Relief Committee needs to be established, which will undertake community fundraising, which is then matched by Provincial funding to a maximum of 2:1. In addition, this Committee receives and adjudicates claims with the assistance of an adjuster which it retains. This Committee distributes the total combined fund in an equitable manner based on eligible claims which it approves. The Committee also hears appeals from its decisions and is responsible for the audit of all paid claims and reporting to the Ministry.

ANALYSIS

At this time it cannot be determined the extent of the flood damage for both public and private components that would be eligible for assistance under the ODRAP. As this will take some time to determine, it is necessary to pass the appropriate resolution with the 14 day requisite period to preserve the municipality's right to pursue such assistance once all pertinent information is gathered and analyzed.

IMPACT

As is set out above, there has been significant damage to municipal infrastructure and to private homes. In the absence of Provincial assistance, the costs of repairs for municipal infrastructure would need to be found in the existing municipal budgets and homeowners would need to use their own resources for their homes and personal property. Ultimately implementing the Program will also require additional administrative costs to the City which might be covered as an eligible expense.

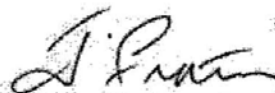
STRATEGIC PLAN

Not Applicable

RECOMMENDATION

It is my recommendation that City Council pass the resolution which is attached and which is required at this time in order to preserve the municipality's right to pursue such assistance once all pertinent information is gathered and analyzed.

Respectfully submitted,



JMF:bb
Attach.

Joseph M. Fratesi
Chief Administrative Officer



NEWS RELEASE
For Immediate Release
2013 09 12

CITY RESPONDS TO UNPRECEDENTED RAINFALL CONDITIONS

(Sault Ste. Marie, ON) The City of Sault Ste. Marie experienced an extraordinary and unforeseen amount of heavy rainfall on September 9, 2013. Rainfall measurements, as reported to the Sault Ste. Marie Region Conservation Authority (SSMRCA), amounted to 86 mm within a four-hour period beginning at 10:30 p.m. Total rainfall on September 9 and 10, 2013 was equal to 140.2 mm. The extreme amount of rain caused significant damage to City infrastructure and private homes.

Public Works and Transportation crews were immediately called upon to open up flooded roadways; clean debris collected on main roads; clear plugged storm grates and provide assistance to the SSMRCA to ensure local flood channels were clear of debris. To ensure public safety, barricades were installed on roadways damaged from high water levels and erosion.

Most of the 16 roadways closed as a result of the storm have been cleared and are now open. Several private driveways have also been repaired.

The following roads will remain closed until further notice:

- Allen Side Road between Fourth Line and Third Line at bridge
- Fourth Line East between Great Northern Road and Root River Bridge
- Frontenac Street at Northland Trailer Park
- Red Rock Road at Retriever Club 1 Lane

Accumulated high water in creeks and soil erosion caused varying degrees of structural damage to local bridges. Several bridges still require engineering inspections to allow further usage.

The following bridges will remain closed until further notice:

- Allen Side Road near Bar X
- Fourth Line East at Glengary Gate Crescent and Landslide Road

The bridge on Old Goulais Bay Road near Sixth Line is passable. Traffic is reduced to one lane with access only by vehicles 5 tonnes or less.

- More -

Over 20 km of roadway shoulders experienced erosion damage and many ditches were filled with debris during the rain storm. Work crews were engaged without delay to begin addressing damage to both gravel shoulders and ditches.

The City would like to report that both sewage treatment plants and all pumping stations performed as designed during the storm period. Were it not for the significant improvements made in recent years to the City's storm and channel diversion programs, damage would have been much worse.

All available City personnel will continue to work around the clock to address all matters relating to the recent flood.

The public should be cautious in all areas damaged by high water conditions and take notice of barricades and construction cones erected for public safety. Residents are asked to report tampering of barricades and other safety equipment. Please call the Public Works and Transportation Department at 705-759-5201.

During the week of September 9 to 14, 2013, the gate fee at the City Landfill site has been waived as a public service to encourage the proper disposal of accumulated items not picked up by the City's residential refuse collection program. **This period has been extended to September 21 to assist residents affected by flooding to dispose of damaged household goods.** The Landfill site located at 402 Fifth Line East is open Monday to Friday, 8 a.m. to 5 p.m., and from 7:30 a.m. to 3:30 p.m. on Saturdays.

Damage assessment and repairs will be ongoing by City work crews until all areas affected by the storm have been addressed. Crews will continue to work around the clock to avoid further loss.

To date, the City has not declared a state of emergency in Sault Ste. Marie but will reconsider this position once final information is received regarding structural loss.

The City thanks citizens for their continued cooperation and patience. Residents can report roadway or other concerns as a result of the storm directly to the Public Works and Transportation Department at 705-759-5201.

- 30 -

For additional information contact:

Joe Fratesi, CAO
Corporation of the City of Sault Ste. Marie
Phone: 705-759-5347
Email: j.fratesi@cityssm.on.ca

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W:\DISASTER E-BINDER\PART #1 - GRAB AND GO TOOLS\TAB #1 ODRAP RESOURCES\AUG 2009 ODRAP
PROGRAM GUIDELINES-MO APRVD.DOC

Ontario Disaster Relief Assistance Program

Program Guidelines

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Ontario Disaster Relief Assistance Program (ODRAP) Provincial Guidelines

1. PURPOSE OF THE PROGRAM

The Ontario Disaster Relief Assistance Program (ODRAP) is intended to assist those whose essential property has been extensively damaged as a result of a sudden, unexpected natural disaster such as a severe windstorm, tornado or flood. ODRAP contains:

- **Private component:** Individuals, homeowners, farmers, small business enterprises and non-profit organizations. Funds are raised by the community and may be matched up to 2:1 by the province;
- **Public component:** Financial assistance may be provided by the province to affected municipalities for disaster response and recovery.

The program provides financial assistance within the declared disaster area to restore damaged public infrastructure and/or private property to pre-disaster condition, when the cost of restoration exceeds the financial capacity of the affected individuals, municipality and community at large.

Private Insurance

ODRAP is not a substitute for adequate insurance coverage and does not provide full cost recovery.

Emergency Management and Civil Protection Act

For a municipality to be eligible for ODRAP, the Minister of Municipal Affairs and Housing (herein referred to as "the Minister") must make a declaration of a disaster area for the purposes of ODRAP. Municipalities are not automatically entitled to receive financial assistance when declaring a local "emergency" under the *Emergency Management and Civil Protection Act* (EMCPA). An "emergency" declared by the head of council under the EMCPA is separate and distinct from the declaration of a "disaster area" made by the Minister for the purposes of ODRAP.

2. INTENT OF THE GUIDELINES

The intent of these Guidelines is to provide information about ODRAP to assist an affected municipality determine whether it should request the Minister to declare a disaster area for the purpose of accessing provincial disaster assistance. The regional Municipal Services Office in the area can provide additional information. Contact information for Municipal Services Offices is in *Appendix A: Disaster Checklist for Municipal Council*.

3. ROLE OF THE MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING

ODRAP is administered through the regional Municipal Services Offices and coordinated through the Municipal Programs and Education Branch of the Ministry of Municipal Affairs and Housing (MMAH).

The Municipal Services Offices carry out the following:

- Provide information to municipalities on making a disaster declaration request to the Minister, and completing the Municipal Disaster Information Report, as described in Appendix B;
- Inform municipalities on the purpose of ODRAP, eligible public and private damages, and types of financial assistance;
- Provide the Minister with information about the disaster, its impact on the community and the appropriateness of disaster relief assistance;
- Administer the legal agreement with the municipality and other documentation;
- Advise municipalities on setting up a disaster relief committee for private damages and establishing operating procedures;
- Attend the inaugural meeting of the disaster relief committee and provide appropriate support;
- Distribute program guidelines and related materials issued by the Ministry to the disaster relief committee.

4. HOW ODRAP WORKS

Making a request for a disaster declaration for public and private assistance

The Minister is authorized to declare a "disaster area" for the purposes of ODRAP.

To make a request, municipal council must adopt a resolution and forward it to the Minister within 14 working days of the onset of the disaster. The resolution must:

- State the type of natural disaster and date of the event;
- Outline the municipality's request for a disaster area for the **public and/or private components** of ODRAP;
- Define clearly all areas damaged by the disaster, and whether all or a specified portion of the municipality is to be declared a disaster area. Municipal boundaries may not coincide with the areas damaged by the disaster. In this regard, municipalities should try to define all areas damaged by the disaster to ensure fair treatment to all affected residents. It is important to note that only uninsured damages within the declared disaster area are eligible for ODRAP funding;
- Agree to establish a local disaster relief committee for the private component of ODRAP as soon as possible once the declaration of a disaster area is made by the Minister.

Sample Resolution Requesting a Disaster Declaration for the Public and Private Assistance of ODRAP

Whereas the municipality of (name) recently experienced a (describe type of natural disaster event) on (date) and has experienced substantial damage to municipal property and infrastructure and has received reported losses of private damage, the council of (name of the municipality) hereby requests the Minister of Municipal Affairs and Housing to declare the (specific area/ municipality) a "disaster area" for the purposes of the Ontario Disaster Relief Assistance Program (ODRAP);

Further, should the Minister declare a disaster area regarding the private component of ODRAP, Council will immediately, under the authority of ODRAP, appoint members to a disaster relief committee to administer ODRAP.

Making a request for a disaster declaration for public assistance when more than one municipality is impacted

If two or more municipalities have been affected by the same natural disaster and wish to access the public component of ODRAP, the council of each municipality affected by the event must adopt a council resolution requesting a declaration of a disaster area. The Minister may declare one disaster area to cover all the affected municipalities.

Making a request for a disaster declaration for private assistance only

If two or more municipalities have been affected by the same disaster, the council of each municipality affected by the disaster must adopt a council resolution requesting the disaster area declaration. The Minister may decide to declare one disaster area to cover all of the affected communities for the purposes of one disaster relief committee administering the private component fairly and equitably.

Upper tier municipalities, i.e. counties, regions or the District Municipality of Muskoka, may adopt a resolution requesting a disaster declaration and agree to appoint a disaster relief committee. In this situation, local council resolutions of those municipalities affected by the disaster must accompany the upper tier's resolution.

Making a request for a disaster declaration from unincorporated areas

While unincorporated areas are excluded from the 14 working days requirement, a request for declaration of a disaster area for private assistance only may be made to the Minister by a local service provider, e.g. local services board, local roads board, local school board, within a reasonable timeframe, ideally, as soon as possible following the

disaster event. The MAH Municipal Services Office can provide more information regarding this process.

Approving a disaster declaration

In evaluating a request for declaring a disaster area, the Minister considers both the cause and the extent of the damage relative to the financial resources of the affected municipality and the community at large.

Depending on the magnitude of a natural disaster, a Provincial Disaster Assessment Team (PDAT) may be activated to provide the province's own assessment of the scale of the disaster impacts and the need for financial assistance to the Minister.

The municipality requesting the declaration of a disaster area will be notified by the Minister of the decision. When a disaster area is declared, a legal agreement is established between the Minister and affected municipality for accountability purposes.

Maintaining verification and audit controls

When disaster financial assistance is approved, the affected municipality must submit claim forms, accompanied by appropriate receipts, in order to recover its costs. A senior municipal official is required to sign all claims, verifying expenditures. The forms are provided by the regional Municipal Services Office, which provides advice on their completion and audit controls.

5. PROVINCIAL FINANCIAL ASSISTANCE – PUBLIC DAMAGE COMPONENT

The public component of ODRAP provides assistance to municipalities when damage is **so extensive** that it exceeds the capacity of the affected municipality to manage.

The Minister considers the impact of, and financial hardship caused by the natural disaster on the affected municipality. Municipalities within the declared disaster area may receive repayment/reimbursement of up to 100% of eligible costs for uninsured municipal damage associated with a disaster.

Submitting a municipal disaster information report

In addition to the municipal council resolution, the affected municipality must submit a municipal disaster information report (see Appendix B) containing at least a preliminary estimate of public damage losses within 14 working days from the date of the disaster. However, for disasters with significant public safety consequences, the municipal council resolution and the municipal disaster information report should be submitted as early as possible in case advance assistance is needed. Additional updates within and

after the 14 working day period can be submitted to the regional Municipal Services Office as more accurate damage assessment information becomes available.

Completing a municipal disaster information report

A municipal disaster information report assists the Minister to determine the appropriateness of ODRAP, and permits early consideration of financial assistance for immediate needs related to emergency response and cleanup. The following information is required:

- Extent of municipal damage suffered, including expenses incurred by other municipalities which support response operations or act as a Host Community;
- Preliminary cost estimate to restore, replace and/or repair damage to municipal property and infrastructure to pre-disaster condition;
- Other information council believes is pertinent (e.g., Conservation Authority reports, Environment Canada reports, etc.).

The package should include newspaper clippings, photographs and other documentary evidence where available.

The Minister may also consider:

- Severity of impact based on scientific evidence, e.g. level F1-F5 tornado, as determined by Environment Canada;
- Current financial capacity, debt ratio and capital commitments of the affected municipality;
- Local economic impact, e.g. tourism and ability to recover without provincial assistance; and
- Future financial pressures resulting from response and recovery costs.

Examples of eligible public losses and costs under ODRAP

Incremental, extraordinary municipal costs, over and above normal municipal expenditures, which are related to response and recovery from the disaster, may be eligible, such as:

- Food/water for volunteers and disaster relief workers;
- Emergency response supplies e.g. sandbags;
- Municipal owned equipment costs (at 50% of MTO Rate) or equipment rental costs (prorated);
- Activation of the municipal emergency operations centre;
- Clearing and removal of debris and wreckage, including removal of buildings and removal of trees and limbs if public safety is endangered;

- Overtime for employees and those hired for disaster response/relief effort, or to backfill for regular employees deployed for disaster response/relief efforts;
- Incremental administrative costs related to disaster relief committee;
- Emergency communications;
- Additional security costs;
- Repair and restoration to pre-disaster condition of uninsured public facilities (e.g. buildings, libraries, recreational facilities including parks, roads and drains, infrastructure); and,
- Evacuation and shelter of people and animals, including incremental operating expenses.

Examples of ineligible public losses and costs under ODRAP

- Regular salary;
- Insurance deductibles;
- Municipal equipment costs (other than as described above);
- Additional costs to repair or improve structures of infrastructure beyond pre-disaster condition (e.g. in a situation where a single-lane bridge is destroyed, its replacement cost can be established and used to contribute to the cost of replacing it with a two-lane bridge);
- Lost revenues (e.g. community centres or waste tipping fees).

6. PROVINCIAL FINANCIAL ASSISTANCE – PRIVATE DAMAGE COMPONENT

In the event of a natural disaster, individuals are expected to bear the initial responsibility for their losses. If the losses are so extensive that individuals cannot cope on their own, the municipality and the community at large are expected to provide support.

The private component of ODRAP is intended to provide the "necessities of life" to help those impacted by a natural disaster get back on their feet, when it is beyond the capacity of the municipality or community to assist.

Requiring a local Disaster Relief Committee

When the Minister declares a disaster area which includes private damages, the municipality is required to establish a disaster relief committee to implement the program locally. All funds raised for victims of the disaster event are channeled to the disaster relief committee. The province may match funds up to a 2 to 1 ratio to settle the claims, up to 90 per cent of the estimated eligible amount.

The Minister may alter funding arrangements depending on the magnitude and/or frequency of disaster(s), as well as the geographic location of the impacted municipality and/or unorganized area.

Submitting a municipal disaster information report

In addition to the municipal council resolution, the affected municipality must submit a municipal disaster information report (see Appendix B) containing an estimate of private damage losses within 14 working days from the onset of the disaster. The municipal disaster information report assists the Minister to determine the appropriateness of ODRAP, as it describes the impact of the event including:

- The magnitude of estimated private damage suffered by individuals/families, farms, small businesses and non-profit organizations;
- Number of damaged properties with insurance coverage;
- Preliminary cost estimate to restore, replace or repair essential property and contents to pre-disaster condition. This information can be gathered from those affected through a municipal survey or a registration process;
- Newspaper clippings, photographs and other documentary evidence where available;
- Other information council believes is pertinent (e.g., Conservation Authority reports, Environment Canada reports, etc.).

Advance assistance may be considered, so that cleanup and repairs to private property can get underway for safety and access purposes. Additional updates within and after the 14 working day period can be submitted to the regional Municipal Services Office as private damage assessments are refined.

Examples of eligible private losses and costs under ODRAP

- Restoration, repair or replacement to pre-disaster condition of a principal, year-round residence, farm buildings and principal business enterprise building;
- Essential furnishing of a private residence, including refrigerator, freezer, furnace, stove, clothes washer and dryer;
- Tools or other items essential to the claimant's livelihood, including farm machinery and equipment;
- For farms, replacement cost only of orchard trees;
- For business enterprises, replacement of inventory at cost;
- Livestock fencing;
- Restoration, repair or replacement to pre-disaster condition of churches, cemeteries, and other facilities of not-for-profit organizations, charities, service clubs;
- Emergency expenses (e. g. evacuation costs, food and shelter, generators, essential clothing);

- Perishable food.

Note: Some eligible items may only receive coverage to a maximum allowable amount

Examples of ineligible private losses and costs under ODRAP

- Losses covered by insurance;
- Insurance deductible;
- Secondary residences, e.g. cottages;
- Non-essential furniture, e.g. stereos, recreation room furniture;
- Landscaping, fencing, driveways and retaining walls;
- Recreational vehicles, e.g. boats, snowmobiles;
- Antiques and collections;
- Loss of revenue or wages;
- Losses recoverable by law.

7. DISASTER RELIEF COMMITTEE

A disaster relief committee should be established as soon as possible once a disaster area has been declared by the Minister. Individuals, families, farms, small businesses and non-profit organizations within the disaster area may submit claims to the local disaster relief committee whose purpose is to:

- Raise funds for the benefit of disaster victims; and
- Receive and settle the eligible claims of the victims as efficiently as possible.

Setting up the Committee

Municipal council should consider preparing a list of potential committee members in advance of the declaration or as early as possible, in order to ensure that the disaster relief committee can be activated expeditiously after a disaster area declaration by the Minister. The scope and nature of damages will help determine how many committee members are required.

The committee members cannot be members of council and should have no conflict of interest in the collection and distribution of funds. The committee should avoid selecting members who will likely be submitting claims for damages.

In unincorporated areas, the committee should be appointed by the organization or group that made the request for disaster area declaration (e.g. local services board).

If more than one jurisdiction is affected by a disaster, a joint disaster relief committee should be formed with representatives appointed from each of the affected jurisdictions. Equitable representation on the committee is encouraged.

Operations of the Disaster Relief Committee

The disaster relief committee and its sub-committees, if any, act autonomously from municipal council, operating within provincial guidelines to raise funds and settle claims. The committee ensures that all claims are dealt with fairly and equitably. Depending on the severity of the disaster, the disaster relief committee may operate for a period of several months or for up to one year or more, in order to receive and settle all claims. Members of the disaster relief committee receive no remuneration. They can be reimbursed for expenses, however, such as travel to meetings.

Usually program administration, financial records and payments are made by a municipality upon the recommendation of the disaster relief committee. The program administration costs of the disaster relief committee are incremental to normal municipal administration activities, and are eligible for reimbursement from the Ministry. These costs could include:

- A program manager to assist the disaster relief committee with day to day operations, fundraising and claim settlement;
- An insurance adjuster to assist with reviewing claims;
- Secretarial and other support staff fees, audit fees, stationary, printing, advertising and postage costs;
- Rental of office space and furniture if necessary.

All administrative expenditures of the local disaster relief committee must be documented and kept separate from fundraising. No administrative costs are to be deducted by the disaster relief committee from the locally raised funds. All donations must be channeled directly to the disaster relief committee to be matched with provincial funds up to 2:1 and used for claim settlement.

Responsibilities of the Disaster Relief Committee

The responsibilities of the committee are as follows:

1. Appoint a chairperson and appropriate vice-chairs for sub-committees, where established;
2. Appoint a treasurer and a secretary, if one is required. The treasurer should not be a member of the committee but should be a municipal staff person or, depending on the scale of the emergency, a paid contract position;
3. Establish a disaster relief fund and bank account to receive donations;
4. Register as a charity with Revenue Canada to receive a charitable registration number, if not available through the municipality;
5. Solicit donations to the fund and organize fundraising activities;

6. Establish procedures for the receipt, appraisal, and settlement of claims for losses and damage;
7. Advise the municipality to issue advance payments in exceptional circumstances not exceeding 50% of the estimated eligible payout;
8. Distribute claim forms;
9. Advertise the existence of the fund, availability of assistance, and terms on which assistance will be provided;
10. Appraise damage for claims less than \$500 and, if necessary, hire professional adjuster(s) for claims greater than \$500;
11. Approve payments in a consistent manner based on reports from the adjuster and/or program manager, and in accordance with ODRAP guidelines and the committee's procedures;
12. Advise the municipality to make payments to claimants using the municipal financial system;
13. Hire auditors to review the activities of the fund and prepare an audit report; and
14. Submit an audited report to the regional Municipal Services Office for review and final payment of the provincial contribution.

Extreme Financial Hardship

In some instances, victims of a natural disaster may suffer extreme financial hardship because of losses and expenses which do not qualify for assistance under ODRAP and for which other sources of assistance are unavailable or inadequate. The disaster relief committee may provide additional financial assistance in these cases. A sub-committee having provincial representation must first be established to deal with the cases, as outlined in the *Guidelines for Disaster Relief Committees*.

Guidelines for Disaster Relief Committees

The regional Municipal Services Office will provide a copy of the *Guidelines for Disaster Relief Committees* for the use of the committee and sub-committee members. The Guidelines outline the operations of the committee and the roles and responsibilities of the sub-committees. They also contain a section on best practices used by other disaster relief committees and a checklist of items to assist newly appointed committee members.

8. EMERGENCY PREPAREDNESS AND RESPONSE IN ONTARIO

Individuals and Families

Individuals and families are expected to take reasonable precautions to ensure their own safety and protection, as well as that of their property. An emergency survival kit should allow them to manage for a minimum of 72 hours without emergency intervention.

ODRAP is not an alternative to adequate private insurance coverage and sound risk management practices. Claims from households and businesses should be directed first to insurance companies to determine the policy holder's coverage.

In the event of a natural disaster, individuals are expected to bear the initial responsibility for their losses. If the losses are so extensive that individuals cannot cope on their own, the municipality and the community at large are expected to provide support.

Affected Municipality

Most incidents that do occur are handled at the local level by trained emergency responders. In the event of a larger incident, the head of council may decide to declare an emergency and assemble local officials at the municipal Emergency Operations Centre. This approach ensures a coordinated and effective strategic response. Often, municipalities augment their emergency response operations through mutual assistance agreements with neighbouring municipalities and special arrangements with local service organizations for emergency social assistance.

If an affected municipality has experienced extraordinary damage to its public property and infrastructure, damage claims should be directed first to insurance companies to determine coverage under municipal policies. Municipalities can contact the regional MMAH Municipal Services Office to discuss costs and eligibility for assistance for uninsured public and private property damage under ODRAP, as described earlier in this document.

First Nations Communities

The Ministry of Community Safety and Correctional Services, Emergency Management Ontario, is responsible for coordinating arrangements and responding to an emergency in a First Nations community.

Appendix A: Disaster Checklist for Municipal Council

Completed	Pending	Task
		Municipal Emergency Response Plan activated? Follow procedures outlined in Municipal Emergency Response Plan. Contact Emergency Management Ontario, 416 314-0472 or 1 866 314-0472 (toll free) to report a declaration of a local emergency under the <i>Emergency Management and Civil Protection Act</i> .
		Contact local Municipal Services Office of the Ministry of Municipal Affairs and Housing: Central – Toronto: 1-800-668-0230 Eastern – Kingston: 1-800-267-9438 Northeastern – Sudbury: 1-800-461-1193 Western – London: 1-800-265-4736 Northwestern – Thunder Bay: 1-800-465-5027 Ask about appropriateness of assistance under ODRAP. Request clarification about the date for submitting a municipal council resolution and the Municipal Disaster Information Report. The resolution must be passed and forwarded to the Minister within 14 working days of the onset of the disaster event, along with the Municipal Disaster Information Report.
		Establish a process for receiving reports of private damage from individuals, families, businesses, farms and not-for-profit groups such as a municipal call centre, online or door-to-door survey, if necessary. Record the number of damaged properties covered by insurance.
		Estimate amount of public and/or private damages using the Municipal Disaster Information Report. Fill in as much detail as possible, i.e. number of households/ businesses/ farms/non-profit organizations. Do not include damages sustained by cottages/seasonal properties. Map/chart/document damage area including peripheral areas. If possible, take pictures of damage.
		If there are reports of private damage, start fundraising as soon as possible.
		Contact local banks to arrange to receive donations until accounts can be opened by the disaster relief committee. Seek legal advice about issuing tax receipts for donations and/or applying to the federal government for the charitable organization tax status.
		Consider preparing a list of potential committee members in advance in order to ensure that the disaster relief committee can be activated expeditiously after a disaster area declaration is made by the Minister of Municipal Affairs and Housing. The scope and nature of damage will help determine how many committee members are required.
		Contact local press and advise them once the area has been declared a disaster area for ODRAP purposes.
		Establish a municipal council contact for the disaster relief committee.
		Contact local MMAH Municipal Services Office with date/time of inaugural meeting of the disaster relief committee.
Once the disaster relief committee has been established, the committee can take over relief efforts. The committee will be given a copy of <i>Guidelines for Disaster Relief Committees</i> .		

Appendix B: Examples of Information Requirements for the Municipal Disaster Information Report

- o Date of the disaster event
- o Date of emergency declared under the *Emergency Management and Civil Protection Act*
- o Date of municipal resolution requesting a declaration of a disaster area by the Minister of Municipal Affairs and Housing for the purpose of the Ontario Disaster Relief Assistance Program
- o Municipal contact information
- o Description of disaster and characteristics of the area impacts
- o Information about personal injury and losses
- o Estimated costs of evacuation and shelter
- o Description and cost estimate of public property damage
- o Description and cost estimate of private damage
- o Information about the need for early financial assistance

Contact the regional MMAH Municipal Services Office to receive a Municipal Disaster Information Report.

INSTRUCTIONS FOR COMPLETION OF MUNICIPAL DISASTER INFORMATION SHEET FOR MUNICIPALITIES

Purpose: The purpose of this form is to assist the Municipality in assessing the extent of public and private damage, including costs, requirements for recovery and the need for early financial assistance.

It records the initial assessment of a disaster/emergency as well as follow up deployments undertaken to accurately assess public and private property damage and to estimate the dollar value associated with the disaster/emergency.

The form consists of 7 parts:

Part A: General Information

In this section the municipality provides general information re timing of certain actions; location and characteristics of impacted area; and an opportunity to qualitatively estimate the extent and severity of event.

Part B: Contacts

This section records contact information and is self-explanatory.

Part C: Personal injury and loss

This section records injuries and loss of life based on initial reports. This information may become further clarified through coroner's reports as to the cause of death being related directly to the disaster event or due to some other health condition.

Also clarifies whether funds would be required for provision of evacuation and shelter in the short and long term, and the type of eligible expenditures incurred in operating the shelter.

Part D: Private Property Damage

This section records estimates of private property damage. This information may become further clarified once assessments are conducted by insurance appraisers to better determine:

- o Nature and estimated value of damage caused directly by the disaster event (not by non-disaster events/issues such as lack of regular maintenance, shoddy workmanship, etc;
- o Number of damaged properties covered by insurance
- o Repair, replacement or restoration of the property to normal/pre-disaster conditions.

Part E: Municipal Property Damage

This section records estimates of municipal property damage and costs. This information may become further clarified once assessments are conducted by public works officials and insurance appraisers to better determine:

- o Nature and estimated value of damage caused directly by the disaster event (not by non-disaster events/issues such as lack of regular maintenance shoddy workmanship, etc.;

INSTRUCTIONS FOR COMPLETION OF MUNICIPAL DISASTER INFORMATION SHEET FOR MUNICIPALITIES

- o Emergency response costs, such as protective/preventative measures, e.g. sand bags and may also include operational response of other municipalities, as part of mutual assistance;
- o Costs covered by municipal insurance;
- o Repair, replacement or restoration of the infrastructure to normal/pre-disaster conditions;
- o Cleanup costs for public safety reasons.
- o Incremental, extraordinary salaries of staff specifically engaged in the clean up or other operation and wages of staff that may have to be employed to assist with the response.

Part F: Other Property Damage

This section records estimates of damage to non-profit property such as churches, clubs, etc

Part G: Financial Assistance

This section records information for the Minister of Municipal Affairs and Housing when considering declaring a disaster area for the purposes of ODRAP and requesting funding from Treasury Board/Cabinet.

6(1)(a)

MUNICIPAL DISASTER INFORMATION			
<Insert name of Municipality here>			
PART A - General Information			
Date/Time Emergency Declared under EMCPA:		Date of disaster assistance resolution:	
Type of Disaster (for example flood, snow storm):		Comments (details of the event):	
Impacted Area (Name of municipality and specific neighbourhood, if applicable):			
Characteristics of impacted area (population, community characteristics – dense urban area/farm community/cottages, conservation area, river, park):			
PART B - Contacts			
Municipal Representative (Name & Title)		Phone Number	
Emergency Management Ontario Officer		Phone Number	
PART C - Personal Injury and Loss			
Did an evacuation occur?	Anticipated length:	Are there serious injuries to people?	Are there any fatalities?
Yes No	> 14 days ____		
If yes approximate number of people?	< 14 days ____	Yes No	Yes No
Estimated Cost of Evacuation: \$		Types of eligible costs incurred costs incurred to operate shelter (s): \$	
Estimated Cost of Shelter: \$			
PART D - Private Property Damage			
Number of primary residences damaged:	Nature of Damage (i.e. sewage back-up, roof shingles, flooded basements):	Estimated value of the damage: \$ Number of damaged properties with insurance coverage:	
Number of small businesses damaged:	Nature of Damage (including inventory):	Estimated value of the damage: \$ Number of damaged properties with insurance coverage:	
Number of Farms damaged:	Nature of Damage:	Estimated value of the damage: \$ Number of damaged properties with insurance coverage:	

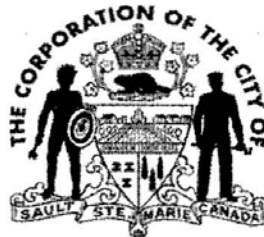
6(1)(a)

PART E – Municipal Property Damage		
Municipal Facilities damaged:	Nature of Damage:	Estimated value of the damage: \$ Municipal facilities with insurance coverage:
Is there damage to roads and bridges? Yes No	Nature of Damage:	Estimated value of the damage: \$
Other municipal infrastructure damaged?	Nature of Damage:	Estimated value of the damage: \$ Which of these assets are covered by insurance?
Other municipal assets damaged?	Nature of Damage:	Estimated value of the damage: \$ Which of these assets are covered by insurance?
Other Costs incurred by Municipality: 1. Protective/Preventative measures 2. Extraordinary, incremental salaries/wages	Nature of costs (e.g. sandbagging, equipment use; water, food for volunteers)	Estimated Costs:
PART F – Other Property Damage		
What Non-Profit organizations sustained property damage (e.g. church, rotary club)?	Nature of Damage:	Estimated value of the damage: \$ Which of these properties are covered by insurance?
Other		
PART G – Financial Assistance		
Is there a need for early financial assistance? If yes why?		

Note: This form, along with documentary evidence such as media clippings, photographs, and any other information which the council may consider pertinent, should accompany your resolution.

HUMAN RESOURCES DEPARTMENT

John R. Luszka, Commissioner
 Peter Niro, Manager
 Aldo Iacoe, Health & Safety Coordinator
 Beth Madonna, Return to Work
 Coordinator



CIVIC CENTRE
 99 Foster Drive,
 Sault Ste. Marie, ON.
 P6A 5X6
 Tel: (705) 759-5361
 Fax: (705) 541-7177

2013 09 23

Mayor Debbie Amaroso
 And Members of City Council

**RE: SUPPORTING RESOLUTION FOR THE "FAIR & OPEN TENDERING ACT"
 TO END LABOUR MONOPOLIES**

Attached elsewhere in your Agenda is a Resolution recommended for approval by City Council. The Resolution supports the Private Member's Bill before the Provincial Legislature that received first reading May 16, 2013. It is entitled the "Fair and Open Tendering Act". A copy of Bill 73 is attached along with MPP Harris' News Release of May 16, 2013. Also attached is an Association of Ontario Municipalities (AMO) recommendation that was passed in August also supporting this legislative change as well as correspondence from the Mayors and Regional Chairs of Ontario (MARCO).

Essentially, the Bill seeks to define public sector employees such as municipalities and school boards as "non-construction employers".

If passed, the City would once again be free to accept competitive bids from any and all qualified bidders for its construction projects. Currently the ICI construction bidding process is monopolized due to our certification to the Labourers and Carpenters. Consequently, the City is obligated at this time to accept bids from construction contractors exclusively bound only to the Labourers International Union of America Local 1036 (LIUNA) and the United Brotherhood of Carpenters and Joiners Local 2486 (Carpenters).

This current monopoly restricts the number of potential bidders, thereby, preventing the City taxpayer from getting the best competitive price for equivalent service and quality for its construction projects.

As Council is aware, the City's position has always been consistent that we should not be bound to the construction trade collective agreements with Labourers & Carpenters. This has been the consistent position of the City since the 1980's when these unions were first certified with the City.

Attempts to legally decertify from these unions has been costly and unsuccessful due to the stringent application of the definition of Non Construction Employer in the current Labour Relations Act by the Ontario Labour Relations Board.

The legislation as it currently stands defines municipalities in the same category as major private sector construction companies such as Ellis Don or PCL. Apparently Ontario is the only Canadian jurisdiction where this occurs.

Municipalities that perform construction on behalf of the citizens with taxpayer dollars need to be able to freely tender their construction work to obtain truly competitive bids on behalf of the taxpayer.

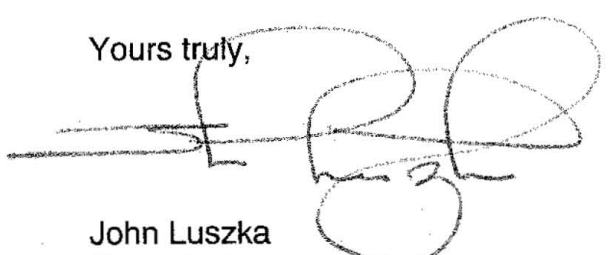
Currently the bidding is restricted due to the legislative monopoly granted to the Labourers and Carpenters thereby driving up the costs to the taxpayer. In addition, the City is exposed to additional costs in the form of staff time and legal fees regarding grievance and arbitrations, which are frequently filed by the unions regarding work jurisdiction.

In summary, the Fair and Open Tendering Act is consistent with the position held by the City for over twenty years. The public taxpayer should have the benefit from full and fair competitive bidding on municipal construction projects by any and all qualified contractors. The City as a public organization should not be legislatively categorized the same as large private construction companies.

As you can see by the support from AMO, MARCO and LUMCO in the attached information there is a growing consensus amongst municipalities for the legislative change. The Kitchener City Council has also provided support to the proposed amendments.

City Council's support of the resolution is respectfully requested to add our voice in support of Bill 73.

Yours truly,



John Luszka
Commissioner

JL:ef
Attached

c.c. J. Fratesi

RECOMMENDED FOR APPROVAL



Joseph M. Fratesi
Chief Administrative Officer

6(1)(b)



FOR IMMEDIATE RELEASE
Thursday, May 16, 2013

Harris tables *Fair and Open Tendering Act* to end labour monopolies
Legislative change would ensure best value for taxpayers on infrastructure projects: Harris

QUEEN'S PARK — Today, Kitchener-Conestoga MPP Michael Harris tabled the *Fair and Open Tendering Act*, which, if passed, would preserve and maintain competitive bidding for public infrastructure projects tendered by Ontario municipalities and school boards.

"My private member's bill is based on two fundamental principles. The first is fairness. I believe all Ontarians, regardless of their affiliation with a particular union, should have the right to work on publicly funded infrastructure projects," Harris said at a media conference today.

"The second is open competition. When all qualified unionized and open-shop companies have the opportunity to compete for contracts to build bridges, new schools and other public buildings, municipalities and school boards can ensure taxpayers get the highest quality work at the lowest possible cost."

Harris's bill would prevent municipalities and school boards from becoming trapped in labour monopolies by exempting them from the construction-sector provisions in the *Labour Relations Act*. Over the years, certain unions have successfully exploited a legal loophole in Ontario's outdated labour laws that allows them to certify municipalities and school boards as if they were construction companies.

Once this happens, these public-sector employers are required, by law, to contract out all publicly funded infrastructure projects to companies organized by a specific union. This unfair practice, on average, restricts 70% of qualified contractors from working on public projects and increases infrastructure costs by 40%.

Certain unions have already trapped several public-sector employers in labour monopolies, including: Hamilton, Toronto, Sault Ste. Marie and the Greater Essex County School Board. And now, the Region of Waterloo is at risk of becoming the next victim of this legal loophole at a cost of roughly \$78 million a year.

"Labour monopolies drain millions of dollars of taxpayers' money out of communities every year that should be used to improve the level of services and quality of life for residents," Harris concluded. "It's not fair to Ontario taxpayers to have the cost of projects escalate simply because our outdated labour laws prevent open competition. That's why I'm calling on all members of the Legislative Assembly to join me in supporting the *Fair and Open Tendering Act*."

-30-

For further information contact:
Shane Buckingham | 647.403.2981 | shane.buckingham@pc.ola.org

6(1)(b)



2ND SESSION, 40TH LEGISLATURE, ONTARIO
62 ELIZABETH II, 2013

2^e SESSION, 40^e LÉGISLATURE, ONTARIO
62 ELIZABETH II, 2013

Bill 73

Projet de loi 73

**An Act to amend
the Labour Relations Act, 1995
with respect to certain public sector
employers in the construction industry**

**Loi modifiant la
Loi de 1995 sur les relations de travail
en ce qui concerne certains employeurs
du secteur public dans l'industrie
de la construction**

Mr. Harris

M. Harris

Private Member's Bill

Projet de loi de député

1st Reading May 16, 2013
2nd Reading
3rd Reading
Royal Assent

1^{re} lecture 16 mai 2013
2^e lecture
3^e lecture
Sanction royale



6(1)(b)

EXPLANATORY NOTE

The Bill amends the *Labour Relations Act, 1995* to clarify that the requirement for province-wide bargaining in the construction industry does not apply to certain public sector employers such as municipalities and school boards.

NOTE EXPLICATIVE

Le projet de loi modifie la *Loi de 1995 sur les relations de travail* pour préciser que l'obligation de négocier à l'échelle de la province dans l'industrie de la construction ne s'applique pas à certains employeurs du secteur public, tels que les municipalités et les conseils scolaires.

Bill 73

2013

Projet de loi 73

2013

**An Act to amend
the Labour Relations Act, 1995
with respect to certain public sector
employers in the construction industry**

Note: This Act amends the *Labour Relations Act, 1995*. For the legislative history of the Act, see the Table of Consolidated Public Statutes – Detailed Legislative History at www.e-Laws.gov.on.ca.

1. Section 125 of the *Labour Relations Act, 1995* is amended by adding the following clause:

- (j.1) governing transitional matters that, in the opinion of the Lieutenant Governor in Council, are necessary to implement section 126.0.1;

2. (1) Subsection 126 (1) of the Act is amended by adding the following definition:

“public sector employer” means,

- (a) the corporation of a municipality in Ontario,
- (b) a local board as defined by the *Municipal Affairs Act* or an authority, a board, a commission, a corporation, an office or an organization of persons, some or all of whose members, directors or officers are appointed or chosen by or under the authority of the council of the corporation of a municipality in Ontario, or
- (c) a board as defined in the *Education Act*; (“employeur du secteur public”)

(2) Section 126 of the Act is amended by adding the following subsection:

Same, public sector employer

(1.1) For greater certainty, the definition of “employer” in subsection (1) does not include a public sector employer.

3. The Act is amended by adding the following section:

Transition, public sector employers

126.0.1 (1) On the day this section comes into force, the following are terminated: all collective agreements made, for the purposes of sections 126 to 168, between a public sector employer, on the one hand, and a trade union or council of trade unions, on the other hand, that

**Loi modifiant la
Loi de 1995 sur les relations de travail
en ce qui concerne certains employeurs
du secteur public dans l'industrie
de la construction**

Remarque : La présente loi modifie la *Loi de 1995 sur les relations de travail*, dont l'historique législatif figure à la page pertinente de l'Histoire législative détaillée des lois d'intérêt public codifiées sur le site www.lois-en-ligne.gouv.on.ca.

1. L'article 125 de la *Loi de 1995 sur les relations de travail* est modifié par adjonction de l'alinéa suivant :

- j.1) régir les questions transitoires qu'il estime nécessaires pour la mise oeuvre de l'article 126.0.1;

2. (1) Le paragraphe 126 (1) de la Loi est modifié par adjonction de la définition suivante :

«employeur du secteur public» S'entend des entités suivantes :

- a) les municipalités de l'Ontario;
- b) les conseils locaux au sens de la *Loi sur les affaires municipales*, ainsi que les offices, conseils, commissions, personnes morales, bureaux et organisations de personnes dont tout ou partie des membres, des administrateurs ou des dirigeants sont nommés ou choisis par le conseil d'une municipalité de l'Ontario, ou sous son autorité;
- c) les conseils au sens de la *Loi sur l'éducation*. («public sector employer»)

(2) L'article 126 de la Loi est modifié par adjonction du paragraphe suivant :

Idem : employeurs du secteur public

(1.1) Il est entendu que la définition de «employeur» au paragraphe (1) exclut les employeurs du secteur public.

3. La Loi est modifiée par adjonction de l'article suivant :

Disposition transitoire : employeurs du secteur public

126.0.1 (1) Le jour de l'entrée en vigueur du présent article, sont résiliées toutes les conventions collectives conclues, pour l'application des articles 126 à 168, entre, d'une part, un employeur du secteur public et, d'autre part, un syndicat ou un conseil de syndicats représentant

represents employees of the employer who are employed in the construction industry.

Certification or voluntary recognition continued

(2) On the day this section comes into force, the certification or voluntary recognition, for the purposes of sections 126 to 168, of all bargaining agents of the employees of a public sector employer who are employed in the construction industry are continued for the purposes of sections 1 to 125 if those sections would otherwise apply to the public sector employer.

Craft units

(3) For greater certainty, subsection 9 (3) governs the bargaining unit for which a trade union or council of trade unions has rights under subsection (2).

Commencement

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. The short title of this Act is the *Fair and Open Tendering Act (Labour Relations for Certain Public Sector Employers in the Construction Industry), 2013*.

des employés de l'employeur qui sont employés dans l'industrie de la construction.

Prorogation de l'accréditation ou de la reconnaissance volontaire

(2) Le jour de l'entrée en vigueur du présent article, l'accréditation ou la reconnaissance volontaire, pour l'application des articles 126 à 168, de tous les agents négociateurs des employés d'un employeur du secteur public qui sont employés dans l'industrie de la construction est prorogée pour l'application des articles 1 à 125 dans les cas où ces articles s'appliqueraient par ailleurs à l'employeur du secteur public.

Unités dans les corps de métier

(3) Il est entendu que le paragraphe 9 (3) régit l'unité de négociation à l'égard de laquelle un syndicat ou un conseil de syndicats a des droits en vertu du paragraphe (2).

Entrée en vigueur

4. La présente loi entre en vigueur le jour où elle reçoit la sanction royale.

Titre abrégé

5. Le titre abrégé de la présente loi est *Loi de 2013 pour des appels d'offres équitables et ouverts (relations de travail chez certains employeurs du secteur public dans l'industrie de la construction)*.

6(1)(b)

RECOMMENDATION:

That the AMO Board support Bill 73, Fair and Open Tendering Act (Labour Relations for Certain Public Sector Employers in the Construction Industry), 2013 .

BACKGROUND:

Under the Labour Relations Act, 1995, municipalities are currently treated as a business and are deemed "construction employers" within the construction provision of the legislation. This prohibits municipalities from openly tendering construction work – limiting local firms and other competitively priced firms from being considered for projects. Under criteria laid out by the Ontario Labour Relations Board, municipalities are considered construction employers because they often undertake activities such as hiring a third party for repairs to city property.

Bill 73, The Fair and Open Tendering Act , was introduced on May 16, 2013 as a Private Members Bill and proposes to amend the Labour Relations Act, 1995 (LRA) to clarify that municipalities and school boards are not construction employers. As per the Act, a "non- construction employer" means an employer who does no work in the construction industry for which the employer expects compensation from an unrelated person.

If passed, this Bill would ensure that municipalities are able to tender construction work in a free and open competitive environment to gain the most value for construction expenditures.

ANALYSIS:

Municipalities undertake a number of construction projects and routinely hire third parties to repair damage to city property. The costs associated with these projects continue to escalate. Public employers should be able to openly contract projects to eligible bidders and keep the costs economical for publicly procured projects.

The legislation in the LRA is defined in a way that makes municipalities bound to the provisions in provincial construction collective agreements. However, a municipality is not engaged in the construction business for profit and therefore should not be considered a construction employer.

Passage of this legislation to amend the Labour Relations Act, 1995 would clarify that municipalities and school boards are not construction employers.

Both the Large Urban Mayor's Caucus (LUMCO) and the Mayors and Regional Chairs of Ontario (MARCO) have sent letters of support and resolutions for this Private Member's Bill.

The Bill will move forward for Second Reading debate on September 19th, 2013.

6(1)(b)



Randy Hope
Mayor
Chatham-Kent

Roger Anderson
Chair
Durham

Gary Carr
Chair
Halton

Bob Bratina
Mayor
Hamilton

Mark Gerretsen
Mayor
Kingston

Joe Fontana
Mayor
London

John Klinck
Chair
Muskoka

Gary Burroughs
Chair
Niagara

Jim Watson
Mayor
Ottawa

Emil Kolb
Chair
Peel

Marianne Matichuk
Mayor
Sudbury

Keith Hobbs
Mayor
Thunder Bay

Rob Ford
Mayor
Toronto

Ken Seiling
Chair
Waterloo

Eddie Francis
Mayor
Windsor

Bill Fisch
Chair
York

June 6, 2013

The Hon. Yasir Naqvi
Minister of Labour
400 University Avenue, 14th Floor
Toronto ON M7A 1T7

Dear Minister,

I am writing to you on behalf of the Mayors and Regional Chairs of Ontario (MARCO) concerning a much needed amendment to the Ontario Labour Relations Act.

The MARCO group is comprised of Regional Chairs and Mayors of Ontario regions and larger single tier cities. It meets to discuss matters that impact their municipalities. The group is supported by staff groups of CAO's and Commissioners who also interact regularly with the various Deputy and Assistant Deputy Ministers.

At its meeting on May, 3, 2013, MARCO endorsed a motion requesting an amendment to the Ontario Labour Relations Act (LRA) to expressly exempt municipalities from the Construction Section of the LRA.

Whereas municipalities are not businesses and have a different purpose and mandate from commercial enterprises;

And whereas the Ontario Labour Relations Board (OLRB) treats municipalities as businesses for the purpose of the construction industry provision in the Labour Relations Act, 1995;

And whereas to the best of our knowledge, Ontario is the only jurisdiction in Canada where municipalities are not deemed "non-construction employers";

And whereas an amendment to the Labour Relations Act, 1995 would ensure that municipalities are able to tender construction work in a free and open competitive environment to maximize value for construction expenditures;

Be it resolved that the Mayors and Regional Chairs of Ontario (MARCO) requests the Province of Ontario to amend the Labour Relations Act, 1995 by changing the definition of "non-construction employer" in Section 126, by deeming municipalities to be non-construction employers.

Ken Seiling, Chair
Mayors and Regional Chairs of Ontario of Single Tier Cities and Regions
The Regional Municipality of Waterloo
150 Frederick Street, 1st Floor, Kitchener Ontario N2G 4J3
519-575-4585 Fax 519-575-4440 e-mail: sken@region.waterloo.on.ca

6(1)(b)

This amendment is needed so that municipalities would not be subject to back-door unionization by a trade union (e.g. the Carpenters' Union, IBEW etc.) and held to provisions of the Act that are truly intended for the construction industry. To the best of our knowledge, Ontario is the only jurisdiction within Canada where municipalities are not deemed "non-construction employers" for such purposes. As the Act stands today, it encourages top-down organizing with unions targeting the big buyers (municipalities) to close the market to non-unionized contractors.

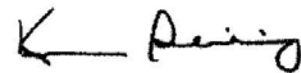
We wish to emphasize that this is not a question of being anti union, rather it is a question of what best serves the public interest. If this situation is left unchecked, it will result in municipal tendering processes being overtaken and driven by private sector organized construction interests at tremendous cost to local taxpayers. These increased costs would be primarily due to a reduction in competitive bidding for municipal projects because of a substantial reduction in the number of contractors eligible to bid.

Indeed, in 2005 the City of Hamilton was the target of a certification by the United Brotherhood of Carpenters and Joiners of America. The certification was successful and the City reports significant increases in costs of their tendered projects due to having fewer eligible bidders.

Given the substantial number of capital works projects undertaken by municipalities in Ontario every year, the implications are staggering. Our concern is that the cost escalations resulting from this situation may very well delay the implementation of key infrastructure projects that are critical to Ontario's economic success.

I would be happy to discuss this further with you at your convenience.

Best regards,



Ken Seiling
Chair, MARCO
Chair, Region of Waterloo

cc: The Hon. Kathleen Wynne, Ontario Premier
MARCO Members
Hazel McCallion, Chair LUMCO
Phil Besseling, Past Chair, Merit OpenShop
Peter Gallus, Director/Registrar, Ontario Labour Relations Board
Russ Powers, President, AMO Board of Directors
Pat Vanini, Executive Director, AMO

6(1)(b)

September 11, 2013

Re: Bill 73, An Act to Amend the Labour Relations Act, 1995 with Respect to Certain Public Sectors
Employers in the Construction Industry

The Board of Directors of the Sault Ste. Marie Economic Development Corporation passed the following resolution on September 3, 2013:

Resolution Number 2013 09 24

Moved by: Greg Punch
Seconded by: Rob Reid

Whereas an amendment to the Labour Relations Act, 1995 will ensure public employers are able to tender construction work in a free and open competitive environment that maximizes fairness and value for construction expenditures;

Be it resolved that the Sault Ste. Marie Economic Development Corporation Board of Directors supports City Council's resolution regarding an amendment to Section 126 of the Ontario Labour Relations Act, 1995 so that it explicitly states municipalities are not construction employers.
CARRIED.

6(1)(b)



SAULT STE. MARIE

CONSTRUCTION ASSOCIATION

117 White Oak Dr. East • Sault Ste. Marie, ON • P6B 4J7 • Telephone (705) 759-8830 • Facsimile (705) 759-6783
E-mail: info@ssmca.com • Website: www.ssmca.com

Bill 73 Response To Sault Ste. Marie City Council

September 19, 2013

The Sault Ste. Marie Construction Association has been active as the "voice" of the local Construction Industry for more than fifty-six years, advocating for fair open and transparent public tendering on behalf of our current membership of 153 businesses earning their living in the Sault and surrounding regions.

A key component in the mission is the delivery of our product to our owner clients such as the City of Sault Ste. Marie, properly built in a timely fashion at a fair price. This very important value proposition is best achieved through fair and open public tendering where the industry's experience and expertise are available to a purchaser without restriction of any kind.

A review of our membership database reveals that 29 member companies perform the type of work that this Municipality is unable to purchase from them due to the City's obligations under the Ontario Labour Relations Act, thereby significantly limiting both the opportunities for our members as well as the City's opportunity to obtain the value we refer to above.

For these reasons the Sault Ste. Marie Construction Association supports Private Members Bill 73- The Fair and Open Tendering Act.

4. (3)

(b) Tender - Carpeting Level 6 Civic Centre

The report from the Supervisor of Purchasing was accepted by Council.

Moved by Alderman V. Gardi

Seconded by Alderman T. Angus

Resolved that the report of the Supervisor of Purchasing dated 1987 11 17 be endorsed and that the tender for the Supply & Installation of Carpeting at the Civic Centre be awarded as recommended. Carried

(c) City of Toronto Resolution
Union Trades Certification

The report from the City Administrator was accepted by Council.

Moved by Alderman W. Chisholm

Seconded by Alderman T. Gillespie

Whereas the matter of Union Trades Certification is a very serious problem our City is now faced with because of the Certification of Labourers and Carpenters by the Ontario Labour Relations Board last August;

And Whereas these certifications restrict our ability to award contracts and will also affect work that the City undertakes in the future with our own employees;

And Whereas the certifications have already affected the award of the East End Water Pollution Control Plan Contract;

Now Therefore Be It Resolved that the Council of the Corporation of the City of Sault Ste. Marie support the decision and policy of the City of Toronto confirmed at their Meeting of October 19, 1987 regarding Union Trades Certification and specifically urge the Provincial Government to change Labour Legislation to exempt Municipalities from Provincial Construction Agreements and that we so inform the Premier of Ontario, Provincial Minister of Labour, Association of Municipalities of Ontario, City of Toronto and our local M.P.'s and M.P.P.'s. Carried

RECORDED VOTE

For: Mayor Joe Fratesi, Aldermen F. Manzo, W. Borowicz, C. Swift, V. Gardi, T. Gillespie, H. Hurdon, J. DesJardins, S. Butland, W. Chisholm, M. Sanzosti, T. Angus

Against: Nil

Absent: Alderman D. Nelson



The Record.com

D'Amato: Open up public-sector construction projects to all bidders

Waterloo Region Record

Today is a big day.

This afternoon, the Ontario legislature will debate and vote on second reading of a vitally important private member's bill, sponsored by Kitchener-Conestoga MPP Michael Harris.

If approved, the Fair and Open Tendering Act would ensure a level playing field when firms compete to build projects like schools and arenas.

Essentially, Harris' plan would rescue Ontario municipalities and school boards from a closed-shop bidding situation that would stifle competition, hike the cost of new construction, and unfairly shut out most firms from having a chance to work on publicly funded building projects.

Harris has an impressive array of supporters. The Association of Municipalities of Ontario backs him. So do the Mayors and Regional Chairs of Ontario, the Christian Labour Association of Canada, the Region of Waterloo, cities of Kitchener, Woodstock and Stratford, and the towns of Orangeville and Kirkland Lake.

Queen's Park is a fractious and divided place these days, and it isn't at all certain that the Liberals or New Democrats will support Harris' bill.

But here's a scary little story that shows why New Democratic Party MPP Catherine Fife of Kitchener-Waterloo, and Liberal MPP John Milloy of Kitchener Centre, along with their colleagues, should forget about party lines and just do what's right.

Last December, two regional employees were constructing a shed at the Waterloo Region library headquarters in Baden. While on the job, they signed union cards with the United Brotherhood of Carpenters and Joiners of America.

Because they were the only two workers on the job that day, the Ontario Labour Relations Board ruled that the United Brotherhood had the right to represent regional staff.

And so the region will now be unable to have open bidding on its projects. Only a few firms — those that are affiliated with that union — may bid on most regional construction projects. If you're a company that's affiliated with a different union, or not unionized, you aren't eligible to bid.

It's nothing short of insane that two men putting up a shed on a Saturday can hold half a million of the region's residents to ransom in this bizarre manner.

Not only is it grossly unfair to turn publicly financed construction projects into a private club for the few, but the lack of competition will burden all taxpayers with the higher costs.

Waterloo Region Chair Ken Seiling, in a letter to the provincial minister of labour, already warned of a "tremendous cost to local taxpayers" if the Ontario Labour Relations Act isn't amended to exclude municipalities.

6(1)(b)

The same carpenters' union certified workers in Hamilton eight years ago, "and the city reports significant increases in costs of their tendered projects due to having fewer eligible bidders," Seiling wrote.

"Given the substantial number of capital works projects undertaken by municipalities in Ontario every year, the implications are staggering."

Harris' bill is a breath of fresh air. It would close the legal loophole in Ontario, as other provinces have already done. The bill would ensure that any qualified firm would be able to bid on publicly funded projects for school boards and municipalities.

There's no question that the Progressive Conservative Party has floated some decidedly anti-union ideas in the past year.

But Harris' proposal isn't part of that hard, right-wing ideology. It is just a badly-needed reform that makes perfect sense. It doesn't say "Get rid of unions." It says: "Treat all qualified employers equally, when the public's money is involved."

You can watch Thursday's vote, which begins with an introductory speech by Harris, after 2:30 p.m. on the Queen's Park webcast Go to this link: www.ontla.on.ca/web/go2.jsp?Page=/webcast/internal-webcast_main&locale=en

Or type in www.ontla.on.ca and find the webcast on the right-hand side of the home page

City of Sault Ste Marie
COMMUNITY SERVICES DEPARTMENT
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$328,545.78)	(\$3,388,224.33)	(\$4,913,180.00)	(\$1,524,955.67)	31.04%	(\$5,066,749.36)
Government grants	(10,060.73)	(115,665.52)	(\$104,180.00)	\$11,485.52	(11.02%)	(\$186,473.82)
Contribution from own funds			\$0.00	\$0.00	0.00%	(\$45,960.50)
Other income	(11,682.11)	(54,203.98)	(\$25,600.00)	\$28,603.98	(111.73%)	(\$73,214.03)
	<u>(350,288.62)</u>	<u>(3,558,093.83)</u>	<u>(\$5,042,960.00)</u>	<u>(\$1,484,866.17)</u>	<u>29.44%</u>	<u>(\$5,372,397.71)</u>
EXPENDITURES						
Salaries	617,629.52	3,591,611.22	\$5,603,329.00	\$2,011,717.78	35.90%	\$5,444,301.15
Benefits	109,155.66	727,082.10	\$1,126,918.00	\$399,835.90	35.48%	\$1,022,018.74
Travel and training	546.55	6,316.11	\$14,880.00	\$8,563.89	57.55%	\$4,688.25
Vehicle allowance, maintenance and repairs	112.28	2,228.41	\$8,070.00	\$5,841.59	72.39%	\$4,528.83
Utilities and Fuel	73,711.77	778,572.38	\$1,333,900.00	\$555,327.62	41.63%	\$1,259,749.27
Materials and supplies	32,992.27	214,566.38	\$427,900.00	\$213,333.62	49.86%	\$363,668.91
Maintenance and repairs	68,178.18	544,126.53	\$665,060.00	\$120,933.47	18.18%	\$735,652.77
Program expenses	4,799.39	59,956.97	\$82,950.00	\$22,993.03	27.72%	\$184,637.75
Goods for resale	67,835.03	396,855.36	\$589,720.00	\$192,864.64	32.70%	\$683,086.58
Rents and leases		8,326.08	\$12,850.00	\$4,523.92	35.21%	\$12,237.63
Taxes and licenses		476.00	\$1,385.00	\$909.00	65.63%	\$1,250.00
Financial expenses	271.29	17,629.45	\$42,730.00	\$25,100.55	58.74%	\$33,784.78
Purchased and contracted services	15,986.76	120,290.66	\$204,665.00	\$84,374.34	41.23%	\$181,541.60
Grants to others		6,477.88	\$14,410.00	\$7,932.12	55.05%	\$2,297.19
Transfer to own funds			\$26,630.00	\$26,630.00	100.00%	\$141,053.86
Capital expense	20.94	12,704.87	\$49,340.00	\$36,635.13	74.25%	\$72,414.43
Depreciation			\$0.00	\$0.00	0.00%	\$1,455,278.14
Less: recoverable costs			\$0.00	\$0.00	0.00%	(\$2,700.00)
	<u>991,239.64</u>	<u>6,487,220.40</u>	<u>\$10,204,737.00</u>	<u>\$3,717,516.60</u>	<u>36.43%</u>	<u>\$11,599,489.88</u>
NET (REVENUE)/EXPENDITURE	640,951.02	2,929,126.57	\$5,161,777.00	\$2,232,650.43	43.25%	\$6,227,092.17

6(2)(a)

City of Sault Ste Marie
RECREATION & CULTURE
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$99,614.54)	(\$311,484.97)	(\$379,315.00)	(\$67,830.03)	17.88%	(\$386,915.41)
Government grants	(10,060.73)	(112,620.52)	(\$104,180.00)	\$8,440.52	(8.10%)	(\$175,366.47)
Contribution from own funds			\$0.00	\$0.00	0.00%	(\$13,408.31)
Other income	(948.56)	(18,133.04)	(\$10,600.00)	\$7,533.04	(71.07%)	(\$32,558.09)
	<u>(110,623.83)</u>	<u>(442,238.53)</u>	<u>(\$494,095.00)</u>	<u>(\$51,856.47)</u>	<u>10.50%</u>	<u>(\$608,248.28)</u>
EXPENDITURES						
Salaries	163,274.72	735,560.92	\$1,011,622.00	\$276,061.08	27.29%	\$1,039,312.99
Benefits	21,216.48	127,644.47	\$195,997.00	\$68,352.53	34.87%	\$162,866.71
Travel and training		879.91	\$1,450.00	\$570.09	39.32%	\$139.99
Vehicle allowance, maintenance and repairs	(161.81)	98.44	\$1,450.00	\$1,351.56	93.21%	\$365.37
Utilities and Fuel	5,780.38	59,932.06	\$93,790.00	\$33,857.94	36.10%	\$92,587.88
Materials and supplies	7,949.48	20,975.04	\$61,255.00	\$40,279.96	65.76%	\$58,311.32
Maintenance and repairs	9,892.08	66,088.80	\$87,385.00	\$21,296.20	24.37%	\$80,439.94
Goods for resale	39,890.70	93,611.35	\$107,645.00	\$14,033.65	13.04%	\$140,857.70
Rents and leases		8,326.08	\$12,850.00	\$4,523.92	35.21%	\$12,237.63
Taxes and licenses		476.00	\$565.00	\$89.00	15.75%	\$430.00
Financial expenses	27.94	2,865.75	\$4,815.00	\$1,949.25	40.48%	\$5,529.10
Purchased and contracted services	12,702.41	59,654.21	\$121,675.00	\$62,020.79	50.97%	\$102,116.39
Grants to others		6,477.88	\$14,410.00	\$7,932.12	55.05%	\$2,297.19
Transfer to own funds			\$26,630.00	\$26,630.00	100.00%	\$43,322.50
Capital expense	20.94	1,172.81	\$11,950.00	\$10,777.19	90.19%	\$6,935.50
Less: recoverable costs			\$0.00	\$0.00	0.00%	(\$2,700.00)
	<u>260,593.32</u>	<u>1,183,763.72</u>	<u>\$1,753,489.00</u>	<u>\$569,725.28</u>	<u>32.49%</u>	<u>\$1,745,050.21</u>
NET (REVENUE)/EXPENDITURE	149,969.49	741,525.19	\$1,259,394.00	\$517,868.81	41.12%	\$1,136,801.93

6(2)(a)

City of Sault Ste Marie
HSB
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$1,856.23)	(\$7,764.05)	(\$30,660.00)	(\$22,895.95)	74.68%	(\$26,514.33)
Government grants	(2,944.73)	(55,684.52)	(\$18,780.00)	\$36,904.52	(196.51%)	(\$84,330.07)
Contribution from own funds			\$0.00	\$0.00	0.00%	(\$13,408.31)
Other income	(381.55)	(4,782.23)	\$0.00	\$4,782.23	0.00%	(\$10,001.27)
	<u>(5,182.51)</u>	<u>(68,230.80)</u>	<u>(\$49,440.00)</u>	<u>\$18,790.80</u>	<u>(38.01%)</u>	<u>(\$134,253.98)</u>
EXPENDITURES						
Salaries	34,497.03	135,928.20	\$140,500.00	\$4,571.80	3.25%	\$161,909.37
Benefits	4,279.44	23,095.51	\$27,839.00	\$4,743.49	17.04%	\$30,445.30
Travel and training		879.91	\$950.00	\$70.09	7.38%	\$0.00
Vehicle allowance, maintenance and repairs	23.47	103.74	\$100.00	(\$3.74)	(3.74%)	\$63.19
Utilities and Fuel	843.14	7,367.65	\$10,680.00	\$3,312.35	31.01%	\$9,796.51
Materials and supplies	2,081.55	15,814.32	\$16,360.00	\$545.68	3.34%	\$48,404.15
Maintenance and repairs	205.72	4,980.85	\$10,000.00	\$5,019.15	50.19%	\$13,208.33
Goods for resale		1,734.97	\$250.00	(\$1,484.97)	(593.99%)	\$1,820.18
Financial expenses		485.76	\$600.00	\$114.24	19.04%	\$785.44
Purchased and contracted services	81.21	5,034.69	\$6,750.00	\$1,715.31	25.41%	\$5,856.89
Grants to others		6,000.00	\$12,000.00	\$6,000.00	50.00%	\$1,300.00
Transfer to own funds			\$20,630.00	\$20,630.00	100.00%	\$25,152.71
Capital expense			\$100.00	\$100.00	100.00%	\$4,109.01
	<u>42,011.56</u>	<u>201,425.60</u>	<u>\$246,759.00</u>	<u>\$45,333.40</u>	<u>18.37%</u>	<u>\$322,851.08</u>
NET (REVENUE)/EXPENDITURE	36,829.05	133,194.80	\$197,319.00	\$64,124.20	32.50%	\$188,597.10

(22Xa)

City of Sault Ste Marie
COMMUNITY CENTRES
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$115,143.98)	(\$2,091,533.28)	(\$3,202,985.00)	(\$1,111,451.72)	34.70%	(\$3,236,778.59)
Government grants		(3,045.00)	\$0.00	\$3,045.00	0.00%	(\$11,107.35)
Other income	(10,733.55)	(36,070.94)	(\$15,000.00)	\$21,070.94	(140.47%)	(\$40,625.94)
	<u>(125,877.53)</u>	<u>(2,130,649.22)</u>	<u>(\$3,217,985.00)</u>	<u>(\$1,087,335.78)</u>	<u>33.79%</u>	<u>(\$3,288,511.88)</u>
EXPENDITURES						
Salaries	257,687.47	1,754,842.12	\$3,021,632.00	\$1,266,789.88	41.92%	\$2,777,479.95
Benefits	43,607.17	315,124.23	\$503,990.00	\$188,865.77	37.47%	\$454,545.13
Travel and training		772.13	\$4,445.00	\$3,672.87	82.63%	\$628.98
Vehicle allowance, maintenance and repairs	274.09	1,545.48	\$2,865.00	\$1,319.52	46.06%	\$2,984.37
Utilities and Fuel	65,654.31	701,188.39	\$1,204,595.00	\$503,406.61	41.79%	\$1,140,099.40
Materials and supplies	16,487.20	116,172.62	\$228,235.00	\$112,062.38	49.10%	\$187,342.77
Maintenance and repairs	55,028.86	456,517.60	\$548,840.00	\$92,322.40	16.82%	\$617,133.19
Program expenses	4,799.39	59,956.97	\$82,950.00	\$22,993.03	27.72%	\$184,637.75
Goods for resale	27,944.33	303,244.01	\$482,075.00	\$178,830.99	37.10%	\$542,228.88
Financial expenses	243.35	12,746.20	\$36,160.00	\$23,413.80	64.75%	\$25,784.58
Purchased and contracted services	744.00	41,589.89	\$36,400.00	(\$5,189.89)	(14.26%)	\$46,297.73
Transfer to own funds			\$0.00	\$0.00	0.00%	\$95,102.24
Capital expense		11,017.20	\$34,160.00	\$23,142.80	67.75%	\$23,794.53
	<u>472,470.17</u>	<u>3,774,716.84</u>	<u>\$6,186,347.00</u>	<u>\$2,411,630.16</u>	<u>38.98%</u>	<u>\$6,098,059.50</u>
NET (REVENUE)/EXPENDITURE	346,592.64	1,644,067.62	\$2,968,362.00	\$1,324,294.38	44.61%	\$2,809,547.62

(12/12/13)

City of Sault Ste Marie
JOHN RHODES COMMUNITY CENTRE
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$61,128.66)	(\$627,361.69)	(\$1,073,270.00)	(\$445,908.31)	41.55%	(\$1,062,346.35)
Government grants		(3,045.00)	\$0.00	\$3,045.00	0.00%	(\$9,850.50)
Other income	(10,709.55)	(25,551.87)	(\$5,900.00)	\$19,651.87	(333.08%)	(\$5,277.02)
	<u>(71,838.21)</u>	<u>(655,958.56)</u>	<u>(\$1,079,170.00)</u>	<u>(\$423,211.44)</u>	<u>39.22%</u>	<u>(\$1,077,473.87)</u>
EXPENDITURES						
Salaries	114,414.51	714,844.88	\$1,091,502.00	\$376,657.12	34.51%	\$1,091,367.47
Benefits	19,480.04	130,556.68	\$143,837.00	\$13,280.32	9.23%	\$188,631.02
Travel and training		772.13	\$4,445.00	\$3,672.87	82.63%	\$628.98
Vehicle allowance, maintenance and repairs	63.97	63.97	\$445.00	\$381.03	85.62%	\$108.78
Utilities and Fuel	39,105.11	368,533.15	\$666,380.00	\$297,846.85	44.70%	\$632,980.06
Materials and supplies	9,499.79	43,973.55	\$53,790.00	\$9,816.45	18.25%	\$56,790.24
Maintenance and repairs	27,166.79	221,870.41	\$263,510.00	\$41,639.59	15.80%	\$293,364.52
Program expenses	243.76	243.76	\$2,250.00	\$2,006.24	89.17%	\$3,608.80
Goods for resale	1,657.05	50,335.53	\$63,120.00	\$12,784.47	20.25%	\$82,192.60
Financial expenses	5.73	4,768.17	\$5,650.00	\$881.83	15.61%	\$7,851.82
Purchased and contracted services		2,646.00	\$1,500.00	(\$1,146.00)	(76.40%)	\$3,582.45
Capital expense		872.67	\$2,200.00	\$1,327.33	60.33%	\$3,311.00
	<u>211,636.75</u>	<u>1,539,480.90</u>	<u>\$2,298,629.00</u>	<u>\$759,148.10</u>	<u>33.03%</u>	<u>\$2,364,397.74</u>
NET (REVENUE)/EXPENDITURE	139,798.54	883,522.34	\$1,219,459.00	\$335,936.66	27.55%	\$1,286,923.87

(c)(2)(a)

City of Sault Ste Marie
JOHN RHODES ARENA
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$43,987.52)	(\$337,089.18)	(\$643,700.00)	(\$306,610.82)	47.63%	(\$652,980.77)
Other income	(800.00)	(12,207.70)	(\$4,500.00)	\$7,707.70	(171.28%)	(\$1,841.08)
	<u>(44,787.52)</u>	<u>(349,296.88)</u>	<u>(\$648,200.00)</u>	<u>(\$298,903.12)</u>	<u>46.11%</u>	<u>(\$654,821.85)</u>
EXPENDITURES						
Salaries	32,085.28	216,739.25	\$366,798.00	\$150,058.75	40.91%	\$361,869.85
Benefits	6,122.01	44,379.23	\$47,786.00	\$3,406.77	7.13%	\$71,590.04
Vehicle allowance, maintenance and repairs			\$175.00	\$175.00	100.00%	\$0.00
Utilities and Fuel	34,852.64	328,591.76	\$609,130.00	\$280,538.24	46.06%	\$569,759.48
Materials and supplies	302.38	8,818.85	\$5,535.00	(\$3,283.85)	(59.33%)	\$4,777.70
Maintenance and repairs	23,165.33	186,432.09	\$181,825.00	(\$4,607.09)	(2.53%)	\$228,162.25
Program expenses	243.76	243.76	\$2,250.00	\$2,006.24	89.17%	\$3,608.80
Goods for resale	(379.41)	36,897.27	\$46,520.00	\$9,622.73	20.69%	\$61,890.45
Financial expenses	(4.43)	604.67	\$500.00	(\$104.67)	(20.93%)	(\$39.65)
Purchased and contracted services		930.00	\$0.00	(\$930.00)	0.00%	\$605.00
Capital expense		872.67	\$2,200.00	\$1,327.33	60.33%	\$3,311.00
	<u>96,387.56</u>	<u>824,509.55</u>	<u>\$1,262,719.00</u>	<u>\$438,209.45</u>	<u>34.70%</u>	<u>\$1,305,534.92</u>
NET (REVENUE)/EXPENDITURE	51,600.04	475,212.67	\$614,519.00	\$139,306.33	22.67%	\$650,713.07

6(2)(a)

City of Sault Ste Marie
JOHN RHODES POOL
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$17,141.14)	(\$290,272.51)	(\$429,570.00)	(\$139,297.49)	32.43%	(\$409,365.58)
Government grants		(3,045.00)	\$0.00	\$3,045.00	0.00%	(\$9,850.50)
Other income	(47.63)	67.75	(\$1,400.00)	(\$1,467.75)	104.84%	(\$3,435.94)
	<u>(17,188.77)</u>	<u>(293,249.76)</u>	<u>(\$430,970.00)</u>	<u>(\$137,720.24)</u>	<u>31.96%</u>	<u>(\$422,652.02)</u>
EXPENDITURES						
Salaries	82,329.23	498,105.63	\$724,704.00	\$226,598.37	31.27%	\$729,497.62
Benefits	13,358.03	86,177.45	\$96,051.00	\$9,873.55	10.28%	\$117,040.98
Travel and training		772.13	\$4,445.00	\$3,672.87	82.63%	\$628.98
Vehicle allowance, maintenance and repairs	63.97	63.97	\$270.00	\$206.03	76.31%	\$108.78
Utilities and Fuel	4,252.47	39,941.39	\$57,250.00	\$17,308.61	30.23%	\$63,220.58
Materials and supplies	8,189.83	33,173.18	\$48,255.00	\$15,081.82	31.25%	\$51,393.92
Maintenance and repairs	4,001.46	35,438.32	\$81,685.00	\$46,246.68	56.62%	\$65,202.27
Goods for resale	2,036.46	13,438.26	\$16,600.00	\$3,161.74	19.05%	\$20,302.15
Financial expenses	10.16	4,163.50	\$5,150.00	\$986.50	19.16%	\$7,891.47
Purchased and contracted services		1,716.00	\$1,500.00	(\$216.00)	(14.40%)	\$2,957.45
	<u>114,241.61</u>	<u>712,989.83</u>	<u>\$1,035,910.00</u>	<u>\$322,920.17</u>	<u>31.17%</u>	<u>\$1,058,244.20</u>
NET (REVENUE)/EXPENDITURE	97,052.84	419,740.07	\$604,940.00	\$185,199.93	30.61%	\$635,592.18

(12/1a)

City of Sault Ste Marie
MCMEEKEN
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges		(\$72,441.17)	(\$140,860.00)	(\$68,418.83)	48.57%	(\$126,116.91)
Other income			(\$100.00)	(\$100.00)	100.00%	\$266.30
		<u>(72,441.17)</u>	<u>(\$140,960.00)</u>	<u>(\$68,518.83)</u>	<u>48.61%</u>	<u>(\$125,850.61)</u>
EXPENDITURES						
Salaries	5,969.92	78,383.32	\$125,660.00	\$47,276.68	37.62%	\$94,730.88
Benefits	711.01	3,198.15	\$47,764.00	\$44,565.85	93.30%	\$2,351.16
Vehicle allowance, maintenance and repairs			\$50.00	\$50.00	100.00%	\$0.00
Utilities and Fuel	700.76	44,486.48	\$64,860.00	\$20,373.52	31.41%	\$68,410.69
Materials and supplies	82.78	656.75	\$1,420.00	\$763.25	53.75%	\$1,755.75
Maintenance and repairs	5,745.95	17,702.31	\$29,195.00	\$11,492.69	39.37%	\$43,854.43
Program expenses			\$700.00	\$700.00	100.00%	\$0.00
Goods for resale	(52.02)	947.53	\$8,500.00	\$7,552.47	88.85%	\$1,735.33
Financial expenses		(216.12)	\$300.00	\$516.12	172.04%	(\$49.95)
Purchased and contracted services		759.00	\$1,200.00	\$441.00	36.75%	\$434.00
Capital expense		872.67	\$0.00	(\$872.67)	0.00%	\$0.00
	<u>13,158.40</u>	<u>146,790.09</u>	<u>\$279,649.00</u>	<u>\$132,858.91</u>	<u>47.51%</u>	<u>\$213,222.29</u>
NET (REVENUE)/EXPENDITURE	13,158.40	74,348.92	\$138,689.00	\$64,340.08	46.39%	\$87,371.68

6/27/13

City of Sault Ste Marie
ESSAR CENTRE
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$17,856.13)	(\$1,114,664.31)	(\$1,576,200.00)	(\$461,535.69)	29.28%	(\$1,759,311.40)
Other income	(24.00)	(10,519.07)	(\$9,000.00)	\$1,519.07	(16.88%)	(\$35,615.22)
	<u>(17,880.13)</u>	<u>(1,125,183.38)</u>	<u>(\$1,585,200.00)</u>	<u>(\$460,016.62)</u>	<u>29.02%</u>	<u>(\$1,794,926.62)</u>
EXPENDITURES						
Salaries	(16,342.95)	409,814.78	\$884,316.00	\$474,501.22	53.66%	\$830,574.53
Benefits	(6,195.99)	59,903.60	\$115,131.00	\$55,227.40	47.97%	\$114,534.04
Utilities and Fuel	16,630.18	228,479.85	\$368,500.00	\$140,020.15	38.00%	\$383,156.73
Materials and supplies	4,683.15	44,766.92	\$109,600.00	\$64,833.08	59.15%	\$105,904.46
Maintenance and repairs	12,593.11	179,547.58	\$194,745.00	\$15,197.42	7.80%	\$227,459.70
Program expenses	4,555.63	59,048.21	\$80,000.00	\$20,951.79	26.19%	\$181,028.95
Goods for resale	17,561.51	193,872.15	\$330,000.00	\$136,127.85	41.25%	\$379,227.26
Financial expenses	283.08	8,565.29	\$29,410.00	\$20,844.71	70.88%	\$19,021.41
Purchased and contracted services		31,640.73	\$22,000.00	(\$9,640.73)	(43.82%)	\$35,142.95
Transfer to own funds			\$0.00	\$0.00	0.00%	\$74,513.56
Capital expense		9,271.86	\$29,000.00	\$19,728.14	68.03%	\$16,643.03
	<u>33,767.72</u>	<u>1,224,910.97</u>	<u>\$2,162,702.00</u>	<u>\$937,791.03</u>	<u>43.36%</u>	<u>\$2,367,206.62</u>
NET (REVENUE)/EXPENDITURE	15,887.59	99,727.59	\$577,502.00	\$477,774.41	82.73%	\$572,280.00

(62Xa)

City of Sault Ste Marie
DAY CARE
For the Eight Months Ending August 31, 2013

Department	August	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2012 Actual
REVENUE						
Fees and user charges	(\$113,787.26)	(\$985,206.08)	(\$1,330,880.00)	(\$345,673.92)	25.97%	(\$1,443,055.36)
Contribution from own funds			\$0.00	\$0.00	0.00%	(\$32,552.19)
	<u>(113,787.26)</u>	<u>(985,206.08)</u>	<u>(\$1,330,880.00)</u>	<u>(\$345,673.92)</u>	<u>25.97%</u>	<u>(\$1,475,607.55)</u>
EXPENDITURES						
Salaries	157,072.56	878,201.14	\$1,247,534.00	\$369,332.86	29.61%	\$1,300,760.94
Benefits	33,974.14	214,935.34	\$320,491.00	\$105,555.66	32.94%	\$306,592.49
Vehicle allowance, maintenance and repairs		265.74	\$2,255.00	\$1,989.26	88.22%	\$460.54
Utilities and Fuel	2,277.08	17,451.93	\$35,515.00	\$18,063.07	50.86%	\$27,061.99
Materials and supplies	6,421.18	64,575.54	\$116,640.00	\$52,064.46	44.64%	\$100,536.28
Maintenance and repairs	3,257.24	21,520.13	\$27,835.00	\$6,314.87	22.69%	\$38,079.64
Taxes and licenses			\$820.00	\$820.00	100.00%	\$820.00
Financial expenses		475.64	\$1,755.00	\$1,279.36	72.90%	\$920.78
Purchased and contracted services	2,295.69	18,503.35	\$43,090.00	\$24,586.65	57.06%	\$30,892.62
Transfer to own funds			\$0.00	\$0.00	0.00%	\$2,629.12
Capital expense		514.86	\$2,490.00	\$1,975.14	79.32%	\$40,864.88
	<u>205,297.89</u>	<u>1,216,443.67</u>	<u>\$1,798,425.00</u>	<u>\$581,981.33</u>	<u>32.36%</u>	<u>\$1,849,619.28</u>
NET (REVENUE)/EXPENDITURE	91,510.63	231,237.59	\$467,545.00	\$236,307.41	50.54%	\$374,011.73

6/22/13

6(b)(a)

Jerry Dolcetti, RPP
Commissioner

Donald B. McConnell, RPP
Planning Director



ENGINEERING & PLANNING
DEPARTMENT

Planning Division

2013 09 23

Mayor Debbie Amaroso and
Members of City Council

RE: Application No. A-20-13-Z – filed by Marilyn Nicastro – 728 Wellington Street W.

PURPOSE

The applicant is seeking approval to allow the development of a 2-storey duplex dwelling on the subject property.

PROPOSED CHANGE

The applicant is requesting to rezone the subject property from "R2" (Single Detached Residential) zone, to "R3" (Low Density Residential) zone.

Subject Property:

- Location – Plan 1703 Lot 31 RP8041, Part 7 Closed Lane Pt, located at the northeast corner of Wellington Street West and (lower) Bainbridge Street, approximately 150 metres south of Second Line. Civic Address: 728 Wellington Street West.
- Size – Approximately 15.8m (52') frontage by 38.4m (126') depth, irregular, approximately 0.08 ha (.19acres)
- Present Use – Single Family Dwelling
- Owner – Marilyn Nicastro

BACKGROUND

The subject property has been utilized as a single detached residence, with a legal, non-conforming business selling wine grapes and juice in a large garage on the rear of the property. The owner is seeking Council approval to allow the construction of a 2-storey duplex (see attached elevation plan), with one of the units to be occupied by the owner. The grapes and juice business, also operated by the property owner, will be maintained. While the business is not permitted by the Zoning By-law, it is a legal use and does not warrant any land use change as part of this application.

ANALYSIS

Conformity with the Official Plan

The subject property is designated Residential on Schedule "C" of the City of Sault Ste. Marie Official Plan. The Residential policies of the Official Plan support the proposed duplex development. Specifically, the Residential policies outline that:

- A mixture of housing types and diversity of ownership and tenure forms shall be encouraged in new development.
- Low and high density development should be integrated and compatible in density, height and building setbacks. Generally, high density development shall be restricted to major arterial streets and areas abutting the downtown core.
- Medium density residential dwellings may be integrated into low density areas subject to rezoning.
- Small scale intensification may be permitted in all residential areas unless adequate supporting infrastructure is not available or significant physical constraints exist.
- Small scale residential intensification may include apartments in houses, infill development and redevelopment.

Given the relevant policies outlined above, the construction of a 2-storey duplex conforms to the City's Official Plan.

Comments

The proposed duplex is compatible within the context of the surrounding area. Across the street, the zoning of the properties along the west side of Wellington Street West is 'R3', Low Density Residential, which permits duplexes and semi-detached development. In addition, the subject property can accommodate the proposed development, without the need for any variances to required setbacks. A variance will be necessary for the required frontage, as 18m is required for a duplex in an 'R3', Low Density Residential zone.

This variance is supported as the property shape is irregular, with an approximate 15m width along the frontage, and then flaring out along the southerly property line (see attached site plan). The proposed use also requires three (3) parking spaces, and although only two (2) are shown on the site plan, an additional space can be accommodated on the site.

It is important to note that the proposed development will provide an opportunity to create rental dwellings. Between 2006 and 2012, the average vacancy rate in Sault Ste. Marie has been 1.4%, whereas a 3% vacancy rate is considered ideal in terms of rental choice and affordability. It is recognized that a wide range of housing types, including rental housing, is an essential element of a healthy and sustainable community.

The proposed higher density development is also supported by the 2005 Provincial Policy Statement (PPS), which all land use decisions must conform to. As outlined in the PPS, both opportunities for intensification and the provision of affordable housing are encouraged. Specifically, the PPS requires that municipalities:

- (Section 1.1.3.3) Identify and promote opportunities for intensification and redevelopment.
- (Section 1.4.3) Provide for an appropriate range of housing types and densities to meet projected requirements of current and future residents.
- (Section 1.4.3 b) Permit and facilitate:
 - (1) All forms of housing required to meet the social, health and well-being requirements of current and future residents.
 - (2) All forms of residential intensification and redevelopment in accordance with policy 1.1.3.3.

Planning staff are also of the opinion that the proposed 2-storey duplex and the existing grapes and juice business can co-exist without creating a negative land use impact for surrounding properties. The business has been in existence for a number of years and the City has not received any complaints about the operation. In addition, the use enjoys legal, non-conforming status. Although the use can operate legally, because it does not conform to the Zoning By-law, the intent of this status is that the business use will eventually cease or relocate to an area where it is permitted.

Also, given the layout of the proposed development, it is staff's opinion that the duplex dwelling and the grapes and juice business can both accommodate parking on-site. The grapes and juice business is seasonal, and when there is a larger demand, additional customer parking can be accommodated on-street along Bainbridge Street.

However, given the co-existing of two uses, Planning staff are of the opinion that the subject property be designated subject to Site Plan Control. This will formalize the layout of the site and any required parking for the proposed uses. In addition, this review will allow staff to further assess the elevation plans to ensure the development blends into the surrounding neighbourhood. Specifically, Planning staff would like to ensure that the facades facing the roads accommodate appropriate window and building treatments to ensure large blank walls are not constructed.

Consultation

The following departments/agencies commented on the application as part of the consultation process:

- See attached letters – Engineering Dept., Building Division, PUC
- No objections/comments – CSD, Municipal Heritage Committee, PWT, Conservation Authority, Fire Services

Engineering Division has indicated that a 3m road widening is required, if it has not been taken. This will be addressed as part of the Site Plan review process. Building Division has also commented that a notice of violation was issued under the Property Standards By-law

with respect to the condition of the existing house. However, the existing house will be demolished as part of this construction. PUC advises that the owner should confirm the available water service capacity and fire flow capacity. This will be addressed as part of the building permit review.

One letter of objection was received in regards to this application. In this letter, concern is largely around the issue of traffic and congestion related to the operation of the grapes and juice business, particularly when the grape products are being unloaded by transport trucks. The neighbour is also of the opinion that a duplex dwelling will exacerbate the traffic issues. It is staff's opinion that although the concern is reasonable, the occurrence of unloading grape products is quite infrequent. In addition, as indicated earlier in this report, there have been no formal complaints lodged against the grapes and juice business and the City's Traffic Department has not indicated a concern with respect to traffic in the area or the un-loading operations.

IMPACT

Approval of this application will not result in direct financial implications to the Municipality.

STRATEGIC PLAN

The City's Strategic Plan will not be impacted by the proposed zoning request.

SUMMARY

The applicant is requesting to rezone the subject property from "R2" (Single Detached Residential) zone, to "R3" (Low Density Residential) zone, to allow the development of a 2-storey duplex dwelling on the subject property. The existing grapes and juice business, also operated by the property owner, will be maintained. While the business is not permitted by the Zoning By-law, it is a legal use and does not warrant any land use change as part of this application.

With respect to the proposed duplex, Planning staff are of the opinion that the proposed use conforms to both the City's Official Plan and the 2005 PPS, both of which encourage opportunities to provide a range of housing options, including rental housing. In addition, the use is compatible with the surrounding area, as there are other 'R3' zoned properties directly across the street which permits both semi-detached and duplex dwellings.

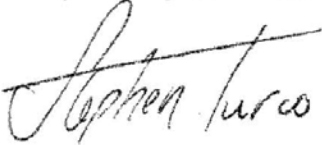
Planning staff are recommending approval of this application, subject to a variance to the frontage requirement and designating the property as an area of Site Plan Control. Through Site Plan Control, staff can further review building and parking layouts, required road widenings, and provide guidance on building elevation plans. Planning staff are also recommending that the number of dwelling units be limited to two, as the 'R3', (Low Density Residential) zone also allows multiple attached dwellings of three (3) or more.

RECOMMENDATION

That City Council approve the request to rezone the subject property from 'R2', (Single Detached Residential) zone, to 'R3', (Low Density Residential) zone, subject to the following:

1. That a total of 2 dwelling units be permitted.
2. That the required minimum frontage be reduced from 18m to 15.
3. That the property be designated subject to Site Plan Control.

Respectfully submitted,



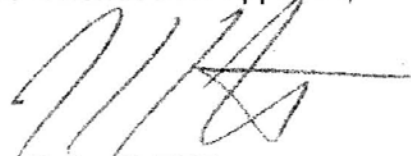
Steve Turco, MCIP, RPP
Planner

Recommended for approval,



Donald B. McConnell, MCIP, RPP
Planning Director

Recommended for approval,



Jerry Dolcetti, RPP
Commissioner Engineering & Planning

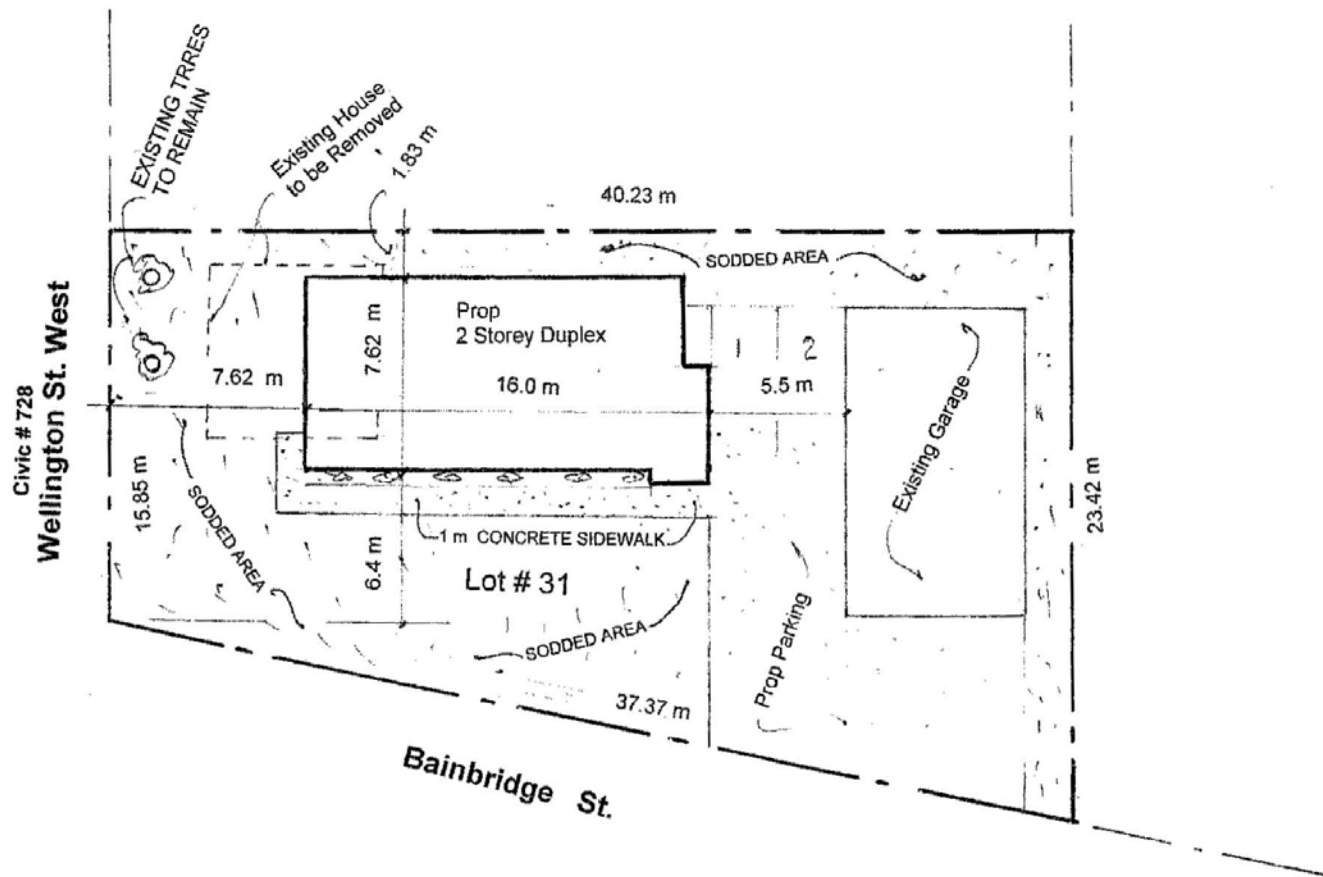
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attachment(s)

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RECOMMENDED FOR APPROVAL

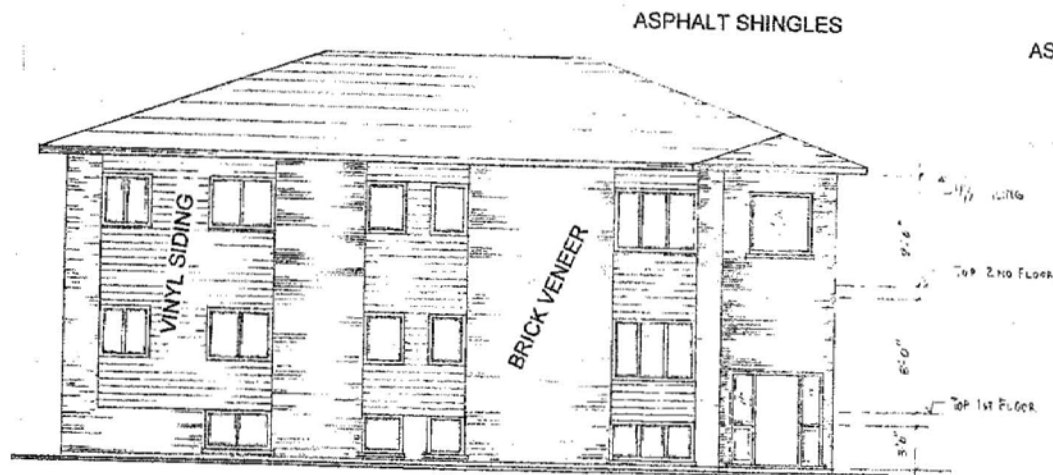

Joseph M. Fratesi
Chief Administrative Officer



PLOT PLAN

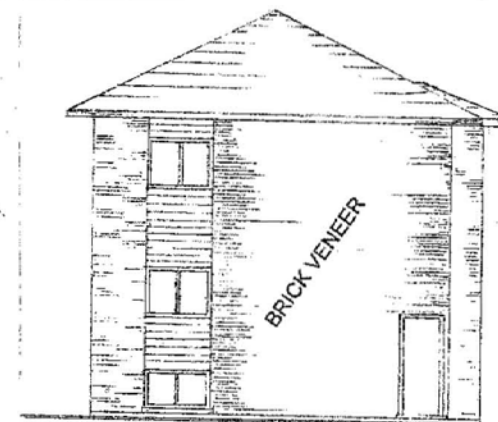
PLAN No. 1

6/6/10



SOUTH VIEW, BAINBRIDGE ST.

ASPHALT SHINGLES



WEST VIEW, WELLINGTON ST.

PLAN No. 2

6/6/2020

Jerry D. Dolcetti, RPP
Commissioner

Daniel Perri, EIT
Engineering Intern



ENGINEERING & PLANNING
DEPARTMENT

Engineering & Construction Division

2013 09 09
Our File: A-20-13-Z

Donald B. McConnell, MCIP, RPP
Planning Director
Engineering and Planning Department
City of Sault Ste. Marie

Dear Mr. McConnell:

**RE: A-20-13-Z – 728 WELLINGTON STREET WEST
REQUEST FOR AN AMENDMENT TO THE ZONING BY-LAW**

The Engineering and Construction Division has reviewed the above noted application, and provides the following:

- A 3m road widening is required in addition to the original 20 m right-of-way, if it has not already been taken.

If you have any questions, please contact the undersigned.

Yours truly,

Daniel Perri, EIT
Engineering Intern

c: Jerry Dolcetti, Commissioner, Engineering & Planning
Susan Hamilton Beach, P. Eng., Deputy Commissioner, PWT
Pat Schinners, Planning

Pat Schinners

From: Don Maki
Sent: Monday, September 09, 2013 3:59 PM
To: Don McConnell; Pat Schinners
Subject: Rezoning Application A-20-13-Z 728 Wellington street West

Hi Don

We have issued a notice of violation under the Property standards by-law March 6 of this year. There were a numbers of issues with conditions of the house. The house has been vacated and we have been advised that they would be tearing the house down.

Don

Don Maki CBCO
Chief Building Official
City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, ON P6A 5X6
Phone (705) 759-5399
d.maki@cityssm.on.ca

www.cityssm.on.ca



6(b)(a)

PUC SERVICES INC.
ENGINEERING DEPARTMENT
500 Second Line East, P.O. Box 9000
SAULT STE. MARIE, ONTARIO, P6A 6P2

September 10, 2014

Donald B. McConnell, MCIP, RPP
Planning Director
The Corporation of The
City of Sault Ste. Marie
P.O. Box 580
Sault Ste. Marie, ON P6A 5N1

emailed: d.mcconnell@cityvssm.on.ca

Dear Sir:

Re: Application A-20-13-Z
728 Wellington Street East

PUC wishes to advise that we have no objection to the proposed rezoning application.

Give the proposed repurposing of the facility, the owner should confirm the available water service capacity and fire flow capacity which may impact design requirements for the proposed development.

Yours truly,

PUC SERVICES INC.

A handwritten signature in black ink, appearing to be 'RH', written over a horizontal line.

Rob Harten, P. Eng.
Manager of Engineering

RH*jf

Wellington St E [728].docx

PUC DISTRIBUTION INC.
Tel. (705) 759-6515

PUC SERVICES INC.
Fax. (705) 949-0083

PUBLIC UTILITIES COMMISSION
Email: rob.harten@ssmpuc.com

wellington st e [728].docx

6(b)(a)

Mrs. Heidi Harris
738 Shafer Ave
Sault Ste. Marie ON P6C 3S3
705 949 2833

September 9, 2013

Mr. Steve Turco, Planner
Planning Division
99 Foster Drive
City of Sault Ste. Marie ON P6A 5X6

Gentlemen:

Planning Application No. A-20-13-Z
728 Wellington Street West
Marilyn Nicastro

With reference to the above mentioned application, I have serious concerns with regard to this rezoning as follows:

Traffic and congestion will become more of an issue.

Previously the house on this property was already used as two apartments; I believe it is empty currently. In addition there is a large extended warehouse on the property which is utilized for selling grapes, etc.

Upper Shafer, Lennox and Short Streets are now dead ends streets. The only way for the residents in this area to get to Wellington Street West and Second Line East is to exit at this corner of Wellington Street West and lower Bainbridge Street which is at the corner of this property. Residents on lower Shafer and Lennox who are close to Bainbridge also use this route which already leads to considerable traffic.

Add to this congestion the huge transport which delivers the grapes and has no place to park, unload or leave room for residents to get by. The transport is not able to negotiate a turnaround on the property and must come to the next intersection of Lennox and Shafer, blocking the road while attempting to turn around at this intersection.

When this occurs it is impossible to navigate Bainbridge to either leave the area or come home. Even without a duplex the parking lot is not big enough; cars are parked on both sides of the street, and around the corner onto Shafer Ave. Individuals are milling about, buying their grapes and simply socializing for the day on the lot and on the street, or wandering aimlessly and carelessly across the street, as well as standing in the middle of the street talking without regard for traffic and the residents who would like to go home without hitting someone. Pedestrians act like the street is their personal walkway. Grape boxes are everywhere and the smell of fermenting grapes is wild.

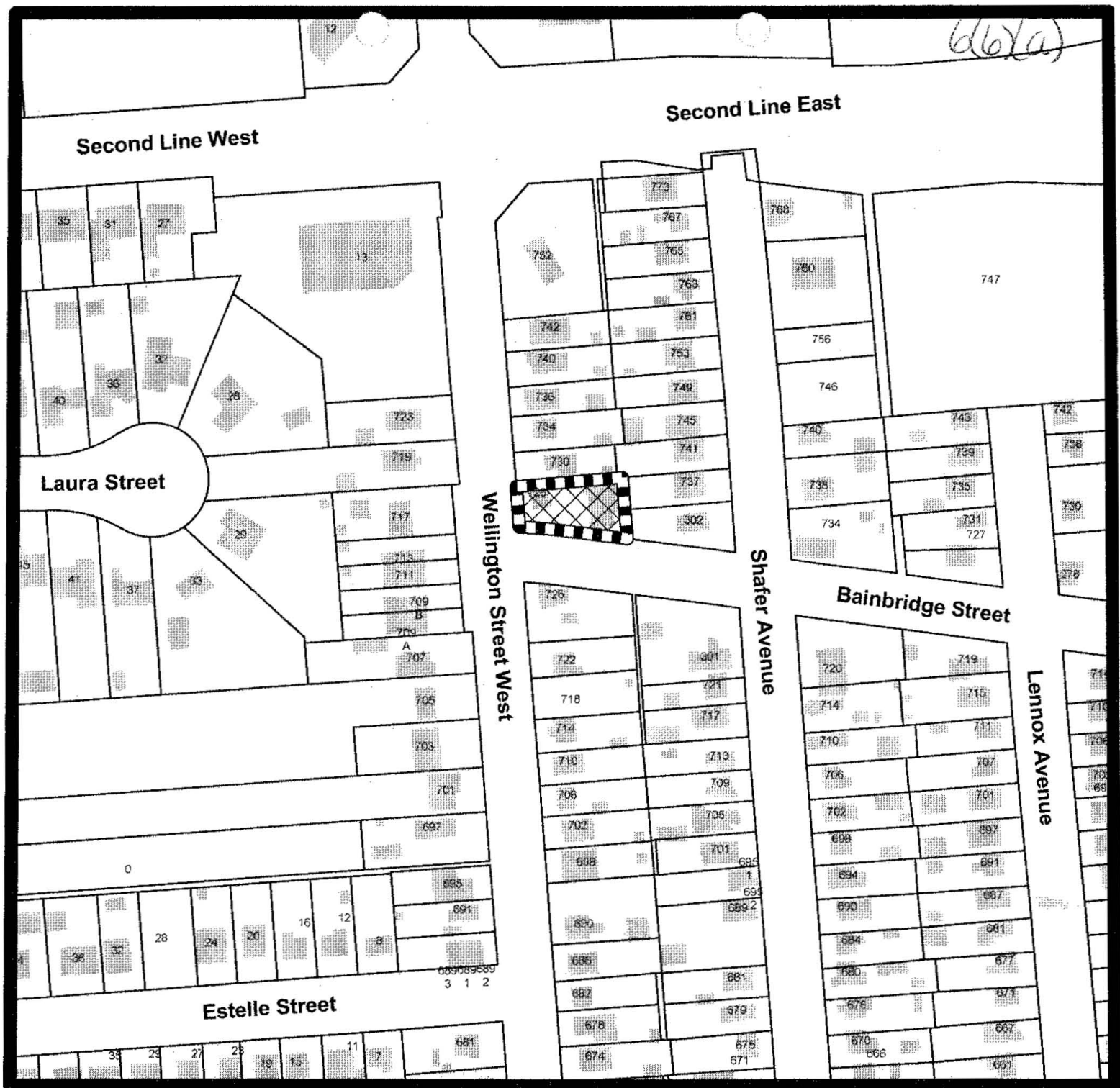
If emergency vehicles were needed, they would not be able to access Shafer, Lennox or Short Streets.

A two story building would only add to this congestion with the necessity of more cars being parked there making it difficult to negotiate around them safely.

I fail to see how this property and the surrounding streets can support this extra traffic and congestion without significantly interfering with current residents trying to negotiate around this property. The property is not conducive to an apartment and ongoing business/warehouse, plus parking. One or the other is suitable but not both.

Yours truly,

H. Harris



SUBJECT PROPERTY MAP

728 Wellington Street West

Planning Application A-20-13-Z



METRIC SCALE
1 : 1200

MAP REFERENCE
58 & 1-73

MAIL LABEL ID
A-20-13-Z

ROLL NUMBER
050-002-008-00



Subject Property = 728 Wellington St W

(b)(6)(a)



2012 ORTHO PHOTO

728 Wellington Street West

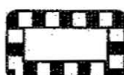
Planning Application A-20-13-Z



METRIC SCALE
1 : 1200

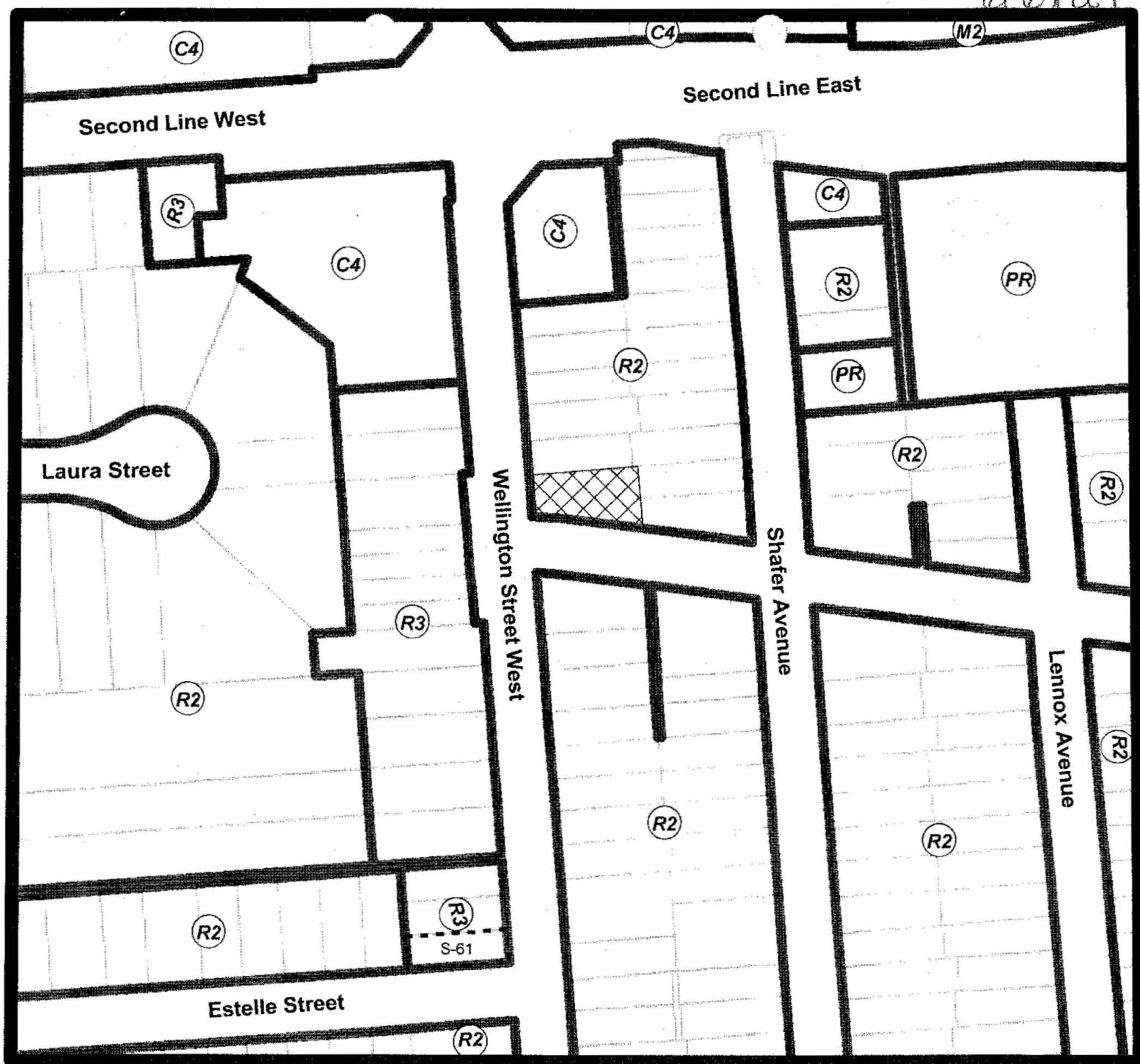
MAP REFERENCE
58 & 1-73

MAIL LABEL ID
A-20-13-Z



Subject Property = 728 Wellington St W

ROLL NUMBER
050-002-008-00



EXISTING ZONING MAP **728 Wellington Street West**

-  Subject Property = 728 Wellington St W
-  R2 - Single Detached Residential Zone; R2hp
-  R3 - Low Density Residential Zone
-  C4 - General Commercial Zone
-  M2 - Medium Industrial Zone; M2hp
-  PR - Parks and Recreation Zone
-  S-# = Special Exemption Zoning



METRIC SCALE
 1 : 1200

MAP REFERENCE
 58 & 1-73

MAIL LABEL ID
 A-20-13-Z

ROLL NUMBER
 050-002-008-00

Planning Application A-20-13-Z

6(6)(b)

Jerry Dolcetti, RPP
Commissioner

Donald B. McConnell, RPP
Planning Director



ENGINEERING & PLANNING
DEPARTMENT

Planning Division

2013 09 23

Mayor Debbie Amaroso and
Members of City Council

**RE: Amendment to Site Plan Control Agreement
626 Fifth Line East – Martins Trailers**

PURPOSE

The applicant, Ed Lofstrum is requesting that City Council approve an amendment to the existing Site Plan Agreement at 626 Fifth Line East.

BACKGROUND

City Council has delegated the authority to approve Site Plan Control Agreements to the Planning Director or his designate. Where the Planning Director refuses to approve an agreement or amendment thereto, the applicant's recourse is to apply for Council's approval.

In this instance, Mr. Lofstrum is requesting an amendment to an existing Site Plan Control Agreement for Martin's Trailers at 626 Fifth Line East. The amendment is required to facilitate the construction of a single detached dwelling along the eastern Fifth Line frontage of the subject property. A preliminary site plan is attached. Although current zoning permits the construction of a single detached dwelling, the Planning Director has refused to approve an amendment to the current site plan; until such time that pending legal matters relating to the subject property have been addressed. More specifically, the applicant is required to remove all facets of the business from 32 Powley Road to the subject property.

ANALYSIS

The current zoning on 626 Fifth Line East is the result of Ontario Municipal Board Minutes of Settlement which were agreed to on April 15, 2010. Among other things, part of the settlement included deeming the property subject to Site Plan Control. The agreed to settlement also required business activities at 32 Powley Road to cease by September 28, 2013. The applicant has entered into a Site Plan Control Agreement with the City; however building permits have yet to be applied for.

Initially, the applicant approached staff with a proposal to sever the eastern portion of the subject property to facilitate the construction of the dwelling. At that time, staff indicated to the applicant an unwillingness to support such an application, until such time that the existing agreement was finalized. The applicant never followed through with a severance application.

to the Committee of Adjustment. The applicant has stated that in his opinion, recent nearby severances, including a severance of the subject property, have impacted his ability to sever and thus, construct a dwelling. As previously mentioned, staff's unwillingness to support a severance application upon the subject property is in fact based upon non-compliance rather than previous nearby severance activity. As per current Official Plan policies, the subject property has the ability to be severed once, without the need for an Official Plan Amendment.

Given staff's unwillingness to support this application, the attached site plan is preliminary in nature. Among others, Algoma Public Health, Public Works and Conservation Authority have not been circulated, and the site plan has not been comprehensively screened to ensure zoning setback and Official Plan compliance, especially as it relates to the nearby rail line. To this end, if Council chooses to approve the applicant's request, a more formal circulation and review will be required, which may result in changes to the proposal.

IMPACT

Approval of this application will not impact Municipal finances.

STRATEGIC PLAN

This application is not directly linked to any policies contained within the City's Strategic Plan.

PLANNING DIRECTORS RECOMMENDATION

That City Council deny the applicant's request to amend the Site Plan Control Agreement at 626 Fifth Line East, until such time that the subject property is developed in accordance with the current agreement, final occupancy permits have been issued, and all aspects of the business have been relocated from 32 Powley Road.

Recommended for Approval,



Donald B. McConnell, MCIP, RPP
Planning Director

Recommended for Approval,



Jerry Dolcetti, RPP
Commissioner Engineering & Planning

DM/ps

Data\APPL\REPORT\626 Fifth Line East - Application to Council to Amend Site Plan Agreement.docx

RECOMMENDED FOR APPROVAL



Joseph M. Fratesi
Chief Administrative Officer

[illegible]

6(6)(c)

Jerry Dolcetti, RPP
Commissioner

Donald B. McConnell, RPP
Planning Director



ENGINEERING & PLANNING
DEPARTMENT

Planning Division

2013 09 23

Mayor Debbie Amaroso and
Members of City Council

RE: URBAN BEEKEEPING

PURPOSE

This report is in response to a Council resolution requesting staff to review the merits of allowing beehives within an urban setting.

BACKGROUND

On June 10, 2013 City Council passed the following resolution:

"Whereas a request has come forward for the consideration of City Council to change current by-laws related to beekeeping within the urban limits of the City,

Now Therefore Be It Resolved that appropriate staff look into the matter of urban beekeeping and report back with recommendations as soon as possible."

On June 13th, Jerry Dolcetti, Commissioner of Engineering, Peter Tonazzo, Planner, and Matt Caputo, Solicitor/Prosecutor met with Laura Wyper to discuss her proposal to allow urban beekeeping. This meeting included a discussion on timelines, process, and a preliminary discussion on urban beekeeping practices in other jurisdictions.

ANALYSIS

Resurgence of Urban Agriculture

Small-scale urban crop and livestock production were quite common 70 years ago. Historically urban agriculture was a necessity, providing sustenance during difficult economic times. Those residing locally during the war years and shortly after will vividly recall small scale agriculture as a part of the urban fabric.

2013 09 23

Page 2

Sometime after the post war years, urban agriculture declined, gardens became hobby oriented and jurisdictions throughout North America implemented regulations to prohibit any type of urban livestock production, which was seen as a nuisance and public health concern.

Throughout North America urban agriculture and food production has recently experienced a resurgence, which is attributed in part to rising gas prices, environmental concerns over large scale farming practises, and health concerns associated with the use of pesticides, hormones and other chemicals. There is an ever growing movement to 'know where one's food comes from'. The '100km diet' is an example of a movement which aims to have foods consumed within 100km's of where they are produced. The growth and success of the 'organic foods' market is another example of an ever-growing awareness of one's diet.

Urban agriculture is being held as an important goal for the creation of sustainable cities, as a means for urbanites to develop connections with nature, and as a way for communities to improve access to fresh, healthy food. There are a number of local organizations with a mandate to market locally grown fresh foods.

Urban beekeeping or apiculture is a part of this movement. Advocates of urban beekeeping argue that it can be a safe and healthy practise with a number of environmental, economic and social benefits for practitioners and cities alike. In Toronto, there exist a number of relatively high profile urban beekeeping initiatives, including hives on the roof of the Royal York Hotel, and the recent 'Green Toronto Award' winners, the Toronto Beekeepers Co-op.

The Bee Hive

Honey bees are social insects, living together in large well organized family groups. A honey bee colony typically consists of three kinds of adult bees: workers, drones and a queen. Each member has a task to perform and the survival of a beehive requires the collective efforts of the entire colony.

Swarming is the mechanism by which new honey bee colonies are formed. Most swarms occur in the spring, and include roughly half of the worker bees, who follow a new queen in an attempt to establish a new hive.

Honey bees are vegetarians, gathering nectar to produce honey and pollen for raising their brood. While they are gathering nectar from plants, pollen grains are transported on their bodies, leading to pollination of other plants. For millions of years, plants and bees have co-evolved, creating a complete interdependence between the two.

Environmental Considerations

According to the United States Department of Agriculture (USDA) in the summers of 2006 and 2007 honey bee colonies across North America experienced an unprecedented rate of mortality. More than 1 in 5 beekeeping operations in the U.S. lost 30-90% of their total bees. The condition came to be known as Colony Collapse Disorder (CCD). While no single cause of CCD has been found, it is suggested that commonly used pesticides are weakening the immunity of bee colonies, making them more susceptible to disease. It is also suggested that large mono-crop landscapes with short pollination timeframes have also contributed to a loss

of honey bees, to a point where large commercial colonies are shipped throughout Canada and the United States to provide pollination for food crops.

Although the City may be an important habitat for honey bees, and honey bees may provide a benefit to the urban landscape by pollinating the wide variety of plants which grow throughout the season, one cannot assume that honey bees are the only pollinator for cities. Dr. Ernesto Guzman, Head of the Honey Bee Research Centre at the University of Guelph suggests the city is home to a huge variety of pollinators that can adequately fulfill the city's pollination needs.

Studies in Poland and Vancouver, where urban beekeeping is quite common, suggest that honey bees may not be required for the sake of urban bio-diversity; conversely, their introduction to cities through the practice of urban beekeeping does not seem to pose a threat to existing urban pollinators.

Economic Considerations

Similar to large scale farming, the honey market is saturated with large scale operators, producing consistently coloured and flavoured honey under controlled conditions, with very small profit margins. Consequently, at this point in time, small scale urban beekeeping is not likely to yield significant profits, although as food awareness increases, larger markets may emerge. Having said this, profits and economic gains are generally not the primary reason for engaging in any urban agricultural practise, including urban beekeeping.

There is an economic argument to be made for rural beekeeping in agricultural areas where pollination is critical to ensuring the continued viability of certain crops. The literature suggests that honey bees will typically travel 3km's from a hive to forage, however honey bees can travel up to 10km's from the hive if forage is limited. Therefore, urban bee colonies have the potential to pollinate rural areas, including crops.

Social Considerations

Research has shown that honey bees are docile, rarely stinging unless there is a perceived threat to the colony. Even during a swarm, honey bees are primarily focused upon following the queen, and again, will only sting where there is a perceived threat to the group. More aggressive wasps and hornets are more prone to stinging.

Many people also identify as being allergic to bee stings. In reality, virtually everybody is sensitive to a bee sting. According to the USDA, serious bee allergies only affect 1-2 people per 1,000, or 0.1 to 0.2% of the population. Furthermore, those who are allergic to honey bees may not be allergic to wasps or hornets, or vice versa. According to the USDA, 10 stings per pound of body weight have the potential to be fatal.

The World Health Organization estimated that in 2000, there were 54 deaths attributed to bee stings in the United States, out of a total population of 281 million people. To put this into perspective, according the National Oceanic and Atmospheric Administration (NOAA), each year, an average of 90 Americans are killed by lightning.

The likelihood of being stung by a bee, being allergic to bees or being stung numerous times to a point of serious health issues or death is very low, but the perception of bees for many is one of fear. Although research indicates that society has greatly amplified this threat, to an individual this threat is very real. A nearby bee hive resulting in an increased number of bees present can have a very real impact on one's enjoyment of their property.

Legal Considerations - The Ontario Bees Act

The Ontario Bees Act (1990) is the crucial piece of legislation which regulates beekeeping in Ontario. The main focus of the Bees Act is to ensure bee health. Other provisions within the Act regulate bee transport, outline the rights of bee inspectors, and require that all bee hives be registered with the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). Section 19 of the Ontario Bees Act also requires that all beehives be at least 30m (98') from any lot line. These setbacks essentially prohibit beekeeping on most urban lots, both locally and throughout the Province. In order to meet the 30m setback, assuming that a bee hive could be located within the exact centre of a particular property, a minimum lot size of 60m x 60m (197' x 197') totalling 0.35ha (0.89acres) is required. Locally, there are few urban lots which could accommodate a beehive in accordance with the setbacks outlined in the Bees Act.

Proponents for urban beekeeping note that with regards to public safety, it's not linear distance that is important, but rather ensuring people keep away from a bee's flight path to and from the hive entrance. Many jurisdictions outside of Ontario do not have strict linear setbacks, rather hives must be elevated at least 2.43m (8') or located beside hedges or fences that are at least 2.43m (8') tall, to ensure that those on neighbouring properties do not inadvertently encroach upon the bees flight path to the hive.

'Bee Acts' in jurisdictions, including Alberta, British Columbia, Manitoba, Quebec, California, Illinois, and New York do not include any setback distances. Quebec's legislation includes a setback distance of 15m (49') which can be substituted by elevating the hive, or ensuring that a 2.43m (8') fence or hedge is located beside beehives.

Vancouver, Calgary, San Francisco, Chicago, New York City and Montreal permit urban beekeeping, even in residential zones. The most common regulations in these instances includes limiting the number of hives, minimum height of the hive, or surrounding fence/hedge, and a requirement that such hives be registered with the relevant Provincial or State entity.

Even though there is a growing movement in Ontario to amend the Bees Act, OMAFRA representatives have confirmed the required 30m setback still applies, and at this time there is no intent to amend the setback requirements. Paul Kozak, the Provincial Apiarist, agrees that there are other best management practises or approaches that work, however the 30m setback creates a regulatory framework which helps to avoid conflict between neighbours.

Mr. Kozak notes that there are 6,400 registered bee yards in Ontario, and it is recognized that many registered hives do not conform to the 30m setback. An article published by the Globe and Mail notes 107 bee hives registered in the City of Toronto, many of which are in parts of

the city where they are "very unlikely to be 30m away from a property line." Mr. Kozak concedes that bee hive registration may not specifically address setbacks, however, if there is an issue or a complaint the regulatory framework (30m setback) allows inspectors to request that the hives be moved to a more appropriate location, either on the property or off-site. In this sense OMAFRA is 'reactive' in its implementation of Section 19 of the Bees Act. Mr. Kozak also notes that the main focus of the Act is honey bee health, and the inspector's main focus is to ensure that registered hives are healthy and free of diseases which have greatly reduced bee populations in recent years.

Public Consultation

Beyond discussions and correspondence with the proponent, there has not been any public consultation on this matter. During the initial phases staff felt that public consultation in the form of at least one public open house would be critical; however upon confirming that Section 19 (30m setback) of the Bees Act is still in effect, staff is of the opinion that public consultation at the local level is not warranted at this time. To this end, the proponent may wish to take this matter up at the Provincial level.

SUMMARY

The Municipality cannot pass a local by-law that is inconsistent with Provincial Legislation, in this case, the Ontario Bees Act, and more specifically Section 19 of the Bees Act, which requires hives to be setback at least 30m from any lot line. Staff explored the approach of allowing beekeeping in certain urban zones, subject to OMAFRA registration and adherence to the regulations of the Bees Act. In this approach, it was felt that OMAFRA would appropriately address issues even though the setback requirements of the Act may not be directly adhered to. Staff is of the opinion that this approach would also legally require the Municipality to enforce the 30m setbacks.

There is also a real concern related to one's enjoyment of their property. Although in most respects the threat posed by honey bees is very minimal, to an individual the fear is very real and a nearby bee hive has the potential to drastically alter one's ability to enjoy their property.

Locally, there have been instances of nuisance complaints resulting from beehives. In these cases, the issues were the result of hives being left unattended or best practises not being followed by the beekeeper. This also raises the point that beekeeping, especially in an urban setting, requires the diligence of individual beekeepers to spend a great deal of time and effort in managing the hive to ensure its overall health and well-being.

It is therefore recommended that Council maintain the status quo, and that beekeeping continue to be permitted in the Rural Area zone as an agricultural use. A map showing the areas in the community zoned Rural Area (RA) is attached. The rural area is generally characterized as having low development densities and much larger lots than those found in the urban area. Consequently, there are numerous lots in the rural area which are large enough to adhere to the required 30m setbacks as outlined in the Bees Act. This approach is consistent with most Municipalities in Ontario, including Thunder Bay, Timmins, Sudbury and North Bay. Applications to rezone urban properties for beehives could be reviewed on a case by case basis, which would include public notice and the ability for nearby property owners to

6(6)(c)

comment. In reviewing such applications, a major consideration would be to ensure that hive locations meet the requirements of the Ontario Bees Act.

IMPACT

The recommendation to maintain the status quo as it relates to urban beekeeping will not financially impact the municipality.

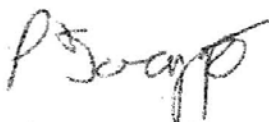
STRATEGIC PLAN

The recommendation is not directly related to any policies contained within the City's Corporate Strategic Plan.

RECOMMENDATION

That City Council continues with the status quo, which is that beekeeping is permitted as an agricultural use in a Rural Area zone, subject to all applicable legislation, including the Ontario Bees Act. Individual applications for bee hives in other zones can be assessed on a case by case basis, by way of a rezoning application.

Respectfully submitted,



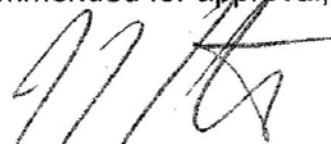
Peter Tonazzo, MCIP, RPP
Planner

Recommended for approval,



Donald B. McConnell, MCIP, RPP
Planning Director

Recommended for approval,



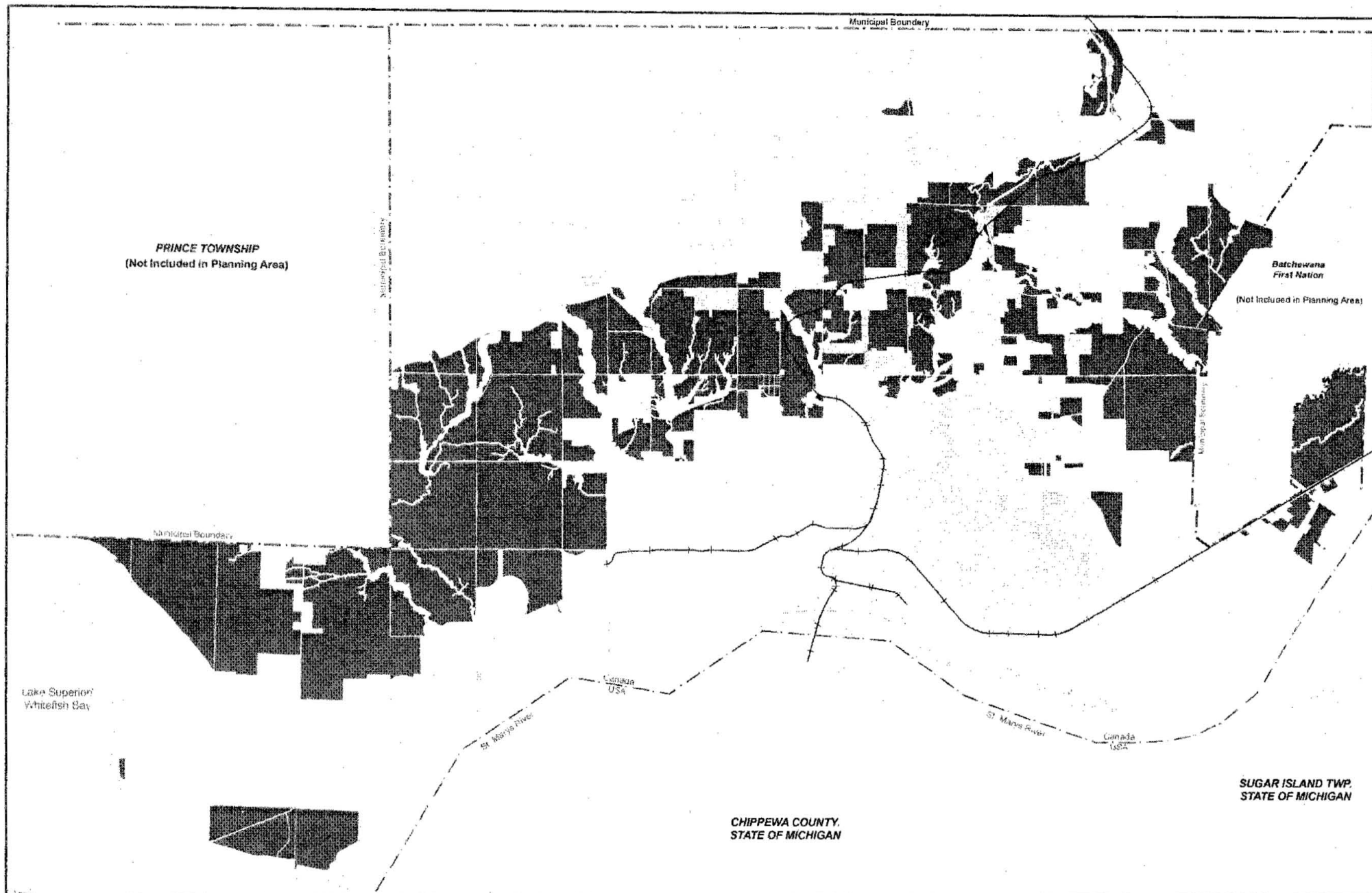
Jerry Dolcetti, RPP
Commissioner Engineering & Planning

PT/ps
Attachment(s)

RECOMMENDED FOR APPROVAL



Joseph M. Fratesi
Chief Administrative Officer



AREAS ZONED RA - RURAL AREA ZONE

**CITY OF SAULT STE. MARIE
BYLAW 2005-150**

The Corporation of the City of Sault Ste. Marie
Engineering & Planning Department
Planning Division
September 05, 2013

This map is for general reference only.
For official mapping, see the
Engineering and Planning Department.
Orthophoto: None

Projection Details:

NAD 1983 UTM Zone 16N
GCS North American 1983

RA - Rural Area Zone

0 500 1,000 2,000 Meters



6612

618Xa)



SAULT STE. MARIE POLICE SERVICE

580 Second Line East
Sault Ste. Marie, Ontario P6B 4K1

ROBERT DAVIES
Chief of Police

EMERGENCY DIAL 9-1-1
TELEPHONE (705) 949-6300

BOB KATES
Deputy Chief of Police

EXECUTIVE FAX (705) 949-3082
OPERATIONS FAX (705) 759-7820

September 4, 2013

Mayor D. Amaroso and Members of City Council
City of Sault Ste. Marie
Civic Centre, 99 Foster Drive
Sault Ste. Marie ON P6A 5X6

Dear Mayor Amaroso and Councillors:

Re: 2012 Annual Report - Sault Ste. Marie Police Service

As per our protocol agreement between Council and the Sault Ste. Marie Police Service with respect to the sharing of information, I have enclosed copies of the Sault Ste. Marie Police Service's 2012 Annual Report for members of Council.

The annual report outlines a positive and successful year of policing in our Community. I believe that we have been extremely successful in the services we provide through our partnerships with various community organizations and agencies; proving we are indeed a community Police Service.

A special note of appreciation is extended to the members of Council and city staff who have supported our Service during the past year. It is with your support that we are able to maintain a high level of effective and efficient policing services for the citizens of Sault Ste. Marie and Prince Township.

Yours truly,

Robert D. Davies
Chief of Police

RDD:ah

Enclosures

cc: Mr. J. Fratesi, C.A.O.
Mr. M. White, City Clerk

Committed to Excellence in our Community

6(8)(b)



MEMORANDUM

DATE: September 9, 2013
TO: Mayor Debbie Amaroso and Members of City Council, City of Sault Ste. Marie
c.c. Joesph M. Fratesi, C.A.O., City of Sault Ste. Marie
FROM: Dominic Parrella, President & C.E.O., PUC Services Inc.
SUBJECT: **2013 Second Quarter Shareholder Report**

Attached please find the Quarterly Shareholder Report for the period April 1 to June 30, 2013.

I will be available at the Council meeting to answer any questions you may have.

A handwritten signature in dark ink, appearing to read 'D. Parrella', is written over a horizontal line.

Dominic Parrella, P.Eng.
President & C.E.O.
PUC Services Inc.

Attachments: 2013 Second Quarter Shareholder Report
PUC 2013 Second Quarter Financial Summaries

PUC INC. & PUC SERVICES INC.
2013 Second Quarter Shareholder Report

PUC SERVICES INC.

As of June 26th we had achieved 603 days without a lost time injury. This record "officially" came to an end that day when the WSIB accepted a long standing repetitive strain injury as a bonafide lost time claim.

Operation of the two city wastewater treatment plants remained in compliance with provincial requirements during the past quarter.

In May the Ontario Power Authority provided confirmation that our application under the Feed-In-Tariff (FIT) program for a roof-top solar installation at the West End Community Centre was rejected. The OPA has declared there is zero capacity under the FIT program in the Sault Ste. Marie.

Sale of the Trbovich Building, located at 550 Second Line East, was concluded on June 17th. The new owner is Roofmart (Canada) Limited; a Canadian owned and operated roofing and siding supplier. They will be moving quickly to develop the site and open for business as soon as possible.

PUC DISTRIBUTION INC.

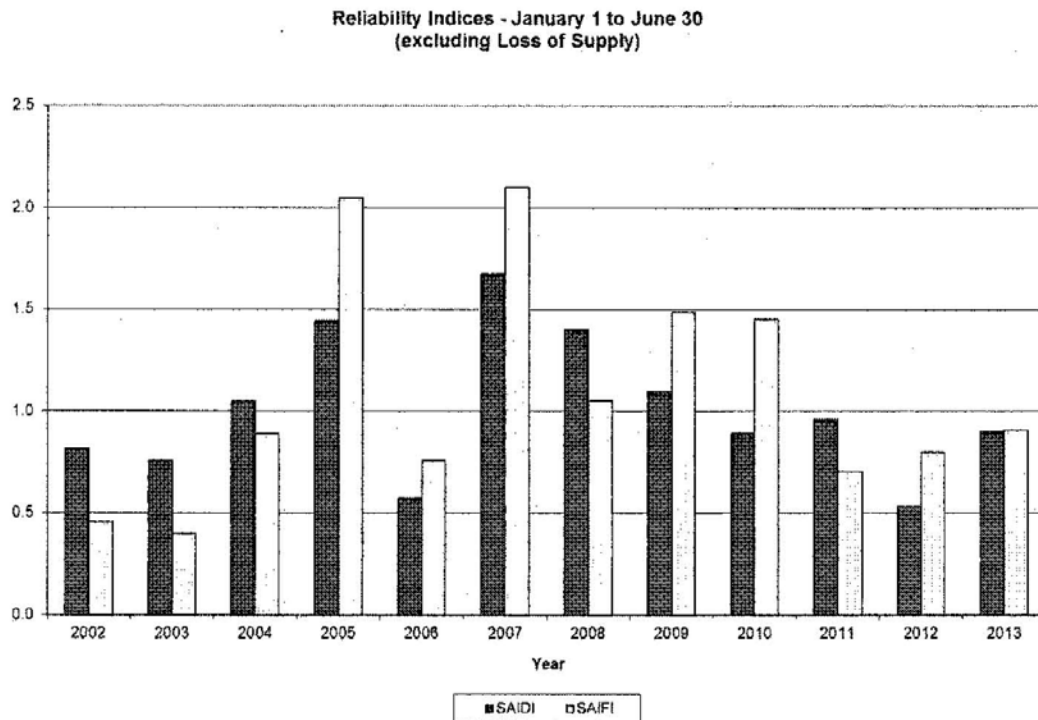
Electricity sales were up 3.8% in the second quarter compared to 2012. However, year-to-date sales are up only 2.9% from last year. System peak demand during the second quarter was 112.0 MW which occurred in April. The 2012 peak during the second quarter was 104.3 MW which occurred in June. (All quantities are adjusted to recognize embedded generator contributions)

Distributed generation (i.e. primarily the solar farms) supplied approximately 15% of the total energy for the quarter consumed by PUC customers. These generators also supplied approximately 38% of the system peak demand for the month of June. Generator contributions to peak demand for the quarter was negligible in 2013, but was nearly 50% of the peak in 2012.

Comparison of power outages from one quarter to another can vary widely, due primarily to seasonal effects. The most significant impact on reliability was due to a power interruption that occurred April 23rd when a 35 kV breaker failed at the Tarentorus Transformer Station, located at Third Line and Industrial Park Crescent. The outage affected up to 3,007 customers for durations up to 3 hours and 9 minutes.

While reliability in the second quarter of 2013 appears to have deteriorated compared to 2012, our long term trend is expected to continue to improve on a year-over-year basis.

Average system interruption frequency (SAIFI) for the first two quarters in 2013 increased 14% over the same period last year, while average system interruption duration (SAIDI) increased 70% over 2012. The chart below compares first quarter SAIDI and SAIFI since 2002.



As reported last quarter, PUC filed its 2013 Cost of Service Rate Application on November 6, 2012 for rates effective May 1, 2013. The three interveners (Vulnerable Energy Consumers Coalition, School Energy Coalition and Energy Probe) and OEB staff reviewed the rate application and submitted several interrogatories to PUC.

Interrogatories were issued by OEB staff on January 30th, VECC and Energy Probe on February 6th, and SEC on February 8th. On April 4th 2013, PUC filed the interrogatory responses with the OEB.

A second round of interrogatories and responses was concluded early in May. Finally, a settlement conference with the three interveners was held on May 21 and 22, 2013 at the OEB offices in Toronto. After several iterations of proposals and counter-proposals with the interveners, agreement was reached on the second day.

The end result of the new approved rates is that a typical residential customer that used 800 kWh in June would see an overall 2% decrease in their total electrical bill for July,

assuming they still used 800 kWh. Of the total 85 licensed utilities in Ontario, 77 have reported updated rates at this time. As of July 1st 2013, PUC's total bill for the average residential customer is the second lowest in the province.

WATER SYSTEM OPERATIONS

Metered water consumption increased by 1.4% compared to the first quarter in 2013. However, consumption for the year-to-date is down 1.5% from last year. The peak day consumption for the second quarter was 39,646 m³ which occurred on June 26th. Last year the peak day consumption during the period was 40,067 m³.

We had 10 watermain breaks over the past three months bringing the total number of breaks for the year (i.e. since November 1, 2012) to 60. Last year, there were 11 breaks in the second quarter with a total of 40 breaks experienced for the counting year to date.

Unidirectional flushing (UDF) resumed on Wednesday May 22nd. Following customer notifications, activities started in the far easterly area of the city.

An increased number of water quality calls were received during May. The majority of those calls were from the east end and usually related to UDF operations or water well start/stop actions. It appears that another series of calls may have been caused by an unauthorized hydrant operation. Roughly 180 brown water calls and 30 taste and odor calls were received during the month of May.

On June 5th we started UDF activities in the west end concurrently with the east end. Good progress has been made to date. In the east end, the water quality appears to be getting better. Flushes do not take as long as they did last year and turbidity levels are generally not as high during the flushes. In the west end, the water quality observed during the flushes appears to be better than in the east end. Assuming the weather is favorable, it is anticipated that all of Zone I (i.e. the area below "the hill") will be completed before the construction season comes to a close.

A leak detection survey was performed by Watermark Solutions during June; this being the third year of a three year contract. The target area in 2013 was all of Zone II. In all five system leaks were found. This practice of proactive leak detection and repair is proving to be very effective in reducing unaccounted-for water and controlling operating costs.

PUC TELECOM INC.

By the end of June, approximately 96% of the commitments made to Ontera on the sale of the company's assets had been addressed. Total cost to to-date is \$320,596. Under the terms of the sale, all commitments agreed to must be satisfied by the end of October 2013.

FINANCIAL STATUS

PUC Distribution's net income for the first six months of 2013 was \$1,240,528 on revenues of \$10,398,239 compared to forecasted net income of \$1,525,215 and revenues of \$10,790,054 in the budget. Expenses of \$9,157,711 for the year to date were \$107,129 under budget. For the same period in 2012, net income was \$557,954, revenues were \$7,657,502 and expenses were \$7,099,547. The significantly higher revenues earned in 2013 are the result of an OEB decision to allow for the recovery of the smart meter regulatory accounts starting in August 2012. The revenue increase is offset by the recognition of O&M and depreciation costs associated with smart meter installations. In addition, energy consumption was up approximately 3% from the same period in 2012.

PUC Telecom had no operating revenue due to the sale of all assets in 2011. Expenses of \$200,602 were incurred in the first six months to address commitments made to Ontera under the terms of the sale and in payment of interest to PUC Inc.

PUC Services had a net loss of \$124,805 for the first six months compared to a forecasted loss of \$429,399 in the 2013 budget. Net income was \$9,512 in the previous year. Revenues for the year to date totaled \$7,881,105, which were \$273,921 under budget. Expenses were \$609,414 under budget, primarily due to lower than budgeted contract costs and timing of payment of accounts.

Unconsolidated PUC Inc. revenue for the first two quarters was \$1,147,616, which was received in the form of related party interest payments. Expenses of \$1,100,067 were primarily interest payable to the City. There was a net income of \$47,549 for the year to date.

The water Commission had a net operating margin of \$1,021,447 for the first six months on revenues of \$8,019,139 compared to a forecasted margin of \$736,436 and revenues of \$8,013,108 in the budget. In comparison, revenue for the first two quarters of 2012 was \$7,410,332 and the net operating margin was \$1,965,560.

PUC
QUARTERLY FINANCIAL SUMMARIES
June 30, 2013



6(8)(b)

PUC Distribution Inc.
STATEMENT OF REVENUES AND EXPENSES
For the Quarter Ending June 30, 2013



	YTD Actual 2013	YTD Budget 2013	YTD Variance 2013	Annual Budget 2013
Revenue				
Distribution Revenue	8,525,377	9,031,441	-506,064	18,536,678
Miscellaneous Revenue	1,872,862	1,758,613	114,249	3,393,199
Total Revenue	10,398,239	10,790,054	-391,815	21,929,877
Cost of Power				
Cost of Power Revenue	33,968,848	34,311,362	-342,514	63,539,559
Cost of Power Expense	33,968,848	34,311,362	-342,514	63,539,559
Net Cost of Power	0	0	0	0
Operating Expenses	2,896,130	2,978,638	-82,508	6,153,732
General and Administrative Expenses	2,977,543	3,249,888	-272,345	6,296,814
Depreciation	1,700,000	1,699,320	680	3,400,000
Interest Expense	1,128,932	1,192,973	-64,041	2,386,901
Payment in Lieu of Taxes	455,105	144,021	311,084	288,157
Total Expenses	9,157,710	9,264,840	-107,129	18,525,604
CDM Program				
CDM Revenue	309,888	810,270	-500,382	1,620,404
CDM Expenses	309,888	810,269	-500,381	1,620,403
Total CDM Program	0	1	-1	1
Income (Loss)	1,240,529	1,525,215	-284,686	3,404,274

PUC Telecom Inc.

STATEMENT OF REVENUES AND EXPENSES

For the Quarter Ending June 30, 2013



	YTD Actual 2013	YTD Budget 2013	YTD Variance 2013	Annual Budget 2013
Revenue				
Service Revenue	0	0	0	0
Miscellaneous Revenue	0	123,039	-123,039	198,450
Total Revenue	0	123,039	-123,039	198,450
Operating Expenses	124,515	48,985	75,530	97,918
General and Administrative Expenses	8,384	14,294	-5,910	28,588
Depreciation	0	0	0	0
Interest Expense	72,009	72,009	0	144,018
Payment in Lieu of Taxes	-4,306	0	-4,306	0
Total Expenses	200,602	135,288	65,314	270,524
Income (Loss)	-200,602	-12,249	-188,353	-72,074

6(8)(b)

PUC Services Inc.
STATEMENT OF REVENUES AND EXPENSES
For the Quarter Ending June 30, 2013



August 9, 2013

	YTD Actual 2013	YTD Budget 2013	YTD Variance 2013	Annual Budget 2013
Revenue				
Contract Revenue	2,584,923	2,418,059	166,864	5,335,760
Management Fee Revenue	5,221,517	5,370,837	-149,320	10,741,737
Miscellaneous Revenue	74,665	366,129	-291,464	733,700
Total Revenue	7,881,105	8,155,026	-273,921	16,811,197
Operating Expenses	1,938,666	2,465,798	-527,132	4,868,168
General and Administrative Expenses	4,731,120	4,902,688	-171,568	9,692,953
Depreciation	950,000	949,620	380	1,900,000
Interest Expense	266,319	266,319	0	532,638
Payment in Lieu of Taxes	88,906	0	88,906	0
Total Expenses	7,975,011	8,584,425	-609,414	16,993,758
CDM Program				
CDM Revenue	33,980	164,134	-130,154	328,334
CDM Expenses	64,879	164,134	-99,255	328,334
Total CDM Program	-30,899	0	-30,899	0
Income (Loss)	-124,805	-429,399	304,594	-182,561

6(8)(b)



PUC Inc.

STATEMENT OF REVENUES AND EXPENSES

For the Quarter Ending June 30, 2013

	YTD Actual 2013	YTD Budget 2013	YTD Variance 2013	Annual Budget 2013
Revenue				
Interest - Related Party	1,147,616	923,034	224,582	1,846,807
Miscellaneous Interest	0	5,203	-5,203	10,000
Total Revenue	1,147,616	928,237	219,379	1,856,807
General and Administrative Expenses	132,515	170,994	-38,479	337,006
Interest Related Party	967,460	967,460	0	1,934,920
Payment in Lieu of Taxes	92	0	92	0
Total Expenses	1,100,067	1,138,454	-38,387	2,271,926
Income (Loss)	47,549	-210,217	257,765	-415,119

6(8)(b)

Public Utilities Commission of Sault Ste. Marie
STATEMENT OF REVENUES AND EXPENSES
For the Quarter Ending June 30, 2013



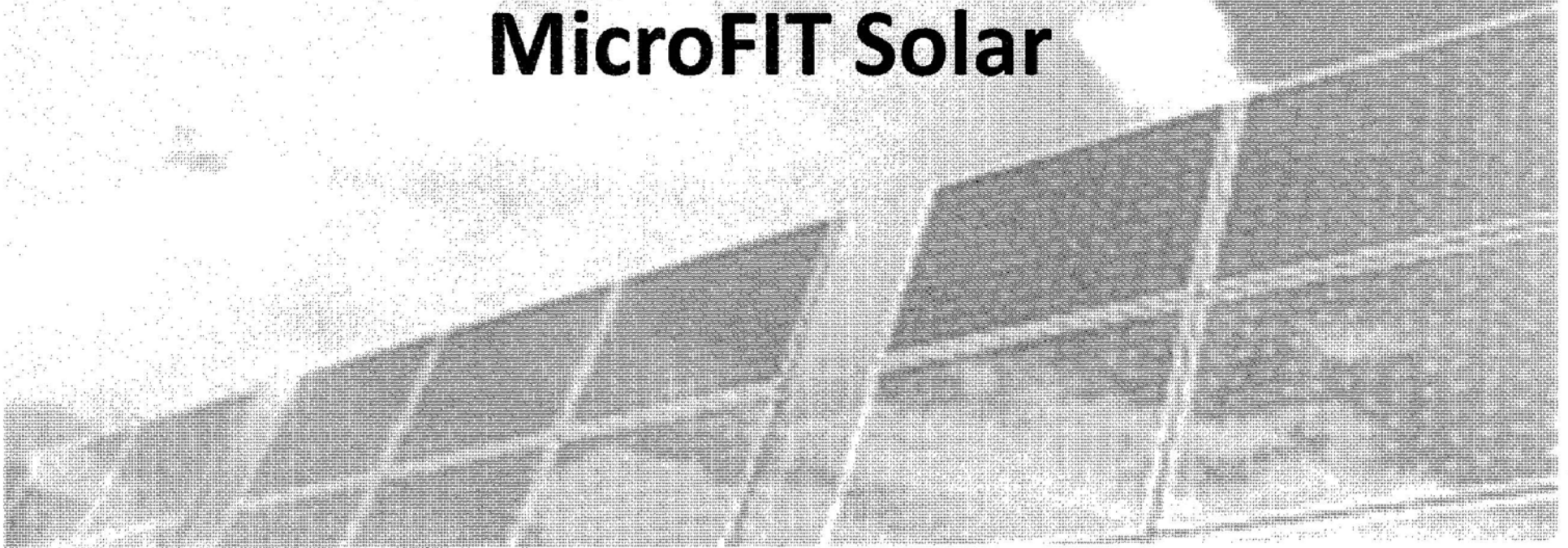
August 9, 2013

	YTD Actual 2013	YTD Budget 2013	YTD Variance 2013	Annual Budget 2013
Operating Revenue				
Water Sales	\$7,633,387	\$7,784,149	(\$150,762)	\$15,846,114
Miscellaneous	\$385,752	\$228,959	\$156,793	\$447,159
Total Operating Revenue	\$8,019,139	\$8,013,108	\$6,031	\$16,293,273
Total Operating Expenses	\$3,726,582	\$4,012,031	(\$285,449)	\$7,920,248
Total General and Administrative Expenses	\$2,168,076	\$2,157,993	\$10,083	\$4,204,432
Depreciation	\$1,050,000	\$1,050,420	(\$420)	\$2,100,000
Interest Expense	\$53,034	\$56,228	(\$3,194)	\$112,500
Total Expenses	\$6,997,691	\$7,276,672	(\$278,980)	\$14,337,180
Net Operating Margin	\$1,021,447	\$736,436	\$285,011	\$1,956,094



**A Presentation to Inform & Educate into the Opportunities of
Community Driven MicroFIT Solar**

The City of Sault Ste. Marie MicroFIT Solar



7/02

PRESENTATION AT A GLANCE

**1. QUICK REVIEW OF SAULT STE. MARIE
INVOLVEMENT IN SOLAR PV**

2. WHY IS MICROFIT BETTER THAN FIT

**2. OTHER MUNICIPALITIES PARTICIPATING IN
MICROFIT**

4. SOLAR PV INCENTIVES AVAILABLE TODAY

**5. PRELIMINARY REVIEW OF SAULT STE. MARIE
BUILDING SOLAR PV POTENTIAL**

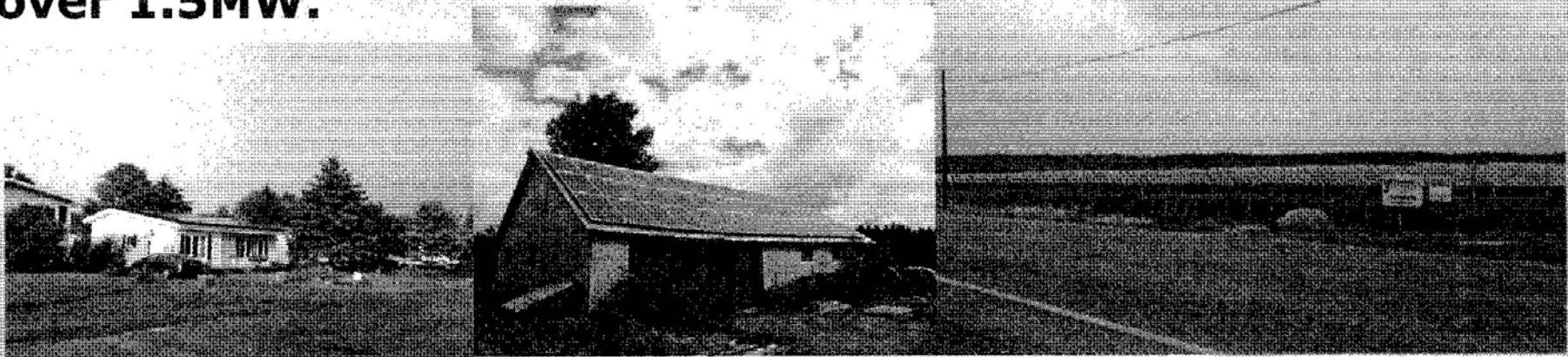
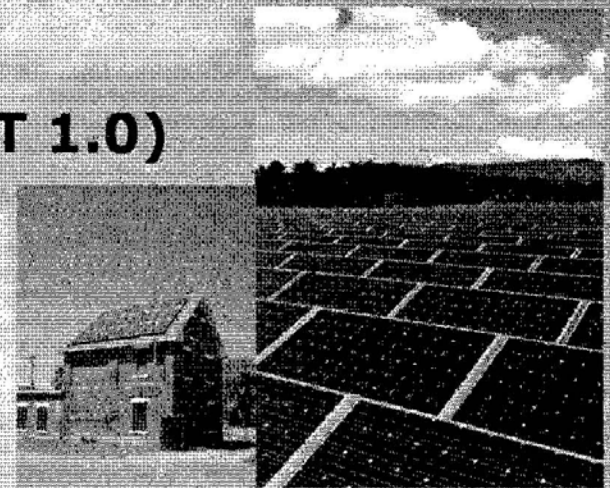
COMMUNITY INVOLVEMENT IN SOLAR PV

Sault Ste. Marie Solar Park (68MW)

PUC

- 1. West End Water Treatment Plant (FIT 1.0)**
- 2. George Leech Centre (FIT 1.0)**
- 3. Second Line Pump Station**

There are also multiple residential MICROFIT arrays installed in the Sault Ste. Marie area totalling over 1.5MW.

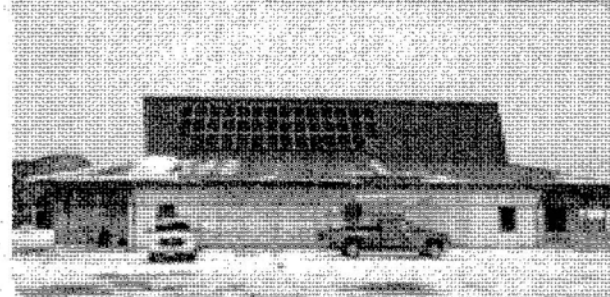
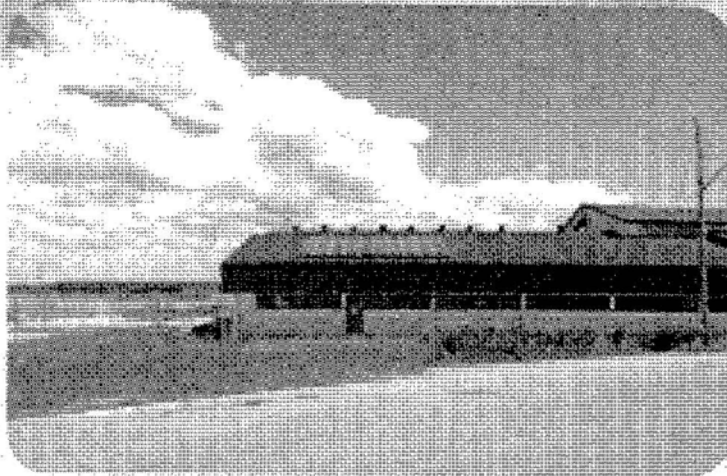


WHY IS MICROFIT BETTER THAN FIT

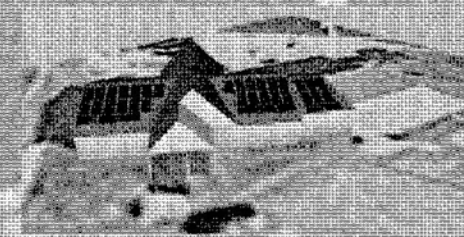
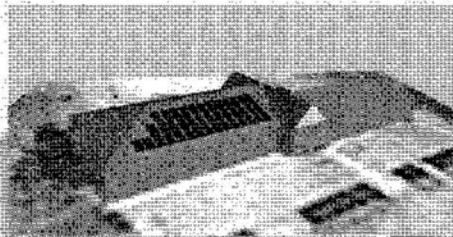
1. **MicroFIT has LESS BARRIERS** – applications and approval processes are more streamlined. (Project approval time under 3 months)
2. **MicroFIT does not have to pass DAT and TAT grid capacity testing.** (This testing is what terminated all FIT 2.0 projects in Sault Ste. Marie for 2013)
3. **MicroFIT has a higher incentive rate than FIT**
4. **MicroFIT enables Sault Ste. Marie to approach projects in groups.** (Ex. Rather than one large project with enormous investment, microFIT projects can be approved in groups to limit risk, but also to build confidence in council and ensure quality of installation). If an installer does not meet the city's installation standards, there is an opportunity to change the installer for the next group of projects.
5. **MicroFIT projects if grouped 5, 10 or 15 together have similar economy of scale as with FIT.**
6. **There is an opportunity to involve more than just one local installer and to have the public be more aware of Sault Ste. Marie's involvement with many small installations rather than just one large installation.**
7. **MicroFIT projects are smaller and lighter, thus can be installed on buildings which bigger FIT projects would not otherwise be allowed.**
8. **The city is not limited to only a microFIT project per property and can add on to create a FIT project if it becomes available in the future.**
9. **There is no cost to apply for a microFIT solar array.**

COMMUNITY PARTICIPATION IN MICROFIT

Township of Red Rock

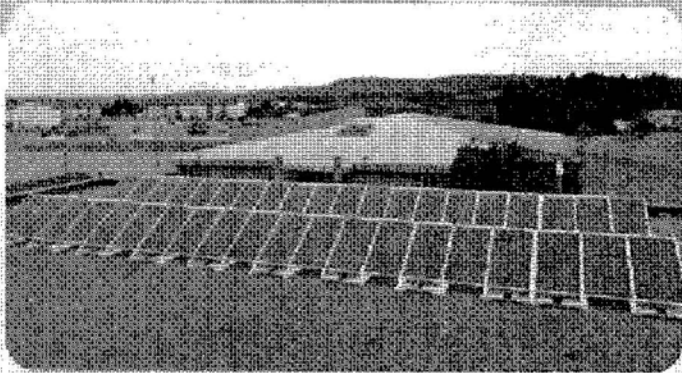


Village of Hilton Beach

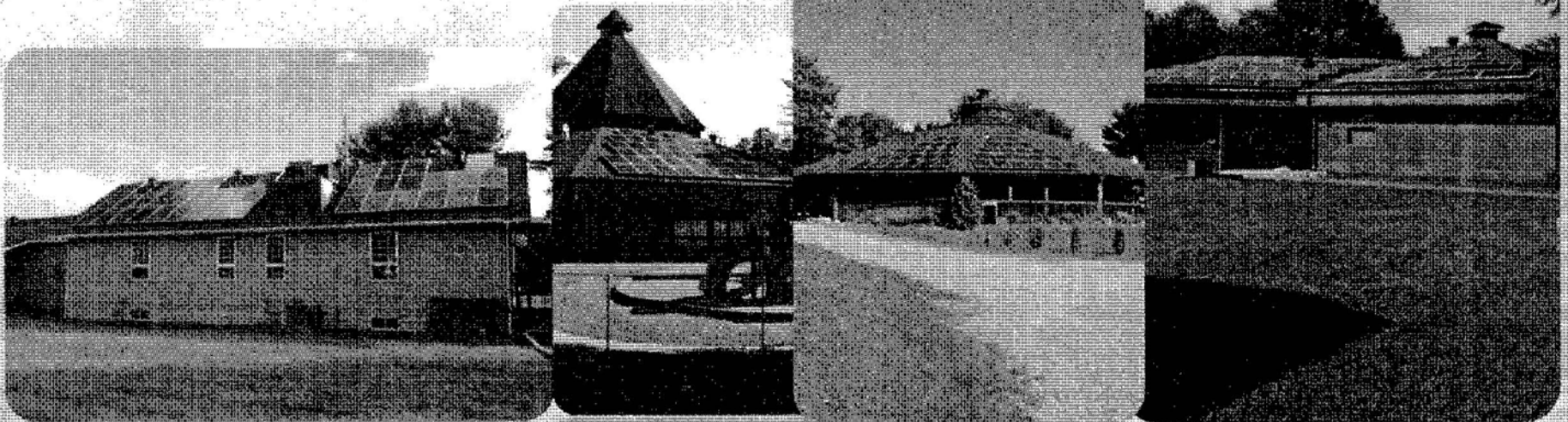


COMMUNITY PARTICIPATION IN MICROFIT

Township of Marathon – Fire/Police Department



Garden River First Nation



7/10/17

MICROFIT INCENTIVE AVAILABLE TODAY

FIT/microFIT PRICE SCHEDULE (August 26, 2013)

Renewable Fuel	Project Size Tranche*	Price (¢/kWh)	Escalation Percentage**
Solar (PV) (Rooftop)	≤ 10 kW	39.6	0%
	> 10 ≤ 100 kW	34.5	0%
	> 100 kW	32.9	0%

MicroFIT 3.0 employs one big change other than the lowering of the rate. Domestic content is no longer a requirement on new projects. Thus, world pricing and competition is allowing for further price reductions compared to MicroFIT 2.0. Therefore, ROI's are expected to stay very attractive as vendors and distributors adjust to the new program.

PRELIMINARY REVIEW OF THE CITY OF SAULT STE. MARIE BUILDING SOLAR PV POTENTIAL

Of the 68 city owned buildings reviewed by the technical team at Solar Logix, there was 28 buildings which were identified to have "GREAT" solar potential. There was an additional 17 buildings which were also determined to be possible projects as well.

If every building could fit 10kW (the maximum allowable capacity under MicroFIT), there is potentially 280kW of projects which could be approved and installed within the year.

Project Location	Solar Potential
John Rhodes Community Centre	Great
Peter G. Manzo Pool	Great
Maycourt Centre, 13 Salisbury St.	Great
Jesse Irving Centre, 84 Ruth St.	Great
Central Fire Station	Great
Equipment Storage, Landfill site, Fifth Line	Great
Main Library, 50 East St.	Great
Police Headquarters, 580 Second Line E.	Great
Police Storage Building	Great
Equipment Storage Garage Building	Great
Public works administration Building	Great
Equipment Storage Garage, Stores	Great
Equipment Shelters	Great
Storage Building (Carpentry Shop)	Great
Equipment Storage Garage Building	Great
Transit Centre, Bus Depot, 111 Huron St.	Great
Transit Terminal Building	Great
Chapel, Office, Storage, Fourth Line & Peoples Road	Great
Office & Recreation Storage Building, 316 Elizabeth St.	Great
Greenhouse/potting building, Queen & Lake St.	Great
Stable B, S Side Old Garden River Road	Great
Services Building, Foster Drive Dock, Bondar Park	Great
Office Building, 540 Albert St.	Great
Storage Garage (Old MTO), 71 Old Garden River Road	Great
Repair Garage (Old MTO), 71 Old Garden River Road	Great
East Side WPCP (sewage trtment)	Great
West Side WPCP (sewage trtment)	Great
West End Community Centre	Great

7(a)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2013-172

AGREEMENT: (E2.2) A by-law to authorize execution of a contract between the City and Avery Construction Ltd. for the Muriel Avenue, Tallack, Fort Creek Drive and Pine Sewage Pumping Station Upgrades. (Contract 2013-10E)

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 9 of the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. **EXECUTION OF DOCUMENT**

The Mayor and the City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to a contract in the form of Schedule "A" attached hereto, dated September 23, 2013 and made between the City and Avery Construction Ltd. for the Muriel Avenue, Tallack, Fort Creek Drive and Pine Sewage Pumping Station Upgrades. (Contract 2013-10E)

2. **SCHEDULE "A"**

Schedule "A" forms part of this by-law.

3. **EFFECTIVE DATE**

This by-law takes effect on the day of its final passing.

PASSED in open Council this 23rd day of September, 2013.

MAYOR - DEBBIE AMAROSO

CITY CLERK - MALCOLM WHITE

da LEGAL\STAFF\BYLAWS\2013\2013-172 AGREEMENT SMALL PUMP STATION UPGRADES 2013-10E.DOC

NOTICE

THIS IS A DRAFT DOCUMENT. This document has not been enacted by City Council. It may not be enacted at all AND if enacted, it may not be in the form of the DRAFT copy.

CITY SOLICITOR

CORPORATION OF THE CITY OF SAULT STE. MARIE

**Contract No. 2013-10E
Muriel, Tallack, Fort Creek and Pine
Sewage Pumping Stations Upgrades**

FORM OF AGREEMENT

This Agreement made (in triplicate) this 23rd day of September in the year 2013
by and between

Avery Construction Ltd. hereinafter called the "Contractor"

AND

The Municipal Corporation of the City of Sault Ste. Marie, Ontario hereinafter called the
"Corporation".

WITNESSETH: That the Contractor and the Corporation undertake and agree as follows:

1. The Contractor will provide all the materials and complete all the works shown and described in the contract documents entitled:

CONTRACT NO. 2013-10E**MURIEL, TALLACK, FORT CREEK AND PINE
SEWAGE PUMPING STATIONS UPGRADES**

which have been signed in triplicate by both parties and which were prepared under the supervision of AECOM Canada Ltd., acting as agent and Contract Administrator and herein entitled, the Contract Administrator.

2. The Contractor will do and fulfill everything indicated by the "contract documents" including this Agreement, the General Conditions, Supplementary General Conditions, the Specifications, the Special Provisions, PUC Services Inc. Supplementary Specifications, Instructions to Tenderers, Form of Tender, Addenda, if any, and the Drawings.
3. The Contractor will complete all the work under the supervision and direction and to the entire satisfaction of the Contract Administrator within the period of time specified.

4. The Corporation shall pay to the Contractor the contract price as set forth in the Form of Tender in accordance with the provisions as set forth in the contract documents. The quantities contained in the Form of Tender are approximate only and the final payment shall be made for the actual quantities that are incorporated in or made necessary by the work covered by the contract.
5. The Corporation shall pay the Contractor for work that is ordered in writing by the Contract Administrator and that cannot be classified as coming under any of the contract units and for which no unit price, lump sum, or other basis can be agreed upon, on a time and material basis as set out in the General Conditions.
6. The Contractor shall indemnify and save harmless the Corporation, its officers, employees and agents, from all loss, damages, costs, charges and expenses of every nature and kind whatsoever which may be made or brought against the Corporation, its officers, employees and agents, by reason or in consequence of the execution and performance or maintenance of the work by the Contractor, its employees, agents or officers.
7. All communications in writing between the Corporation, the Contractor and the Contract Administrator shall be deemed to have been received by the Addressee if delivered to the individual, a member of the firm or an officer of the Corporation for whom they are intended or if sent by post or by telegram addressed as follows:

The Corporation: The Corporation of the City of
Sault Ste. Marie
P. O. Box 580
Civic Centre, 99 Foster Drive
Sault Ste. Marie, Ontario
P6A 5N1

The Contractor: Avery Construction Ltd.
940 Second Line West
Sault Ste. Marie, Ontario
P6C 2L3

The Contract Administrator: AECOM Canada Ltd.
523 Wellington Street East
Sault Ste. Marie, Ontario
P6A 2M4

IN WITNESS WHEREOF the parties hereto have executed this Agreement by the day and year first above written.

Signed, Sealed and Delivered
in the presence of

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Mayor – Debbie Amaroso

(seal)

City Clerk – Malcolm White

THE CONTRACTOR

Avery Construction Ltd.

Company Name

(seal)

Signature

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2013-174

AGREEMENT: (P3.7(1)) A by-law to authorize an agreement between the City and Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation to carry out winter control maintenance operations on Secondary Highways 550 and 565 located in Prince Township.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 9 of the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. **EXECUTION OF DOCUMENT**

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to an agreement dated September 23, 2013 between the City and Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation attached as Schedule "A" hereto. This agreement is to carry out winter control maintenance operations on Secondary Highways 550 and 565 located in Prince Township.

2. **SCHEDULE "A"**

Schedule "A" forms part of this by-law.

3. **EFFECTIVE DATE**

This by-law takes effect on the day of its final passing.

PASSED in open Council this 23rd day of September, 2013.

MAYOR - DEBBIE AMAROSO

CITY CLERK - MALCOLM WHITE

NOTICE

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CITY SOLICITOR

This Agreement made in triplicate between:

HER MAJESTY THE QUEEN in right of
Ontario as represented by the
Minister of Transportation,

Hereinafter called the "Minister",

- and -

THE CORPORATION OF THE CITY OF SAULT
STE. MARIE,

Hereinafter called the "City".

WHEREAS the City has offered to carry out winter control
maintenance operations on Secondary Highways 550 and 565
located in the Township of Prince in the District of
Algoma for the Minister;

AND WHEREAS the Minister has accepted the City's offer
subject to the terms and conditions hereinafter set out.

NOW THEREFORE this agreement witnesses that in
consideration of the premises the Minister and the City
agree as follows:

1. That in this agreement,
 - (a) "Area Engineer" means the Ministry's Area
Contracts Engineer for the Sault Ste. Marie Area;
 - (b) "Ministry" means the Ontario Ministry of
Transportation.
2. That the City shall carry out the winter control
maintenance operations specified in Schedule 'A'
attached hereto and forming part of this agreement
which may be necessary from time to time or which may
be directed by the Area Engineer, on Secondary
Highways 550 and 565 in the Township of Prince in the
District of Algoma.

3. That the City shall supply all necessary labour, materials and equipment required to carry out such winter control maintenance operations in accordance with the Ministry's winter maintenance standards.
4. That,
 - (a) The Minister shall pay the City the actual direct cost of winter control maintenance operations on Secondary Highways 550 and 565 in the Township of Prince as determined by the Area Engineer pursuant to this agreement; and
 - (b) For the purposes of this agreement the actual direct cost of winter control maintenance operations shall include the cost of the following:
 - (i) salaries and wages including supervisory standby and patrol time.
 - (ii) cost of equipment rental and equipment owned by the City at established costs + 15%;
 - (iii) abrasive materials or chemicals at established cost + 15% handling charges;
 - (iv) fringe benefits at the rate of 46.5% of salaries and wages, subject to annual review and revision by agreement of the parties; and
 - (v) such other direct costs as may be agreed to by the Ministry.

5. That the Minister shall pay to the City a sum of money equal to 7% of the actual direct costs to compensate for indirect and overhead costs of the City.
6. That the City shall keep separate and detailed records of the actual direct costs of winter control maintenance operations under this agreement and make these records available for examination and audit by the Ministry upon request during the 24-month period next following the receipt of the final payment for any winter control maintenance period covered by this agreement.
7. That the City will report work completed to the Area Engineer in a manner consistent with the Ministry's maintenance management system. This shall include performance measures and outcome targets defined in Schedule B. The Ministry will audit may audit Winter Performance and impose Consequences in accordance with Schedule B.
8. That,
 - (a) On or before the 20th days of December, January, February, March and April during the currency of this agreement the City shall render an account to the Ministry for winter control maintenance operations performed by the City on Secondary Highways 550 and 565 during the preceding calendar month; and
 - (b) the City shall submit its final billing for winter control maintenance operations to the Ministry when year end postings have been made and the books of the City have been closed.
9. That the Ministry shall pay the City's accounts within thirty (30) days of their receipt.

10. That the City shall indemnify and save harmless the Minister from any losses, costs, damages, suits, or expenses arising out of or connected with the performance of the winter control maintenance operations contemplated by this agreement and attributable to the negligence of the City or any person for whom the City is responsible at law.

11. That,

(a) the City will maintain a motor vehicle liability insurance policy for both owned and non-owned vehicles with limits of not less than \$5,000,000.00 (five million dollars) inclusive per occurrence for bodily injury, death and damage to property;

(b) the City will maintain a general liability insurance policy with limits of not less than \$5,000,000.00 (five million dollars) inclusive per occurrence against the risk of injury, loss or damage to the person(s) or property of others which policy shall include as an additional insured Her Majesty the Queen in right of Ontario as represented by the Minister of Transportation but only in respect of and during services performed under this agreement on behalf of the Ministry;

(c) the policy of general liability insurance shall contain a cross liability clause endorsement; and

(d) the City shall provide the Area Engineer with proof of insurance upon request.

12. That the City shall carry out the winter control maintenance operations during the winter maintenance season designated by the Area Engineer.
13. That the winter maintenance season for 2013-14 shall commence on October 1st, 2013 and terminate on April 30th, 2014.
14. That the term of this agreement is one year from October 1st, 2013 to September 30th, 2014.
15. That the term of this agreement shall be automatically renewed from year to year unless the Minister or the City gives written notice sixty (60) days prior to anniversary date of his/its intention to terminate this agreement at the end of the initial term or any subsequent renewal thereof.
16. That any notice or other written communication intended for the Minister or the Ministry shall be effectively given if sent by ordinary mail or other appropriate means of delivery to the Area Contracts Engineer at 70 Foster Drive Suite 420 Sault Ste. Marie, Ontario, P6A 6V4.
17. That any notice or other written communication intended for the City shall be effectively given is sent by ordinary mail or other appropriate means of delivery to the City Clerk, at 99 Foster Drive (P.O. Box 580) Sault Ste. Marie, Ontario, P6A 5N1.
18. That the City covenants that it has the statutory authority to enter into this agreement and warrants that it has done all acts necessary to authorize it to do so.

IN WITNESS WHEREOF the Minister of Transportation has hereunto set his hand and seal and the City has caused its

corporate seal to be affixed hereto attested by the hands
of its Mayor and Clerk.

Signed and Sealed at Sault Ste. Marie this 23 day of September, 2013.

The Corporation of the City
of Sault Ste. Marie

Mayor - Debbie Amaroso

City Clerk - Malcolm White

Signed and Sealed at _____ this _____ day of _____, 2013

Her Majesty the Queen in right
Of Ontario as represented by:

Ministry of Transportation

SCHEDULE 'A'

WINTER CONTROL MAINTENANCE OPERATIONS

		Maintenance Class
Highway 550	from Town Line Road to Intersection with Highway 565 (1km)	2
Highway 550	from Intersection of Highway 565 to End of highway. (8km)	3
Highway 565	from Intersection of Highway 550 to Baseline Road. (2km)	3

1. Snow clearing shall include:

- (a) plowing;
- (b) winging back;
- (c) snow removal;
- (d) placement of snowplow markers;
- (e) clearance of snow from bridge walks.

2. Sanding shall include:

- (a) spreading of sand on road surfaces;
- (b) stockpiling;
- (c) loading.

3. Salting shall include:

- (a) spreading of salt on pavements;
- (b) stockpiling; and
- (c) loading.

4. Such other winter control maintenance operations as may be agreed upon by the parties from time to time.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2013-173

PARKING: (P3.9(4)) A by-law to appoint by-law enforcement officers to enforce the by-laws of the Corporation of the City of Sault Ste. Marie.

WHEREAS from time to time persons have been appointed by-law enforcement officers;

THEREFORE the Council of the Corporation of the City of Sault Ste. Marie pursuant to section 15 of the *Police Services Act*, R.S.O. 1990, chapter p. 15 and amendments thereto, **ENACTS** as follows:

1. **SCHEDULE "A" TO BY-LAW 93-165 REPEALED**

Schedule "A" to By-law 93-165 is hereby repealed and replaced with Schedule "A" attached to this by-law.

2. **EFFECTIVE DATE**

This by-law takes effect on the day of its final passing.

PASSED in Open Council this 23rd day of September, 2013.

MAYOR – DEBBIE AMAROSO

CITY CLERK –MALCOLM WHITE

cf staff\Bylaws\2013\2013-173 City Parking Officers

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CITY SOLICITOR

SCHEDULE "A"

Don Scott	1
Sam Piraino	3
David Etchells	51 (Mechanic)
Renee Vanderklift	71
Frank Jolicoeur	72
Alan Smith	81
Dave Devoe	84
Edward Pigeau	89
Joyce Whitmell	93
George Robinson	94
Kevin McNama	95
Bill Long	96



The Public Utilities Commission
of the City of Sault Ste. Marie **2012**



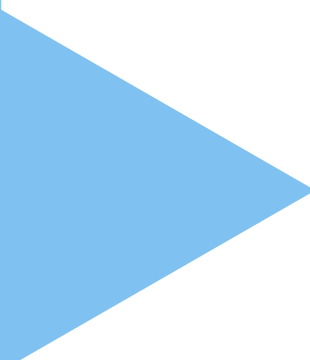


Table of Contents

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Year in Review	6
Capital Works for 2012	9
Management Responsibility	10
Audited Financial Statements	11
Governance	22

2012 HIGHLIGHTS

Financial	2012	2011
Service Revenue	\$14,468,179	\$12,772,000
Annual Surplus (Loss)	\$2,794,375	\$1,988,000
Total Municipal Position	\$73,028,597	\$70,234,000
Operations	2012	2011
Number of Customers	25,909	25,828
Annual Sales (m ³)	10,103,482	9,735,122
Peak Day System Demand (m ³)	45,318	39,306

GENERAL MANAGER'S MESSAGE

To: Chair Mark Howson and Members of the Public Utilities Commission

Following the conversion from chloramination disinfection to the use of free chlorine distribution residual in late October 2011, efforts continued through 2012 to address ongoing concerns from some consumers with the change in taste and odour. We undertook several initiatives in response to these concerns. They included implementation of long-term uni-directional flushing across the entire system, augmented sampling at residences where consumers experienced persistent taste or odour concerns, and we engaged Ipsos Reid to conduct an independent water quality survey of our customers in November 2012.

The switch to free chlorine residual was prompted by the need to address elevated levels of lead in drinking water at some homes in the city. In order to assess the effectiveness of the free chlorine residual in controlling lead at the tap, we undertook a second coupon corrosion study to compare to the original study done in 2010 prior to the change. In addition, we continued with the mandated community lead testing program and our ongoing sentinel monitoring program. All the available data will be compiled and analyzed in 2013 in order to come to a final determination on whether or not to continue with free chlorine residual.

Annual water sales volume was up 3.8% from the previous year but total production supplied from the water treatment plant and wells was only up 1.3%. This appears to confirm that our continued efforts to reduce system leakage and improve metering accuracy are reducing the volume of unaccounted-for water and achieving the intended outcome.



Dominic Parrella, P.Eng.

General Manager, Public Utilities Commission of the City of Sault Ste. Marie

YEAR IN REVIEW

System Description

The Public Utilities Commission ensures that the municipally owned waterworks provide safe, reliable, potable water at cost to customers within the municipal services boundary of Sault Ste. Marie, Ontario. Potable water is also supplied to an area of the Rankin Reserve of the Batchewana First Nation.

Approximately half of the water is supplied from Lake Superior and the other half from wells located in the urban east and west areas of the city. The water intake in Lake Superior is located at Gros Cap. It extends 860 meters into Lake Superior and is situated at a depth of 17 meters. The Gros Cap pumping station delivers water to the Marshall Drive control tanks. Raw water then flows into the water treatment plant through a 45 kilowatt generator that reduces inlet pressure and generates a portion of the plant's electricity requirements. The filtration plant is rated at 40,000 cubic meters/day and uses direct filtration, incorporating chemically assisted coagulation, flocculation and dual filtration media.

The groundwater portion of the water supply comes from six wells. Two wells, both approximately 76 meters deep, are located at the Lorna pumping station. One well, 28 meters deep, is at the Steelton pumping station; one well, 101 meters deep, is located at the Shannon pumping station; and, two wells, each 55 meters deep, are located at the Goulais pumping station. The authorized total well supply capacity is 39,779 cubic meters/day.

Up until October 27, 2011 chlorine and ammonia were injected into the water prior to entering the distribution system. After that date only free chlorine has been used as the disinfection agent in the distribution system.

The management, maintenance and operations of the water treatment plant, wells and the approximately 450 km of watermain in the distribution system are carried out by PUC Services Inc. under a long term contract.

Financial Plan & Water Rates

Water rates increased by an average of 10% effective January 1, 2012. Like the majority of water utilities we are faced with replacing our failing, aged infrastructure over the long term. Capital spending on infrastructure replacement has increased significantly over the past

years and must continue to increase for several more years to ensure the security of our water system.

PUC, in accordance with provincial regulations, submitted a Financial Plan in February 2012 to the Ministry of Municipal Affairs. The Financial Plan sets out the range of annual rates required to support the long term viability of the municipal water supply. PUC's Financial Plan identifies the need for significant rate increases over the next ten years which are required to ensure the citizens of Sault Ste. Marie have reliable, safe drinking water in future years. The Plan calls for annual increases of 10% each year until 2017 followed by a 5% increase each year until 2022.

The provisions of PUC's Financial Plan are well in line with those of most municipalities in Ontario. Most municipalities in Ontario will have to invest significantly more and more each year to address the long term renewal of aged infrastructure.

Water Quality

Both raw and treated water are routinely tested at various points in the treatment and distribution system, in accordance with the requirements specified by the Ministry of the Environment (MOE). All test results are available for review by accessing the "Water Quality Reports" through the PUC website (www.ssmmpuc.com) or by requesting a copy of the results from the offices of PUC Services Inc.

Reportable Incidents

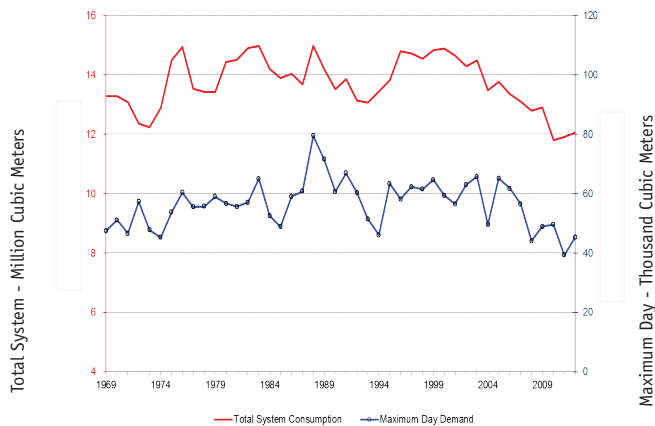
There were five Adverse Water Quality Incidents (AWQIs) reported for 2012. These included one occurrence of chlorine injection failure and two occurrences of elevated sodium levels (triggering notification to medical authorities). Also, there was one occurrence of bacteriological detection for total coliforms that returned non-detect upon resampling, indicating the water quality had not been compromised.

All parameters analyzed in accordance with the requirements of the Ontario Drinking Water Standard (ODWS), including volatile organics, inorganics, and pesticides, showed no exceedences.

System Total Pumpage

Total water delivered to the distribution system in 2012 was 12.1 million cubic meters compared to 11.9 in 2011. The maximum day consumption in the year was 45.3 thousand cubic meters, which occurred in July.

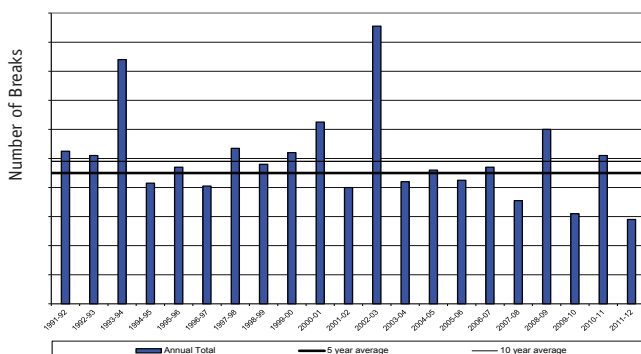
Distribution System Water Production



Watermain Breaks

Watermain breaks are tracked on an annual basis over the time frame of November 1st of one year to October 31st the following year. There were 58 breaks for the count period ending in 2012 compared to 102 breaks in 2011. The average number of breaks for the prior five or ten years is 90 and 98 respectively. The chart below depicts watermain break activity since the winter of 1992.

Long-Term Break Summary - Annual Totals



Generally speaking, there appears to be a developing trend of declining break frequency. This may be attributable to the long standing practice of installing anodes whenever a watermain is exposed, either for

emergency repairs or for scheduled work, such as new connections. Furthermore, our continued efforts to replace deteriorated mains is probably also contributing to this favourable developing trend.

Water Conservation Program

The Commission approved a water use restriction by-law designed to curtail water consumption as we approach the limits of our water supply capability. When consumption is less than 80% of in-service capacity there are no restrictions on water use. Restrictions as to how often one can irrigate lawns and gardens begin when consumption approaches 80%. When consumption approaches 100% all outdoor water use will be restricted.

The by-law allows for the application of a special charge of \$100 on the water invoices of customers who fail to comply with a declaration of water restriction after a warning has been issued. During the year there was no occasion requiring the implementation of the by-law as peak daily demand never approached the prescribed limits.

Energy Conservation

The Public Utilities Commission entered into a 20 year contract with PUC Services Inc., to share in revenues and cost savings from the installation of 137 kW of solar panels and various conservation measures at the water treatment plant. The cost of installing the solar panels and implementing the conservation measures is the responsibility of PUC Services Inc. Financing for the installation is expected from the Green Municipal Fund, which is administered by the Federation of Canadian Municipalities. The financing would cover 80% of the total cost of the renewables and conservation measures. The financing agreement would include a loan at an interest rate linked to Government of Canada bonds with a term of 20 years and a non-repayable grant.

The solar panels were installed in June, 2011 and are expected to produce approximately \$2 million in revenue under a 20 year Feed-in Tariff (FIT) contract with the Ontario Power Authority. The conservation measures could save a total of \$1.2 million over 20 years. The annual benefit to the Commission from both initiatives could be as high as \$58,300.

Switch to Free Chlorine Residual

Following conversion to free chlorine residual in the distribution system late in 2011, significant monitoring and testing continued through 2012 to gauge the effectiveness of the new process. The switch to free chlorine eliminated the use of ammonia at the Water Treatment Plant and Pumping Stations, thus eliminating approximately 18 tonnes of ammonia from the environment annually. Furthermore, the change to free chlorine has resulted in a 30% reduction in the amount of chlorine being added to the drinking water compared to the quantities used previously with chloramine. In terms of our Carbon Footprint, these changes have resulted in a reduction in Green House Gas emissions of 5.3 tonnes annually.

The change in disinfection method was triggered by the regulated requirement to control lead in drinking water at the customer's kitchen tap. The decision to switch to free chlorine residual was made only after a thorough assessment of available options. In order to ensure an adequate disinfection residual in the watermains during the transition from chloramination, a high dosage of chlorine was employed for the first few weeks in November 2011. This generated significant complaints concerning the taste and odour of the water.

Through 2012, chlorine dosage was gradually adjusted until the lowest permissible level was reached, approximately by the summer. The impact on taste and odour in the water also declined. Nevertheless, there were still a significant number of our customers who continued to find it difficult to adjust to the new characteristics of the water.

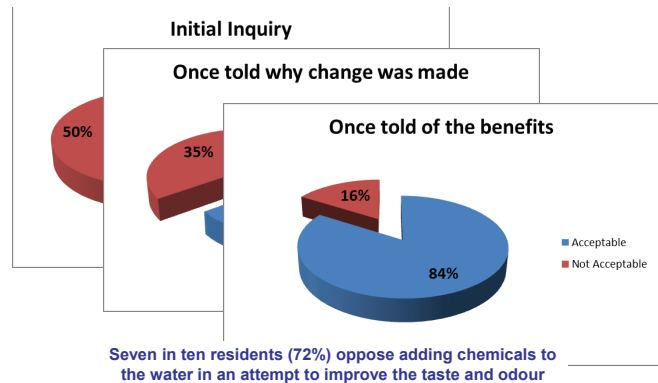
In order to assess public satisfaction with the water quality, we engaged Ipsos Reid to conduct an independent survey of public opinion on the water quality. The survey and survey results are published on PUC's website at www.ssmppuc.com.

The following are the main findings of the survey:

- Initial response indicated satisfaction with the quality of the current drinking water is low (only 50% are satisfied with it).
- However, once told of the reason for the change in the disinfection process, the majority (65%) of residents said the water is acceptable.
- And once told of the benefits of the new process, most (84%) of residents indicated the current quality is acceptable.

- More significantly, seven in ten residents (72%) oppose adding chemicals to the water in an attempt to improve the taste and odour knowing there is no guarantee that doing so will make the water taste and smell exactly as it did before the change.

This graphical representation summarizes the key results of the Ipsos Reid survey:



However, in order to fully assess seasonal impacts on the effectiveness of the free chlorine residual at controlling lead levels in the water, it is anticipated that one full year of operational experience will be required before the a final determination can be made on whether or not the switch away from chloramine will be permanent. Consumer satisfaction relative to taste and odour concerns will also impact the final decision.

Nonetheless, we are committed to improving the taste and odour of the city's drinking water to the highest level possible. Once testing in relation to lead control is complete in mid 2013, all available data will be analysed in order to determine the final outcome.



CAPITAL WORKS FOR 2012

A total of \$4.43 Million was spent on capital improvements on the system in 2012. Major system works included the following:

- Replaced 200mm watermain on Wilson Street from Bruce Street to 115m westerly;
- Replaced 250mm watermain on Queen Street East from Pim Street to Simpson Street;
- Replaced 100mm watermain on Euclid Road from Wemyss Street to Pim Street;
- Replaced 200mm watermain on John Street from Bloor Street to Elm Avenue;
- Replaced 150mm watermain on White Oak Drive from John Street to North Street;
- Completed various waterworks upgrades on Second Line East in conjunction with the Pine Street extension;
- Completed rehabilitation work of the Lorna and Goulais deep well pumping stations;
- Completed replacement of the roof over the high lift area of the Water Treatment Plant;
- Installed a meter chamber over the 400mm transmission main of the Zone 2 booster station discharge;
- Replaced roof hatches and installed safety railings at all well stations;
- Completed the balance of fencing installations around the Zone 2 reservoir property in order to secure the site against unauthorized use by recreational vehicles;
- Installed several large commercial services.

MANAGEMENT RESPONSIBILITY

To the Members of City Council

The attached financial statements and other financial information have been prepared by the Commission's management which is responsible for their integrity and objectivity. To fulfill this responsibility, the Commission maintains appropriate systems of internal control and policies and procedures to ensure that its reporting practices and accounting and administrative procedures are of high quality, consistent with reasonable costs. These policies and procedures are designed to provide reasonable assurance that relevant and reliable financial information is produced. The statements have been prepared in conformity with accounting principles as recommended by the public sector accounting board. Where appropriate, they reflect estimates based on judgments of management. Financial information presented elsewhere in this Annual Report is consistent with that shown in the accompanying financial statements.

KPMG LLP, the independent auditors appointed by the Commission, have examined the financial statements of the Commission in accordance with auditing standards generally accepted in Canada to enable them to express to the Commission their opinion, without reservation, on the financial statements. Their report as auditors is set out on the following page.

The statements have been further examined by the Commissioners, who meet regularly with management to review the activities of the Commission. The auditors have full access to the Commissioners. The Commissioners oversee management's financial reporting responsibilities and are responsible for reviewing and approving the financial statements.

A handwritten signature in black ink, appearing to read 'Terry Greco', with a stylized, cursive script.

Terry Greco, CA
Treasurer

AUDITED FINANCIAL STATEMENTS



Independent Auditors' Report

To the Commissioners of the Public Utilities Commission of the City of Sault Ste. Marie, Members of Council, Inhabitants and Ratepayers of The Corporation of the City of Sault Ste. Marie

We have audited the accompanying financial statements of the Public Utilities Commission of the City of Sault Ste. Marie, which comprise the statement of financial position as at December 31, 2012, the statements of operations, change in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Public Utilities Commission of the City of Sault Ste. Marie as at December 31, 2012, and its results of operations and its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants
May 15, 2013 Sault Ste. Marie, Canada

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Statement of Financial Position

December 31, 2012, with comparative figures for 2011

	2012	2011
Financial assets:		
Accounts receivable	\$ 2,661,435	\$ 2,142,973
Unbilled service revenue	712,323	665,763
Local improvements receivable	–	40,468
Receivable from related company, PUC Services Inc. (note 3)	2,031,617	1,212,822
	<u>5,405,375</u>	<u>4,062,026</u>
Financial liabilities:		
Loan payable (note 4)	3,000,000	3,000,000
Accounts payable and accrued liabilities	3,810,579	2,846,987
	<u>6,810,579</u>	<u>5,846,987</u>
Net debt	(1,405,204)	(1,784,961)
Non-financial assets:		
Tangible capital assets (note 6)	74,196,590	71,770,205
Inventory	237,211	248,978
	<u>74,433,801</u>	<u>72,019,183</u>
Accumulated surplus (note 7)	<u>\$ 73,028,597</u>	<u>\$ 70,234,222</u>

The accompanying notes are an integral part of the financial statements.



PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Statement of Operations and Accumulated Surplus

Year ended December 31, 2012, with comparative figures for 2011

	Budget	2012 Total	2011 Total
	(unaudited)		
Revenues:			
Service revenue:			
Residential	\$ 7,866,229	\$ 7,797,208	\$ 6,842,750
General	5,699,237	5,857,007	5,191,069
Hydrants	793,000	813,964	737,920
	14,358,466	14,468,179	12,771,739
Other:			
Occupancy	256,157	147,696	177,397
Investment income	2,000	24,026	10,393
Non-service revenue	245,808	533,657	423,054
Developers contributions	—	92,969	9,503
	503,965	798,348	620,347
Total revenues	14,862,431	15,266,527	13,392,086
Expenses:			
Purification and pumping	3,154,101	3,637,504	3,207,610
Transmission and distribution	3,582,367	3,340,630	3,221,549
Amortization of tangible capital assets	1,800,000	2,006,186	1,939,182
Hydrants	474,609	399,246	379,890
Billing and collection	747,689	965,727	1,004,714
Interest on long-term debt	150,000	105,036	129,435
General and administration	2,384,622	2,017,823	1,521,545
Total expenses	12,293,388	12,472,152	11,403,925
Annual surplus	2,569,043	2,794,375	1,988,161
Accumulated surplus, beginning of year	70,324,222	70,234,222	68,246,061
Accumulated surplus, end of year	\$ 72,893,265	\$ 73,028,597	\$ 70,234,222

The accompanying notes are an integral part of the financial statements.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Statement of Change in Net Debt

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011
Annual surplus	\$ 2,794,375	\$ 1,988,161
Acquisition of tangible capital assets	(4,432,570)	(3,848,097)
Amortization of tangible capital assets	2,006,185	1,939,182
	367,990	79,246
Acquisition of inventory	(237,211)	(248,978)
Use of inventory	248,978	244,900
Change in net debt	379,757	75,168
Net debt, beginning of year	(1,784,961)	(1,860,129)
Net debt, end of year	\$ (1,405,204)	\$ (1,784,961)

The accompanying notes are an integral part of these financial statements.



PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Statement of Cash Flows

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011
Cash provided by (used for):		
Operating activities:		
Annual surplus	\$ 2,794,375	\$ 1,988,161
Items not involving cash:		
Amortization of tangible capital assets	2,006,186	1,939,182
Developers contributions	(92,970)	(9,503)
	4,707,591	3,917,840
Change in non-cash assets and liabilities:		
Accounts receivable	(518,462)	(281,152)
Unbilled service revenue	(46,560)	(112,205)
Local improvements receivable	40,468	81,035
Inventory	11,767	(4,078)
Accounts payable	963,592	790,717
Net change in cash from operating activities	5,158,396	4,392,157
Capital activities:		
Cash used to acquire tangible capital assets	(4,339,601)	(3,838,594)
Financing activities:		
Loan payable	—	(1,000,000)
Receivable from PUC Services Inc.	(818,795)	446,437
Net change in cash for financing activities	(818,795)	(553,563)
Net change in cash	—	—
Cash, beginning and end of year	\$ —	\$ —

The accompanying notes are an integral part of the financial statements.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2012

The Public Utilities Commission of the City of Sault Ste. Marie (the "Commission") is a body appointed by the Corporation of the City of Sault Ste. Marie to supply water and related services to its residents.

1. Significant accounting policies:

The financial statements of the Commission are prepared by management in accordance with accounting principles generally accepted in Canada for government organizations as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Commission are as follows:

(a) Basis of accounting:

Revenues and expenses are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Buildings and building improvements	10 to 60
Machinery and equipment	5
Water infrastructure	15 to 100

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2012

1. Significant accounting policies (continued):

(b) Non-financial assets (continued):

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Inventory

Inventory, which consists of parts and supplies acquired for internal construction or consumption, is valued at the lower of cost and replacement cost.

(c) Revenue recognition:

Revenue is recognized on the accrual basis, which includes an estimate of unbilled revenue for water consumed by customers since the date of each customer's last meter reading. Actual results could differ from estimates made of water usage.

(d) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

2. Budget figures:

The budgets established for capital funds are based on a project-oriented basis, the costs of which may be carried out over one or more years. As such, they may not be directly comparable with current year actual amounts.



PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2012

3. Related party transactions:

The following entities are identified as related parties to the Commission:

PUC Inc. – 100% owned by the Corporation of the City of Sault Ste. Marie (City).

PUC Distribution Inc. (Distribution) – 100% owned by PUC Inc.

PUC Services Inc. (Services) – 100% owned by the Corporation of the City of Sault Ste. Marie (City)

PUC Telecom Inc. (Telecom) – 100% owned by PUC Inc.

The Commission has a management, operation and maintenance agreement with Services, which currently has been extended to November 30, 2017, under which Services manages, controls, administers and operates the business of the Commission. All terms of the extension remain the same as the original agreement.

The Commission charges interest on balances receivable from Services at the Royal Bank prime less 2%. Interest of \$24,026 (2011 - \$10,393) was earned during the year.

The Commission was charged management fees and operational fees by Services in the amount of \$3,108,284 (2011 – \$3,123,936). Occupancy fees charged to the other related companies was \$147,696 (2011 – \$171,391). These transactions have been recorded at the exchange amount which is the agreed amount between the related parties.

4. Loan payable:

The Commission has an authorized line of credit facility available in the amount of \$6,200,000. The credit facility bears interest at prime plus 0.5% and is secured by a general security agreement. At December 31, 2012, \$3,000,000 (2011 - \$3,000,000) was outstanding under the facility.

5. Expenditures by object:

Total expenditures by object are as follows:

	2012	2011
Salaries and benefits	\$ 3,543,484	\$ 3,491,278
Materials, supplies and services	6,922,483	5,973,465
Amortization of tangible capital assets	2,006,185	1,939,182
	<u>\$ 12,472,152</u>	<u>\$ 11,403,925</u>

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2012

6. Tangible capital assets:

Cost	Balance at December 31, 2011	Additions	Disposals	Balance at December 31, 2012
Land	\$ 862,531	\$ 625	—	\$ 863,156
Buildings and building improvements	9,840,295	216,100	—	10,056,395
Water infrastructure	103,505,255	4,206,454	—	107,711,709
Construction in progress	28,979	9,391	—	38,370
Total	\$ 114,237,060	\$ 4,432,570	\$ —	\$ 118,669,630

Accumulated amortization	Balance at December 31, 2011	Disposals	Amortization expense	Balance at December 31, 2012
Buildings and building improvements	\$ 4,482,485	\$ —	\$ 163,669	\$ 4,646,154
Water infrastructure	37,984,370	—	1,842,516	39,826,886
Total	\$ 42,466,855	\$ —	\$2,006,185	\$ 44,473,040

	Net book value December 31, 2011	Net book value December 31, 2012
Land	\$ 862,531	\$ 863,156
Buildings and building improvements	5,357,810	5,410,241
Water infrastructure	65,520,885	67,884,823
Construction in progress	28,979	38,370
Total	\$ 71,770,205	\$ 74,196,590



PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2012

6. Tangible capital assets (continued):

Cost	Balance at December 31, 2010	Additions	Disposals	Balance at December 31, 2011
Land	\$ 862,531	\$ —	\$ —	\$ 862,531
Buildings and building improvements	9,840,295	—	—	9,840,295
Water infrastructure	99,605,411	3,899,844	—	103,505,255
Construction in progress	80,726	(51,747)	—	28,979
Total	\$ 110,388,963	\$ 3,848,097	\$ —	\$ 114,237,060

Accumulated amortization	Balance at December 31, 2010	Disposals	Amortization expense	Balance at December 31, 2011
Buildings and building improvements	\$ 4,322,395	\$ —	\$ 160,090	\$ 4,482,485
Water infrastructure	36,205,278	—	1,779,092	37,984,370
Total	\$ 40,527,673	\$ —	\$1,939,182	\$ 42,466,855

	Net book value December 31, 2010	Net book value December 31, 2011
Land	\$ 862,531	\$ 862,531
Buildings and building improvements	5,517,900	5,357,810
Water infrastructure	63,400,133	65,520,885
Construction in progress	80,726	28,979
Total	\$ 69,861,290	\$ 71,770,205

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2012

6. Tangible capital assets (continued):

Contributed tangible capital assets:

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$92,969 (2011 - \$9,503) comprised of water infrastructure.

7. Accumulated surplus:

Accumulated surplus is comprised of:

	2012	2011
Invested in tangible capital assets	\$ 74,196,590	\$ 71,770,205
Operating fund	(1,167,993)	(1,535,983)
	\$ 73,028,597	\$ 70,234,222

GOVERNANCE

The Public Utilities Commission was created in 1917 by the Corporation of the City of Sault Ste. Marie under the Public Utilities Act. The Commission is responsible for ensuring that the municipal water treatment and distribution systems are properly managed and maintained. In 2000, as a result of the Electricity Act, all staff of the Commission were transferred to the newly created PUC Services Inc. A 10 year management agreement was signed with PUC Services Inc. whereby PUC Services manages, operates and maintains the treatment and distribution systems. The agreement has been extended to 2017.

The Commission is composed of three commissioners appointed by City Council, one of whom serves as Chair. The Commission holds public meetings as required to review the work of PUC Services, approve capital and operating budgets and annual financial statements, and consider matters that are brought to its attention by the General Manager of the Public Utilities Commission.



Mark Howson

Doug Lawson

Pat Mick

Commissioners

Commission Chair Mark Howson, P. Eng., MBA, retired, Senior Maintenance Engineer, Essar Steel Algoma Inc.

Doug Lawson, PhD, retired, Past President of Algoma University College

Pat Mick, BA City Councillor

Officers

H.J. Brian Curran, P. Eng., MBA General Manager

Terry Greco, CPA, CA Treasurer

Claudio Stefano, P. Eng., MBA Secretary



500 Second Line East, PO Box 9000, Sault Ste. Marie, P6A 6P2

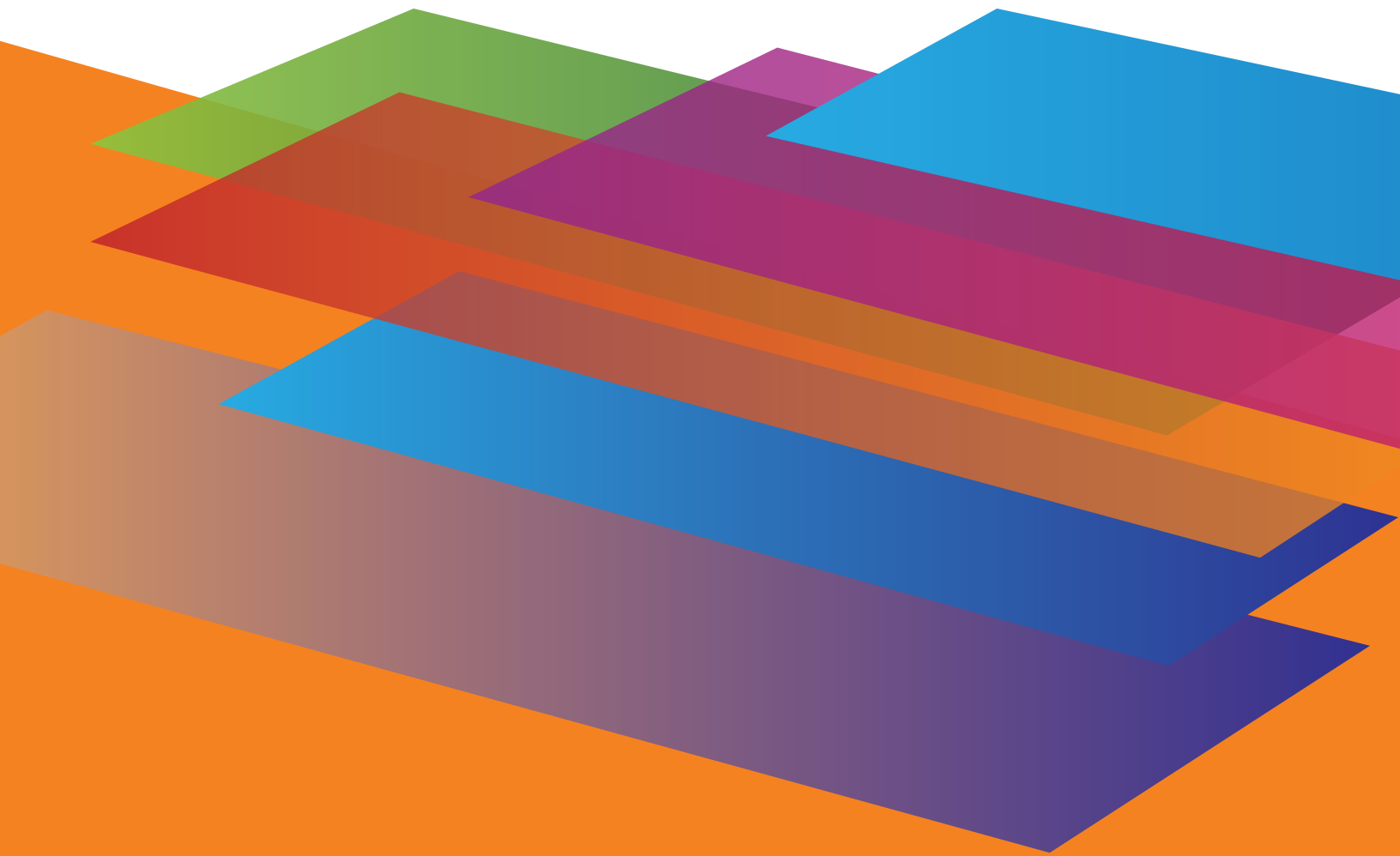






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VISION

A customer focused company valued by the communities we serve.

MISSION

Serve communities through the efficient, safe and reliable delivery of high quality utility services.

CORE

Respect for the environment and for the safety of ourselves and others.
Competency, integrity and efficiency in all our work.
Respect for our community, customers and co-workers.
A desire for continuous improvement.

CHAIR'S MESSAGE

In 2012, President & CEO Brian Curran announced his intention to retire, effective January 31, 2013. A recruitment committee was formed and efforts immediately advanced in order to find a successor. Dominic Parrella, Vice President Operations & Engineering, will succeed Brian upon his retirement in 2013.

Dominic joined the Sault Ste. Marie PUC in 1987 as the Distribution Engineer and progressed steadily through roles of increasing responsibility including his most recent role as Vice President, Operations & Engineering. Dominic was selected from 23 applicants identified through a Canada-wide recruitment campaign undertaken during the month of September.

On behalf of the Board we would like to express our sincere thanks for the effective leadership and vision Brian has given to the PUC over his past 12 years of service. He leaves behind a strong corporate culture. In addition, during his time at the PUC, Brian has been a leading force in community service and has worked relentlessly to improve Sault Ste. Marie for all that live here. We are honoured to have had the benefit of his dedication and service to our community and our company.

I would also like to thank the Board members of PUC Services for their contributions during the past year and to thank all the employees in helping to make 2012 a safe and successful year. Once again, the past year was very challenging for both the Board and the company. And once again, all have risen to the challenge.



L.A. Guerriero

Chair, PUC Services Inc.



PRESIDENT'S MESSAGE

Thanks to the diligent efforts of every employee throughout 2012, we had no lost time injuries. The commitment to safety of all employees at PUC Services is clear. We continue to dedicate significant effort and attention to working safely and promoting a strong safety culture within the company. I would like to express my sincere congratulations to all staff for their continued dedication to putting safety first.

As in past years, 2012 was again a challenging year for PUC Services. On the water side of the business, the switch to free chlorine continued to impact all aspects of our operations. We initiated uni-directional flushing and responded to water quality issues through the year. We carried out extensive sampling at private residences and on the distribution system. We carried out an independent water quality survey to gauge customer satisfaction with the new disinfection method. We also carried out significant capital construction associated with City road reconstruction projects.

With the divestiture of PUC Telecom Inc. late in 2011, significant effort was expended to meet the commitments associated with that sale. Efforts continued with implementing time-of-use rates and converting all mandated customers to time-of-use. We completed substantial line construction work associated with the Sub 10 reconstruction project, and significant work to install and connect new customers and services. We undertook and achieved implementation of new technology to extend the life of underground cables without having to dig them up.

We prepared and filed a mandated Financial Plan for the water utility and we expended significant effort to prepare and submit our electrical Cost of Service rate application to the OEB. We continued to make good progress towards achieving the mandated conservation and demand management targets by 2014.

All of this while we continued to provide safe, reliable and economical electrical, water and wastewater services to our customers, both in Sault Ste. Marie and in the other communities and organizations we serve. Not to mention the planning and preparation that went into preparing for the move to the new building.

I would like to commend and sincerely thank every employee for their continued efforts in serving our customers and for their commitment to them. Thank you.



Dominic Parrella

President & CEO, PUC Services Inc.



OUR BUSINESS

Nature of Business

PUC Services Inc. is a utility services company with 181 full-time employees as of December 31, 2012. The company provides management, operating, maintenance and administrative services in the areas of municipal electrical distribution, drinking water production and distribution and municipal wastewater treatment.

The company has long term contracts with PUC Distribution Inc. for its electric distribution system and with the Public Utilities Commission of the City of Sault Ste. Marie for the water treatment and distribution systems in Sault Ste. Marie. The company also operates and maintains the City's two sewage treatment plants.

PUC Services provides general management and customer care services to Espanola Regional Hydro Distribution Corporation in Espanola. In addition, the company provides services to several communities and organizations across the District of Algoma in Northern Ontario. Service contracts include Blind River, Echo Bay, Desbarats, Township of North Shore, Sault Ste. Marie Airport, the Algoma District School Board, the Huron Superior Catholic School Board and Richards Landing.

Significant Activities in 2012

On the electric side of the business, our staff worked hard, on behalf of PUC Distribution Inc., to improve outage performance and achieved an excellent outcome. The average duration of outages reached the lowest level since 2002 while the frequency of outages declined to the lowest level since 2008. This is exceptional performance and every employee should be proud of their achievement.

On the water side of the business, our staff worked hard, on behalf of the Public Utilities Commission, to resolve ongoing customer concerns over the change in water taste and odour following the switch to free chlorine disinfection residual late in 2011. We instituted "uni-directional flushing" to improve water quality in response to the taste and odour concerns. This type of flushing increases the speed of the water flowing in the main so as to produce a scouring action that removes loose sediment and deposits. The flushing starts at a water source (e.g. the water pumping stations) and moves through the distribution pipes in one flow direction only. This ensures that clear water is always used to flush the mains. Uni-directional flushing is a far more aggressive method of flushing the distribution system which effectively removes mobile scale and sediment that has accumulated in the pipes over many years of internal corrosion of the pipe wall.

Our Customer Service staff are especially to be commended for their efforts in responding to customer concerns and providing

excellent service in the face of significant, ongoing customer dissatisfaction. 2012 was a very demanding year, especially for our Customer Service staff, but also our field operations staff who had to cope with sometimes difficult situations in the field.

Renewable Energy

Moving into 2012, we expected that the Province's review of the Feed-in Tariff program would result in a favourable outcome such that we could add more solar generation to PUC's holdings. Two key locations, the city's new west end community centre and PUC Distribution's new corporate building, were anticipated to be approved in 2012. Unfortunately, the Province has declared zero capacity for FIT projects in the Sault Ste. Marie area. In addition, transmission constraints on the transmission system preclude any further developments in the near term.

Energy Conservation

An energy audit on Sault Ste. Marie's water treatment plant identified opportunities to reduce electricity consumption. The audit revealed significant opportunities in lighting retrofits, variable speed drives for large pumps and the use of heat pumps to capture heat from the influent water to both heat and cool the plant. Combined with the renewable generation from the solar panels and pressure reducing turbine that were installed in the plant several years ago, the plant energy efficiency projects could potentially reduce its non-renewable electricity requirements by more than 37%.

The cost of the proposed energy efficiency measures is estimated at approximately \$800,000. PUC Services, acting on behalf of the Public Utilities Commission, worked through 2012 to obtain funding from the Green Municipal Fund. An agreement was signed in late November 2012 to cover 80% of the costs. The funding is a combination of 20% grant and 80% low interest loan. Individual energy efficiency project cost-benefit evaluations will be used to confirm project implementation plans over the next couple years.

Environmental Stewardship

We strive to minimize environmental impacts from our business operations. Our 3-R's Committee looks for opportunities to reduce, reuse and recycle surplus materials. In 2012 we diverted 68.3 tonnes of ferrous metal, 34.5 tonnes of non-ferrous metals and 8 tractor trailer loads of chipped wood from old power poles and cleared vegetation. In addition, 20.4 tonnes of paper and plastics were diverted from the waste stream for recycling. Waste materials considered hazardous were stored in accordance with applicable regulations and hauled away by contractors that are licensed to transport and dispose of such materials.

Corporate and Community Safety

We work particularly hard to ensure that our employees have as safe a work environment as possible. We have extensive training programs to cover all potentially hazardous conditions and situations. Our goal is to have no lost time due to injuries. For 2012, we had no lost time incidents.

PUC coordinates and schedules the Caution and Chance Electrical Safety Program each year for elementary students in Grades 3 to 5. In 2012, contracted staff delivered the program to 26 schools reaching a total of 1,722 students. The response from the schools and students once again has been fantastic!

PUC Services is a member of the Safe Communities Partnership of Sault Ste. Marie. The Partnership is committed to injury prevention throughout the community.

Community Involvement

PUC Services and its employees are active and generous participants in the community where our customers live and work. Our corporate contributions in support of charity and not-for-profit groups are an opportunity for PUC Services to help those who help others in the community.

PUC corporate donations in 2012 included \$10,000 to the United Way and \$10,000 to the Sault Area Hospital.

PUC employees contribute generously to our community by participating in fundraising/charity events annually, such as:

- United Way PUC Employee Campaign: \$30,270 raised in 2012
- CIBC Run for the Cure: \$1,095 raised in 2012



Our Lotto

Many PUC staff voluntarily participate in this locally based lottery with proceeds benefiting the Group Health Centre Trust Fund (medical equipment), Sault Area Hospital Foundation (medical equipment) and United Steelworkers Fun Carnival.

FINANCIAL HIGHLIGHTS AND ANALYSIS

The financial highlights and analysis should be read in conjunction with the summary financial statements contained herein which are taken from the company's audited financial statements. The purpose of its inclusion in the annual report is to provide supplemental analysis and background material to enhance understanding of the company's business. Certain information included herein constitutes "forward-looking information". Forward-looking information means disclosure regarding possible events, conditions or results that are based on assumptions about future economic conditions and courses of action.

Certain information included herein may contain forward-looking information attributable to third parties. Although the company believes that it has a reasonable basis for the forward-looking information, such information is subject to a number of risks and uncertainties that may cause actual events, conditions or results to differ materially from those contemplated by the forward-looking information. Some of the factors that could cause such differences include legislative or regulatory developments, financial market conditions, general economic conditions and weather. The company does not undertake any obligation to update publicly or to revise any of the forward-looking information included herein after the date hereof, whether as a result of new information, future events or otherwise.

Corporate Structure

PUC Services Inc. was formerly wholly owned by PUC Inc., however as of January 1, 2011 ownership was transferred to PUC Inc.'s sole shareholder, the Corporation of the City of Sault Ste. Marie. The Company provides operations and management services to its affiliated companies, PUC Distribution Inc., PUC Telecom Inc. and the Public Utilities Commission of the Corporation of the City of Sault Ste. Marie, in addition to non-affiliated entities.

Net Income

Net loss for the year ended December 31, 2012 was \$184,272 compared to net income of \$746,046 for the year ended December 31, 2011. Revenue decreased by \$708,574 (5%) mostly related to management fee revenue. Expenses, before a one-time reduction for the impairment of property, plant and equipment, decreased by \$68,256 in 2012. The one-time reduction amounted to \$290,000.

Current Assets

The cash balance and the receivable/payable from affiliates netted out to \$1,527,887 compared to the 2011 balance of \$231,564. The company completed two solar projects in 2011,

both of which were financed by cash on hand. Approval has been received from two lenders for financing the two projects in the amount of approximately \$1.8 million. It is expected that the funds for these projects will be received in 2013. Improvements in the miscellaneous billing process have shortened the collection cycle and reduced accounts receivable at year end.

Net Fixed Assets

Capital expenditures in 2012 were for the normal replacement of streetlights, vehicles, electronic equipment and tools.

Long Term Liabilities

The employee future benefit obligation increased by approximately \$144,000 in 2012 as calculated in accordance with Section 3461 Employee Benefits of the Canadian Institute of Chartered Accountants (CICA) Handbook. The loan payable to PUC Inc. remained at \$8,310,000.

Contract Revenue

Contract revenue, which consists of revenue from non-affiliated entities, fell slightly in 2012.

Management Fee Revenue

Management fee revenue is derived from services provided to affiliated companies. The decrease in 2012 is the result of increased services rendered for the solar farm construction projects which were completed in 2011 and are one-time projects.

Generation Revenue

The generation revenue represents the energy production of the projects for the first full year they were in operation. Two solar generation projects were completed in 2011.

Operating Expenses

Operating expenses are within 1.8% of prior year.

General and Administrative Expenses

General and administrative expenses varied less than 1% in 2012 from 2011.

Interest Expense

Interest expense to an affiliated company (PUC Inc.) remained at \$532,638 in 2012.

Liquidity and Capital Resources

The company's source of liquidity and capital resources has traditionally been generated from operations. The principle use of these funds is working capital requirements, interest payments and capital asset purchases. Approval has been received for financing for the two solar projects completed in 2011. It is expected that the loans will be finalized in 2013 which will add approximately \$1.8 million to the cash position.

PUC Services Inc.

Balance Sheet Summary

For the period ending December 31, 2012

	2012	2011
Assets		
Current Assets:		
Cash & Investments	\$ 10,973,098	\$ 4,257,537
Accounts Receivable and Prepaids	2,741,364	3,339,792
Receivable from Affiliate	2,563,357	6,920,124
Inventory	270,819	279,530
	16,548,638	14,796,983
Net Fixed Assets	9,943,904	10,633,123
Future Taxes	509,800	466,300
	\$ 27,002,342	\$ 25,896,406
Liabilities and Equity		
Current Liabilities:		
Accounts Payable	2,533,055	2,449,679
Payable to Affiliates	12,008,568	10,946,097
	14,541,623	13,395,776
Long Term Liabilities	9,955,644	9,811,284
Equity:		
Common Shares	893,300	893,300
Special Shares	1,050,000	1,050,000
Retained Earnings	561,775	746,046
	2,505,075	2,689,346
	\$ 27,002,342	\$ 25,896,406

PUC Services Inc.

Results of Operations Summary

For the Period Ending December 31, 2012

	2012	2011
Revenue		
Contract Revenue	\$ 5,392,152	\$ 5,543,833
Management Fee Revenue	7,180,218	8,105,775
Generation Revenue	224,839	63,664
Miscellaneous Revenue	436,967	229,478
	13,234,176	13,942,750
Expenses		
Operating Expenses	4,928,058	4,840,879
General and Administrative Expenses	5,942,423	5,911,788
Depreciation	1,768,829	1,729,499
Interest Expense	532,638	532,638
Impairment of Property, Plant & Equipment	290,000	-
Payment in Lieu of Taxes	(43,500)	181,900
	13,418,448	13,196,704
Net Income/(Loss)	\$ (184,272)	\$ 746,046

Risk Factors

The company faces a number of risks in operating regulated and unregulated businesses.

Credit Risk

Credit risk is the risk that a party will fail to discharge its obligations and cause a financial loss to the company. The majority of company revenue is earned from a number of customers that are municipal governments, regulated electric distribution companies, and affiliated companies.

Environmental Risk

The company operates in industries that are subject to federal and provincial environmental regulations that are subject to change. Failure to comply with these regulations could result in orders to take specific actions or could subject the company to fines, penalties or third party claims. The company monitors developments in the environmental regulations and as required, utilizes consultants with the appropriate expertise.

Technology Risk

The use and complexity of the company's electronic infrastructure continues to increase and its reliability and security are critical to all areas of operation. An information technology (IT) department oversees networks, voice over internet protocol communications, enterprise software, smart meter operation, systems security and other emerging IT issues. In addition, outside resources with expertise in specific areas are utilized as necessary.

Human Resource Risk

As part of the management service contracts, the company provides the workforce, unionized and non-unionized, necessary to operate various water, wastewater and electric distribution systems for the various municipalities and other entities. Labour disruptions can affect ongoing operations. Collective agreements with the union employees are in effect until April 30, 2014.

The company, like others in the utility services industry, faces a significant number of retirements within the next decade. The retirement of individuals in technical and trades positions will result in the loss of a large pool of expertise, therefore replacements are hired in advance of projected retirements to promote the transfer of knowledge.

Other Risks

The company maintains a level of insurance coverage deemed appropriate by management and for matters for which insurance coverage is available.

Accounting Policies

The audited financial statements of PUC Services Inc. have been prepared by management in accordance with Part V – Pre changeover accounting standards of the CICA Handbook. The company's management makes estimates and assumptions concerning reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the audited financial statements and amounts of revenues and expenses of the company for the period covered by the audited financial statements. The significant accounting policies of the companies are summarized in the notes to the audited financial statements.

Employee Future Benefit Costs

The company provides employee future benefits to current and retired employees including certain health and life insurance benefits. Future benefits for employees are recorded on an accrual basis. The accrual is based on costs determined by an independent actuary using the projected benefit method prorated on service and based on assumptions that reflect management's best estimates. The assumptions were determined by management with reference to recommendations of the actuary. The last actuarial valuation was completed for the year ended December 31, 2010.

The company makes contributions on behalf of employees to the Ontario Municipal Employees Retirement System (OMERS), a multi-employer defined benefit pension plan. Pension fund premiums paid on behalf of employees are expensed when paid to OMERS. Employee future benefits are included in labour costs and charged to operations or capitalized as part of the cost of fixed assets.

Future Tax Assets

As of October 1, 2001, the company became liable for payments in lieu of income and capital taxes in the same manner as if they were taxable under federal and provincial tax laws. As of the effective date of the regulations the assets of the company were deemed to be disposed of and reacquired at fair market value. The resulting tax bases of these assets were greater than their book value resulting in a future tax benefit associated with the additional deductions available for tax purposes. The future tax benefit is recognized on the balance sheet.



Future Accounting Standards

The company, as a publicly accountable enterprise, was required to adopt International Financial Reporting Standards (IFRS) for annual reporting purposes for its fiscal year beginning January 1, 2011. However, the audited financial statements have been prepared in accordance with Part V – Pre changeover accounting standards of the CICA Handbook. An evaluation process is currently underway to determine the date of transition to IFRS. The impacts on the financial statements are not reasonably determinable or estimable at this time.

Legal Issues

The company is subject to various litigation and claims with customers, suppliers, former employees and other parties as a normal course of operating a business. Currently, there are no significant legal matters pending.

Outlook

During 2012, the company extended its management service agreements with its affiliated companies to November 30, 2017 which will allow it to continue to provide its customers the benefits efficiencies of scope, using the shared services approach. The company anticipates significant focus on the planning and completing of infrastructure replacement programs for its major customers, PUC Distribution Inc. and the Public Utilities Commission of the Corporation of the City of Sault Ste. Marie.

Major projects to be undertaken by the company on behalf of its customers include meeting customer needs in the area of renewable energy generation facilities as a result of the Green Energy Act; meeting provincially mandated targets for energy conservation and demand management; the completion of the 2013 cost of service electric rate application which was filed in 2012; and, addressing the ongoing customer concerns related to taste and odour of the drinking water following conversion to free chlorine distribution residual in Sault Ste. Marie.

The planned completion of two additional solar generation projects has not moved forward due to transmission constraints in the region. The company will continue to monitor the solar generation sector and other “green energy” opportunities in order to obtain a reasonable return on investment and foster the “green energy” message of its sole shareholder, the Corporation of the City of Sault Ste. Marie.

CORPORATE GOVERNANCE

The role of the PUC Services Inc. Board is to maximize shareholder value taking into account the legitimate interests of various stakeholders. Functions of the Board include the appointment of the President and Chief Executive Officer, the provision of leadership in the development of a corporate strategic plan, approval of the corporate capital and operating budgets, review of annual financial statements, establishment of corporate policies, ensuring that policies are being followed and monitoring the performance of senior management.

The Finance and Audit Committee of the Board has the responsibility to ensure that the corporation has:

- implemented appropriate systems to identify, monitor and mitigate significant business risks;
- implemented appropriate systems of internal control to ensure compliance with legal, ethical and regulatory requirements, and that these systems are operating effectively;
- reviewed and approved annual operating budgets;
- effectively carried out the internal audit function;
- fairly presented annual audited financial statements in all material respects in accordance with generally accepted accounting principles.

Officers of the Corporation (as of December 31, 2012)

H.J. Brian Curran, P. Eng., MBA
President and CEO

Terry Greco, CPA, CA
Treasurer

Claudio Stefano, P. Eng., MBA
Secretary

Executive Team: (as of December 31, 2012)



Brian Curran



Claudio Stefano



Dominic Parrella



Terry Greco

Board Members: (as of December 31, 2012)



Pat Mick



Mark Howson



Larry Guerriero



Rick Wing



Doug Lawson



Bruno Barban



Frank Fata



Marchy Bruni



Victoria R. Chiappetta



Cecilia Bruno



500 Second Line East, PO Box 9000, Sault Ste. Marie, P6A 6P2





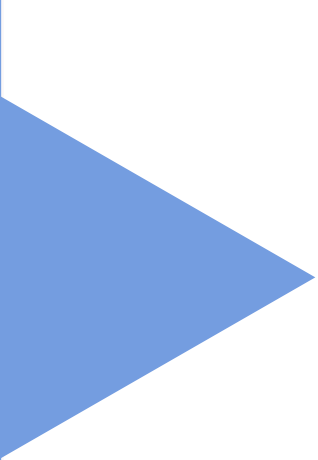


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2012

HIGHLIGHTS

Financial	2012	2011
Gross Revenue	\$80,756,688	\$78,496,000
Net Income	\$1,768,870	\$4,486,000
Assets	\$112,793,148	\$85,568,000
Equity	\$36,755,628	\$35,397,000
Operations	2012	2011
Number of Customers (as of December 31)		
Residential	29,282	29,189
General Services	3,776	3,830
Electrical Requirements(GWh)	2012	2011
Residential	316.1	336.9
General Service	360.6	370.6
Losses, Unaccounted & Unbilled	36.6	37.5
Total Purchases	713.3	745.0
Peak System Demand (MW)	132.1	150.0

CHAIR'S MESSAGE

With the sale of PUC Telecom's assets in 2011, PUC Distribution Inc. was the only active subsidiary of PUC Inc. through 2012. PUC Inc. continues to provide value and benefit to its sole shareholder, the City of Sault Ste. Marie.

The company's financial position remained strong. Once again, we provided \$2.5 million in interest and dividend payments to the City. Since 2000 PUC Inc. has delivered \$29.5 million to its shareholder.

Construction of the new integrated facility progressed very well through 2012. Substantial Completion of the four-level office section was achieved on December 21st, and occupancy started December 24th. Staff, that were spread across town, working at three separate locations, are looking forward to the benefits of having all departments under one roof. The new integrated facility is expected to support improved productivity as well as facilitating improved staff morale. The facility is designed to achieve LEEDS certification at the gold level.



L.A. Guerriero
Chair, PUC Inc.



PRESIDENT'S MESSAGE

PUC Distribution made significant progress through 2012 in relation to improving reliability of power supply to its customers. Both outage frequency and duration decreased significantly in 2012. System average outage frequency was reduced to its lowest level since 2008 while system average outage duration reached its lowest level in more than 10 years.

PUC Services Inc., an affiliated company, operates, maintains and manages PUC Distribution's assets under a long term management contract. PUC Services' staff worked hard throughout the year to replace failure prone equipment. In addition, they continued to develop and augment outage management systems to improve our restoration response efforts. For example, the data available from smart meters is now used to identify individual service interruption, often before the customer is aware of the problem or provides us with notification.

The extensive efforts put forward by PUC Services staff resulted in the best outage perform since 2002. The commitment and dedication of PUC staff to improving service to all our customers is worthy of recognition and I commend them for their relentless efforts in this regard.

Significant effort was made in 2012 to file a Cost of Service rate re-basing application with the OEB. PUC Services staff expended many months of effort to prepare the necessary documentation and submitted the application in early November 2012 for new distribution rates to take effect May 1, 2013. Thank you to all staff involved for their extensive efforts in achieving this important task.

The focus on conservation and demand management (CDM) programs continued through 2012. Aggressive CDM targets have been established for all local distribution companies (LDCs) in the province by the OEB that are to be achieved by December 31, 2014 as a condition of licence. The Province has confirmed CDM as a key component of the energy supply strategy for Ontario. There is no question that CDM will continue to play a significant role for PUC Distribution in the long term.



Dominic Parrella

President & CEO, PUC Inc.



OUR BUSINESS

PUC Inc.

PUC Inc. is wholly owned by the Corporation of the City of Sault Ste. Marie. It has one active subsidiary, PUC Distribution Inc. and one inactive subsidiary, PUC Telecom Inc. (all assets of PUC Telecom were sold to Ontera, effective October 31, 2011). PUC Inc. is a registered company under the Ontario Business Corporations Act.

PUC Distribution

PUC Distribution Inc. distributes electricity to the majority of residences and businesses within the boundaries of the City of Sault Ste. Marie as well as parts of Prince and Dennis Townships and the Batchawana First Nation Reserve. The utility has 33,019 residential, commercial and small industrial customers, a total of 739 kilometers of conductor and 15 distribution stations. The distribution system is connected to the provincial transmission grid through two 115 kV transformer substations and 16 kilometers of 115 kV transmission lines owned by PUC Distribution Inc.

PUC Distribution is a regulated utility and must comply with requirements set by the Ontario Energy Board (OEB) with respect to conditions of service. Rates set for the distribution of electricity are approved by the OEB. As a participant in the electricity market PUC Distribution must comply with the rules of the Independent Electricity System Operator. The company must also adhere to all regulations established under the Ontario Electricity Act, 1998.

Smart Meters & Time of Use (TOU)

In accordance with the mandate of the Ontario Energy Board, PUC Distribution substantially completed implementation of smart meters and TOU pricing for regulated price plan customers. As of December 31, 2012 monthly TOU bills were issued to 29,133 residential and 3,148 small general service customers. An intensive and multi-faceted customer communication and education strategy preceded the introduction of TOU billing.

Conservation and Demand Management (CDM)

The 2014 OEB mandated targets for PUC Distribution include an energy reduction target of 30.83 GWh and a summer demand reduction target of 5.58 MW. By year-end 2012, our projected accomplishment was 30% of the energy target and 65% of the demand target.

Throughout 2012 province-wide conservation and demand management programs continued to be offered by PUC

Distribution Inc. and funded by the Ontario Power Authority "OPA". The OPA's "saveONenergy" campaign consists of consumer, commercial, institutional and industrial programs. The programs offer a wide range of tools, resources and incentives on energy conservation that can help reduce electricity costs and improve operating efficiencies.

During the course of the year, six consumer and three commercial and institutional initiatives were offered to customers. The consumer initiatives included the Fridge and Freezer Pickup, the Heating and Cooling Incentive, Energy Efficiency Coupons, Peaksaver Plus, Appliance Exchange Events and the Home Assistance Program. The commercial and institutional initiatives included Small Business Lighting, Retrofit Program and Audit Funding.

The Fridge and Freezer Pickup provides the opportunity for customers to have old appliances removed and recycled, in an environmentally friendly manner, free of charge. Eligible appliances included refrigerators, freezers, window air conditioners and dehumidifiers. All primary appliances had to be at least 20 years old, in working condition and between 10 and 27 cubic feet in size. A total of 209 appliances were picked up and recycled in 2012.

The Heating and Cooling Incentive provided up to \$650 in financial incentives towards the purchase of a new high efficiency electric furnace or central air conditioner. Over the course of the year, 426 residential customers participated in the program to take advantage of the financial incentive.

Energy efficiency coupons were available online throughout the year for residential customers to print and redeem at participating retailers. The coupons were also available on store shelves in the months of April and October. The coupons offered financial incentives at point of sale towards the purchase of energy efficient products. A total of about 2,760 coupons were redeemed by residential customers.

Peaksaver Plus is an energy conservation program offered to residential and small commercial customers. By participating in Peaksaver Plus customers can join thousands of fellow Ontarians to help reduce the strain on our electricity system by allowing their central air conditioner, electric water heater or pool pump to be automatically adjusted when electricity demand is at its highest. All participating customers receive an in home energy display at no cost. The in home energy display will inform customers of their energy consumption and assist them in managing their electricity bill.

Appliance Exchange Events took place twice during the year. Customers receive incentives towards the purchase of new ENERGY STAR qualified appliances in exchange for their old appliances. The exchange events took place at participating retailers.

The Home Assistance Program provides residential retrofits which improve the energy efficiency of homes. These no charge retrofits are available to customers on fixed incomes who meet specific eligibility criteria. The Home Assistance Program provided assistance to 19 customers.

The Small Business Lighting initiative is available to small business customers who have a monthly peak demand less than or forecasted to be less than 50 kilowatts. All eligible customers are entitled to \$1,500 in energy efficient lighting improvements with no financial contribution required by the customer. In 2012, 238 small business customers had energy efficient lighting upgrades completed.

The Retrofit Program provides substantial financial incentives to businesses for replacing existing equipment with high efficiency equipment and for installing new control systems that will improve the efficiency of operational procedures and processes. For many business owners, capital costs prove to be the primary barrier to investing and participating in a retrofit. The Retrofit Program's incentives tackle this barrier head on, making it possible for businesses to install and benefit from newer, more energy-efficient solutions. Throughout the year, 9 Retrofit projects were completed and another 35 applications approved.

The Audit Funding initiative offers business customers incentives towards completing an energy audit. The energy audit assesses the potential for energy savings to be achieved through equipment replacement, operational practice changes, as well as other building systems projects. Two energy audits were incented over the course of 2012.

System Reliability

PUC Distribution is required by the OEB to track and report service reliability indices that measure system outage statistics for the electrical distribution system. These indices include the system average interruption duration index (SAIDI), the system average interruption frequency index (SAIFI) and the customer average interruption duration index (CAIDI), which is the ratio of SAIDI to SAIFI. All planned and unplanned outages lasting more than one minute must be reported. The indices are affected by factors such as customer density, the age and condition of the distribution system, susceptibility to lightning and other weather related impacts, the speed of response by crews and the scope of the supervisory and data acquisition (SCADA) systems deployed.

Reliability of electricity supply to PUC customers continues to improve. Outage statistics for the year 2012 improved considerably from 2011 (keeping in mind that 2011 was an anomaly due to unusual system circumstances that year). Most notably, the system average interruption duration index for 2012 was the lowest it has been in the past 10 years. SAIDI was 1.65 for the year, the lowest level since 2001 when it was 1.54. SAIFI was 2.17, the lowest since 2008 when it was 1.71. Clearly the extensive efforts of PUC staff to replace failure prone switches and insulators are achieving the expected outcome. Figure 1 below provides a summary of reliability indices since 2002

Figure 1

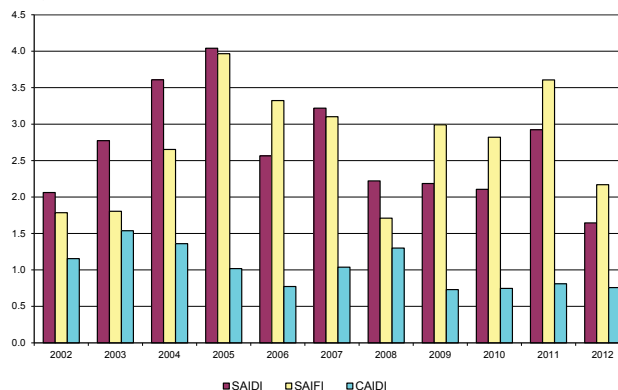


Figure 2 below summarizes contributions by plant type to outage frequency and duration. There were no Loss of Supply events in 2012. Outages related to overhead plant provided the largest contribution to both outage duration and frequency, followed by transformer station equipment. Overhead plant accounted for 53% of all outage duration and 43% of all outage frequency. Transformer station equipment (in this, breakers) accounted for 37% of all outage duration and 38% of frequency.

Figure 2

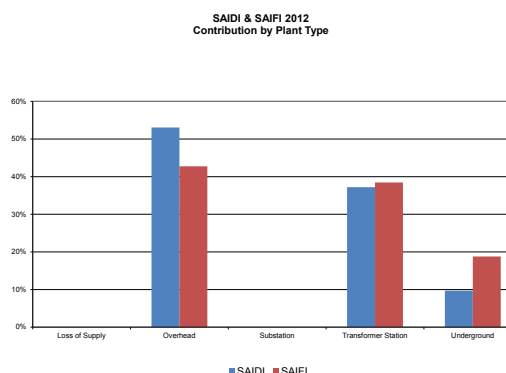


Figure 3 below summarizes the contributions by outage type for outages originating within PUC Distribution's system only (i.e. excluding the impacts of Loss of Supply). Equipment failure represented the largest impact for both duration and frequency of outages, accounting for 65% of SAIDI and 75% of SAIFI. Strong winds, trees on lines, and scheduled work each accounted for relatively minor proportions of outage, ranging from 12% down to 5%.

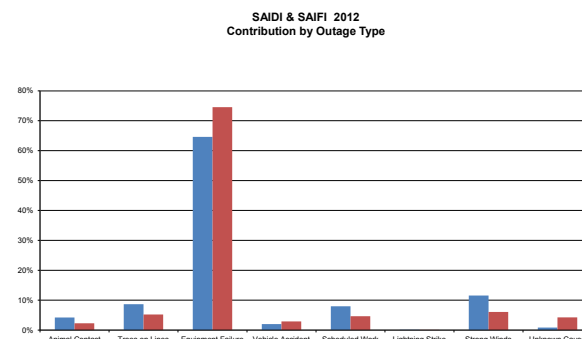


Figure 4 below summarizes the contribution of various categories of equipment failures to the annual system interruption duration while Figure 5 summarizes contribution to annual interruption frequency.

Figure 4

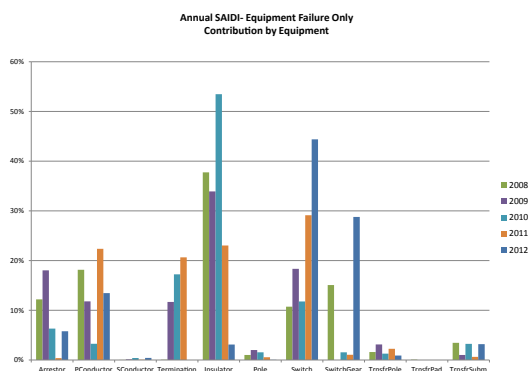
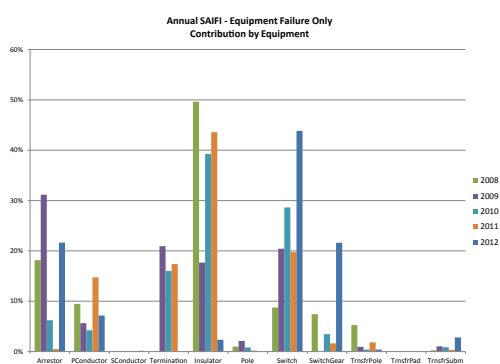


Figure 5



For 2012 failed disconnect switches and switchgear were the largest contributors to system outages. Failed disconnects accounted for 44% of both total outage duration and frequency. Failed switchgear accounted for 29% of duration and 22% of frequency.

Over the past several years, as can be seen from figures 4 and 5, failed insulators and switches have been significantly impactful on system outages. In response to this deteriorating reliability, we have been stepping up efforts to replace all failure prone insulators and switches. All suspect insulators and switches will be replaced by end of 2014.

However, in 2012, switchgear (i.e. station breakers at one transformer station) demonstrated increased impact on outages. Moving forward, we will devote significant effort to rebuilding and rehabilitating equipment at the two 115 kV transformer stations.

The age of the distribution system, including the distribution stations and transformer stations, makes it more vulnerable to outages. We have recognized the need to increase our level of infrastructure replacement and to improve system protection. In 2004 capital investment in renewal of the distribution system was \$2.7 million. In 2012 the capital budget was \$7.8 million. Over the next 10 years we expect to invest between \$90 and \$100 million of capital to renew the distribution system (including stations). In addition to infrastructure replacement, we will be making Smart Grid investments which will also help to reduce the extent and frequency of outages.

Renewable Generation Connections

Sault Ste. Marie currently has one of the highest saturations of renewable generation connected to a municipal distribution system in Ontario. Total solar energy generation on PUC's system is now approaching 62 megawatts. This is approximately equivalent to PUC's total load in off-peak daytime hours outside the summer air-conditioning period. As a result of this very unique situation, there is significant interest in conducting smart-grid/micro-grid research projects on the Sault Ste. Marie distribution system.

PUC Telecom Inc.

Effective October 31, 2011 the assets of PUC Telecom Inc. were sold to Ontera, its joint venture partner for the past 10 years. The sale included approximately 120 km of fibre optic cable with varying numbers of fibre strands over specific distances, telecommunications equipment and customer service contacts. Certain fibre strands were reserved for the exclusive use of PUC affiliated companies.

Under the terms of the sale, PUC Telecom agreed to complete a number of commitments by October 31, 2013. As of 2012 year-end, we were approximately 76% complete.

FINANCIAL HIGHLIGHTS AND ANALYSIS

The financial highlights and analysis should be read in conjunction with the unaudited consolidated financial statements. The purpose of its inclusion in the annual report is to provide supplemental analysis and background material to enhance understanding of the company's business. Certain information included herein constitutes "forward-looking information". Forward-looking information means disclosure regarding possible events, conditions or results that are based on assumptions about future economic conditions and courses of action.

Certain information included herein may contain forward-looking information attributable to third parties. Although the company believes that it has a reasonable basis for the forward-looking information, such information is subject to a number of risks and uncertainties that may cause actual events, conditions or results to differ materially from those contemplated by the forward-looking information. Some of the factors that could cause such differences include legislative or regulatory developments, financial market conditions, general economic conditions and weather. The company does not undertake any obligation to update publicly or to revise any of the forward-looking information included herein after the date hereof, whether as a result of new information, future events or otherwise.

Corporate Structure

PUC Inc. is wholly-owned by the Corporation of the City of Sault Ste. Marie and is a holding company which wholly-owns two subsidiaries, PUC Distribution Inc. and PUC Telecom Inc.

PUC Distribution Inc. is a provincially regulated electric distribution company which is responsible for delivering electricity to residents of Sault Ste. Marie and specific surrounding areas, within its licensed service territory.

PUC Telecom Inc. had provided telecommunication services through a fibre optic ring within Sault Ste. Marie. However its operating assets were sold as of October 31, 2011.

Net Income

The consolidated net income for the year ended December 31, 2012 was \$1,768,870 compared to \$4,485,659 for the year ended December 31, 2011. The gain on the sale of PUC Telecom Inc. communication assets in 2011 is the major contributor to the decrease in net income in 2012.

Cash and Receivable from PUC Services Inc.

Cash and cash held by PUC Services Inc. on behalf of PUC Inc. fell in 2012 as a result of a portion of the new integrated facility (i.e. building) being financed through working capital.

Accounts Receivable

Increased energy prices and the timing of billing cycles resulted in a small increase in accounts receivable at December 31, 2012.

Notes Receivable

The note receivable from PUC Services Inc. remained unchanged in 2012.

Net Fixed Assets

The large increase in fixed assets was mainly due to the construction of the new integrated facility which commenced in 2011 and was substantially completed in 2012.

Accounts Payable

At December 31, 2012 holdbacks for the new integrated facility increased accounts payable over the prior year balance.

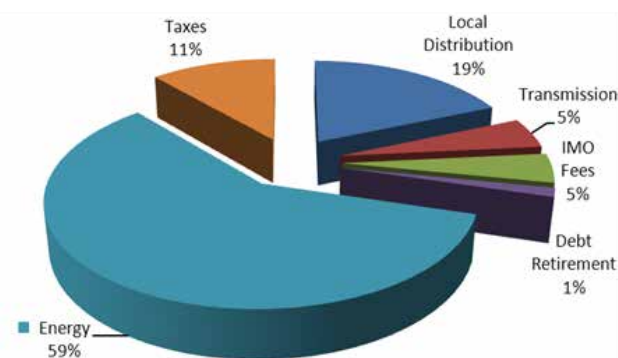
Notes Payable

The notes payable to the Corporation of the City of Sault Ste. Marie remained unchanged at \$31.72 million as did the amount payable of \$5.0 million to Ontario Infrastructure Projects Corporation (OIPC) for the smart meter loan. The new integrated facility financing, also through OIPC, amounted to \$17.47 million at December 31, 2012.

Energy and Distribution Revenue

Approximately 77.5% of the energy revenue was collected from customers and flowed through at cost on behalf of other market participants. The remaining 22.5%, referred to as distribution revenue, is retained by the company to operate the local electric distribution system.

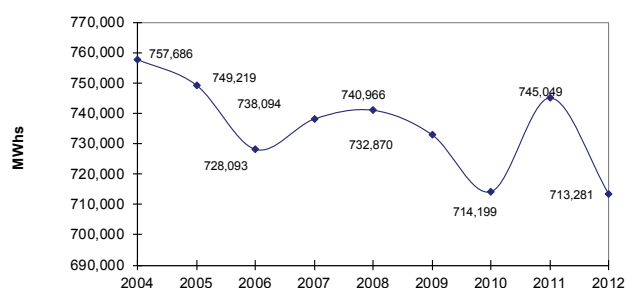
Allocation of funds collected on a typical 1,000 kWh residential bill as of May 1, 2013 is summarized in the following figure.



The increase in distribution revenue in 2012 was the result of the Ontario Energy Board (OEB) approved rate increase of 0.88% as of May 1, 2012 and the inclusion of Lost Revenue Adjustment Mechanism revenue in rates as of May 1, 2012. Additionally, the OEB issued a smart meter decision effective August 1, 2012 which instructed PUC Distribution Inc. to record smart meter costs and revenue that had previously been included in regulatory assets (net of regulatory liabilities) to be recorded in fixed assets, accumulated depreciation, distribution revenue, operating and administrative expenses and depreciation expense.

Although distribution revenue increased, energy withdrawn from the provincial grid decreased in 2012 by 4% over 2011, as depicted in the following figure.

Energy Withdrawn from the Provincial Grid



Other Revenue

Other revenue decreased by \$1,190,038. A dividend in the amount of \$550,000 was received from an affiliated company in 2011 and telecommunications revenue was reduced by \$600,000 in 2012 with the sale of the telecommunications assets in 2011.

Distribution Expenses

Distribution expenses increased 12% over 2011. With the completion of the large solar generation installations in 2011, staff efforts were directed to operating and maintenance issues.

General and Administrative Expenses

General and administrative expenses increased by 27% in 2012 as a consequence of increased provincially funded Conservation and Demand Management (CDM) programs, the regulatory entry to record prior year's smart meter costs, time of use billing expenses, and no longer capitalizing administrative expenses as per an OEB directive.

Depreciation

The smart meter regulatory entry to record prior year's depreciation on smart meters significantly increased depreciation expense in 2012.

Interest Expense

The construction loan on the new integrated facility caused the increase in interest expense in 2012 over 2011. Interest expense also includes interest on the smart meter loan and \$1.93 million paid to the company's sole shareholder the Corporation of the City of Sault Ste. Marie. Since the company began operations in 2000, payments (dividends and interest) of \$29.3 million were made to the Corporation of the City of Sault Ste. Marie.

Gain on Sale of Assets

The gain on sale of assets decreased in 2012 due to the sale of telecommunication assets of PUC Telecom Inc. in 2011.

Provision for Payments in Lieu of Taxes (PILS)

The sale of PUC Telecom Inc. assets resulted in increased PILs in 2011.

Liquidity and Capital Resources

The company's source of liquidity and capital resources has traditionally been generated from operations. The principle use of these funds is working capital requirements, maintenance, improvements, expansions to the electrical distribution system and other infrastructure, and to service the debt to the shareholder. The company's cash position decreased by \$6,279,232 in 2012.

The company did not have third party debt until December 2009. In October 2009, a financing agreement with OIPC for up to \$5.0 million to partially fund the mandated installation of smart meters was signed by PUC Distribution Inc. A construction advance of \$3.5 million was received in December 2009 and a second construction advance of \$1.5 million was received in December 2010. The loan will be locked in for a period of 15 years commencing in 2013.

The company has arranged a new integrated facility loan with OIPC of \$20.2 million with a term of 25 years commencing with the completion of the building. As of December 31, 2012, \$17,470,930 had been drawn on the loan.

In addition to the \$1.93 million in interest payments made to the company's sole shareholder, a dividend payment of \$610,080 was also made in 2012. Long-term debt increased from 52% of the company's capital structure in 2011 to 60% at December 31, 2012.

PUC Inc.

Unaudited Consolidated Balance Sheet

	2012	2011
Assets		
Current Assets:		
Cash	\$ 538,117	\$ 6,817,349
Accounts Receivable	16,794,867	16,218,189
Inventory	1,274,852	1,267,795
Receivable from PUC Services Inc.	7,413,604	2,813,151
	<u>26,021,440</u>	<u>27,116,484</u>
Notes Receivable	8,310,000	8,310,000
Net Fixed Assets	76,136,708	48,544,734
Future Taxes	2,325,000	1,596,300
	<u>\$ 112,793,148</u>	<u>\$ 85,567,518</u>
Liabilities and Equity		
Accounts Payable	\$ 14,063,448	\$ 11,509,963
Net Regulatory Liabilities	7,783,142	648,714
Notes Payable	54,190,930	37,812,003
Equity:		
Common Shares	14,618,248	14,618,248
Special Shares	14,620,000	14,620,000
Retained Earnings	7,518,380	6,358,590
	<u>36,755,628</u>	<u>35,596,838</u>
	<u>\$ 112,793,148</u>	<u>\$ 85,567,518</u>

PUC Inc.

Unaudited Consolidated Income Statement

	2012	2011
Revenue		
Energy Revenue	\$ 78,179,751	\$ 74,729,367
Less Cost of Energy	60,573,316	60,116,743
Distribution Revenue	17,606,435	14,612,624
Other Revenue	2,576,937	3,766,975
	20,183,372	18,379,599
Expenses		
Distribution Expenses	5,859,541	5,217,583
General and Administrative Expenses	5,556,110	4,369,583
Depreciation	4,320,787	3,516,840
Interest Expense	2,215,489	2,020,004
	17,951,927	15,124,010
Earnings from Operations	2,231,445	3,255,589
Gain on Sale of Assets	22,253	2,005,070
Net Income Before Taxes	2,253,698	5,260,659
Provision for Payments in Lieu of Taxes	484,828	775,000
Net Income	\$ 1,768,870	\$ 4,485,659

Risk Factors

The company faces a number of risks in operating regulated and unregulated businesses.

Credit Risk

Credit risk is the risk that a party will fail to discharge its obligations and cause a financial loss to the company. Under the market rules introduced on May 1, 2002, the company is required to bill and collect electricity related charges on behalf of the majority of all market participants and remit the charges to the other market participants whether they are ultimately collected or not. The company's revenue is earned from a broad base of customers and it does not earn a significant amount of revenue from any single customer. Only two customers individually account for at least 1% of sales volume, both of which are provincial government entities.

Credit risk is also mitigated through the use of letters of credit and cash deposits as permitted according to the Distribution System Code as revised by the OEB in 2004. The company does not provide significant electric service to the major industries in the municipality; however, financial difficulties at these companies could adversely affect the entire community and thus the distribution utility.

Weather Risk

Weather plays an important role in the operations of the distribution utility in two major areas. Severe weather conditions increase the likelihood of customer outages that affect operating costs and revenues. This risk is managed through such programs as the annual tree-trimming program, infrared surveys of plant and equipment, and by maintaining an adequate inventory of replacement parts.

The distribution rates allowed by the OEB are based on a fixed monthly charge and a variable volumetric charge. Differences from normal weather patterns could affect customer consumption and therefore variable distribution revenue in both a positive or negative way. The percentage of revenue collected from fixed charges and variable charges will be addressed by the OEB in the future.

Regulatory Risk

Regulatory risk is the risk that the Province and its regulator, the OEB, could establish a regulatory regime that imposes conditions that significantly reduces the rate of return that can be earned by electricity distributors. In addition, the ability to maintain the distribution system in the future depends on, among other factors, the OEB allowing recovery of the operating, maintenance and capital costs required in the future. The company monitors developments in the electricity industry and also relies on the Electricity Distributors Association to act on its behalf. Consultants with expertise in certain fields are utilized as required.

Environmental Risk

The company is subject to federal and provincial environmental regulation that is subject to change. Failure to comply with these regulations could result in orders to take specific actions or could subject the company to fines, penalties or third party claims. The company monitors developments in the environmental regulations and as required, utilizes consultants with the appropriate expertise.

Technology Risk

The use and complexity of the company's electronic infrastructure continues to increase and its reliability and security are critical to all areas of operation. As part of the management service contract with PUC Services Inc., an information technology (IT) department oversees networks, voice over internet protocol communications, enterprise software, smart meter operation, systems security and other emerging IT issues. In addition, outside resources with expertise in specific areas are utilized as necessary.

Human Resource Risk

As part of the management service contract with PUC Inc., PUC Services Inc. provides the workforce necessary to operate PUC Distribution Inc. Labour disruptions can affect ongoing operations. Collective agreements with the union employees in PUC Services Inc. are in effect until April 30, 2014.

PUC Services Inc., like others in the utility services industry, faces a significant number of retirements within the next decade. The retirement of individuals in technical, trades and management positions will result in the loss of a large pool of expertise, therefore replacements are hired in advance of projected retirements to promote the transfer of knowledge.

Other Risks

The company maintains a level of insurance coverage deemed appropriate by management and for matters for which insurance coverage is available.

Regulatory Issues

The company carries regulatory assets and liabilities on its balance sheet. Regulatory assets represent costs that have been deferred because it is probable that they will be recovered from customers in future periods through the rate-making process. Regulatory liabilities represent future reduction in revenue associated with amounts that are expected to be refunded to customers through the rate-making process.

Satisfactory settlement of retail settlement variance assets and liabilities have been approved for disposition by the OEB in each of the rate years up to the variance balance as at December 31, 2011 which will be disposed of in distribution

rates over a ten month period commencing July 1, 2013. A request for settlement of the regulatory balance at December 31, 2012 will form a part of the 2013 rate application as is the normal process.

The OEB established a multi-year electricity distribution rate setting plan (rate rebasing) for the years 2008 to 2010. Under the plan, LDCs had rates adjusted based on projected expenditures. PUC Distribution was approved to be in the first group of LDCs to rebase rates in 2008 based on a “cost of service” rate application. On November 30, 2007, the company submitted a rate application based on the OEB Filing Requirements for Distribution Rate Applications. The company underwent a complete review of the level of the operating and capital expenditures required to maintain adequate customer service and improve system reliability and security. New approved rates based on the cost of service rate application were implemented July 1, 2008.

Rates, as determined in the “cost of service” rate proceeding, are adjusted by an inflationary factor and a productivity factor set by the OEB. PUC Distribution’s rate increases for the portion of an electric bill which it retains to operate the local electricity system were 0.7% in 2009, 0.1% in 2010, 0.18% in 2011 and 0.88% in 2012 for a total increase of 1.86% over the four year period.

The company was scheduled to submit a “cost of service” rate application in 2011 for rates to be effective May 1, 2012, similar to that filed in 2007, based on projected expenditures. The company submitted a request and received approval from the OEB to delay filing its cost of service rate application for one year. In 2012, the company filed its cost of service rate application and it is expected to be approved by the OEB and implemented as of May 1, 2013. Once approved, it will result in increased distribution revenue but a slight decrease to a customer’s overall monthly bill.

The provincial government mandated that customers must have “smart meters” installed by December 31, 2010. The company implemented a program in 2009 which saw the majority of the mandated meters installed by the end of that year. Smart meter activity in 2011 involved installing non-mandated meters, implementation of “time of use” billing requirements and integration with the provincial system to enable the billing of “time of use” rates. The OEB set a deadline of October of 2011 for the company to commence billing customers based on time of use rates. The OEB has ordered that all expenditures and revenues related to smart meters be recorded in a regulatory asset account and the net book value of the stranded meters related to the smart meter installations to be kept in its asset base. The OEB has instructed LDCs to apply for distribution rates to recover amounts that have accumulated in the smart meter asset account and also recover ongoing costs. The company submitted its application in early 2012 and received approval to implement rates as of August 1, 2012 to recover prior year’s smart meter costs. The request resulted in a monthly charge of \$3.03 per residential customer in effect until April 30, 2013.

In May 2009, the Green Energy and Green Economy Act, 2009 came into force. The Act allows LDCs to own renewable energy

generation, addresses priority connection for renewable energy and smart grid implementation and instructed the OEB to set CDM targets that LDCs are to meet as a condition of their licences. The company’s distribution licence has been amended requiring it to achieve 30.83 GWh of energies savings and 5.58 MW of demand savings from January 1, 2011 to December 31, 2014. The CDM program period has subsequently been extended to December 31, 2015. The company has signed an agreement with the OPA to deliver OPA funded CDM programs. It is expected that the company’s mandated CDM targets will be reached through the OPA’s programs.

The OEB conducted a review of all provincial LDCs for the payments in lieu of taxes (PILs) variance accounts accumulated from the introduction of PILs on October 1, 2001 to April 30, 2006. In 2011, the OEB issued guidelines for the calculation and disposition of the balances in the PILs regulatory variance account. The company’s 2012 approved rates included final settlement of its deferred PILs balance of approximately \$16,000.

In October of 2012 the OEB issued a report entitled *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach (RRFE)*. The report provides the direction that rate setting will follow commencing May of 2014. Three rate setting methods have been identified; a Fourth Generation Incentive Rate-setting method (building on the current Third Generation method); a Custom Incentive Rate-setting method (rates to be set on a five year forecast of revenue requirement and sales volumes) and an Annual Incentive Rate-setting Index method (adjustment of rates by a price cap index formula). Also required are five year capital plans and annual reporting of key performance outcomes. The company will assess the rate-setting methods and a method selected prior to the 2014 filing.

On April 13, 2012 the Province announced the creation of the Ontario Distribution Sector Review Panel to research, analyze, provide advice and make recommendations to the Minister of Energy regarding issues related to Ontario’s electricity distribution sector and distribution models. The Panel was directed to consult with municipalities, Local Distribution Companies (LDCs), the Electricity Distributors Association (the EDA) and other energy experts. On December 12, 2012 the Panel released its report.

The Panel’s report prompted significant outcry across the province over the key recommendation that consolidation of local distribution companies (LDCs) should be forced through legislation. Municipal Councils, as sole shareholders of LDCs, the Association of Municipalities of Ontario (AMO), the Electricity Distributors Association (the EDA) and LDC managers across the province unanimously condemned the concept of forced amalgamations. All agree that amalgamations should be encouraged, but that they should occur on a voluntary basis only, driven by the merits of the business case surrounding any proposals that may be considered.

On March 18, 2013 the new Minister of Energy, Bob Chiarelli, announced the government would not pursue forced amalgamations. Minister Chiarelli reaffirmed the government's commitment to deliver ratepayer savings and called upon all LDCs to come up with ways to ... "bend the cost curve through more efficient service delivery." PUC continues to pursue efficiencies and productivity improvements, including active participation with both the EDA and other Northern Ontario utilities.

Accounting Policies

The audited financial statements of PUC Inc. have been prepared by management in accordance with Part V – Pre changeover accounting standards of the Canadian Institute of Chartered Accountants Handbook. The audited financial statements of PUC Distribution Inc. have been prepared by management in accordance with the Canadian Generally Accepted Accounting Principles for rate regulated entities. The company's management makes estimates and assumptions concerning reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the audited financial statements and amounts of revenues and expenses of the company for the period covered by the audited financial statements. The significant accounting policies of the companies are summarized in the notes to the audited financial statements.

Regulatory Assets

As a result of operating in a regulatory environment, regulatory assets and liabilities arise as part of the rate-making process. These assets and liabilities arise as a result of timing differences between costs being incurred or revenues being recognized versus when they are reflected in rates. Regulatory liabilities on the Balance Sheet at December 31, 2012 relate primarily to retail settlement variances and future taxes. The regulatory liabilities have been audited but a portion remains subject to approval by the OEB.

Employee Future Benefit Costs

As part of the management service contract with PUC Inc., PUC Services Inc. provides the workforce necessary to operate PUC Distribution Inc. PUC Services Inc. provides employee future benefits to current and retired employees including certain health and life insurance benefits. Future benefits for employees are recorded on an accrual basis. The accrual is based on costs determined by an independent actuary using the projected benefit method prorated on service and based on assumptions that reflect management's best estimates. The assumptions were determined by management with

reference to recommendations of the actuary. The last actuarial valuation was completed for the year ended December 31, 2010.

PUC Services Inc. makes contributions on behalf of employees to the Ontario Municipal Employees Retirement System (OMERS), a multi-employer defined benefit pension plan. Pension fund premiums paid on behalf of employees are expensed when paid to OMERS. Employee future benefits are included in labour costs and charged to operations or capitalized as part of the cost of fixed assets.

Electricity Revenue and Unbilled Consumption

The company must use estimates for determining the amount of energy consumed and not yet billed due to the timing differences between billing dates and meter read dates, and the difference between billing dates and financial statement dates. Estimates are used in an attempt to match the cost of power expense, which is billed on a monthly basis, to electricity related revenue, which is based on meter reading periods that may straddle two months.

Future Tax Assets

As of October 1, 2001, the company became liable for payments in lieu of income and capital taxes in the same manner as if they were taxable under federal and provincial tax laws. As of the effective date of the regulations the assets of the company were deemed to be disposed of and reacquired at fair market value. The resulting tax bases of these assets were greater than their book value resulting in a future tax benefit associated with the additional deductions available for tax purposes. The future tax benefit is recognized on the balance sheet.

Future Accounting Standards

The company, as a publicly accountable enterprise, will be required to adopt International Financial Reporting Standards (IFRS) for annual reporting purposes for its fiscal year beginning January 1, 2015. An evaluation process is currently underway to determine the potential impact of the conversion to IFRS. The impacts on the consolidated financial statements are not reasonably determinable or estimable at this time.

Legal Issues

The company is subject to various litigation and claims with customers, suppliers, former employees and other parties as a normal course of operating a business. Currently, there are no significant legal matters pending.

Outlook

Financial results are expected to improve in 2013 with the approval of “cost of service” distribution rates effective 2013. The increased net income is projected to be sufficient to enable the company to move forward with its proposed maintenance and capital programs and provide a consistent return to its shareholder, the City of Sault Ste. Marie. Distribution rate increases have been limited to less than 1% over the last four years which is well below the inflationary increase to expenses. However, distribution revenues will increase in 2013 and 2014 as a result of the “cost of service” rate application filed in 2012 to be effective May 1, 2013.

As a result of maintenance and capital replacement programs implemented over the last several years, reliability statistics improved in 2012 over prior years. The company continues to monitor its infrastructure program and anticipates ramping up to reach long term infrastructure maintenance and replacement goals as determined in its asset management plan that was filed with the OEB as part of the rate application. The goal remains to improve outage frequency and duration and ensure a reliable system for the extended future.

Major projects scheduled in 2013 include: the continued focus on capital and maintenance programs to address infrastructure and reliability issues; the rebuild of Substation 10; the implementation of energy conservation programs in order to reach the mandated energy reduction targets; and the completion of the cost of service distribution rate application. In addition, we anticipate customer driven work will impact 2013 capital works. In particular, the Bell Aliant “Fibre To The Premise” (FTTP) project will have significant impact on our operations in 2013.

CORPORATE GOVERNANCE

During the past year the Board of Directors of PUC Inc. exercised all of the decision-making powers on behalf of the PUC Telecom Board. The PUC Distribution Inc. Board is composed of three directors, two of which are independent, and makes decisions within the terms of reference established for that subsidiary.

The role of the PUC Inc. Board is to maximize shareholder value taking into account the legitimate interests of various stakeholders. Functions of the Board include the appointment of the President and Chief Executive Officer, appointment of Directors to subsidiary Boards, the provision of leadership in the development of a corporate strategic plan, approval of the corporate capital and operating budgets, review of annual financial statements, establishment of corporate policies, ensuring that policies are being followed and monitoring the performance of senior management.

The finance and audit committee of the PUC Inc. Board has the responsibility to ensure that the corporation has:

- implemented appropriate systems to identify, monitor and mitigate significant business risks;
- implemented appropriate systems of internal control to ensure compliance with legal, ethical and regulatory requirements, and that these systems are operating effectively;
- effectively carried out the internal audit function;
- reviewed and approved annual operating budgets;
- fairly presented annual audited financial statements in all material respects in accordance with generally accepted accounting principals.

Officers of the Corporation: (as of December 31, 2012)

H.J. Brian Curran, P. Eng., MBA
President and CEO

Terry Greco, CPA, CA
Treasurer

Claudio Stefano, P. Eng., MBA
Secretary

Board Members: (as of December 31, 2012)



Pat Mick



Mark Howson



Larry Guerriero



Rick Wing



Doug Lawson



Bruno Barban



Frank Fata



Marchy Bruni



Victoria R. Chiappetta



Cecilia Bruno



Ella-Jean Richter
PUC Distribution Board



Jim Boniferro
PUC Distribution Board



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