

REGULAR MEETING OF CITY COUNCIL AGENDA

Tuesday, October 13, 2015

4:30 p.m.

Council Chambers

Civic Centre

Pages

1. ADOPTION OF MINUTES

9 - 25

Mover Councillor R. Niro
Seconder Councillor J. Hupponen

Resolved that the Minutes of the Regular Council Meeting of 2015 09 28 be approved.

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

3. DECLARATION OF PECUNIARY INTEREST

4. APPROVE AGENDA AS PRESENTED

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that the Agenda for 2015 10 13 City Council Meeting as presented be approved.

5. PROCLAMATIONS/DELEGATIONS

5.1 2015 United Way Campaign

James Caicco, 2015 Campaign Chair

5.2 Waste Reduction Week

Madison Zuppa, Environmental Initiatives Co-ordinator

- 5.3 End-Polio-Now Week**
- Carol Colombo, President, Sault North Rotary; Rod Stone, President, Rotary Club of Sault Ste. Marie and Melinda Mills, President Elect, Rotary Club of Sault Ste. Marie
- 5.4 National Teen Safe Driving Week**
- Mardi Crosson, Co-ordinator, Safe Communities Partnership
- 5.5 Arts Council Graffiti**
- Sean Meades, Researcher, NORDIK Institute
- 5.6 Sault Ste. Marie Innovation Centre – Economic Diversification Fund Application** 26 - 33
- Tom Vair, Executive Director
- 6. COMMUNICATIONS AND ROUTINE REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES**
- Mover Councillor R. Niro
Seconder Councillor J. Hupponen
- Resolved that all the items listed under date 2015 10 13 – Part One – Consent Agenda be approved as recommended.
- 6.1 Community Development Planning** 34 - 38
- A report of Mayor C. Provenzano is attached for the consideration of Council.
- Mover Councillor L. Turco
Seconder Councillor J. Hupponen
- Resolved that the report of Mayor C. Provenzano dated 2015 10 13 concerning Community Development Planning be received as information.
- 6.2 City of Sault Ste. Marie Credit Rating** 39 - 48
- A report of the Commissioner of Finance and Treasurer is attached for the consideration of Council.
- Mover Councillor L. Turco
Seconder Councillor J. Hupponen
- Resolved that the report of the Commissioner of Finance and Treasurer dated 2015 10 13 concerning City of Sault Ste. Marie Credit Rating be received as information.
- 6.3 Bell Mobility In-Building Distributed Antenna System for the Essar Centre.** 49 - 50
- A report of the Manager of Information Technology is attached for the

consideration of Council.

The relevant By-law 2015-182 is listed under item 11 of the Agenda and will be read with all by-laws under that item.

6.4 Effects of William Merrifield School Closure on Adjacent Outdoor Rink and Tennis Courts 51 - 55

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

Mover Councillor L. Turco
Secunder Councillor J. Hupponen

Resolved that the report of the Commissioner of Community Services dated 2015 10 13 concerning the Effects of William Merrifield School Closure on Adjacent Outdoor Rink and Tennis Courts be received and the recommendation not to accept the offer from the Algoma District School Board to acquire the portion of property at the William Merrifield School site where the outdoor rink, rink shack and tennis courts are situated be approved;
further that staff be directed to work with the developer of the site through the subdivision approval process for the provision of a park to be named William Merrifield Park;
further that the rink at the William Merrifield School location operate this season; and
further that in 2016-17 the Mike Zuke Park rink operate in the place of the rink at the William Merrifield School site.

6.5 Healthy Kids Community Challenge 56 - 57

A report of the Commissioner of Social Services is attached for the consideration of Council.

The relevant By-law 2015-189 is listed under item 11 of the Agenda and will be read with all by-laws under that item.

6.6 Municipal Council Support Resolution 58 - 62

A report of the Environmental Initiatives Co-ordinator is attached for the consideration of Council.

The relevant By-law 2015-186 is listed under item 11 of the Agenda and will be read with all by-laws under that item.

6.7 Gore Street Reconstruction – Engineering Agreement 63 - 64

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

The relevant By-law 2015-185 is listed under item 11 of the Agenda and will be read with all by-laws under that item.

6.8 T911 Network Equipment Installation and Support Services 65 - 66

A report of the Deputy Fire Chief – Support Services is attached for the consideration of Council.

The relevant By-law 2015-187 is listed under item 11 of the Agenda and will be read with all by-laws under that item.

6.9 Amendment to Cemetery By-law (No. 2012-129) 67 - 68

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

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that the report of the Manager of Cemeteries dated 2015 10 13 concerning amendment to cemetery By-law 2012-129 Section 12.6 (a) be approved and that the Legal Department bring the amended by-law to a future meeting of Council.

7. REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES

7.1 ADMINISTRATION

7.1.1 Finance Spending Review – Legal Department, Human Resources Department 69 - 83

7.2 COMMUNITY SERVICES DEPARTMENT

7.3 ENGINEERING

7.4 FIRE

7.5 LEGAL

7.6 PLANNING

7.6.1 A-18-15-Z.OP – 181 Old Garden River Road 84 - 97

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

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that the report of the Planning Division dated 2015 10 13 concerning A-18-15-Z.OP – 181 Old Garden River Road be received and that Council rezone the portion of the subject property, outlined on the attached map from “R2” (Single Detached Residential Zone) to “C4S.340” (General Commercial Zone with a Special Exception) subject to the following:

1. That Council approve Official Plan Amendment 215, re-designating the portion of the subject property outlined on the attached map, from “Residential” to “Commercial”
2. That the portion of the subject property, outlined on the attached map be

designated as an area of Site Plan Control.

and that the Legal Department be directed to prepare the necessary by-law to effect this approval.

7.7 PUBLIC WORKS AND TRANSPORTATION

7.8 BOARDS AND COMMITTEES

7.8.1 Sault Ste. Marie Innovation Centre – Economic Diversification Fund Application 98 - 123

A memo from the CEO, Sault Ste. Marie Economic Development Corporation and supporting documents are attached for the consideration of Council.

A report of the Commissioner of Finance and Treasurer is attached for the information of Council.

Mover Councillor R. Niro
Seconder Councillor J. Hupponen

Resolved that the application of the Sault Ste. Marie Innovation Centre for Economic Diversification Fund funding in the amount of \$250,000 per year for three years to support the implementation of a lottery and gaming sector development strategy be approved.

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

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

10. ADOPTION OF REPORT OF THE COMMITTEE OF THE WHOLE

11. CONSIDERATION AND PASSING OF BY- LAWS

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that all By-laws under item 11 of the Agenda under date 2015 10 13 be approved.

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

11.1.1 By-law 2015-170 (Zoning) 849 Second Line East (Mac's) 124 - 128

Council Report was passed by Council Resolution on August 10, 2015.

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that By-law 2015-170 being a by-law to remove the Holding (H) Provision from Zoning By-laws 2005-150 and 2005-151 for the lands known municipally as 849 Second Line East (Mac's Convenience Stores Inc.) be passed in open Council this 13th day of October, 2015.

11.1.2 By-law 2015-182 (Agreement) Bell Mobility Inc. 129 - 146

A report from the Manager of Information Technology is on the Agenda.

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that By-law 2015-182 being a by-law to authorize the execution of an agreement between the City and Bell Mobility Inc. allowing for the installation of an In-House Distributed Antenna System in the Essar Centre to enhance the cellular signals within the building be passed in open Council the 13th day of October, 2015.

11.1.3 By-law 2015-183 (Agreement) Tracks & Wheels Equipment Brokers Inc. 147 - 157

Council Report was passed by Council Resolution on July 13, 2015.

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that By-law 2015-183 being a by-law to authorize the execution of an Equipment Operating Lease Agreement between the City and Tracks & Wheels Equipment Brokers Inc. for the supply and delivery of various equipment be passed in open Council on the 13th day of October, 2015.

11.1.4 By-law 2015-184 (Agreement) Nortrax Canada Inc. 158 - 179

Council Report was passed by Council Resolution on July 13, 2015.

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that By-law 2015-184 being a by-law to authorize the execution of a Commercial Lease Agreement between the City and Nortrax Canada Inc. for the supply and delivery of various equipment be passed in open Council on the 13th day of October, 2015.

11.1.5 By-law 2015-185 (Agreement) AECOM Canada Ltd. 180 - 195

A report from the Design and Construction Engineer is on the Agenda.

Mover Councillor L. Turco
Seconder Councillor J. Hupponen

Resolved that By-law 2015-185 being a by-law to authorize the execution of an engineering agreement between the City and AECOM Canada Ltd. for engineering services on the Reconstruction of Gore Street from Queen Street

to Wellington Street, be passed in open Council on the 13th day of October 2015.

- 11.1.6 By-law 2015-186 (Resolution) FIT Municipal Council Resolution Confirmation** 196 - 199
- A report from the Environmental Initiatives Coordinator is on the Agenda.
- Mover Councillor L. Turco
Seconder Councillor J. Hupponen
- Resolved that By-law 2015-186 being a by-law to authorize the execution of one (1) Municipal Council Resolution Confirmation to support the solar photovoltaic application being submitted to the Independent Electricity System Operator Feed-In-Tariff Program for the property at 2196 Queen Street East be passed in open Council this 13th day of October, 2015.
- 11.1.7 By-law 2015-187 (Agreement) Bell Canada Network and Firewall Equipment** 200 - 227
- A report from Deputy Fire Chief – Support Services is on the Agenda.
- Mover Councillor L. Turco
Seconder Councillor J. Hupponen
- Resolved that By-law 2015-187 being a by-law to authorize the execution of an agreement between the City and Bell Canada allowing for the installation and ongoing maintenance and support for network and firewall equipment be passed in open Council this 13th day of October, 2015.
- 11.1.8 2015-188 (Agreement) Municipal Waste & Recycling** 228 - 278
- Council Report was passed by Council Resolution on September 28, 2015.
- Mover Councillor L. Turco
Seconder Councillor J. Hupponen
- Resolved that By-law 2015-188 being a by-law to authorize the execution of an agreement between the City and Municipal Waste & Recycling to provide Multi-Residential Refuse Collection for a five (5) year period commencing January 1, 2016, allowing for extension by mutual agreement be passed in open Council this 13th day of October, 2015.
- 11.1.9 By-law 2015-189 (Agreement) Ontario Healthy Kids Community Project** 279 - 336
- A report from the Commissioner of Social Services is on the Agenda.
- Mover Councillor L. Turco
Seconder Councillor J. Hupponen
- Resolved that By-law 2015-189 being a by-law to authorize the execution of an agreement between the City and The Board of Health for the District of Algoma Health Unit Operating as Algoma Public Health to obtain funds to assist the City in carrying out the Ontario Healthy Kids Community Project be

passed in open Council this 13th day of October, 2015.

11.2 By-laws before Council for FIRST and SECOND reading which do not require more than a simple majority

11.3 By-laws before Council for THIRD reading which do not require more than a simple majority

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

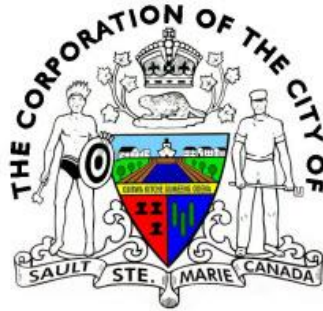
13. CLOSED SESSION

14. ADJOURNMENT

Mover Councillor R. Niro

Secunder Councillor J. Hupponen

Resolved that this Council now adjourn.



REGULAR MEETING OF CITY COUNCIL MINUTES

Monday, September 28, 2015

4:30 p.m.

Council Chambers

Civic Centre

- Present:** Mayor C. Provenzano, Councillor S. Butland, Councillor P. Christian, Councillor S. Myers, Councillor J. Hupponen, Councillor M. Shoemaker, Councillor L. Turco, Councillor R. Niro, Councillor M. Bruni, Councillor F. Fata, Councillor R. Romano
- Absent:** Councillor T. Sheehan, Councillor J. Krmpotich
- Officials:** A. Horsman, M. White, N. Apostle, L. Girardi, N. Kenny, M. Nadeau, P. Niro, D. McConnell, R. Tyczinski, F. Coccimiglio, D. Elliott, L. Ballstadt, T. Reid, M. Figliola, T. Gowans, V. McLeod, F. Pozzebon.

1. ADOPTION OF MINUTES

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

Resolved that the Minutes of the Regular Council Meeting of 2015 09 14 be approved.

Carried

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

3. DECLARATION OF PECUNIARY INTEREST

3.1 Councillor M. Shoemaker - Municipal Council Support Resolution

Applicant is a client of law firm.

3.2 Councillor M. Shoemaker - A-17-15-Z.OP – 592 Old Goulais Bay Rd.

Law firm represents objectors to the application.

3.3 Councillor R. Niro - Tender for Refuse Collection – Multi-Residential Contract (2015WA21T)

One of the proponents is owned by a relative.

3.4 Councillor R. Niro - Municipal Council Support Resolution

Spouse is employed by the Huron-Superior Catholic District School Board.

3.5 Councillor R. Niro - By-law 2015-171 (Resolution) Municipal Council Support Resolution Solar Photovoltaic Application

Spouse is employed by the Huron-Superior Catholic District School Board.

3.6 Councillor R. Niro - Burning of Materials in Residential Fireplaces and Wood Stoves

Brother employed by Fire Services.

3.7 Councillor M. Shoemaker - By-law 2015-171 (Resolution) Municipal Council Support Resolution Solar Photovoltaic Application

Applicant is a client of law firm.

3.8 Councillor M. Shoemaker - By-law 2015-167 (Resolution) Solar Photovoltaic

Certain applicants are clients of law firm.

4. APPROVE AGENDA AS PRESENTED

Moved by: Councillor J. Hupponen

Seconded by: Councillor L. Turco

Resolved that the Agenda for 2015 09 28 City Council Meeting and Addendum as presented be approved.

Carried

5. PROCLAMATIONS/DELEGATIONS

5.1 City Beautification Awards

Richard Walker and Suzanne Hanna – organizers, and 2015 award recipients were in attendance.

5.2 Fire Prevention Week

Dan Fraser, Fire Prevention Officer, was in attendance.

5.3 Safe Communities Partnership Sault Ste. Marie

Mardi Crosson, Co-ordinator was in attendance.

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Whereas Safe Communities Partnership Sault Ste. Marie has pursued a vision of making Sault Ste. Marie the safest place in the world to live, learn, work and play by creating a community culture of safety and injury prevention since 1999; and

Whereas the city of Sault Ste. Marie is classified as one of 65 “safe communities” across the country; and

Whereas the Sault Ste. Marie Safe Communities Partnership is pursuing re-designation as a national “safe community”;

Now Therefore Be It Resolved that the City of Sault Ste. Marie recognizes the contribution of Safe Communities Partnership Sault Ste. Marie to the community and supports their re-designation as a national safe community under the Pan Pacific Safe Communities Network as administered by Parachute Canada.

Carried

5.4 Art Gallery of Algoma 40th Anniversary

Jasmina Jovanovic, Executive Director, was in attendance.

5.5 Refugee Crisis – Local Fundraising – Agenda Item 8.3

John Tully and Linda Coulter, St. Andrew's United Church were in attendance.

5.6 A-17-15-Z.OP - 592 Old Goulais Bay Road

Terry Wright (applicant) and Steven Shoemaker (representing objectors to the application) were in attendance.

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

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

Resolved that all the items listed under date 2015 09 28 – Part One – Consent Agenda be approved as recommended.

Carried

6.1 Tender for Refuse Collection – Multi-Residential Contract (2015WA21T)

Councillor R. Niro declared a conflict on this item. (One of the proponents is owned by a relative.)

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

Moved by: Councillor J. Hupponen

Seconded by: Councillor L. Turco

Resolved that the report of the Manager of Purchasing dated 2015 09 28 be received and that the tender submitted by Municipal Waste & Recycling to provide Multi-Residential Refuse Collection be approved. The Agreement will be for a five (5) year period commencing January 1, 2016, allowing for extension by mutual agreement.

A By-law authorizing signature of the Agreement will appear on a future Council Agenda.

Carried

6.2 RFP for Digital Photocopiers – Various Departments (2015XA04P)

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

Moved by: Councillor M. Shoemaker

Seconded by: Councillor L. Turco

Resolved that the report of the Manager of Purchasing dated 2015 09 28 be received and that the proposal submitted by Algoma Office Equipment to provide Digital Photocopiers as required by various City Departments be approved. The Manager of Purchasing is authorized to sign individual leases for these machines in accordance with the terms of the proposal as submitted.

Carried

6.3 RFP for External Audit Services (2015TA02P)

The report of the Manager of Audits and Capital Planning was received by Council.

The relevant By-law 2015-168 is listed under item 11 of the Minutes.

6.4 Property Tax Appeals

The report of the City Tax Collector was received by Council.

Moved by: Councillor J. Hupponen

Seconded by: Councillor L. Turco

Resolved that the report of the City Tax Collector dated 2015 09 28 concerning Property Tax Appeals be received and that the tax records be amended pursuant to Section 334, 354 and 357 of the *Municipal Act* be approved.

Carried

6.5 Downtown Association – Interim Board of Directors

The report of the City Clerk was received by Council.

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

Resolved that the report of the City Clerk dated 2015 09 28 concerning Downtown Association – Interim Board of Directors be received and that Council set the composition of the board of management of the Downtown Association to be nine members, which includes a member of Council appointed directly by the municipality; and

Further that the following persons: Councillor Ross Romano and citizens Steve Alexander, Joseph Bisceglia, Frank Gaccione, Dominic Ruscio, Paul Scornaienchi, Carrie Suriano and Grace Tridico be appointed to an interim board of management until such time as the DTA membership has elected a new slate of directors for the consideration of Council.

Carried

6.6 Signing of Standard Agreements – Community Services Department

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

The relevant By-law 2015-165 is listed under item 11 of the Minutes.

6.7 Sault Ste. Marie Walk of Fame

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

Moved by: Councillor J. Hupponen

Seconded by: Councillor L. Turco

Resolved that the report of the Commissioner of Community Services dated 2015 09 28 regarding the Sault Ste. Marie Walk of Fame be received as information.

Carried

6.8 Memorial Tower Renovations – Update

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

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

Resolved that the report of the Commissioner of Community Services dated 2015 09 28 concerning Memorial Tower Renovations be received and that:

1. Renovations be postponed until 2016;
2. 2015 funds be carried forward to the 2016 budget; and
3. Additional funds in the amount of \$20,000 be requested from the 2016 Capital from Current allocation.

Carried

6.9 The New Algoma Farmers' Market Agreement

The report of the Manager of Recreation and Culture was received by Council.

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

Resolved that the report of the Manager of Recreation and Culture dated 2015 09 28 concerning The New Algoma Farmers' Market Agreement be received and that Council direct the Community Services Department to provide The New Algoma Farmers' Market with notice of the City's intention to terminate the existing agreement between the City and The New Algoma Farmers' Market; further that Council direct the Community Services Department to report back to it regarding an assessment of the appropriateness and/or feasibility of continuing to lease the space to the Algoma Farmers' Market and the recommended terms and conditions for such a lease.

Carried

6.10 Municipal Council Support Resolution

Councillor M. Shoemaker declared a conflict on this item. (Applicant is a client of law firm.)

Councillor R. Niro declared a conflict on this item. (Spouse is employed by the Huron-Superior Catholic District School Board.)

The report of the Environmental Initiatives Co-ordinator was received by Council.

The relevant By-law 2015-171 is listed under item 11 of the Minutes.

6.11 2016 Engineering Agreements

The report of the Design and Construction Engineer was received by Council.
The relevant By-laws 2015-175, 2015-176, 2015-177 and 2015-178 are listed under item 11 of the Minutes.

6.12 Northern Avenue Corridor – East of Great Northern Road

The report of the Director of Engineering Services was received by Council.

Moved by: Councillor M. Shoemaker

Seconded by: Councillor L. Turco

Resolved that the report of the Director of Engineering Services dated 2015 09 28 be received and that the City enter into an agreement for professional services with Kresin Engineering for the completion of an environmental assessment for Northern Avenue, east of Great Northern Road.

A By-law authorizing signature of an Agreement will appear on a future Council Agenda.

Carried

6.13 Slope Stabilization – 90 Second Line East

The report of the Director of Engineering Services was received by Council.
The relevant By-law 2015-172 is listed under item 11 of the Minutes.

6.14 SCF Funding – Intake II – Sackville Road Extension

The report of the Director of Engineering Services was received by Council.

Moved by: Councillor M. Shoemaker

Seconded by: Councillor L. Turco

Resolved that the report of the Director of Engineering Services dated 2015 09 28 be received and the recommendation to submit an expression of interest to the Small Communities Fund for the extension of Sackville Road be approved.

Carried

6.15 2014 Annual Fee Report

The report of the Chief Building Official was received by Council.

Moved by: Councillor J. Hupponen

Seconded by: Councillor L. Turco

Resolved that the report of the Chief Building Official dated 2015 09 28 regarding the 2014 Annual Fee Report be received as information.

Carried

6.16 Burning of Materials in Residential Fireplaces and Wood Stoves

Councillor R. Niro declared a conflict on this item. (Brother employed by Fire Services.)

The report of the Fire Chief was received by Council.

Moved by: Councillor J. Hupponen

Seconded by: Councillor L. Turco

Resolved that the report of the Fire Chief dated 2015 09 28 concerning Burning of Materials in Residential Fireplaces and Wood Stove be received and that Council take no further action on regulating the use of fireplaces and wood burning stoves within private residences at this time.

Carried

6.17 Property Declared Surplus – 88 Goulais Avenue

The report of the City Solicitor was received by Council.

The relevant By-law 2015-169 is listed under item 11 of the Minutes.

6.18 Downtown Community Improvement Plan – Tax Increment Grant – 995 Queen Street East

The report of the Planning Division was received by Council.

Moved by: Councillor M. Shoemaker

Seconded by: Councillor L. Turco

Resolved that the report of the Planning Division dated 2015 09 28 concerning the Downtown Community Improvement Plan – Tax Increment Grant – 995 Queen Street East be received and:

1. That Council authorize an incremental tax rebate for 995 Queen Street East;
2. That the rebate be 100% in year one, 75% in year two, 50% in year three and 25% in year four;
3. That all general eligibility requirements of the financial incentive programs, as outlined in the approved Downtown CIP, approved February 18, 2014, apply to this proposal, and
4. After the four-year rebate, the property owner will pay the full municipal tax amount.

Carried

6.19 Telecommunications Tower Policy

The report of the Planner was received by Council.

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

Resolved that the report of the Planner dated 2015 09 28 be received as information and that Council authorize staff to provide public notice of a public open house to discuss the Draft Telecommunications Tower Policy, to be held on Wednesday October 28, 2015, 7:00 pm at the Civic Centre.

Carried

6.20 Bike Rack Sponsorship Program

The report of the Planning Division was received by Council.

Moved by: Councillor M. Shoemaker

Seconded by: Councillor L. Turco

Resolved that the report of the Planning Division dated 2015 09 28 concerning the Bike Rack Sponsorship Program be received and that the BRSP policy attached to this report be approved.

Carried

6.21 Parking – By-law 90-305 Amendments

The report of the Manager of Transit and Parking was received by Council.

The relevant By-law 2015-166 is listed under item 11 of the Minutes.

6.22 Homelessness Partnering Strategy Co-ordinated Point-in-Time (PiT) Count Application

The report of the Manager of Housing Programs was received by Council. The relevant By-law 2015-180 approving execution of an application for funding is listed under item 11 of the Minutes.

The relevant By-law 2015-181 authorizing execution of an agreement with Her Majesty the Queen in right of Canada as represented by the Ministry of Employment and Social Development Canada is listed under item 11 of the Minutes.

7. REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES

7.1 ADMINISTRATION

7.1.1 Finance Spending Review – Corporate, Finance Department

7.2 COMMUNITY SERVICES DEPARTMENT

7.3 ENGINEERING

7.4 FIRE

7.5 LEGAL

7.6 PLANNING

7.6.1 A-17-15-Z.OP – 592 Old Goulais Bay Rd.

Councillor M. Shoemaker declared a conflict on this item. (Law firm represents objectors to the application.)

A report of the Planner was received by Council.

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that the Report of the Planner dated 2015 09 28 be received as information and that the applicants' request to amend the Official Plan and to rezone the front (west 300m) of the subject property from "RA" (Rural Area Zone) to "RA.S" (Rural Area Zone with a Special Exception) to permit a contractor's yard on the subject property in addition to the uses currently permitted be denied.

Postponed

Moved by: Councillor M. Bruni

Seconded by: Councillor P. Christian

Resolved that agenda item 7.6.1 (A-17-15-Z.OP) be postponed to the October 26, 2015 Council meeting.

Carried

7.7 PUBLIC WORKS AND TRANSPORTATION

7.8 BOARDS AND COMMITTEES

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

8.1 Review of Retired Employee Death Benefit

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

WHEREAS Human Resources Policy and Procedure Number 4-14 prescribes that a death benefit of \$2,000 be paid to the widow, widower, or estate of a pensioned retiree of the Corporation upon their death; and

WHEREAS this policy was enacted approximately 30 years ago; and

WHEREAS in the intervening time, provisions for retirees and pensioners in Canada have generally been strengthened through the extension of survivorship benefits and the introduction of tax policies such as income-splitting and pension-splitting; and

WHEREAS both the OMERS and Canada Pension Plans contain survivorship provisions and there is a death benefit that is payable through the Canada Pension Plan; and

WHEREAS Council understands the importance of periodically reviewing the City's discretionary spending;

Now Therefore Be It Resolved that Council request staff to review and report on the administration of the Retired Employee Death Benefit and that said report include the following information:

- The amount of money disbursed by the Corporation in death benefit payments for the 2015 year to date;
- The amounts of money disbursed in death benefit payments for the 2013 and 2014 municipal fiscal years;
- An overview of how common it is for municipal governments in Ontario to issue such death benefit payments upon the death of retirees;
- An analysis as to the appropriateness of continuing to pay the death benefit given the present-day financial tools, tax policies and resources available to retirees and their families.

Carried

8.2 Decrease of Sewer Surcharge

Moved by: Councillor S. Myers

Seconded by: Councillor P. Christian

WHEREAS the present sewer surcharge that is added to the utility bill of PUC customers has been set at 100 per cent of the water usage rate since 2002; and

WHEREAS the financing of the east end water treatment facility has now been completed and the funds that have accumulated from the sewer surcharge are in the approximate amount of \$29,000,000 as of January 1, 2015; and

WHEREAS Council is mindful that many local residents and businesses are having difficulty making ends meet due to uncertain economic conditions and rising costs of living; and

WHEREAS the sewer surcharge is the only component of the PUC bill that can be directly influenced by the City of Sault Ste. Marie and City staff has been analyzing the surcharge relative to sewer infrastructure demand; and

Now Therefore Be It Resolved that Council direct the Commissioner of Finance and Treasurer to undertake an analysis of the sewer surcharge with the specific intention of reducing the sewer surcharge and report back to Council with options outlining proposed reduction(s) of the surcharge, the consequences of said reduction(s), and what steps are necessary to decrease the sewer surcharge as of January 2016.

Carried

8.3 Refugee Crisis – Local Fundraising

Moved by: Councillor S. Butland

Seconded by: Councillor M. Shoemaker

Whereas there are literally millions of refugees from a number of countries (Syria, Iraq, Afghanistan, Burma, Uganda, etc.) seeking asylum and a new, welcoming and safe home; and
Whereas there is considerable interest from individuals and organizations to address the situation from a local perspective; and

Whereas a co-ordinated effort to raise funds on a voluntary basis to hopefully sponsor a refugee family(ies) is a logical course to achieve this goal;

Now Therefore Be It Resolved that Council endorse a community-wide effort to raise funds and designate our Social Services Department to be the lead agency to provide the required co-ordination of this most worthwhile initiative.

Carried

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

10. ADOPTION OF REPORT OF THE COMMITTEE OF THE WHOLE

11. CONSIDERATION AND PASSING OF BY- LAWS

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that all By-laws under item 11 of the Agenda under date 2015 09 18 be approved, save and except 2015-166, 2015-167 and 2015-171.

Carried

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

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-167 being a by-law to authorize the execution of one (1) Municipal Council Confirmation Resolution to support the solar photovoltaic application being submitted to the Independent Electricity System Operator Feed-In-Tariff Program be passed in open Council this 28th day of September, 2015.

11.1.1 By-law 2015-165 (Delegation to Commissioner of Community Services)

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-165 being a by-law to authorize the Commissioner of Community Services or his/her designate to enter into standard agreements between the City and users of City facilities be passed in open Council this 28th day of September, 2015.

Carried

11.1.3 By-law 2015-168 (Finance) Appoint Municipal Auditor

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-168 being a by-law to appoint the firm of KPMG LLP as municipal auditor to provide External Audit Services as required by the City of Sault Ste. Marie be passed in open Council this 28th day of September, 2015.

Carried

11.1.4 By-law 2015-169 (Property) Declared Surplus (88 Goulais Avenue)

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-169 being a by-law to declare the City owned property legally described as PIN 31592-0211 (LT) LT 6 BLK 12 PL 1751 KORAH; SAULT STE. MARIE being civic 88 Goulais Avenue, as surplus to the City's needs and to authorize the disposition of the said property be passed in open Council this 28th day of September, 2015.

Carried

11.1.6 By-law 2015-172 (Agreement) STEM Engineering Group Incorporated

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-172 being a by-law to authorize the execution of an agreement between the City and STEM Engineering Group Incorporated for professional services for provision of additional slope stability to City lands near 90 Second Line East be passed in open Council this 28th day of September, 2015.

Carried

11.1.7 By-law 2015-173 (OP) 475 Trunk Road Sar-Gin Developments (Sault) Ltd.

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-173 being a by-law to adopt Amendment No. 214 to the Official Plan for the City of Sault Ste. Marie (475 Trunk Road Sar-Gin Developments (Sault) Ltd. be passed in open Council this 28th day of September, 2015.

Carried

11.1.8 By-law 2015-174 (Zoning) 475 Trunk Road Sar-Gin Developments (Sault) Ltd.

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-174 being a by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 475 Trunk Road (Sar-Gin Developments (Sault) Ltd.) be passed in open Council on the 28th day of September, 2015.

Carried

11.1.9 By-law 2015-175 (Agreement) Tulloch Engineering Inc.

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-175 being a by-law to authorize the execution of an agreement between the City and Tulloch Engineering Inc. for the reconstruction of Second Avenue from Wallace Terrace to Second Line West in the amount of Three Hundred and Sixty-Seven Thousand (\$367,000) Dollars be passed in open Council this 28th day of September, 2015.

Carried

11.1.10 By-law 2015-176 (Agreement) AECOM Canada Ltd.

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-176 being a by-law to authorize the execution of an agreement between the City and AECOM Canada Ltd. for the widening of Black Road from McNabb Street to Second Line East in the amount of Five Hundred and Sixty-Five Thousand (\$565,000) Dollars be passed in open Council this 28th day of September, 2015.

Carried

11.1.11 By-law 2015-177 (Agreement) WSP Canada Inc.

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-177 being a by-law to authorize the execution of an agreement between the City and WSP Canada Inc. for the reconstruction of Coulson Avenue and Manor

Road in the amount of Two Hundred and Sixty-Two Thousand Nine Hundred (\$262,900) Dollars be passed in open Council this 28th day of September, 2015.

Carried

11.1.12 By-law 2015-178 (Agreement) STEM Engineering Group Incorporated

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-178 being a by-law to authorize the execution of an agreement between the City and STEM Engineering Group Incorporated for the Fort Creek Aqueduct John Street Diversion (Albert Street to Wellington Street West) in the amount of Four Hundred and Ninety-Six Thousand Eight Hundred (\$496,800) Dollars be passed in open Council this 28th day of September, 2015.

Carried

11.1.13 By-law 2015-179 (Zoning) 57 St. George's Avenue West (Fawn)

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-179 being a by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 57 St. George's Avenue West (Fawn) be passed in open Council this 28th day of September, 2015.

Carried

11.1.14 By-law 2015-180 (Agreement) Homelessness Partnering Strategy Co-ordinated Point-in-Time (PiT) Count Application

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-180 being a by-law to authorize the execution of an Agreement between the City and Department of Employment and Social Development Canada to secure funding to administer a PiT count in the community be passed in open Council this 28th day of September, 2015.

Carried

11.1.15 By-law 2015-181 (Agreement) Data Provision HIFIS Software

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-181 is a by-law authorizing the execution of an Agreement between the City and the Minister of Employment and Social Development Canada (ESDC) to provide an electronic data collection software that may be used by Community Entities to

improve the efficiency of their day-to-day operations be passed in open Council this 28th day of September, 2015.

Carried

11.1.2 By-law 2015-166 (Parking) Municipal Law Enforcement Officers

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-166 being a by-law to appoint Municipal Law Enforcement Officers to enforce the by-laws on various private properties and to amend Schedule "A" to By-law 90-305 be passed in open Council this 28th day of September, 2015.

Carried

11.1.5 By-law 2015-171 (Resolution) Municipal Council Support Resolution Solar Photovoltaic Application

Councillor R. Niro declared a conflict on this item. (Spouse is employed by the Huron-Superior Catholic District School Board.)

Councillor M. Shoemaker declared a conflict on this item. (Applicant is a client of law firm.)

Moved by: Councillor J. Hupponen

Seconded by: Councillor L. Turco

Resolved that By-law 2015-171 being a by-law to authorize the execution of one (1) Municipal Council Support Resolution to support one (1) solar photovoltaic application being submitted to the Independent Electricity System Operator Feed-in-Tariff Program be passed in open Council this 28th day of September, 2015.

Carried

11.1.16 By-law 2015-167 (Resolution) Solar Photovoltaic

Councillor M. Shoemaker declared a conflict on this item. (Certain applicants are clients of law firm.)

Moved by: Councillor J. Hupponen

Seconded by: Councillor R. Niro

Resolved that By-law 2015-167 being a by-law to authorize the execution of one (1) Municipal Council Confirmation Resolution to support the solar photovoltaic application being submitted to the Independent Electricity System Operator Feed-In-Tariff Program be passed in open Council this 28th day of September, 2015.

Carried

- 11.2 By-laws before Council for FIRST and SECOND reading which do not require more than a simple majority**
- 11.3 By-laws before Council for THIRD reading which do not require more than a simple majority**
- 12. QUESTIONS BY, NEW BUSINESS FROM, OR ADDRESSES BY MEMBERS OF COUNCIL CONCERNING MATTERS NOT OTHERWISE ON THE AGENDA**
- 13. CLOSED SESSION**
- 14. ADJOURNMENT**

Moved by: Councillor J. Hupponen
Seconded by: Councillor L. Turco
Resolved that this Council now adjourn.
Carried

Mayor

City Clerk

Pursuit of the New Sault Ste. Marie Lottery and Gaming Economy

for:

City Council
The Corporation of the City of Sault Ste. Marie

October 13th, 2015



Background

- Lottery and Gaming plays an vital role in SSM economy (\$60M payroll)
- This cornerstone of our knowledge economy is facing a total transformation over the next 12 to 24 months
- How we respond will directly affect where we stand by the end of 2017
- EDF application is the culmination of months of work and vetted by many experts
- OLG has been a great collaborator and indications are that they will continue to support our initiative

Objectives

- Strategically position SSM and actively compete to grow share of global industry
- Work proactively to retain as many jobs as possible
- Start working with the incumbents to create awareness/projects/momentum in SSM that will change any of their current plans for relocation or attrition of jobs
- Build more of a L&G infrastructure in SSM by:
 - Create
 - Retain
 - Attract
 - Grow

Focus

- Resources will focus on critical aspects of building L&G sector in a coordinated way:
 - Talent management: critical and primary question for new entrants and existing organizations – can we get the people?
 - Communications and outreach – clear market presence with our prospects
 - Modernization – OLG and proponents – earning major new sectors
 - Business development – innovation, attraction – solutions in research, responsible gaming, digital technology solutions, global lottery services delivery.

EDF Request

- We recognize this is a significant request
- We believe the request corresponds to the importance and urgency of the task
- Leverages work done to date
- The L&G expertise needed to drive this project will be very advanced:
 - Global market knowledge and contacts
 - Business innovation creativity
 - Strong affiliation to the success of Sault Ste. Marie

High Level Goals and Support

- Create up to 200 direct and ongoing jobs
 - Important to note retention aspect of this work
 - Promising projects already underway
- Leverage EDF funds with:
 - NOHFC funding
 - Contributions from lottery and gaming organizations

Opportunity

- Gaming Taskforce has underscored that the initiative needed resources
- Now is the time to ramp up activities
- Building from within - an established base of expertise exists in SSM
- Significant growth possibilities

Thank you

For more information, please contact:

Tom Vair - **705-942-7927 x.3152**

Cell: 705-971-5464

tvair@ssmic.com





COUNCIL REPORT

2015 10 13

TO: Members of City Council

AUTHOR: Christian Provenzano, Mayor

RE: Community Development Planning

Purpose

The purpose of this report is to update Council on preliminary discussions that have been held regarding Community Development Planning and to outline next steps for your information and to invite your input and participation.

Background

Since taking office as Mayor, I have been preoccupied with the question of how Sault Ste. Marie could best realize its great potential as a mid-sized city and in doing so become a more resilient, vibrant and prosperous community.

Events over the course of this calendar year have underscored the importance of striving towards this objective and they have also served to put some of our current challenges starkly into focus:

- We have seen macroeconomic problems exact a heavy toll on some of our largest private sector employers and have thus been reminded that the economic health of our City is still closely tied to the health of a relative handful of industries.
- We have seen our unemployment rate trend sharply upwards, reminding us that our local economy is still prone to volatile fluctuations.
- We have seen indicators show that our employment and labour force participation rates are dropping. This has served to remind us that our population is aging and that we need to ensure a supply of new workers with the skills and knowledge to fill jobs that are now being vacated and also new positions that may be needed in the future.

I know that these same concerns weigh heavily on all of you. Many of you have brought them forward already, both before this Council in the form of resolutions and reports and also in separate discussions with me. The balance of this report will apprise you of what I have been doing to give consideration to these issues over the last several months and what I foresee as ways forward for us to address them collectively as a Council.

Informal Working Group Discussions

Early in the summer, I convened a small informal working group to discuss what we originally called “Community Stewardship” but have since taken to calling “Community Development Planning.” This group is composed of me, the Executive Directors of the EDC and the Innovation Centre, a staff member from my office, and community members.

This group has now met numerous times. It has discussed the issues around community development in broad terms and given consideration to possible approaches that could be adopted, such as the Cisco “True Growth” model. The group has also developed a list of organizations that have a role to play in the development of both our economic and social community. This list includes both organizations that the City can hold directly accountable and also those that can be invested with a sense of responsibility *vis-à-vis* community development.

In the interests of brevity, I will enumerate some of the other key viewpoints the group has arrived at in the list below:

- The importance of adopting a holistic approach to community development that stresses improving social opportunity as well as quality of life measures in addition to questions of economic development;
- The importance of improving the human and organizational capacity within the community (such as improving composition and skill sets of volunteer boards) to improve social and economic efficacy;
- The importance of high-level goals and the value of benchmarking our progress against like communities;
- The relative merits and drawbacks of utilizing either an “ad-hoc” approach or a comprehensive approach to Community Development. There are obvious benefits to adopting a comprehensive approach given the scale of what we would like to accomplish, however this would bring with it a commensurate increase in the need for resources; and
- The group is of the mindset that a Community Development Planning exercise naturally lends itself to a three-stage process: **consultation, analysis and goal setting** and **action**.

I want to say clearly that the intention behind the formation of this informal group was never to produce a fully-realized approach or plan of action to community

development. Rather, its purpose was to serve as a sounding board, to generate ideas and to give some initial shape to how we might proceed.

It has been recognized from the outset that a serious effort to address Community Development Planning would require the participation of our full Council, our new CAO, and staff from the City Planning Department, amongst others. It is my feeling that we are now approaching the juncture where it is natural for us to engage with a wider group of contributors as we begin the consultative stage in earnest.

Next Steps

As previously alluded to, I believe we are approaching the point where we could begin undertaking a formalized consultative phase. The purpose of the consultative stage is principally to gather feedback and information, but it is also an opportunity to create buy-in and build community support.

One of the tactics identified as a good starting point would be to begin hosting small consultative meetings at City Hall with groups of stakeholders and organizational leaders from around the city. It is my hope that each meeting would be attended by one or more members of council and appropriate City staff whenever possible.

The heart of each meeting would be a facilitated discussion about the opportunities and challenges each of the participants are either experiencing or can realize within their own organization and within the community at large. Key information and points of discussion from each session would be captured and summarized for later use in the analysis and goal setting stage.

The objective of these stakeholder sessions would be to identify common challenges and opportunities and to see where alignment between organizations already exists and where it might be created. It would also be a chance to build on the sense of engagement created by previous efforts such as the Greater Community Forum.

Other near term tasks that could commence in the near future include:

- Thoroughly reviewing what secondary research findings we already have available to us. This includes the report of Destiny Sault Ste. Marie regarding the Greater Community Forum held in November 2014 and also the Economic Report of Sault Ste. Marie released in November of 2014.
- Developing a scorecard that could be used to benchmark Sault Ste. Marie against other comparable communities.

- Considering lessons learned from past exercises, such as Destiny Sault Ste. Marie and Building an Extraordinary Community, reviewing what went well, and deciding what to do differently this time.
- Ensuring that this Community Development Planning exercise is roughly congruent with other planning exercises now underway, including the Official Plan review and the drafting of the updated Corporate Strategic Plan. I expect that going forward there will be some discussions with appropriate City staff to that end.

I wish to emphasize that we can begin taking action on these items this fall, with the current staff resources available to us and with minimal financial impact. However, as this process moves further along and we approach the latter stages of analysis and goal setting and then action, it is likely that we will be required to deploy more significant resources.

Longer Term Considerations

I recognize that we are at a preliminary stage and that much of what I propose for both short and longer term actions are very much still mutable at this time. However, there is one consideration that lies further afield of what I discussed in the preceding section that I wish to flag for Council's attention.

The consideration is this: it is my feeling that we as a Council should give serious thought as to the importance of building a Community Planning capacity into our City's corporate structure. It has been made clear to me that the City's Planning Department at present is occupied with matters of land use planning and would not be able to engage in full-scale Community Planning on an ongoing basis.

Likewise, holistic Community Planning is broader and out-of-scope relative to the respective missions of the several outside agencies we have that are charged with promoting economic development in the municipality. Furthermore, I am of the opinion that it is most prudent and sensible to vest any new Community Planning capacity within the City itself, as there the lines of accountability and reporting will be clearly drawn. As well, the person(s) occupying the role(s) will be able to receive appropriate direction from City management, the Chief Administrative Officer and ultimately Mayor and Council.

Obviously, the question of how to add this capability would first have to be considered by the City's administrative staff and we would need to weigh their recommendations carefully. It is likely that there will be budgetary considerations that would need to be evaluated. Council would in the end have to deliberate and decide which course of action to take.

Clearly, we do not have benefit of all the information to make a decision at this time. However, it is my feeling that Community Development Planning is vital to

the future well-being of our community. To have it be successful, I feel we need to escape from our current habit of making it a periodic concern but rather make it a process that is continual, ongoing and integral to the work of the City. To that end, I feel we must institutionalize the capacity to do this important work, so that community planning efforts will not be tied to a particular Mayor or a particular Council, nor be forced to rely predominantly on voluntary and ancillary effort to obtain results.

Summary

From the very beginning, it has been recognized that Council can and should play a lead role in the process of Community Development Planning. Through our collective will and wisdom I feel there is much that we can do to effect positive change in our community. I would be glad to receive your comments, ideas and suggestions in this regard. This is a shared endeavour and I hope that each of you will be willing to join and participate in it.

We are fortunate that there is much we can begin doing now at this early stage with little or no cost. However, in future there is a likelihood that we may have to commit significant resources—both financial and human—to this undertaking, if we wish to see it realize significant results.

I think we all understand the scope of the challenges that lie before us and our community. I think we all perceive that there is a gap between the state of our community today and that state we would like to see it one day attain. I think we all recognize that closing this gap will not be done quickly, easily or with the certainty of ultimate success, but as civic leaders we are obligated to make our best efforts to improve our community and the quality of life it offers its residents.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Christian Provenzano". The signature is fluid and cursive, with a large loop at the end.

Christian Provenzano, Mayor



COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Shelley J. Schell, CPA, CA

DEPARTMENT: Finance Department

RE: The City of Sault Ste. Marie Credit Rating

PURPOSE

The purpose of this report is to provide information on the City's credit rating as published by Standard & Poor's October 6, 2015. The City's rating has been upgraded to AA-(stable) from A+(positive).

BACKGROUND

The City engages Standard & Poor's Rating Service annually to update our credit rating. The rating is a forward-looking opinion about creditworthiness. The rating score is based upon key factors such as Economy, Financial Management, Budgetary Flexibility, Budgetary Performance, Liquidity and Debt Burden, amongst others. A Ratings Score Snapshot can be found on Table 3 of the Standard & Poor's Research Update Report appended to this report.

ANALYSIS

Our previous rating of A+ signified a strong capacity to meet financial obligations but somewhat susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. The "+" is meant to show the relative standing within the major rating categories, positive being the highest standing in the category. The Rating Outlook of "positive" assesses the potential direction of a long-term credit rating over the intermediate term, in this case the next two years. Positive means that a rating may be raised.

Our current rating of AA- is an upgrade to our credit rating. By definition this level differs from the highest-rated obligors only to a small degree. We have very strong capacity to meet our financial commitments.

As stated in the Standard & Poor's Overview, "The upgrade reflects our expectations that, in the next two years relative to previous forecasts, revenue

volatility and capital expenditures will be lower, resulting in stronger budgetary performance; and the city's debt burden will also fall."

Our rating is very much a factor of our very low debt burden and exceptional liquidity position. Constraining factors include Sault Ste. Marie's "average economic performance and weaker growth prospects due to slow population growth and lower-than-average GDP per capita and average budgetary flexibility, which is constrained on the expenditure side."

Our rating for financial management is satisfactory. Although disclosure and transparency are characterized as good, the rating commented "...a track record of using prior year surpluses to reduce the current year's levy impact on residential property taxpayers; a tactic that might not be sustainable without affecting service levels."

Our Rating Outlook is set as Stable, meaning that a rating is not likely to change in the next two years. We are well below 30% of consolidated operating revenues, at approximately 8%. Increasing debt will not adversely affect our rating as long as we maintain our liquidity and budgetary performance.

IMPACT

The AA- credit rating with a Stable outlook is an exceptional rating. Future upgrades will be contingent upon changes to Sault Ste. Marie's economic outlook.

STRATEGIC PLAN

Not applicable.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Commissioner of Finance and Treasurer dated 2015 10 13 concerning City of Sault Ste. Marie Credit Rating be received as information

Respectfully submitted,



Shelley J. Schell, CPA, CA
Commissioner of Finance & Treasurer

RatingsDirect®

Research Update:

City of Sault Ste. Marie Upgraded To 'AA-' From 'A+' On Exceptional Liquidity And Strong Budgetary Performance

Primary Credit Analyst:

Adam J Gillespie, Toronto (1) 416-507-2565; adam.gillespie@standardandpoors.com

Secondary Contact:

Nineta Zetea, Toronto (416) 507-2508; nineta.zetea@standardandpoors.com

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Research Update:

City of Sault Ste. Marie Upgraded To 'AA-' From 'A+' On Exceptional Liquidity And Strong Budgetary Performance

Overview

- We are raising our ratings on the City of Sault Ste. Marie to 'AA-' from 'A+'.
- The upgrade reflects our expectations that, in the next two years relative to previous forecasts, revenue volatility and capital expenditures will be lower, resulting in stronger budgetary performance; and the city's debt burden will also fall.
- The stable outlook reflects our opinion that Sault Ste. Marie's tax-supported debt burden will remain well below 30% of consolidated operating revenues, liquidity will remain more than sufficient to meet all debt service requirements, and budgetary performance will remain strong.

Rating Action

On Oct. 6, 2015, Standard & Poor's Ratings Services raised its long-term issuer credit and senior unsecured debt ratings on the City of Sault Ste. Marie, in the Province of Ontario, to 'AA-' from 'A+'. The outlook is stable.

Rationale

The ratings reflect Standard & Poor's view of the city's very low debt burden, which is lower than that of many of its similarly rated international and domestic peers, and its exceptional liquidity position. The ratings also reflect our view of the "very predictable and well-balanced" institutional framework for Canadian municipalities, the city's track record of strong budgetary performance, and what we view as satisfactory financial management and a low level of contingent liabilities. We believe that partially mitigating credit factors include Sault Ste. Marie's average economic performance and weaker growth prospects due to its slow population growth and lower-than-average GDP per capita; and average budgetary flexibility, which is constrained on the expenditure side.

We believe Canadian municipalities benefit from a "very predictable and well-balanced" local and regional government framework that has demonstrated a high degree of institutional stability. Although provincial governments mandate a significant proportion of municipal spending, they also provide operating fund transfers and impose fiscal restraint through legislative

requirements to pass balanced operating budgets. Municipalities generally have the ability to match expenditures well with revenues, except for capital spending, which can be intensive. Any operating surpluses typically fund capital expenditures and future liabilities.

In our view, a very low debt burden relative to that of its peers continues to support Sault Ste. Marie's credit profile. Total tax-supported debt at the end of 2014 was C\$10.2 million, equal to 5.2% of consolidated operating revenue (all figures Standard & Poor's-adjusted). This is down from 17.1% in 2007 and we expect it will remain well below 30% during the next two years, as the city's planned borrowing is very modest. We also believe that the city's interest costs will be fairly stable, at less than 1% of operating revenues.

In our opinion, Sault Ste. Marie's contingent liabilities are low. They include debt at self-supporting city-owned public utility companies (equal to about 41% of operating revenue in 2014), standard employee benefits, and landfill postclosure liabilities (which net of reserves totaled about 15% of operating revenue). We believe these liabilities do not have a significant impact on the city's credit profile.

The city's budgetary performance is strong, in our view. Although declining provincial grants and rising operating expenses have resulted in operating surpluses declining to an average of about 9% of operating revenues since 2011, from 15% before, we expect that provincial grants will stabilize after 2015 and that operating balances will remain healthy and average about 8% in our 2013-2017 forecast. We also expect that capital expenditures will remain near current levels (C\$25 million-C\$30 million annually), which will result in modest after-capital deficits averaging less than 1% of total revenues in 2013-2017. This is lower than previously forecast because capital expenditures are about C\$7 million lower in 2014-2016, on average, than under our previous forecast.

In our view, Sault Ste. Marie demonstrates satisfactory financial management. Disclosure and transparency are what we characterize as good, annual financial statements are audited and unqualified, and the city prepares one-year operating and capital budgets annually. However, Sault Ste. Marie is still developing its long-term capital plan in conjunction with its asset management plan, which results in less visibility regarding both its spending and related borrowing plans. It also has a track record of using prior year surpluses to reduce the current year's levy impact on residential property taxpayers; a tactic that might not be sustainable without affecting service levels.

We believe the city's economic performance has been average but that its growth prospects remain constrained by slow population growth and lower GDP per capita and household income levels. City-sourced data estimate that real GDP has been fairly stable, averaging slightly less than US\$37,000 per capita in 2012-2014, which is materially less than the provincial average of about US\$48,600 in that period. Although Sault Ste. Marie continues to gradually diversify away from its traditional resource-based roots, we believe that medium-term economic and related GDP growth will remain muted relative to some

of its peers.

We view Sault Ste. Marie's budgetary flexibility as average. Like most Canadian municipalities, the city has somewhat limited budgetary flexibility on the expenditure side given provincially mandated service levels, labor contracts, inflation, and political pressures. The ability to set property taxes, utility rates, and user fees grants the city significant revenue-raising capabilities (modifiable revenues accounted for about 86% of its operating revenue in 2014) and helps limit revenue volatility; however, political and economic pressures can constrain the degree to which it uses these. Higher levels of capital expenditures can provide some flexibility, assuming there are discretionary or noncritical projects that can be deferred, although we forecast that Sault Ste. Marie's capital spending in 2013-2017 will average about 13% of total expenditures, which is somewhat lower than that of many peers.

Liquidity

The city has maintained what we view as an exceptional liquidity position, similar to that of most Canadian municipalities, and has been a net creditor since 2006. Free cash and liquid assets of almost C\$50 million at year-end 2014 covered about 28x the estimated debt service for 2015. We believe that Sault Ste. Marie will maintain its exceptional liquidity and net creditor positions during our two-year outlook horizon.

In our view, the city has satisfactory access to external liquidity given its proven ability to issue into public debt markets and the presence of a secondary market for Canadian municipal debt instruments.

Outlook

The stable outlook reflects Standard & Poor's expectations that, in the next two years, Sault Ste. Marie's debt burden will remain very low, its liquidity position will remain exceptional, and its budgetary performance will remain strong. We could revise the outlook to negative or lower the rating if the city experienced an economic shock that weakened its budgetary flexibility and budgetary performance such that operating balances fell below 5% of operating revenues or after-capital deficits approached 10% of total revenues. We could take a further positive rating action if the economy demonstrated material growth and diversification, although we do not view this as likely within the next two years.

Key Statistics

Table 1

City of Sault Ste. Marie -- Economic Statistics					
	--Fiscal year ended Dec. 31--				
(%)	2010	2011	2012	2013	2014
Population (total)	75,103	75,141	75,216	75,291	75,366
Population growth	0.1	0.1	0.1	0.1	0.1
Unemployment rate	10.0	8.9	7.5	8.4	6.6

Note: The data and ratios above result in part from Standard & Poor's own calculations, drawing on national as well as international sources, reflecting Standard & Poor's independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. Sources typically include Statistics Canada.

Table 2

City of Sault Ste. Marie -- Financial Statistics						
	--Fiscal year ended Dec. 31--					
(Mil. C\$)	2012	2013	2014	2015bc	2016bc	2017bc
Operating revenues	187	195	198	202	208	214
Operating expenditures	170	176	180	186	192	198
Operating balance	17	18	17	16	16	16
Operating balance (% of operating revenues)	9.1	9.4	8.8	8.0	7.8	7.6
Capital revenues	6	7	11	9	10	12
Capital expenditures	24	20	29	27	27	35
Balance after capital accounts	(1)	5	(1)	(1)	(1)	(7)
Balance after capital accounts (% of total revenues)	(0.4)	2.7	(0.4)	(0.5)	(0.7)	(2.9)
Debt repaid	3	2	2	1	2	2
Balance after debt repayment and onlending	(4)	3	(3)	(2)	(3)	(9)
Balance after debt repayment and onlending (% of total revenues)	(1.9)	1.6	(1.4)	(1.1)	(1.6)	(3.9)
Gross borrowings	0	0	0	8	0	0
Balance after borrowings	(4)	3	(3)	6	(3)	(9)
Operating revenue growth (%)	4.5	4.0	1.4	2.1	3.0	2.8
Operating expenditure growth (%)	4.4	3.6	2.1	3.0	3.2	3.1
Modifiable revenues (% of operating revenues)	84.2	84.9	85.9	86.8	87.6	88.4
Capital expenditures (% of total expenditures)	12.2	10.4	13.8	12.6	12.5	15.1
Direct debt (outstanding at year-end)	15	12	10	17	15	13
Direct debt (% of operating revenues)	7.8	6.4	5.2	8.4	7.2	6.0
Tax-supported debt (% of consolidated operating revenues)	7.8	6.4	5.2	8.4	7.2	6.0
Interest (% of operating revenues)	0.4	0.4	0.4	0.3	0.3	0.3
Debt service (% of operating revenues)	2.0	1.5	1.5	0.9	1.3	1.2

Note: The data and ratios above result in part from Standard & Poor's own calculations, drawing on national as well as international sources, reflecting Standard & Poor's independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer. Base case reflects Standard & Poor's expectations of the most likely scenario. Downside case represents some but not all aspects of Standard & Poor's scenarios that could be consistent with a downgrade. Upside case represents some but not all aspects of Standard & Poor's scenarios that could be consistent with an upgrade. bc--Base case.

Ratings Score Snapshot

Table 3

City of Sault Ste. Marie -- Rating Score Snapshot	
Key rating factors	Assessment
Institutional Framework	Very predictable and well-balanced
Economy	Average
Financial Management	Satisfactory
Budgetary Flexibility	Average
Budgetary Performance	Strong
Liquidity	Exceptional
Debt Burden	Very low
Contingent Liabilities	Low

*Standard & Poor's ratings on local and regional governments are based on eight main rating factors listed in the table above. Section A of Standard & Poor's "Methodology For Rating Non-U.S. Local And Regional Governments," published on June 30, 2014, summarizes how the eight factors are combined to derive the foreign currency rating on the government.

Key Sovereign Statistics

Sovereign Risk Indicators, June 30, 2015. Interactive version available at <http://www/spratings.com/sri>

Related Criteria And Research

Related Criteria

- Methodology For Rating Non-U.S. Local And Regional Governments, June 30, 2014

Related Research

- 2014 Annual International Public Finance Default Study And Rating Transitions, June 8, 2015
- Institutional Framework Assessments For Non-U.S. Local And Regional Governments, Feb. 5, 2015

In accordance with our relevant policies and procedures, the Rating Committee was composed of analysts that are qualified to vote in the committee, with sufficient experience to convey the appropriate level of knowledge and understanding of the methodology applicable (see 'Related Criteria And Research'). At the onset of the committee, the chair confirmed that the information provided to the Rating Committee by the primary analyst had been distributed in a timely manner and was sufficient for Committee members to make an informed decision.

After the primary analyst gave opening remarks and explained the recommendation, the Committee discussed key rating factors and critical issues in accordance with the relevant criteria. Qualitative and quantitative risk

Research Update: City of Sault Ste. Marie Upgraded To 'AA-' From 'A+ On Exceptional Liquidity And Strong Budgetary Performance

factors were considered and discussed, looking at track-record and forecasts.

The committee's assessment of the key rating factors is reflected in the Ratings Score Snapshot above.

The chair ensured every voting member was given the opportunity to articulate his/her opinion. The chair or designee reviewed the draft report to ensure consistency with the Committee decision. The views and the decision of the rating committee are summarized in the above rationale and outlook. The weighting of all rating factors is described in the methodology used in this rating action (see 'Related Criteria And Research').

Ratings List

Ratings Raised

	To	From
Sault Ste. Marie (City of)		
Issuer credit rating	AA-/Stable/--	A+/Positive/--
Senior unsecured debt	AA-	A+

Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com and at www.spcapitaliq.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

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COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Frank Coccimiglio, Manager of Information Technology Division

DEPARTMENT: Finance Department

RE: Bell Mobility In-Building Distributed Antenna System for the Essar Centre.

PURPOSE

Information Technology Division is requesting approval from City Council to enter into a License Agreement with Bell Mobility Inc. allowing for the installation of an In-House Distributed Antenna System in the Essar Centre to enhance the Cellular signals within the building.

BACKGROUND

The City was previously approached by Shaw to have infrastructure devices installed on City property. Council approved By-Law 2013-136 with the understanding and direction that similar type arrangements would be made available to all service providers (not exclusive) and that all providers would be expected to adhere and sign an Agreement with the City containing the same terms/covenants.

The City has now been approached by Bell Mobility who has expressed an interest in installing an In-House Distributed Antenna to improve and make more efficient the cellular service to those attending Essar Centre events. It will also have the benefit of improving cellular service in the Downtown area. The essential terms of the Agreement remain the same, and some terms have been amended to coincide with the type of service offered by Bell Mobility Inc.. Legal has reviewed and negotiated the terms of the Agreement.

ANALYSIS

Bell Mobility Inc. is proposing an In-House Antenna Distribution system that will allow cellular signals to enter the Essar Centre, where signals were unable to penetrate due to interference related to materials used in the construction of the building. There will be no impact on the operation of the building with the exception of enhanced telecommunications.

IMPACT

This equipment is being supplied at no charge, and will remain the exclusive property of Bell Mobility Inc. City Staff, Councillors and the general public will benefit from enhanced cellular phone and data signals which will allow for optimal usage of portable equipment including phones, smartphones and laptops/tablets.

The City will receive \$3,500.00 yearly for the duration of the contract, 10 years with renewal for three consecutive 5 year periods. This is consistent with the value we realize yearly from the implementation of the Shaw Go Wi-Fi distribution system utilized at our City facilities.

STRATEGIC PLAN

This item is linked to Strategic Direction 2: Delivering Excellent Services, Objective 2A – Communications.

RECOMMENDATION

It is therefore recommended that Council take the following action:

That Council approve The City of Sault Ste. Marie entering into a License Agreement with Bell Mobility Inc. allowing for the installation of the In-House Antenna Distribution System for the Essar Centre.

By-law 2015-182 containing the License Agreement appears elsewhere on the agenda and is recommended for approval.

Respectfully submitted,



Frank Coccimiglio
Manager of Information Technology
Division



COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Nicholas J. Apostle, Commissioner of Community Services
DEPARTMENT: Community Services Department
RE: Effects of William Merrifield School Closure on Adjacent

PURPOSE

The purpose of this report is to advise Council on how the closure of William Merrifield School closure affects the outdoor rink and tennis courts that are adjacent to the school.

BACKGROUND

William Merrifield Public School is located on Estelle St. in the City's west end. An aerial view of the area is attached.

At the time the school was built it was common practice for the City, in conjunction with the Algoma District School Board (ADSB), to develop recreation facilities/amenities adjacent to the school, on ADSB property. In the case of William Merrifield Public School, tennis courts, an outdoor rink and rink shack, and playground equipment were provided, maintained, and operated by the City.

The school recently closed. This past summer it was advertised for sale and subsequently an offer was received from a local developer. One option being explored is a new subdivision on the site.

The ADSB contacted the City and offered the portion of property where the rink and tennis courts are located with the provision that these facilities would continue to be operated and maintained by the City and named William Merrifield Park.

At the request of ADSB staff, a meeting, to review the offer to the City, was held on September 21, 2015 that included City staff (Planning, Legal, PWT, and CSD).

ANALYSIS

City staff's review of the offer consisted of the following:

1. The rink shack and tennis courts are in a deteriorated condition and have been identified to be replaced. The replacement cost is estimated to be \$100,000.
2. There are four City operated outdoor ice rinks and they are strategically located throughout the City. Anna McCrea rink in the east end, Esposito rink in the city centre, and William Merrifield in the west end. The fourth rink is the Art Jennings Oval, located at Queen Elizabeth Sports Complex.
3. The William Merrifield ice rink is well used.
4. In a site plan for a new subdivision, staff would not recommend an outdoor rink or tennis courts to be built unless there were sufficient buffers in place. The William Merrifield School site does not have such buffers in place.
5. Rink lights, at any proposed subdivision for the William Merrifield School property, would shine onto neighbouring properties causing an inconvenience.
6. Maintenance on the ice rink occurs in the early morning and is disturbing to neighbours.
7. The existing outdoor rink and tennis courts border Henrietta Street. This area is well suited to the construction of new homes resulting in an increase in the tax base.
8. The configuration of the ADSB property is such that there are areas that are better suited to a neighbourhood park development.
9. The ice rink could easily be relocated to Mike Zuke Park (see attached map for the location). An outdoor rink was previously operated at this park. The rink lights and rink shack are still in place and operational.
10. Mike Zuke Park is named after the local hockey legend that helped develop many young hockey players. He is also a member of the Sault Ste. Marie Hockey Hall of Fame.
11. Mike Zuke Park is approximately three kilometers west of William Merrifield School.
12. The tennis courts are used for various activities including tennis.
13. The approach that staff recommends for the proposed new sub-division on the William Merrifield School property is that green space (park) be identified through subdivision approval process. Further, once the subdivision is occupied, meetings with residents will need to take place to develop the components of the green space. Any new space is recommended to be named William Merrifield Park which would reflect the ABSB and Merrifield family's wishes to keep the name within the community.
14. The William Merrifield rink would continue to operate for the 2015-16 season without effecting the development of the property. This did not pose a concern to both the ADSB prior to a sale of the property nor the Developer following the sale of the property.

IMPACT

The cost to replace the William Merrifield rink shack and tennis courts is estimated to be \$100,000.

There will be a cost to implement playground equipment in the new sub-division. The funds could be allocated from 5% Sub-Dividers Reserve Fund.

The sale of the William Merrifield School property and subsequent development of homes on the site will provide an increase in tax revenue to the City from a property that is currently exempt as a school.

STRATEGIC PLAN

This matter is not specifically addressed in the Corporate Strategic Plan.

RECOMMENDATION

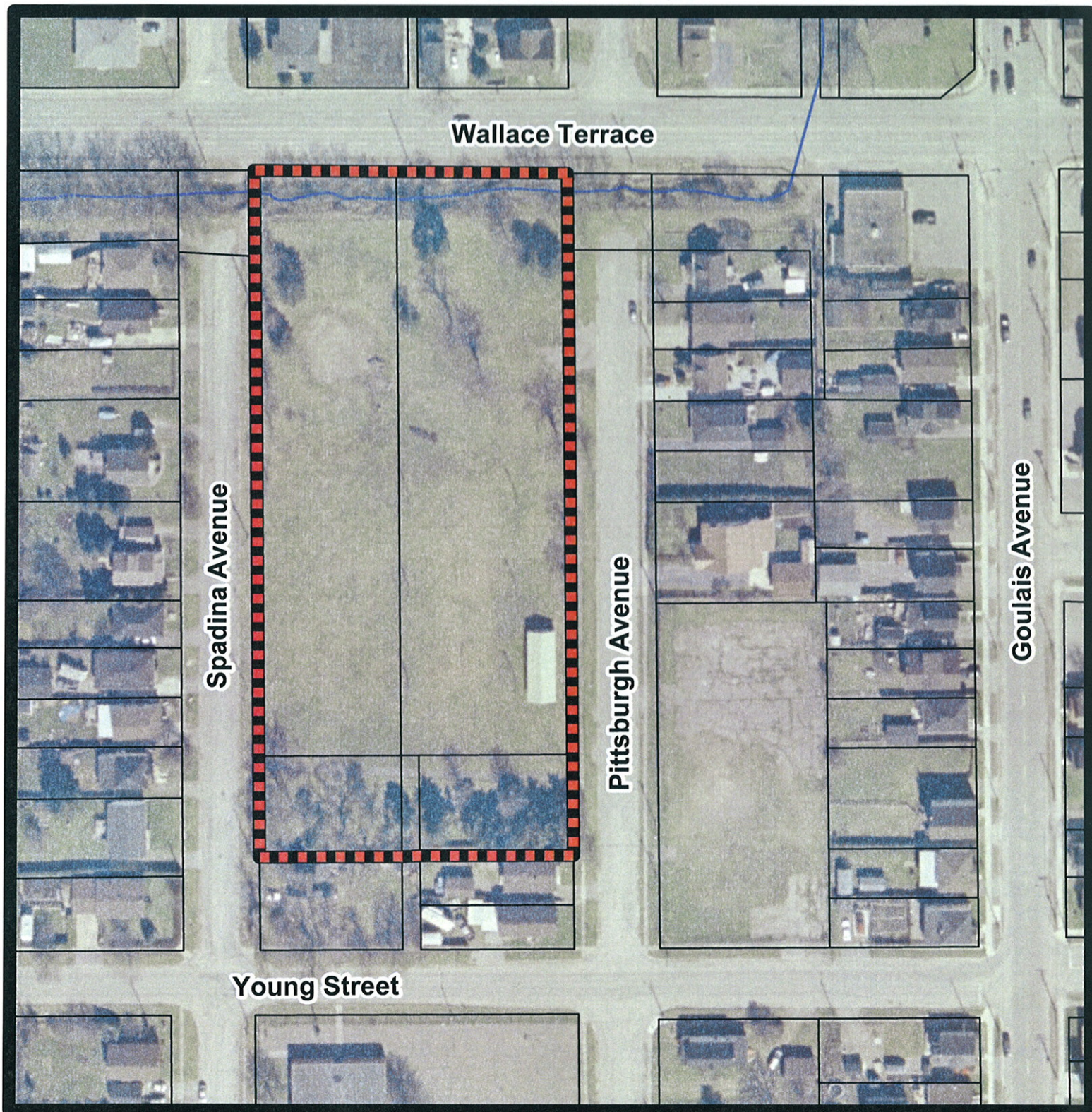
It is therefore recommended that Council take the following action:

Resolved that the report of the Commissioner of Community Services dated October 26, 2015, concerning the Effects of William Merrifield School Closure on Adjacent Outdoor Rink and Tennis Courts be accepted and that the recommendation to not accept the offer from the Algoma District School Board to acquire the portion of property, at the William Merrifield School site, where the outdoor rink, rink shack and tennis courts are situated, and further to work with the developer of the site, through the subdivision approval process, for the provision of a park to be named William Merrifield Park, and also that the rink at the William Merrifield School location operate this season and in 2016-17 have the Mike Zuke Park rink operate in its place, be approved.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "N. Apostle". The signature is fluid and cursive, with a large initial "N" and a stylized "Apostle".

Nicholas J. Apostle, Commissioner,
Community Services Department



2012 ORTHO PHOTO SUBJECT PROPERTY MAP MIKE ZUKE MEMORIAL PARK

212 - 216 Spadina Avenue & 211 - 215 Pittsburg Avenue

Legend

 Mike Zuke Memorial Park Page 54 of 336



METRIC SCALE
1 : 1300

ROLL NUMBERS
060-004-133-00
060-004-134-00
060-004-077-00
060-004-078-00



2012 ORTHO PHOTO SUBJECT PROPERTY MAP

Wm. MERRIFIELD SCHOOL SITE
331 PATRICK STREET



METRIC SCALE
 1 : 2100



Wm Merrifield School Site

Page 55 of 336

ROLL NUMBER
 050-007-013-00



COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Mike Nadeau, Commissioner Social of Social Services

DEPARTMENT: Social Services Department

RE: Healthy Kids Community Challenge

PURPOSE

To request authorization to enter into a Purchase of Service Agreement with Algoma Public Health. The purpose of this agreement is to manage and administer the day to day activities of the Healthy Kids Community Challenge Initiative until March 31, 2018

BACKGROUND

Ontario's Healthy Kids Community Challenge is a community led program. Partners from different sectors will work together to implement activities to promote healthy weight and lifestyle for kids in Sault Ste. Marie. Our community will be implementing local activities based on specific themes related to healthy eating and physical activity. This is all based on the latest research on risks and protective factors that are known to lead to, or prevent, childhood obesity. Algoma Public Health has expertise related to these themes and is an active partner in this Initiative.

Council was originally provided with a report regarding this initiative on January 12, 2015. On August 10, 2015 Council approved entering into an Agreement with the Ministry of Health to secure funding for the Initiative.

ANALYSIS (if applicable)

Not applicable

IMPACT

The Challenge will be a three (3) year initiative.
The total annual funding contributions will be:

2015-2016 \$50,000 municipal \$175,000 provincial

2016-2017 \$50,000 municipal \$175,000 provincial

2017-2018 \$50,000 municipal \$175,000 provincial

Total \$150,000 municipal \$525,000 provincial

STRATEGIC PLAN

The Challenge is not part of the current strategic plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

That Council enter into a 2015-2018 Purchase of Service Agreement with Algoma Public Health to manage and administer the day to day activities of the Healthy Kids Community Challenge Initiative.

Respectfully submitted,



Mike Nadeau
Commissioner Social Services
Your position title



COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Madison Zuppa, Environmental Initiatives Coordinator
DEPARTMENT: Engineering and Planning Department
RE: Municipal Council Support Resolution

PURPOSE

The purpose of this report is to request Council support for one (1) rooftop solar photovoltaic application being submitted to the Independent Electricity System Operator Feed-In-Tariff Program.

BACKGROUND

The Feed-In-Tariff (FIT) is a provincial program administered by the Independent Electricity System Operator (IESO), which provides a pre-determined rate per kWh generated depending on the project type (i.e. rooftop solar, ground mounted solar, etc.). The IESO initiated another FIT review in the Spring of 2015 and have released draft rules for FIT 4. New applications and applications that did not receive FIT 3.0 or FIT 3.1 contracts will be able to apply to the IESO (formerly known as the OPA) between September 30 through October 23, 2015, but will be subject to the FIT 4 rules.

Under the FIT 4 rules, priority points could be awarded to projects that receive municipal Council endorsement in the form of an IESO prescribed "Municipal Council Support Resolution" and "Municipal Council Resolution Confirmation". JBG Holdings & Investments Inc. is requesting Council support for a rooftop solar photovoltaic system at the following location:

1. Store Your Stuff, 2196 Queen Street East, Sault Ste. Marie, Ontario

This project supports the Alternative Energy Capital of North America declaration carried at the regular Council meeting dated 2008 09 08:

Moved by Councillor S. Butland; Seconded by Councillor T. Sheehan: Resolved that Council adopt the mantle of being the "Alternative Energy Capital of North America".

This project is also important to the development and maintenance of the community's role in the alternative energy sector. The presence of solar energy generation and manufacturing has positively influenced the economic and environmental landscape of the community.

ANALYSIS

Information and documentation was provided by Brian Gallagher, from JBG Holdings & Investments Inc.

IMPACT

There is no budgetary impact. Building permits will be required for the rooftop solar photovoltaic projects proposed, but local zoning and by-laws do not apply.

STRATEGIC PLAN

The Corporate Strategic Plan contains numerous references to environmental awareness and a reduction in CO2 emissions; however, renewable energy projects are not included.

RECOMMENDATION

It is therefore recommended that Council take the following action:

That the report of the Environmental Initiatives Coordinator dated 2015 10 13 concerning the solar photovoltaic FIT application be received. By-law 2015-186 appears elsewhere on the agenda authorizing one (1) Municipal Council Support Resolution and one (1) Municipal Council Confirmation Resolution and is recommended for approval.

Respectfully submitted,



Madison Zuppa
Environmental Initiatives Coordinator

Recommended for approval



Jerry Dolcetti, RPP
Commissioner, Engineering & Planning



Independent Electricity
System Operator

**FEED-IN TARIFF
PROGRAM**

WRITABLE FORM

120 Adelaide Street West, Suite 1600
Toronto, Ontario M5H 1T1
T 416-967-7474
F 416-967-1947
www.ieso.ca

PRESCRIBED FORM: MUNICIPAL COUNCIL RESOLUTION CONFIRMATION

Section 3.8(g) and 5.1(g)(i) of the FIT Rules, Version 4.0.1

Page 1 of 2 Apr 2015 IESOMRD/f-FIT-012r3

1	Resolution number: _____ Date resolution(s) was passed: _____	FIT Reference Number: <u>FIT-ZE0P2</u> <i>(The FIT Reference Number must be inserted by the Applicant in order for the resolution to comply with the FIT Rules.)</i>
----------	--	---

2

Capitalized terms not defined herein have the meanings ascribed to them in the FIT Rules, Version 4.0.1.

I am the/an _____ (insert title or position with the Local Municipality) of the _____ (insert the name of the Local Municipality) (the "Municipality"), and have the delegated authority to provide this confirmation on behalf of the Municipality and without personal liability.

3

_____ JBG Holdings & Investments Inc. (the "Applicant") proposes to construct and operate a
(This must be the same Applicant (i.e., same name) as stated in the Municipal Council Support Resolution or Land Use Restriction Exemption Resolution provided as attached)

_____ Roof Top Solar Project (the "Project") on
(This must be the same description as stated in the Municipal Council Support Resolution or Land Use Restriction Exemption Resolution provided as attached)

_____ 2196 Queen Street East, Sault Ste. Marie, Ontario, P6A 7B5 (the "Lands") in the Municipality under the province's FIT Program.
(This must be the same description as the Lands in the Municipal Council Support Resolution or Land Use Restriction Exemption Resolution provided, as attached)

4

The resolution(s) provided with this Confirmation is *(check one or both as applicable)*:

a) ☒ A Municipal Council Support Resolution *(if selected, check one of the following)*:

1) ☒ A new FIT 4.0.1 Municipal Council Support Resolution. *(if selected the resolution must be attached as Exhibit "A")*

2) ☐ A pre-existing FIT 3.0 Municipal Council Support Resolution which has not been rescinded. *(if selected the resolution must be attached as Exhibit "A")*

ii) I have confirmed that the Project being proposed by the Applicant under the Province's FIT Program is the same Project on the same Lands as the Project that was the subject of the Municipal Council Support Resolution attached as Exhibit "A".

b) ☐ A Land Use Restriction Exemption Resolution *(if selected the resolution must be attached as Exhibit "A")*.

5

Name: Christian Provenzano / Malcolm White Signed: _____

Title: Mayor / City Clerk Date: October 13, 2015

(Signature block for authorized signee. Must be an original ink signature)

PRESCRIBED FORM: MUNICIPAL COUNCIL RESOLUTION CONFIRMATION

Section 3.8(g) and 5.1(g)(i) of the FIT Rules, Version 4.0.1

Page 2 of 2 Apr 2015 IESOMRD/f-FIT-012r3

EXHIBIT "A" RESOLUTION(S)

(Attach one or more of the new FIT 4.0.1 Municipal Council Support Resolution, the FIT 3.0 Municipal Council Support Resolution previously passed in support of the Project, and the Land Use Restriction Exemption Resolution, as applicable.)

Template: Municipal Council Support Resolution

Section 5.1(g)(i) of the FIT Rules, Version 4.0.1

Page 1 of 1

Apr 2015

IESOMRD/f-FIT-010r3

Resolution Number: _____

FIT Reference Number: FIT-ZE0P2

(The FIT Reference Number must be inserted by the Applicant in order for the resolution to comply with the FIT Rules, even where Local Municipality letterhead is used. This is not to be inserted by The Local Municipality.)

Date Resolution was passed: _____

[WHEREAS] capitalized terms not defined herein have the meanings ascribed to them in the FIT Rules, Version 4.0.1.

[AND WHEREAS] JBG HOLDINGS & INVESTMENTS INC. proposes to construct and operate a ROOF TOP SOLAR PROJECT on 2196 QUEEN STREET EAST SAULT STE. MARIE in SAULT STE. MARIE under the Province's FIT Program;

[AND WHEREAS] the Applicant has requested that Council of SAULT STE. MARIE, ONTARIO indicate by resolution Council's support for the construction and operation of the Project on the Property.

[AND WHEREAS] pursuant to the FIT Rules, Version 4.0.1, Applications whose Projects receive the formal support of Local Municipalities will be awarded Priority Points, which may result in the Applicant being offered a FIT Contract prior to other Persons applying for FIT Contracts;

[NOW THEREFORE BE IT RESOLVED THAT]:

Council of the SAULT STE. MARIE, ONTARIO supports the construction and operation of Project on the Lands.

This resolution's sole purpose is to enable the Applicant to receive Priority Points under the FIT Program and may not be used for the purpose of any other form of municipal approval in relation to the Application or Project or any other purpose.

Signed:

Signed:

Title: Mayor Christian Provenzano

Title: City Clerk Malcolm White

Date: October 13, 2015

Date: October 13, 2015

(Signature lines for elected representatives. At least one signature is required.)



COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Carl Rumiel, P. Eng., Design and Construction Engineer

DEPARTMENT: Engineering and Planning Department

RE: Gore Street Reconstruction – Engineering Agreement

PURPOSE

The purpose of this report is to request Council approval to authorize an engineering agreement with AECOM for engineering services on the Reconstruction of Gore Street from Queen Street to Wellington Street.

BACKGROUND

At the 2015 09 14 meeting, Council provided approval to enter into agreements with engineering consultants for engineering services on the 2016 Capital Road Reconstruction Program. Included in that report was approval to retain AECOM for the design and contract administration of the reconstruction of Gore Street.

The City received a grant of \$600,000 from the NOHFC for upgrading streetscape on Gore Street. In order to avoid tearing up new surface features to fix aged underground infrastructure, the Engineering and Finance departments are currently trying to identify funds to completely reconstruct Gore Street in 2016.

ANALYSIS

It is routine procedure for the Engineering Division to seek Council's approval to authorize agreements for engineering services for the approved projects in the upcoming year.

IMPACT

The impact to the budget is the engineering fee estimate which is \$179,000 for the preliminary and detailed design of the reconstruction of Gore Street. The Finance Department has confirmed that this can be covered by uncommitted capital works funds.

The Engineering Department will be required to get Council approval before awarding any contracts as well as for retaining the consultant for the contract administration required for this project. The future report will identify these funding sources; therefore, this report only approves proceeding with the engineering design component of the project.

STRATEGIC PLAN

Reconstruction of deficient roads is linked to Objective 1B, Transportation Network Improvements under the Developing Solid Infrastructure strategic direction.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Design and Construction Engineer dated 2015 10 13 be accepted and that Council authorize entering into an agreement for engineering services with AECOM.

Bylaws 2015-185 authorizing the execution of the agreement can be found elsewhere on this evening's agenda.

Respectfully submitted,



Carl Rumiel, P. Eng.
Design & Construction Engineer

Recommended for approval



Jerry Dolcetti, RPP
Commissioner
Engineering & Planning Department

/bb



COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Jim St. Jules, Deputy Fire Chief- Support Services

DEPARTMENT: Fire Services

RE: T911 Network Equipment Installation and Support Services

PURPOSE

Fire Services is requesting approval from City Council to enter into a License Agreement with Bell Canada allowing for the installation and ongoing maintenance services for network and firewall equipment used for the new T911 IP based digital fibre emergency call system .

BACKGROUND

As of March 18, 2014 all Wireless Service Providers in Canada began registering deaf, hard of hearing and/or speech impaired subscribers for the Text 9-1-1 service (T9-1-1) in all provinces of Canada. As a result the City Police services and Fire Services were required to upgrade their 911 call system from the existing X.25 protocol to the new IP network based protocol serviced on a digital fiber network.

The transition to the IP network will include provisioning of new secure data circuits by Bell Canada at no cost to the City.

ANALYSIS

Bell Canada will be installing the fiber based T9-1-1 and terminating the service at the demark point located at the Main Fire Hall. Fire Services along with Information Technology is also requesting Bell Canada to install all appropriate networking and firewall equipment that is required to connect and communicate with Fire Service's "CriSys X-Per" emergency dispatch system. Bell Canada will also manage and maintain the equipment to ensure proper operations.

IMPACT

This agreement will insure that the installation and ongoing service of the 911 lines are properly configured and installed without any interruption of service to the 911 emergency notification system.

STRATEGIC PLAN

Was not a part of the strategic plan.

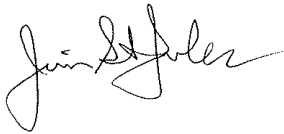
RECOMMENDATION

It is therefore recommended that Council take the following action:

That Council approve the City of Sault Ste. Marie entering into a License Agreement with Bell Canada allowing for the installation and ongoing maintenance and support for network and firewall equipment.

By-law 2015-187 containing the License Agreement appears elsewhere on the agenda and is recommended for approval.

Respectfully submitted,



Jim St. Jules
Deputy Fire Chief-Support Services

Recommended for approval



Mike Figliola
Fire Chief



COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Susan Hamilton Beach, P. Eng.
DEPARTMENT: Public Works and Transportation Department
RE: Amendment to Cemetery By-law (No. 2012-129)

PURPOSE

The purpose of this report is request Council approval to amend the Cemetery By-law to reflect the common practice of using artificial flowers in front of ground markers.

BACKGROUND

It has been brought to the attention of Management of the Cemetery that there is an increase in the use of artificial flowers in front of markers. The current by-law prohibits this from happening. Nevertheless, it has become a more common practice. There have been minimal to no issues from a maintenance and operations perspective.

IMPACT

If this recommendation is supported by Council, By-law No. 2012-129, Section 12.6 (a) will be amended to read:

“Flower beds **(containing either fresh or artificial flowers)** are permitted only on graves having a marker and shall be restricted to the area immediately in front of the marker; no wider than 40 cm (16”); and no longer than the marker base.”

The text in bold is the suggested amendment.

STRATEGIC PLAN

The topic of this report is not included in the Corporate Strategic Plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

“That the report of the Manager of Cemeteries be accepted; furthermore that the change to By-law 2012-129, Section 12.6 (a) be approved; and furthermore that the Legal Department bring the amended by-law to a future meeting of Council.

Respectfully submitted,

Recommended for approval

Handwritten signature of Roger Nenonen in black ink.

Roger Nenonen
Manager Cemeteries

Handwritten signature of Larry Girardi in black ink.

Larry Girardi
Commissioner, PWT

City of Sault Ste Marie
HUMAN RESOURCES DEPARTMENT
For the Eight Months Ending August 31, 2015

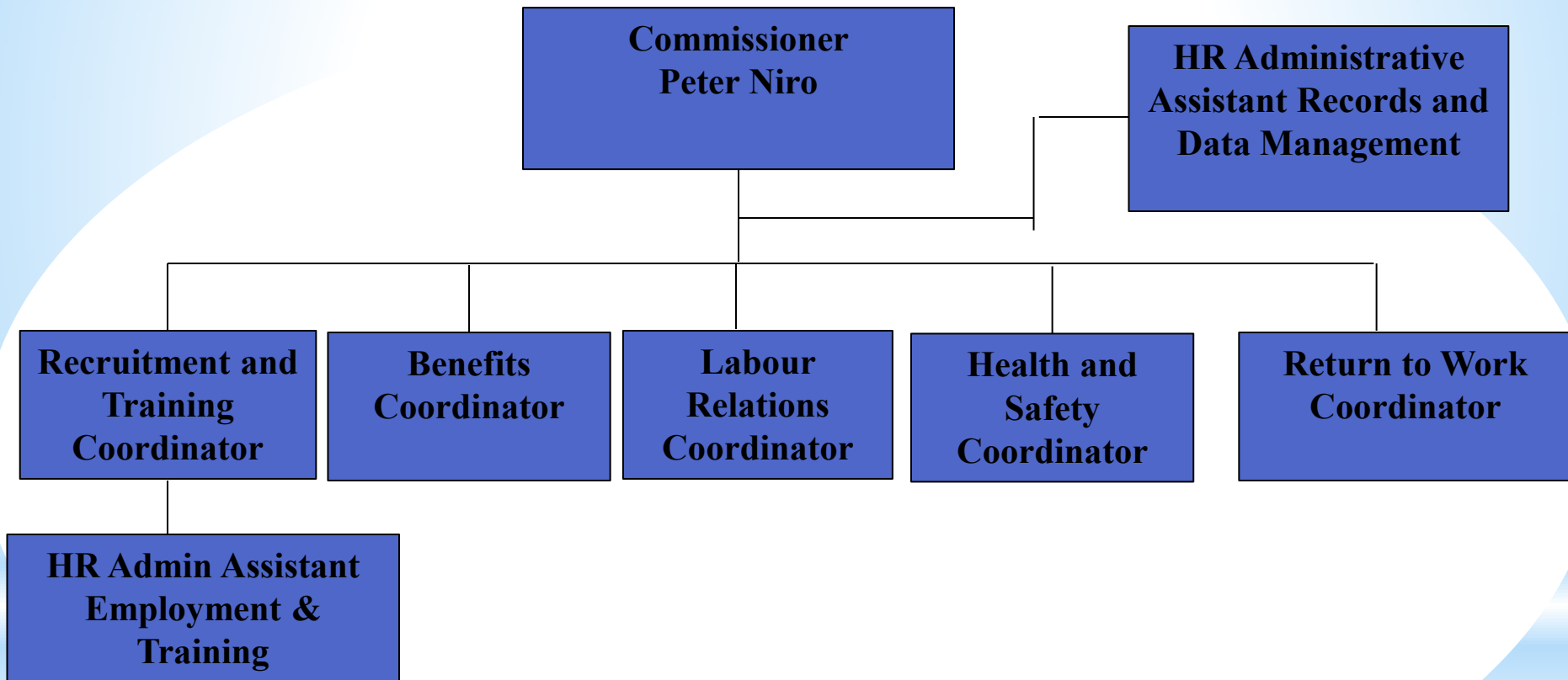
	AUGUST	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2014 Actual	2014 Actual
FISCAL YEAR REMAINING% :					33%	YTD TO: August	Year
REVENUE							
EXPENDITURES							
Salaries	\$81,509.82	\$449,345.94	\$663,250.00	\$213,904.06	32.25%	\$401,393.52	\$605,358.40
Benefits	17,570.50	314,066.18	\$485,368.00	\$171,301.82	35.29%	\$290,458.02	\$545,897.77
TOTAL SALARIES/BENEFITS	99,080.32	763,412.12	\$1,148,618.00	\$385,205.88	33.54%	\$691,851.54	\$1,151,256.17
Travel and training	1,645.01	31,235.03	\$58,800.00	\$27,564.97	46.88%	\$25,888.13	\$48,167.25
Vehicle allowance, maintenance and repairs			\$500.00	\$500.00	100.00%	\$164.67	\$203.80
Materials and supplies	4,565.64	23,536.62	\$39,045.00	\$15,508.38	39.72%	\$34,695.25	\$37,060.70
Maintenance and repairs	79.31	4,177.74	\$4,500.00	\$322.26	7.16%	\$2,050.43	\$2,050.43
Purchased and contracted services	31,920.87	193,690.32	\$303,775.00	\$110,084.68	36.24%	\$179,307.07	\$292,970.59
Transfer to own funds			\$0.00	\$0.00		\$0.00	\$37,459.41
Capital expense	596.80	6,445.32	\$11,785.00	\$5,339.68	45.31%	\$4,671.29	\$7,763.29
Depreciation			\$0.00	\$0.00		\$0.00	\$2,467.35
TOTAL OTHER EXPENSES	38,807.63	259,085.03	\$418,405.00	\$159,319.97	38.08%	\$246,776.84	\$428,142.82
	137,887.95	1,022,497.15	\$1,567,023.00	\$544,525.85	34.75%	\$938,628.38	\$1,579,398.99
NET (REVENUE)/EXPENDITURE	137,887.95	1,022,497.15	\$1,567,023.00	\$544,525.85	34.75%	\$938,628.38	\$1,579,398.99

SPENDING REVIEW

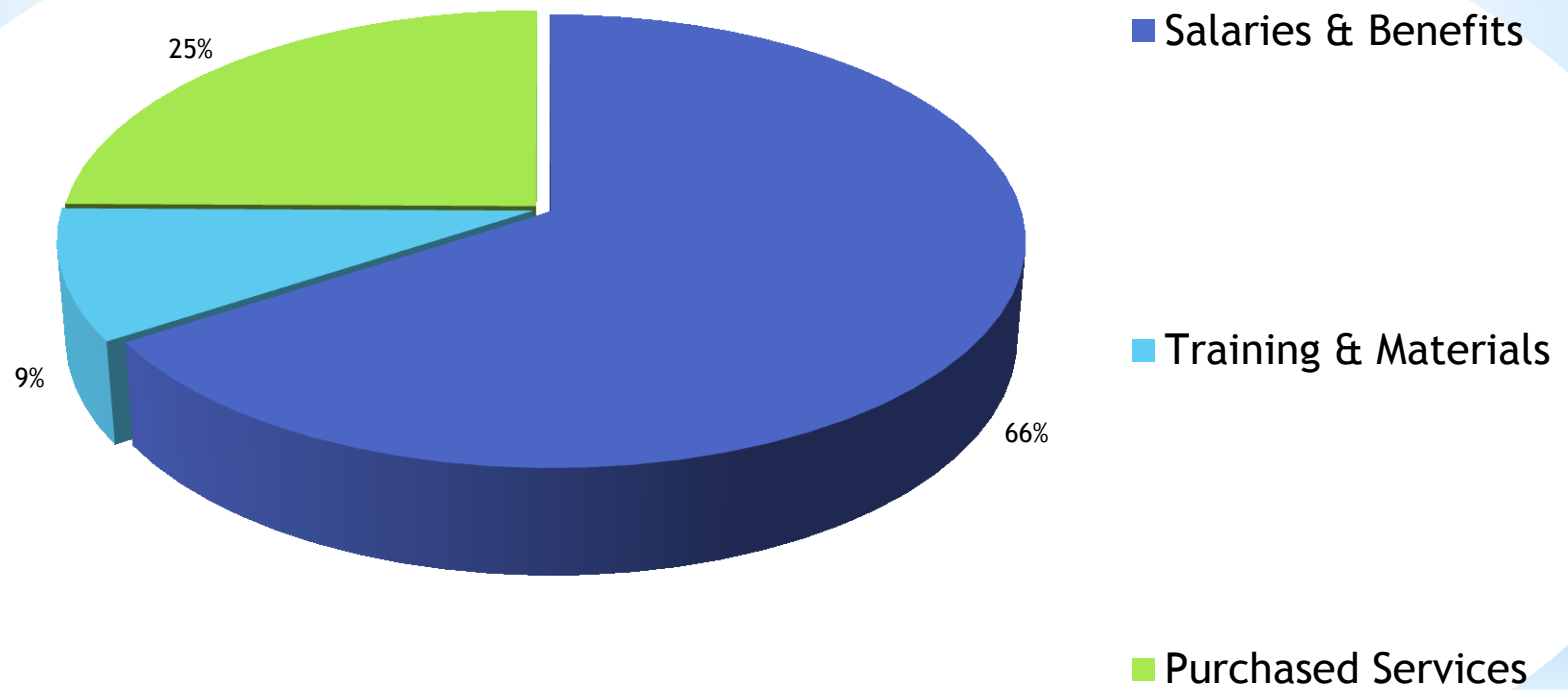
CITY OF SAULT STE MARIE HR DEPARTMENT

October 13, 2015

* HUMAN RESOURCES STAFF



* HR Spending



Benefit Costs

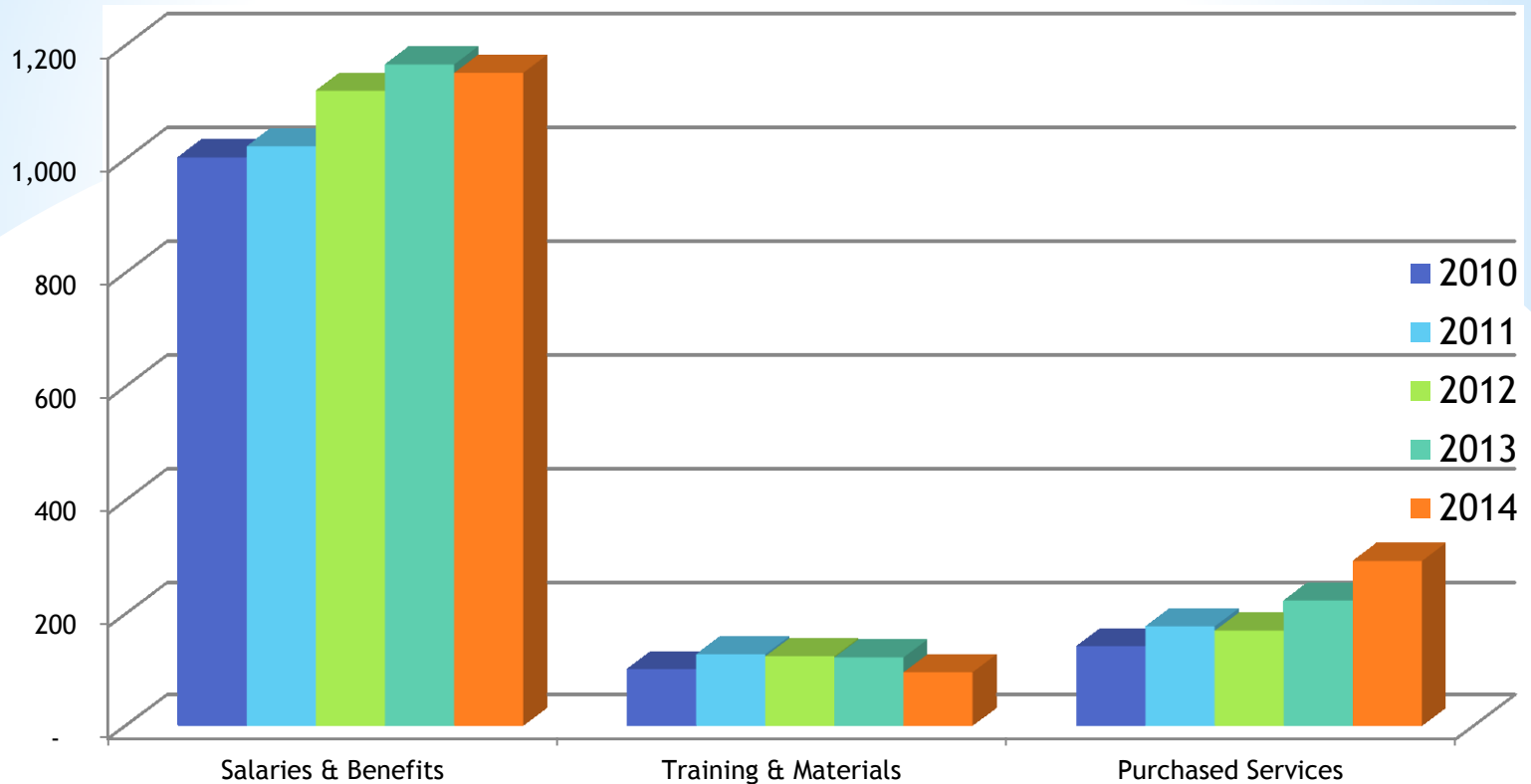
Part of Benefit Spending includes an additional \$311,000 for Corporate Retiree Benefits that is accounted for in the Human Resources Budget

This amount is included in the bar graph slide

Training and Materials

Includes Corporate Training, Department Training, Health and Safety Training and Leadership Development Training (Excellence Canada) and Mental Health Awareness Training

Associated materials → office expenses, resource memberships, photocopying, telephone



*** FIVE YEAR TREND**
ACTUALS 2010 TO 2014

* Other Notes

- * Benefit Increases due to experience ratings
- * LTD Costs - last three (3) years positive
- * Arbitrations and Settlements
- * Salary and benefit “dip” in 2014 not at original complement and reduction in retiree benefit costs
- * Purchased Services increase - addition of SBCI
- * Reduction in sick time per employee of over half a day

* OVERVIEW

City of Sault Ste Marie
LEGAL DEPARTMENT
For the Eight Months Ending August 31, 2015

	AUGUST	YTD Actual	YTD Budget	Variance	Percentage Budget-Rem	2014 Actual	2014 Actual
FISCAL YEAR REMAINING% :					33%	YTD TO: August	Year
REVENUE							
Fees and user charges	(\$72,954.98)	(\$1,727,572.11)	(\$2,192,965.00)	(\$465,392.89)	21.22%	(\$1,745,952.61)	(\$2,106,755.63)
Interest and Investment income		(6,619.70)	\$0.00	\$6,619.70		(\$7,986.83)	(\$13,136.34)
	(72,954.98)	(1,734,191.81)	(\$2,192,965.00)	(\$458,773.19)	20.92%	(\$1,753,939.44)	(\$2,119,891.97)
EXPENDITURES							
Salaries	107,022.42	595,599.31	\$812,570.00	\$216,970.69	26.70%	\$535,203.83	\$804,977.61
Benefits	20,581.28	139,175.54	\$209,020.00	\$69,844.46	33.42%	\$139,084.48	\$193,093.38
TOTAL SALARIES/BENEFITS	127,603.70	734,774.85	\$1,021,590.00	\$286,815.15	28.08%	\$674,288.31	\$998,070.99
Travel and training	203.08	10,360.14	\$15,855.00	\$5,494.86	34.66%	\$10,014.76	\$10,804.98
Vehicle allowance, maintenance and repairs			\$250.00	\$250.00	100.00%	\$0.00	\$0.00
Materials and supplies	2,198.19	33,988.26	\$76,675.00	\$42,686.74	55.67%	\$36,269.24	\$65,852.13
Maintenance and repairs			\$4,000.00	\$4,000.00	100.00%	\$0.00	\$0.00
Rents and leases	6,027.13	55,417.42	\$73,275.00	\$17,857.58	24.37%	\$52,661.43	\$72,389.13
Taxes and licenses	(29,922.08)	1,471,395.30	\$1,791,000.00	\$319,604.70	17.85%	\$1,182,579.40	\$1,843,616.72
Purchased and contracted services	54,776.11	161,950.36	\$252,000.00	\$90,049.64	35.73%	\$118,885.13	\$244,675.66
Transfer to own funds			\$154,000.00	\$154,000.00	100.00%	\$0.00	\$177,054.01
Capital expense		519.62	\$9,000.00	\$8,480.38	94.23%	\$2,565.23	\$3,018.06
Depreciation			\$0.00	\$0.00		\$0.00	\$4,065.30
Gain/Loss on Disposal of Capital Assets			\$0.00	\$0.00		\$0.00	(\$228,405.58)
TOTAL OTHER EXPENSES	33,282.43	1,733,631.10	\$2,376,055.00	\$642,423.90	27.04%	\$1,402,975.19	\$2,193,070.41
	160,886.13	2,468,405.95	\$3,397,645.00	\$929,239.05	27.35%	\$2,077,263.50	\$3,191,141.40
NET (REVENUE)/EXPENDITURE	87,931.15	734,214.14	\$1,204,680.00	\$470,465.86	39.05%	\$323,324.06	\$1,071,249.43

SPENDING REVIEW

**CITY OF SAULT STE MARIE LEGAL
DEPARTMENT**

October 13, 2015

LEGAL

Provides Legal advice and opinions to City Council and City Departments

Represents the City at various
boards, tribunals and Ontario
courts

Drafts all manner of legal
documents including by-laws,
contracts and opinions

Responsible for all City real
estate transactions

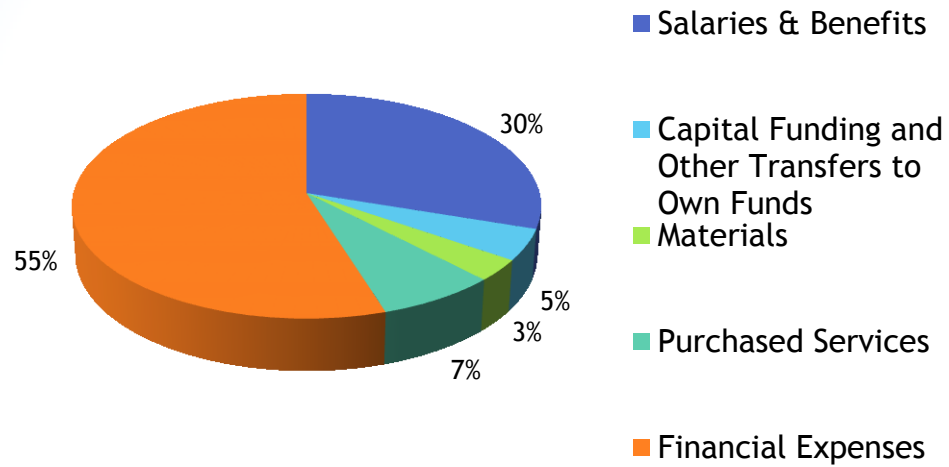
Responsible for City insurance

PROVINCIAL OFFENCES

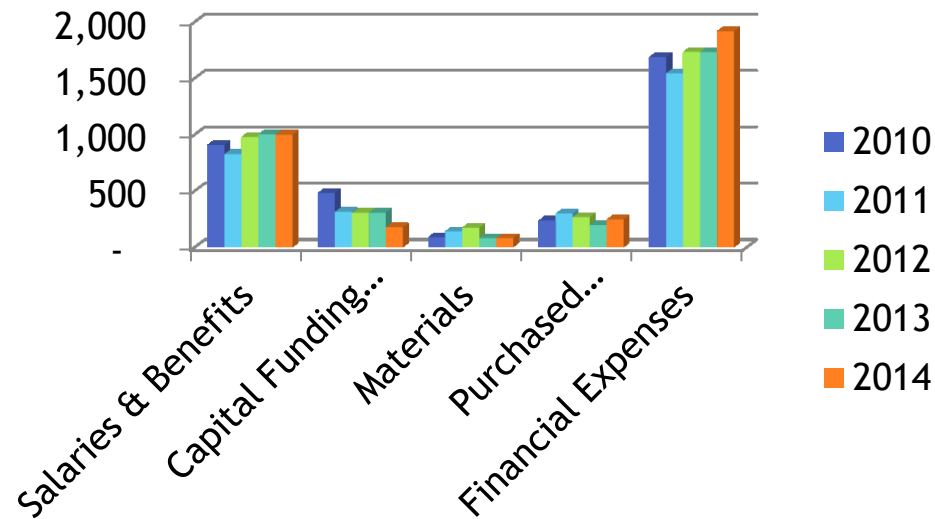
Provides court administration
for court catchment area

Prosecute offences under the
Provincial Offences Act

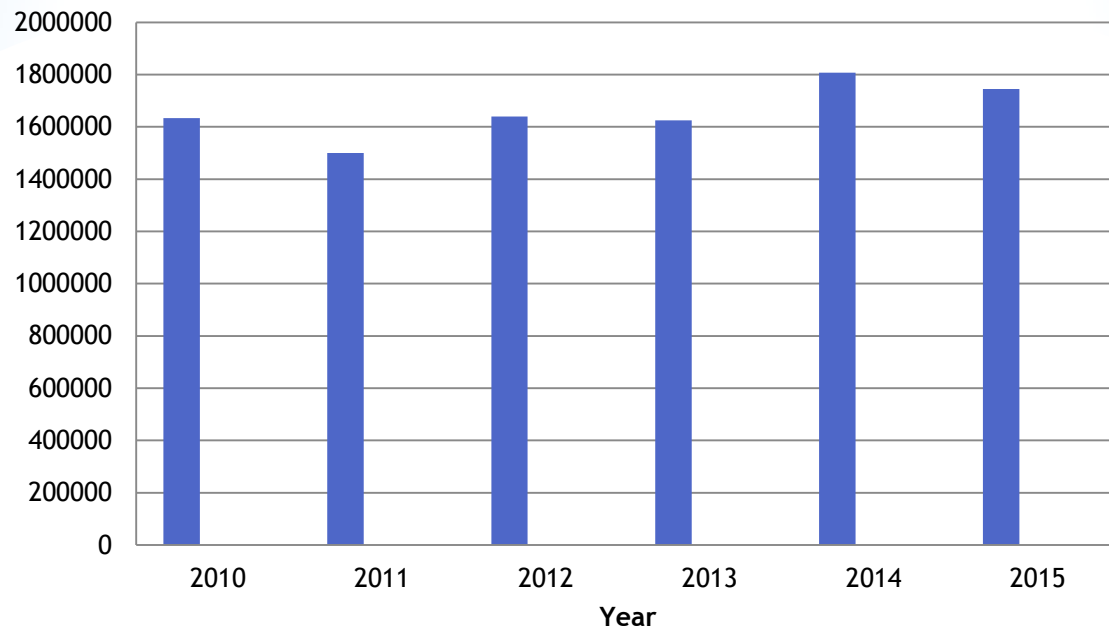
Collect fines associated with
sentences



*Budget 2015



*Five Year Trend - 2010-2014



* 5 Year Trending

- * Currently Jardine Lloyd Thompson
- * Premium \$1.3 M Deductible \$75,000.00
- * Increase in insurance claims - not readily predictable
- * More litigious citizens, unforeseen events
- * (flooding)
- * Efforts to limit claims through analyzing trending
- * Filling Risk Manager Position to assist with claims reduction

* OVERVIEW

- * Other: Uncontrollable Costs

- * Insurance Costs - generally annual increases - go to market every 3-5 years

- * Settlements and Court Orders - costs associated with litigation

* OVERVIEW



COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Steve Turco, MCIP, RPP, Planner

DEPARTMENT: Engineering and Planning Department

RE: A-18-15-Z.OP-181 Old Garden River Road

PURPOSE

To rezone the subject property to allow the property to be used for parking, as well as access and egress, in conjunction with the commercial development constructed at 760 Second Line East.

PROPOSED CHANGE

The applicant, Ark Developments Inc., is seeking to rezone the southerly portion of the subject property from “R2” (Single Detached Residential Zone) to “C4S.340” (General Commercial Zone with a Special Exception). As part of this application, an amendment to the City of Sault Ste. Marie Official Plan is required, re-designating the southerly portion to “Commercial”. The effect of the applicant’s request is to merge 760 Second Line East and the southerly portion of 181 Old Garden River Road under one common land use and zoning designation.

Subject Property:

- Location – Located on the east side of Old Garden River Road, approximately 60m (197’) north of Second Line, Southerly portion of Civic Number 181 Old Garden River Road
- Size – Frontage: 50m(163.76’); Depth (Irregular): 51m (167.3’); Area: 0.14ha (0.35 acres)
- Present Use – Residential Dwelling
- Owner – Marcy-Lynn Gibbs & Wayne Guy Joseph Chisholm

BACKGROUND

In July 2014, City Council approved an Official Plan and Zoning By-law amendment for 760 Second Line East, the property immediately south of the

subject property. Council's approval of that application facilitated the development of a commercial strip plaza. As part of the 2014 application, the applicant was seeking an access point onto Old Garden River Road. However, due to the size of the property, the access point would have been located too close to the signalized intersection, and as such, City staff restricted the access and egress of the commercial development to Second Line East only.

Since that time, the applicant has submitted an offer to purchase the subject property for the purpose facilitating the Old Garden River Road access point. If approved, the proposed access point would be approximately 65 metres from the signalized intersection.

The intent of the applicant is to facilitate a commercial access on the southerly portion of the subject property. Should Council approve the Official Plan and Zoning amendments, the applicant will subsequently sever the existing residential dwelling so that it can be continued to be used as a residential property.

ANALYSIS

Conformity with the Official Plan

The subject property is designated "Residential" on Schedule 'C' of the City of Sault Ste. Marie Official Plan. To accommodate the Old Garden River Road access point, the southerly portion of the subject property needs to be re-designated to "Commercial".

The subject property is also identified as having archaeological potential, however, the requirement for an archaeological assessment can be waived if it can be determined that previous intensive and extensive soil disturbances have occurred. A review of historical aerial photography shows that the subject property was actively farmed in the late 1930's. This activity would have created extensive soil disturbance and would have compromised any archaeological remains which may have existed on the site. Given this previous disturbance, an archaeological assessment is not required.

Comments

Planning staff are of the opinion that both an Official Plan and Zoning By-law amendment are warranted as the proposed development will facilitate a secondary access point to the existing commercial development at 760 Second Line East. This access point will be a great benefit to those wishing to head east on Second Line, as vehicles will be able to utilize the signalized intersection to turn left, as opposed to using the Second Line access, where traffic volumes and speeds would make exiting onto Second Line difficult at times.

The development of the Old Garden River Road access point will require the subject property to be rezoned to C4, General Commercial zone. Rezoning the

southerly portion of the subject property will bring the entire commercial development under one common zoning framework.

The proposal would result in an expansion of commercial development northerly into an existing residential area. Although modest, this expansion should be allayed with the use of high quality landscaping and appropriate buffering. To ensure that appropriate landscaping and buffering is accommodated in the final construction, staff is recommending that the portion of property proposed for commercial development be designated as an area of Site Plan Control.

An amendment to the site plan agreement for the existing commercial plaza will be required prior to any future development. It should be noted that the applicant has implemented a significant landscape strategy as part of the development at 760 Second Line East.

Consultation

The following departments/agencies commented on the application as part of the consultation process:

- See attached letters – Engineering Dept.
- No objections/comments – Municipal Heritage Committee, PWT, Fire Services, PUC Services, EDC, Conservation Authority, Building Division

Engineering has commented that the storm water management report that was completed for the adjacent commercial development must be amended to reflect the additional parking and access point. This will be reviewed as part of the Site Plan Control process.

At time of writing, there was one letter of objection received. A neighbour from the area is of the opinion that approval of this application will result in a major safety issue for vehicular and pedestrian traffic. Staff from the City's Public Works and Transportation reviewed the application and are of the opinion that there are no major traffic concerns associated with the proposal. PWT's response to the neighbour's letter is attached for Council's review.

IMPACT

Approval of this application will not impact municipal finances.

STRATEGIC PLAN

Approval of this application is not directly linked to any policies contained within the Corporate Strategic Plan.

SUMMARY

The applicant is seeking to rezone the subject property from "R2" (Single Detached Residential Zone) to "C4S.340" (General Commercial Zone with a

Special Exception). As part of this application, an amendment to the City of Sault Ste. Marie Official Plan is required, re-designating the southerly portion to "Commercial".

Planning staff is recommending approval of the request as the proposed development will facilitate a secondary access point to the existing commercial development at 760 Second Line East. As part of any future development, staff will utilize Site Plan Control to ensure both a high quality of landscaping and appropriate buffering is provided in the final development.

RECOMMENDATION

It is therefore recommended that Council take the following action:

That the report of the Planning Division, dated October 13, 2015, be accepted and that Council rezone the portion of the subject property, outlined on the attached map, from "R2" (Single Detached Residential Zone) to "C4S.340" (General Commercial Zone with a Special Exception), subject to the following:

1. That Council approve Official Plan Amendment 215, re-designating the portion of the subject property outlined on the attached map, from "Residential" to "Commercial"
2. That the portion of the subject property, outlined on the attached map be designated as an area of 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

ST:ps

Attachment(s)

**AMENDMENT NO. 215
TO THE
SAULT STE. MARIE OFFICIAL PLAN**

PURPOSE:

This Amendment is an amendment to Schedule 'C' of the Official Plan.

LOCATION:

Southerly portion of SEC 29SPT PCL 4465 AWS, having Civic No. 181 Old Garden River Road, located on the east side of Old Garden River Road, approximately 60m (197') north of Second Line.

BASIS:

This Amendment is necessary in view of the request to rezone the subject property to permit the lands to be utilized for commercial purposes.

The proposal does not conform to the existing Residential policies as they relate to the subject property.

Council now considers it desirable to amend the Official Plan re-designating the subject property from "Residential" to "Commercial".

DETAILS OF THE ACTUAL AMENDMENT & POLICIES RELATED THERETO:

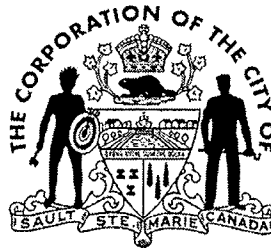
Schedule 'C' to the Sault Ste. Marie Official Plan is hereby amended re-designating the property described as the southerly portion of SEC 29SPT PCL 4465 AWS, having Civic No. 181 Old Garden River Road, located on the east side of Old Garden River Road, approximately 60m (197') north of Second Line, from "Residential" to "Commercial".

INTERPRETATION

The provisions of the Official Plan as amended from time to time will be applied to this Amendment.

Jerry D. Dolcetti, RPP
Commissioner

Daniel Perri, EIT
Engineering Intern



ENGINEERING & PLANNING
DEPARTMENT

Engineering & Construction Division

2015 09 25

Our File: A-18-15-Z.OP

MEMO TO: Donald B. McConnell, MCIP, RPP
Planning Director

**RE: A-18-15-Z.OP – 181 OLD GARDEN RIVER ROAD
REQUEST FOR AN AMENDMENT TO THE OFFICIAL PLAN & ZONING BY-LAW**

The Engineering and Construction Division has reviewed the above noted application and provides the following:

- The stormwater management report that was completed for the adjacent commercial development must be amended to account for the additional impervious areas from this property.

Yours truly,

Daniel Perri, EIT
Engineering Intern

c: Jerry Dolcetti, Commissioner, Engineering & Planning
Susan Hamilton Beach, P. Eng., Deputy Commissioner, PWT
Pat Schinners, Planning

F:\ENGINEERING DATA\REZONING\181 Old Garden River Road - A-18-15-Z.OP 2015 09 25.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) 759-5385 ~ Fax: (705) 541-7165
www.cityssm.on.ca ~ d.perri@cityssm.on.ca

Steve Turco

From: Don McEwen <cenlosigns@hotmail.com>
Sent: Wednesday, September 30, 2015 2:53 PM
To: Steve Turco; Don McEwen
Subject: 181 Old Garden River Road
Attachments: 181 Old Garden River Road.pdf

Re Application # A-18-15-Z.OP

Please confirm receipt.
Do I also have to mail the letter.

Don McEwen
199 Old Garden River Road

Steve Turco
Planner
City of Sault Ste Marie
99 Foster Drive
Sault Ste Marie, On P6A 5X6

Re: Application # A-18-15.OP
181 Old Garden River Road

I am writing this letter in opposition of the proposed rezoning of 181 Old Garden River Road for the purpose of creating a commercial parking lot.

The proposed parking lot area will create a major safety issue for vehicular and pedestrian traffic. Currently, during school hours, the students from the new St. Mary's College use Old Garden River Road as a major walking route (in both directions and on both sides). These students currently face a greater risk with no actual sidewalk for safety. The hub trail on the west side of Old Garden River Road is nothing more than an extension of asphalt that vehicles often use as a passing lane. A proper sidewalk provides protection from vehicles by the placement of ditches or curbs. These students typically cross Old Garden River Road from the East side to the West side at approximately the subject property (as they head towards Tim Hortons or Walmart)

The intersection from Second Line to Old Garden River Road is not a typical intersection, as the roadways are not perpendicular to each other, creating a corner greater than 90 degrees. The angle when accessing Old Garden River Road from an east bound vehicle on Second Line is approximately 135 degrees allowing vehicles to maintain high speeds around the corner.

If this proposed parking lot is allowed to be constructed it will become the main entrance for the new building at 760 Second Line East due to the fact that the Second Line entrance accesses a busier roadway. This additional traffic accessing the commercial building from Old Garden River Road from an entrance close to Second Line along with the additional pedestrian traffic and the higher speed of vehicles merging onto Old Garden River Road from the Second Line intersection is a recipe for disaster.

On this basis, I ask the City of Sault Ste Marie to carefully consider the possible consequences of approving this application.

Thank You

Steve Turco

From: Susan Hamilton Beach
Sent: Friday, October 02, 2015 2:13 PM
To: Steve Turco
Subject: FW: 181 Old Garden River Road

fyi

From: Andy Starzomski(ManTraf)
Sent: Wednesday, September 30, 2015 3:51 PM
To: Susan Hamilton Beach
Subject: RE: 181 Old Garden River Road

A couple of comments:

- 1) Yes sidewalks would increase the safety for pedestrians
- 2) Due to the volume of traffic speeds are more often than not reduced
- 3) Pedestrian traffic is limited to specific periods of time during the day and students are usually in groups. To date no issues have been experienced.
- 4) Traffic division supports the rezoning.

Andy

From: Steve Turco
Sent: Wednesday, September 30, 2015 3:42 PM
To: Susan Hamilton Beach; Andy Starzomski(ManTraf)
Subject: FW: 181 Old Garden River Road

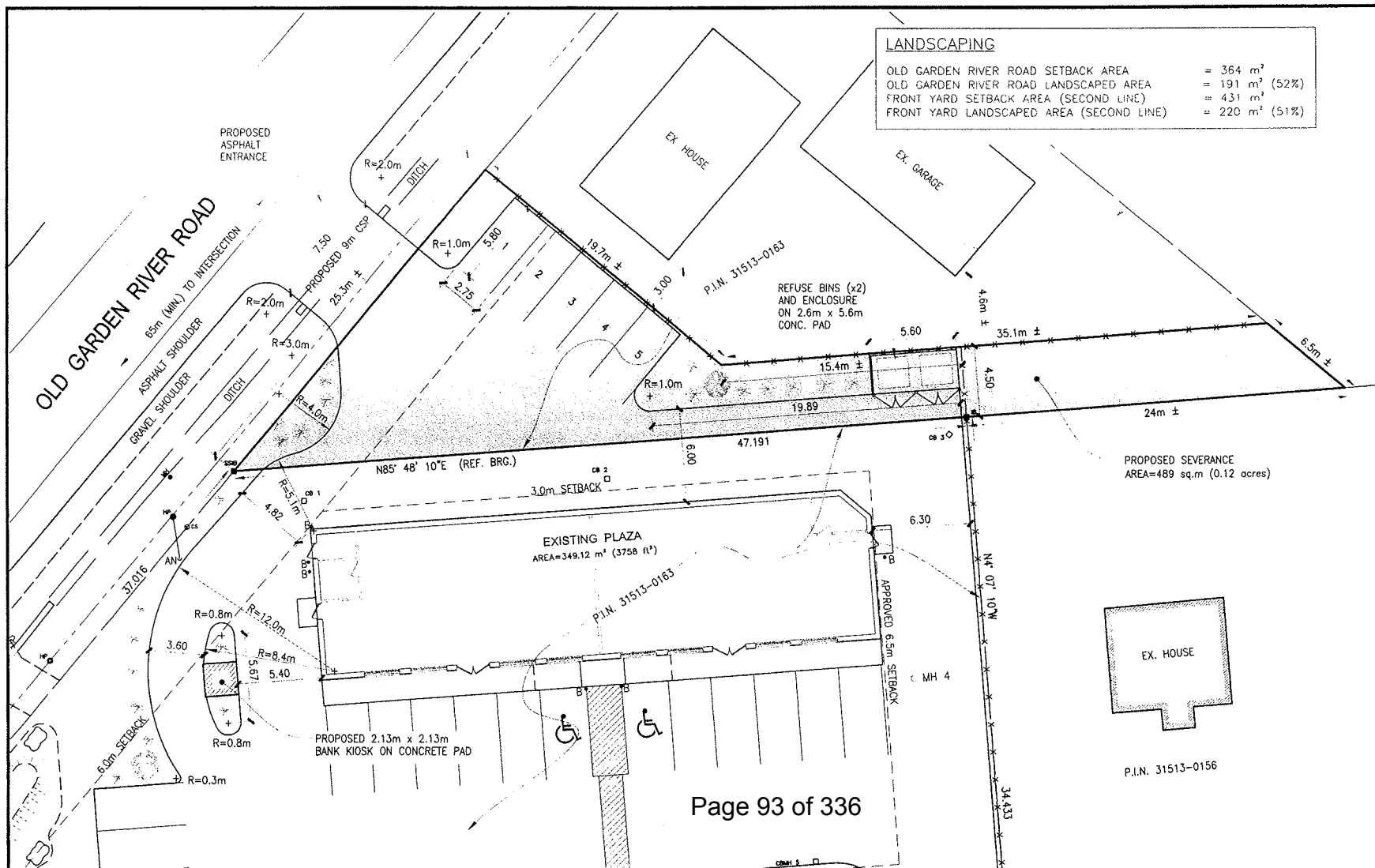
Hi Susan, Andy, we received a letter of opposition today regarding the rezoning of 181 Old Garden River Road. As you can see, the concerns are surrounding traffic. Any comments?

From: Don McEwen [<mailto:cenloesigns@hotmail.com>]
Sent: Wednesday, September 30, 2015 2:53 PM
To: Steve Turco; Don McEwen
Subject: 181 Old Garden River Road

Re Application # A-18-15-Z.OP

Please confirm receipt.
Do I also have to mail the letter.

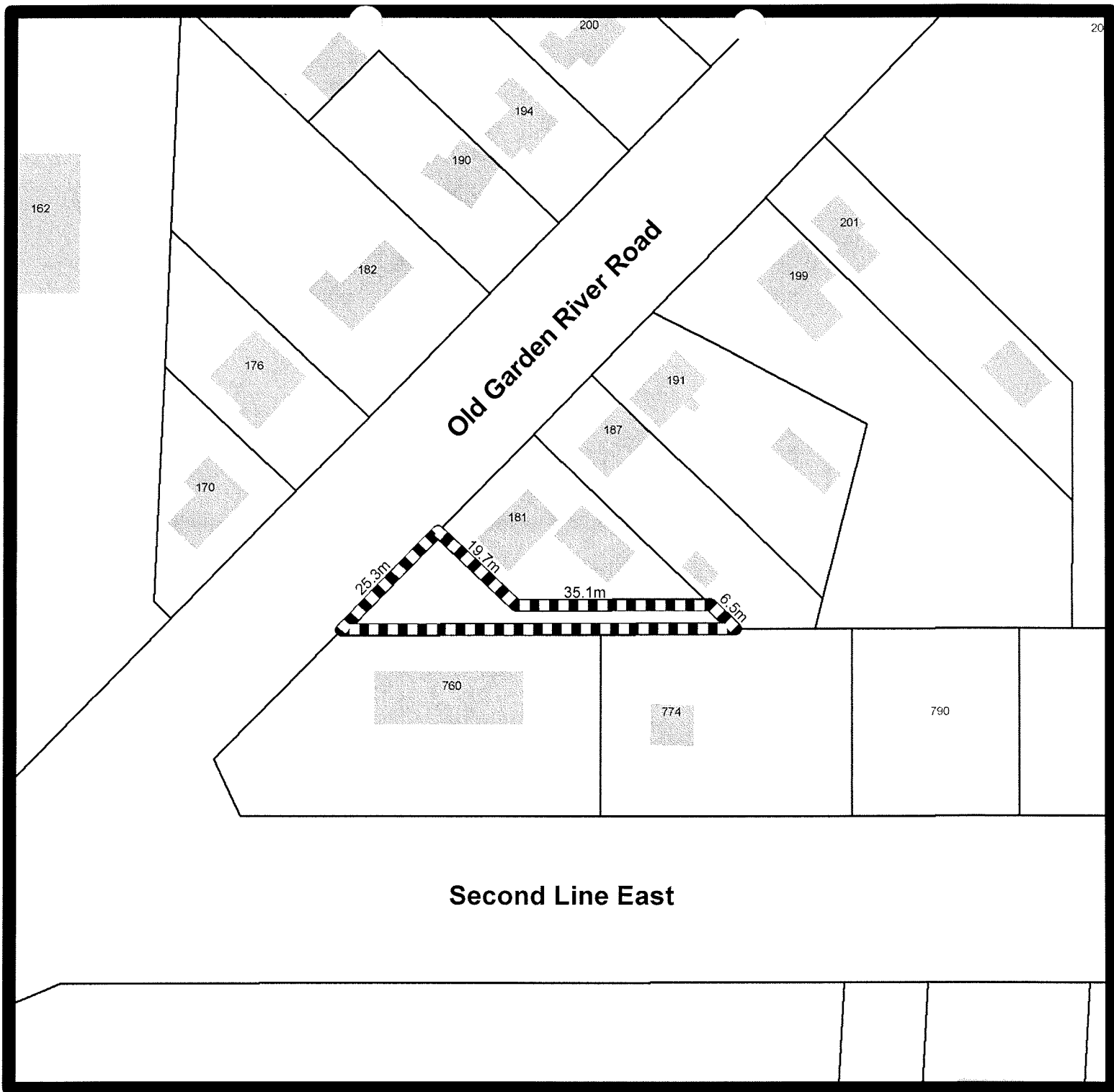
*Don McEwen
199 Old Garden River Road*



LANDSCAPING

OLD GARDEN RIVER ROAD SETBACK AREA	=	364 m ²
OLD GARDEN RIVER ROAD LANDSCAPED AREA	=	191 m ² (52%)
FRONT YARD SETBACK AREA (SECOND LINE)	=	431 m ²
FRONT YARD LANDSCAPED AREA (SECOND LINE)	=	220 m ² (51%)

ZA DEVELOPMENT OLD GARDEN RIVER ROAD AT STE. MARIE, ONTARIO		LOT ADDITION SEVERANCE SKETCH		CH 18	
		ENGINEER'S SE		Sk2 0	
ISSUED FOR SEVERANCE APPROVAL		ISSUES / REVISIONS		PROJECT NO 14-1095	
0	2015.09.02	KN	BY	CHECKED BY	APPROVED BY
No.	DATE	KN	BY	KN	KN
DRAWN BY: KN		DESIGNED BY: KN		DATE 2015.09.02	
SCALE 1:250		REVISION No.		DATE	



SUBJECT PROPERTY MAP

181 OLD GARDEN RIVER ROAD

Associated Civic: 760 Second Line East

Planning Application: A-18-15-Z-OP



METRIC SCALE
1 : 1000

ROLL NUMBER
030-075-040-00

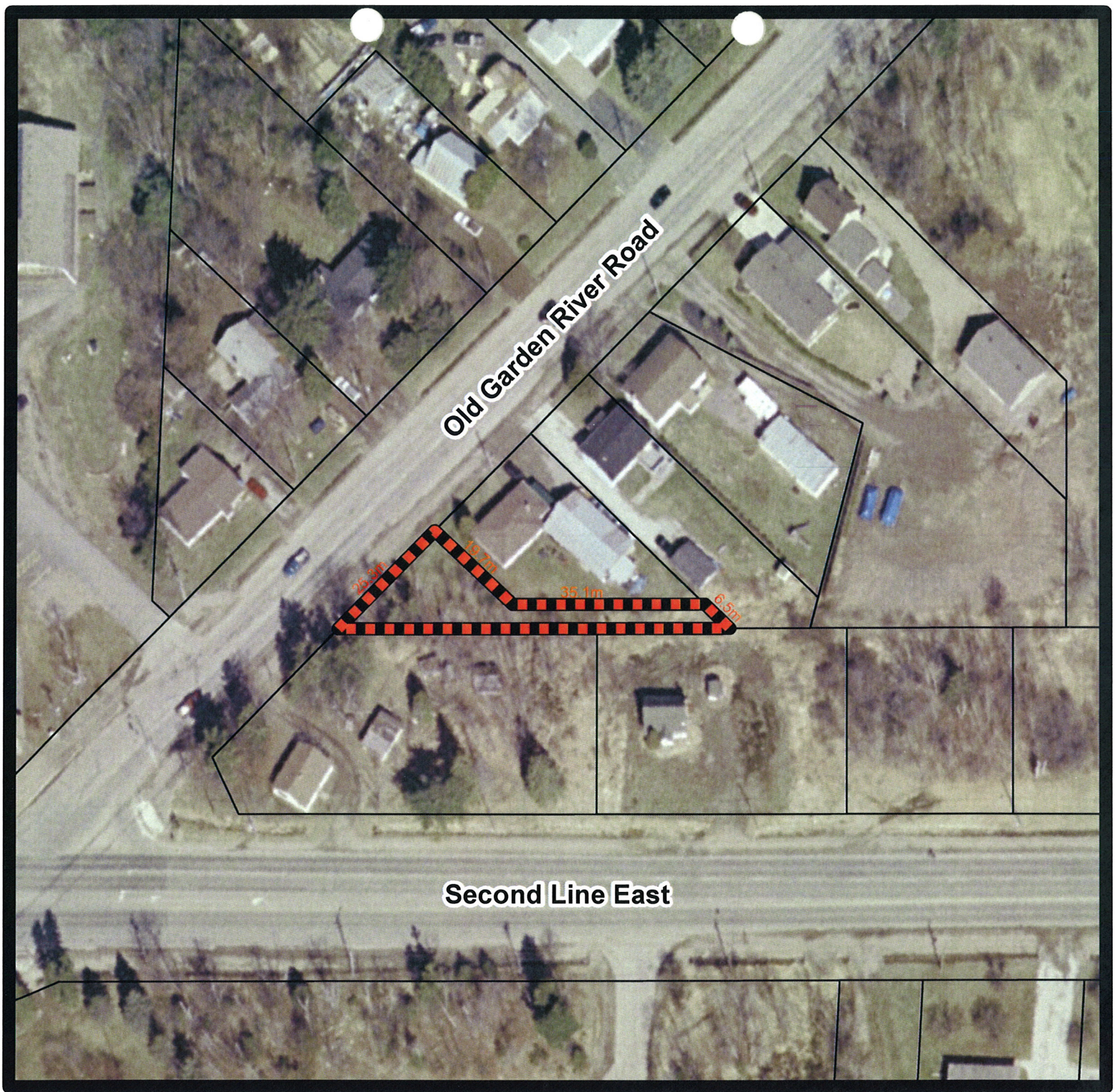
MAIL LABEL ID
A-18-15-Z

MAP NUMBERS
85 & 1-95

Legend



Subject Property = 181 Old Garden River Road



2012 ORTHO PHOTO

181 OLD GARDEN RIVER ROAD

Associated Civic: 760 Second Line East

Planning Application: A-18-15-Z-OP



METRIC SCALE
1 : 1000

ROLL NUMBER
030-075-040-00

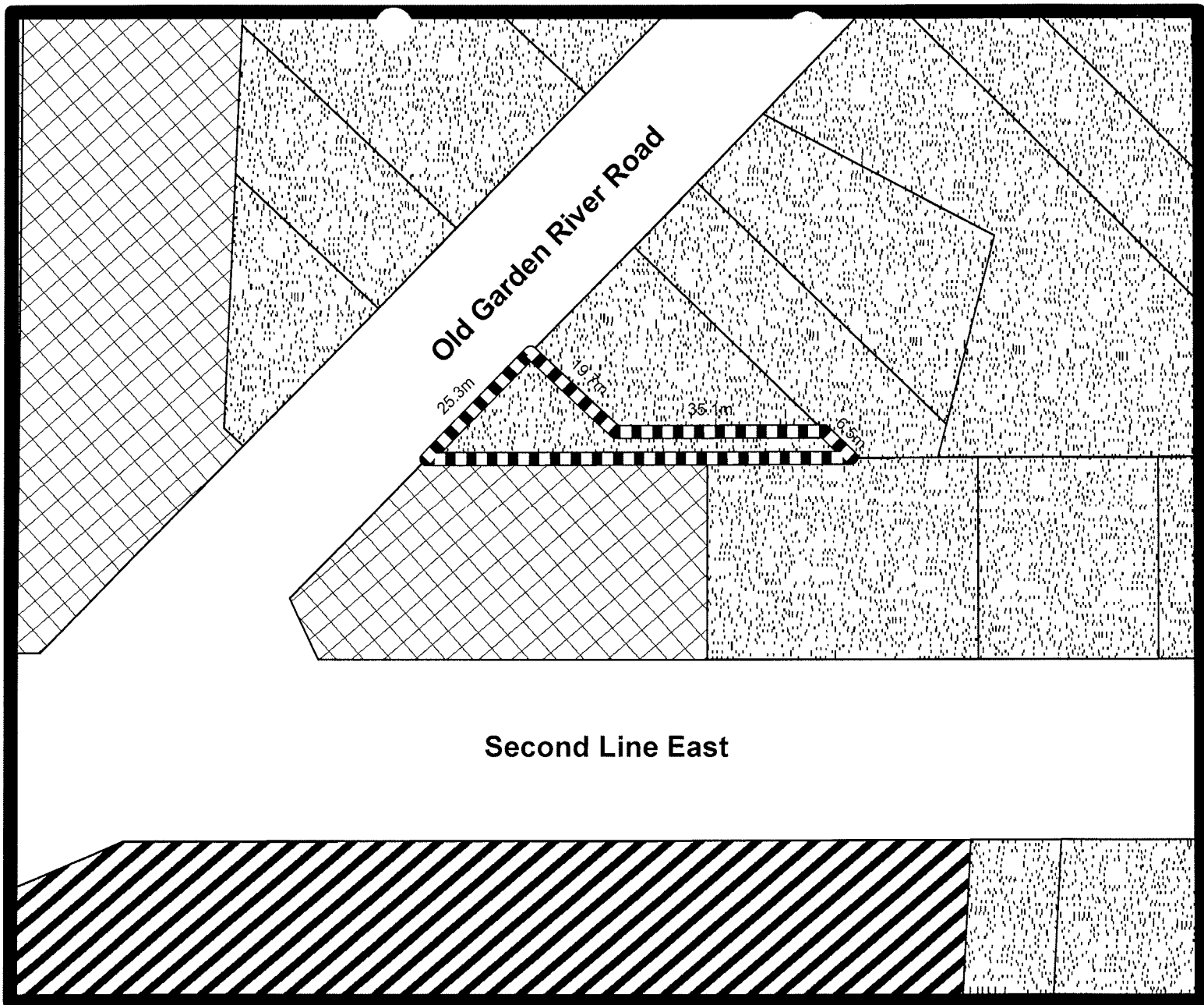
MAIL LABEL ID
A-18-15-Z

MAP NUMBERS
85 & 1-95

Legend



Subject Property = 181 Old Garden River Road



OFFICIAL PLAN MAP

Schedule "C" Land Use

181 OLD GARDEN RIVER ROAD

Associated Civic: 760 Second Line East

Planning Application: A-18-15-Z-OP



METRIC SCALE
1 : 1000

ROLL NUMBER
030-075-040-00

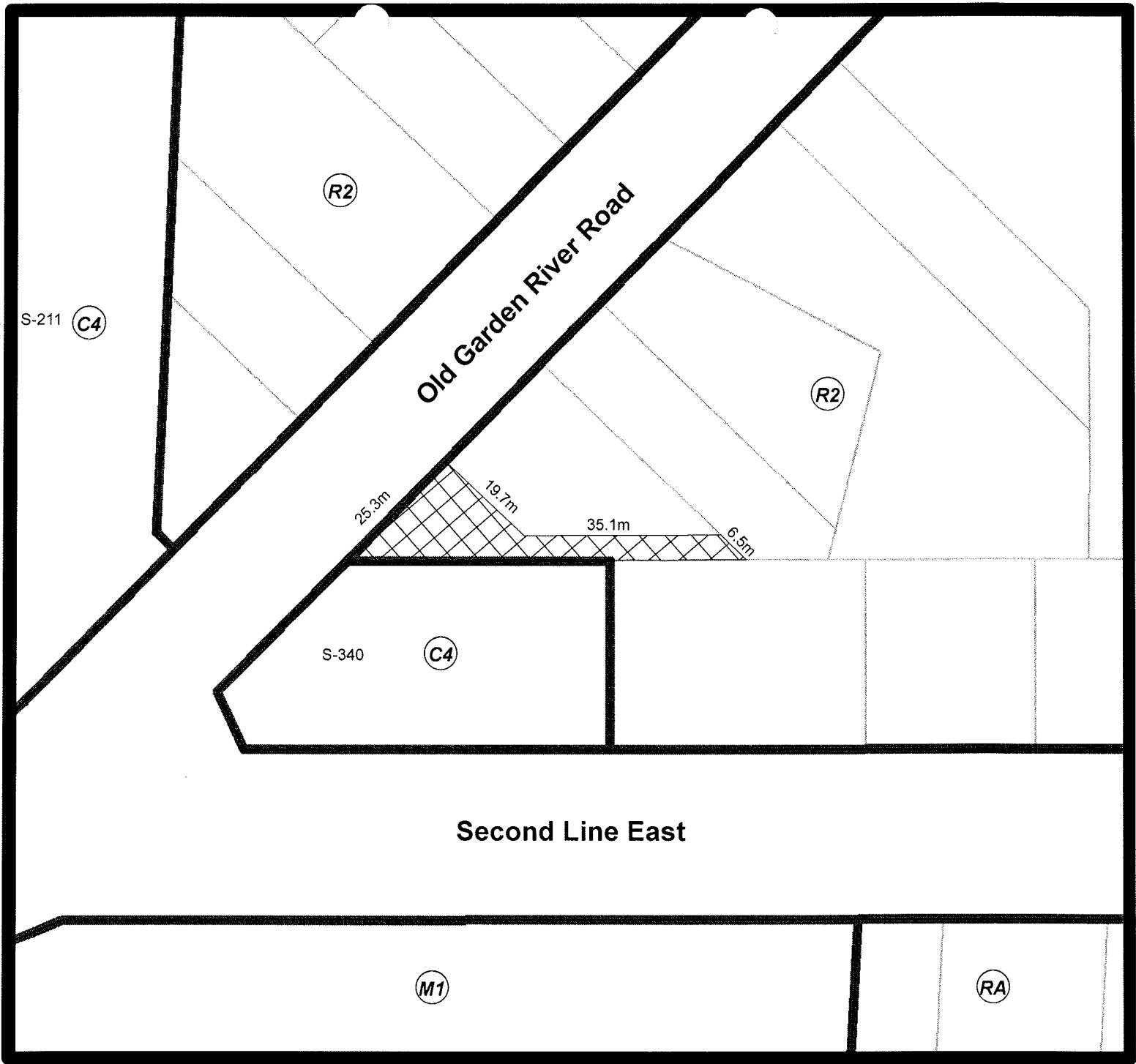
MAIL LABEL ID
A-18-15-Z



Subject Property = 181 Old Garden River Road

Land Use Designation

-  Residential
-  Commercial
-  Industrial



EXISTING ZONING MAP

181 OLD GARDEN RIVER ROAD

Associated Civic: 760 Second Line East

Planning Application: A-18-15-Z-OP



METRIC SCALE
1 : 1000

ROLL NUMBER
030-075-040-00

 Subject Property = 181 Old Garden River Road	 C4 - General Commercial Zone	MAIL LABEL ID A-18-15-Z
 R2 - Single Detached Residential Zone; R2hp	 M1 - Light Industrial Zone	MAP NUMBERS 85 & 1-95
 RA - Rural Area Zone	Page 97 of 336 S-# = Special Exception Zoning	

OCTOBER 13, 2015

TO: MAYOR PROVENZANO & SAULT STE. MARIE CITY COUNCIL
FROM: TOM DODDS, CEO, SAULT STE. MARIE ECONOMIC DEVELOPMENT CORPORATION
RE: ECONOMIC DEVELOPMENT FUND (EDF) APPLICATION: PURSUIT OF THE NEW SAULT STE. MARIE LOTTERY AND GAMING ECONOMY – SAULT STE. MARIE INNOVATION CENTRE

Please find enclosed SSMEDC Board of Directors recommendation to City Council to support the above-noted EDF application.

Summary:

The Sault Ste. Marie Innovation Centre submitted an EDF application to implement a 3-4 year lottery and gaming sector development strategy for the City of Sault Ste. Marie. The SSMIC is requesting \$250,000/year for 3 years to support this community based initiative, which is intended to lever \$3.5M to \$4.0M in funding from provincial and private sources.

On July 28, 2015, The Sault Ste. Marie Economic Development Corporation Board of Directors passed the following resolution:

Be it resolved that the SSMEDC Board of Directors recommends City Council support the SSMIC's Economic Development Fund (EDF) Application Pursuit of the New Sault Ste. Marie Lottery and Gaming Economy, July 28, 2015.

The Board further recommends that the Sault Ste. Marie Innovation Centre be permitted to immediately expend the funds requested in this application, to enable expeditious implementation of this project. The SSMEDC Board of Directors also requests the SSMIC to regularly report to the SSMEDC Board of Directors and Staff, providing updates and information.

During the course of the discussion of the this resolution, the Board also requested that the Sault Ste. Marie Gaming Task Force endorse the SSMIC EDF proposal prior going to Council. This has been completed and **Attachment A** is a copy of the Gaming Task Force resolution supporting this project.

Also attached are a summary of the SSMIC EDF project **Attachment B** and a description of the SSM Gaming Task Force **Attachment C**. Please refer to the enclosed October 5, 2015 memorandum from the SSMEDC CEO to the SSMEDC Board for the attachments noted. **Attachment D** is a copy of the SSMIC's EDF Application. **Attachment E** is a letter of support from the Chamber of Commerce.

Background:

Sault Ste. Marie is at a critical inflection point in its capacity to effectively execute a lottery and gaming sector development strategy. The OLG lottery and gaming procurement processes are well underway and the level of development planning activity in this sector - directly affecting the future of the City - is increasing.

SSMIC's Lottery and Gaming EDF application has brought into sharp focus the importance and need for an integrated, coordinated and aligned community-based approach to lottery and gaming development in this City.

All stakeholders, including the SSMEDC, Innovation Centre, OLG, postsecondary institutions and other representatives on the Gaming Task Force agree on the following:

- There is increased urgency to the implement a Sault Ste. Marie Lottery & Gaming development strategy;

- There is an identifiable risk that failure to act as soon as possible will result in potential revenue and employment loss to the community over the medium and long term;
- There is a significant economic development opportunity in the development of the lottery and gaming sector that can directly benefit the community's knowledge based economy and create employment in a range of business related professional and occupations;
- Lottery and gaming expertise is needed now; and,
- Dedicated human and financial resources are required to establish a group accountable to drive this initiative forward on behalf of the community.

Sault Ste. Marie Innovation Centre

The SSMIC has stepped up to be the operational lead for this project on behalf of the community, which includes the following accountabilities:

- Providing project oversight, human and financial resource management and in this regard will be serving as the applicant for government funding; and to be
- The community focal point for the resources, planning and implementation of this initiative.

The Innovation Centre will require the support of all community stakeholders to make this undertaking a success and the SSMEDC has made support for this initiative and this L&G sector development a strategic priority.

EDF Criteria Analysis:

1. Key Performance Targets

- 1.1. **Net Job Creation:** The SSMIC EDF application indicates that there will be 200 net new jobs created in lottery and gaming. The SSMEDC/SSMIC is currently aware of knowledge sector businesses who are currently assessing Sault Ste. Marie as a place to locate their operations.
- 1.2. **Increase Tax Assessment:** It is anticipated in the short, medium and long term new tax assessment will be realized in the city as a result of the implementation of this strategy. An estimate of the increased tax assessment cannot be made at this time however, the SSMEDC/SSMIC will be tracking the impact of the implementation of the strategy.
- 1.3. **Economic Development Projects** Pursuant to EDF requirements, this economic development project includes "enhanced" promotion, marketing, research, and strategy development. The project is consistent with Destiny SSM strategic priorities support the enhancement of an "economic engine" for Sault Ste. Marie.

2. Criteria for the Use of the (EDF) Fund - This project meets all EDF funding criteria. It:

- 2.1. Promotes economic diversification and supports the establishment of new businesses and industries that support new products, services, and innovation,
- 2.2. Contributes to the sustainability or expansion of existing enterprises. It does not unfairly compete with other local enterprises and City's EDF is "absolutely necessary" in order for the project to succeed;
- 2.3. Supports strategic community initiatives that support creating the environment for business development (e.g. infrastructure development, educational/economic opportunities, labour development initiatives, specific sector strategy development, innovation, and support for new economic cluster development).

3. Eligible Applicants: The Sault Ste. Marie Innovation Centre is an eligible applicant.

4. Application Requirements Please referred to **Attachment D** for a copy of the EDF submission.

OCTOBER 5, 2015

TO: SAULT STE. MARIE ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS

FROM: TOM DODDS, CEO

RE: PURSUIT OF THE NEW SAULT STE. MARIE LOTTERY AND GAMING ECONOMY – ECONOMIC DEVELOPMENT FUND APPLICATION: FOLLOW-UP

I. SUMMARY

The Sault Ste. Marie Innovation Centre submitted an Economic Development Fund (EDF) application to implement a lottery and gaming sector development strategy for the City of Sault Ste. Marie.

The Board of Directors passed the following resolution:

Be it Resolved that the SSMEDC Board of Directors recommends City Council support the SSMIC's Economic Development Fund (EDF) Application Pursuit of the New Sault Ste. Marie Lottery and Gaming Economy, July 28, 2015.

The Board further recommends that the Sault Ste. Marie Innovation Centre be permitted to immediately expend the funds requested in this application, to enable expeditious implementation of this project. The SSMEDC Board of Directors also requests the SSMIC to regularly report to the SSMEDC Board of Directors and Staff, providing updates and information.

During the course of the discussion of the this resolution, the Board also requested that the Sault Ste. Marie Gaming Task Force endorse the SSMIC EDF proposal before going to Council. This has been completed and **Attachment A** is a copy of the Task Force resolution supporting this project.

Also attached is a summary of the SSMIC EDF project **Attachment B**.

The SSMIC and SSMEDC will be moving forward with finalizing initiative's governance structure in consultation with stakeholders in the coming weeks and will report back to the Board in November.

II. ANALYSIS

Sault Ste. Marie is at a critical inflection point in its capacity to effectively execute a lottery and gaming sector development strategy. The OLG lottery and gaming procurement processes are well underway and level of development planning activity in this sector - directly affecting the future of the City - is increasing.

SSMIC's Lottery and Gaming EDF application has brought into sharp focus the importance and need for an integrated, coordinated and aligned community-based approach to lottery and gaming development in this City.

All stakeholders, including the SSMEDC, Innovation Centre, OLG, postsecondary institutions and other representatives on the Gaming Task Force agree on the following:

- There is increased urgency to implement a Sault Ste. Marie Lottery & Gaming development strategy;
- There is an identifiable risk that failure to act as soon as possible will result in potential revenue and employment loss to the community over the medium and long term;

- There is a significant economic development opportunity in the development of the lottery and gaming sector that can directly benefit the community's knowledge based economy and create employment in a range of business related professional and occupations;
- Lottery and gaming expertise is needed now; and,
- Dedicated human and financial resources are required to establish a group accountable to drive this initiative forward on behalf of the community.

Sault Ste. Marie Innovation Centre

The SSMIC has stepped up to be the operational lead for this project, which the following accountabilities:

- Providing project oversight, human and financial resource management and in this regard will serving as the applicant for government funding; and to be
- The community focal point for the resources, planning and implementation of this initiative.

The Innovation Centre will require the support of all community stakeholders to make this undertaking a success and the SSMEDC has made support for this initiative and this L&G sector a strategic priority.

Sault Ste. Marie Economic Development Corporation

The SSMEDC has been actively engaged on this initiative since 2012 and served as the focal point for developing and implementing the initial City response. With financial support from the City, NOHFC FedNor and the SSMEDC (over \$400,000 + total), considerable progress was made in:

- aligning and articulating the community interest to key decision-makers in OLG and the Province;
- raising the awareness in the industry of Sault Ste. Marie's focus as a centre of excellence for lottery and gaming through national and international communication and marketing efforts; and,
- Developing a fuller understanding of the industry, identifying and pursuing lottery and gaming business development opportunities and leading/representing the City through the OLG procurement process for lottery and gaming.

This progress would not have been possible without the encouragement of community and industry stakeholders, in particular the leadership of the City, Mayor and Council. The SSMEDC will continue to actively support the development of this sector, in partnership with the SSMIC, the City's lead agency on economic development in the information technology sectors for strategic advice, policy, implementation of projects, etc. pertaining to growth and development and private sector relations.

III. GOING FORWARD:

This project is and must be priority for the community. The next few months are critical.

In addition to the action items, SSMIC and SSMEDC staff will be meeting on a weekly basis to coordinate and align activities and to determine how best the SSMEDC can support the SSMIC and other stakeholders this community effort.

- Establishing a 90 day action/transition plan to focus on critical path for driving this initiative forward and achieving substantive results on supporting projects and initiatives already underway;
- Expedite the recruitment of staff for the "pursuit" entity;
- Finalize the initiative's governance structure as reflected in a Memorandum of Understanding;
- Regular communications and engagement of Mayor & Council, the Boards of both organizations, Gaming Task Force, OLG and other lottery and Gaming stakeholders on the status of this initiative.

**ATTACHMENT A:
October 2, 2015
Lottery and Gaming Task Force Resolution
Endorsement of:**

**PURSUIT OF THE NEW SAULT STE. MARIE LOTTERY AND GAMING ECONOMY
– SSM ECONOMIC DEVELOPMENT FUND APPLICATION**

Motion:

WHEREAS:

The L&G sector makes a major contribution to the SSM economy and is a significant driver of the knowledge sector;

And, whereas the current OLG modernization plans led to Sault Ste. Marie recognizing their competitive advantage and examining and identifying L&G business opportunities both in Ontario and globally that could result in local economic development;

And, whereas the current OLG modernization plans also present uncertainty and risk to the SSM L&G economy;

And, whereas there is urgency in creating an effective response to exploit opportunities and mitigate risks;

And, whereas effective response cannot be met without necessary and appropriate resourcing;

And, whereas a commitment by City Council Sault Ste. Marie Economic Development Fund (EDF) funding is a critical starting point for securing some of the necessary financial resources with an acceptable level of risk based on the potential impact to the community & the potential opportunity and enables sourcing of partner funding (NOHFC, other);

And, whereas inactivity and continued delayed progress will result in failure which increases the risk of job loss within the SSM L&G economy and may result in a failure to capture opportunities,

And, whereas the Gaming Taskforce will continue to be informed of and have opportunities to advise on project strategy, activities and direction; will be provided details of the governance structure of the initiative and will be involved in any discussion on the evolution and role of the Gaming Taskforce.

The Gaming Taskforce supports the community of Sault Ste. Marie's efforts to attract funding through the EDF fund and other sources in order to initiate a project designed to drive activities that include Talent Management; Marketing and Outreach and Business Development/Attraction efforts.

ATTACHMENT B:
SSM LOTTERY AND GAMING PURSUIT PROJECT
Program Summary

1. BACKGROUND

Ontario Lottery and Gaming (OLG), plays an important role in the SSM economy contributing to the economic wealth and talent resources in Sault Ste. Marie and **generating an estimated \$60 Million** in direct payroll annually and **several Billion dollars in economic benefit** to the city since locating in SSM. OLG is a large part of and a unique driver of SSM's knowledge economy.

In 2012, OLG created a catalyst for Sault Ste. Marie to review the L&G Industry, when **OLG announced its Modernization Plans**. By 2014 it was apparent to Sault Ste. Marie that modernization represented significant risks to our lottery and gaming (L&G) economy, but could also represent new opportunity. Mayor and Council, City staff, SSMEDC, SSMIC immediately engaged OLG and Province to express the community interest in take advantage of opportunities presented by the modernization process and other industry trends. Experts with direct experience with the modernization effort were retained to help position the City to mitigate potential risk and maximize opportunities. Discussions between community stakeholders and OLG executives identified opportunities that have been pursued and are starting to produce results, including:

- **Data Centre** - A process was undertaken to construct a Tier III data centre in the community which is anticipated to be constructed in 2016. (A private sector provider has been selected, funding application processes are underway, and a technology park is being developed to house the centre)
- **Centre of Expertise** – An opportunity was uncovered to attract a global IT services firm to SSM. This project is advancing and could create up to twenty five jobs in the near term and could create a significant number of additional jobs over five years in SSM.
- **Talent Management** – The importance of human resource and talent development and attraction has been stressed and a high-level strategy meeting has been held, linking major employers, employment agencies and education institutions together. This confirmed a need for resourced leadership of this component for the SSM L&G efforts as a future platform for the broader SSM knowledge economy efforts.
- **Modernization Proponent Meetings** – SSM stakeholders worked with OLG to conduct community presentations to the three proponents bidding on the lottery business and provide community information within the data room. Similarly community stakeholders have presented the City's business case to casino operators who are bidding on the northern bundle.
- **Community Marketing** – Outreach activities were undertaken to promote the community at major gaming conferences which has resulted in promising leads for company attraction (one international conference; four North American conferences have been attended resulting in over 75 contacts for business attraction with one new firm establishing a sales office here).
- An emerging **opportunity in the education sector** is currently being explored with prospective L&G partners and Sault Ste. Marie's post-secondary institutions.

In March 2014, a **Gaming Taskforce** was formed at the encouragement of Minister Oraziotti and in response to clear interest by City stakeholders, bringing together key stakeholders in the community, local L&G businesses and experts.

By February 2015, the Taskforce decided that success of a coordinated, strategic effort required dedicated resources. There was clear evidence that opportunity exists and the community needs to assemble resources to continue and expand its work in talent management, industry outreach and business development activities

Sault Ste. Marie has a vision to take advantage of a number of emerging opportunities and expand its current **lottery and gaming cluster** to become a true “**centre of excellence**” in this sector. This is a strategic activity that aligns with the city’s goal to grow the knowledge economy in SSM and the digital economy is a priority sector within the Growth Plan for Northern Ontario. Other key drivers beyond OLG modernization for this unique opportunity include:

- Dynamic industry trends opening the door to new technology platforms, research and development
- Unique funding incentives of up to \$5M from Northern Ontario Heritage Fund New Investment program and additional incentives from FedNor and the City of SSM
- Widespread community stakeholder support for lottery and gaming including Sault Ste. Marie Chamber of Commerce, Post-secondary institutions, Sault Ste. Marie Economic Development Corporation (SSMEDC), Sault Ste. Marie Innovation Centre (SSMIC) and current private L&G partners (Canadian Banknote; Pollard Banknote; Brooks Marketing)
- Strategic alignment with the community’s goal of building its knowledge economy.

2. LOTTERY AND GAMING PURSUIT PROJECT

Given the opportunities in front of the community and the strengths which can be leveraged, it is proposed that a dedicated team be formed to proactively develop the lottery and gaming sector in Sault Ste. Marie.

Vision Statement - Sault Ste. Marie will be a globally recognized centre of excellence for lottery and gaming businesses

Mission Statement - Proactively develop a lottery and gaming cluster in Sault Ste. Marie that includes an expanding group of private sector companies, crown agencies, researchers and service providers to create new knowledge economy jobs, innovation, and prosperity in the community.

High Level Goals

- Attract lottery and gaming businesses to locate in Sault Ste. Marie
- Create high-value business services and a supportive environment for L&G organizations
- Develop a strong talent pipeline to supply organizations with the human resources required
- Create global awareness of Sault Ste. Marie’s gaming capabilities and the community’s offerings
- Expand the knowledge economy sector in SSM

3. PLANNED APPROACH

Through the complementary and collaborative mandates of the Sault Ste. Marie Innovation Centre (SSMIC) and the Sault Ste. Marie Economic Development Corporation (SSMEDC), one community focused lottery and gaming project team will be established to drive the development of this sector. Using this dedicated team of experienced professionals operating on behalf of the interests of the city of Sault Ste. Marie and managed directly by SSMIC, business attraction and development efforts along with talent management efforts will be undertaken in pursuit of four foundational strategies:

- *Retain* – actively compete to earn a greater share of OLG jobs within the restructured OLG post modernization.
- *Convert* – actively compete to earn a strong share of selected private sector proponents from OLG Modernization procurements and strengthen the certainty of their ongoing SSM presence (both lottery and casino bundle).
- *Grow* – establish new partnerships and growth opportunities for current SSM-based L&G-relevant private sector firms.
- *Create* – attract new businesses in pursuit of globally-facing L&G innovations and service delivery that strengthen the L&G ecosystem.

Acting with urgency, this Pursuit team will immediately work to capitalize on opportunities arising from the transformation of the lottery and gaming landscape and address the real challenges that are currently facing the SSM L&G environment. At the same time, this initiative will drive community-wide growth of our knowledge economy talent pool and bring competencies for knowledge employers. A dedicated senior management team will be hired as a priority to initiate activities. In addition, SSMIC will be accountable for the supervision and oversight of the operations of the pursuit team and the associated contribution agreements from government and the private sector. The pursuit team will be responsible for creating, prioritizing and managing all business outreach strategies and tactics on behalf of City stakeholders.

4. RESOURCES

The Pursuit Project will be managed as an integrated effort with a team comprised of experienced staff with the requisite capabilities to execute on deliverables. Direct operational governance will be undertaken by SSMIC.

- The team will be organized into four functional areas:
 - Communications
 - Talent Management
 - OLG Modernization

Business Development/Attraction Summary of Planned First Year Activities

The first year will define core strategies and tactics across business outreach, talent and communications and see the most urgent priorities addressed for Sault Ste. Marie. This is anticipated to include the following:

Program	Description of Activities
Talent Management: Identify Core Talent Management Strategies, Tactics and Community Engagement platform for the SSM knowledge-based economy	▪ Build L&G Talent Management plan to guide retention, repatriation, attract and development activities. ▪ Build L&G Talent Management tactics for immediate/urgent opportunities ▪ Research L&G industry needs on skills sets, emerging roles, training opportunities. ▪ Integrate pipeline and communication strategies with business outreach activity ▪ Engage educational partners on program development and potential L&G industry learning initiatives ▪ Prepare repatriation outreach plan and tactics including event presence ▪ Design core communication presence for talent outreach within marketing strategy ▪ Work with local employment service agencies to develop a coordinated approach to recruitment Collaborate with other major employers to more effectively recruit professionals to SSM
L&G Services Market Outreach: Ensure SSM will retain and grow as many jobs possible through the modernization process (including OLG, lottery services provider and casino provider)	▪ Develop lottery and gaming service market outreach plan ▪ Build Outreach implementation strategy for major procurement proponents and activate cluster marketing ▪ Initiate and manage communications and marketing activity to potential lottery services providers ▪ Initiate and manage communications and marketing activity to potential gaming bundle providers ▪ Manage solutions development and business unit needs assessment of Modern OLG opportunities ▪ Develop analysis of global lottery services delivery opportunities.
L&G Innovations Market Outreach: Conduct business development/attraction activities	▪ Develop lottery and gaming innovations market outreach plan ▪ Initiate development collaborations with existing SSM L&G-Relevant firms to identify growth opportunities and needs ▪ Develop strategic analysis to prioritize leading business opportunities and focal sectors in L&G employment ▪ Initiate SSM Private Sector Opportunity Review ▪ Build L&G Top 50 Company Prospect database and outreach plan based on priority sectors/concepts ▪ Design business plan framework for attracting employers across top 2 priority focal sectors ▪ Manage market presence and attraction efforts across media/online/events ▪ Establish framework for First Nations gaming needs, plans, opportunities and partnerships particularly in the United States or in gaming inputs development opportunities ▪ Immediate activities and opportunities that will be pursued are private sector operations growth, L&G education programming, RG-integrated game design, First Nations/Indian Gaming solutions and social gaming startup recruitment.

Program	- Description of Activities
Communications: Establish Marketing Strategy, Communication Initiatives and Event Activity	- Prepare overarching communications plan with appropriate strategies - Develop and research brand messages - Design media channel mix (social, industry media, event, direct, online, p.r.) - Manage creative design and production of support materials - Create stakeholder audience communications plan including content requirements, channels, frequency - Build recommended activities for event/conference/workshop presence - Recommend ROI analytics model - Undertake initial market outreach program

Once resources are hired, the initial 90-120 days of activity will focus on creating the initial strategies within each program area and undertaking priority activities that capitalize on near term opportunities.

5. OUTCOMES AND BENEFITS

Given the significance of the L&G sector to Sault Ste. Marie's economy, the impact of this initiative is substantial. This project is expected to drive improved performance by Sault Ste. Marie in its share of job retention across three major L&G employers (OLG, Lottery Services Provider, and Northern Gaming Services Provider).

The project initiative will also support employment protection and possible expansion of existing SSM-based private sector L&G operations.

In combination these efforts will address the risk of loss of a significant portion of today's \$60 Million direct annual L&G payroll in Sault Ste. Marie and its place as a strategic asset for our knowledge economy.

The project will additionally focus on creating new, high-quality jobs within the L&G industry. This will include identifying corporations willing to establish divisions in Sault Ste. Marie to build or support technologies, services and products to meet global lottery and gaming industry needs. These efforts may arise through new investment, partnerships/collaborations and entrepreneurial start-ups and expansions.

The result of the project will be to create in Sault Ste. Marie a healthier, more robust and diversified local L&G cluster with strong potential for continued growth. It will also result in forming a basis for community-wide talent engagement that provides an approach for creating and managing a pipeline of highly skilled professionals for community organizations.

The L&G Pursuit Project will target the delivery of up to an estimated 200 permanent jobs within 3 years, creating a growth trajectory in place of an imminent decline of the sector.

The resulting benefits of the project for Sault Ste. Marie include:

- Diversification – Sault Ste. Marie will shift its own L&G economy from a singular dependence on one major employer – OLG – to a multi-faceted L&G economy with several large employers, several small to mid-size private sector entrants and a new global market outlook. This will aid in the community's efforts to grow the knowledge economy.
- Sustainability – the creation engine and interaction between L&G participants will begin to generate a 'cluster' effect with new startups and entries arising from the elevated levels of L&G participants and market solutions
- Knowledge-Based Community – solutions in L&G talent management will extend to SSM's delivery in all knowledge-based employment development for emerging employer needs. Coupled with an integrated effort in post-secondary program delivery for key knowledge competencies, Sault Ste. Marie's L&G initiative will deliver community-wide strengthening of our youth, our attractiveness to new populations and our commitment to employer success.
- Revitalization – capturing the excitement of a rejuvenated L&G sector and a stronger knowledge economy, Sault Ste. Marie will again feel the excitement felt during the initial relocation of OLC. This will have direct positive spinoff impacts for our community, local retail and services, municipal property values and revenues and acknowledged community economic leadership.

6. METRICS

- Direct Job Creation – target the delivery of up to 200 jobs within 3 years of project commencement
- Other metrics for which targets will be created and the team will report on include:
- Share of jobs retained/converted; capital investment; startups generated.

7. TIMELINE OVERVIEW

The timeline for the project depends on securing funding. The start of the project will be signaled by approval from Sault Ste. Marie's city council on an Economic Development Fund (EDF) request for \$250,000 per year over three years (\$750,000 total) which will be reviewed on an annual basis.

In parallel, a Stage I funding request to NOHFC has been submitted by SSMIC and the detailed Stage II application will be developed once receiving NOHFC staff approval. Funding support negotiations with OLG and with private sector funding opportunities are also being defined.

We will work as best possible to utilize any resources available to initiate priority activities within each functional area. The formal launch of the project is likely to be underway in early 2016. Annual plans and related activities will follow for each of the next two years using an analysis of the effectiveness of specific programs and a refreshment of market targets and goals. In addition, during the first 90 to 120 Day Plan, funding contributions from all partners will be finalized to help accurately define the project scope and strategies based on resources achieved.

ATTACHMENT C

REVISED: OCT. 6, 2015

SAULT STE. MARIE GAMING TASKFORCE

Taskforce Role:

The Taskforce is an advisory forum of public and private organizations that meets to discuss, recommend and undertake activities and strategies designed to enhance the region's growth and capacity building in lottery and gaming. The Taskforce provides a forum for communication, information sharing, opportunity identification, assessment of strategies, and where required, contribution of resources towards initiatives that advance lottery and gaming in Sault Ste. Marie. It also provides a means to bring focus, direction and awareness of this vital sector of the Sault Ste. Marie economy.

Taskforce Member Role:

The Sault Ste. Marie Gaming Taskforce is a voluntary committee. Members are expected to contribute in positive and concrete ways towards the growth of a lottery and gaming cluster in Sault Ste. Marie. Taskforce members are expected to make effort to attend meetings; be prepared to contribute time and/or resources towards gaming initiatives that benefit the sector as a whole. Conflicts must be declared for any discussion and members will operate within the spirit of collaboration.

Taskforce member roles and responsibilities can be defined as:

- Contribute knowledge and expertise
- Contribute effort or resources in support of getting the required work completed
- Prepare for sessions based on published agenda
- Bring current state challenges when they arise to ensure the Taskforce has an opportunity to address
- Promote the SSM Lottery and Gaming cluster opportunity

Taskforce Objectives:

The overall goal of the Taskforce is to advance and grow the lottery and gaming cluster in Sault Ste. Marie. Specific areas of focus for the Taskforce include:

1. Human Resources
2. Marketing and Outreach
3. Infrastructure
4. Services
5. Research and Development
6. Opportunity Identification

Vision Statement

Sault Ste. Marie - a globally recognized “centre of excellence” for lottery and gaming businesses.

Mission Statement

Proactively develop a lottery and gaming cluster in Sault Ste. Marie that includes an expanding group of private sector companies, crown agencies, researchers and service providers that enhance and grow responsible gaming while creating new jobs and prosperity in the community.

High Level Goals

- Attract lottery and gaming businesses to locate in Sault Ste. Marie
- Create high-value business services and a supportive environment for lottery and gaming organizations
- Ensure a talent pipeline exists that can supply organizations with the human resources required for success

Strategies:

- Leverage the OLG modernization process to anchor new businesses in Sault Ste. Marie
- Conduct effective outreach programs to attract companies to Sault Ste. Marie
- Utilize funding programs to support new job creation projects
- Work directly with lottery and gaming businesses to identify priority needs and strategic investments that would assist them in advancing their business

Organizations Involved:

- | | | |
|------------------------------|--------------------|-----------------|
| • Algoma University | • Debono Group | • Sault College |
| • Brooks Marketing Resources | • Pollard Banknote | • SSMEDC |
| • Canadian Banknote | • OLG | • SSMIC |

Observers:

- City of Sault Ste. Marie
- M.P. Sault Ste. Marie

NOTE:

The Taskforce is also supported by volunteer advisors who support Taskforce on a volunteer basis or who from time to time may be contracted by any of the organizations noted, to undertake work SSM lottery and Gaming Development.

ATTACHMENT D

**Pursuit of the New Sault Ste. Marie Lottery and Gaming Economy
Economic Development Fund Application**

September, 2015

Applicant Information

Legal name of business/organization

Sault Ste. Marie Innovation Centre

Names of Officers, Directors & Principals

Tom Vair, Executive Director

Dereck Whitmell, Board Chairperson

Ross Romano

Dr. Ron Common

Dr. Craig Chamberlin

Jim Harmar

Kirk Rothenberger

Art Osborne

Kirsten Corrigan

Nevin Buconjic

Karen Bird

Theresa Cassan

Chris Wray

History of Organization

The Sault Ste. Marie Innovation Centre (SSMIC) was established in 1999 as a not-for-profit Corporation without share capital.

Organization Mandate

The Sault Ste. Marie Innovation Centre functions as a catalyst for economic development and diversification in the information technology and knowledge-based sectors. Our mission is to drive business growth, facilitate research and commercialize innovation in globally significant areas of science and technology through partnerships, expert advice, community development, business incubation, youth outreach and sector development activities. SSMIC is a lead organization in examining the issues and potential of the Sault Ste. Marie-based Lottery and Gaming knowledge economy in anticipation of major changes to the OLG model by 2016.

Key Contact for Initiative

Ian Plumley
Lottery and Gaming Business Lead
705 942-7927 x3060
iplumley@ssmic.com

Tom Vair
Executive Director
705 942-7927 x 3152
tvair@ssmic.com

Contributing Partners

Request for financial assistance will be made to the Province of Ontario and Lottery and Gaming organizations involved in the future growth of the Sault Ste. Marie L&G economy.

Project Information

Project Description

The city of Sault Ste. Marie, through a coordinated project team (The L&G Pursuit Team), is implementing a focused effort to expand the Lottery and Gaming (L&G) sector. This project builds on the successful work over the last year to solidify our shared interests with OLG and intensifies our capacity to capitalize on the changes underway to our L&G economy. The foundation and the capacity in Sault Ste. Marie provide significant strengths that the community can leverage to expand its sector in a strategic knowledge economy. The L&G Pursuit project is designed to rapidly respond to OLG Modernization and establish growth opportunities for new private sector entrants. It is expected the project will focus on a 3-year effort commencing fall 2015.

The city of Sault Ste. Marie is the primary beneficiary of proceeding with a focused effort to expand its presence in the Lottery and Gaming economy. The initiative includes proactively retaining our core, existing L&G business partners (including OLG, Canadian Banknote Limited, BMR, Pollard Banknote, Algoma Games For Health); securing our new, major L&G partners (Lottery Services Provider, Northern Gaming Bundle Services Provider including Casino SSM) and supporting growth and creation of new initiatives with new private sector companies through investments and strategic partnerships.

The L&G sector represents a tremendous opportunity for the city of Sault Ste. Marie, and through a new level of investment by the city, we will be uniquely prepared to succeed in expanding our presence and global focus in L&G. The investment will enable significant additional funding from other public and private sources, creating a strong dedicated effort with excellent near-term prospects for success.

The project request of \$250,000 from the Economic Development Fund per year over 3 years from the city of Sault Ste. Marie aims to protect and grow an industry with direct payroll in excess of \$60 Million annually. This investment by the city, the first of its kind in this valuable sector, protects and builds on our success and proprietary strengths so we can define our future in the L&G industry and set a strong path towards growing our knowledge economy. Thanks to the city's initial efforts in addressing the potential for the L&G sector, we are now in a position to act positively in its transition to a more private-sector focus. The result will put Sault Ste. Marie in an excellent position to capitalize on change.

Background

In 2012, Sault Ste. Marie's dominant L&G employer, OLG, announced its intent to pursue a 'Modernization Plan'.

Since that time, OLG has worked directly and constructively with Sault Ste. Marie representatives and private sector partners to help anticipate the hurdles and opportunities within Modernization. While there is potential negative impact as a result of the modernization initiative, local stakeholders believe there is opportunity and this event provides a clear impetus for Sault Ste. Marie to change both the OLG outcome and, perhaps more importantly, the structure of the SSM L&G economy.

In early 2014, OLG committed senior management personnel to a newly formed Sault Ste. Marie Digital Gaming Taskforce, with MPP Oraziotti as Executive sponsor and bringing together SSM L&G private sector leaders, gaming industry experts, and community economic development, innovation and post-secondary partners. Over the last year, OLG has repeatedly expressed a positive commitment to Sault Ste. Marie, and in collaboration with Taskforce members has identified Sault Ste. Marie's leading challenge for their business operations as talent supply – a challenge that Sault Ste. Marie is uniquely capable of meeting.

At the end of 2014, SSMIC contracted a Lottery and Gaming Business Lead to examine the issues and develop and lead a market-driven plan for changing the outcomes facing SSM in OLG Modernization.

The fundamentals of this plan were presented to the Digital Gaming Taskforce in February 2015. Stemming from this, the Taskforce recognized the need for dedicated resources and a defined operating structure to manage the pursuit of L&G opportunities. The resource requirements, organization structure and operational management approach were designed in March 2015 and presented to key stakeholders and individual Taskforce members.

Key findings from the SSMIC-driven report include:

- The global Lottery and Gaming industry is massive. It generates over \$US 400 Billion in revenue, drives direct spending on lottery and gaming services in excess of \$51 Billion, and is the largest segment of the Canadian entertainment industry. The top industry suppliers employ over 19,500 people.
- The SSM L&G economy currently delivers over 900 direct, well-paying knowledge economy jobs to the City, representing about 14% of our total knowledge economy. With direct payroll impact in excess of \$60 Million annually and an estimated secondary impact in excess of \$250 Million annually, it is a major driver of the Sault Ste. Marie economy.
- The concentration of lottery and gaming human resources talent in SSM as a percent of its workforce is unmatched among global communities and represents a valuable resource for prospective private sector L&G companies. This can bring immediate efficiencies and competitive advantages.
- The opportunity of growing SSM's L&G economy is rising as a result of OLG Modernization and its resulting restructuring and distribution of jobs to two, lead private sector service providers (one for the lottery business in Ontario; one for the Northern Ontario Gaming bundle). It is our understanding each proponent has a 12-month legal obligation to OLG employees as they transition into operating these businesses.
- To respond effectively to these changes, SSM can choose to shift from an OLG-centric economy to a more diversified, globally-oriented, private sector driven L&G economy. This requires an immediate action to actively compete for emerging Ontario and global L&G market opportunities.
- Coordinated action on behalf of SSM can help ensure the local L&G economy is better positioned to maintain its current size and grow in the future. The execution of this project will transform SSM into a diversified and growing L&G cluster competing in a global industry.

- The goal is to create a Lottery and Gaming cluster in Sault Ste. Marie, which would create ongoing benefit and job creation in Sault Ste. Marie.
- By initiating Pursuit activities with urgency in fall 2015 Sault Ste. Marie can impact current decision-making processes and build a trajectory for success within new Service Provider operating plans and new business investment levels.

Objectives

The purpose for this funding request is to create the environment for Sault Ste. Marie's ongoing participation and the growth of its presence in the global Lottery and Gaming industry. It aims to attract new, direct investment and capitalize on the significant changes occurring globally as jurisdictions around the world adjust their lottery and gaming operations, new technology platforms emerge (online gaming, mobile devices, etc.) and new approaches are developed to ensure responsible gaming.

The 4 key objectives for this initiative include:

- **Retain:** Competing to earn a greater share of Modern OLG divisions, competencies and share of total lottery management positions
- **Convert:** Actively pursuing and expanding the presence of major, globally-dominant lottery and gaming service providers from the OLG Modernization procurements (Lottery, Northern Gaming Bundle) and securing their presence beyond a formal transition commitment window
- **Grow:** Growing Sault-based L&G enterprises (e.g. Canadian Banknote Limited, Pollard Banknote, BMR, Lottery Proponent, Northern Gaming Bundle Proponent, existing SSM-based L&G-relevant companies) through active pursuit of shared global market interests
- **Create:** Creating significant new business partners investing in SSM through coordinated and strategic Lottery and Gaming Business Units, partnerships and innovations for the global L&G industry.

Activities

The L&G Pursuit Project will be guided by its four foundational strategies – Retain, Convert, Grow, Create – to build a coordinated Business Development effort and an integrated Talent Management attraction and development effort. Centralized marketing and communications management will bring a single, unified face to the Project for both the Business Development and Talent Management markets.

The following set of activities highlight some of what the SSM L&G Pursuit Project Team will perform:

- Engage primary major private sector service providers in development of expanded L&G presence in Sault Ste. Marie including examination of delivering global-facing industry solutions with other SSM L&G partners.

- Interface directly with OLG senior management to address critical OLG business needs and examine opportunities for retention of core functions and divisions that will benefit from a revitalized SSM L&G economy
- Identify major talent competency needs and establish specific talent attraction and development programs to meet emerging demand for supply of knowledge-based talent
- Develop specific Innovation Business Unit plans to attract and secure new private sector entrants to the SSM L&G economy for specified L&G industry needs in product, technology and services
- Promote essential talent partnerships with Sault Ste. Marie's post-secondary institutions, Algoma University and Sault College, to meet the specific talent needs of major new entrants
- Develop and manage a comprehensive Communications Strategy with focused tactics to influence local, national and international target businesses and identify emerging opportunities in business expansion, relocation and collaboration
- Generate specific expansion opportunities and potential partnerships for current SSM-based private sector L&G companies to both solidify their presence and expand the potential for Sault-based activity that serves beyond the Ontario marketplace.

Performance Targets

The following metrics identify the targeted outcomes and results from this initiative. As the OLG Modernization process progresses and proponent procurement outcomes become better defined, specific forecasting will evolve over the 3 year project period. An annual report will be developed and provided to the City of Sault Ste. Marie, project partners and stakeholders. A shared governance relationship between SSMIC (as primary operational oversight) and EDC (as City of Sault Ste. Marie stakeholder oversight) will ensure regular and ongoing monitoring of operational outcomes.

- # of jobs retained at Modern OLG
- % share of jobs retained
- # of jobs converted to long-term SSM presence from selected lottery proponent presence
- % share of jobs converted and secured
- # of jobs converted or grown within Casino Sault Ste. Marie and Northern Gaming Bundle proponent
- # of new firms attracted to SSM L&G sector and associated jobs and \$ value
- # of startups and partnerships generated for SSM L&G sector
- # of jobs arising from expanded operations of current SSM L&G private sector
- \$ value and economic growth of new knowledge economy talent attracted to SSM

These measures will be critical to evaluating the success of the L&G Pursuit Project's specific and combined efforts. They will allow key management personnel to modify and refine activities through the life of the Project and build a success story for the city and the Growth Plan for Northern Ontario.

Impacts and Limitations of Project

The L&G Pursuit Project Team will bring one integrated approach to a Sault effort to capture, strengthen and grow its Lottery and Gaming economy. By design, the Pursuit Team will coordinate Talent and Communication strategies into its Market Strategy and Business Development efforts. This project offers an exceptional level of efficiency and effectiveness through the leadership of senior lottery and gaming industry professionals with a commitment to Sault Ste. Marie's success. The undetermined impacts of OLG's Modernization process inject some variability into the exact timing of some conversion efforts but this will be counterbalanced with specific development efforts that increase Sault Ste. Marie's independent development of their own L&G economy.

Methodology and timing

Because this Project has a specific urgency arising from the limited window of time for successful outcomes with new private sector proponents, we anticipate initiating the early implementation activities of the project immediately upon SSM City Council approval of the initiative, with additional funding applications to NOHFC and private sector running in parallel. We anticipate the project will commence by Fall 2015.

- July/August 2015 – Present to SSMECD Board and Council to seek approvals
- September 2015 – Submit Stage 1 application to NOHFC
- August/Sept./Oct. 2015 – Secure private sector contributions and in-kind resources
- Oct 2015 - Target soft startup of Project for initial implementation activities
- Oct/Nov 2015 – Stage 2 application process with NOHFC
- Late Fall 2015 – Full Pursuit Project launch
- Annual reports to Board on activities

Proposed Entity Structure

See attachment.

Costs and Financing

Detailed Project Costs

Note the table below represents the initial, draft budget and will be finalized based on confirmation from other funding sources.

	Year One	Year Two	Year Three	Total
Project Costs	Yr.1	Yr. 2	Yr. 3	Total
Entity Personnel				
Contract Team	\$ 486,450	\$ 486,450	\$ 486,450	\$ 1,459,350
Project Staff	\$ 523,700	\$ 629,700	\$ 580,200	\$ 1,733,600
Media	\$ 79,000	\$ 100,000	\$ 90,000	\$ 269,000
Production	\$ 125,000	\$ 55,000	\$ 42,500	\$ 222,500
Research	\$ 25,000	\$ 35,000	\$ 15,000	\$ 75,000
Business Development and Client Attraction	\$ 99,900	\$ 99,900	\$ 99,900	\$ 299,700
Events, Workshops and Summits	\$ 85,000	\$ 115,000	\$ 75,000	\$ 275,000
Contract Services	\$ 35,000	\$ 75,000	\$ 100,000	\$ 210,000
Equipment	\$ 10,000	\$ 2,000	\$ 5,000	\$ 17,000
Admin/OH	\$ 22,800	\$ 33,300	\$ 33,300	\$ 89,400
Total	\$ 1,491,850	\$ 1,631,350	\$ 1,527,350	\$ 4,650,550

Financing Arrangements and Funding Partners

We project the funding for this project will be heavily based on provincial and private contributors, at approximately 80% of the project support, with the remaining 20% from our community.

Economic Benefits

Description of how the project promotes economic growth and diversification

This Project has an enormous impact on the health of Sault Ste. Marie's economy. It responds to a significant change in an important component of the SSM economy by investing to redefine the makeup of this sector. It will protect and grow today's current direct payroll influx of over \$60 Million annually and its related annual economic impact of over \$250 Million.

Importantly, the project is building on something at which we are uniquely successful. This focus lets us capitalize on 'growth from within' and builds upon our many L&G employers.

The Project has diversification as its primary purpose. It enables the pursuit and attraction of major L&G private sector partners, turning SSM's L&G economy from one inextricably dependent on OLG to one where OLG is a smaller part of a much bigger pie.

The Project also diversifies and grows Sault Ste. Marie's knowledge economy and talent competency supply. This will serve as a model for community-wide partnering in knowledge-based job development and strengthen our position for future retention of young professionals in the Sault.

Lastly, the Project's business development efforts are expected to result in public and private capital investments to drive global expansion of partner projects in L&G innovations and services.

Projected Job Creation

While the OLG Modernization process is approaching its implementation phase, this Project has the ability to proactively develop the Lottery and Gaming industry in SSM. It is currently estimated that the Pursuit Project investment will deliver a net positive impact of up to 200 *direct and ongoing* jobs for the Sault knowledge economy, with a clear change in the trend from decline to growth. This alone is very significant. Beyond this, the diversified nature of the new Sault L&G economy strengthens our confidence in the prospects for growth beyond these figures in the future. When this is coupled with immediate indirect spinoff jobs growth for the Sault economy of a substantial number of additional jobs, it makes the Pursuit Project one of the most strategic investments in the Sault Ste. Marie economy.

Other Economic and Community Benefits

The SSM L&G Pursuit Project represents a renewal of our presence in Lottery and Gaming. It will bring a fresh energy to the Sault's knowledge economy that mirrors that felt in the early 1990's when Ontario's Northern Relocation Program brought the (then called) Ontario Lottery Corporation to our city.

The vibrancy reflected back then – in increased economic spending, real estate and property development activity and general pride – will be replicated by this renewal. Resulting municipal tax revenue gains, while not part of the economic valuation here, can be expected to be significant.

This initiative can mirror past community sector-focused successes such as those in Waterloo (Technology expansion beyond RIM) and Montreal (Aeronautics, Game Programming). With a clear position within the L&G industry, Sault Ste. Marie can prosper in technology innovation and growth.

Community Benefits

How the Project Complements Other Local Initiatives

The SSM L&G Pursuit Project will act as a knowledge-based economy model for talent development. This will enable community-wide adoption and sharing of successful programs and tactics with Sault Ste. Marie's major employers like Essar, Tenaris, Sault Area Hospital and more.

The Pursuit Project will also integrate with our post-secondary partners, Algoma University and Sault College. This will strengthen development of curriculum programming, training streams and identification of competency pathways for the Sault's young adult population. By marrying educational efforts with key needs of our growing base of knowledge economy businesses, Sault Ste. Marie will nourish its total economy and help reduce cyclical impacts of commodity-based manufacturing or resource sectors.

The SSM L&G Pursuit Project has the potential to become a model success story under the Growth Plan for Northern Ontario, further enhancing Sault Ste. Marie's reputation as a progressive, globally-oriented centre for successful knowledge economy growth.

Impact on the Community as a Whole

This Project presents Sault Ste. Marie with the opportunity to respond to serious challenges with energetic insight. Sault Ste. Marie will be able to take pride as a community in its forward-looking and globally unmatched approach to capitalizing on its L&G knowledge resources.

The restructured and healthy, new SSM L&G economy will give Sault Ste. Marie a presence on the global stage of the lottery and gaming industry. In addition, we will gain vibrancy in youth employment and attraction, and build strong new ties with private sector economic partners.

For further background on these information pieces or for general questions on the SSM L&G Pursuit, please contact:

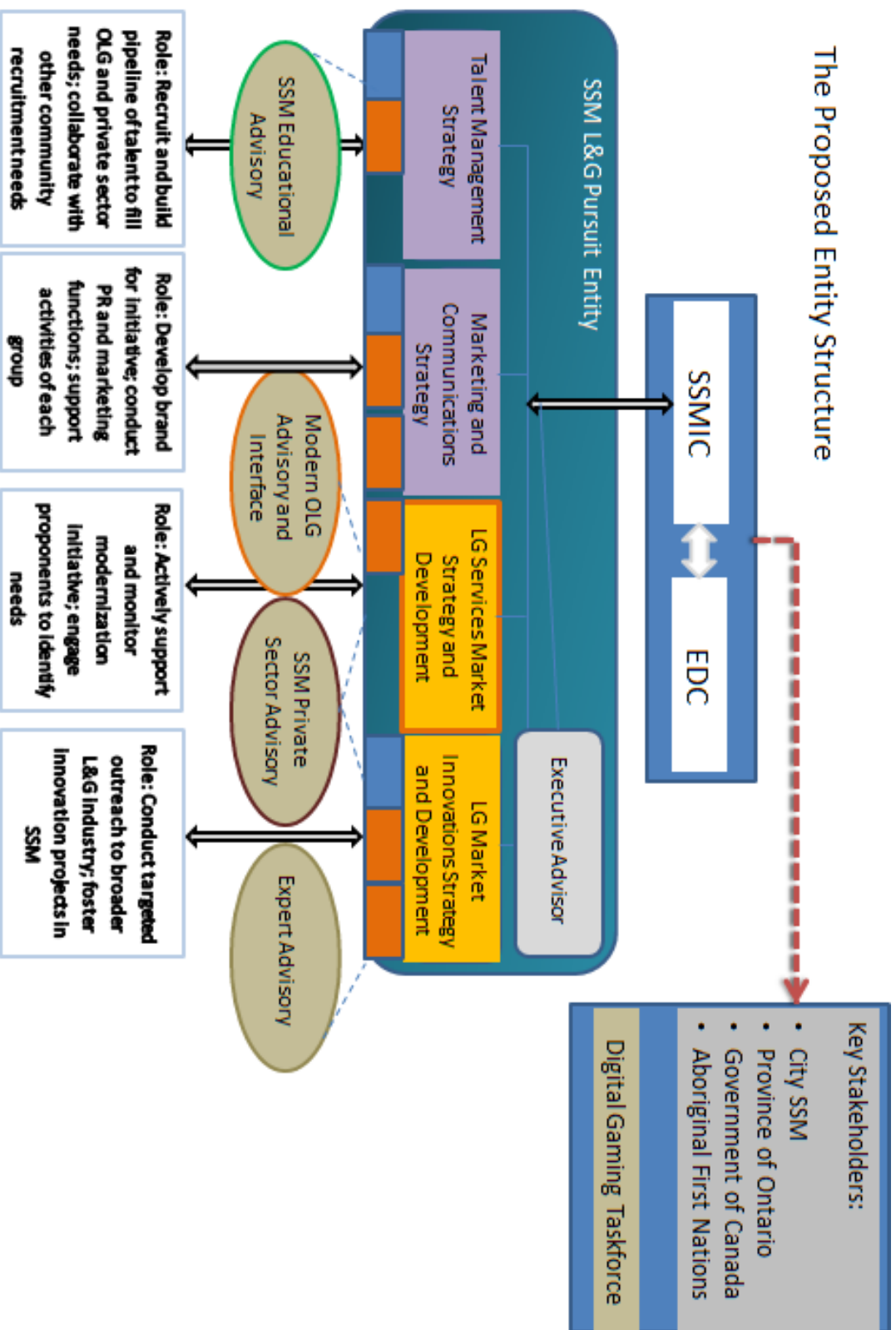
At Sault Ste. Marie Innovation Centre (SSMIC):

Tom Vair, Executive Director or Ian Plumley, Lottery and Gaming Business Lead

tvair@ssmic.com iplumley@ssmic.com 705.942.7927

At Sault Ste. Marie Economic Development Corporation (SSMEDC):

Tom Dodds, C.E.O. tdodds@ssmedc.ca 705.759.5436





COUNCIL REPORT

October 13, 2015

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Shelley J. Schell, CPA, CA

DEPARTMENT: Finance Department

RE: EDF Application: Pursuit Project

PURPOSE

The purpose of this report is to provide recommendation regarding the economic resources available for the EDF application for the Pursuit Project as submitted by the Sault Ste. Marie Innovation Centre.

BACKGROUND

Elsewhere on the agenda is a request for \$750,000, \$250,000 per year over three years for the above noted project. As per the Economic Development Fund Criteria, established and approved by Council September 24, 2007, City Finance is to provide recommendations regarding economic resource availability.

ANALYSIS

An annual contribution of \$500,000 is included in the operating budget for recommended Economic Diversification Projects. The uncommitted balances available as of October 13, 2015 are:

Year	Uncommitted
2015	\$471,675
2014 and Earlier	\$101,860

IMPACT

The 2015 EDF uncommitted balance is sufficient to cover Year 1 of the three year request. Years 2 and 3 will commit 50% of the annual allocation to the fund thus limiting resources for 2016 and 2017. Council will also be committing a minimum of \$250,000 for the EDF allocation in the operating budgets for those years.

The City's share of the project is approximately 20% and will leverage 80% funding from provincial and private contributors of approximately \$3.7 million.

STRATEGIC PLAN

This item is not directly stated on the strategic plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Commissioner of Finance and Treasurer dated 2015 10 13 concerning the EDF Application for the Pursuit Project be received as information.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Shelley Schell".

Shelley J. Schell, CPA, CA
Commissioner of Finance & Treasurer

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-170

ZONING: A by-law to remove the Holding (H) Provision from Zoning By-laws 2005-150 and 2005-151 for the lands known municipally as 849 Second Line East (Mac's Convenience Stores Inc.).

WHEREAS on January 26, 2015, pursuant to Sections 34 and 36 of the *Planning Act*, R.S.O. 1990, c. P.13, the Council for the Corporation of the City of Sault Ste. Marie (the "City") passed By-law 2015-14 which amended Zoning By-laws 2005-150 and 2005-151 concerning lands located at 829 and 849 Second Line East (the "Lands"), by rezoning the said Lands from R4.S (Medium Density Residential) zone with a "Special Exception" and RA (Rural Area) zone to C4.S.H (General Commercial) zone with a "Special Exception", subject to a "Holding Provision", to put additional conditions on the use of the said Lands;

AND WHEREAS By-law 2015-14 provides that the "Holding Provision" shall only be removed by the Council for the City pursuant to Section 36 of the *Planning Act*, after certain issues are addressed to the satisfaction of City Council;

AND WHEREAS on August 10, 2015, the Council for the City approved the Report of the City Engineering and Planning Department dated August 10, 2015 (the "Report") concerning Application No. A-14-15-Z (the "Application") which Report recommended that City Council approve the Application which sought the removal of the Holding Provision from a part of the said Lands, namely those lands and premises located at 849 Second Line East (the "Subject Property"), which Subject Property was identified and marked as the "Subject Property" on the Subject Property Map attached as Map 1-76 to the said Report;

AND WHEREAS the Council for the City is empowered to enact this By-law by virtue of the provisions of Section 36 of the *Planning Act*;

AND WHEREAS notice of removal of the Holding Provision has been provided in accordance with the provisions of the *Planning Act*;

NOW THEREFORE the Council of the Corporation of the City of Sault Ste. Marie, pursuant to Section 36 of the *Planning Act* and amendments thereto, **ENACTS** as follows:

1. REMOVAL OF THE HOLDING PROVISION – 849 SECOND LINE EAST

- (a) Schedule "A", Maps 71 and 1-76 to Zoning By-law 2005-150 is hereby amended by removing the Holding "H" Provision from the Subject Property, which lands are outlined and marked as the "Subject Property" on Map 1-76 attached hereto as Schedule "A" to this By-law.
- (b) Schedule 346 to Zoning By-law 2005-151 is hereby amended by removing the Holding "H" Provision from the Subject Property, which lands are outlined and marked as the "Subject Property" on Map 1-76 attached as Schedule "A" to this By-law.
- (c) City Zoning By-laws 2005-150 and 2005-151 are hereby amended to give effect to the foregoing and shall in all other respects remain in full force and effect.

2. 829 & 849 SECOND LINE EAST; LOCATED ON THE SOUTHWEST CORNER OF SECOND LINE EAST AND PINE STREET;

In respect of 849 Second Line East only, the zone designation on the lands described in section 3 of this by-law, which lands are shown on Map 1-76 of Schedule "A" to By-law 2005-150, is changed from C4.S.H (General Commercial) zone with a "Special Exception" and with a "Holding Provision" to C4.S. (General Commercial) zone with an amended "Special Exception".

3. BY-LAW 2005-151 AMENDED

Section 2 of By-law 2005-151 is amended by repealing section 2(346) and adding the following subsection 2(346) and heading as follows:

"2(346) 829 & 849 Second Line East

Despite the provisions of By-law 2005-150, the zone designation on the lands located on the southwest corner of Second Line East and Pine Street and having civic no. 829 and 849 Second Line East (Schedule "B") and outlined and marked "Subject Property" on the map attached as Schedule 346 hereto is changed from R4.S (Medium Density Residential) zone with a "Special Exception" and from RA (Rural Area) zone to C4.S. (General Commercial) zone with a "Special Exception" subject to the following conditions:

- 1) That the following uses are prohibited:
 - a) car wash facilities;
 - b) motor vehicle rental and leasing;
 - c) motor vehicle sales and parts dealing; and
 - d) repair and maintenance; and

- 2) That both 829 and 849 Second Line East share one common access and egress point only."

4. **SCHEDULES "A" AND "B"**

Schedule "A" and Schedule "B" hereto form a part of this by-law.

5. **CERTIFICATE OF CONFORMITY**

It is hereby certified that this by-law is in conformity with the Official Plan for the City of Sault Ste. Marie, authorized and in force on the day of the passing of this by-law.

6. **EFFECTIVE DATE**

This by-law takes effect on the day of its final passing.

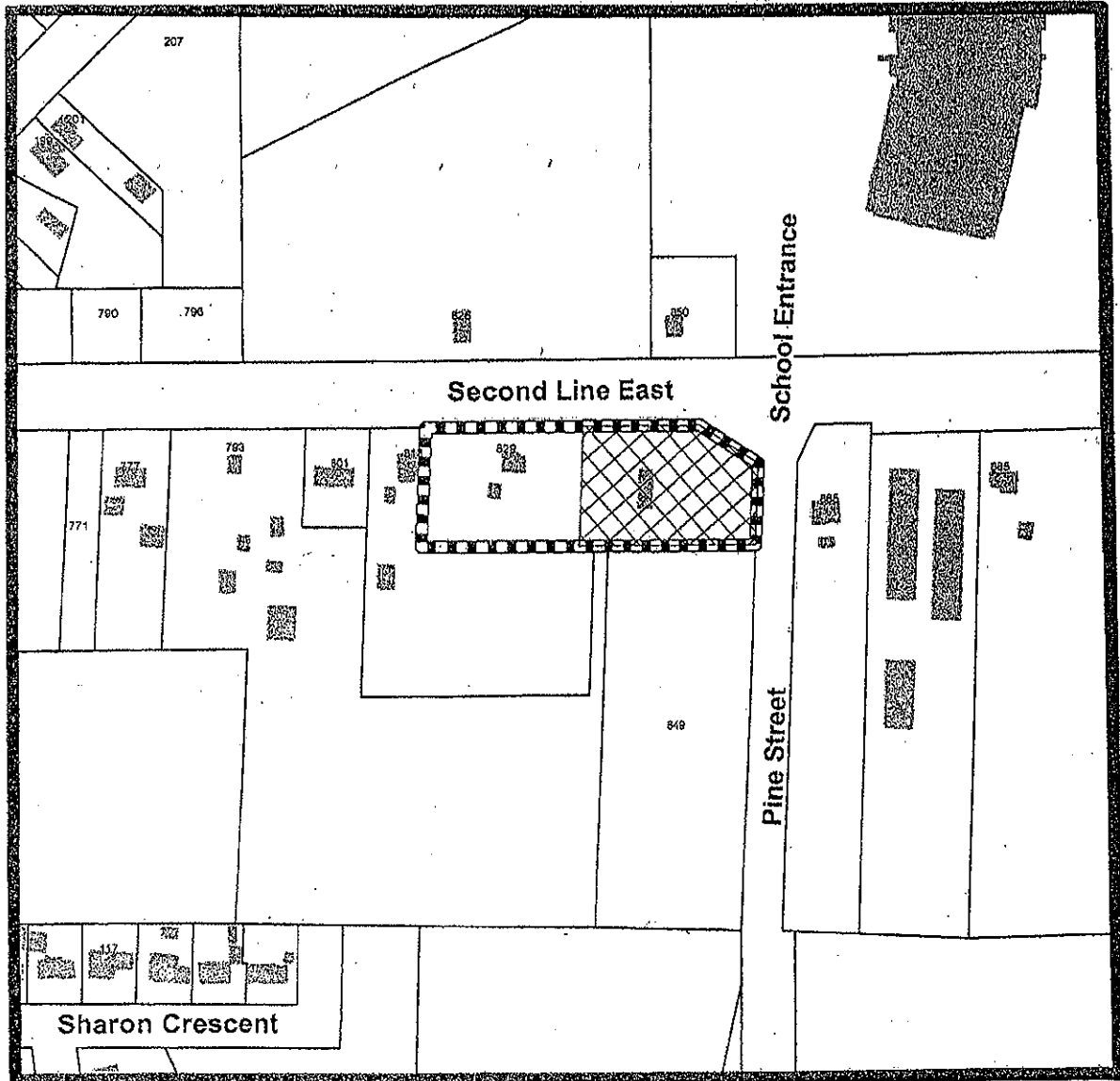
PASSED in Open Council this 13th day of October, 2015.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

da LEGAL\STAFF\LEGAL\ZONING\2015\2015-170 849 SECOND LINE W MAC'S\2015-170 BY-LAW REMOVAL OF HOLDING PROVISION-ON.DOC

SCHEDULE "A" TO BY-LAW 2015-170



SUBJECT PROPERTY MAP

829 - 849 SECOND LINE EAST
Planning Application: A-14-15-Z
"Holding Provision" Removal

 Subject Property (HP-Removal Area)

 Area Subject to Holding Provision, 829-849

REFERENCE
 Rezoning A-1-15-Z-OP
 Severance B-37/13
 Severance B-15/15
 Site Plan Control 1-15-SPC

ROLL NUMBER
 030-080-082-00

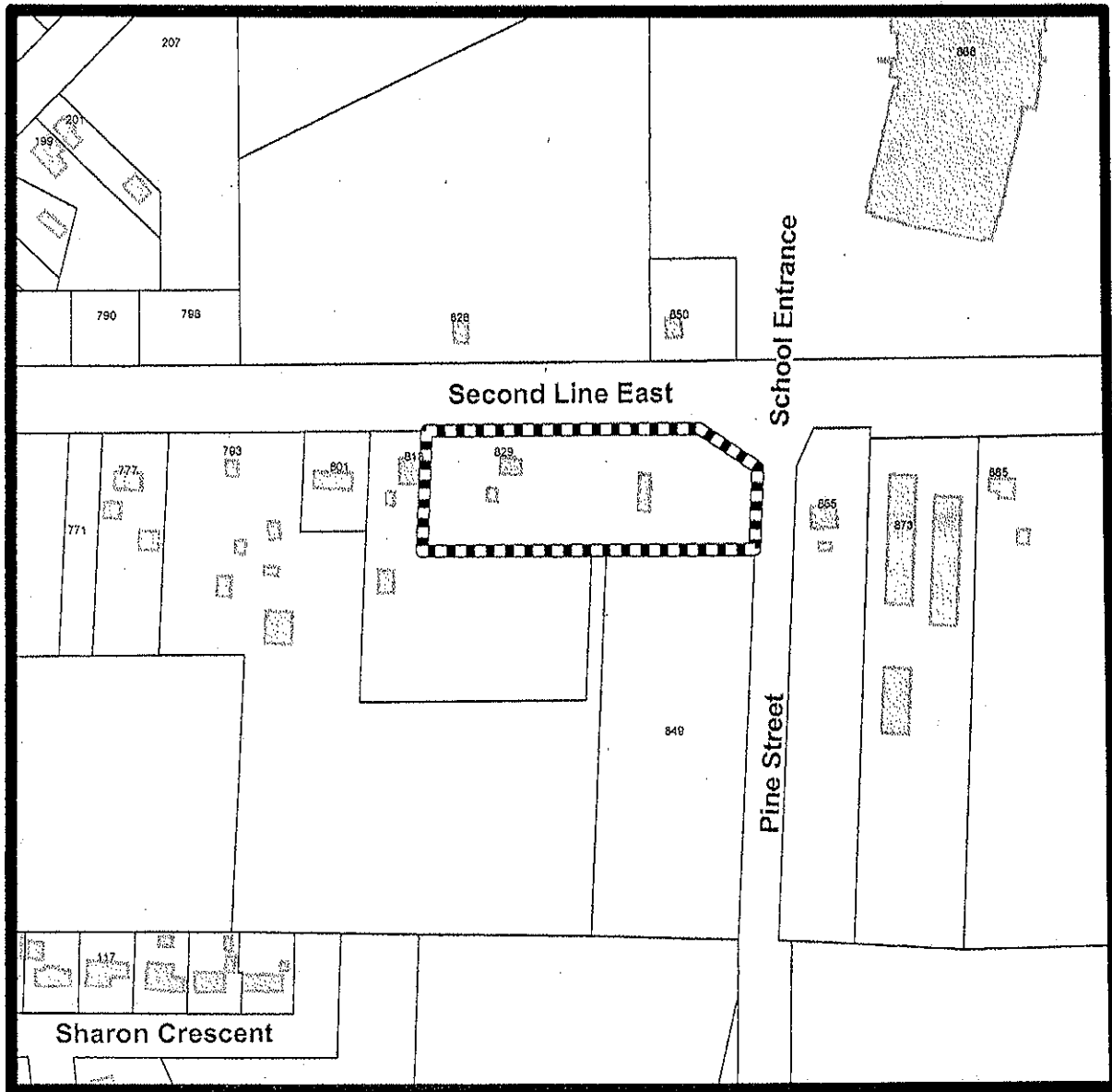
MAP NUMBERS
 71 & 1-76

MAIL LABEL
 A-14-15-Z



METRIC SCALE
 1 : 2500

SCHEDULE "B" TO BY-LAW 2015-170



SUBJECT PROPERTY MAP

829 - 849 SECOND LINE EAST
Planning Application: A-14-15-Z

REFERENCE
Rezoning A-1-15-Z-OP
Severance B-37/13
Severance B-15/15
Site Plan Control 1-15-SPC

ROLL NUMBER
030-080-082-00

MAP NUMBERS
71 & 1-76

MAIL LABEL
A-14-15-Z



SUBJECT PROPERTY



METRIC SCALE
1 : 2500

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-182

AGREEMENT: (AG145) A by-law to authorize the execution of an agreement between the City and Bell Mobility Inc. allowing for the installation of an In-House Distributed Antenna System in the Essar Centre to enhance the cellular signals within the building.

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 October 13, 2015 between the City and Bell Mobility Inc. allowing for the installation of an In-House Distributed Antenna System in the Essar Centre to enhance the cellular signals within the building, a copy of which is attached as Schedule "A" hereto.

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 13th day of October, 2015.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

LICENSE AGREEMENT

THIS LICENSE AGREEMENT is made as of the 13th day of October, 2015.

BETWEEN:

BELL MOBILITY INC.
(hereinafter called the "Licensee")

OF THE FIRST PART

-and-

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
(hereinafter called the "Licensor")

OF THE SECOND PART

WHEREAS the Licensor is the registered owner of the Essar Centre, 269 Queen Street East, Sault Ste. Marie (the "Facility");

AND WHEREAS the Licensee is desirous of installing a Bell Mobility In-Building Distributed Antenna System ("DAS") in the Facility;

AND WHEREAS the Licensee has requested the permission of the Licensor to use space within the Facility to install, attach, connect, operate, maintain, repair, inspect, replace and remove telecommunications equipment, including but not limited to antenna(s), waveguides, cabling, wiring, hardware, battery back-up system, routers, switches, accessories, combiners, couplers, splitters, optical converters, amplifiers, enhancer units, repeater(s), indoor antennas, outdoor antennas, antenna mounts, HVAC probes and any other equipment related thereto (the "Equipment");

AND WHEREAS the Licensor is agreeable to allow the Licensee to install, operate and maintain the Equipment required for the DAS within the Facility, subject to the terms and conditions herein after contained;

NOW THEREFORE in consideration of the sum of Two Dollars (\$2.00) now paid by each party hereto to the other and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Licensor and the Licensee covenant and agree as follows:

1. GRANT OF LICENSE

- A. The Licensor hereby grants to the Licensee, including its agents, employees, and contractors, a non-exclusive right and license to:

- a. access and attach in, on, or to the Facility, the Equipment used for the purpose of wireless communications for the DAS, subject to the Licensee successfully complying with the Licensors permit application process (as set out in Section 1(B) herein) to the satisfaction of the Licensor; and
 - b. for clarification purposes, and subject to the Licensee successfully complying with the Licensors permit application process (as set out in Section 1(B) herein), to the satisfaction of the Licensor, the Licensor hereby agrees that the aforementioned right and license includes the Licensee's right to use, in common with others, the Licensors pathways, common utility conduits, HVAC ductwork and their surrounding areas, and shafts in and upon the Facility, for the purpose of connecting the Equipment to the Facility's electrical power source, fibre, and telephone lines and to the Licensee's telecommunication network (subject to Sections 7(B) and 8 of this License).
- B. The parties hereto acknowledge and agree that the Licensee shall fully cooperate and comply with the Licensors permit application process (the "Application") to be designed by the Licensor at its sole discretion. The parties further acknowledge and agree that this Application process requires the Licensee to provide the Licensor with the following information, to the Licensors satisfaction, acting reasonably, prior to the installation of any Equipment at the Facility:
- a. Particulars of all Equipment to be installed in the Facility;
 - b. Drawings depicting the proposed location(s) for the Equipment to be installed in the Facility (the "Licensed Space");
 - c. A list of proposed contractors, sub-contractors, employees and/or assigns who will be accessing and completing the installation, inspections and maintenance of the Equipment at the Facility;
 - d. A work plan for the installation of the Equipment and DAS, including the access requirements for the Facility and the proposed dates, times and work to be completed;
 - e. A Maintenance and Inspection Plan for the Equipment and DAS for the Facility for the duration of the Term and Renewal Term, if applicable;
 - f. A plan for responding to technical difficulties encountered in the Facility and related to the DAS; and
 - g. Any further information as required by the Licensor, in its sole discretion.

The Licensee further acknowledges and agrees that the Licensor may approve, deny and/or require amendments to the Licensee's Application prior to the approval

of the Application, which decision shall be made at the sole discretion of the Licensors.

The parties hereto further acknowledge and agree that once the Application is approved by the Licensors:

- i. the Licensors shall forthwith provide the Licensee with written evidence of such approval of the Application (the "Approved Application"); and
 - ii. the Approved Application shall be final, shall form part of this License and shall be subject to the terms and conditions of this License. For clarification purposes, subject to the terms and conditions of this License, unless otherwise agreed to in writing between the Licensors and the Licensee, the Licensors shall not be permitted to require any amendments to the Approved Application, except as provided for in Section 6(M) and (N) herein.
- C. The Licensee shall install the Equipment and DAS in the Facility in accordance with the Approved Application.
- D. The Licensee shall have the right at any time and at its own cost and expense to connect to and draw power from the Licensors's electrical power supply to the extent set out in the Approved Application applicable to the Facility. The Licensee shall be responsible for its own electrical connection costs and for the electrical consumption used at the Facility, which method of calculating such connection and consumption costs shall be determined in accordance with the Approved Application. Where permitted by the local hydro utility, the Licensee shall at its expense install a separately metered hydro subservice; such electrical consumption shall be billed separately by the local hydro utility to the Licensee.
- E. The parties hereto acknowledge and agree that this is a non-exclusive License and therefore, third parties may also be permitted by the Licensors to make installations of equipment on or in the Facility. The Licensee hereby confirms that the Licensors has not provided any representation, warranty or other assurance that a third party's installation, attachment, connection, operation, maintenance, repair, inspection, replacement and/or removal of work or equipment at a Facility shall be without interference to the Licensee. The Licensee further acknowledges and agrees that the Licensors shall be at no risk, liability or expense in the event that a third party's presence as set out herein at the Facility, presently or in the future, impairs or interferes with the Licensee's Equipment or any other matters related to this License. Further, the parties hereto acknowledge and agree that the Licensors shall not be responsible or called upon to resolve any interference issues that may arise between the Licensee and any such third parties; however, the Licensors shall cooperate in regards to resolving any such interference to the extent reasonably possible to the Licensors, in the Licensors's sole discretion, at no cost to the Licensors and within the

Licensor's existing capabilities/abilities, providing the Licensor shall not be responsible to arbitrate, mediate or resolve any dispute between such parties.

2. TERM AND LICENSE FEE

- A. The term of this License shall commence on October 15, 2015 (the "Commencement Date") and shall continue for a period of ten (10) years (the "Term"). The Term shall automatically renew for three (3) successive five (5) year periods (the "Renewal Term") unless the Licensee notifies the Licensor six (6) months prior to the expiry of such Term or Renewal Term, as applicable.
- B. During the Term, and the Renewal Term(s), as applicable, the Licensee shall pay to the Licensor a license fee as set forth in Schedule "A" attached (the "License Fee"), plus any Sales Taxes (as defined in this paragraph) which it is required to pay by law. The Licensor confirms that its HST number (as defined in this paragraph) is 12202 3120 RT0001. "Sales Taxes" means all goods and services, business transfer, multi-stage sales, sales, use, consumption, harmonized, value-added or other similar taxes imposed by any federal, provincial or municipal government upon the Licensor or the Licensee in respect of this License, or the amounts payable by the Licensee hereunder or the goods and services provided by the Licensor hereunder, and the provision of administrative services to the Licensee hereunder and includes, without limitation, the goods and services tax and any harmonized sales tax ("HST").

3. USE

- A. The Licensee's use of the Facility shall be only for the purpose of installing, connecting, operating, maintaining, inspecting, repairing, replacing, and removing the Equipment to provide wireless services within the Facility.
- B. The Equipment shall be solely installed and used for the purpose of providing Bell Mobility wireless services in the Facility.
- C. The Licensor covenants and agrees that it shall not for any reason whatsoever allow or permit or cause others to use or access any of the Equipment during the Term or Renewal Term(s), as applicable. The parties hereto acknowledge and agree that this paragraph shall not apply in the case of any
 - a. equipment that is used in common with others in the Facility as so permitted and contemplated in Section 1A(b);
 - b. access required to any portion of the Facility by the Licensor as determined by the Licensor in its sole discretion, acting reasonably. For clarification purposes, this subsection does not permit the Licensor to use the Equipment; and

- c. access required to the Facility in accordance with Section 4(D) to this License. For clarification purposes, this subsection does not permit the Licenser or others to use the Equipment.
- D. The Licensee confirms that the Licenser has not provided any representation, warranty, or other assurance regarding the suitability of the Facility or any part thereof for use by the Licensee. Prior to any installation of Equipment at the Facility, the Licensee acknowledges that it shall carry out an inspection of the approved Facility to satisfy itself concerning the suitability of same for its purposed use and that it is using the approved Facility on an "as is where is" basis. In the event that aforesaid inspection by the Licensee generates any concern as to the suitability of the Facility for its use, the Licensee shall not use same and shall report such concern(s) to the Licenser immediately.
- E. The Licensee shall comply with all applicable laws, by-laws, rules and regulations of any governing body respecting the Facility and the Equipment.

4. ACCESS

- A. The Licenser hereby grants to the Licensee its contractors, sub-contractors, employees and/or assigns all rights of direct access during the applicable Facility's operating hours. In the event that the Licensee requires access to the Facility after the Facility's regular operating hours, the Licenser hereby grants access to the Licensee, its agents, employees and/or assigns in accordance with Section 4(B).
- B. In the event that the Licensee requires access to the Facility after the Facility's regular operating hours, the Licensee shall contact Facility Security or his or her designate to facilitate such access.
- C. When accessing the Facility, the Licensee acknowledges and agrees that it shall not unduly interrupt the normal business operations of the Licenser.
- D. If, at the sole discretion of the Licenser, in emergency situations, the Licenser and/or emergency personnel requires access to the Facility such that removal of any portion or the entirety of the Equipment is required, the Licensee shall in no way restrict such access and the City and/or emergency personnel shall in no way be responsible for restoring the Equipment to its condition prior to such access by the Licenser and/or emergency personnel. The Licenser covenants and agrees to notify the Licensee immediately in the event of any removal of any portion, or the entirety, of the Equipment pursuant to this Section 4(D).

5. ASSIGNMENT

The Licensee shall be permitted to assign, sub-License or License the whole or any part of the Equipment and rights of access set out herein only with the consent of the Licenser to any assignee, sublessee or Licensee (the "Assignee") provided that the Licensee shall not

be relieved from any of its obligations under this License and further provided that the Assignee(s) agree(s) to be bound by the terms and conditions of this License.

6. LICENSEE'S WORK

- A. The Licensee shall at its own expense install, attach, connect, operate, maintain, repair, inspect, replace and remove the Equipment in a good, professional and skilled manner. All installation, reconfiguration, attachment, maintenance, repair, inspections and operations to be carried out under this License by the Licensee shall be done at the Licensee's sole expense, liability and risk.
- B. During the Term and Renewal Term(s) (if applicable) and upon the expiration or earlier termination of the License, the Licensee shall forthwith repair at its sole cost, liability and expense, and to the reasonable satisfaction of the Licenser all damages, structural or otherwise that may be caused to the Facility by reason of the installation, reconfiguration, attachment, repair, maintenance, inspection, operation or removal of the Equipment, or any other matters related directly or indirectly to this License. In the event that the Licensee fails to forthwith repair the aforesaid damages, the parties hereto acknowledge and agree that the Licensee may repair or cause such repairs to be effected as it determines, in its sole discretion, necessary and all charges for such repairs and matters related thereto shall be payable by the Licensee immediately upon demand by the Licenser.
- C. The Licensee shall monitor and maintain all of the Equipment in the Facility in accordance with the Maintenance and Inspection Plan. The Licensee shall assume full responsibility for all activities, costs, liabilities and expenses related directly or indirectly to the maintenance and inspection of the Equipment.
- D. Subject to the terms, conditions and limitations set out in Section 8 of this License, the Licensee shall assume full responsibility for all activities, costs and expenses related to the Equipment and this License. The parties hereto shall each be responsible for their respective legal fees and disbursements in the preparation and negotiation of this License.
- E. Subject to the terms, conditions and limitations set out in Section 8 of this License, the parties hereto acknowledge and agree that it is the intention of this License that the Licenser shall be at no risk or expense whatsoever to which it would have been put had the aforesaid Equipment and DAS not been installed or otherwise attached to the Facility.
- F. The Licensee may make alterations and/or improvements to the Equipment during the Term or Renewal Term (if applicable) with the consent of the Licenser. The costs, liabilities and risks associated with the removal, alterations and/or improvements of the Equipment shall be the responsibility of the Licensee.

- G. The Licenser hereby agrees that the Equipment shall not become fixtures of the Facility but shall be and shall remain the personal property of the Licensee at all times and may be removed in accordance with the terms and conditions of this License.
- H. The Licensee shall secure the necessary financing, labour, services, equipment, permits and approvals prior to commencing any work related to this License. The Licensee shall ensure that the Equipment, and the installation, maintenance, repair, inspection, repair, use and operation of the Equipment in the Facility complies with the requirements of the *Ontario Electrical Safety Code*, *Ontario Building Code*, Ontario Energy Board, *Occupational Health and Safety Act*, and any other applicable codes and legislation.
- I. Upon request of the Licenser, the Licensee shall provide the Licenser with a copy of the specifications of any Equipment installed in the Facility.
- J. The Licensee shall submit to the Licenser, in advance for the Licenser's approval, copies of any and all advertising or promotional material in all formats that the Licensee desires to utilize, broadcast, publish or otherwise make known to the public (the "Advertising") regarding the installation and use of the Equipment in the Facility and regarding this License.
- K. The Licensee shall promptly respond to any and all technical difficulties and related matters encountered with the Equipment in the Facility, including without limitation, the failure of the Equipment to operate on a temporary basis. The parties hereto acknowledge and agree that the Licenser shall not be responsible for responding to any such technical difficulties or related matters.
- L. Except for reasonable wear and tear, the Licensee shall not do or cause to be done any action which would damage, waste, disfigure, or injure the Facility or any part thereof or otherwise cause a nuisance. Any such action to the Facility by the Licensee or any of the Licensee's contractors, subcontractors, employees, agents or assignees in relation to or in connection with any other matters under this License shall be at the financial responsibility and liability of the Licensee to repair. The Licensee agrees that the Licenser will immediately undertake all work that the Licenser, in its sole view, deems necessary to repair the Facility (excluding any reasonable wear and tear). Any reasonable costs incurred by the Licenser to repair the Facility for such waste and nuisance as said in this paragraph shall be payable by the Licensee immediately upon demand by the Licenser.
- M. If at any time during the Term or Renewal Term(s) (if applicable), the Licenser requires the Licensee to relocate any Equipment installed in the Facility, excluding any Equipment in the Facility's main equipment room or remote equipment rooms (the "Relocatable Equipment") the Licensee shall promptly relocate such Relocatable Equipment to a location(s) approved by the Licenser at the Licensee's sole cost, liability and expense. The parties hereto agree that an amending



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agreement to this License shall be executed by the parties to confirm the new location for the Relocatable Equipment. In such an event, if the Licensee fails to relocate such Relocatable Equipment within thirty (30) days following such notification of the new approved location(s) by the Licensors, the Licensors may, in its sole discretion, remove and store or dispose of same and all reasonable charges for such removal, storage and/or disposal shall be payable by the Licensee immediately upon demand by the Licensors.

- N. If at any time during the Term or Renewal Term(s) (if applicable), the Licensors are required to relocate the Facility, the Licensors shall provide the Licensee with notice as soon as practicable upon being made aware of same. The Licensors shall at its sole cost and liability remove the Equipment from the Facility immediately upon the expiry of the notice period. In the event that the Licensee fails to remove such Equipment within thirty (30) days following such notice of relocation by the Licensors, the Licensors may, in its sole discretion, remove and store or dispose of same and all reasonable charges for such removal, storage and/or disposal shall be payable by the Licensee immediately upon demand by the Licensors.

7. TERMINATION

- A. The Licensee may, in its sole discretion by giving ninety (90) days' prior written notice to the Licensors, terminate this License and promptly remove all Equipment from the Facility. In the event that the Licensee fails to remove all Equipment from the Facility within thirty (30) days following the expiry of the aforesaid period of notice, the Licensors may, in its sole discretion, remove and store or dispose of same and all reasonable charges for such removal, storage and/or disposal shall be payable by the Licensee immediately upon demand by the Licensors.
- B. The Licensee hereby acknowledges and agrees that the Licensors have WiFi and other technological systems for the transmission of information necessary to the Licensors installed and/or used in the Facility, and further, that the Licensors may, in the future, deem it necessary to install and/or use other technological systems in the Facility (collectively referred to as the "Licensors' Telecommunications Equipment"). The Licensee covenants and agrees that the operation and presence of the Equipment and/or the DAS shall not cause radio frequency interference, degradation or in any other way negatively impact the Licensors' Telecommunications Equipment or any other telecommunications signals lawfully transmitted or received within or at the Facility relating to the Licensors' Telecommunications Equipment (providing such Licensors' Telecommunications Equipment are approved for use in Canada), the determination of which shall be made by the Licensors acting reasonably. Any radio frequency interference, degradation or any other negative impact of the Licensors' Telecommunications Equipment or any other telecommunications signals lawfully transmitted or received within or at the Facility relating to the Licensors' Telecommunications Equipment (providing such Licensors' Telecommunications Equipment are approved for use in Canada), the determination of which shall be made by the Licensors acting reasonably caused by the operation of the Equipment

and/or the DAS is hereinafter referred to as "Radio Frequency Interference". In the event that the Licensor suspects that there may be Radio Frequency Interference (the "Suspected Radio Frequency Interference") or there is Radio Frequency Interference, the determination of which shall be made by the Licensor acting reasonably, the following procedure shall be forthwith implemented by the parties hereto depending on whether or not the Radio Frequency Interference or Suspected Radio Frequency Interference occurs during an Event at the Facility (as defined herein in Section 7B(i) below) or at any other times during the Term or Renewal Term of this License, as applicable:

During an Event at the Facility ("Event"):

- (i) For the purposes of Section 7(b)(i) herein, the parties hereto define an "Event" as any time the Facility is being used by the Licensor, a third party and/or user group for a special event, a concert, a show, a meeting, a performance, a convention, a hockey game, a sporting event, a scheduled practice in the Facility or any other similar activity as may be defined throughout the Term of this Agreement by the Licensor in its sole discretion. The parties hereto agree that it is the intention of this section that an Event shall encompass any and all activities that are scheduled and/or licensed to take place at the Facility. In the event of Suspected Radio Frequency Interference during an Event or at any time prior to the commencement of an Event that is not resolved before the Licensor, third party and/or user group commences its preparation for the Event, the Licensor may, without any cost, expense or liability, immediately suspend the operation of any Equipment and/or the DAS suspected of causing the Suspected Radio Frequency Interference. If the Licensor exercises its right to suspend the Equipment and/or the DAS as set out above, the Licensor shall as soon as practicable thereafter provide written notice of same to the Licensee. At the conclusion of the Event, the Licensor and the Licensee agree to cooperate with each other in regards to investigating and/or resolving any Suspected Radio Frequency Interference or Radio Frequency Interference to the extent reasonably possible, at no cost to the Licensor. The suspension of the Equipment shall continue until such time that no Radio Frequency Interference or Suspected Radio Frequency Interference will be caused by the operation of the Equipment and the DAS to the Licensor's satisfaction. The Licensor acknowledges and agrees that during any period of investigation or during any period that the Licensee is trying to resolve the Radio Frequency Interference or Suspected Radio Frequency Interference, the Licensee shall be permitted to temporarily operate and test the Equipment and the DAS (at times acceptable to the Licensor) to assist with the investigation and resolution of the Radio Frequency Interference or Suspected Radio Frequency Interference, as the case may be. The Licensee acknowledges and agrees that all costs, expenses and liabilities

associated with resolving any Radio Frequency Interference shall be the responsibility of the Licensee.

Any other time except for an Event as defined above in 7B(i) above:

- (ii) In the event of Suspected Radio Frequency Interference at any time other than during an Event, the Licenser shall immediately provide notice to the Licensee of same. Upon receiving such notice from the Licenser, the Licensee shall investigate the Suspected Radio Frequency Interference within twelve (12) hours following the provision of such notice. In the event it is determined by either the Licensee or the Licenser, acting reasonably, that there is any Radio Frequency Interference, the Licensee agrees to resolve the Radio Frequency Interference as soon as possible at its sole expense. Notwithstanding the above, in the event that any Suspected Radio Frequency Interference or Radio Frequency Interference continues for longer than twelve (12) hours after delivery of the aforementioned notice to the Licensee, the Licensee shall immediately suspend the operation of any Equipment and/or the DAS suspected of causing the Suspected Radio Frequency Interference or causing the Radio Frequency Interference, as the case may be; failing which, the Licenser may, without any cost, expense or liability, immediately suspend the operation of any Equipment and/or the DAS suspected of causing the Suspected Radio Frequency Interference or causing the Radio Frequency Interference. If the Licenser exercises its right to suspend the Equipment as set out above, the Licenser shall as soon as practicable thereafter provide written notice of same to the Licensee. The Licenser and the Licensee agree to cooperate with each other in regards to investigating and/or resolving any Suspected Radio Frequency Interference or Radio Frequency Interference to the extent reasonably possible, at no cost to the Licenser. The suspension of the Equipment and the DAS shall continue until such time that no Radio Frequency Interference or Suspected Radio Frequency Interference will be caused by the operation of the Equipment to the Licenser's satisfaction. The Licenser acknowledges and agrees that during any period of investigation or during any period that the Licensee is trying to resolve the Radio Frequency Interference or Suspected Radio Frequency Interference, the Licensee shall be permitted to temporarily operate and test the Equipment and the DAS (at times acceptable to the Licenser) to assist with the investigation and resolution of the Radio Frequency Interference or Suspected Radio Frequency Interference, as the case may be. The Licensee acknowledges and agrees that all costs, expenses and liabilities associated with resolving any Radio Frequency Interference shall be the responsibility of the Licensee.

C. In the event of default, the Licenser may, at its option, terminate this License. The following events constitute default:

- (i) If the Licensee makes a material misrepresentation to the Licenser in connection with this License;
- (ii) If the Licensee becomes bankrupt (voluntarily or involuntarily) or becomes subject to any proceeding seeking liquidation, re-arrangement relief or relief of creditors;
- (iii) If a receiver is appointed over any of the Licensee's property or undertakings; and
- (iv) A material breach of this License.

D. Upon the expiration of this License or upon earlier termination of this License (collectively referred to as the "Termination Date"), the Licensee shall promptly remove all Equipment from the Facility. In the event that the Licensee fails to remove all Equipment from the Facility within thirty (30) days following the Termination Date, the Licensee acknowledges and agrees that the Licenser may remove and store or dispose of same and all reasonable charges for such removal, storage and/or disposal shall be payable by the Licensee immediately upon demand by the Licenser.

E. The Licensee shall be responsible for all costs, expenses and liabilities for the removal of all Equipment at the Termination Date and shall further be required to make good any damage caused by the presence and removal of such Equipment during the Term and/or Renewal Term (if applicable) at its full risk and expense reasonable wear and tear excepted.

F. The termination of this License by expiry or otherwise shall not affect the liability of either party to the other with respect to any obligation under this License which has accrued up to the Termination Date that has not been properly satisfied or discharged.

G. Sections 1, 3, 4, 6-9 and 11-15 inclusive of this License survive the termination of this License.

8. INSURANCE AND INDEMNITY

A. The Licensee shall during the Term and Renewal Term(s) (if applicable) keep in full force and maintain at its sole expense the following:

- (i) For the Facility, general liability insurance to the inclusive limit of not less than Five Million (\$5,000,000.00) Dollars per occurrence, insuring all claims for damage to property, personal injury or death for which the Licensee is

liable for pursuant to this License, but specifically excluding insuring for any claims for damage to property, personal injury or death or any other losses or damages to the extent same results from the negligent or willful misconduct of the Licensor (including its elected officials, officers, employees, agents and contractors) or those for whom it is in law responsible. This amount shall be reviewable and subject to adjustment at the sole discretion of the Licensor acting reasonably; and

- (ii) Property insurance for the Equipment insuring same on a full replacement cost basis.

Each insurance policy referenced herein shall name the City of Sault Ste. Marie as an "Additional Insured". A Certificate of Insurance to the satisfaction of the Licensor confirming the above coverages are in effect for the Term and Renewal Term (if applicable) shall be provided to the Licensor before October 15th of each calendar year of this License. The parties hereto further acknowledge and agree that the taking out of insurance shall not limit the Licensee's liability under this License.

- B. The Licensee hereby releases and forever discharges the Licensor, including its elective officials, officers, employees, agents and contractors; and the Licensee further agrees that notwithstanding anything to the contrary contained herein the Licensor, including elected officials, officers, employees, agents and contractors shall not be liable to the Licensee or to anyone for whom the Licensee may be in law responsible for any loss of or damage to property, personal injury or death or any other loss, actions, claims, causes of action, damages, both direct or indirect and such other costs and expenses, howsoever and whatsoever incurred, suffered or sustained by the Licensee or any of the Licensee's agents, employees and contractors in relation to or in connection with the Licensee's use of the Facility or any other matters under this License, except for any such deaths, injuries, losses, damages or costs that arise due to the negligent or willful misconduct of the Licensor (including its elected officials, officers, employees, agents and contractors) or those for whom it is in law responsible.
- C. Notwithstanding the limits of insurance provided in Section 8A herein, the Licensee shall fully indemnify and save the Licensor harmless, including the Licensor's elected officials, officers, employees, agents and contractors from and against any losses, costs (including without restriction, legal costs on a substantial indemnity basis), liabilities and expenses incurred by the Licensor because of any demand, action or claim brought against the Licensor and any loss of or damage to property, personal injury or death or any other losses, costs, expenses, damages, or liabilities suffered or sustained in relation to or in connection with the Licensee's use of the Facility or any other matters under this License, including any losses or damages which have been caused or contributed to by the breach of the *Occupiers Liability Act* on the part of the Licensor, except to the extent that such damages, losses, costs, liabilities, expenses, actions, claims, injuries or deaths result from the negligence or willful misconduct of the Licensor (including its elected officials,

officers, employees, agents and contractors) or those whom the Licensor is responsible in law.

- D. The Licensee shall comply with all laws, by-laws, rules and regulations of any governing body respecting the Facility, and the Equipment and shall save harmless and fully indemnify the Licensor against any and all costs, losses, damages, liabilities and expenses of every kind or nature the Licensor may suffer, be at or be put to by reason of or in consequence to the non-compliance by the Licensee which such laws, by-laws, rules and regulations, except to the extent that such damages, losses, costs, liabilities, expenses, actions, claims, injuries or deaths result from the negligence or willful misconduct of the Licensor (including its elected officials, officers, employees, agents and contractors) or those whom the Licensor is responsible in law.

9. HEALTH & SAFETY AND WSIB

The Licensee and any contractor(s) and sub-contractor(s) employed by them or otherwise arranged by them to complete the work set out in this License shall comply with all requirements of the *Occupational Health and Safety Act* and its regulations, and any other applicable law; including but not limited to, providing proof of compliance of WSIB requirements (maintain WSIB Clearance Certificate on file with the City for duration of on-site work), providing proof of commercial general liability insurance (minimum of two million (\$2,000,000.00) dollars per occurrence for any contractor(s) or sub-contractor(s) employed by the Licensee and a minimum of five million (\$5,000,000.00) dollars per occurrence for the Licensee) for the duration of on-site work; and compliance with the City's contractor qualification policy. The Licensee shall ensure that the requirements as set out herein apply to any contractor(s) and subcontractor(s) employed by the Licensee. In the event that the Licensee employs or otherwise arranges for any contractor(s) or sub-contractor(s) to complete the work set out in this License, the Licensee acknowledges and agrees:

- (i) that the Licensee shall provide the Licensor with prior express written notice of same; and
- (ii) that the aforesaid contractor(s) or sub-contractor(s) employed by the Licensee or otherwise arranged by the Licensee to complete the work set out in this License shall not commence any work in the Facility until the Health and Safety Coordinator of the Licensor gives written notice that the requirements set out herein have been satisfied.

10. FORCE MAJEURE

- A. In the event that any Equipment is wholly or substantially destroyed and thereby rendered inoperable as a result of an act of God, fire or war the Licensee shall complete the following within thirty (30) days' after such an event:

- (i) The Licensee shall determine whether or not it will repair or replace the

Equipment in the Facility; and

(ii) The Licensee shall notify the Licenser in writing.

B. If the Licensee determines that it will repair or replace the Equipment following an event as described in Section 10(A) herein, the parties hereto acknowledge and agree as follows:

(i) The Licensee shall complete all work necessary to render the Equipment operable commencing the date the notice required under Section 10(A)(ii) is received and ending as soon as the Equipment is rendered operable (the "Repair Period"), however under no circumstances shall the Repair Period exceed a period of time greater than six (6) months from the event described in Section 10(A); and

(ii) the balance of the Licensee's obligations under this License shall remain in full force and effect during the Repair Period.

C. If the Licensee determines that it will not repair or replace the Equipment as a result of an act of God, fire or war, the parties hereto acknowledge and agree that this License shall terminate immediately on the date the notice required under Section 10(A)(ii) is received by the Licenser. The parties further acknowledge and agree that Sections 7(D)(E)(F) and (G) thereafter apply.

11. ENTIRE AGREEMENT

This License contains the entire agreement between the parties hereto with respect to the Equipment in the Facility and that there are no prior representations, either oral or written, between them other than those set forth in this License. This License supersedes and revokes all previous negotiations, arrangements, options to License, representations and information conveyed, whether oral or written, between the parties hereto. The Licenser acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as is expressly set out in this License.

12. GOVERNING LAW

This License shall be interpreted according to the laws of the Province of Ontario. This License shall also be subject to all applicable federal, provincial and local laws, and regulations, ruling and orders of governmental agencies. The parties hereto agree to submit any dispute regarding this License to the exclusive jurisdiction of a competent court located within the Province of Ontario.

13. INVALIDITY

The invalidity or unenforceability of any provision of this License shall not affect the validity or enforceability of any other provision, but shall be deemed to be severable.

14. PROPRIETARY RIGHTS

The Licensee hereby agrees that this License in no way confers any rights, benefits or title in any way to the Licensee of the Facility, and that the Facility and any part thereof is the property, title and right of the Licensor. The Licensor agrees that all Equipment installed by the Licensee in the Facility shall remain the property of the Licensee.

15. BINDING AGREEMENT

The Licensor covenants that it has good right, full power, and absolute authority to grant this License to the Licensee and this License shall be binding upon and shall enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, assigns and subsequent purchasers. The Licensee covenants that it has good right, full power, and absolute authority to grant this License to the Licensor and this License shall be binding upon and shall enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, assigns and subsequent purchasers.

16. NOTICE

Any notice required or permitted to be given under this License must be in writing and may be given by delivering or mailing the notice to:

in the case of notice to the Licensor to:

The Corporation of the City of Sault Ste. Marie
Attention: City Solicitor
Legal Department
99 Foster Drive, P.O. Box 580
Sault Ste. Marie, Ontario P6A 5N1

in the case of notice to the Licensee to:

Bell Mobility Inc.
5099 Creekbank Road, Building D, 6th Floor North
Mississauga, Ontario
L4W 5N2
Attention: Real Estate Services
Facsimile: (905) 282-3102

or to such other address as either party may notify the other of, and in the case of mailing as aforesaid, such notice shall be deemed to have been received by the addressee, in the absence of a major interruption in postal service affecting the handling or delivery thereof, on the 4th business day, excluding Saturdays, next following the date of mailing. If the notice is faxed, the notice shall be deemed to have been received on the 1st day next following the dating of faxing.



17. EXECUTION

This License shall not be in force or bind either of the parties hereto until executed by both the parties named herein.

IN WITNESS WHEREOF the parties hereto have signed this License this 13th day of October, 2015.

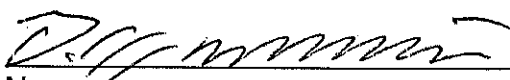
**THE CORPORATION OF THE CITY OF
SAULT STE. MARIE**

Per: _____
Name: _____
Position: Mayor – Christian Provenzano

Per: _____
Name: _____
Position: City Clerk – Malcolm White

**We are authorized to bind the Corporation of the City of Sault Ste. Marie*

BELL MOBILITY INC.

Per:  _____
Name: Brock Enderton
Position: Manager Real Estate &
Government Relations

I am authorized to bind the Corporation

SCHEDULE "A"

LICENSE FEE

The Licensee shall pay to the Licensor a license fee in the sum of \$3,500.00 per year, for the period October 15, 2015 to October 14, 2016, and yearly thereafter during the Term and the Renewal Term(s), as applicable. The Licensee shall pay the first installment of \$3,500.00 for the year October 15, 2015 to October 14, 2016 on or before December 30, 2015. Thereafter, the yearly license fee payable for the balance of the Term and/or Renewal Term(s) as applicable shall be paid by the Licensee on or before October 15th of each year in the Term and/or Renewal Term(s) as applicable

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THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-183

AGREEMENT: (P5) A by-law to authorize the execution of an Equipment Operating Lease Agreement between the City and Tracks & Wheels Equipment Brokers Inc. for the supply and delivery of various equipment.

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 Equipment Operating Lease Agreement dated October 13, 2015 between the City and Tracks & Wheels Brokers Inc. for the supply and delivery of various equipment, a copy of which is attached as Schedule "A" hereto.

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 13th day of October, 2015.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

EQUIPMENT OPERATING LEASE AGREEMENT



20127 / 99802

CNH Industrial Capital Canada Ltd. (GST Registration No. 13857 1013 R70001)

FX3 0000028248461145A

"Lessee(s)": Legal Name(s), Street Address, City, Prov., Postal Code:

 CITY OF SAULT STE. MARIE
 99 FOSTER DRIVE Box 580
 SAULT STE. MARIE, ON P6A 5N1

☐ Individual/Sole Proprietorship
 If so, province of principal residence:

☐ General Partnership
 If so, province of chief executive office:

☒ Corporation/ULC/LP
 If so, province in which formed: ON

"Lessor": (Dealer's Legal Name and Address)

 TRACKS & WHEELS EQUIPMENT BROKERS INC.
 232 DRIVE-IN ROAD
 SAULT STE. MARIE, ON P6B 6A9

G.S.T. Registration No: 105338636RT001

Distributor:

Address:

City, Prov., Postal Code:

 Date of Birth
 or G.S.T. No. 70-5759526

NEW* OR USED	"EQUIPMENT" (Make and Type)	MODEL	SERIAL NUMBER/PIN	METER READING	"MAX. ANN. USAGE"	"EXCESS USAGE RATE"
N	Case Wheel Loaders	621F	NFF235017	1.0 Hrs	1000.0 Hrs	\$25.00 /Hr
N	Case Wheel Loaders	621F	NFF235015	1.0 Hrs	1000.0 Hrs	\$25.00 /Hr
N	Case Wheel Loaders	621F	NFF235008	1.0 Hrs	1000.0 Hrs	\$25.00 /Hr
N	Case Wheel Loaders	621F	NFF235010	1.0 Hrs	1000.0 Hrs	\$25.00 /Hr

The above Equipment is not for family, household or personal use and is being leased for use in the Lessee's business being ☒ commercial/business use ☐ agricultural use.
 * New Equipment is unused equipment, a rental unit or a demonstrator for which the manufacturer will supply all or a portion of a new equipment warranty; this Equipment may have been manufactured in a year prior to the year of lease.

The beginning date of this agreement (the "Agreement") is 10-15-2015 ("Beginning Date") and the termination date of the Agreement is 04-15-2020 ("Termination Date").

There shall be a security deposit of \$ N/A ("Security Deposit") and a purchase option price of \$ 406,000.52 ("Purchase Option Price").

 Lessor shall deliver the Equipment being the subject of this Agreement on 10-15-2015
 (Date of Delivery of Equipment)

RENTAL PAYMENTS. Advance Payment of \$ 12,035.18 followed by payments in accordance with the following schedule, plus applicable taxes:

NO. OF PAYMENTS	PERIOD OF PAYMENTS	AMOUNT OF EACH PAYMENT	BEGINNING MM/DD/YYYY
5	1 MONTHS	\$ 12,035.18	11/15/2015
1	7 MONTHS	\$ 12,035.18	10/15/2016
5	1 MONTHS	\$ 12,035.18	11/15/2016
1	7 MONTHS	\$ 12,035.18	10/15/2017
5	1 MONTHS	\$ 12,035.18	11/15/2017
1	7 MONTHS	\$ 12,035.18	10/15/2018
5	1 MONTHS	\$ 12,035.18	11/15/2018
1	7 MONTHS	\$ 12,035.18	10/15/2019

NO. OF PAYMENTS	PERIOD OF PAYMENTS	AMOUNT OF EACH PAYMENT	BEGINNING MM/DD/YYYY
4	1 MONTHS	\$ 12,035.18	11/15/2019
1	1 MONTHS	\$ 12,035.01	03/15/2020
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

The "Obligations" shall mean Lessee's responsibility to pay the rental payments hereunder (the "Rental Payments") and perform any other existing or future obligations of Lessee to Lessor, Assignee as hereinafter defined or Assignee's affiliates hereunder, or under any other agreement.

Location where Equipment will be located (if other than Lessee address):

NO WARRANTY. The Equipment is leased AS IS except for any applicable manufacturer's express, written warranty. If any manufacturer's express warranty applies to the Equipment, such warranty is restricted to the manufacturer's written, limited warranty provided separately to Lessee. Lessor and manufacturer make no other representation or warranty, express or implied, and specifically exclude the implied warranties of merchantability and fitness for particular purpose. Neither Lessor nor manufacturer will be liable for incidental or consequential damages resulting from a breach of the express warranty or any implied warranty imposed by law.

*Some provinces do not allow these limitations and exclusions, and they shall not apply to the extent such limitations or exclusions are not allowed by applicable provincial law.

LESSEE REPRESENTS THAT THE EQUIPMENT IS NOT BEING RENTED FOR FAMILY, HOUSEHOLD OR PERSONAL USE.

NOTICE TO THE LESSEE:

- DO NOT SIGN THIS BEFORE YOU READ THE WRITING ON THE ADDITIONAL PAGES, EVEN IF OTHERWISE ADVISED.
- DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES.
- YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN.

ADDITIONAL PROVISIONS CONCERNING RIGHTS AND DUTIES OF THE PARTIES ON THE ADDITIONAL PAGES OF THIS AGREEMENT ARE A PART OF THIS AGREEMENT.

I agree to the foregoing. I have received and examined the Equipment which is in good operating order and condition, and is as described. I acknowledge receipt of a copy of this Agreement. I agree to lease the Equipment described above on the terms of this Agreement.

X
 Lessee/Lessee's Representative Title (if applicable)

10-15-2015 CITY OF SAULT STE. MARIE

Date Print Name

X
 Lessee/Lessee's Representative Title (if applicable)

Date Print Name

X
 Lessor's Representative

10-15-2015 TRACKS & WHEELS EQUIPMENT BROKERS INC.

Date Print Name



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RETURN. If Lessee does not exercise the purchase option (if any) provided in this Agreement at the Termination Date of this Agreement, Lessee shall: (a) at its expense, deliver the Equipment to a location designated by Lessor; (b) pay all charges incurred by Lessor to repair any excessive wear and tear and for any hours in excess of the Maximum Annual Usage at the Excess Usage Rate; and (c) where permitted by law, pay an administrative service charge of \$400.00 per serial numbered/PIN unit.

MAINTENANCE. Lessee will keep the Equipment in good condition, in operating order, and properly serviced, repaired and maintained. Lessee will make sure that the manufacturer's warranty remains valid. Lessee will pay all the costs of performing these obligations.

LIENS. Lessee agrees to keep the Equipment free and clear of all liens, other than any lien Lessor may have on the Equipment. Lessee will not assign this Agreement or permit others to use the Equipment.

LOCATION. The Equipment will be operated out of and, when not in use, will be kept only at the location specified on page 1 of this Agreement. Lessee will, when requested, advise Lessor of the exact location of the Equipment. Lessor may enter any premises under Lessee's control to inspect the Equipment and may remove it if in Lessor's opinion it is being abused or used beyond its capacity.

LATE CHARGES/DEFAULT RATE/RETURNED CHEQUES. Lessee shall pay a late charge on each payment more than 10 days past due at the highest amount permitted by applicable law, not to exceed 25% per annum. Lessee shall pay interest on the unpaid balance after maturity (by acceleration or otherwise) at the highest rate permitted by applicable law. If a cheque is returned for any reason, Lessor or Assignee may charge Lessee a returned cheque processing fee as established by Lessor or Assignee from time to time, not to exceed the maximum permitted under applicable law.

RISK OF LOSS. All risk of loss, theft or damage to the Equipment is assumed by the Lessee until the Equipment is returned to the Lessor. If the Equipment can be repaired for a cost less than its fair market value, Lessee will repair the Equipment at Lessee's sole expense; but damage to the Equipment shall not release Lessee from the Obligations. If the Equipment cannot be so repaired or is lost, stolen or destroyed, Lessee will, at its option, either replace the Equipment at Lessee's sole expense with equivalent equipment of equal or greater value, as determined in the sole discretion of the Lessor or Assignee, or pay Lessor the Termination Value. Upon payment of the requisite Termination Value, Lessee shall be entitled to retain possession of the affected unit(s) of Equipment.

The "Termination Value" shall be an amount equal to (a) any past due, unpaid Rental Payments and any late charges related thereto, plus (b) all remaining Rental Payments hereunder, less any future interest payments embedded therein, plus (c) (i) the Purchase Option Price, or (ii) if no purchase option is granted, the estimated residual value used to calculate the Rental Payments, plus (d) any other costs to Lessor and/or Assignee arising from the loss, theft or damage to the Equipment or from the collection of the amounts specified in this sentence. In no event shall the Termination Value exceed the maximum amount permitted by applicable law.

TITLE/DEPRECIATION. This Agreement is a lease only and title to the Equipment shall remain solely with the Lessor or its assigns. The Lessee does not have any right, title or interest in the Equipment, except the right to use it during the term hereof and the right to purchase it, if the Lessee has been granted an Option to Purchase in this Agreement.

PURCHASE OPTION. If Lessee has an option to purchase the Equipment as indicated, then so long as no default exists under this Agreement and it has not been earlier terminated, Lessee may on the Termination Date, upon at least 90 days', but not more than 180 days', prior written notice to Lessor, purchase all (but not less than all) of the Equipment at the Purchase Option Price, as same was reasonably established by the Lessor and Lessee, on the Termination Date. If FMV is set forth for a Purchase Option Price for its Fair Market Value, Fair Market Value will be reasonably determined by CNH Capital.

RENT. Lessee's right to use the Equipment and Lessee's obligation to pay rent therefor shall commence on the Beginning Date and shall continue throughout the term hereof. Rent shall be payable in the amount set forth in this Agreement, at periodic intervals and on the dates indicated, and is not refundable. Lessor may change the location at which rent is to be paid by noting such change on any invoice Lessor sends to Lessee or by sending Lessee notice in writing of such change.

FAILURE TO RETURN EQUIPMENT. If Lessee does not exercise its option (if any) to purchase the Equipment or fails to return it at the termination of this Agreement, due to default or otherwise, then, in addition to any other amounts that may be due to Lessor under this Agreement or under applicable law, Lessee will be liable for a daily amount computed on the basis of the scheduled rental payment (if unequal, the highest rental payment will be used).

ALTERATIONS/REPAIRS. Lessee will not, without Lessor's prior written consent, affix or install any accessories or attachments to the Equipment nor change it so that it cannot be used by similarly situated lessees. Any improvements, replacements, additions, accessories or repair parts to the Equipment shall become Lessor's property, free of all liens and encumbrances, and shall be deemed part of the Equipment. The Equipment is and shall be personal property, even if it or any part of it becomes affixed or attached to real property or any improvement to real property.

SECURITY DEPOSIT. The Security Deposit may be applied to any amounts that Lessee fails to pay under this Agreement including, but not limited to, damages to the Equipment in excess of normal wear and tear. Lessee will not earn interest on the Security Deposit.

CONDITIONS TO LEASE. Lessor has no obligation to lease the Equipment to Lessee until Lessor receives (a) a fully executed Agreement, (b) evidence of insurance that complies with the requirements hereof, (c) such precautionary financing statements or other documents as Lessor deems necessary or appropriate to evidence and/or perfect Lessor's interest in the Equipment in accordance with the Personal Property Security Act of the province in which located or other appropriate law, and (d) such other documents as Lessor may reasonably request.

ACCEPTANCE OF EQUIPMENT. Upon execution by Lessee of this Agreement, the Equipment shall be deemed to have been delivered to, and irrevocably accepted by, Lessee for lease under this Agreement.

GUARANTEE:

The undersigned guarantees the prompt performance of Lessee's Obligations under the Agreement, and all modifications and extensions thereof, including prompt payment of all sums when due. The undersigned shall, immediately upon demand, pay any sum due under the Agreement and all modifications and extensions thereof, without setoff. The undersigned hereby waives notice of any modifications, amendments or extensions of the Agreement and of Lessee's non-performance or breach of the Agreement. The payment obligations under this Guarantee are the direct, primary, and continuing obligations of the undersigned and the undersigned's heirs, successors and assigns, and not merely a guarantee of collection. Capitalized terms used in this Guarantee have the same meaning given to them in the Agreement.

Guarantor Signature: N/A

Address: _____

Print Name: _____

City, Province: _____

Title: _____

Postal Code: _____

X _____
Lessee's Initials

X _____
Lessee's Initials



F#3 000028248461145A

20127 / 99802 / CITY OF SAULT STE. MARIE

ADDITIONAL PROVISIONS

1. **Assignment.** Lessor will assign this Agreement to CNH Industrial Capital Canada Ltd. (herein "Assignee" or "CNH Capital"). Lessee acknowledges that Lessor has the right to assign this Agreement and that all rights and benefits but no obligations (if any) of Lessor under this Agreement may be exercised by any such Assignee and that no obligations (if any) of Lessor pass to Assignee. Upon receipt of notice from Assignee with instructions for payment, Lessee shall make all payments due under this Agreement directly to Assignee. This Agreement shall be binding on and enure to the benefit of Lessee and Lessor and their respective heirs, personal representatives, successors or assigns; provided, however, that Lessee may not assign its obligations under this Agreement to any person without Assignee's prior written consent.
2. **Notification of Change in Residence, Principal Office, or Organizational Form.** If Lessee changes (a) its province of principal residence, or (b) the province in which its chief executive office is located, or (c) the province in which its corporation, unlimited liability company or limited partnership is organized, or (d) its form of organization (such as from an individual to a corporation), Lessee will notify Assignee in writing promptly, but in no event more than thirty days after any such change.
3. **Waiver of Defenses Against Assignee; Indemnification.** Lessee will not assert against Assignee any claim or defense which Lessee may have against Lessor or the manufacturer of the Equipment. Lessee agrees that its obligation to remit payments will not be subject to, and it will not make any claim against Assignee for, breach of any representation, warranty or condition with respect to the Equipment and that its obligation to pay Assignee all amounts under this Agreement is absolute and unconditional without abatement, reduction, set-off, counterclaim or interruption for any reason whatsoever, notwithstanding any breach or alleged breach of any representation, warranty or condition with respect to the Equipment or any dispute which now or hereafter arises between Lessee and Lessor or any other person. Lessee shall indemnify and hold harmless Lessor, Assignee and their officers, directors, employees and agents from and against any damage, loss, theft or destruction of the Equipment or any part thereof, and from and against any and all loss, damages, injuries, claims, demands, costs and expenses (including without limitation reasonable attorneys' fees and expenses) of any kind and nature arising out of or connected with the use, condition (including without limitation, all defects whether or not discoverable by Lessee, Lessor or Assignee) or operation of the Equipment or any part thereof. Lessee shall promptly notify Assignee of any loss, damage, theft, destruction, injury, claim, demand, cost or expense related to this Agreement or the Equipment of which Lessee has notice.
4. **Lessee's Covenants.** Lessee shall (i) keep the Equipment in the Province of Lessee's address set forth on page 1 of this Agreement and not remove the Equipment from such address, except temporarily in connection with its ordinary use, unless Assignee consents in writing; (ii) maintain the Equipment in good condition and repair and not permit its value to be impaired; (iii) keep the Equipment and all substitutions, replacements, products, proceeds (such as insurance proceeds) and accessions related thereto (the "Collateral") free of all liens, encumbrances and security interests of persons other than Assignee; (iv) defend the Collateral against all claims and legal proceedings by persons other than Assignee; (v) pay and discharge when due all taxes, fees, levies and other charges upon the Collateral; (vi) pay when due all taxes arising from the purchase of the Equipment under this Agreement, excluding any taxes based upon Lessor's net income; (vii) use Equipment solely in the conduct of Lessee's business; (viii) ensure Equipment will be used solely within the intended uses of the manufacturer during the term of this Agreement; (ix) not sell, lease or otherwise dispose of the Equipment nor permit the Equipment to become an accession to other goods or a fixture; (x) not permit the Equipment to be used in violation of any law, regulation or policy of insurance; and (xi) strictly follow the terms of Provision 1 of this Agreement.
Each individual executing this Agreement represents and warrants that he or she has the requisite power and authority to enter into this Agreement and execute all related documents, to perform Obligations and consummate the transactions contemplated under this Agreement and related documents and that the execution and delivery of this Agreement and all related documents and the consummation of the transactions under this Agreement have been duly authorized by the Lessee.
5. **Insurance.** Lessee shall keep the Equipment and Lessor's and its assigns' interest in it insured against fire, theft, physical damage and other hazards under policies listing Assignee as loss payee or as an additional insured, with such provisions, for such amounts (but not less than the unpaid balance outstanding under this Agreement) and by such insurers as shall be satisfactory to Assignee from time and time, and shall furnish evidence of such insurance satisfactory to Assignee. Such insurance shall provide at least 30 days written notice of cancellation, lapse or expiration to Assignee. Lessee assigns (and directs any insurer to pay) to Assignee Lessee's interest in the proceeds of all such insurance and any premium refund and Assignee may, at its option, apply such proceeds and refunds to any unpaid balance of the Obligations, whether or not due, and/or to repair or restore the Equipment, returning any excess to Lessee. Lessee must make all payments due under this Agreement whether or not the Equipment is insured or underinsured. Assignee is authorized, in the name of Lessee or otherwise, to make, adjust and/or settle claims under any insurance on the Equipment, or cancel the same after the occurrence of an event of default.
If Lessee purchased physical damage insurance that is financed under this Agreement, Lessee hereby requests and authorizes Lessor (provided Lessor is properly licensed to do so) or Lessor's designee: (a) to arrange physical damage insurance for the benefit of Lessor and Lessee that covers physical damage to the Equipment, (b) to replace or otherwise modify such insurance as Lessor deems appropriate and (c) to be Lessee's attorney-in-fact to make claim for, receive payment of, and execute, endorse and negotiate all documents, cheques or drafts received in payment of, all loss or damage under the insurance. This Agreement includes and hereby incorporates by reference any insurance and Extended Service Plan Addendum signed in connection with this Agreement.
STATEMENT TO LESSEE: THE PHYSICAL DAMAGE INSURANCE PURCHASED UNDER THE TERMS OF THIS AGREEMENT COVERS ONLY LOSS OF OR DAMAGE TO THE EQUIPMENT. LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS IS NOT INCLUDED AS PART OF THE PHYSICAL DAMAGE INSURANCE. LESSEE UNDERSTANDS THAT IF INSURANCE IS FINANCED UNDER THIS AGREEMENT, PRE-PAYMENT OF LESSEE'S OBLIGATIONS OR TERMINATION OF THIS AGREEMENT MAY RESULT IN LOSS OF INSURANCE COVERAGE.
If Lessee purchased liability insurance that is financed under this Agreement, Lessee hereby requests and authorizes Lessor (provided Lessor is authorized to do so) or Lessor's designee to arrange for the liability insurance to be issued.
6. **Modifications and Waivers.** This Agreement sets forth the entire understanding between Lessor and Lessee. No modification, amendment or extension of this Agreement and no waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties and a waiver of any default hereunder by Lessor shall not constitute a waiver of any other prior or subsequent default, except that Lessee authorizes Lessor to insert in this Agreement the serial number/PIN and/or model number of any Equipment if this information is unknown when this Agreement is executed or to correct any errors in such numbers or any other patent errors in the description of the Equipment.
7. **Authority of Assignee to Perform for Lessee.** If Lessee fails to perform any of Lessee's duties set forth in this Agreement (including, specifically but without limitation, the purchase of insurance), Assignee may, at its option, in Lessee's name or otherwise, take any such action, including, without limitation, signing Lessee's name or paying any amount so required, and all costs and expenses incurred by Lessor or Assignee in connection therewith shall form part of the Obligations and shall be payable by Lessee upon demand with interest from the date of payment by Lessor or Assignee at the highest rate permitted by law.
8. **Default.** Lessee shall be in default under this Agreement if any of the following occurs:
 - (a) Lessee fails to pay when due any of the Obligations, or to perform any other obligation of Lessee in this Agreement or in any renewal or refinancing of this Agreement;
 - (b) a Lessee dies, ceases to exist, becomes insolvent or the subject of bankruptcy, insolvency or liquidation proceedings, attempts to assign this Agreement or attempts to remove, sell, transfer, further encumber, part with possession of or sublet any Equipment;
 - (c) any warranty or representation made by Lessee to induce Lessor or Assignee to extend credit to Lessee, under this Agreement or otherwise, is false in any material respect when made or Lessee fails to perform any covenant under this Agreement;
 - (d) Lessee fails to maintain applicable required insurance or fails to comply with the requirements of any such insurance;
 - (e) any other event occurs that causes Lessor or Assignee, in good faith, to consider that payment or performance of the Obligations is impaired or that the Equipment is at risk; or
 - (f) the Equipment is impounded or confiscated by any federal, provincial or local governmental authority.
9. **Expenses.** To the extent not prohibited by law, Lessee shall reimburse Lessor or Assignee for any expense incurred by Lessor or Assignee in protecting or enforcing their rights under this Agreement, including, without limitation, reasonable attorneys' fees and legal expenses and all expenses of taking possession, transporting, holding, repairing, refurbishing, preparing for disposition and disposing of the Collateral, and all expenses and costs incurred in collecting the Obligations, and all such expenses shall form part of the Obligations.
10. **Conflict with Law.** Any provision of this Agreement prohibited by applicable law shall be ineffective to the extent of the prohibition without invalidating the remaining portions of this Agreement. The validity, construction and enforcement of this Agreement are governed by the laws of the province in which the Lessor is located. All terms not otherwise defined have the meanings assigned to them by the Personal Property Security Act. If Lessee is a corporation, Lessee hereby agrees that the Limitation of Civil Rights Act (Saskatchewan) and the Saskatchewan Farm Security Act shall not apply to this Agreement or any renewal or extension hereof or to the rights, power or remedies of the Lessor hereunder.
11. **Authorization to Execute and File Financing Statements and Lien Documents.** Lessee hereby authorizes Lessor or Lessor's designee to execute and file financing statements, and any motor vehicle title, registration and lien notification documentation, and any amendments thereto on behalf and in the name of Lessee to evidence Lessor's security interest in the Collateral. The Lessee acknowledges receipt of a copy of this Agreement and waives any entitlement the Lessee may have to receive any financing statement or verification statement relative thereto.

X _____ X _____
Lessee's Initials Lessee's Initials

12. Remedies Upon Default. If Lessee is in default, Lessor may terminate this Agreement. If Lessor terminates this Agreement as a result of Lessee's default, Lessor will have the rights and remedies provided by law and by this Agreement; and Lessee will lose all rights to keep the Equipment. Lessor will have the right to take the Equipment without demand. To take it, Lessor may enter the premises where the Equipment is stored and remove it. Lessor may take any property in the Equipment at the time of repossession and hold it for Lessee. The repossession of the Equipment by Lessor does not release Lessee from its Obligations under this Agreement. Lessee agrees that Lessor may sell the Equipment (including at wholesale), re-lease it or otherwise dispose of it in a commercially reasonable manner. Lessee agrees to pay Lessor, as liquidated damages, an amount equal to (a) the Termination Value, plus (b) a processing fee ("Processing Fee") equal to the lower of \$500.00 or the maximum amount permitted by applicable law. The net proceeds of the disposition of the Equipment by sale or re-lease for the remaining term of lease under this Agreement, shall reduce the Lessee's Obligations pursuant to the preceding sentence and any costs to Lessor and/or Assignee arising from repossessing the Equipment and/or selling the Equipment and/or re-leasing the Equipment for the remaining term of lease under this Agreement, including, without limitation, reasonable legal fees and costs to collect the Processing Fee, shall increase the Lessee's Obligations pursuant to the preceding sentence.
13. Taxes. Lessee agrees to pay all taxes (or reimburse Lessor for any taxes) imposed by any government, political subdivision or taxing authority upon or with respect to (a) the purchase, ownership, possession, acceptance, relocation, repair, lease, return, sale or use of the Equipment, (b) the rental payments or any other payment required under this Agreement, or (c) any of the transactions contemplated by this Agreement. The term "taxes" shall mean any and all fees (including, without limitation, license, documentation, recording and registration fees), taxes (including, without limitation, gross receipts, sales, rental, use, value added, goods and services, property [tangible and intangible], excise and stamp taxes), licenses, levies, duties, assessments or withholdings of any nature whatsoever (together with any and all penalties, fines, additions to tax and interest thereon), except all taxes on or measured by Lessor's net income.
14. Tax Representations and Indemnification. As the owner, Lessor shall be entitled to claim all items of deduction, including depreciation on the Equipment, that are consistent with ownership for tax purposes (the "Tax Benefits"). Lessee will not take or omit to take any action which would cause this Agreement not to be treated as a true lease for Canadian federal tax purposes. If Lessor loses the right to claim or is not entitled to claim all or any portion of the Tax Benefits, or if all or any of the Tax Benefits claimed by Lessor are disallowed, recaptured, reduced, or eliminated, or if Lessor's originally contemplated after-tax return is adversely affected (a "Loss of Tax Benefits") as a result of (i) the inaccuracy or falsity of any representation or warranty made by Lessee in this Agreement, (ii) Lessee's breach of or failure to perform any covenant or agreement hereunder, or (iii) any other act or omission by Lessee, then Lessee shall pay Lessor such amount as shall, in Lessor's reasonable opinion, cause Lessor to receive over the full term of this Agreement the same after-tax return that Lessor would have realized if there had not been a Loss of Tax Benefits (the "Original Net Economic Return"). If, as a result of any change in Canadian federal and/or applicable provincial income tax law enacted after the date of this Agreement, Lessor shall have a Loss of Tax Benefits, Lessee shall pay Lessor, upon Lessor's request, that amount which will provide Lessor the Original Net Economic Return. Any amounts due hereunder shall be payable at Lessor's election either as supplemental rent during the remaining term of this Agreement or as a lump sum payable on demand.
15. Liability Insurance. Lessee shall obtain liability insurance from a carrier acceptable to Assignee in such form and subject to such limits as Assignee may reasonably require protecting the interests of Lessor, Assignee and Lessee against claims for damages or injuries to persons or property caused by the use, condition, holding or operation of the Equipment.
16. Excessive Wear and Tear. For purposes of this Agreement, excessive wear and tear shall mean and include any of the following:
 - (a.) Cab/Operator Platform.
 - (a.1) Heavy interior soil.
 - (a.2) Unclean condition of the cab.
 - (a.3) Holes, tears or burns on the dash, floor covers, seats, headliners, upholstery or interior.
 - (a.4) Hour Meter: If the hour meter or dash has been tampered with the Lessor has the right to estimate excess hours plus any additional penalties deemed appropriate.
 - (a.5) Seat and/or seat belts broken.
 - (b.) Exterior.
 - (b.1) Dents larger than 2" in diameter or excessive number of dents.
 - (b.2) Scratches - Any excess scratches to the paint or any one individual scratch that exceeds 8" in length.
 - (b.3) Chips - Any single chip the size of a quarter or larger or multiple smaller chips within 1 square foot.
 - (b.4) Paint - Substandard paint, such as peeling, bubbling or mismatched shades that evidence poor condition in comparison with original paint.
 - (b.5) Rust - Rust holes in the body metal or any rust spots.
 - (b.6) Glass Damage - Any glass that must be replaced due to cracks or missing glass and any windshield damages.
 - (b.7) Frame Damage - All frame damage and substandard frame repairs in addition to modifications made to the frame.
 - (b.8) Blades, Buckets and Other Attachments - Any broken or cracked teeth on any attachments included with the Equipment.
 - (b.9) Tires/Tracks - Any tires on returned Equipment that are in an unsafe condition, cracks, that have broken side walls, that are not original casings, that have less than 50% of original tread remaining, or that are not of the same size, type, grade or manufacturer (or equivalent-quality manufacturer) as were originally included on the Equipment. Lessee will be required to pay for the cost of a new tire if the above conditions are not met.
 - (b.10) Unclean exterior requiring but not limiting to steam cleaning.
 - (b.11) Broken or Inoperable lights.
 - (b.12) Any Mirror damage.
 - (b.13) Bent or Broken Steps. Dented or bent wheel rims.
 - (c.) Mechanical.
 - (c.1) Mechanical - Mechanical components that are missing, broken or unsafe or that do not operate normally. The battery will need to be replaced if the battery is dead upon the delivery of the unit at lease end.
 - (c.2) Equipment - Computer systems or safety or emission control equipment not in proper working order.
 - (c.3) Brakes - Brake drums that are cracked or exceed manufacturer's recommended wear limits, brake linings showing less than 50% remaining wear, or brakes that leak oil or fluid.
 - (c.4) Power Train - Wear on power train assembly that exceeds manufacturer's then-current standards for normal wear (as shown by oil sample analysis).
 - (c.5) Undercarriage - Leaky lubrication seals, improperly tightened track tension, cracked or broken track shoes or fasteners, less than 50% of original life remaining on any parts, or any undercarriage components not being of the original size, type, grade or manufacturer.
 - (c.6) Hydraulic System - Any pumps, motors, valves or cylinders not in good operating condition or that fail to meet manufacturer's rated specifications, or hydraulic system exceeds manufacturer's then-current contaminant standards (as shown by oil sample analysis).
 - (c.7) Air Filters - Any filters not within manufacturer's specifications.
 - (c.8) Electrical System - Any gauges or fluid indicators that are damaged or do not function, an alternator that fails to operate properly, a battery that fails to hold a charge, or any wire harnesses that are not tied down and kept secure, dry, clean and dust-free.
 - (c.9) Leaks - Any general leaks that cost in excess of \$100 to repair including labor.
 - (c.10) Mufflers/Exhaust Pipes burnt out.
 - (c.11) Damaged or Inoperable horn.
 - (d.) General; Other.
 - (d.1) General - Failure to operate and maintain the Equipment in accordance with the manufacturer's specifications, or use of components, fuels or fluids on or in connection with the Equipment that do not meet manufacturer's standards.
 - (d.2) Other - Any other damage or repair including but not limited to unlawful or unsafe operating conditions, or that make the Equipment either unlawful or unsafe to operate. All repair estimates will be based upon applicable Lessor rates or, if Lessor is unable to estimate and repair such excessive wear and tear, then at rates applicable at another outlet as reasonably selected by Lessor.

X _____ X _____
Lessee's Initials Lessee's Initials



20127 / 99802 / CITY OF SAULT STE. MARIE

ASSIGNMENT

Lessor (hereinafter "Assignor") hereby assigns to CNH Industrial Capital Canada Ltd. (hereinafter "Assignee"), all Assignor's right, title and interest in and to (a) the Agreement, and all rights, remedies and powers of the Lessor thereunder including, without limitation, the right to receive all rental, purchase option price and any other amounts paid, due or to become due from Lessee thereunder; (b) the Equipment, and (c) the security interest in the Collateral. Assignor and Assignee intend this Assignment to be a true and absolute sale of Assignor's right, title and interest in the Agreement, Equipment and the security interest in the Collateral.

Assignor warrants and represents to Assignee as follows: (a) all statements contained in the Agreement, including, but not limited to, the trade-in and down payment information, are true and correct and Assignor did not provide either the trade-in or the down-payment; (b) the Agreement is a valid and binding obligation arising out of a bona-fide transaction in the ordinary course of business of Assignor and is fully enforceable according to its terms; (c) the Equipment is as represented to the Lessee; (d) Assignor made all disclosures required by law, and in the manner required by law prior to Lessee's execution of the Agreement; (e) Lessee is not a minor and has the capacity to contract; (f) Assignor has obtained or maintained, or caused to be obtained or maintained, a properly perfected first priority security interest (or in Quebec, a right of ownership) in the Collateral; (g) as of the date of the Agreement, Assignor has verified that the Lessee has obtained the insurance required by the applicable Agreement and has valid proof of such verification; (h) Assignor has a properly completed and signed credit application from the Lessee; (i) the Equipment was not delivered to the Lessee until credit approval had been obtained from the Assignee and the Agreement has been properly and fully completed by Lessee and Assignor; (j) title to and ownership of the Equipment is hereby vested in the Assignee, free of all liens, hypothecs or other encumbrances, and Assignor has the right to assign said title and ownership, and any property received in trade for the Equipment is free of all liens, hypothecs or other encumbrances; (k) the Equipment has been paid in full or will be paid in full with Agreement proceeds; (l) Assignor is (and at all times will be) solvent and operating in the ordinary course of business; (m) the Agreement is not subject to any defense, counterclaim or setoff (or compensation in Quebec), except to the extent enforceability may be limited by bankruptcy, receivership, insolvency or moratorium laws, or by other similar laws of general application.

Assignor hereby unconditionally agrees to purchase the Agreement and the Equipment from Assignee upon demand for the full amount then unpaid whether the Agreement shall then be, or not be, in default if Lessee or any other person makes a claim against Assignee alleging facts that could constitute a breach of any of the foregoing warranties. Assignor shall assume the defense of such claims and shall indemnify and hold Assignee harmless from all loss, cost and expense arising therefrom. In addition to its rights to require Assignor to purchase the Agreement and Equipment as provided in the first sentence of this paragraph, Assignee shall have, pursuant to the applicable provisions of the retail financing and related other agreements by and between Assignor and Assignee, as amended from time to time, or the applicable dealer handbook, recourse to Assignor in respect of the Agreement of the type indicated by the "Endorsement Code" box checked below.

The liability of the Assignor, shall not be affected by any extension, renewal, or other change in the time of the payment of the Agreement, nor any change in the manner, place or terms of the payment thereof, nor the release of, nor settlement or compromise with any party liable for the payment thereof or the release or non-perfection of any security or right thereunder. Assignee shall not be bound to exhaust its recourse against Lessee or any other person nor any security or right Assignee may at any time have, before being entitled to payment from Assignor hereunder. Assignor waives notice of the acceptance of this Assignment and notices of non-payment and non-performance of the Agreement and any other notices required by the law and waives all setoffs and counterclaims. This Assignment shall become effective upon delivery of the Agreement to Assignee or upon Assignee's payment of the purchase price therefor, whichever first occurs.

ENDORSEMENT CODES ☒ N ☐ R ☐ F ☐ O

OTHER ENDORSEMENT EXPLANATION

PROCEEDS ☐ WHLS (excludes payoffs) \$ _____
DIST. ☐ CHK/ACH \$ _____

X

Lessor's Representative

10-15-2015

TRACKS & WHEELS EQUIPMENT BROKERS INC.

Date

Print Name

ENDORSEMENT CODES: N - Non-Recourse; R - Repurchase; F - Full Recourse; O - Other

LEASE AGREEMENT CHECKLIST

- _____ Original signed customer credit application(s)
- _____ Original signed completed lease worksheet (operating leases only)
- _____ Lessee has signed and initialed completed lease Agreement
- _____ Lessee name is exact legal name and physical address
- _____ Dealer has checked and signed applicable endorsement code in assignment section
- _____ If Lessee providing own PDI insurance, proof of Lessee PDI insurance coverage.
- _____ Proof of sufficient liability insurance coverage on operating lease
- _____ Dealer lease guarantee form completed, signed and included (if applicable)
- _____ Guarantee form for corporations completed, signed and included (if applicable)
- _____ Cross collateralization form completed, signed and included (if applicable)
- _____ Invoice included for allied equipment
- _____ Automatic payment plan enrollment form completed, signed and attached with voided customer cheque or withdrawal slip (if applicable)

THANK YOU FOR YOUR BUSINESS



F630000028248462968A

Purchased Protection Plan Addendum to Equipment Operating Lease Agreement

CANADA NOTICE

This is the Purchased Protection Plan Addendum to that certain Equipment Operating Lease dated October 15, 2015 between the Lessee and the Lessor identified therein (the "Agreement"), into which this Purchased Protection Plan Addendum is hereby incorporated. If the price of a Purchased Protection Plan is included under the Agreement, Lessee understands that a portion of the price may be paid to Lessor, to Lessor's designee to CNH Industrial Canada Insurance Agency Ltd., or to AMT Warranty Corp. of Canada, ULC as an administrative or marketing fee. Assignee may deliver the Purchased Protection Plan price to Lessor and if Assignee does so, Lessor is solely responsible for remitting payment to the provider. To the extent permitted by law, provider and Lessee agree that they shall not raise any claim, defense or setoff against Assignee if the Lessor fails to remit payment to the provider.

Purchased Protection Plan ("PPP")*

The Purchased Protection Plan is recommended but is not required.

New Equipment Plans ("N"):

Where NEW plan is shown below, Lessee requests Lessor/Assignee to attempt to obtain a Purchased Protection Plan and to include as part of the Rental Payments the price as shown for the term as shown or for the total machine hours stated in the PPP contract, whichever occurs first, for the new equipment listed in the Agreement.

Note: The Total Months and Total Machine Hours selected on new equipment plans include the Manufacturer's Base Warranty Period.

Used Equipment Plans ("U"):

Where USED plan is shown below, Lessee requests Lessor/Assignee to attempt to obtain a Purchased Protection Plan and to include as part of the Rental Payments the price as shown for the term as shown or for the additional machine hours stated in the PPP contract, whichever occurs first, for the used equipment listed in the Agreement.

Note: The Months and Machine Hours selected commence on the used equipment PPP contract effective date.

	<u>PLAN</u>	<u>EQUIPMENT SERIAL NO./PIN</u>	<u>PRICE</u>	<u>TERM (MONTHS)</u>
1	N	NFF235017	\$4,395.00	60
2	N	NFF235010	\$4,395.00	60
3	N	NFF235008	\$4,395.00	60
4	N	NFF235015	\$4,395.00	60

Total \$17,580.00

10-15-2015

Lessee(s) Signature

Title (if applicable)

Date

CITY OF SAULT STE. MARIE

* The precise protection afforded is subject to the terms, conditions and exclusions of the contract as issued. Program may not be available in all provinces. Eligible equipment or other program details may vary by province based on provincial regulations. CNH Industrial Canada Insurance Agency Ltd. is a subsidiary of AmTrust North America, Inc.

Liability Insurance Addendum

20127 / 99802 / CITY OF SAULT STE. MARIE

This is the Liability Insurance Addendum to that certain Lease Agreement dated October 15, 2015 between the Lessee and the Lessor identified therein (the "Agreement", into which this Liability Insurance Addendum is hereby incorporated).

Equipment Liability Insurance

Lessee shall obtain and maintain, liability insurance from a carrier acceptable to Assignee in such form and subject to such limits as Assignee may reasonably require protecting the interests of Lessee and the Assignee against claims for damages or injuries to persons or property caused by the use, condition, holding or operation of the Equipment. Lessor shall ensure that Lessee shall have liability insurance in place before the lease commences, having minimum coverage of at least \$1,000,000.00 total liability per occurrence, with CNH Industrial Capital Canada Ltd. named as additional insured.

CNH Industrial Capital Canada Ltd.
PO Box 5334
Burlington, ON L7R 4Z8

10-15-2015

Signature of Lessee
CITY OF SAULT STE. MARIE

Date

My Insurance Company

Name _____
Address 252 DRIVE IN ROAD
City/Province/Postal Code SAULT STE. MARIE, ONT L6A 4K6
Phone 506-666-6666
Policy # _____



Pre-Authorized Debit (PAD) Authorization

CUSTOMER INFORMATION (Please print clearly)

Customer Name (as it appears on the payment notices) _____

Address _____ City _____ Province _____ Postal Code _____

Customer's Bank Name ("Bank") _____

Bank Address _____ City _____ Province _____ Postal Code _____

Your Full CNH Capital Account Number _____

I prefer to use my chequing account. I have enclosed a voided cheque.

Bank and Transit # _____ Account # _____

I prefer to use my savings account. I have enclosed confirmation from my bank with the transit number and my withdrawal slip.

Bank and Transit # _____ Account # _____

I/we acknowledge that this Authorization is provided for the benefit of CNH Industrial Capital Canada Ltd. or an assignee ("CNH Capital") and the Bank listed above and is provided in consideration of the Bank agreeing to process debits against my/our account in accordance with the rules of the Canadian Payments Association. **The debits authorized hereunder are for business purposes.**

I/we hereby authorize CNH Capital to debit my/our account indicated above for the purpose of paying all regular recurring payments and/or one time or sporadic payments which may be owing from time to time by me/us to CNH Capital pursuant to the schedule detailed in the retail contract or lease between me/us and CNH Capital attached hereto ("the Agreement").

I/we acknowledge that the Debit Amount noted above may be adjusted by CNH Capital to reflect, among other things, any changes or additional charges associated with and payable under the Agreement. For greater certainty, I/we also agree that CNH Capital can debit the amount of any late fees or NSF fees for any returned debit separately or, as an additional charge to be included in the next recurring debit. For debits other than regular recurring debits, (e.g. one time or sporadic debits), I understand that CNH Capital will obtain my/our authorization prior to initiating any such debit. The undersigned authorizes CNH Capital to store the payment information provided for use in this agreement in order to pay the sums due and owing to CNH Capital pursuant to retail contracts and leases. The undersigned represents that this origination of an electronic withdrawal from the checking or savings account(s) listed above complies with all applicable laws, and the undersigned represents and warrants that they are legally authorized to use the bank account(s) that have been set forth above.

I/we understand that I/we have certain recourse rights if any debit does not comply with this Authorization. For example, I/we have the right to receive reimbursement for any debit that is not authorized and is not consistent with this Authorization. To obtain more information on my/our recourse rights I/we may contact my/our Bank or visit www.cdnpay.ca.

This Authorization may be cancelled at any time by written notice by the undersigned to CNH Capital which notice shall be effective 5 days after receipt. To obtain a sample cancellation form, or for more information on the right to cancel this Authorization, I/we understand that I/we may contact my/our Bank or visit www.cdnpay.ca. This Authorization applies only to the method of payment and I/we agree that revocation of this Authorization does not terminate, cancel or reduce my/our obligations under the Agreement. When complete, please provide this form to:

CNH Industrial Capital Canada Ltd.
P.O. Box 5334, Burlington, ON L7R 4Z8
Fax: 905-632-6868
Phone: 877-222-7217
email: cscanada@cnhind.com

I/we understand that I/we can contact CNH Capital at the above address to make any inquiries, obtain information or seek any recourse rights.

CNH Capital may assign this Authorization whether directly or indirectly, by operation of law, change of control, or otherwise, by providing at least 10 days prior written notice to me/us.

I/we consent to the disclosure of any personal information that may be contained in this Authorization to the financial institution at which CNH Capital maintains its account to be credited with the debits as far as any such disclosure of personal information is directly related to and necessary for the proper application of the Rules of the Canadian Payments Association.

I/we agree to waive the Canadian Payments Association Pre-Notification requirements in respect of all debits drawn under this Authorization.

I/we understand and agree to the foregoing terms and conditions.

SIGNATURES

Date 10-15-2015 _____ Authorized Signer _____
Date _____ Authorized Signer _____

CITY OF SAULT STE. MARIE

For a joint account, the signatures of all account holders must appear on this Authorization.



PHYSICAL DAMAGE INSURANCE COVERAGE VERIFICATION

To:

Date: 10-15-2015

Insurance Company:

Agent:

Phone No.:

Fax No.:

Policy No.:

EQUIPMENT DETAILS

N/U	MANUFACTURER	DESCRIPTION	MODEL	SERIAL NUMBER/PIN	STOCK NUMBER	HOURS	VALUE
N	Case	Wheel Loaders	621F	NFF235017	new	1.0	\$ 146,251.00
N	Case	Wheel Loaders	621F	NFF235015	new	1.0	\$ 146,251.00
N	Case	Wheel Loaders	621F	NFF235008	new	1.0	\$ 146,251.00
N	Case	Wheel Loaders	621F	NFF235010	new	1.0	\$ 146,251.00
TOTAL							\$ 585,004.00

Attach:

This is to authorize you to furnish the Seller or Lessor with proof that physical damage insurance is in effect on the above described equipment with a loss payable value in favor of Seller or Lessor and CNH Industrial Capital Canada Ltd.

This authorization is for the period beginning 10-15-2015 and ending 04-15-2020 for the amount indicated above.

Insured

Name: CITY OF SAULT STE. MARIE

Address: 99 FOSTER DRIVE Box 580

City, Prov. & Postal Code: SAULT STE. MARIE, ON P6A 5N1

Home Phone No.:

Business Phone No.: (705) 759-5267

Seller or Lessor

Name: TRACKS & WHEELS EQUIPMENT BROKERS INC.

Address: 232 DRIVE-IN ROAD

City, Prov. & Postal Code: SAULT STE. MARIE, ON P6B 6A9

Phone No.: (705) 256-5438

Fax No.:

X

Customer Signature

CITY OF SAULT STE. MARIE

Print Customer Name

LEASE WORKSHEET B - TWO FACTOR


F930000028248461023A

NAME AND ADDRESS OF LESSEE

CITY OF SAULT STE. MARIE

LEASE TYPE: ☐ FINANCE ☒ OPERATING

99, FOSTER DRIVE Box 580

SAULT STE. MARIE, ON P6A 5N1

PAYMENT SCHEDULE: ☒ MONTHLY ☐ QUARTERLY ☐ S/A ☐ ANNUAL ☐ IRREGULAR

LEASE DATE 10-15-2015 TERM (MOS) 54 NO. OF PAYMENTS 30

EQUIPMENT USE: ☐ AG ☒ CONSTRUCTION ☐ CONSUMER ☐ TRAILER

N/U	MAKE	TYPE	MODEL	SERIAL NUMBER/PIN	INV./TRADE PREMIUM	INITIAL HR. METER RDG.	MAXIMUM ANNUAL USAGE	EXCESS USE CHARGE	PRICE FOR LEASING
N	Case	Wheel Loaders	621F	NFF235017	222,588.00	1.0 Hrs	1000.0 Hrs	\$25.00 /Hr	\$ 146,251.00
N	Case	Wheel Loaders	621F	NFF235015	222,588.00	1.0 Hrs	1000.0 Hrs	\$25.00 /Hr	146,251.00
N	Case	Wheel Loaders	621F	NFF235008	222,588.00	1.0 Hrs	1000.0 Hrs	\$25.00 /Hr	146,251.00
N	Case	Wheel Loaders	621F	NFF235010	222,588.00	1.0 Hrs	1000.0 Hrs	\$25.00 /Hr	146,251.00
1. Total Price (equipment value for leasing purposes)									\$ 585,004.00
2. Set Up Charges (not included in line 1) (\$) Delivery Charges (not included in line 1) (\$)									
3. Sales/Use Tax (on acquisition when required by state/province)									N/A
4. Filing Fee (\$) 40.00 UCC Service Fee (\$) 14.00 Doc Fee (\$) 1,546.00									1,600.00
5a. Physical Damage Insurance - Line 1 x Premium Factor x Term 54 =									
5b. Liability Insurance Damage - Line 1 x Premium Factor x Term =									
6a. Credit Life Insurance									N/A
6b. Credit Disability Insurance									
7. Manufacturer Extended Service (\$) Extended Service Protection Plan (\$) 17,580.00									17,580.00
8. Other									N/A
9. SUBTOTAL (Add lines 1 through 8)									604,184.00
10. (-) Net Trade-In Allowance									N/A
11. (-) Cash Down Payment (\$) / Rebate (\$)									
12. LEASE SALES PRICE (Line 9 - 10 - 11)									604,184.00
13a. GROSS LEASE PAYMENT (From chart 125 / Rate 7.25 % (Acq. factor x Line 12)									
13b. RESIDUAL VALUE CREDIT \$ Original Invoice, Trade Premium or Avg. Resale X Residual % Residual Amount Residual Value Factor =									
13c. LEASE PAYMENT BEFORE TAXES (Line 13a - 13b)									12,035.18
14. RESIDUAL AMOUNT									\$ 406,000.52
DISTRIBUTION OF LEASE PROCEEDS									
15. Lease Sales Price (from line 12)									\$ 604,184.00
16. (-) Dealer Contingent Reserve (when requested by CNH Capital)									
17. (-) Filing Fee (\$) 40.00 UCC Service Fee (\$) 14.00 NHC Admin Fee 150.00									204.00
18. (-) Insurance Premiums (paid by CNH Capital) PDI (\$) N/A Liability (\$) N/A CLI (\$) N/A A/H (\$) N/A									
19. (-) Manufacturer Extended Service (\$) ESPP (\$)									
20. (-) Other - Describe									
21. (-) Security Deposit From Customer (held by CNH Capital)									
22. (-) Advance Payment(s) From Customer, Inclusive Of Taxes (No. of Advance Pymts. 1)									12,035.18
23. LEASE PROCEEDS (Line 15 - 16 - 17 - 18 - 19 - 20 - 21 - 22)									\$ 591,944.82
24. Lease Proceeds Distribution Wholesale Accounting \$ Dealer \$									

DOCUMENT CHECKLIST

☐ CREDIT APPLICATION ☐ EVIDENCE OF PDI INSURANCE ☐ SECURITY AGREEMENT IN CANADA
☐ LEASE AGREEMENT ☐ EVIDENCE OF LIABILITY INSURANCE ☐ COPY OF INVOICE FOR NEW EQUIPMENT

DEALER NAME

TRACKS & WHEELS EQUIPMENT BROKERS INC.

DEALER SIGNATURE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-184

AGREEMENT: (P5) A by-law to authorize the execution of a Commercial Lease Agreement between the City and Nortrax Canada Inc. for the supply and delivery of various equipment.

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 a Commercial Lease Agreement dated October 13, 2015 between the City and Nortrax Canada Inc. for the supply and delivery of various equipment, a copy of which is attached as Schedule "A" hereto.

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 13th day of October, 2015.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE


JOHN DEERE

COMMERCIAL LEASE AGREEMENT (With Purchase Option)

NOTE: ALL LESSOR'S RIGHTS AND BENEFITS UNDER THIS LEASE, AND ALL LESSOR'S INTEREST IN THE PROPERTY HAVE BEEN ASSIGNED TO JOHN DEERE CANADA ULC

Customer account number (for internal use only):
GST/HST # 133 846 758 RT / 89492 5288 RT
QST # 1015119604 / 1021008431

Impact Lease Lessor's (Dealer's) Full Legal Name and Address (including postal code)	Lessor's (Dealer's) No.: 766259
NORTRAX CANADA INC. 199 MUMFORD ROAD UNIT F LIVELY, ON P3Y1L2 7056927272	Lessor's (Dealer's) GST/HST/QST Registration No.: 888119591
Lessee's Full Legal Name (Last, First and Second, if Individual; English and French version, if any, if Corporation) and Address (including postal code)	Lessee's GST/HST/QST Registration No.:
CORPORATION OF THE CITY OF SAULT STE MARIE 99 FOSTER DR SAULT STE. MARIE, ON P6A5X6 7057592500	Name and Title of Signing Officer (if Corporation) ~~THE MAYOR~~

For the purpose of this Lease, "Lessee" means the Lessee and Co-Lessee, if any, set out above. "Lessor" above means the Dealer and then John Deere Canada ULC ("JD Canada") when the Dealer assigns (transfers) this Lease after you sign it. **LESSEE AGREES TO LEASE THE EQUIPMENT DESCRIBED IN CLAUSE 1 UPON AND SUBJECT TO THE TERMS AND CONDITIONS SET OUT HEREIN.**

1. Equipment Description: The Lessor agrees to lease to you and you agree to lease the following equipment, on the terms and conditions set out in this Lease:

QTY.	YEAR	NEW / USED	MFR.	MODEL	EQUIPMENT (SIZE AND DESCRIPTION)	POWER TAKE-OFF / NET POWER / HORSEPOWER	SERIAL NO. OR PRODUCT IDENTIFICATION NO.
1	2015	New	JOHN DEERE	772GXDW	JOHN DEERE 772GXDW MOTOR GRADER C/W SNOW WING AND FRONT BLADE		1DW772GXLF0672133

For the purpose of this Lease, "Equipment" means the equipment described above and all substitutions therefor, all additions, accessories and accessions thereto, all replacement parts and repairs and all alterations or improvements thereto and all of the proceeds thereof.

2. Delivery: Lessee hereby accepts delivery of the Equipment in good operating condition and repair.

3. Equipment Will Be Located At: ~~99 FOSTER DR~~ 128 JACKVILLE RD
SAULT STE. MARIE, ON P6A5X6

4. Certificate(s) Of Insurance must be provided prior to delivery of the Equipment, in accordance with clause 17 hereof.

Agent Insurance Co. Telephone No.

5. Commencement Date Of Lease (m/d/y): 10/15/2015

6. Term Of Lease: This Lease shall be for a term of 54 months.

7. Terms Of Repayment: In return for leasing the Equipment described above, you promise to pay the Total Rental Payment(s) (including applicable taxes) from the Commencement Date of Lease throughout the Term of Lease as set out below:

Payment Frequency: Monthly

No. of Pay'ts.	First Payment Due Date (m/d/y)	Rental Payment (excluding applicable taxes)	Applicable Provincial Tax** (per payment)	Applicable Federal Tax** (per payment)	Rental Payment (including applicable taxes)
6	10/15/2015	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2016	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2016	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2017	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2017	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2018	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2018	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2019	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2019	\$6,301.28	\$0.00	\$819.17	\$7,120.45
Total Rental Payments (excluding applicable taxes):		\$189,038.40	Total Rental Payments (including applicable taxes):		\$213,613.50

**Tax rates are subject to change based on rates in effect on the payment due dates.

8. Hours Of Use shall not exceed 1111 hours per year. Hours in excess of this number will be charged at \$ 35.00 per hour plus all applicable taxes.

9. Option To Purchase: If Lessee is not in default of any of the terms or conditions of this Lease and has given not less than 60 days and not more than 90 days prior written notice, then Lessee shall have the OPTION TO PURCHASE the Equipment on an "as is, where is" basis for the price of \$176,700.00 plus all applicable taxes, at the expiration of the 54 month of the Term of Lease noted above. Upon receipt of such notice, Lessor shall invoice Lessee for the option price and all amounts outstanding under the Lease, and transfer title to the Equipment to Lessee upon receipt of payment in full of such invoice. The Equipment must be inspected and certified as mechanically fit at Lessee's own expense as required by law.

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

(1) Print one copy; (2) Obtain signatures; (3) Photocopy twice; (4) Check applicable box

☐ Original ☐ Dealer Copy ☐ Customer Copy

10. Return of Equipment: At the expiration or earlier termination of this Lease, Lessee shall deliver the Equipment, at its own expense to Lessor at such address as may be designated by Lessor. The Equipment shall be returned in as good condition and working order as when delivered to Lessee, reasonable wear and tear only excepted, and free from liens, charges, security interests, encumbrances, hypothecs, claims and legal processes of creditors of any nature whatsoever (collectively, "Encumbrances"). Lessor shall be the sole judge of the condition of the Equipment. Lessee agrees to pay to Lessor the cost of repairing or restoring the Equipment in accordance with the provisions hereof and the cost of discharging any Encumbrances.

11. Extension of Lease Term: At the end of the original term of the Lease, subject to the prior written consent of Lessor, Lessee shall have the option to extend the term of the Lease on a month to month basis. During the extended term of the Lease, if any, or if the Equipment is not returned in the condition required by this Lease on or prior to expiry of the original or extended term, as applicable, Lessee shall pay monthly in advance, rental payments in the amount agreed by the parties, or failing agreement, in the amount determined by Lessor. Notwithstanding the foregoing, neither payment nor the obligation to pay any amount by Lessee under this clause due to Lessee's failure to return the Equipment in the required condition by the required date, nor acceptance of any such payment by Lessor, constitutes an agreement by Lessor to extend the term of the Lease or consent to retention by Lessee of the Equipment after the required return date, nor a waiver of Lessor's right to insist on prompt return of the Equipment or to recover damages for breach of Lessee's obligations hereunder (but such payment may mitigate or partially mitigate such damages).

12. Lease and Term: Lessor hereby leases to Lessee and Lessee hereby agrees to lease from Lessor the Equipment. This Lease shall begin on the Commencement Date of Lease specified in clause 5 and shall continue for the Term of Lease indicated in clause 6. If unspecified, Lessor is hereby authorized to insert such date and term in clauses 5 and 6.

13. Loading of Equipment: Lessee is responsible for and shall pay all costs and expenses to load, haul, ship, and unload the Equipment. Lessee hereby authorizes Lessor to insert in clause 1 information necessary or advisable to accurately describe and identify the Equipment.

14. Payments: Payments set out above represent payments solely for use of the Equipment (including applicable fees) from Commencement Date and throughout the Term of Lease and any extension or renewal term as set out in paragraph 11. Maintenance fees in respect of the Equipment are expressly excluded from the payments set out above, and do not form part of this Lease. Lessee shall pay each rental payment and all other applicable charges and taxes provided for herein to Lessor in advance, commencing on the Commencement Date of Lease and thereafter on the dates set out in clause 7. Rental payments shall not abate by reason of termination of Lessee's right of possession and/or the taking of possession of the Equipment by Lessor or for any other reason whatsoever. Delinquent payments shall bear interest ("Default Interest") at a rate of twenty-four per cent (24%) per annum. Default Interest shall be calculated on a daily basis and compounded monthly. If a cheque is returned because of insufficient funds, Lessee will pay JD Canada an administration fee of \$25 per occurrence. At the end of the Term of Lease, Lessor will not charge or refund a difference of less than \$25 resulting from an underpayment or overpayment of Lessee's obligations under this Lease.

15. No Warranty, Etc.: Lessee acknowledges that there are no representations, warranties, terms, conditions or collateral agreements, written or oral, express or implied, statutory or otherwise, on the part of the Lessor with respect to the ownership, quality, condition, merchantability or fitness for any particular purpose of the Equipment. If the Equipment does not operate as represented or warranted by the supplier or manufacturer, or is unsatisfactory for any reason, Lessee shall make any claims solely against the supplier or manufacturer and shall nevertheless make all rental payments required herein. Lessee's obligations hereunder to Lessor will in no way be affected by any seller's, distributor's or manufacturer's representations, warranties or guarantees with respect to the Equipment, express or otherwise, which may exist in Lessee's favour. Lessor will assign to Lessee, solely for the purpose of making and prosecuting such claim, all of the rights Lessor has against any seller, distributor or manufacturer of the Equipment for breach of representations, warranties or guarantees with respect to the Equipment.

16. Use, Maintenance and Repairs: Lessee shall cause the Equipment to be operated only by qualified, competent and licensed, if required by law, persons and in accordance with the manufacturer's instructions and prudent practice. Lessee shall, at its own cost and expense, keep the Equipment in good repair, condition and working order, and shall furnish all parts, mechanisms, devices and service and provide fuel, oil, lubricants and replacement parts required for the Equipment. Lessee shall keep repair records and promptly report any substantial damage to the Equipment and all damage to structural components to Lessor. Lessee may not make any repairs affecting the structural components of, or any alterations, additions or improvements to the Equipment without prior written approval of Lessor. Lessee may not alter Equipment markings or permit rough usage of the Equipment. Lessor is not responsible for any repairs of, service to, or defects in the Equipment or its operation. Lessor shall have the right, but not the obligation, to service the Equipment. Lessor may from time to time during regular business hours enter upon Lessee's premises or elsewhere to inspect the Equipment and Lessee's records pertaining to the Equipment.

17. Risk of Loss and Insurance: Lessee hereby assumes the entire risk of loss, damage or interruption or loss of use of the Equipment, in whole or in part, whether or not insured against from the date hereof until the later of the expiration of this Lease and the return of the Equipment. Lessee shall immediately for the benefit of Lessor and in the name of Lessor, insure and keep the Equipment insured during the continuance of the Term of Lease and any extension or renewal term, and in any event until the Equipment is returned to Lessor, against all risks of physical loss or damage, and liability to others, and such other risks and in such amounts as Lessor reasonably may require to the full insurable value of the Equipment with an insurance company approved of by Lessor. Lessee shall pay all premiums necessary for such purposes, as the same shall become due. Loss, if any, is payable to Lessor. Lessee may not do or suffer anything whereby any such policy or policies may be vitiated. Lessee shall assign and deliver over unto Lessor, at the place where the rental payments are payable, the policy or policies of insurance, and receipts for premiums paid, with respect to the Equipment. If Lessee neglects to keep the Equipment or any part of it insured as aforesaid, or pay premiums or deliver receipts therefor, then Lessor may insure the Equipment as Lessor may deem expedient, and all monies expended by Lessor with Default Interest, computed from the time or times of advance, shall be repaid by Lessee to Lessor on demand. Evidence of the renewal of such insurance shall be produced to Lessor at the place where the rental payments are payable at least three (3) weeks before the termination thereof or Lessor may provide therefor at Lessee's expense. Lessor may require any insurance to be cancelled and new insurance to be effected with a company to be named by it. Lessor shall have priority to all insurance on the Equipment whether effected under this covenant or not, and shall have the right to require that all monies received on any insurance be applied as provided in clause 18. Upon any loss or damage to the Equipment, Lessee shall immediately furnish at its own expense all the necessary proofs and do all necessary acts to enable Lessor to obtain payment of the insurance monies. The foregoing covenants and provisions as to insurance shall apply to all the Equipment whether now or hereafter included in the Lease.

18. Destruction of Equipment: If any of the Equipment is totally destroyed, Lessee's liability to pay rent therefor may be discharged by paying to Lessor: (i) all rent and other amounts due and unpaid at the time of such destruction; plus (ii) an amount equal to the sum calculated under clause 23 (d) (i) (B) and (C), less (iii) the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise for such loss or damage, plus (iv) interest at the Prime Rate plus 2% per annum on the net outstanding balance from time to time of the amount set out in (i) plus (ii) less (iii) (but only crediting for recoveries from the date(s) of receipt by Lessor) from the date of such destruction to the date of payment in full of amounts due under this clause. The total or partial destruction of any of the Equipment, or total or partial loss of use or possession of the Equipment to Lessee, shall not release or relieve Lessee from the duty to pay rent due under this Lease except as provided in this clause.

19. Taxes/Liens: Lessee shall promptly pay all taxes, assessments and other government charges levied or assessed upon the interest of Lessee in the Equipment, on the use or operation of the Equipment, and on the earnings arising therefrom during the Term of Lease. Lessee shall pay or reimburse Lessor for all taxes levied or assessed against and paid by Lessor on account of its ownership of the Equipment, the rent provided for under this Lease, or the earnings arising as a result of this Lease, other than any taxes based on net income of Lessor. Lessee shall keep the Equipment free and clear of all Encumbrances, which may now or hereafter be imposed upon Lessor by virtue of the ownership, leasing, rental, possession or use of the Equipment. Lessee shall provide Lessor with a copy of any notice, which Lessee receives regarding any adverse claim by a third party to the interest of Lessor.

20. Title: Title to the Equipment shall at all times remain in Lessor. Lessee shall at all times protect and defend, at its own cost and expense, the title of Lessor from and against all Encumbrances, and keep all the Equipment free and clear of and from all such Encumbrances. The Equipment is and shall remain personal or movable property and shall not be deemed part of any realty or immovable even though affixed, attached or joined thereto and whether placed on a permanent foundation or not. Lessor may require plates or markings to be affixed to or placed on the Equipment indicating Lessor's interest. Subject only to exercise by Lessee of its option in clause 9, no right, title or interest in the Equipment shall transfer to Lessee other than the right to possess and use the

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Equipment in accordance with the terms and conditions hereof. Lessee may not sell or dispose of the Equipment or any part thereof during the Term of Lease or any extended term. Subject only to exercise by Lessee of its option in clause 9, Lessee does not have the right to become owner of the Equipment upon expiration of the Term of Lease or any extension thereof and shall have no right to purchase or otherwise acquire ownership of the Equipment at any sale.

21. Indemnification: Lessee shall indemnify and save Lessor, its agents, employees, successors and assigns, harmless from and against all losses, costs, expenses, damages, actions, suits, proceedings, liabilities, third party liabilities, personal injuries, indirect, special and consequential damages, property loss and damage, however caused, including reasonable legal fees and expenses (collectively, "Losses") paid, payable, incurred or suffered by Lessor arising out of, related to, or caused by this Lease, the Equipment or its use. Lessee shall not be entitled to recover any indirect, special or consequential damages from Lessor, which Lessee may suffer arising out of, related to, or caused by this Lease, the Equipment or its use. This indemnification shall be effective from the date hereof and shall survive expiration or termination of the Lease, and return or purchase of the Equipment, with respect to Losses arising, or as a result of events, acts or omissions for which Lessee is responsible or liable to Lessor, occurring during the Term of Lease and any extended term.

22. Events of Default: The occurrence of any of the following events shall constitute an event of default under this Lease: (a) Lessee fails to pay promptly when due, whether by acceleration or otherwise, any amount owing to Lessor hereunder; (b) Lessee fails to observe or perform any of Lessee's other obligations hereunder or breaches any of the covenants, terms, or agreements herein or in any other agreement of any kind between Lessee and Lessor or Lessor's assigns either before or after the entering into of this Lease; (c) Lessee commits or threatens to commit an act of bankruptcy or ceases or threatens to cease carrying on business as a going concern, or a proceeding in bankruptcy, receivership, insolvency, reorganization or winding-up is instituted by or against Lessee or any of its property or any compromise or arrangement between Lessee and any of its creditors is proposed or sought; (d) Lessee overtaxes, overloads, misuses, damages, destroys or abuses the Equipment or uses it for any illegal purpose; (e) Lessee attempts to remove the Equipment outside the jurisdiction or jurisdictions set out in clause 3; (f) execution or other process of any court becomes enforceable against Lessee or any of its property or distress or analogous process is levied upon all or any part of Lessee's property or the Equipment; or (g) all or a material part of Lessee's property is sold or Lessee enters into a sale in bulk within the meaning of an applicable bulk sales law or a sale of an enterprise within the meaning of the *Civil Code of Quebec*.

23. Remedies: Upon the occurrence of an event of default or if Lessor, acting commercially, reasonably believes that the ability of Lessee to pay or perform any term hereof is impaired or that the Equipment is in danger of being lost, damaged or confiscated, Lessor may, in its sole discretion and without limitation to any of its other rights and remedies hereunder or at law or equity, terminate this Lease under or subject to applicable law and exercise any one or more of the following remedies:

(a) take possession of the Equipment without demand or notice, wherever the same may be located, without any court order or other process of law (Lessee hereby waiving any and all damages occasioned by such taking of possession), and sell, lease or otherwise dispose of the Equipment for such consideration and upon such terms and conditions, including deferred payment, as Lessor may deem fit;

(b) at its option, in the name of and as the irrevocably appointed agent and attorney for Lessee (which appointment Lessee hereby confirms), and without terminating or being deemed to have terminated this Lease, take possession of the Equipment and proceed to lease or sublease the Equipment to any other person on such terms and conditions, for such rental and for such period of time as Lessor may, acting reasonably, deem fit and receive such rental and hold the same (all such rental hereby being assigned to Lessor by Lessee for such purpose) and apply the same against any monies expressed to be payable from time to time by Lessee hereunder;

(c) do all acts and make all expenditures which are, in Lessor's opinion, desirable arising from such default or to cure, remedy the same or to mitigate the effects thereof in whole or in part, and Lessee shall forthwith upon demand reimburse Lessor for any and all expenditures with Default Interest thereon;

(d) accelerate and declare immediately due and payable liquidated damages under this Lease which as between the parties hereto shall be conclusively deemed to be a genuine, pre-estimate of the damages suffered by Lessor in the circumstances and not a penalty and which liquidated damages shall be calculated as follows:

(i) the aggregate of (A) all rent and other amounts due and unpaid to the date of demand under this subparagraph (d) (the "Acceleration Date"); (B) the present value as at the date of demand of all future, unpaid rentals and other scheduled payments, if any, in respect of the unexpired original Term of Lease and any extension thereof, including any such amounts that would become owing hereunder but for any termination of this Lease; and (C) the present value as at such date of Lessor's expected value of the Equipment at the end of the original Term of Lease or such period of extension, as applicable, as determined by Lessor in its sole discretion at the commencement of the Term of Lease or any extension thereof; less

(ii) the net proceeds of the sale, lease or other disposition of the Equipment after deduction of Lessor's cost of disposition provided that if Lessor has not sold, leased or otherwise disposed of the Equipment at the time of any proceeding to recover such liquidated damages, there shall be no deduction, but Lessor shall, upon the sale, lease or other disposition of the Equipment, refund to Lessee forthwith an amount equal to the deductions that would have been made but for this provision; plus

(iii) interest at the Default Interest rate on the net outstanding balance from time to time of the amount of (i) less (ii) (but only crediting for net proceeds in (ii) from the date(s) of receipt by Lessor) from the Acceleration Date to the date of payment in full of such liquidated damages. In each case, present value is to be determined by discounting all required amounts at an annual rate equal to the lesser of (i) 2% per annum, and (ii) the Prime Rate in effect on the date as at which a valuation is to be determined less 4% per annum.

If Lessor has recourse to the services of a solicitor to enforce any right under this Lease, Lessor's solicitor and client costs shall be paid on demand by Lessee to Lessor. Lessee acknowledges that calculation of the amount of pre-estimated liquidated damages is based upon the fact that Lessor acquired and leased the Equipment to Lessee at its request and that Lessor expected a minimum return from the transaction based upon, among other things, the purchase cost of the Equipment, the rentals, the Term of Lease and expected value of the Equipment as anticipated by Lessor at the end of such Term. To the extent permitted by law, Lessee waives the benefit of any statute, which restricts Lessor's enforcement right to the recovery of money due and owing under the Lease, to taking possession of the Equipment, or to the choice between such recovery and taking possession. Where such a waiver is effective, taking possession of the Equipment, its surrender, or its subsequent sale, shall not affect and shall not be affected by Lessor's rights to sue Lessee, Lessee's guarantor or indemnitor, for money due and owing hereunder. Lessee hereby waives as applicable and to the extent permitted by law, the benefit of the provisions of *The Limitation of Civil Rights Act* (Saskatchewan), as amended, modified, replaced or substituted from time to time. These statutory provisions shall have no application to this Lease. Lessee acknowledges that the fulfillment of all of its obligations under this Lease is a condition in consideration of which the Term has been granted by Lessor to Lessee.

24. Notice of Changes and Licensing: Lessee shall notify Lessor immediately of any change to Lessee's name or any change of location of Equipment from Lessee's address set out above. Lessee may not use or transport the Equipment outside the jurisdiction or jurisdictions set out in clause 3 without Lessor's prior written consent, which consent may not be withheld unreasonably. Throughout the Term of Lease and any extended term, Lessee shall license the Equipment wherever necessary in Lessor's name, maintain such licensing in good standing, and provide Lessor with evidence of such licensing upon request by Lessor.

25. Registration of Interest: Lessor shall have the right to file or register notice of this Lease, this Lease or copy thereof wherever Lessor deems it to be appropriate and may do so without prejudice to its position as Lessor under this Lease. Lessee waives any right it may have to receive a copy of any financing statement, financing change statement, verification statement, or similar document registered in connection with this Lease or any amendment, supplement, renewal or replacement thereof.

26. Financial Statements: Lessee shall deliver its audited financial statements, if any, within 120 days of each fiscal year end of Lessee and unaudited financial statements within 60 days of the expiry of each semi-annual period upon request of Lessor.

27. Obligation Absolute: This Lease is irrevocable and may not be cancelled or terminated except as expressly provided for herein. Lessee's obligations hereunder are absolute and unconditional. Lessee shall perform same without any deduction, defense, counterclaim, compensation, or set-off and without demand therefor. Without limiting the generality of the foregoing, Lessee's obligations hereunder shall continue in full force and effect regardless of the inability of Lessee to use the Equipment for any reason whatsoever, including without limitation, wear and tear, act of God, force majeure, government regulations, strike, loss or damage, obsolescence or Equipment failure.

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28. Assignments: Lessee may not assign this Lease or its interest hereunder or enter into any rental with respect to the Equipment or any part thereof without the prior written consent of Lessor and the completion of additional documents JD Canada may require. Except in Quebec, in the event that any Equipment so rented may be inventory, as defined in the *Personal Property Security Act* (the "PPSA"), Lessee will take all necessary action to maintain a first ranking security interest in the Equipment and any rental agreements thereof, including effecting registrations under the PPSA where required. This Lease is entered into with a view that it will be assigned immediately by Dealer to JD Canada and may be further assigned by JD Canada. Lessee hereby consents to the assignment of this Lease to JD Canada or any other assignee.

29. Grant of Security: Except in Quebec, as security for the payment and performance of all Lessee's present and future obligations to Dealer, JD Canada and any affiliate of JD Canada hereunder and under any other lease, instalment sale contract, instalment lease or other agreement or instrument to which Lessee is a party or by which Lessee is bound, which the Dealer has now assigned or hereafter assigns to JD Canada or any affiliate of JD Canada, whether contingent or otherwise, Lessee hereby grants, assigns, conveys, transfers, pledges, hypothecates, charges and otherwise grants a security interest to and in favour of JD Canada, in (i) the Equipment, wherever located, and whether or not characterized as "inventory" for the purposes of the PPSA, (ii) all attachments, accessions, additions to and substitutions for, and property acquired by you as trade-ins for the Equipment, (iii) all Lessee's rights, title and interest in, to and under any and all rental agreements, instalment sale contracts, instalment leases or similar agreements entered into by you relating to the rental, sale, resale or other disposition of the Equipment, together with the benefits, rights and remedies thereunder, including without limitation, the right to receive all rentals and other monies now or hereafter due or to become due pursuant thereto, the right to receive the proceeds of insurance pursuant thereto, and all other rights, powers and privileges granted therein and the monies payable thereunder, (iv) all debts, accounts, claims, money, choses in action and demands arising from the rental, sale, resale or other disposition of the Equipment, (v) all returns or reposessions of the Equipment, and (vi) all proceeds of the above, including without limitation, any claims by Lessee against third parties for loss or damage to or destruction thereof and all present and after-acquired personal property acquired using any proceeds.

30. Additional Defined Term: For the purposes of this Agreement, "Prime Rate" means the rate of interest established by The Toronto-Dominion Bank from time to time as a reference rate for determining interest rates on Canadian dollar commercial loans made by such bank in Canada and commonly referred to as such bank's prime rate. Such rate shall be a floating rate and any change in such rate shall be effective on the date such change is established by such bank.

31. Privacy: In this clause "you" and "your" mean Lessee and Co-Lessee, if any, and "we", "us" and "our" mean JD Canada. You authorize us and our affiliates to collect, use and disclose your personal information from time to time for the following purposes ("Purposes"): (a) to assess your creditworthiness; (b) to extend credit to you; (c) to verify your identity and service and collect your account; (d) to initiate, maintain and develop our business relationship with you in connection with offering and servicing of products, services and credit; (e) to establish your eligibility for special offers and discounts; (f) to monitor your purchasing history; (g) to build credit score cards for our business; (h) to comply with applicable law; and (i) for the promotional purposes described below. We and our affiliates may also use (but will not disclose) your personal information to promote and market additional goods, services and special offers from us, our affiliates and/or suppliers (namely, agricultural, commercial and consumer, and construction and forestry suppliers, insurance providers and other third party suppliers), including by means of direct marketing. We and our affiliates may also disclose your non-sensitive personal information (e.g. name and mailing address) to suppliers so that they can send you promotional materials directly. If you do not want us or our affiliates to use your personal information to build credit score cards or for promotional purposes in this manner and/or if you do not want us to disclose your non-sensitive personal information to suppliers for promotional purposes at any time call us at 1-800-321-3766 or write to us at the address below.

You authorize us and our affiliates, in carrying out the Purposes, to disclose and collect your personal information to and from dealers and merchants (such as John Deere dealers and John Deere Financial Multi-use Account merchants) and the above mentioned suppliers and, in assessing your creditworthiness and extending credit to you and building credit score cards, to disclose and collect your personal information to and from credit reporting agencies, credit bureaus, financial institutions, your creditors, and your employer, and to and from entities that you have identified on your credit application form. We and our affiliates reserve the right to assign your agreement and your account to third parties who in turn also have a right of further assignment. You consent to the disclosure of your personal information to such assignees and to the collection, use and disclosure of your personal information by them as required to service and collect your account and to give effect to the assignment of your agreement and your account to them. You are not required to provide social insurance numbers to us but if you do, they will be used to match credit bureau information and to verify your identity. We and our affiliates may retain your information in our records for so long as it is needed for the Purposes above. Your consent remains valid after termination of our relationship with you. The consent you grant herein is valid regardless of whether credit is offered or extended to you by us. Affiliates include without limitation John Deere Financial Inc. For a copy of our privacy policy you may call or write to the Chief Privacy Officer at John Deere Financial Inc., 3430 Superior Court, Oakville, Ontario, L6L 0C4.

32. Miscellaneous: This Lease together with any return provisions provided with this Lease constitutes the entire agreement between the parties with respect to the Equipment described above. There are no conditions, covenants, agreements, understandings, representations, warranties or other provisions, oral or written, express or implied, collateral, statutory or otherwise, relating to the Equipment except as herein provided. Any modification, amendment, change or alteration to the terms of this Lease shall not be effective and binding on JD Canada unless the same is in writing and signed by JD Canada. No term, covenant or condition of this Lease can be waived except by written consent of JD Canada. Lessee shall execute and deliver to Lessor, upon Lessor's request, such instruments and assurances as Lessor deems necessary or advisable to give effect to this Lease. At Lessor's request, Lessee shall request and obtain all consents required in connection with any aspect of the Equipment. Any notice required or permitted hereunder may be given by delivering the same to the party to receive the same or by mailing to such party at the address set forth herein or such other address as such other party may notify the other in writing. Such notice shall be deemed to have been given on the date of delivery, if delivered, and on the business day three days following the date of mailing, if mailed. If more than one Lessee is named in this Lease, the liability of each shall be joint and several and in Quebec solidary. This Lease shall be governed by and construed in accordance with the laws of the jurisdiction in which Lessor's above office is situated. Provisions of the Lease, which contravene the applicable law of any jurisdiction, are severable and void to such extent. Lessee acknowledges executing and receiving a fully executed copy of this Lease. Lessee hereby authorizes Lessor to give a copy of this Lease to each existing guarantor and to any subsequent guarantors, together with copies of all amendments, modifications or supplements hereto. Time is of the essence of Lessee's obligations. Lessee warrants that Lessee is engaged in an industrial or commercial enterprise and that Lessee intends to use the Equipment primarily in its business. Lessee consents and agrees that Lessee's telephone conversations with Lessor may be recorded to improve Lessor's customer service.

THE PARTIES EXPRESSLY AGREE AND REQUEST THAT THIS LEASE AS WELL AS ALL DOCUMENTS AND NOTICES ISSUED HEREUNDER OR RELATING HERETO BE IN ENGLISH. LES PARTIES ONT EXPRESSÉMENT EXIGÉ QUE CE CONTRAT CRÉDIT-BAIL AINSI QUE TOUS DOCUMENTS ET AVIS ÉMIS EN VERTU DE CELUI-CI OU S'Y RATTACHANT SOIENT EN ANGLAIS. The terms and conditions above and any schedules or attachments form part of this Lease and are binding on the parties. Lessee acknowledges that it has read this Lease, the terms and conditions set forth above and any schedules or attachments (collectively and as amended, renewed, extended, supplemented or modified from time to time, the "Lease"). Subject only to exercise by Lessee of its option in clause 9, under no circumstances does Dealer have the right or authority to agree with Lessee that Lessee may purchase or otherwise acquire ownership of the Equipment at any time during or upon expiration of the term or any extension thereof or to amend the terms and conditions of the Lease. Lessee acknowledges that any such agreement shall be null and void.

Lessee's Signature by: _____

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Lessor's (Dealer's) Signature _____

Dated (m/d/y) _____

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

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JOHN DEERE

ADDENDUM TO LEASE AGREEMENT

Customer account number (for internal use only): _____

Reference is made to a Lease Agreement, Contract No. 547338 (the "Lease")

BETWEEN: NORTRAX CANADA INC. (the "Lessor" (Dealer))
AND CORPORATION OF THE CITY OF SAULT STE MARIE (the "Lessee(s)")
DATED 10/15/2015

The following Equipment return provisions are incorporated into and form part of the Lease. Capitalized terms not defined in this addendum shall have the meanings given to them in the Lease. For the purposes of this addendum, the Equipment and all attachments, accessories, repair parts or other equipment placed on the Equipment which is the subject of the Lease shall be referred to as the "Equipment". Under the Lease, the Equipment must be returned in as good condition as it was when delivered, reasonable wear and tear only excepted. Lessee and Co-Lessee, if any, agree that any condition described in paragraph nos. 1 through 4 of this addendum constitutes unreasonable wear and tear. Lessee and Co-Lessee, if any, also agree to the additional terms in paragraph nos. 5 through 7 of this addendum.

Equipment Description and Serial No./Product Identification No.	Engine Hours of Use at Commencement Date (if blank, Lessee and Co-Lessee, if any, agree that the hours of use at Commencement Date were zero (0))
JOHN DEERE 772GXDW MOTOR GRADER - 1DW772GXLF672133	0

1. Mechanical

- A. Computer systems or safety and emission control equipment not in proper working order.
- B. Mechanical components are missing, broken or unsafe or do not operate normally, other than normal tune-ups, given the age of Equipment.
- C. Wear on power train assembly that exceeds manufacturer's then-current standards for normal wear and tear.
- D. Filters are not within manufacturer's specifications.
- E. Gauges or fluid indicators are damaged or do not function, electrical systems fail to operate properly, batteries fail to hold a charge or wire harnesses are not tied down and kept secured, dry and clean.
- F. Pumps, motors, valves or cylinders not in good operating condition or fail to meet manufacturer's rated specifications or hydraulic system exceeds manufacturer's then-current contaminant standards (as shown by oil sample analysis).
- G. Equipment not serviced according to manufacturer's operating manual.
- H. Any lubricant, water or air conditioning leaks.

2. Exterior

- A. Any dent larger than 2 inches in diameter or excessive number of dents or scratches.
- B. Any scratch 8 inches or longer that reaches the metal skin.
- C. Any single chip the size of a quarter or larger or multiple small chips within one square foot.
- D. Substandard paint repairs, including peeling, bubbling or mismatched shades that evidence poor condition in comparison with original paint and require repainting at a cost of \$200 or more.
- E. Rust holes in the body metal or a rust spot that covers more than a 4 square inch area.
- F. Any glass that must be replaced due to cracks or missing glass and any windshield damage requiring repair costs of \$50 or more.
- G. Any frame damage and substandard frame repairs.
- H. Any lights not in working condition.
- I. Any tires, tracks, rims, rollers (a) with broken side walls or excessive cuts, damages, dents or (b) with less than 50% of useful life remaining, or (c) not of the same size, type, grade or equivalent quality manufacture as originally included on Equipment.
- J. Wear items with less than 50% of useful life remaining, including but not limited to brakes and brake drums, batteries, clutch and undercarriage components.

3. Cab/Operator Platform

- A. Heavy interior soil or strong odours that cannot be removed by general cleaning.
- B. Operator environment not in clean condition.
- C. Any holes, tears, or burns on the dash, floor covers, seats, headliners, upholstery or interior.

4. General

- A. Equipment not operated or maintained in accordance with manufacturer's specifications or if components, fuels or fluids used on or in connection with the Equipment do not meet manufacturer's standards.
- B. Any other damage that in the aggregate costs \$250 or more to repair or that makes Equipment unlawful or unsafe to operate or repair that is required in order for the Equipment to pass applicable safety inspection tests.

5. Other

- A. All warranty and PIP work must be completed prior to the Termination Date.
- B. Records must be kept verifying all service and maintenance work completed until Equipment is returned to John Deere Canada ULC, its agents or assignees (collectively "JD Canada").
- C. Equipment must be cleaned prior to its return.
- D. All toxic contamination must be removed and Equipment inspected before return in the event of exposure to hazardous materials.

SEE OVERLEAF

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6. **Hour Meter** Lessee and Co-Lessee, if any, agree that the hour meter included with the Equipment is conclusive of the number of hours of Equipment use.

7. **Invoices for Unreasonable Wear and Tear** In the event JD Canada, in its sole discretion, determines that any Equipment is returned with unreasonable wear and tear, Lessee and Co-Lessee, if any, shall, upon receipt of an invoice from JD Canada:

A. For Equipment in any condition described in paragraphs 2.I. and 2.J., pay to JD Canada, in JD Canada's sole discretion, an amount equal to JD Canada's estimate of (1) the cost to replace the affected item(s), or (2) the cost to replace the affected item(s) multiplied by the difference between (a) JD Canada's estimate of the percentage of the useful life of the item(s) then remaining, and (b) 50%. (For example, if JD Canada determines Equipment has tires with 20% of their useful life remaining, the amount payable to JD Canada would be the cost of new tires X (50% - 20% = 30%).

B. For Equipment in any other condition described in this addendum, pay JD Canada the cost of repairing or replacing the affected item(s) that JD Canada, in its sole discretion, determines necessary to return the Equipment to its required condition.

The condition of the Equipment will be determined by inspection by JD Canada or its designate upon return of the Equipment. All amounts payable hereunder are due immediately upon receipt of an invoice from JD Canada. Interest, both before and after demand, default and judgment is payable on such amounts at the rate of 24% per annum calculated daily commencing from the date of JD Canada's notice until payment in full. Failure to make the required payment to JD Canada within ten (10) days of demand shall constitute a default by Lessee and Co-Lessee, if any, under the terms of the Lease. The parties hereto confirm their express wish that this addendum as well as other documents related hereto, including notices, be drawn up in the English language only and declare themselves satisfied herewith; *les parties aux présentes confirment leur volonté expresse de voir le présent addenda de même que tous les documents, y compris tous avis, s'y rattachant, rédigés en langue anglaise seulement et s'en déclarent satisfaits.*

Lessee's Signature: _____

Date: _____

Dealer's Signature: _____

Date: _____

SEE OVERLEAF

(1) Print one copy; (2) Obtain signatures; (3) Photocopy twice; (4) Check applicable box

☐ Original ☐ Dealer Copy ☐ Customer Copy


JOHN DEERE

COMMERCIAL LEASE AGREEMENT (With Purchase Option)

NOTE: ALL LESSOR'S RIGHTS AND BENEFITS UNDER THIS LEASE, AND ALL LESSOR'S INTEREST IN THE PROPERTY HAVE BEEN ASSIGNED TO JOHN DEERE CANADA ULC

Customer account number (for internal use only): _____
GST/HST # 133 846 758 RT / 89492 5288 RT
QST # 1015119604 / 1021008431

Impact Lease Lessor's (Dealer's) Full Legal Name and Address (including postal code) NORTRAX CANADA INC. 199 MUMFORD ROAD UNIT F LIVELY, ON P3Y1L2 7056927272		Lessor's (Dealer's) No.: 766259
		Lessor's (Dealer's) GST/HST/QST Registration No.: 888119591
Lessee's Full Legal Name (Last, First and Second, if individual; English and French version, if any, if Corporation) and Address (including postal code) CORPORATION OF THE CITY OF SAULT STE MARIE 99 FOSTER DR SAULT STE. MARIE, ON P6A5X6 7057592500		Lessee's GST/HST/QST Registration No.: Name and Title of Signing Officer (if Corporation) TIM BOWMAN, MANAGER

For the purpose of this Lease, "Lessee" means the Lessee and Co-Lessee, if any, set out above. "Lessor" above means the Dealer and then John Deere Canada ULC ("JD Canada") when the Dealer assigns (transfers) this Lease after you sign it. **LESSEE AGREES TO LEASE THE EQUIPMENT DESCRIBED IN CLAUSE 1 UPON AND SUBJECT TO THE TERMS AND CONDITIONS SET OUT HEREIN.**

1. Equipment Description: The Lessor agrees to lease to you and you agree to lease the following equipment, on the terms and conditions set out in this Lease:

QTY.	YEAR	NEW / USED	MFR.	MODEL	EQUIPMENT (SIZE AND DESCRIPTION)	POWER TAKE-OFF / NET POWER / HORSEPOWER	SERIAL NO. OR PRODUCT IDENTIFICATION NO.
1	2015	New	JOHN DEERE	772GXDW	JOHN DEERE 772GXDW MOTOR GRADER CW SNOW WING AND FRONT BLADE		1DW772GXED672135

For the purpose of this Lease, "Equipment" means the equipment described above and all substitutions therefor, all additions, accessories and accessions thereto, all replacement parts and repairs and all alterations or improvements thereto and all of the proceeds thereof.

2. Delivery: Lessee hereby accepts delivery of the Equipment in good operating condition and repair.

3. Equipment Will Be Located At: 22 FOOTED DR. 128 SAULTVILLE RD
SAULT STE. MARIE, ON P6A5X6

4. Certificate(s) Of Insurance must be provided prior to delivery of the Equipment, in accordance with clause 17 hereof.

Agent _____ Insurance Co. _____ Telephone No. _____

5. Commencement Date Of Lease (m/d/y): 10/ 15/ 2015

6. Term Of Lease: This Lease shall be for a term of 54 months.

7. Terms Of Repayment: In return for leasing the Equipment described above, you promise to pay the Total Rental Payment(s) (including applicable taxes) from the Commencement Date of Lease throughout the Term of Lease as set out below:

Payment Frequency: Monthly

No. of Pay'ts.	First Payment Due Date (m/d/y)	Rental Payment (excluding applicable taxes)	Applicable Provincial Tax** (per payment)	Applicable Federal Tax** (per payment)	Rental Payment (including applicable taxes)
6	10/15/2015	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2016	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2016	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2017	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2017	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2018	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2018	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2019	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2019	\$6,301.28	\$0.00	\$819.17	\$7,120.45
Total Rental Payments (excluding applicable taxes):		\$189,038.40	Total Rental Payments (including applicable taxes):		\$213,613.50

**Tax rates are subject to change based on rates in effect on the payment due dates.

8. Hours Of Use shall not exceed 1111 hours per year. Hours in excess of this number will be charged at \$ 35.00 per hour plus all applicable taxes.

9. Option To Purchase: If Lessee is not in default of any of the terms or conditions of this Lease and has given not less than 60 days and not more than 90 days prior written notice, then Lessee shall have the OPTION TO PURCHASE the Equipment on an "as is, where is" basis for the price of \$176,700.00 plus all applicable taxes, at the expiration of the 54 month of the Term of Lease noted above. Upon receipt of such notice, Lessor shall invoice Lessee for the option price and all amounts outstanding under the Lease, and transfer title to the Equipment to Lessee upon receipt of payment in full of such invoice. The Equipment must be inspected and certified as mechanically fit at Lessee's own expense as required by law.

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

(1) Print one copy; (2) Obtain signatures; (3) Photocopy twice; (4) Check applicable box

☐ Original ☐ Dealer Copy ☐ Customer Copy

10. Return of Equipment: At the expiration or earlier termination of this Lease, Lessee shall deliver the Equipment, at its own expense to Lessor at such address as may be designated by Lessor. The Equipment shall be returned in as good condition and working order as when delivered to Lessee, reasonable wear and tear only excepted, and free from liens, charges, security interests, encumbrances, hypothecs, claims and legal processes of creditors of any nature whatsoever (collectively, "Encumbrances"). Lessor shall be the sole judge of the condition of the Equipment. Lessee agrees to pay to Lessor the cost of repairing or restoring the Equipment in accordance with the provisions hereof and the cost of discharging any Encumbrances.

11. Extension of Lease Term: At the end of the original term of the Lease, subject to the prior written consent of Lessor, Lessee shall have the option to extend the term of the Lease on a month to month basis. During the extended term of the Lease, if any, or if the Equipment is not returned in the condition required by this Lease on or prior to expiry of the original or extended term, as applicable, Lessee shall pay monthly in advance, rental payments in the amount agreed by the parties, or failing agreement, in the amount determined by Lessor. Notwithstanding the foregoing, neither payment nor the obligation to pay any amount by Lessee under this clause due to Lessee's failure to return the Equipment in the required condition by the required date, nor acceptance of any such payment by Lessor, constitutes an agreement by Lessor to extend the term of the Lease or consent to retention by Lessee of the Equipment after the required return date, nor a waiver of Lessor's right to insist on prompt return of the Equipment or to recover damages for breach of Lessee's obligations hereunder (but such payment may mitigate or partially mitigate such damages).

12. Lease and Term: Lessor hereby leases to Lessee and Lessee hereby agrees to lease from Lessor the Equipment. This Lease shall begin on the Commencement Date of Lease specified in clause 5 and shall continue for the Term of Lease indicated in clause 6. If unspecified, Lessor is hereby authorized to insert such date and term in clauses 5 and 6.

13. Loading of Equipment: Lessee is responsible for and shall pay all costs and expenses to load, haul, ship, and unload the Equipment. Lessee hereby authorizes Lessor to insert in clause 1 information necessary or advisable to accurately describe and identify the Equipment.

14. Payments: Payments set out above represent payments solely for use of the Equipment (including applicable fees) from Commencement Date and throughout the Term of Lease and any extension or renewal term as set out in paragraph 11. Maintenance fees in respect of the Equipment are expressly excluded from the payments set out above, and do not form part of this Lease. Lessee shall pay each rental payment and all other applicable charges and taxes provided for herein to Lessor in advance, commencing on the Commencement Date of Lease and thereafter on the dates set out in clause 7. Rental payments shall not abate by reason of termination of Lessee's right of possession and/or the taking of possession of the Equipment by Lessor or for any other reason whatsoever. Delinquent payments shall bear interest ("Default Interest") at a rate of twenty-four per cent (24%) per annum. Default Interest shall be calculated on a daily basis and compounded monthly. If a cheque is returned because of insufficient funds, Lessee will pay JD Canada an administration fee of \$25 per occurrence. At the end of the Term of Lease, Lessor will not charge or refund a difference of less than \$25 resulting from an underpayment or overpayment of Lessee's obligations under this Lease.

15. No Warranty, Etc.: Lessee acknowledges that there are no representations, warranties, terms, conditions or collateral agreements, written or oral, express or implied, statutory or otherwise, on the part of the Lessor with respect to the ownership, quality, condition, merchantability or fitness for any particular purpose of the Equipment. If the Equipment does not operate as represented or warranted by the supplier or manufacturer, or is unsatisfactory for any reason, Lessee shall make any claims solely against the supplier or manufacturer and shall nevertheless make all rental payments required herein. Lessee's obligations hereunder to Lessor will in no way be affected by any seller's, distributor's or manufacturer's representations, warranties or guarantees with respect to the Equipment, express or otherwise, which may exist in Lessee's favour. Lessor will assign to Lessee, solely for the purpose of making and prosecuting such claim, all of the rights Lessor has against any seller, distributor or manufacturer of the Equipment for breach of representations, warranties or guarantees with respect to the Equipment.

16. Use, Maintenance and Repairs: Lessee shall cause the Equipment to be operated only by qualified, competent and licensed, if required by law, persons and in accordance with the manufacturer's instructions and prudent practice. Lessee shall, at its own cost and expense, keep the Equipment in good repair, condition and working order, and shall furnish all parts, mechanisms, devices and service and provide fuel, oil, lubricants and replacement parts required for the Equipment. Lessee shall keep repair records and promptly report any substantial damage to the Equipment and all damage to structural components to Lessor. Lessee may not make any repairs affecting the structural components of, or any alterations, additions or improvements to the Equipment without prior written approval of Lessor. Lessee may not alter Equipment markings or permit rough usage of the Equipment. Lessor is not responsible for any repairs of, service to, or defects in the Equipment or its operation. Lessor shall have the right, but not the obligation, to service the Equipment. Lessor may from time to time during regular business hours enter upon Lessee's premises or elsewhere to inspect the Equipment and Lessee's records pertaining to the Equipment.

17. Risk of Loss and Insurance: Lessee hereby assumes the entire risk of loss, damage or interruption or loss of use of the Equipment, in whole or in part, whether or not insured against from the date hereof until the later of the expiration of this Lease and the return of the Equipment. Lessee shall immediately for the benefit of Lessor and in the name of Lessor, insure and keep the Equipment insured during the continuance of the Term of Lease and any extension or renewal term, and in any event until the Equipment is returned to Lessor, against all risks of physical loss or damage, and liability to others, and such other risks and in such amounts as Lessor reasonably may require to the full insurable value of the Equipment with an insurance company approved of by Lessor. Lessee shall pay all premiums necessary for such purposes, as the same shall become due. Loss, if any, is payable to Lessor. Lessee may not do or suffer anything whereby any such policy or policies may be violated. Lessee shall assign and deliver over unto Lessor, at the place where the rental payments are payable, the policy or policies of insurance, and receipts for premiums paid, with respect to the Equipment. If Lessee neglects to keep the Equipment or any part of it insured as aforesaid, or pay premiums or deliver receipts therefor, then Lessor may insure the Equipment as Lessor may deem expedient, and all monies expended by Lessor with Default Interest, computed from the time or times of advance, shall be repaid by Lessee to Lessor on demand. Evidence of the renewal of such insurance shall be produced to Lessor at the place where the rental payments are payable at least three (3) weeks before the termination thereof or Lessor may provide therefor at Lessee's expense. Lessor may require any insurance to be cancelled and new insurance to be effected with a company to be named by it. Lessor shall have priority to all insurance on the Equipment whether effected under this covenant or not, and shall have the right to require that all monies received on any insurance be applied as provided in clause 18. Upon any loss or damage to the Equipment, Lessee shall immediately furnish at its own expense all the necessary proofs and do all necessary acts to enable Lessor to obtain payment of the insurance monies. The foregoing covenants and provisions as to insurance shall apply to all the Equipment whether now or hereafter included in the Lease.

18. Destruction of Equipment: If any of the Equipment is totally destroyed, Lessee's liability to pay rent therefor may be discharged by paying to Lessor: (i) all rent and other amounts due and unpaid at the time of such destruction, plus (ii) an amount equal to the sum calculated under clause 23 (d) (i) (B) and (C), less (iii) the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise for such loss or damage, plus (iv) interest at the Prime Rate plus 2% per annum on the net outstanding balance from time to time of the amount set out in (i) plus (ii) less (iii) (but only crediting for recoveries from the date(s) of receipt by Lessor) from the date of such destruction to the date of payment in full of amounts due under this clause. The total or partial destruction of any of the Equipment, or total or partial loss of use or possession of the Equipment to Lessee, shall not release or relieve Lessee from the duty to pay rent due under this Lease except as provided in this clause.

19. Taxes/Liens: Lessee shall promptly pay all taxes, assessments and other government charges levied or assessed upon the interest of Lessee in the Equipment, on the use or operation of the Equipment, and on the earnings arising therefrom during the Term of Lease. Lessee shall pay or reimburse Lessor for all taxes levied or assessed against and paid by Lessor on account of its ownership of the Equipment, the rent provided for under this Lease, or the earnings arising as a result of this Lease, other than any taxes based on net income of Lessor. Lessee shall keep the Equipment free and clear of all Encumbrances, which may now or hereafter be imposed upon Lessor by virtue of the ownership, leasing, rental, possession or use of the Equipment. Lessee shall provide Lessor with a copy of any notice, which Lessee receives regarding any adverse claim by a third party to the interest of Lessor.

20. Title: Title to the Equipment shall at all times remain in Lessor. Lessee shall at all times protect and defend, at its own cost and expense, the title of Lessor from and against all Encumbrances, and keep all the Equipment free and clear of and from all such Encumbrances. The Equipment is and shall remain personal or movable property and shall not be deemed part of any realty or immovable even though affixed, attached or joined thereto and whether placed on a permanent foundation or not. Lessor may require plates or markings to be affixed to or placed on the Equipment indicating Lessor's interest. Subject only to exercise by Lessee of its option in clause 9, no right, title or interest in the Equipment shall transfer to Lessee other than the right to possess and use the

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Equipment in accordance with the terms and conditions hereof. Lessee may not sell or dispose of the Equipment or any part thereof during the Term of Lease or any extended term. Subject only to exercise by Lessee of its option in clause 9, Lessee does not have the right to become owner of the Equipment upon expiration of the Term of Lease or any extension thereof and shall have no right to purchase or otherwise acquire ownership of the Equipment at any sale.

21. Indemnification: Lessee shall indemnify and save Lessor, its agents, employees, successors and assigns, harmless from and against all losses, costs, expenses, damages, actions, suits, proceedings, liabilities, third party liabilities, personal injuries, indirect, special and consequential damages, property loss and damage, however caused, including reasonable legal fees and expenses (collectively, "Losses") paid, payable, incurred or suffered by Lessor arising out of, related to, or caused by this Lease, the Equipment or its use. Lessee shall not be entitled to recover any indirect, special or consequential damages from Lessor, which Lessee may suffer arising out of, related to, or caused by this Lease, the Equipment or its use. This indemnification shall be effective from the date hereof and shall survive expiration or termination of the Lease, and return or purchase of the Equipment, with respect to Losses arising, or as a result of events, acts or omissions for which Lessee is responsible or liable to Lessor, occurring during the Term of Lease and any extended term.

22. Events of Default: The occurrence of any of the following events shall constitute an event of default under this Lease: (a) Lessee fails to pay promptly when due, whether by acceleration or otherwise, any amount owing to Lessor hereunder; (b) Lessee fails to observe or perform any of Lessee's other obligations hereunder or breaches any of the covenants, terms, or agreements herein or in any other agreement of any kind between Lessee and Lessor or Lessor's assignees either before or after the entering into of this Lease; (c) Lessee commits or threatens to commit an act of bankruptcy or ceases or threatens to cease carrying on business as a going concern, or a proceeding in bankruptcy, receivership, insolvency, reorganization or winding-up is instituted by or against Lessee or any of its property or any compromise or arrangement between Lessee and any of its creditors is proposed or sought; (d) Lessee overtaxes, overloads, misuses, damages, destroys or abuses the Equipment or uses it for any illegal purpose; (e) Lessee attempts to remove the Equipment outside the jurisdiction or jurisdictions set out in clause 3; (f) execution or other process of any court becomes enforceable against Lessee or any of its property or distress or analogous process is levied upon all or any part of Lessee's property or the Equipment; or (g) all or a material part of Lessee's property is sold or Lessee enters into a sale in bulk within the meaning of an applicable bulk sales law or a sale of an enterprise within the meaning of the *Civil Code of Quebec*.

23. Remedies: Upon the occurrence of an event of default or if Lessor, acting commercially, reasonably believes that the ability of Lessee to pay or perform any term hereof is impaired or that the Equipment is in danger of being lost, damaged or confiscated, Lessor may, in its sole discretion and without limitation to any of its other rights and remedies hereunder or at law or equity, terminate this Lease under or subject to applicable law and exercise any one or more of the following remedies:

(a) take possession of the Equipment without demand or notice, wherever the same may be located, without any court order or other process of law (Lessee hereby waiving any and all damages occasioned by such taking of possession), and sell, lease or otherwise dispose of the Equipment for such consideration and upon such terms and conditions, including deferred payment, as Lessor may deem fit;

(b) at its option, in the name of and as the irrevocably appointed agent and attorney for Lessee (which appointment Lessee hereby confirms), and without terminating or being deemed to have terminated this Lease, take possession of the Equipment and proceed to lease or sublease the Equipment to any other person on such terms and conditions, for such rental and for such period of time as Lessor may, acting reasonably, deem fit and receive such rental and hold the same (all such rental hereby being assigned to Lessor by Lessee for such purpose) and apply the same against any monies expressed to be payable from time to time by Lessee hereunder;

(c) do all acts and make all expenditures which are, in Lessor's opinion, desirable arising from such default or to cure, remedy the same or to mitigate the effects thereof in whole or in part, and Lessee shall forthwith upon demand reimburse Lessor for any and all expenditures with Default Interest thereon;

(d) accelerate and declare immediately due and payable liquidated damages under this Lease which as between the parties hereto shall be conclusively deemed to be a genuine, pre-estimate of the damages suffered by Lessor in the circumstances and not a penalty and which liquidated damages shall be calculated as follows:

(i) the aggregate of (A) all rent and other amounts due and unpaid to the date of demand under this subparagraph (d) (the "Acceleration Date"); (B) the present value as at the date of demand of all future, unpaid rentals and other scheduled payments, if any, in respect of the unexpired original Term of Lease and any extension thereof, including any such amounts that would become owing hereunder but for any termination of this Lease; and (C) the present value as at such date of Lessor's expected value of the Equipment at the end of the original Term of Lease or such period of extension, as applicable, as determined by Lessor in its sole discretion at the commencement of the Term of Lease or any extension thereof; less

(ii) the net proceeds of the sale, lease or other disposition of the Equipment after deduction of Lessor's cost of disposition provided that if Lessor has not sold, leased or otherwise disposed of the Equipment at the time of any proceeding to recover such liquidated damages, there shall be no deduction, but Lessor shall, upon the sale, lease or other disposition of the Equipment, refund to Lessee forthwith an amount equal to the deductions that would have been made but for this provision; plus

(iii) interest at the Default Interest rate on the net outstanding balance from time to time of the amount of (i) less (ii) (but only crediting for net proceeds in (ii) from the date(s) of receipt by Lessor) from the Acceleration Date to the date of payment in full of such liquidated damages. In each case, present value is to be determined by discounting all required amounts at an annual rate equal to the lesser of (i) 2% per annum, and (ii) the Prime Rate in effect on the date as at which a valuation is to be determined less 4% per annum.

If Lessor has recourse to the services of a solicitor to enforce any right under this Lease, Lessor's solicitor and client costs shall be paid on demand by Lessee to Lessor. Lessee acknowledges that calculation of the amount of pre-estimated liquidated damages is based upon the fact that Lessor acquired and leased the Equipment to Lessee at its request and that Lessor expected a minimum return from the transaction based upon, among other things, the purchase cost of the Equipment, the rentals, the Term of Lease and expected value of the Equipment as anticipated by Lessor at the end of such Term. To the extent permitted by law, Lessee waives the benefit of any statute, which restricts Lessor's enforcement right to the recovery of money due and owing under the Lease, to taking possession of the Equipment, or to the choice between such recovery and taking possession. Where such a waiver is effective, taking possession of the Equipment, its surrender, or its subsequent sale, shall not affect and shall not be affected by Lessor's rights to sue Lessee, Lessee's guarantor or indemnitor, for money due and owing hereunder. Lessee hereby waives as applicable and to the extent permitted by law, the benefit of the provisions of *The Limitation of Civil Rights Act* (Saskatchewan), as amended, modified, replaced or substituted from time to time. These statutory provisions shall have no application to this Lease. Lessee acknowledges that the fulfillment of all of its obligations under this Lease is a condition in consideration of which the Term has been granted by Lessor to Lessee.

24. Notice of Changes and Licensing: Lessee shall notify Lessor immediately of any change to Lessee's name or any change of location of Equipment from Lessee's address set out above. Lessee may not use or transport the Equipment outside the jurisdiction or jurisdictions set out in clause 3 without Lessor's prior written consent, which consent may not be withheld unreasonably. Throughout the Term of Lease and any extended term, Lessee shall license the Equipment wherever necessary in Lessor's name, maintain such licensing in good standing, and provide Lessor with evidence of such licensing upon request by Lessor.

25. Registration of Interest: Lessor shall have the right to file or register notice of this Lease, this Lease or copy thereof wherever Lessor deems it to be appropriate and may do so without prejudice to its position as Lessor under this Lease. Lessee waives any right it may have to receive a copy of any financing statement, financing change statement, verification statement, or similar document registered in connection with this Lease or any amendment, supplement, renewal or replacement thereof.

26. Financial Statements: Lessee shall deliver its audited financial statements, if any, within 120 days of each fiscal year end of Lessee and unaudited financial statements within 60 days of the expiry of each semi-annual period upon request of Lessor.

27. Obligation Absolute: This Lease is irrevocable and may not be cancelled or terminated except as expressly provided for herein. Lessee's obligations hereunder are absolute and unconditional. Lessee shall perform same without any deduction, defense, counterclaim, compensation, or set-off and without demand therefor. Without limiting the generality of the foregoing, Lessee's obligations hereunder shall continue in full force and effect regardless of the inability of Lessee to use the Equipment for any reason whatsoever, including without limitation, wear and tear, act of God, force majeure, government regulations, strike, loss or damage, obsolescence or Equipment failure.

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28. Assignments: Lessee may not assign this Lease or its interest hereunder or enter into any rental with respect to the Equipment or any part thereof without the prior written consent of Lessor and the completion of additional documents JD Canada may require. Except in Quebec, in the event that any Equipment so rented may be inventory, as defined in the *Personal Property Security Act* (the "PPSA"), Lessee will take all necessary action to maintain a first ranking security interest in the Equipment and any rental agreements thereof, including effecting registrations under the PPSA where required. This Lease is entered into with a view that it will be assigned immediately by Dealer to JD Canada and may be further assigned by JD Canada. Lessee hereby consents to the assignment of this Lease to JD Canada or any other assignee.

29. Grant of Security: Except in Quebec, as security for the payment and performance of all Lessee's present and future obligations to Dealer, JD Canada and any affiliate of JD Canada hereunder and under any other lease, instalment sale contract, instalment lease or other agreement or instrument to which Lessee is a party or by which Lessee is bound, which the Dealer has now assigned or hereafter assigns to JD Canada or any affiliate of JD Canada, whether contingent or otherwise, Lessee hereby grants, assigns, conveys, transfers, pledges, hypothecates, charges and otherwise grants a security interest to and in favour of JD Canada, in (i) the Equipment, wherever located, and whether or not characterized as "Inventory" for the purposes of the PPSA, (ii) all attachments, accessions, additions to and substitutions for, and property acquired by you as trade-ins for the Equipment, (iii) all Lessee's rights, title and interest in, to and under any and all rental agreements, instalment sale contracts, instalment leases or similar agreements entered into by you relating to the rental, sale, resale or other disposition of the Equipment, together with the benefits, rights and remedies thereunder, including without limitation, the right to receive all rentals and other monies now or hereafter due or to become due pursuant thereto, the right to receive the proceeds of insurance pursuant thereto, and all other rights, powers and privileges granted therein and the monies payable thereunder; (iv) all debts, accounts, claims, money, choses in action and demands arising from the rental, sale, resale or other disposition of the Equipment, (v) all returns or repossessions of the Equipment, and (vi) all proceeds of the above, including without limitation, any claims by Lessee against third parties for loss or damage to or destruction thereof and all present and after-acquired personal property acquired using any proceeds.

30. Additional Defined Term: For the purposes of this Agreement, "Prime Rate" means the rate of interest established by The Toronto-Dominion Bank from time to time as a reference rate for determining interest rates on Canadian dollar commercial loans made by such bank in Canada and commonly referred to as such bank's prime rate. Such rate shall be a floating rate and any change in such rate shall be effective on the date such change is established by such bank.

31. Privacy: In this clause "you" and "your" mean Lessee and Co-Lessee, if any, and "we", "us" and "our" mean JD Canada. You authorize us and our affiliates to collect, use and disclose your personal information from time to time for the following purposes ("Purposes"): (a) to assess your creditworthiness; (b) to extend credit to you; (c) to verify your identity and service and collect your account; (d) to initiate, maintain and develop our business relationship with you in connection with offering and servicing of products, services and credit; (e) to establish your eligibility for special offers and discounts; (f) to monitor your purchasing history; (g) to build credit score cards for our business; (h) to comply with applicable law; and (i) for the promotional purposes described below. We and our affiliates may also use (but will not disclose) your personal information to promote and market additional goods, services and special offers from us, our affiliates and/or suppliers (namely, agricultural, commercial and consumer, and construction and forestry suppliers, insurance providers and other third party suppliers), including by means of direct marketing. We and our affiliates may also disclose your non-sensitive personal information (e.g. name and mailing address) to suppliers so that they can send you promotional materials directly. If you do not want us or our affiliates to use your personal information to build credit score cards or for promotional purposes in this manner and/or if you do not want us to disclose your non-sensitive personal information to suppliers for promotional purposes at any time call us at 1-800-321-3766 or write to us at the address below.

You authorize us and our affiliates, in carrying out the Purposes, to disclose and collect your personal information to and from dealers and merchants (such as John Deere dealers and John Deere Financial Multi-use Account merchants) and the above mentioned suppliers and, in assessing your creditworthiness and extending credit to you and building credit score cards, to disclose and collect your personal information to and from credit reporting agencies, credit bureaus, financial institutions, your creditors, and your employer, and to and from entities that you have identified on your credit application form. We and our affiliates reserve the right to assign your agreement and your account to third parties who in turn also have a right of further assignment. You consent to the disclosure of your personal information to such assignees and to the collection, use and disclosure of your personal information by them as required to service and collect your account and to give effect to the assignment of your agreement and your account to them. You are not required to provide social insurance numbers to us but if you do, they will be used to match credit bureau information and to verify your identity. We and our affiliates may retain your information in our records for so long as it is needed for the Purposes above. Your consent remains valid after termination of our relationship with you. The consent you grant herein is valid regardless of whether credit is offered or extended to you by us. Affiliates include without limitation John Deere Financial Inc. For a copy of our privacy policy you may call or write to the Chief Privacy Officer at John Deere Financial Inc., 3430 Superior Court, Oakville, Ontario, L6L 0C4.

32. Miscellaneous: This Lease together with any return provisions provided with this Lease constitutes the entire agreement between the parties with respect to the Equipment described above. There are no conditions, covenants, agreements, understandings, representations, warranties or other provisions, oral or written, express or implied, collateral, statutory or otherwise, relating to the Equipment except as herein provided. Any modification, amendment, change or alteration to the terms of this Lease shall not be effective and binding on JD Canada unless the same is in writing and signed by JD Canada. No term, covenant or condition of this Lease can be waived except by written consent of JD Canada. Lessee shall execute and deliver to Lessor, upon Lessor's request, such instruments and assurances as Lessor deems necessary or advisable to give effect to this Lease. At Lessor's request, Lessee shall request and obtain all consents required in connection with any aspect of the Equipment. Any notice required or permitted hereunder may be given by delivering the same to the party to receive the same or by mailing to such party at the address set forth herein or such other address as such other party may notify the other in writing. Such notice shall be deemed to have been given on the date of delivery, if delivered, and on the business day three days following the date of mailing, if mailed. If more than one Lessee is named in this Lease, the liability of each shall be joint and several and in Quebec solidary. This Lease shall be governed by and construed in accordance with the laws of the jurisdiction in which Lessor's above office is situated. Provisions of the Lease, which contravene the applicable law of any jurisdiction, are severable and void to such extent. Lessee acknowledges executing and receiving a fully executed copy of this Lease. Lessee hereby authorizes Lessor to give a copy of this Lease to each existing guarantor and to any subsequent guarantors, together with copies of all amendments, modifications or supplements hereto. Time is of the essence of Lessee's obligations. Lessee warrants that Lessee is engaged in an industrial or commercial enterprise and that Lessee intends to use the Equipment primarily in its business. Lessee consents and agrees that Lessee's telephone conversations with Lessor may be recorded to improve Lessor's customer service.

THE PARTIES EXPRESSLY AGREE AND REQUEST THAT THIS LEASE AS WELL AS ALL DOCUMENTS AND NOTICES ISSUED HEREUNDER OR RELATING HERETO BE IN ENGLISH. LES PARTIES ONT EXPRESSÉMENT EXIGÉ QUE CE CONTRAT CRÉDIT-BAIL AINSI QUE TOUS DOCUMENTS ET AVIS ÉMIS EN VERTU DE CELUI-CI OU S'Y RATTACHANT SOIENT EN ANGLAIS. The terms and conditions above and any schedules or attachments form part of this Lease and are binding on the parties. Lessee acknowledges that it has read this Lease, the terms and conditions set forth above and any schedules or attachments (collectively and as amended, renewed, extended, supplemented or modified from time to time, the "Lease"). Subject only to exercise by Lessee of its option in clause 9, under no circumstances does Dealer have the right or authority to agree with Lessee that Lessee may purchase or otherwise acquire ownership of the Equipment at any time during or upon expiration of the term or any extension thereof or to amend the terms and conditions of the Lease. Lessee acknowledges that any such agreement shall be null and void.

Lessee's Signature by: _____

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

(1) Print one copy; (2) Obtain signatures; (3) Photocopy twice; (4) Check applicable box

☐ Original ☐ Dealer Copy ☐ Customer Copy

Lessor's (Dealer's) Signature _____

Dated (m/d/y) _____

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

(1) Print one copy; (2) Obtain signatures; (3) Photocopy twice; (4) Check applicable box

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JOHN DEERE

ADDENDUM TO LEASE AGREEMENT

Customer account number (for internal use only): _____

Reference is made to a Lease Agreement, Contract No. 547341 (the "Lease")

BETWEEN: NORTRAX CANADA INC. (the "Lessor" (Dealer))
AND CORPORATION OF THE CITY OF SAULT STE MARIE (the "Lessee(s)")
DATED 10/15/2015

The following Equipment return provisions are incorporated into and form part of the Lease. Capitalized terms not defined in this addendum shall have the meanings given to them in the Lease. For the purposes of this addendum, the Equipment and all attachments, accessories, repair parts or other equipment placed on the Equipment which is the subject of the Lease shall be referred to as the "Equipment". Under the Lease, the Equipment must be returned in as good condition as it was when delivered, reasonable wear and tear only excepted. Lessee and Co-Lessee, if any, agree that any condition described in paragraph nos. 1 through 4 of this addendum constitutes unreasonable wear and tear. Lessee and Co-Lessee, if any, also agree to the additional terms in paragraph nos. 5 through 7 of this addendum.

Equipment Description and Serial No./Product Identification No.	Engine Hours of Use at Commencement Date (if blank, Lessee and Co-Lessee, if any, agree that the hours of use at Commencement Date were zero (0))
JOHN DEERE 772GXDW MOTOR GRADER - 1DW772GXED672135	0

1. Mechanical

- A. Computer systems or safety and emission control equipment not in proper working order.
- B. Mechanical components are missing, broken or unsafe or do not operate normally, other than normal tune-ups, given the age of Equipment.
- C. Wear on power train assembly that exceeds manufacturer's then-current standards for normal wear and tear.
- D. Filters are not within manufacturer's specifications.
- E. Gauges or fluid indicators are damaged or do not function, electrical systems fail to operate properly, batteries fail to hold a charge or wire harnesses are not tied down and kept secured, dry and clean.
- F. Pumps, motors, valves or cylinders not in good operating condition or fail to meet manufacturer's rated specifications or hydraulic system exceeds manufacturer's then-current contaminant standards (as shown by oil sample analysis).
- G. Equipment not serviced according to manufacturer's operating manual.
- H. Any lubricant, water or air conditioning leaks.

2. Exterior

- A. Any dent larger than 2 inches in diameter or excessive number of dents or scratches.
- B. Any scratch 8 inches or longer that reaches the metal skin.
- C. Any single chip the size of a quarter or larger or multiple small chips within one square foot.
- D. Substandard paint repairs, including peeling, bubbling or mismatched shades that evidence poor condition in comparison with original paint and require repainting at a cost of \$200 or more.
- E. Rust holes in the body metal or a rust spot that covers more than a 4 square inch area.
- F. Any glass that must be replaced due to cracks or missing glass and any windshield damage requiring repair costs of \$50 or more.
- G. Any frame damage and substandard frame repairs.
- H. Any lights not in working condition.
- I. Any tires, tracks, rims, rollers (a) with broken side walls or excessive cuts, damages, dents or (b) with less than 50% of useful life remaining, or (c) not of the same size, type, grade or equivalent quality manufacture as originally included on Equipment.
- J. Wear items with less than 50% of useful life remaining, including but not limited to brakes and brake drums, batteries, clutch and undercarriage components.

3. Cab/Operator Platform

- A. Heavy interior soil or strong odours that cannot be removed by general cleaning.
- B. Operator environment not in clean condition.
- C. Any holes, tears, or burns on the dash, floor covers, seats, headliners, upholstery or interior.

4. General

- A. Equipment not operated or maintained in accordance with manufacturer's specifications or if components, fuels or fluids used on or in connection with the Equipment do not meet manufacturer's standards.
- B. Any other damage that in the aggregate costs \$250 or more to repair or that makes Equipment unlawful or unsafe to operate or repair that is required in order for the Equipment to pass applicable safety inspection tests.

5. Other

- A. All warranty and PIP work must be completed prior to the Termination Date.
- B. Records must be kept verifying all service and maintenance work completed until Equipment is returned to John Deere Canada ULC, its agents or assignees (collectively "JD Canada").
- C. Equipment must be cleaned prior to its return.
- D. All toxic contamination must be removed and Equipment inspected before return in the event of exposure to hazardous materials.

SEE OVERLEAF

(1) Print one copy; (2) Obtain signatures; (3) Photocopy twice; (4) Check applicable box

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6. Hour Meter Lessee and Co-Lessee, if any, agree that the hour meter included with the Equipment is conclusive of the number of hours of Equipment use.

7. Invoices for Unreasonable Wear and Tear In the event JD Canada, in its sole discretion, determines that any Equipment is returned with unreasonable wear and tear, Lessee and Co-Lessee, if any, shall, upon receipt of an invoice from JD Canada:

A. For Equipment in any condition described in paragraphs 2.I. and 2.J., pay to JD Canada, in JD Canada's sole discretion, an amount equal to JD Canada's estimate of (1) the cost to replace the affected item(s), or (2) the cost to replace the affected item(s) multiplied by the difference between (a) JD Canada's estimate of the percentage of the useful life of the item(s) then remaining, and (b) 50%. (For example, if JD Canada determines Equipment has tires with 20% of their useful life remaining, the amount payable to JD Canada would be the cost of new tires X (50% - 20% = 30%).

B. For Equipment in any other condition described in this addendum, pay JD Canada the cost of repairing or replacing the affected item(s) that JD Canada, in its sole discretion, determines necessary to return the Equipment to its required condition.

The condition of the Equipment will be determined by inspection by JD Canada or its designate upon return of the Equipment. All amounts payable hereunder are due immediately upon receipt of an invoice from JD Canada. Interest, both before and after demand, default and judgment is payable on such amounts at the rate of 24% per annum calculated daily commencing from the date of JD Canada's notice until payment in full. Failure to make the required payment to JD Canada within ten (10) days of demand shall constitute a default by Lessee and Co-Lessee, if any, under the terms of the Lease. The parties hereto confirm their express wish that this addendum as well as other documents related hereto, including notices, be drawn up in the English language only and declare themselves satisfied herewith; *les parties aux présentes confirment leur volonté expresse de voir le présent addenda de même que tous les documents, y compris tous avis, s'y rattachant, rédigés en langue anglaise seulement et s'en déclarent satisfaits.*

Lessee's Signature: _____

Date: _____

Dealer's Signature: _____

Date: _____

SEE OVERLEAF

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JOHN DEERE

COMMERCIAL LEASE AGREEMENT (With Purchase Option)

NOTE: ALL LESSOR'S RIGHTS AND BENEFITS UNDER THIS LEASE, AND ALL LESSOR'S INTEREST IN THE PROPERTY HAVE BEEN ASSIGNED TO JOHN DEERE CANADA ULC

Customer account number (for internal use only):

GST/HST # 133 846 758 RT / 89492 5288 RT

QST # 1015119604 / 1021008431

Impact Lease Lessor's (Dealer's) Full Legal Name and Address (including postal code)		Lessor's (Dealer's) No.: 766259
NORTRAX CANADA INC. 199 MUMFORD ROAD UNIT F LIVELY, ON P3Y1L2 7056927272		Lessor's (Dealer's) GST/HST/QST Registration No.: 888119591
Lessee's Full Legal Name (Last, First and Second, if Individual, English and French version, if any, if Corporation) and Address (including postal code)		Lessee's GST/HST/QST Registration No.:
CORPORATION OF THE CITY OF SAULT STE MARIE 99 FOSTER DR SAULT STE. MARIE, ON P6A5X6 7057592500		Name and Title of Signing Officer (if Corporation) ~~JOHN DEERE~~

For the purpose of this Lease, "Lessee" means the Lessee and Co-Lessee, if any, set out above. "Lessor" above means the Dealer and then John Deere Canada ULC ("JD Canada") when the Dealer assigns (transfers) this Lease after you sign it. LESSEE AGREES TO LEASE THE EQUIPMENT DESCRIBED IN CLAUSE 1 UPON AND SUBJECT TO THE TERMS AND CONDITIONS SET OUT HEREIN.

1. Equipment Description: The Lessor agrees to lease to you and you agree to lease the following equipment, on the terms and conditions set out in this Lease:

QTY.	YEAR	NEW / USED	MFR.	MODEL	EQUIPMENT (SIZE AND DESCRIPTION)	POWER TAKE-OFF / NET POWER / HORSEPOWER	SERIAL NO. OR PRODUCT IDENTIFICATION NO.
1	2015	New	JOHN DEERE	772GXDW	JOHN DEERE 772GXDW MOTOR GRADER CAV SNOW WING AND FRONT BLADE		1DW772GXVFD6721313

For the purpose of this Lease, "Equipment" means the equipment described above and all substitutions therefor, all additions, accessories and accessions thereto, all replacement parts and repairs and all alterations or improvements thereto and all of the proceeds thereof.

2. Delivery: Lessee hereby accepts delivery of the Equipment in good operating condition and repair.

3. Equipment Will Be Located At: ~~128 SACKVILLE RD~~
SAULT STE. MARIE, ON P6A5X6

4. Certificate(s) Of Insurance must be provided prior to delivery of the Equipment, in accordance with clause 17 hereof.

Agent	Insurance Co.	Telephone No.
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5. Commencement Date Of Lease (m/d/y): 10/15/2015

6. Term Of Lease: This Lease shall be for a term of 54 months.

7. Terms Of Repayment: In return for leasing the Equipment described above, you promise to pay the Total Rental Payment(s) (including applicable taxes) from the Commencement Date of Lease throughout the Term of Lease as set out below:

Payment Frequency: Monthly

No. of Pay'ts.	First Payment Due Date (m/d/y)	Rental Payment (excluding applicable taxes)	Applicable Provincial Tax** (per payment)	Applicable Federal Tax** (per payment)	Rental Payment (including applicable taxes)
6	10/15/2015	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2016	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2016	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2017	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2017	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2018	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2018	\$6,301.28	\$0.00	\$819.17	\$7,120.45
6	04/15/2019	\$0.00	\$0.00	\$0.00	\$0.00
6	10/15/2019	\$6,301.28	\$0.00	\$819.17	\$7,120.45
Total Rental Payments (excluding applicable taxes):		\$189,036.40	Total Rental Payments (including applicable taxes):		\$213,613.50

**Tax rates are subject to change based on rates in effect on the payment due dates.

8. Hours Of Use shall not exceed 1111 hours per year. Hours in excess of this number will be charged at \$ 35.00 per hour plus all applicable taxes.

9. Option To Purchase: If Lessee is not in default of any of the terms or conditions of this Lease and has given not less than 60 days and not more than 90 days prior written notice, then Lessee shall have the OPTION TO PURCHASE the Equipment on an "as is, where is" basis for the price of \$176,700.00 plus all applicable taxes, at the expiration of the 54 month of the Term of Lease noted above. Upon receipt of such notice, Lessor shall invoice Lessee for the option price and all amounts outstanding under the Lease, and transfer title to the Equipment to Lessee upon receipt of payment in full of such invoice. The Equipment must be inspected and certified as mechanically fit at Lessee's own expense as required by law.

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

(1) Print one copy; (2) Obtain signatures; (3) Photocopy twice; (4) Check applicable box

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10. Return of Equipment: At the expiration or earlier termination of this Lease, Lessee shall deliver the Equipment, at its own expense to Lessor at such address as may be designated by Lessor. The Equipment shall be returned in as good condition and working order as when delivered to Lessee, reasonable wear and tear only excepted, and free from liens, charges, security interests, encumbrances, hypothecs, claims and legal processes of creditors of any nature whatsoever (collectively, "Encumbrances"). Lessor shall be the sole judge of the condition of the Equipment. Lessee agrees to pay to Lessor the cost of repairing or restoring the Equipment in accordance with the provisions hereof and the cost of discharging any Encumbrances.

11. Extension of Lease Term: At the end of the original term of the Lease, subject to the prior written consent of Lessor, Lessee shall have the option to extend the term of the Lease on a month to month basis. During the extended term of the Lease, if any, or if the Equipment is not returned in the condition required by this Lease on or prior to expiry of the original or extended term, as applicable, Lessee shall pay monthly in advance, rental payments in the amount agreed by the parties, or failing agreement, in the amount determined by Lessor. Notwithstanding the foregoing, neither payment nor the obligation to pay any amount by Lessee under this clause due to Lessee's failure to return the Equipment in the required condition by the required date, nor acceptance of any such payment by Lessor, constitutes an agreement by Lessor to extend the term of the Lease or consent to retention by Lessee of the Equipment after the required return date, nor a waiver of Lessor's right to insist on prompt return of the Equipment or to recover damages for breach of Lessee's obligations hereunder (but such payment may mitigate or partially mitigate such damages).

12. Lease and Term: Lessor hereby leases to Lessee and Lessee hereby agrees to lease from Lessor the Equipment. This Lease shall begin on the Commencement Date of Lease specified in clause 5 and shall continue for the Term of Lease indicated in clause 6. If unspecified, Lessor is hereby authorized to insert such date and term in clauses 5 and 6.

13. Loading of Equipment: Lessee is responsible for and shall pay all costs and expenses to load, haul, ship, and unload the Equipment. Lessee hereby authorizes Lessor to insert in clause 1 information necessary or advisable to accurately describe and identify the Equipment.

14. Payments: Payments set out above represent payments solely for use of the Equipment (including applicable fees) from Commencement Date and throughout the Term of Lease and any extension or renewal term as set out in paragraph 11. Maintenance fees in respect of the Equipment are expressly excluded from the payments set out above, and do not form part of this Lease. Lessee shall pay each rental payment and all other applicable charges and taxes provided for herein to Lessor in advance, commencing on the Commencement Date of Lease and thereafter on the dates set out in clause 7. Rental payments shall not abate by reason of termination of Lessee's right of possession and/or the taking of possession of the Equipment by Lessor or for any other reason whatsoever. Delinquent payments shall bear interest ("Default Interest") at a rate of twenty-four per cent (24%) per annum. Default Interest shall be calculated on a daily basis and compounded monthly. If a cheque is returned because of insufficient funds, Lessee will pay JD Canada an administration fee of \$25 per occurrence. At the end of the Term of Lease, Lessor will not charge or refund a difference of less than \$25 resulting from an underpayment or overpayment of Lessee's obligations under this Lease.

15. No Warranty, Etc.: Lessee acknowledges that there are no representations, warranties, terms, conditions or collateral agreements, written or oral, express or implied, statutory or otherwise, on the part of the Lessor with respect to the ownership, quality, condition, merchantability or fitness for any particular purpose of the Equipment. If the Equipment does not operate as represented or warranted by the supplier or manufacturer, or is unsatisfactory for any reason, Lessee shall make any claims solely against the supplier or manufacturer and shall nevertheless make all rental payments required herein. Lessee's obligations hereunder to Lessor will in no way be affected by any seller's, distributor's or manufacturer's representations, warranties or guarantees with respect to the Equipment, express or otherwise, which may exist in Lessee's favour. Lessor will assign to Lessee, solely for the purpose of making and prosecuting such claim, all of the rights Lessor has against any seller, distributor or manufacturer of the Equipment for breach of representations, warranties or guarantees with respect to the Equipment.

16. Use, Maintenance and Repairs: Lessee shall cause the Equipment to be operated only by qualified, competent and licensed, if required by law, persons and in accordance with the manufacturer's instructions and prudent practice. Lessee shall, at its own cost and expense, keep the Equipment in good repair, condition and working order, and shall furnish all parts, mechanisms, devices and service and provide fuel, oil, lubricants and replacement parts required for the Equipment. Lessee shall keep repair records and promptly report any substantial damage to the Equipment and all damage to structural components to Lessor. Lessee may not make any repairs affecting the structural components of, or any alterations, additions or improvements to the Equipment without prior written approval of Lessor. Lessee may not alter Equipment markings or permit rough usage of the Equipment. Lessor is not responsible for any repairs of, service to, or defects in the Equipment or its operation. Lessor shall have the right, but not the obligation, to service the Equipment. Lessor may from time to time during regular business hours enter upon Lessee's premises or elsewhere to inspect the Equipment and Lessee's records pertaining to the Equipment.

17. Risk of Loss and Insurance: Lessee hereby assumes the entire risk of loss, damage or interruption or loss of use of the Equipment, in whole or in part, whether or not insured against from the date hereof until the later of the expiration of this Lease and the return of the Equipment. Lessee shall immediately for the benefit of Lessor and in the name of Lessor, insure and keep the Equipment insured during the continuance of the Term of Lease and any extension or renewal term, and in any event until the Equipment is returned to Lessor, against all risks of physical loss or damage, and liability to others, and such other risks and in such amounts as Lessor reasonably may require to the full insurable value of the Equipment with an insurance company approved of by Lessor. Lessee shall pay all premiums necessary for such purposes, as the same shall become due. Loss, if any, is payable to Lessor. Lessee may not do or suffer anything whereby any such policy or policies may be vitiated. Lessee shall assign and deliver over unto Lessor, at the place where the rental payments are payable, the policy or policies of insurance, and receipts for premiums paid, with respect to the Equipment. If Lessee neglects to keep the Equipment or any part of it insured as aforesaid, or pay premiums or deliver receipts therefor, then Lessor may insure the Equipment as Lessor may deem expedient, and all monies expended by Lessor with Default Interest, computed from the time or times of advance, shall be repaid by Lessee to Lessor on demand. Evidence of the renewal of such insurance shall be produced to Lessor at the place where the rental payments are payable at least three (3) weeks before the termination thereof or Lessor may provide therefor at Lessee's expense. Lessor may require any insurance to be cancelled and new insurance to be effected with a company to be named by it. Lessor shall have priority to all insurance on the Equipment whether effected under this covenant or not, and shall have the right to require that all monies received on any insurance be applied as provided in clause 18. Upon any loss or damage to the Equipment, Lessee shall immediately furnish at its own expense all the necessary proofs and do all necessary acts to enable Lessor to obtain payment of the insurance monies. The foregoing covenants and provisions as to insurance shall apply to all the Equipment whether now or hereafter included in the Lease.

18. Destruction of Equipment: If any of the Equipment is totally destroyed, Lessee's liability to pay rent therefor may be discharged by paying to Lessor: (i) all rent and other amounts due and unpaid at the time of such destruction, plus (ii) an amount equal to the sum calculated under clause 23 (d) (i) (B) and (C), less (iii) the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise for such loss or damage, plus (iv) interest at the Prime Rate plus 2% per annum on the net outstanding balance from time to time of the amount set out in (i) plus (ii) less (iii) (but only crediting for recoveries from the date(s) of receipt by Lessor) from the date of such destruction to the date of payment in full of amounts due under this clause. The total or partial destruction of any of the Equipment, or total or partial loss of use or possession of the Equipment to Lessee, shall not release or relieve Lessee from the duty to pay rent due under this Lease except as provided in this clause.

19. Taxes/Liens: Lessee shall promptly pay all taxes, assessments and other government charges levied or assessed upon the interest of Lessee in the Equipment, on the use or operation of the Equipment, and on the earnings arising therefrom during the Term of Lease. Lessee shall pay or reimburse Lessor for all taxes levied or assessed against and paid by Lessor on account of its ownership of the Equipment, the rent provided for under this Lease, or the earnings arising as a result of this Lease, other than any taxes based on net income of Lessor. Lessee shall keep the Equipment free and clear of all Encumbrances, which may now or hereafter be imposed upon Lessor by virtue of the ownership, leasing, rental, possession or use of the Equipment. Lessee shall provide Lessor with a copy of any notice, which Lessee receives regarding any adverse claim by a third party to the interest of Lessor.

20. Title: Title to the Equipment shall at all times remain in Lessor. Lessee shall at all times protect and defend, at its own cost and expense, the title of Lessor from and against all Encumbrances, and keep all the Equipment free and clear of and from all such Encumbrances. The Equipment is and shall remain personal or movable property and shall not be deemed part of any realty or immovable even though affixed, attached or joined thereto and whether placed on a permanent foundation or not. Lessor may require plates or markings to be affixed to or placed on the Equipment indicating Lessor's interest. Subject only to exercise by Lessee of its option in clause 9, no right, title or interest in the Equipment shall transfer to Lessee other than the right to possess and use the

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Equipment in accordance with the terms and conditions hereof. Lessee may not sell or dispose of the Equipment or any part thereof during the Term of Lease or any extended term. Subject only to exercise by Lessee of its option in clause 9, Lessee does not have the right to become owner of the Equipment upon expiration of the Term of Lease or any extension thereof and shall have no right to purchase or otherwise acquire ownership of the Equipment at any sale.

21. Indemnification: Lessee shall indemnify and save Lessor, its agents, employees, successors and assigns, harmless from and against all losses, costs, expenses, damages, actions, suits, proceedings, liabilities, third party liabilities, personal injuries, indirect, special and consequential damages, property loss and damage, however caused, including reasonable legal fees and expenses (collectively, "Losses") paid, payable, incurred or suffered by Lessor arising out of, related to, or caused by this Lease, the Equipment or its use. Lessee shall not be entitled to recover any indirect, special or consequential damages from Lessor, which Lessee may suffer arising out of, related to, or caused by this Lease, the Equipment or its use. This indemnification shall be effective from the date hereof and shall survive expiration or termination of the Lease, and return or purchase of the Equipment, with respect to Losses arising, or as a result of events, acts or omissions for which Lessee is responsible or liable to Lessor, occurring during the Term of Lease and any extended term.

22. Events of Default: The occurrence of any of the following events shall constitute an event of default under this Lease: (a) Lessee fails to pay promptly when due, whether by acceleration or otherwise, any amount owing to Lessor hereunder; (b) Lessee fails to observe or perform any of Lessee's other obligations hereunder or breaches any of the covenants, terms, or agreements herein or in any other agreement of any kind between Lessee and Lessor or Lessor's assignees either before or after the entering into of this Lease; (c) Lessee commits or threatens to commit an act of bankruptcy or ceases or threatens to cease carrying on business as a going concern, or a proceeding in bankruptcy, receivership, insolvency, reorganization or winding-up is instituted by or against Lessee or any of its property or any compromise or arrangement between Lessee and any of its creditors is proposed or sought; (d) Lessee overtaxes, overloads, misuses, damages, destroys or abuses the Equipment or uses it for any illegal purpose; (e) Lessee attempts to remove the Equipment outside the jurisdiction or jurisdictions set out in clause 3; (f) execution or other process of any court becomes enforceable against Lessee or any of its property or distress or analogous process is levied upon all or any part of Lessee's property or the Equipment; or (g) all or a material part of Lessee's property is sold or Lessee enters into a sale in bulk within the meaning of an applicable bulk sales law or a sale of an enterprise within the meaning of the *Civil Code of Quebec*.

23. Remedies: Upon the occurrence of an event of default or if Lessor, acting commercially, reasonably believes that the ability of Lessee to pay or perform any term hereof is impaired or that the Equipment is in danger of being lost, damaged or confiscated, Lessor may, in its sole discretion and without limitation to any of its other rights and remedies hereunder or at law or equity, terminate this Lease under or subject to applicable law and exercise any one or more of the following remedies:

(a) take possession of the Equipment without demand or notice, wherever the same may be located, without any court order or other process of law (Lessee hereby waiving any and all damages occasioned by such taking of possession), and sell, lease or otherwise dispose of the Equipment for such consideration and upon such terms and conditions, including deferred payment, as Lessor may deem fit;

(b) at its option, in the name of and as the irrevocably appointed agent and attorney for Lessee (which appointment Lessee hereby confirms), and without terminating or being deemed to have terminated this Lease, take possession of the Equipment and proceed to lease or sublease the Equipment to any other person on such terms and conditions, for such rental and for such period of time as Lessor may, acting reasonably, deem fit and receive such rental and hold the same (all such rental hereby being assigned to Lessor by Lessee for such purpose) and apply the same against any monies expressed to be payable from time to time by Lessee hereunder;

(c) do all acts and make all expenditures which are, in Lessor's opinion, desirable arising from such default or to cure, remedy the same or to mitigate the effects thereof in whole or in part, and Lessee shall forthwith upon demand reimburse Lessor for any and all expenditures with Default Interest thereon;

(d) accelerate and declare immediately due and payable liquidated damages under this Lease which as between the parties hereto shall be conclusively deemed to be a genuine, pre-estimate of the damages suffered by Lessor in the circumstances and not a penalty and which liquidated damages shall be calculated as follows:

(i) the aggregate of (A) all rent and other amounts due and unpaid to the date of demand under this subparagraph (d) (the "Acceleration Date"); (B) the present value as at the date of demand of all future, unpaid rentals and other scheduled payments, if any, in respect of the unexpired original Term of Lease and any extension thereof, including any such amounts that would become owing hereunder but for any termination of this Lease; and (C) the present value as at such date of Lessor's expected value of the Equipment at the end of the original Term of Lease or such period of extension, as applicable, as determined by Lessor in its sole discretion at the commencement of the Term of Lease or any extension thereof; less

(ii) the net proceeds of the sale, lease or other disposition of the Equipment after deduction of Lessor's cost of disposition provided that if Lessor has not sold, leased or otherwise disposed of the Equipment at the time of any proceeding to recover such liquidated damages, there shall be no deduction, but Lessor shall, upon the sale, lease or other disposition of the Equipment, refund to Lessee forthwith an amount equal to the deductions that would have been made but for this provision; plus

(iii) interest at the Default Interest rate on the net outstanding balance from time to time of the amount of (i) less (ii) (but only crediting for net proceeds in (ii) from the date(s) of receipt by Lessor) from the Acceleration Date to the date of payment in full of such liquidated damages. In each case, present value is to be determined by discounting all required amounts at an annual rate equal to the lesser of (i) 2% per annum, and (ii) the Prime Rate in effect on the date as at which a valuation is to be determined less 4% per annum.

If Lessor has recourse to the services of a solicitor to enforce any right under this Lease, Lessor's solicitor and client costs shall be paid on demand by Lessee to Lessor. Lessee acknowledges that calculation of the amount of pre-estimated liquidated damages is based upon the fact that Lessor acquired and leased the Equipment to Lessee at its request and that Lessor expected a minimum return from the transaction based upon, among other things, the purchase cost of the Equipment, the rentals, the Term of Lease and expected value of the Equipment as anticipated by Lessor at the end of such Term. To the extent permitted by law, Lessee waives the benefit of any statute, which restricts Lessor's enforcement right to the recovery of money due and owing under the Lease, to taking possession of the Equipment, or to the choice between such recovery and taking possession. Where such a waiver is effective, taking possession of the Equipment, its surrender, or its subsequent sale, shall not affect and shall not be affected by Lessor's rights to sue Lessee, Lessee's guarantor or indemnitor, for money due and owing hereunder. Lessee hereby waives as applicable and to the extent permitted by law, the benefit of the provisions of *The Limitation of Civil Rights Act* (Saskatchewan), as amended, modified, replaced or substituted from time to time. These statutory provisions shall have no application to this Lease. Lessee acknowledges that the fulfillment of all of its obligations under this Lease is a condition in consideration of which the Term has been granted by Lessor to Lessee.

24. Notice of Changes and Licensing: Lessee shall notify Lessor immediately of any change to Lessee's name or any change of location of Equipment from Lessee's address set out above. Lessee may not use or transport the Equipment outside the jurisdiction or jurisdictions set out in clause 3 without Lessor's prior written consent, which consent may not be withheld unreasonably. Throughout the Term of Lease and any extended term, Lessee shall license the Equipment wherever necessary in Lessor's name, maintain such licensing in good standing, and provide Lessor with evidence of such licensing upon request by Lessor.

25. Registration of Interest: Lessor shall have the right to file or register notice of this Lease, this Lease or copy thereof wherever Lessor deems it to be appropriate and may do so without prejudice to its position as Lessor under this Lease. Lessee waives any right it may have to receive a copy of any financing statement, financing change statement, verification statement, or similar document registered in connection with this Lease or any amendment, supplement, renewal or replacement thereof.

26. Financial Statements: Lessee shall deliver its audited financial statements, if any, within 120 days of each fiscal year end of Lessee and unaudited financial statements within 60 days of the expiry of each semi-annual period upon request of Lessor.

27. Obligation Absolute: This Lease is irrevocable and may not be cancelled or terminated except as expressly provided for herein. Lessee's obligations hereunder are absolute and unconditional. Lessee shall perform same without any deduction, defense, counterclaim, compensation, or set-off and without demand therefor. Without limiting the generality of the foregoing, Lessee's obligations hereunder shall continue in full force and effect regardless of the inability of Lessee to use the Equipment for any reason whatsoever, including without limitation, wear and tear, act of God, force majeure, government regulations, strike, loss or damage, obsolescence or Equipment failure.

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

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28. Assignments: Lessee may not assign this Lease or its interest hereunder or enter into any rental with respect to the Equipment or any part thereof without the prior written consent of Lessor and the completion of additional documents JD Canada may require. Except in Quebec, in the event that any Equipment so rented may be inventory, as defined in the *Personal Property Security Act* (the "PPSA"), Lessee will take all necessary action to maintain a first ranking security interest in the Equipment and any rental agreements thereof, including effecting registrations under the PPSA where required. This Lease is entered into with a view that it will be assigned immediately by Dealer to JD Canada and may be further assigned by JD Canada. Lessee hereby consents to the assignment of this Lease to JD Canada or any other assignee.

29. Grant of Security. Except in Quebec, as security for the payment and performance of all Lessee's present and future obligations to Dealer, JD Canada and any affiliate of JD Canada hereunder and under any other lease, instalment sale contract, instalment lease or other agreement or instrument to which Lessee is a party or by which Lessee is bound, which the Dealer has now assigned or hereafter assigns to JD Canada or any affiliate of JD Canada, whether contingent or otherwise, Lessee hereby grants, assigns, conveys, transfers, pledges, hypothecates, charges and otherwise grants a security interest to and in favour of JD Canada, in (i) the Equipment, wherever located, and whether or not characterized as "inventory" for the purposes of the PPSA, (ii) all attachments, accessions, additions to and substitutions for, and property acquired by you as trade-ins for the Equipment, (iii) all Lessee's rights, title and interest in, to and under any and all rental agreements, instalment sale contracts, instalment leases or similar agreements entered into by you relating to the rental, sale, resale or other disposition of the Equipment, together with the benefits, rights and remedies thereunder, including without limitation, the right to receive all rentals and other monies now or hereafter due or to become due pursuant thereto, the right to receive the proceeds of insurance pursuant thereto, and all other rights, powers and privileges granted therein and the monies payable thereunder, (iv) all debts, accounts, claims, money, choses in action and demands arising from the rental, sale, resale or other disposition of the Equipment, (v) all returns or repossessions of the Equipment, and (vi) all proceeds of the above, including without limitation, any claims by Lessee against third parties for loss or damage to or destruction thereof and all present and after-acquired personal property acquired using any proceeds.

30. Additional Defined Term: For the purposes of this Agreement, "Prime Rate" means the rate of interest established by The Toronto-Dominion Bank from time to time as a reference rate for determining interest rates on Canadian dollar commercial loans made by such bank in Canada and commonly referred to as such bank's prime rate. Such rate shall be a floating rate and any change in such rate shall be effective on the date such change is established by such bank.

31. Privacy: In this clause "you" and "your" mean Lessee and Co-Lessee, if any, and "we", "us" and "our" mean JD Canada. You authorize us and our affiliates to collect, use and disclose your personal information from time to time for the following purposes ("Purposes"): (a) to assess your creditworthiness; (b) to extend credit to you; (c) to verify your identity and service and collect your account; (d) to initiate, maintain and develop our business relationship with you in connection with offering and servicing of products, services and credit; (e) to establish your eligibility for special offers and discounts; (f) to monitor your purchasing history; (g) to build credit score cards for our business; (h) to comply with applicable law; and (i) for the promotional purposes described below. We and our affiliates may also use (but will not disclose) your personal information to promote and market additional goods, services and special offers from us, our affiliates and/or suppliers (namely, agricultural, commercial and consumer, and construction and forestry suppliers, insurance providers and other third party suppliers), including by means of direct marketing. We and our affiliates may also disclose your non-sensitive personal information (e.g. name and mailing address) to suppliers so that they can send you promotional materials directly. If you do not want us or our affiliates to use your personal information to build credit score cards or for promotional purposes in this manner and/or if you do not want us to disclose your non-sensitive personal information to suppliers for promotional purposes at any time call us at 1-800-321-3766 or write to us at the address below.

You authorize us and our affiliates, in carrying out the Purposes, to disclose and collect your personal information to and from dealers and merchants (such as John Deere dealers and John Deere Financial Multi-use Account merchants) and the above mentioned suppliers and, in assessing your creditworthiness and extending credit to you and building credit score cards, to disclose and collect your personal information to and from credit reporting agencies, credit bureaus, financial institutions, your creditors, and your employer, and to and from entities that you have identified on your credit application form. We and our affiliates reserve the right to assign your agreement and your account to third parties who in turn also have a right of further assignment. You consent to the disclosure of your personal information to such assignees and to the collection, use and disclosure of your personal information by them as required to service and collect your account and to give effect to the assignment of your agreement and your account to them. You are not required to provide social insurance numbers to us but if you do, they will be used to match credit bureau information and to verify your identity. We and our affiliates may retain your information in our records for so long as it is needed for the Purposes above. Your consent remains valid after termination of our relationship with you. The consent you grant herein is valid regardless of whether credit is offered or extended to you by us. Affiliates include without limitation John Deere Financial Inc. For a copy of our privacy policy you may call or write to the Chief Privacy Officer at John Deere Financial Inc., 3430 Superior Court, Oakville, Ontario, L6L 0C4.

32. Miscellaneous: This Lease together with any return provisions provided with this Lease constitutes the entire agreement between the parties with respect to the Equipment described above. There are no conditions, covenants, agreements, understandings, representations, warranties or other provisions, oral or written, express or implied, collateral, statutory or otherwise, relating to the Equipment except as herein provided. Any modification, amendment, change or alteration to the terms of this Lease shall not be effective and binding on JD Canada unless the same is in writing and signed by JD Canada. No term, covenant or condition of this Lease can be waived except by written consent of JD Canada. Lessee shall execute and deliver to Lessor, upon Lessor's request, such instruments and assurances as Lessor deems necessary or advisable to give effect to this Lease. At Lessor's request, Lessee shall request and obtain all consents required in connection with any aspect of the Equipment. Any notice required or permitted hereunder may be given by delivering the same to the party to receive the same or by mailing to such party at the address set forth herein or such other address as such other party may notify the other in writing. Such notice shall be deemed to have been given on the date of delivery, if delivered, and on the business day three days following the date of mailing, if mailed. If more than one Lessee is named in this Lease, the liability of each shall be joint and several and in Quebec solidary. This Lease shall be governed by and construed in accordance with the laws of the jurisdiction in which Lessor's above office is situated. Provisions of the Lease, which contravene the applicable law of any jurisdiction, are severable and void to such extent. Lessee acknowledges executing and receiving a fully executed copy of this Lease. Lessee hereby authorizes Lessor to give a copy of this Lease to each existing guarantor and to any subsequent guarantors, together with copies of all amendments, modifications or supplements hereto. Time is of the essence of Lessee's obligations. Lessee warrants that Lessee is engaged in an industrial or commercial enterprise and that Lessee intends to use the Equipment primarily in its business. Lessee consents and agrees that Lessee's telephone conversations with Lessor may be recorded to improve Lessor's customer service.

THE PARTIES EXPRESSLY AGREE AND REQUEST THAT THIS LEASE AS WELL AS ALL DOCUMENTS AND NOTICES ISSUED HEREUNDER OR RELATING HERETO BE IN ENGLISH. LES PARTIES ONT EXPRESSÉMENT EXIGÉ QUE CE CONTRAT CRÉDIT-BAIL AINSI QUE TOUS DOCUMENTS ET AVIS ÉMIS EN VERTU DE CELUI-CI OU S'Y RATTACHANT SOIENT EN ANGLAIS. The terms and conditions above and any schedules or attachments form part of this Lease and are binding on the parties. Lessee acknowledges that it has read this Lease, the terms and conditions set forth above and any schedules or attachments (collectively and as amended, renewed, extended, supplemented or modified from time to time, the "Lease"). Subject only to exercise by Lessee of its option in clause 9, under no circumstances does Dealer have the right or authority to agree with Lessee that Lessee may purchase or otherwise acquire ownership of the Equipment at any time during or upon expiration of the term or any extension thereof or to amend the terms and conditions of the Lease. Lessee acknowledges that any such agreement shall be null and void.

Lessee's Signature by: _____

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

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Lessor's (Dealer's) Signature _____

Dated (m/d/y) _____

Please notify us immediately at 3430 Superior Court, Oakville, Ontario, L6L 0C4 if your name or address changes.

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JOHN DEERE

ADDENDUM TO LEASE AGREEMENT

Customer account number (for internal use only): _____

Reference is made to a Lease Agreement, Contract No. **547332** (the "Lease")

BETWEEN: **NORTRAX CANADA INC.** (the "Lessor" (Dealer))
AND: **CORPORATION OF THE CITY OF SAULT STE MARIE** (the "Lessee(s)")
DATED: **10/15/2015**

The following Equipment return provisions are incorporated into and form part of the Lease. Capitalized terms not defined in this addendum shall have the meanings given to them in the Lease. For the purposes of this addendum, the Equipment and all attachments, accessories, repair parts or other equipment placed on the Equipment which is the subject of the Lease shall be referred to as the "Equipment". Under the Lease, the Equipment must be returned in as good condition as it was when delivered, reasonable wear and tear only excepted. Lessee and Co-Lessee, if any, agree that any condition described in paragraph nos. 1 through 4 of this addendum constitutes unreasonable wear and tear. Lessee and Co-Lessee, if any, also agree to the additional terms in paragraph nos. 5 through 7 of this addendum.

Equipment Description and Serial No./Product Identification No.	Engine Hours of Use at Commencement Date (If blank, Lessee and Co-Lessee, if any, agree that the hours of use at Commencement Date were zero (0))
JOHN DEERE 772GXDW MOTOR GRADER - 1DW772GXVFD6721313	0

1. Mechanical

- A. Computer systems or safety and emission control equipment not in proper working order.
- B. Mechanical components are missing, broken or unsafe or do not operate normally, other than normal tune-ups, given the age of Equipment.
- C. Wear on power train assembly that exceeds manufacturer's then-current standards for normal wear and tear.
- D. Filters are not within manufacturer's specifications.
- E. Gauges or fluid indicators are damaged or do not function, electrical systems fail to operate properly, batteries fail to hold a charge or wire harnesses are not tied down and kept secured, dry and clean.
- F. Pumps, motors, valves or cylinders not in good operating condition or fail to meet manufacturer's rated specifications or hydraulic system exceeds manufacturer's then-current contaminant standards (as shown by oil sample analysis).
- G. Equipment not serviced according to manufacturer's operating manual.
- H. Any lubricant, water or air conditioning leaks.

2. Exterior

- A. Any dent larger than 2 inches in diameter or excessive number of dents or scratches.
- B. Any scratch 8 inches or longer that reaches the metal skin.
- C. Any single chip the size of a quarter or larger or multiple small chips within one square foot.
- D. Substandard paint repairs, including peeling, bubbling or mismatched shades that evidence poor condition in comparison with original paint and require repainting at a cost of \$200 or more.
- E. Rust holes in the body metal or a rust spot that covers more than a 4 square inch area.
- F. Any glass that must be replaced due to cracks or missing glass and any windshield damage requiring repair costs of \$50 or more.
- G. Any frame damage and substandard frame repairs.
- H. Any lights not in working condition.
- I. Any tires, tracks, rims, rollers (a) with broken side walls or excessive cuts, damages, dents or (b) with less than 50% of useful life remaining, or (c) not of the same size, type, grade or equivalent quality manufacture as originally included on Equipment.
- J. Wear items with less than 50% of useful life remaining, including but not limited to brakes and brake drums, batteries, clutch and undercarriage components.

3. Cab/Operator Platform

- A. Heavy interior soil or strong odours that cannot be removed by general cleaning.
- B. Operator environment not in clean condition.
- C. Any holes, tears, or burns on the dash, floor covers, seats, headliners, upholstery or interior.

4. General

- A. Equipment not operated or maintained in accordance with manufacturer's specifications or if components, fuels or fluids used on or in connection with the Equipment do not meet manufacturer's standards.
- B. Any other damage that in the aggregate costs \$250 or more to repair or that makes Equipment unlawful or unsafe to operate or repair that is required in order for the Equipment to pass applicable safety inspection tests.

5. Other

- A. All warranty and PIP work must be completed prior to the Termination Date.
- B. Records must be kept verifying all service and maintenance work completed until Equipment is returned to John Deere Canada ULC, its agents or assignees (collectively "JD Canada").
- C. Equipment must be cleaned prior to its return.
- D. All toxic contamination must be removed and Equipment inspected before return in the event of exposure to hazardous materials.

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6. **Hour Meter** Lessee and Co-Lessee, if any, agree that the hour meter included with the Equipment is conclusive of the number of hours of Equipment use.

7. **Invoices for Unreasonable Wear and Tear** In the event JD Canada, in its sole discretion, determines that any Equipment is returned with unreasonable wear and tear, Lessee and Co-Lessee, if any, shall, upon receipt of an invoice from JD Canada:

A. For Equipment in any condition described in paragraphs 2.I. and 2.J., pay to JD Canada, in JD Canada's sole discretion, an amount equal to JD Canada's estimate of (1) the cost to replace the affected item(s), or (2) the cost to replace the affected item(s) multiplied by the difference between (a) JD Canada's estimate of the percentage of the useful life of the item(s) then remaining, and (b) 50%. (For example, if JD Canada determines Equipment has tires with 20% of their useful life remaining, the amount payable to JD Canada would be the cost of new tires X (50% - 20% = 30%).

B. For Equipment in any other condition described in this addendum, pay JD Canada the cost of repairing or replacing the affected item(s) that JD Canada, in its sole discretion, determines necessary to return the Equipment to its required condition.

The condition of the Equipment will be determined by inspection by JD Canada or its designate upon return of the Equipment. All amounts payable hereunder are due immediately upon receipt of an invoice from JD Canada. Interest, both before and after demand, default and judgment is payable on such amounts at the rate of 24% per annum calculated daily commencing from the date of JD Canada's notice until payment in full. Failure to make the required payment to JD Canada within ten (10) days of demand shall constitute a default by Lessee and Co-Lessee, if any, under the terms of the Lease. The parties hereto confirm their express wish that this addendum as well as other documents related hereto, including notices, be drawn up in the English language only and declare themselves satisfied herewith; *les parties aux présentes confirment leur volonté expresse de voir le présent addenda de même que tous les documents, y compris tous avis, s'y rattachant, rédigés en langue anglaise seulement et s'en déclarent satisfaits.*

Lessee's Signature: _____

Date: _____

Dealer's Signature: _____

Date: _____

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THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-185

AGREEMENT: (E2.1) A by-law to authorize the execution of an engineering agreement between the City and AECOM Canada Ltd. for engineering services on the Reconstruction of Gore Street from Queen Street to Wellington Street.

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 engineering agreement dated October 13, 2015 between the City and AECOM Canada Ltd. for engineering services on the Reconstruction of Gore Street from Queen Street to Wellington Street, a copy of which is attached as Schedule "A" hereto.

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 13th day of October, 2015.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

**AGREEMENT
FOR
PROFESSIONAL CONSULTING SERVICES**

MEMORANDUM OF AGREEMENT dated the 13th day of October , 2015

-BETWEEN-

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(Hereinafter called the 'Client')

THE PARTY OF THE FIRST PART

-AND-

AECOM CANADA LTD.

(Hereinafter called the 'Consultant')

THE PARTY OF THE SECOND

PART

WHEREAS the Client intends to undertake the preliminary and detail design services for the Reconstruction of Gore Street from Queen Street to Wellington Street. The proposed construction includes earth excavation/grading, granular subbase and base, asphalt, curb and gutters, sidewalk, boulevards, sanitary sewers, storm sewers, watermain, utility relocations and streetscape amenities.

AND WHEREAS the Consultant agrees to provide the requested services;

NOW THEREFORE WITNESSETH that in consideration of the covenants contained herein, the Client and the Consultant mutually agree as follows:

ARTICLE 1 - GENERAL CONDITIONS

1.01 Retainer

The Client hereby retains the services of the Consultant in connection with the Project and the Consultant hereby agrees to provide the services described herein under the general direction and control of the Client.

In this Agreement the word Consultant shall mean professionals and other specialists engaged by the Client directly and whose names are party to this Agreement.

1.02 Services

The services to be provided by the Consultant and by the Client for the Project are set forth in Article 2 and such services as changed, altered or added to under Section 1.08 are hereinafter called the 'Services'.

1.03 Compensation

The Client shall pay the Consultant in accordance with the provisions set forth in Article 3. For purposes of this agreement, the basis of payment shall be as specified in Article 3.

1.04 Staff and Methods

The Consultant shall perform the services under this agreement with that degree of care, skill and diligence normally provided in the performance of such services as contemplated by the Agreement at the time such services are rendered and as required by the Professional Engineers Act (RSO 1990, Chapter P. 28) and regulations therein. The Consultant shall employ only competent staff who will be under the supervision of a senior member of the Consultant's staff.

1.05 Drawings and Documents

Subject to Section 3.2.4 of Article 3, drawings and documents or copies thereof required for the Project shall be exchanged between the parties on a reciprocal basis. Documents prepared by the Consultant for the Client, including record drawings, may be used by the Client, for the Project herein described. In accordance with Article 1.06, the Client shall indemnify the Consultant for any loss or damage suffered by the Client or any third parties resulting from any unauthorized use of the documents and deliverables

1.06 Intellectual Property

All concepts, products or processes produced by or resulting from the Services rendered by the Consultant in connection with the Project, or which are otherwise developed or first reduced to practice by the Consultant in the performance of his Services, and which are patentable, capable of trademark or otherwise, shall be considered as Intellectual Property and remain the property of the Consultant.

The Client shall have permanent non-exclusive royalty-free license to use any concept, product or process, which is patentable, capable of trademark or otherwise produced by or resulting from the Services rendered by the Consultant in connection with the Project and for no other purpose or project.

1.07 Records and Audit

- (a) In order to provide data for the calculation of fees on a time basis, the Consultant shall keep a detailed record of the hours worked by staff employed for the Project.
- (b) The Client may inspect timesheets and record of expenses and disbursements of the Consultant during regular office hours with respect to any item which the Client is required to pay on a time scale or disbursement basis as a result of this Agreement.
- (c) The Consultant, when requested by the Client, shall provide copies of receipts with respect to any disbursement for which the Consultant claims payment under this Agreement.

1.08 Changes and Alterations and Additional Services

With the consent of the Consultant the Client may in writing at any time after the execution of the Agreement or the commencement of the Services delete, extend, increase, vary or otherwise alter the Services forming the subject of the Agreement, and if such action by the Client necessitates additional staff or services, the Consultant shall be paid in accordance with Section 3.2.1 for such additional staff employed directly thereon, together with such expenses and disbursements as allowed under Section 3.2.4. In the event that the Client delays the project then the Consultant shall have the right to renegotiate the agreement.

1.09 Suspension or Termination

Either party may at any time by notice in writing to the other party, suspend or terminate the Services or any portion thereof at any stage of the project. Upon receipt of such written notice, the Consultant shall perform no further Services other than those reasonably necessary to close out his Services. In such an event, the Consultant shall be entitled to payment in accordance with Section 3.2. for any of the Consultant's staff employed directly thereon together with such expenses and disbursements allowed under Section 3.2.

If the Consultant is practicing as an individual and dies before his Services have been completed, this Agreement shall terminate as of the date of his death, and the Client shall pay for the Services rendered and disbursements incurred by the Consultant to the date of such termination.

1.10 Indemnification

The Consultant shall indemnify and save harmless the Client from and against all claims, actions, losses, expenses, costs or damages of every nature and kind whatsoever which the Client, his employees or officers may suffer, to the extent the Consultant is legally liable as a result of the negligent acts of the Consultant, its employees or officers in the performance of this Agreement. Notwithstanding anything to the contrary, the Consultant shall not be responsible for any loss, damage, or liability to the extent arising from any contributing negligent acts by the Client, or its subcontractors, agents, employees or consultants.

The Client agrees to hold harmless, indemnify and defend the Consultant from and against any and all claim, losses, damages, liability and costs of defense arising out of or in any way connected with the presence, discharge, release or escape of contaminants of any kind, excluding only such liability as may arise out of the negligent acts of the Consultant in the performance of consulting services to the Client within this project.

Neither party shall be responsible to the other for any special, incidental, indirect, consequential, financial and non-material damages of any kind whatsoever arising out of or related to or arising from said party's obligations under the Agreement or the breach thereof.

1.11 Insurance

The Client will accept the insurance coverage amount specified in this clause section 1.11 as the aggregate limit of liability of the Consultant and its employees for the Client's damages.

a) Comprehensive General Liability and Automobile Insurance

The Insurance Coverage shall be \$2,000,000 per occurrence and in the aggregate for general liability and \$2,000,000 for automobile insurance. When requested the Consultant shall provide the Client with proof of Comprehensive General Liability and Automobile Insurance (Inclusive Limits) for both owned and non-owned vehicles.

b) Professional Liability Insurance

The Insurance Coverage shall be in the amount of \$2,000,000 per claim and in the aggregate. When requested, the Consultant shall provide to the Client proof of Professional Liability Insurance carried by the Consultant, and in accordance with the *Professional Engineers Act* (RSO 1990, Chapter P. 28) and regulations therein.

c) **Change in Coverage**

If the Client requests to have the amount of coverage increased or to obtain other special insurance for this Project then the Consultant shall endeavour forthwith to obtain such increased or special insurance at the Client's expense as a disbursement allowed under Section 3.2.

It is understood and agreed that the coverage provided by these policies will not be cancelled by the Consultant until thirty (30) days after written notice of cancellation has been delivered to the Client.

1.12 Contracting for Construction

Neither the Consultant nor any person, firm or corporation associated or affiliated with or subsidiary to the Consultant shall tender for the construction of the Project, or have an interest either directly or indirectly in the construction of the Project.

1.13 Assignment

The Consultant shall be entitled at anytime to assign this Agreement to any of its subsidiaries or affiliates upon written notice to client.

1.14 Previous Agreements

This Agreement supersedes all previous agreements, arrangements or understandings between the parties whether written or oral in connection with or incidental to the Project.

1.15 Approval by Other Authorities

Unless otherwise provided in this Agreement, where the work of the Consultant is subject to the approval or review of an authority, department of government, or agency other than the Client, such applications for approval or review shall be the responsibility of the Consultant, but shall be submitted through the offices of the Client and unless authorized by the Client in writing, such applications for approval or review shall not be obtained by direct contact by the Consultant with such other authority, department of government or agency.

1.16 Principals and Executives

The use of Principals and Executives on a time basis by the Consultant, will be in accordance with Section 1.23.1 (c).

1.17 Sub-Consultants

The Consultant may engage others as sub-consultants for specialized services provided that prior approval is obtained, in writing, from the Client and may add a mark-up of not more than 5% of the cost of such services to cover office administration costs when claiming reimbursement from the Client plus the cost of the additional insurance incurred by the Consultant for the specialized services.

1.18 Inspection

The Client, or persons authorized by the Client, shall have the right, at all reasonable times, to inspect or otherwise review the Services performed, or being performed, under the Project and the premises where they are being performed.

1.19 Publication

The Consultant agrees to obtain the consent in writing of the Client before publishing or issuing any information regarding the Project.

1.20 Confidential Data

The Consultant shall not divulge any specific information identified as confidential, communicated to or acquired by him, or disclosed by the client in the course of carrying out the Services provided for herein. These obligations of confidentiality shall not apply to information which is in the public domain, which is provided to the Consultant by a third party without obligation of confidentiality which is independently developed by the Consultant without access to the Client's information, or which is

required to be disclosed by law or by court order. No such information shall be used by the Consultant on any other project without the approval in writing of the Client.

1.21 Dispute Resolution

- (a) If requested in writing by either the Client or the Consultant, the Client and the Consultant shall attempt to resolve any dispute between them arising out of or in connection with this Agreement by entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the parties. If a dispute cannot be settled within a period of ninety (90) calendar days with the mediator, the dispute shall be referred to and finally resolved by arbitration under the rules of the province having jurisdiction or by an arbitrator appointed by the agreement of the parties.
- (b) No person shall be appointed to act as mediator or arbitrator who is in any way interested, financially or otherwise, in the conduct of the work on the Project or in the business or other affairs of either the Client or the Consultant.
- (c) The provisions of *The Arbitration Act*, S.O., 1991, Chapter 17, as amended shall apply.

1.22 Time

The Consultant shall perform the Services expeditiously to meet the requirements of the Client and shall complete any portion or portions of the Services in such order as the Client may require.

The Client shall give due consideration to all designs, drawings, plans, specifications, reports, tenders, proposals and other information submitted by the Consultant, and shall make any decisions which he is required to make in connection therewith within a reasonable time so as not to delay the work of the Consultant.

Neither party shall be liable or penalized for delays or failure to perform its services if same is caused directly or indirectly by circumstances beyond a party's reasonable control.

1.23 Estimates, Schedules and Staff List

1.23.1 Preparation of Estimate of Fees, Schedule of Progress and Staff List

When requested by the Client, and where payment is calculated on a time basis, the Consultant shall provide, for approval by the Client:

- (a) An estimate of the total fees to be paid for the Services.
- (b) A Schedule showing an estimate of the portion of the Services to be completed in each month and an estimate of the portion of the fee which will be payable for each such month.
- (c) A Staff list showing the number, classifications and hourly rate ranges for staff, Principals and Executives, for which the Consultant will seek payment on a time basis. The Consultant shall relate such information to the particular type of work that such staff is to perform, while employed on the Project. Such list shall designate the member of the Consultant's staff who is to be the liaison person between the Consultant and the Client.

1.23.2 Subsequent Changes in the Estimate of Fees, Schedule of Progress and Staff List

The Consultant will require prior written approval, from the Client for any of the following changes:

- (a) Any increase in the estimated fees beyond those approved under Subsection 1.23.1 (a).
- (b) Any change in the schedule at progress which results in a longer period than provided in Subsection 1.23.1 (b).
- (c) Any change in the number, classification and hourly rate ranges of the staff provided under Subsection 1.23.1 (c).

1.23.3 Monthly Reporting of Progress

When requested by the Client, the Consultant shall provide the Client with a written report showing the portion of the Services completed in the preceding month.

1.24 Additional Conditions

N/A

ARTICLE 2 - SERVICES

2.01 Services to be Provided by Consultant for Survey, Base Plan Preparation and Preliminary Design

The Consultant shall provide services for the Preliminary Design of the Project including the following:

1. Conduct pre-design meeting with City and PUC to review/confirm scope of work.
2. Collect any additional background documentation from City and agencies including reports, drawings, studies, etc. pertaining to the project. Review data and develop list of additional data required.
3. Complete detailed field review and pick up additional field information, where necessary.
4. Finalize City base plans including all existing features, underground utilities, etc.
5. Develop a digital terrain model, contours, and sections of the original ground from digital survey data.
6. Develop preliminary horizontal and vertical alignments for the Project on a plan scale acceptable to the Client.
7. Coordinate and develop design concepts for Streetscape improvements with Sub Consultant 'The Planning Partnership'
8. Coordinate and complete geotechnical investigation.
9. Review and confirm proposed typical cross-sections for the roadway, including driving lanes, boulevards, curbs and sidewalks, intersecting roads and other cross section elements and provide recommended configuration.
10. Review existing illumination levels with PUC (Note: illumination design has been excluded).
11. Review and finalize intersection configurations.
12. Develop/confirm line assignments for underground infrastructure (storm sewers, sanitary sewers, watermains).
13. Undertake pipe sizing for storm sewers, sanitary sewers and watermains.
14. Confirm design criteria with due consideration being given to such ancillary features as curbs, sidewalks, boulevards, illumination, signs, fences, landscaping, and adjacent properties.
15. Finalize and recommend a preferred design for roadwork and underground services considering geometrics, property, cost and environmental features.
16. Review and finalize streetscape design concepts with City Planning.
17. Confirm Class EA Schedule (Assume Schedule A).
18. Prepare displays and conduct Public Open House in conjunction with Local Improvement.
19. Update preliminary construction cost estimate.
20. Identify major utility installations and adjustments.
21. Review and confirm property acquisition requirements (assumed to be none).
22. Finalize preliminary design drawings in digital format.
23. Prepare correspondence on behalf of the Client and circulate to governmental ministries, agencies and other public authorities for design information.

24. Prepare and distribute minutes of Project meetings.
25. Meet with and present to the Client preliminary design concepts for acceptance.
26. Meet and correspond with approvals agencies and prepare submission of applications for approvals.
27. Develop traffic staging plans.

2.02 Services to be Provided by Client for Survey, Base Plan Preparation and Preliminary Design

The Client shall provide the Consultant with the following, unless already provided:

1. Copies of available information, investigations/studies undertaken for or related to the Work.
2. Access to and the use of existing plans, profiles, utility information, legal documents (plans), reports and correspondence relevant to the Project.
3. General direction of the Consultant in the provision of services and approvals within reasonable time as necessary during the currency of this agreement.
4. Digital survey data.
5. Base plan with property fabric.
6. CCTV inspections of all sewers.
7. Publication of notices to the public.
8. Assisting the Consultant to gain access to private properties.

The Consultant shall be entitled to rely upon the information, direction and approvals provided by the Client pursuant to clauses (1) to (8) hereof, inclusive, as being accurate, in the performance of the Consultant's services under this Agreement.

2.03 Services to be Provided by Consultant for Detailed Design and Tendering

1. Provide expertise required for the design of all facilities to serve the best interests of the public, with due regard for environmental concerns, capital cost and operating efficiency in accordance with current state of the art and acceptable standards established by the Client and regulatory authorities.
2. Coordinate additional field survey work, where required, after the design criteria and functional alignment have been established, which shall include all survey work necessary for the estimating of quantities, the detailed setting of alignment and grade to fit controlling natural and artificial topographic and underground features, and design of drains, storm sewers, sidewalks, street lights, sanitary sewers, and water services, and the positioning of all appurtenances associated with the construction of the Project.
3. Investigate the present location of all above ground utilities, updating of the Client's plans and profiles to show the present location and the proposed location, and preparation of additional drawings required for alternative utility relocation as required by the Client.

Underground utilities shall be indicated on the plans and profiles in accordance with information submitted by the respective utility. The Consultant shall be entitled to rely upon the information and direction provided to it by the Utilities as being accurate in the performance of his services under this Agreement.

4. Prepare and submit design drawings, investigations, and recommendations to the Client, on such alternatives or modifications to the Project that the Consultant in his professional judgement, deems advantageous to the Client.

5. Advise the Client of the need to seek permission to enter private lands for investigation purposes. Such permission to enter private lands shall be obtained by the Client on behalf of the Consultant.
6. Participate in a reasonable number of meetings for informative, negotiative or presentative purposes with the Client in connection with the services provided under this Agreement, after the establishment of the design criteria and functional alignment.
7. Detail designs for sanitary sewers, watermains, storm sewers, roadworks, and streetscape amenities.
8. Finalize upgrades to traffic signals at the Albert intersection, if any.
9. Prepare contract documents for the Project including: detailed construction drawings, tender quantity forms, general conditions, specifications, information to bidders, and special provisions.
10. Prepare detailed quantity and cost estimates, including sundry engineering and materials.
11. Finalize tender drawings.
12. Call tenders for the project as directed by Client, respond to questions during tender period, and review tenders and provide report.
13. Submit plans, specifications, schedules, and applications for approval to the Client and to appropriate authorities, as required. Attend meetings at the offices of these public authorities to discuss designs and to provide explanations for the purpose of furthering the applications towards approval.

2.04 Services to be Provided by Client for Detailed Design and Tendering

1. Access to and, where necessary, copies of existing plans, profiles or other topographic information showing or pertaining to existing conditions within the Project area.
2. Registered land plans, legal documents and surveys, where necessary, defining the property limits of existing rights-of-way and other parcels of land affected by the Project, and as required in the acquisition of property and lands for the Project.
3. Specimen contract drawings for the guidance of the Consultant in the design of the Project to the standards required by the Client.
4. General direction of the Consultant in the provision of the services.
5. Any available information regarding utilities necessary for the preparation of the plans.
6. Arranging and making provision for the Consultant's entry and ready access to property (public and private) as well as to the site of the Project, as necessary to enable him to perform his services.
7. Designating in writing an individual to act as his Representative who will transmit instructions to and receive information from the Consultant.
8. Acquisition of any lands that may be required.

2.05 Services to be Provided by Consultant for Contract Administration and Construction Inspection

Section Deleted

2.06 Services to be Provided by Client for Contract Administration and Construction Inspection

Section Deleted

2.07 Milestones

The Consultant shall endeavour to perform the services set forth in paragraphs 2.01 and 2.03 of this Agreement in the time frames provided for in the document titled "Proposed Work Program Reconstruction of Gore Street (Queen Street to Wellington Street)", a copy of which is attached hereto.

ARTICLE 3 - FEES AND DISBURSEMENTS

3.1 Definitions

For the purpose of this Agreement, the following definitions shall apply:

(a) **Cost of the Work:**

- (i) The "Cost of the Work" shall mean the total cost of the Project including all materials, equipment, sales taxes, labour and contractor's overhead and profit, necessary to complete the work for which the Consultant prepares designs, drawings or specifications, for which he is responsible. Where sales taxes are not included in the cost of the work, the fee shall be adjusted upwards by the factor equivalent to the sales taxes. The adjusted fee may be computed to the nearest one-tenth of one percent (1/10%).
- (ii) Wherever the client furnishes labour or other service which is incorporated in the work, the current price of labour or other service when the work was executed shall be used to compute the Cost of the Work.
- (iii) Whenever used materials or equipment is furnished by or on behalf of the Client, the fair market value of such materials or equipment, as though it was purchased new, shall be used to compute the Cost of the Work.
- (iv) In computing the Cost of the Work, no deductions shall be made on account of any penalties or damages claimed by the Client from any contractor or on account of any other sum withheld from any contractor.
- (v) The Cost of the Work shall not include any fees and disbursements due to the Consultant, the Client's engineering and office expenses, or cost of land.

(b) **Site:**

Site includes the actual work site and other locations where the checking of materials, equipment and workmanship is carried out.

3.2 Basis of Payment

3.2.1 Fees Calculated on a Percentage of Cost Basis

(Not Applicable)

3.2.2 Fees Calculated on a Time Basis

The Client shall pay the Consultant a fee, calculated on a time basis, for that part of the Services described in Article 2. Fees on a time basis for all staff shall be hourly rates based on job classifications as follows:

- a) Staff on normal assignments – Payroll Cost multiplied by a factor of 2.0.
- b) Services During Construction:
 - (i) For all services, except for staff full-time continuously on site – Payroll cost multiplied by a factor of 2.0.
 - (ii) For site staff working full-time continuously – Payroll cost multiplied by a factor of 1.7.

For a project of over one (1) year duration, or for projects which become extended beyond one (1) year in duration, the consultant may from time to time seek approval from the client to adjust hourly rates and such approval shall not be unreasonably withheld.

Time Expended

All time expended on the assignment, whether in the Consultant's office, at the Client's premises, or elsewhere, and including travel time, shall be chargeable. This also includes, but is not limited to, stenographic and clerical staff engaged in the preparation of documents such as reports and specifications.

3.2.3 Lump-Sum Fee / Negotiated Fee

3.2.3.1 Lump-Sum Fee Basis

(Not Applicable)

3.2.4 Reimbursable Expenses

In addition to the fee, the Consultant shall be reimbursed at cost plus an administrative charge of 5%, plus the cost of additional insurance incurred by the Consultant, for all expenses properly incurred by him in connection with the project, including but not limited to: vehicle use charges, travelling and living expenses, advertising for tenders, overtime premium costs, and the cost of providing and maintaining site offices, supplies and equipment, chemical and physical tests and reproducing specifications and drawing sets.

3.2.4.1 In addition to the fee a communication/ Information Technology (IT) charge equal to 5% of invoiced labour costs will be charged to cover telephone charges, long distance telephone charges, facsimile transmission charges, printing and reproductions, progress photography, special delivery and express charges, postage and IT costs. The IT assessment shall include all information technology resources required for purposes of providing the services contemplated under this agreement, including: computer equipment/systems, computer software, computer supplies, networking (local and wide area), and labour associated with computer management, administration and support. Computer systems include all types of computers, such as: general purpose microcomputers, PC-CADD microcomputers, graphic design workstations, and notebooks. The cost for reproducing specifications and drawing sets shall not be included in this rate.

3.3 Payment

3.3.1 Fees Calculated on a Time Basis

The Consultant shall submit an invoice to the Client for all Services completed in the immediately preceding month. Interest at the annual rate of 12 percent (1 percent monthly) will be paid on the total outstanding unpaid balance commencing 30 days after the Client has received the Consultant's invoice.

3.3.2 Fees Calculated on a Percentage of Cost Basis

(Not Applicable)

3.3.3 Lump Sum Fee/Negotiated Fee

(Not Applicable)

ARTICLE 4 – GENERAL PROVISIONS

- 4.1 Notices:** All notices under this Agreement shall be in writing. It shall be sufficient in all respects if the Notice is delivered by hand, sent by electronic means of sending messages, including facsimile transmission, which produces a paper record ("Transmission") during normal business hours, or sent by registered mail, postage prepaid, addressed to:

AECOM CANADA LTD.	CITY OF SAULT STE. MARIE ENGINEERING DEPARTMENT
523 Wellington Street East	99 Foster Drive, 5 th Floor
Sault Ste. Marie, Ontario P6A 2M4	Sault Ste. Marie, Ontario P6A 5N1
Attn: Mr. Rick Talvitie	Attn: Mr. Don Elliott
Branch Manager	Director of Engineering Services
Phone: 705-942-2612	Phone: 705-759-5329
Fax No.: 705-942-3642	Fax: 705-541-7165

or to such other address as either Party shall have designated by written notice to the other Party. Any notice so given shall be deemed to have been given and to have been received on the day of delivery, if so delivered, on the third Business Day (excluding each day during which there exists any interruption of postal services due to strike, lockout or other cause) following the mailing thereof, if so mailed, and on the day that notice was sent by Transmission, provided such day is a Business Day (a Business Day being any day of the week save and except for Saturday and Sunday) and if not, on the first Business Day thereafter.

- 4.2 Waiver of Rights:** Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.
- 4.3 Applicable Law:** This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in the Province of Ontario and the laws of Canada, as applicable.
- 4.4 Entire Agreement, Modifications, Headings, Severability:** The Parties acknowledge that this Agreement constitutes the entire Agreement between them and supersedes all prior representations, warranties, agreements, and understandings, oral or written, between the Parties with respect to its subject matter. Unless stated otherwise in this Agreement, this Agreement may not be modified except in writing signed by both Parties. The headings to this Agreement are for convenience and reference purposes only and shall not constitute a part of the Agreement. If any element of this Agreement is later held to violate the law or a regulation, it shall be deemed void, and all remaining provisions shall continue in force.

[Execution Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement on the date first written above.

AECOM CANADA LTD.

The signatory shall have the authority to bind the corporation for purposes of this Agreement

(Signature)

(Name)

(Title)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

The signatory shall have the authority to bind the municipality or its agency for purposes of this agreement

MAYOR

CLERK

SCHEDULE "A"

**to Memorandum of Agreement
Reconstruction of Gore Street
From Queen Street East to Wellington Street East**

Dated the 13th day of October, 2015

1. The estimated fees/upset fee limit for each phase of the project is as follows:

Description	Scope of Work	Estimated Fee	Upset Fee Limit	Estimated Disbursements	Totals
Survey, Base Plan Preparation, and Preliminary Design	Article 2.01		\$58,000	\$22,000	\$80,000
Detailed Design and Tendering	Article 2.03		\$75,000	\$24,000	\$99,000

Note:

(i) Fees exclude taxes.

2. A range of billing rates for each employee classification is as follows:

Classification	Billing Rate (\$/hour)	Anticipated Staff Allocation to this Project
Senior Engineer	140 - 200	1
Intermediate Engineer	100 - 140	1
Senior Technician/Technologist	100 - 150	2
Intermediate Technician	65 - 100	2
Support Staff	55 - 80	3

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-186

RESOLUTION: (E2.1) A by-law to authorize the execution of one (1) Municipal Council Resolution Confirmation to support the solar photovoltaic application being submitted to the Independent Electricity System Operator Feed-In-Tariff Program for the property at 2196 Queen Street East.

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 one (1) Municipal Council Confirmation Resolution in the form of Schedule "A" attached hereto and dated the 13th day of October, 2015, to support the solar photovoltaic application being submitted to the Independent Electricity System Operator Feed-In-Tariff Program for the property at 2196 Queen Street East.

2. **SCHEDULE "A"**

Schedule "A" forms a 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 13th day of October, 2015.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

da LEGAL\STAFF\BYLAWS\1. 2015\2015-186 CONFIRMATION SOLAR PHOTOVOLTAIC FIT APPLICATION 2196 QUEEN ST E.DOC



Independent Electricity
System Operator

**FEED-IN TARIFF
PROGRAM**

WRITABLE FORM

120 Adelaide Street West, Suite 1600
Toronto, Ontario M5H 1T1
T 416-967-7474
F 416-967-1947
www.ieso.ca

PRESCRIBED FORM: MUNICIPAL COUNCIL RESOLUTION CONFIRMATION

Section 3.8(g) and 5.1(g)(i) of the FIT Rules, Version 4.0.1

Page 1 of 2 Apr 2015 IESOMRD/f-FIT-012r3

1	Resolution number: _____ Date resolution(s) was passed: _____	FIT Reference Number: <u>FIT-ZE0P2</u> <i>(The FIT Reference Number must be inserted by the Applicant in order for the resolution to comply with the FIT Rules.)</i>
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2	Capitalized terms not defined herein have the meanings ascribed to them in the FIT Rules, Version 4.0.1. I am the/an _____ (insert title or position with the Local Municipality) of the _____ (insert the name of the Local Municipality) (the "Municipality"), and have the delegated authority to provide this confirmation on behalf of the Municipality and without personal liability.
----------	---

3	_____ JBG Holdings & Investments Inc. (the "Applicant") proposes to construct and operate a <i>(This must be the same Applicant (i.e., same name) as stated in the Municipal Council Support Resolution or Land Use Restriction Exemption Resolution provided as attached)</i> _____ Roof Top Solar Project (the "Project") on <i>(This must be the same description as stated in the Municipal Council Support Resolution or Land Use Restriction Exemption Resolution provided as attached)</i> _____ 2196 Queen Street East, Sault Ste. Marie, Ontario, P6A 7B5 (the "Lands") in the Municipality under the province's FIT Program. <i>(This must be the same description as the Lands in the Municipal Council Support Resolution or Land Use Restriction Exemption Resolution provided, as attached)</i>
----------	--

4	The resolution(s) provided with this Confirmation is (check one or both as applicable): a) ☒ A Municipal Council Support Resolution (if selected, check one of the following): 1) ☒ A new FIT 4.0.1 Municipal Council Support Resolution. (if selected the resolution must be attached as Exhibit "A") 2) ☐ A pre-existing FIT 3.0 Municipal Council Support Resolution which has not been rescinded. (if selected the resolution must be attached as Exhibit "A") ii) I have confirmed that the Project being proposed by the Applicant under the Province's FIT Program is the same Project on the same Lands as the Project that was the subject of the Municipal Council Support Resolution attached as Exhibit "A". b) ☐ A Land Use Restriction Exemption Resolution (if selected the resolution must be attached as Exhibit "A").
----------	---

5	Name: <u>Christian Provenzano / Malcolm White</u> Signed: _____ Title: <u>Mayor / City Clerk</u> Date: <u>October 13, 2015</u> <i>(Signature block for authorized signee. Must be an original ink signature)</i>
----------	--

PRESCRIBED FORM: MUNICIPAL COUNCIL RESOLUTION CONFIRMATION

Section 3.8(g) and 5.1(g)(i) of the FIT Rules, Version 4.0.1

Page 2 of 2 Apr 2015 IESOMRD/f-FIT-012r3

EXHIBIT "A" RESOLUTION(S)

(Attach one or more of the new FIT 4.0.1 Municipal Council Support Resolution, the FIT 3.0 Municipal Council Support Resolution previously passed in support of the Project, and the Land Use Restriction Exemption Resolution, as applicable.)

Template: Municipal Council Support Resolution

Section 5.1(g)(i) of the FIT Rules, Version 4.0.1

Page 1 of 1

Apr 2015

IESOMRD/f-FIT-010r3

Resolution Number: _____

FIT Reference Number: FIT-ZE0P2

(The FIT Reference Number must be inserted by the Applicant in order for the resolution to comply with the FIT Rules, even where Local Municipality letterhead is used. This is not to be inserted by The Local Municipality.)

Date Resolution was passed: _____

[WHEREAS] capitalized terms not defined herein have the meanings ascribed to them in the FIT Rules, Version 4.0.1.

[AND WHEREAS] JBG HOLDINGS & INVESTMENTS INC. proposes to construct and operate a ROOF TOP SOLAR PROJECT on 2196 QUEEN STREET EAST SAULT STE. MARIE in SAULT STE. MARIE under the Province's FIT Program;

[AND WHEREAS] the Applicant has requested that Council of SAULT STE. MARIE, ONTARIO indicate by resolution Council's support for the construction and operation of the Project on the Property.

[AND WHEREAS] pursuant to the FIT Rules, Version 4.0.1, Applications whose Projects receive the formal support of Local Municipalities will be awarded Priority Points, which may result in the Applicant being offered a FIT Contract prior to other Persons applying for FIT Contracts;

[NOW THEREFORE BE IT RESOLVED THAT]:

Council of the SAULT STE. MARIE, ONTARIO supports the construction and operation of Project on the Lands.

This resolution's sole purpose is to enable the Applicant to receive Priority Points under the FIT Program and may not be used for the purpose of any other form of municipal approval in relation to the Application or Project or any other purpose.

Signed:

Signed:

Title: Mayor Christian Provenzano

Title: City Clerk Malcolm White

Date: October 13, 2015

Date: October 13, 2015

(Signature lines for elected representatives. At least one signature is required.)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-187

AGREEMENT: (C2.1) A by-law to authorize the execution of an agreement between the City and Bell Canada allowing for the installation and ongoing maintenance and support for network and firewall equipment.

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 October 13, 2015 between the City and Bell Canada, a copy of which is attached as Schedule "A" hereto. This agreement allows for the installation and ongoing maintenance and support for network and firewall equipment.

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 13th day of October, 2015.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE



MASTER COMMUNICATIONS AGREEMENT (RETAIL)

This Agreement is between

The Corporation of the City of Sault Ste. Marie, a company incorporated under the laws of Ontario having a place of business at 99 FOSTER DR BOX 580, SAULT STE MARIE, ON, P6A5N1 (the "Customer")

AND

BELL CANADA, a company incorporated under the laws of Canada, and located at 1 carrefour Alexander Graham Bell, Building A7, Verdun, Quebec, H3E 3B3 ("Bell").

For valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. SCOPE OF AGREEMENT

- (a) Services and Products: The Customer requests and Bell will provide to the Customer the services and products described in each schedule attached to, and forming part of, this agreement from time to time (a "Schedule") in accordance with the terms and conditions of this Agreement. Altogether, the Tariffs (as defined below and if applicable), the terms and conditions set out in this agreement, and the applicable Schedules form the "Agreement".
- (i) Services purchased pursuant to this Agreement (each a "Service", collectively, the "Services"), and additional terms and conditions applicable to the provision of the Service(s) are described in Schedules attached to this agreement from time to time (each a "Service Schedule").
- (ii) Products purchased pursuant to this Agreement (each a "Product" collectively the "Products"), and additional terms and conditions applicable to the provision of the Product(s) are described in Schedules attached to this Agreement from time to time (each a "Product Schedule"). Customer assumes the risks of loss and damage to any Product that has been delivered to its premises. Upon delivery, Bell shall be considered to have carried out its obligations relating to the Product(s) under the terms of this Agreement. The Product is then billable to the Customer. Title to Product shall transfer to Customer upon payment in full of all Fees and Taxes (as defined below). By installing or using Products, Customer agrees that software included with the Product purchase is licensed strictly in accordance with the terms provided by the original equipment manufacturer ("OEM").
- (iii) A Service is "Tariffed" if regulated by the Canadian Radio-television and Telecommunications Commission (the "CRTC") and shall only be provided in compliance with the applicable tariffs (together with all applicable decisions, directions and orders of the CRTC, are referred to herein as the "Tariffs"), and the Tariffs, which form part of this Agreement, shall prevail in the event of a conflict with the terms and conditions set out herein. If the CRTC decides that a Service or a component of the Service will be forborne from regulation, then unless the Parties otherwise agree in writing, this Agreement, including the applicable Service Schedule, will remain in full force and effect for that Service and will be considered to incorporate all terms and conditions set out in the Tariffs as at the effective date of forbearance, for the remainder of the minimum contract period ("MCP") or then-current Renewal Period (as defined in the Tariff) or Service Term (as defined in Section 3), as applicable.
- (b) Bell Providers: Subject to the last sentence of this section 1(b), Bell may perform its obligations under this Agreement through its affiliates (as defined in the *Canada Business Corporations Act*, and including Bell Aliant in particular), agents, suppliers or subcontractors (the "Bell Providers"), but Bell shall not be relieved of its obligations by using the Bell Providers. Any Services or Products provided to the Customer outside of Canada will be provided by an Affiliate of Bell on the terms and conditions set out in this Agreement. In such cases, the Affiliate of Bell shall be the Customer's supplier for such Services and Products and shall sign the relevant Schedule(s).

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2. FEES AND TAXES

- (a) **Fees and Taxes:** The Customer shall pay fees for the Services, the Product price, Termination Fees (as defined in Section 4(a)), and any other amount payable pursuant to this Agreement (collectively the "Fees"). The Customer shall also pay applicable commodity taxes, and similar taxes levied or assessed by any local and/or government authority, as well as surcharges for foreign taxes or those imposed by third-party providers, withholding tax, and interexchange carrier charges, if any (collectively, "Taxes"). Customer shall pay Fees and Taxes within 30 days of the invoice date. Payment may not be made by credit card unless specifically agreed to in writing by Bell. Bell, in its sole discretion, reserves the right to change acceptable methods of payment upon prior notice to Customer. If any legislation authorizes the Customer to purchase Services or Products pursuant to this Agreement without payment of commodity taxes, Customer agrees to supply Bell with evidence of such authorization. Fees and Taxes are subject to a late payment charge ("Late Payment Charge") at the rate specified in the invoice, which rate may vary from time to time, calculated from the invoice date, if Fees and Taxes are not paid within 30 days of the invoice date. Customer will be responsible for payment of all costs reasonably incurred by Bell in collecting or attempting to collect any unpaid Fees or Taxes or Late Payment Charges.
- (b) **No Withholding, Deduction or Set-Off:** Customer shall not withhold or deduct any amounts from, or set-off amounts owed by Bell to Customer against any amounts invoiced by Bell under this Agreement.
- (c) **Disputed Charges:** The Customer shall notify Bell in writing within 150 days of the date of the applicable invoice of any charges that Customer disputes. If Bell confirms in its sole discretion that those charges should not have been billed or were over-billed, Bell will credit the Customer for those charges.

3. TERM

- (a) **Term of the main body of this Agreement:** The term of the main body of this Agreement (the "Agreement Term") will begin on the date it is signed by the Customer and it will expire or terminate on the date that the Service Term (as defined in Section 3(c)) of the last remaining Schedule expires or terminates.
- (b) **Term of Each Service Schedule:** Each Service will be provided for the period set out in the relevant Service Schedule (the "Initial Service Term").
- (c) **Renewal Term(s) of Each Service Schedule:** Unless the Customer or Bell provides notice to the other as described in Section 3(d), each Service Schedule will automatically be renewed at the end of the Initial Service Term on the same terms and conditions for the consecutive renewal period(s) set out in that Service Schedule. If there is no renewal period set out in a Service Schedule, then that Service Schedule will expire and the Services provided under it will be terminated at the end of the Initial Service Term.

Each renewal period described above is defined as a "Service Renewal Term". The Initial Service Term and any Service Renewal Term(s) are collectively referred to as the "Service Term". Bell may change the Fees for a Service Renewal Term by providing the Customer with at least 60 days advance written notice of the change before the end of the then current Initial Service Term or Service Renewal Term, as the case may be.

- (d) **Notice of Non-Renewal:** Either party may send to the other party a written notice, at least 30 days in advance of the expiration of the relevant Service Term, that it does not intend to renew a Service Schedule. As a result, that Service Schedule will expire and the Services provided under it will be terminated at the end of the Service Term.
- (e) **Early Provision of Services:** If Bell begins work to provision any Service or Product, or if Bell delivers any Service or Product, before the start of the Agreement Term or the relevant Initial Service Term, all work and services provided by Bell before either of those dates will be considered to have been provided under all of the terms and conditions of this Agreement including the relevant Schedule. The Fees during such time will be Bell's then current standard month-to-month rates unless otherwise agreed to.

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4. TERMINATION OR CANCELLATION

- (a) **Early Termination of Service Schedule by Customer:** Customer may terminate a Service it has requested under a Service Schedule ("Terminated Service") at any time before the end of the relevant Service Term by giving notice of termination to Bell. However, Customer must give notice of termination to Bell at least 30 days before the proposed early termination date if either (i) Customer's average monthly telecommunications bill exceeds \$2,500 or (ii) the Terminated Service is any other than Internet access, TV, or local voice. If Customer terminates a Service under this Section, the Customer shall pay to Bell all Fees, Taxes and Late Payment Charges due for the Terminated Service up to the date of termination. Customer shall also pay to Bell (i) 100% of the reasonable out-of-pocket expenses that Bell incurs or will incur in connection with its contractual arrangements with the Bell Providers, and (ii) the termination charges specified in the relevant Service Schedule, or if not specified, an amount equal to 50% of the remaining monthly Fees for the Terminated Service that would have been payable to the end of the Service Term (collectively, the "Termination Fees"). The Customer acknowledges that the Termination Fees are a reasonable estimate of Bell's liquidated damages and represent consideration for the Services and Products, and are not a penalty. In the event that a payment to be received by Bell for Termination Fees would be deemed by the applicable tax legislation to include an amount of GST/HST and/or QST or other Tax, the amount of Termination Fees payable by the Customer shall be grossed up by an amount equal to the amount of GST/HST, QST and other Taxes that would be deemed to be included in such payment.
- (b) **Cancellation of Product Schedule by Customer:** If Customer cancels an order for Product(s) in full or in part prior to the delivery or performance of the order, a restocking fee of up to 25% of Product cost, as listed in the Product Schedule or on a quotation or purchase order will be charged. Bell will apply any deposit collected for the cancelled Product(s) order towards the restocking fee. Bell will not accept for return or refund (i) any purchased software, which will be charged at 100% of the price; (ii) Products that have already been delivered to Customer; (iii) Products that are non-stock, specially ordered or customized; or (iv) Products that have been discounted or sold to Customer at an incentive price.
- (c) **Termination for Cause:** Either party may terminate this Agreement or any Schedule, or Bell may suspend the Services in whole or in part, in each case, by giving notice in writing to the other party upon the occurrence of any of the following: (i) the other party commits a material breach with respect to a material obligation under this Agreement or the applicable Schedule and does not remedy that breach within 30 days after receiving written notice of the breach; or (ii) the other party enters into a compulsory or voluntary liquidation, or convenes a meeting of its creditors or has a receiver appointed over any part of its assets or takes or suffers any similar action in consequence of a debt, or ceases for any reason to carry on business. Customer's failure to pay any invoiced Fees, Taxes or Late Payment Charges when due is a material breach with respect to a material obligation. Notwithstanding the foregoing, if Bell materially breaches with respect to a material obligation in the provision of a Service or Product, and Bell has not remedied that breach within 30 days after receiving written notice of such default, Customer shall only be entitled to terminate the specific Service(s) or Product(s) for which the breach occurred under the applicable Service Schedule or Product Schedule.
- (d) **Charges Payable:** On the termination of this Agreement or Schedule for any reason, all payments required to be made to Bell by the Customer thereunder, shall be due and payable immediately. Termination of this Agreement or a Schedule shall not relieve the Customer from any liability which accrued before the termination became effective. Customer will not be required to pay Termination Fees if Customer terminates this Agreement or a Schedule under Section 4(c).

5. BELL PROPERTY

- (a) All material, equipment and software required for Customer to use the Services or Products and made available to Customer by Bell or the Bell Providers, and any other equipment, including fibre optic cable, patch panels, transport conductors and switching equipment, used by Bell in the provision of the Services (collectively, "Bell Provided Equipment") shall at all times be and remain the exclusive property of Bell or the Bell Providers, wherever located, including on Customer premises. Upon termination or expiration of the Agreement or a Schedule, Customer shall return the Bell Provided Equipment to Bell at Customer's expense. The Bell Provided Equipment does not include the Products purchased pursuant to this Agreement or the Customer Provided Equipment (as defined in Section 6 below). Customer shall be responsible for the loss of or damage to the Bell Provided Equipment except if caused by the negligence or willful misconduct of Bell or the Bell Providers. Customer shall ensure at all times that the Bell Provided Equipment is stored in a manner and in an environment that conform to relevant specifications provided by Bell.

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- (b) Customer acknowledges it has no right, title or interest in or to any network address or identifier (such as telephone number, IP address, host name) ("Identifier") assigned to the Customer by Bell. Bell may, on reasonable notice to the Customer, change the Identifier. Bell is not obligated to notify any other party of a change to the Customer's Identifier.

6. ADDITIONAL CUSTOMER OBLIGATIONS

(a) Obligations: The Customer shall:

- (i) comply and cause its End Users to comply with the applicable governing law as set out in Section 12(c);
- (ii) not resell or remarket any Service;
- (iii) unless provided by Bell as part of the Service pursuant to a Service Schedule, provide all necessary infrastructure (e.g. power and outlets) and ambient environments required for the safe and efficient operation and maintenance of the Bell Provided Equipment on Customer premises in accordance with the specifications provided by Bell and all applicable industry and safety standards;
- (iv) unless provided by Bell as part of the Service pursuant to a Service Schedule, be responsible for the supply (including obtaining necessary licenses and authorizations), installation and maintenance of any material, equipment or software other than the Bell Provided Equipment, (the "Customer Provided Equipment") at each site that is necessary to receive the Services. Customer shall ensure that Customer Provided Equipment is (A) installed, maintained, secured and stored in a manner and an environment that conform to the manufacturer's specifications and any specifications provided by Bell, and (B) compatible with the Bell Provided Equipment;
- (v) obtain and maintain all third party licenses, authorizations, permissions and consents necessary to permit Bell and/or the Bell Providers prompt and safe access to Customer's premises and Customer Provided Equipment and Bell Provided Equipment on Customer premises, so they can perform Bell's obligations and enforce Bell's rights under this Agreement;
- (vi) be responsible for use of the Services and Products, including through access points, by any party other than Bell or a Bell Provider (collectively, "End Users"), and take all necessary measures to ensure that the End Users use the Services and Products in accordance with the terms and conditions of this Agreement;
- (vii) comply and cause its End Users to comply with (A) the internet acceptable use policy attached to a Service Schedule (as may be amended by Bell from time to time and made available on Bell's website) if applicable; and (B) any third party software license terms and conditions for software used by the Customer and/or its End Users in connection with the use of the Services;
- (viii) consent and ensure its End Users consent to receive software downloads from Bell, its Affiliates and partners to the Customer's End User devices, Customer Provided Equipment and Bell Provided Equipment to the extent that such downloads are reasonably necessary for the continued efficient operation of the Products and Services and related material, equipment and software being provided to the Customer;
- (ix) not use, abuse, tamper with, alter or otherwise rearrange the Services or Products, or permit or assist others to do so, for any purpose or in any manner that interferes with (A) the Products or Services or the provision of them; (B) the networks of Bell or any Bell Provider or access to those networks by other users; or (C) or use the Product or Services in a manner that directly or indirectly violates the terms of this Agreement, applicable laws or any third party or Bell rights; and
- (x) maintain the minimum commitment levels for billing, volume or usage, if any, as set out in a Service Schedule (the "Minimum Commitment") or pay any under utilization fees or charges set out in such Service Schedule ("Under Utilization Charges").

(b) Failure to Comply:

- (i) Bell is not liable for any failure to provide the Services or Products in accordance with this Agreement resulting from Customer's failure to comply with any of the obligations set out in this Section 6.
- (ii) If a Customer's failure to comply with any of the obligations in this Sections 6(a)(i)-(vii) materially adversely affects Bell's or a Bell Provider's network, the Services or the ability of other customers to receive services from Bell, Bell may take all actions which it considers necessary to address such effect including the immediate suspension of or restriction on the use of the Services.

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7. SERVICE DISCLAIMER AND MIGRATION

- (a) **Disclaimer:** Customer acknowledges that Bell does not warrant (i) uninterrupted or error-free Services, or (ii) third-party Content (as defined in Section 10) availability, accuracy or any other aspect of any information including all data, files and all other information or third party Content in any form, accessible or made available to or by the Customer or End Users through the use of the Services. Customer acknowledges that Bell may interrupt the Services, as may be specified in the Service Schedules or in case of emergency, in order to provide maintenance in respect of the Services and Products. Unless otherwise expressly set out in this Agreement or a Schedule the warranties provided in this Agreement replace all other warranties and conditions. The Customer waives all other warranties and conditions, express, implied or statutory, including any warranty of merchantability, fitness of a particular purpose or availability or reliability of the Services or Products.
- (b) **Migration:** During a Service Term, Bell may migrate a Service to an alternative service or technology or replace Bell Provided Equipment as long as the alternative service or technology or Bell Provided Equipment provides similar functionality as the Service. The definition of "Service" includes the alternative service or technology. Bell shall not be responsible if any changes in the Services affect the performance of material, equipment or software other than Bell Provided Equipment or cause such material, equipment or software to become obsolete or require modification or attention. Bell shall provide the Customer with 60 days notice of any such change.

8. LIMITATION OF LIABILITY

- (a) **LIABILITY FOR DAMAGES:** BELL'S AND THE BELL PROVIDERS' TOTAL CUMULATIVE LIABILITY FOR DAMAGES, EXPENSES, COSTS, LIABILITY, CLAIMS OR LOSSES (COLLECTIVELY, "DAMAGES") ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE PROVISION OF PRODUCTS OR SERVICES UNDER THIS AGREEMENT, WHETHER ARISING IN NEGLIGENCE, TORT, STATUTE, EQUITY, CONTRACT, COMMON LAW, OR ANY OTHER CAUSE OF ACTION OR LEGAL THEORY EVEN IF BELL OR A BELL PROVIDER HAS BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES, IS LIMITED TO DIRECT, ACTUAL, PROVABLE DAMAGES AND WILL IN NO EVENT EXCEED AN AMOUNT EQUAL TO (i) FOR SERVICES, THE TOTAL AGGREGATE MONTHLY FEES (LESS ALL DISCOUNTS AND CREDITS AND AMOUNTS PAID FOR PREVIOUS DAMAGES FOR SUCH SERVICE, IF ANY, FOR THE SPECIFIC SERVICE(S) THAT GAVE RISE TO THE DAMAGES, DURING THE THREE MONTH PERIOD BEFORE THE EVENT GIVING RISE TO THE DAMAGES OR (ii) FOR PRODUCTS, 50% OF THE TOTAL PURCHASE PRICE PAID BY THE CUSTOMER FOR THE PRODUCT(S) GIVING RISE TO THE DAMAGES.
- (b) **NO LIABILITY FOR CERTAIN DAMAGES:** NEITHER PARTY IS LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES WHATSOEVER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE PROVISION OF PRODUCTS OR SERVICES UNDER A SCHEDULE (INCLUDING LOST PROFITS, ANTICIPATED OR LOST REVENUE, LOSS OF DATA, LOSS OF USE OF ANY INFORMATION SYSTEM, FAILURE TO REALIZE EXPECTED SAVINGS OR ANY OTHER COMMERCIAL OR ECONOMIC LOSS, OR ANY THIRD PARTY CLAIM), WHETHER ARISING IN NEGLIGENCE, TORT, STATUTE, EQUITY, CONTRACT, COMMON LAW, OR ANY OTHER CAUSE OF ACTION OR LEGAL THEORY EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES. BELL AND THE BELL PROVIDERS ARE NOT LIABLE FOR, AND CUSTOMER SHALL BE LIABLE FOR (i) THE USE OF THE PRODUCTS OR SERVICES PROVIDED BY BELL IN COMBINATION WITH SERVICES, PRODUCTS OR EQUIPMENT PROVIDED BY THE CUSTOMER OR ANY THIRD PARTIES, (ii) THE FAILURE BY THE CUSTOMER TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT, (iii) CUSTOMER'S OR ANY OF ITS END USER'S USE OR MODIFICATION OF THE PRODUCTS OR SERVICES OR TRANSMISSION OF CONTENT (AS DEFINED IN SECTION 10, OR (iv) CLAIMS AGAINST BELL OR A BELL PROVIDER BY AN END USER IN CONNECTION WITH THE PRODUCTS OR SERVICES.
- (c) **RIGHTS AND REMEDIES:** ALL OF CUSTOMER'S RIGHTS AND REMEDIES RELATING TO (A) BELL'S FAILURE TO MEET A SERVICE LEVEL AGREEMENT, AND (B) SERVICE INTERRUPTIONS, INCLUDING IN EACH CASE, ANY CREDITS, REFUNDS OR RIGHTS OF TERMINATION, ARE SET OUT IN THE RELEVANT SERVICE SCHEDULE. THESE RIGHTS AND REMEDIES ARE SUBJECT TO THE LIMITATIONS OF LIABILITY SET OUT IN THIS SECTION 8 AND ARE THE ONLY REMEDIES FOR BELL'S FAILURE TO MEET A SERVICE LEVEL AGREEMENT OR FOR A SERVICE INTERRUPTION.

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9. CONFIDENTIAL INFORMATION

- (a) "Confidential Information" means any data, documentation or other information of a proprietary or confidential nature of a party, or its affiliates, or which is treated as confidential by a party or its Affiliates, whether or not identified as being confidential or proprietary, which is disclosed or made available to the other party in connection with the negotiation, preparation or performance of this Agreement. The design, installation, delivery or implementation of the Services, including pricing information, service levels and network design specifications shall constitute Confidential Information of Bell. Confidential Information excludes the Customer's name, address and listed telephone number and any data, documentation or other information which is (i) in the public domain, (ii) known to the receiving party prior to receipt thereof from the disclosing party, or (iii) available to the receiving party on a non-confidential basis from a source other than the disclosing party (or, in Bell's case, a Bell Provider), if that source or its source is not in breach of any obligations of confidentiality to the disclosing party (or, in Bell's case, a Bell Provider). The receiving party agrees to take such care to protect the confidentiality of the Confidential Information as would be taken by a reasonable party to protect its own confidential information from disclosure subject to the exceptions set out below.
- (b) Except as (i) permitted or required by law, regulation or lawful request or to carry out its obligations; (ii) required to receive or provide the Products and Services under this Agreement, as applicable, or (iii) as set out in Section 12(h) below, the receiving party agrees not to use or disclose the Confidential Information without disclosing party's prior written consent. In addition, Bell is entitled to electronically monitor the Services from time to time and disclose any information that is necessary to satisfy any law, regulation or lawful request or as necessary to operate the Services or to protect the rights or property of itself or others that are directly related to providing the Services. Customer consents to Bell disclosing Customer information to the CRTC as required for the CRTC to approve any filings related to the Services.

10. MONITORING AND NETWORK MANAGEMENT

Bell has no obligation, but has the right at any time and from time to time, as part of the management of its network, to monitor use of the Services (electronically or otherwise) and collect or modify any transmission data as necessary to satisfy any law, regulation or investigate any information, data, files, pictures or content in any form (collectively, the "Content") or use of Services as necessary to operate the Services or to protect the rights or property of itself or others that are directly relating to providing the Products and Services. Such monitoring shall include but not be limited to bandwidth consumption and how it affects operation and efficiency of the network and Bell Services. Customers who consume excessive bandwidth capacity or otherwise interfere with the proper operation of the Services in Bell's reasonable opinion may (at Bell's sole discretion) have their Services appropriately restricted. Customer acknowledges that Bell does not own or have any control over the availability, accuracy or any other aspect of any third-party Content in any form or any type accessible or that may be made available to or by the Customer or its End Users through the use of the Services.

11. FORCE MAJEURE

If there is a default or delay in a party's performance of its obligations under this Agreement (except for the obligation to make any payments under this Agreement), and the default or delay is caused by circumstances beyond the reasonable control of that party including fire, flood, earthquake, elements of nature, acts of God, epidemic, pandemic, explosion, power failure, cable cut, war, terrorism, revolution, civil commotion, acts of public enemies, law, order, regulation, ordinance or requirement of any government or legal body having jurisdiction, or labour unrest such as strikes, slowdowns, picketing or boycotts, then that party shall not be liable for that default or delay, and shall be excused from further performance of the affected obligations on a day-by-day basis, if that party uses commercially reasonable efforts to expeditiously remove the causes of such default or delay in its performance.

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12. GENERAL PROVISIONS

- (a) **Entire Agreement; Amendment:** This Agreement is the entire agreement between the Customer and Bell with respect to the subject matter, and supersedes all prior agreements, understandings, commitments, undertakings, proposals, representations, negotiations and discussions on the subject matter, whether written or oral. There are no, and Bell shall not be liable for, conditions, agreements, representations, warranties or other provisions, express or implied (including through course of dealing), collateral or otherwise, relating to the subject matter of this Agreement, which induced either party to enter into this Agreement or on which either party places any reliance, other than those set forth in this Agreement. If the Customer issues a purchase order or other document for the Services or Products, it will be considered to be for the Customer's internal use only and any provisions contained in it shall not amend or be used to interpret this Agreement. This Agreement shall not be amended other than by an instrument in writing signed by both parties and stating that the parties intend to amend this Agreement.
- (b) **Assignment:** (i) This Agreement shall bind and enure to the benefit of Bell and the Customer and their respective successors and permitted assigns. Neither party may assign this Agreement in whole or in part, including any Schedule, without the prior written consent of the other party, not to be unreasonably withheld. However, without the other party's consent, subject to (ii) below, a party may assign all or part of its benefits, rights or obligations under this Agreement to an Affiliate or to an entity in connection with any transaction or series of transactions pursuant to which all or a substantial part of the assigning party's business is assigned to or otherwise results in forming all or part of the business of such entity (including a present or future affiliate, whether by way of reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale, change in control or otherwise, and, provided such entity, as assignee, agrees to be bound by this Agreement and assumes the obligations assigned under this Agreement pursuant to this Section 12(b), on and after the effective date of such assignment. (ii) Bell's prior written consent shall be required in the event of a proposed assignment by Customer if, in Bell's determination, the Customer's proposed assignee is deemed to be (A) not credit worthy; (B) a competitor of Bell; or (C) non-compliant with any eligibility criteria for the Services. Bell may also assign any receivable that arises under this Agreement, any right to receive payment related to that receivable and any interest in that receivable or right to receive payment.
- (c) **Governing Law:** This Agreement shall be governed by and interpreted according to the laws of Ontario unless the Customer's head office is situated in Quebec. If the Customer's head office is situated in Quebec, this Agreement shall be governed by and interpreted according to the laws of Quebec. The applicable governing law shall be determined as noted above without regard to any conflicts of law rules that might apply the laws of any other jurisdiction. The parties attorn to the exclusive jurisdiction of the courts of the applicable Province in respect of all matters arising out of or in connection with this Agreement except CRTC regulatory matters. For CRTC regulatory matters the parties attorn to the exclusive jurisdiction of the federal courts or tribunals of Canada.
- (d) **Deposit:** Bell may require Customer provide a deposit or, if at any time during the Agreement Term a credit review reveals Customer as non-creditworthy, require a change to payment terms. If Customer fails to provide Bell with such a deposit or fails to honour revised payment terms, Bell may either suspend or terminate the Agreement on 60 days notice. Any such deposit shall be maintained as security for Customer's performance of its obligations pursuant to this Agreement.
- (e) **Interpretation:** In this Agreement, the headings are for convenience of reference only and shall not affect its construction or interpretation. If there is any conflict between the terms of the main body of this Agreement and a Tariff, if applicable to the Service in dispute, the terms of the applicable Tariff shall govern. If there is any conflict between the terms of the main body of this Agreement and the Schedules, the terms of the main body of the Agreement shall govern unless otherwise expressly provided in writing in a Schedule.
- (f) **Waivers:** No waiver of any provision of this Agreement shall bind a party unless consented to in writing by that party. No waiver of any provision of this Agreement shall be a waiver of any other provisions, nor shall any waiver be a continuing waiver, unless otherwise expressly provided in the waiver.

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- (g) **Notice:** All notices and consents provided for shall be given in writing and delivered by personal delivery, prepaid first class registered or certified mail or by facsimile or e-mail. Notices delivered by facsimile shall be considered to have been received upon the sender obtaining a bona fide confirmation of such delivery. Notices delivered by e-mail shall include the following, and shall only be effective if the recipient provides by e-mail a confirmation of delivery and the date of acceptance of the delivery: (i) sender's name, address, telephone number, fax number and e-mail address; (ii) date and time of the transmission; and (iii) the name and telephone number of a person to contact in the event of transmission problems. Delivery of notices after 4:00 p.m. at the address being served constitutes delivery the following day. The address for notice shall be (i) for the Customer, the address to which Bell sends the Customer's invoices and e-mail addresses on file for the Customer with Bell; and (ii) for Bell, to the business address and attention of the Bell sales representative for the Customer. Customer shall notify Bell of a change in its billing address and any change in its corporate name or any business or trade name used in connection with the Services.
- (h) **Commercial Electronic Messages:** Customer agrees (on its own behalf, and on behalf of its End Users) to receive commercial electronic messages from Bell, its Affiliates (including Bell Mobility, Bell Canada, Bell ExpressVu, Bell Media, Bell Aliant and The Source) and third party marketing partners unless Customer otherwise declines or withdraws such consent at a later date. Customer and End Users can unsubscribe at any time at <https://business.bell.ca/email>. For additional information, see Bell's Privacy Policy available at bell.ca/privacy or contact Bell at the mailing address above. Customer and its End Users will continue to receive service related messages even if Customer and End Users have unsubscribed from receiving commercial electronic messages.
- (i) **Severability:** If any provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or unenforceable, the other provisions of this Agreement shall not be affected or impaired, and the offending provision shall automatically be modified to the least extent necessary in order to be valid, legal and enforceable.
- (j) **Survival:** The following Sections of this Agreement shall survive termination or expiration of this Agreement: Sections 2 (Fees and Invoicing), 4(c) (Termination – Charges Payable), 5 (Bell Property), 6 (Customer Obligations), 7 (Service Disclaimer and Migration), 8 (Limitation of Liability), 9 (Confidential Information), and this Section 12.
- (k) **Counterparts:** This Agreement, including any Schedule or service order signed pursuant to a Schedule, may be signed in one or more counterparts (including through electronic signatures), each of which shall be considered an original and all of which, taken together, shall constitute one and the same instrument.
- (l) **Language:** The parties have requested that this Agreement and all correspondence and all documentation relating to this Agreement be written in the English language. Les parties aux présentes ont exigé que la présente entente, de même que toute la correspondance et la documentation relative à cette entente, soient rédigées en langue anglaise.
- (m) **Third Party Beneficiaries:** Nothing in this Agreement, express or implied, shall or is intended to confer on any other person, firm or enterprise, any rights, benefits, remedies, obligations or liabilities of this Agreement, other than the Parties, their respective successors or permitted assigns.

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Agreement #: 1-3416201784-MA

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

SIGNATURE: _____

NAME: Christian Provenzano

TITLE: Mayor

SIGNATURE: _____

Malcolm White, City Clerk

Customer acknowledges and expressly agrees to the limitations of liability set out in this Agreement and agrees that they are fair and reasonable.

DATE: October 13, 2015

BELL CANADA

SIGNATURE: _____

NAME: _____

TITLE: _____

DATE: _____

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Master Agreement #: 1-3416201784-MA
Agreement #: 1-3416201784-3

**PROFESSIONAL SERVICES SCHEDULE
TO MASTER COMMUNICATIONS AGREEMENT – NON-TARIFFED**

Customer Name:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

April 2011

Capitalized terms used but not defined in this Service Schedule have the meanings given to them in the Agreement.

1. SCOPE:

This Service Schedule sets forth the additional terms and conditions which, together with the terms and conditions of the main body of the Agreement, are applicable to professional services to be provided by Bell to Customer, which shall not include Customer's affiliates or affiliated organizations unless otherwise agreed to in writing by Bell, during the Schedule Term (as hereinafter defined). During the Schedule Term, Customer may from time to time request new or additional professional services in which case the parties shall negotiate and execute a statement of work for those services. Upon signing, each such statement of work (a "Statement of Work") shall be deemed to be part of this Service Schedule. In the event that a Statement of Work provides for the license and/or purchase of Purchased Equipment from Bell, the license and/or purchase of such Purchased Equipment shall be governed by the terms and conditions set out on the Equipment Schedule attached to this Agreement.

If there is any conflict between the terms of the main body of the Agreement or this Service Schedule and any Statement of Work, the following documents shall govern in the following order of priority, unless otherwise expressly provided in writing in a Statement of Work: (i) the main body of the Agreement, (ii) this Service Schedule, (iii) the Statements of Work. Notwithstanding the foregoing, the terms of any Equipment Schedule shall prevail over the terms of the main body of this Agreement and of this Service Schedule with respect to the sale and/or license of the Purchased Equipment which is governed by such Equipment Schedule.

2. TERM:

- a) **Schedule Term:** The term of this Service Schedule is 1 year(s) beginning on the later of the date it is signed by the Customer and the date it is signed by Bell ("Initial Schedule Term").
- b) **Schedule Renewal:** Unless one party provides notice to the other as set forth below, this Service Schedule will automatically renew at the end of the Initial Schedule Term on the same terms and conditions for consecutive renewal period(s) of one (1) year each. Each such renewal period is defined as a "Schedule Renewal Term", and the Initial Schedule Term and any Schedule Renewal Term(s) are collectively referred to as the "Schedule Term".

Either party may provide written notice to the other party, at least 30 days in advance of the expiration of the relevant Schedule Term, that it does not intend to renew this Service Schedule. In such event, this Service Schedule will expire or terminate on the date that the Service Term of the last remaining Statement of Work expires or terminates.

- c) **Term of Each Statement of Work:** Each Service will be provided for the period set out in the relevant Statement of Work (the "Service Term").
- d) **Early Provision of Services:** If Bell begins work to provision any Service or if Bell delivers any Service before the start of the Service Schedule or the relevant Statement of Work, as the case may be, all work and services provided by Bell before either of those dates will be considered to have been provided under all of the terms and conditions of this Service Schedule including the relevant Statement of Work.

3. BELL RESPONSIBILITIES:

- a) **Description of the Services:** Bell shall provide the Services to the Customer as described in each Statement of Work attached to this Service Schedule from time to time (collectively, the "Services") on the terms and conditions set out in the Agreement and in this Service Schedule. All Services provided by Bell shall be performed in accordance with prevailing industry standards and practices applicable to the provision of similar services.
- b) **Description of the Deliverables:** Where applicable, Bell shall provide to the Customer the deliverables as described in the applicable Statement of Work (the "Deliverables").

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4. CUSTOMER RESPONSIBILITIES / ASSUMPTIONS:

Customer shall perform those tasks and assume those responsibilities and requirements described in the applicable Statement of Work (collectively, the "Customer Responsibilities"). The Statement of Work shall also contain any assumptions made in connection with the performance of Services or the provision of Deliverables (the "Assumptions") which may impact Fees and expenses, as well as delivery dates or milestones or any other Bell obligations or liabilities pursuant to this Service Schedule or the applicable Statement of Work. Bell's performance of the Services and provision of Deliverables is (i) dependent on Customer's timely and effective compliance with the Customer's Responsibilities, and (ii) subject to and dependent upon the Assumptions.

5. FEES:

The Customer shall pay to Bell the Fees for Services and Deliverables as described in each Statement of Work. Fees may be specified: (i) on a time and materials basis, (ii) on a time and materials basis with an estimate of the Fees or subject to a maximum amount of Fees, or (iii) on a fixed Fees basis.

For Services performed on a time and materials basis, the Fees shall be based on days worked multiplied by the applicable daily rates, as set forth in the Statement of Work.

For Services performed on a time and materials basis with an estimate of the Fees or subject to a maximum amount of Fees (if any), the Fees shall be based on Bell's days worked multiplied by the applicable daily rates set forth in the Statement of Work, provided that Bell shall not be obligated to provide, and shall not provide, any Services or Deliverables that would cause the estimated or maximum Fees to be exceeded without the prior written authorization of Customer.

For Services performed on a fixed fee basis, the Fees shall be as set forth in the Statement of Work.

In addition to the Fees, the Customer shall also reimburse Bell for all reasonable expenses, including travel and living expenses, incurred by Bell or the Bell Providers in the performance of Services. These expenses shall be pre-approved by Customer and supported by applicable receipts.

Unless otherwise specified in a Statement of Work, Fees and expenses shall be invoiced on a monthly basis at Customer's billing address as set forth in the Statement of Work.

6. CHANGE ORDER PROCESS:

- a) Either party may request additions, deletions or amendments to a Statement of Work, including to the specifications applicable to the Services or Deliverables (each, a "Change"). Changes shall be requested in writing signed by the authorized representative of the party requesting the Change ("Change Request"). The Change Request shall include a reasonably detailed description of the scope and nature of the requested Change, and in the case of a Change Request by Bell, an estimate of Fees or other changes to the Statement of Work necessitated by the Change.
- b) Unless a different Change Order Process is set forth in the applicable Statement of Work, the party receiving the Change Request shall respond within ten (10) business days of the receipt: in the case of Bell, by indicating whether it is able to comply with the Customer's request using its commercially reasonable efforts and providing an estimate of any additional costs or other required changes to the Agreement (which shall be treated as a Change Request when received by the Customer); and in the case of the Customer, by rejecting the Change Request or providing written authorization to proceed with the Change as requested or modified by the Customer. Upon the Customer's written authorization to proceed with the Change, the Statement of Work shall be amended accordingly.
- c) No Change shall come into effect unless and until it has been approved by Bell and Customer in accordance with this Section 6.

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7. ACCEPTANCE:

Unless otherwise provided in a Statement of Work, Deliverables provided on a fixed fee basis are subject to acceptance testing by Customer, which shall be conducted in accordance with the agreed acceptance process and acceptance criteria set forth in the applicable Statement of Work. In any event, use by Customer of Deliverables provided on a fixed fee basis in production or on a commercial basis shall constitute deemed acceptance by Customer of such Deliverables. When a Statement of Work specifies that Deliverables are to be provided in accordance with particular milestones, the Deliverables for each such milestone shall be considered separate from the Deliverables for other milestones, and acceptance of such Deliverables shall be conducted on a milestone by milestone basis.

8. INTELLECTUAL PROPERTY:

Customer acknowledges that Bell shall retain all right, title and interest, including all intellectual property rights, in and to the Work Products. Upon final payment of the applicable Fees, unless otherwise agreed to in a Statement of Work, Bell hereby grants to Customer, which accepts, a fully paid-up, royalty free, perpetual, non-transferable and non-exclusive license to use the Work Products only for internal business purposes and the purposes of the specific project(s) for which the Deliverables were provided. Customer hereby grants to Bell, which accepts, and to the Bell Providers, a fully paid-up, royalty free, non-transferable and non-exclusive license to use Customer's intellectual property only for the purposes of providing the Services to the Customer during the Service Term. "Work Products" means all Deliverables and other materials, text, drawings, specifications, reports, notes, documentation, software, and any other work product developed by Bell and the Bell Providers in the performance of the Services which are provided to Customer under a Statement of Work.

Bell shall use commercially reasonable efforts to obtain from all individuals involved in the development of the Work Products an express and irrevocable waiver of any and all moral rights arising under the Copyright Act (Canada) as amended (or any successor legislation of similar force and effect) that Bell or the individual, as author, has with respect to the Work Products.

Customer may provide the Work Products to a Customer contractor, solely for the purposes of such contractor implementing the Work Products for Customer, provided that Customer has (i) not retained Bell to implement the Work Products, or (ii) has terminated Bell's obligation to implement the Work Products in accordance with Section 4(b) of the main body of the Agreement (Termination for Cause). In either case, prior to providing the Work Products to a contractor, Customer shall ensure that the contractor has executed an agreement with terms and conditions (including without limitation confidentiality provisions) that are no less restrictive than those applicable to Customer's use of the Work Products under the Agreement. Customer shall be responsible for any breach of such terms and conditions by such contractor.

Customer shall be solely responsible for obtaining any and all licenses and rights for Bell to use Customer software (including third party software), hardware, tools and other items required to provide the Services to Customer. Bell shall abide by the terms of Customer's licenses to third party software which Bell uses or to which it has access to provide the Services, provided that such terms have been communicated to Bell in writing. Unless otherwise agreed to in a Statement of Work, Customer shall be solely responsible for procuring and maintaining any third party software, hardware, tools and other items required for Customer to use the Services or Deliverables, and shall abide by the terms of all third party licenses for any software forming part of the Deliverables.

Customer may not, except as expressly permitted in writing by Bell:

- a) Use or modify the Work Products in any manner other than as expressly permitted by this Service Schedule;
- b) Disclose, distribute, resell, sublicense or publish the Work Products;
- c) Authorize a third party to use, copy or modify the Work Products in whole or in part except as expressly permitted by this Service Schedule;
- d) Use the Work Products in connection with a commercial publishing business, service bureau or other similar products or services provided to third parties;
- e) Reverse engineer, decompile, disassemble, re-engineer or otherwise create or permit, allow, or assist others to create the source code of any software delivered by Bell in object code format only; or
- f) Remove the copyright and other proprietary notices and legends placed on the Work Products provided by Bell.

9. WARRANTY:

Bell represents and warrants to Customer that the Services will be provided in a professional and workmanlike manner with qualified personnel in accordance with prevailing industry standards and practices applicable to the provision of similar services. THE WARRANTIES PROVIDED IN THIS SERVICE SCHEDULE REPLACE ALL OTHER WARRANTIES AND CONDITIONS. THE CUSTOMER WAIVES ALL OTHER WARRANTIES AND CONDITIONS, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AVAILABILITY OR RELIABILITY OF THE SERVICES OR DELIVERABLES.

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10. LIMITATION OF LIABILITY:

NOTWITHSTANDING SECTION 8(a) OF THE AGREEMENT, AND EXCEPT AS PROVIDED IN SECTION 8(d) OF THE AGREEMENT, IN THE CASE OF SERVICES PROVIDED ON A FIXED FEE BASIS, BELL'S AND THE BELL PROVIDERS' TOTAL CUMULATIVE LIABILITY FOR DAMAGES, EXPENSES, COSTS, LIABILITY OR LOSSES (COLLECTIVELY, "DAMAGES") ARISING OUT OF OR IN CONNECTION WITH EACH STATEMENT OF WORK OR THE PROVISION OF SUCH SERVICES UNDER EACH STATEMENT OF WORK, WHETHER ARISING IN NEGLIGENCE, TORT, STATUTE, EQUITY, CONTRACT, COMMON LAW, OR ANY OTHER CAUSE OF ACTION OR LEGAL THEORY, EVEN IF BELL OR A BELL PROVIDER HAS BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES, IS LIMITED TO DIRECT, ACTUAL, PROVABLE DAMAGES AND WILL IN NO EVENT EXCEED AN AMOUNT EQUAL TO FIFTY PERCENT (50%) OF THE TOTAL AGGREGATE FEES (LESS ALL DISCOUNTS AND CREDITS) PAID BY THE CUSTOMER UNDER THE APPLICABLE STATEMENT OF WORK FOR THE SPECIFIC SERVICE(S) THAT GAVE RISE TO THE DAMAGES, LESS AMOUNTS PAID FOR PREVIOUS CLAIMS FOR SUCH SERVICES, IF ANY.

11. CONFIDENTIALITY:

Each party agrees to protect the confidential information of the other party in accordance with Section 9 of the Agreement, provided that each party acknowledges that, for the purpose of this Service Schedule, its respective confidential information excludes any data, documentation or other information which (i) is in the public domain other than as a result of a disclosure by the receiving party in breach of this Agreement, (ii) was known to the other party prior to receipt thereof from the disclosing party, (iii) is or becomes available to the other party on a non-confidential basis from a source other than the disclosing party, if that source or its source is not in breach of any obligations of confidentiality to the disclosing party, or (iv) the receiving party can show to have been developed independently by the receiving party without using the confidential information of the disclosing party.

Bell shall not have access to, use or otherwise handle Customer's customer information ("Client Data") unless required to carry out its obligations hereunder and unless expressly requested by Customer. In the event that Bell is provided with access to Client Data, Customer shall ensure that it has all the requisite consents for Bell to use such Client Data in the manner contemplated under the Statement of Work. Where Bell is not required to use Client Data, Customer shall provide Bell with 'dummy data' at Customer's cost. Customer acknowledges and agrees that in the event that Customer provides Bell with access to Client Data where Bell is not required to have such access, Bell shall not be liable for any loss, unauthorized access to, or any other act or omission in relation to the Client Data.

12. INSURANCE:

Upon Customer's request in writing, Bell shall evidence:

- a) Comprehensive general liability insurance on an occurrence form including non-owned automobile liability, contingent employer's liability, broad form property damage and contractual liability with an insured limit of \$2,000,000 per occurrence, and products liability and completed operations with an annual aggregate limit of \$2,000,000 per occurrence. The Customer shall be an additional insured on such insurance to the extent of the negligence of Bell and those over whom it is responsible in law in the performance of the Services. The required insured limits may be composed of any combination of primary and excess liability (or "umbrella") insurance policies; and
- b) Errors and omissions liability insurance policy on a claims-made basis with an insured limit of \$2,000,000 per claim and in the aggregate covering Bell's legal liability arising out of its performance of the Services.

Upon Customer's request in writing, Bell shall provide the Customer with current certificates of insurance evidencing the required insurance and stipulating that the insurer(s) will endeavour to mail a thirty (30) days cancellation notice to the Customer.

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13. OTHER TERMS AND CONDITIONS:

a) Non Solicitation:

- i. Customer covenants and agrees that during the term of each Statement of Work, and for a period of twelve (12) months following the termination or expiry of a Statement of Work, Customer will not, without the prior written consent of Bell, either individually or in partnership or jointly or in conjunction with any person, unless pursuant to a general published or advertising solicitation, solicit, hire or retain:
 - 1) Any of Bell's or the Bell Providers' personnel; or
 - 2) Any individual subcontractors or consultants retained on a long-term basis by Bell or the Bell Providers;in either case that were or are engaged or involved in the performance of the Services under such Statement of Work, to enter into any employment relationship or to perform any services for Customer.
- ii. In the event that Customer breaches this Section 13(a), the Customer shall promptly pay Bell an amount equal to the remuneration payable to such personnel, independent contractor or consultant during the twelve (12) month period immediately prior to such breach.
- iii. The Parties acknowledge and agree that any and all amounts paid pursuant to this Section 13(a):
 - 1) Constitute a reasonable pre-estimate of damages to Bell and not a penalty; and
 - 2) Shall in no way limit or restrict any other right that Bell may exercise pursuant to applicable laws including, without limitation, injunctive relief.

- b) Use of Bell Personnel: Bell shall have exclusive authority for making decisions concerning the use of its personnel to provide the Services, including the right to re-assign personnel, provided that the Services continue to be rendered in accordance with the terms and conditions of the applicable Statement of Work. In the case of Services performed on a time and materials basis, Customer may request the replacement of any of Bell's personnel for any reasonable cause, in which case Bell will use commercially reasonable efforts to provide a suitable replacement as soon as practicable.

c) Other:

- i. Customer shall undertake all requisite steps to back up its systems.
- ii. In the event that the Services include the provision of recommendations by Bell to Customer, Customer acknowledges and agrees that Bell does not warrant the completeness or exhaustiveness of its recommendations nor shall Bell be liable for any omissions. Customer further acknowledges and agrees that it shall be solely responsible for deciding whether and how to implement those recommendations and for any business risks associated with such implementation. Bell assumes no responsibility for on-going management decisions whether with respect to the implementation of its recommendations or otherwise, or any other results of the Services provided. Customer agrees that it shall not share the results of such recommendations outside of its organization.
- iii. Bell shall be excused from its inability to perform the Services or to provide a Deliverable, or for any delay in the performance of the Services or the provision of a Deliverable, in accordance with the applicable Statement of Work, and may be entitled to additional Fees, as a result of, and to the extent of, the following: (i) third-party materials not performing in accordance with the applicable specifications provided by the applicable third party vendor; (ii) non-performance of or any delay or deficiency in the performance by Customer of a Customer Responsibility or other Customer obligation under the Agreement or the Service Schedule; (iii) the inaccuracy of an Assumption; (iv) failure of any third party service providers who are not Bell Providers; (v) where Customer directs Bell to provide the Services in accordance with a prioritization that Customer has been advised by Bell could reasonably be expected to have an adverse impact on the planned provision of the Services; or (vi) any delays, errors, defects or other problems contained in the information, materials and/or instructions provided to Bell by Customer.
- iv. Bell is an independent contractor of Customer. The Agreement shall not be construed to and does not create a relationship of agency, partnership, employment or joint venture.

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By signing below, Bell and the Customer agree that this Service Schedule is attached to and forms part of the Agreement, and is governed by the terms and conditions of the Agreement, with effect from the later of the date this Service Schedule is signed by the Customer or Bell for the duration of the Schedule Term.

THE CORPORATON OF THE CITY OF SAULT STE. MARIE

BELL CANADA

SIGNATURE

SIGNATURE

NAME: Christian Provenzano

NAME:

TITLE: Mayor

TITLE:

We are ~~not~~ authorized to bind Customer to the terms and conditions of this Service Schedule.

I am authorized to bind Bell to the terms and conditions of this Service Schedule.

DATE October 13, 2015

DATE

SIGNATURE:

Malcolm White, City Clerk

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Statement of Work

Bell Canada Network Equipment Deployment Service

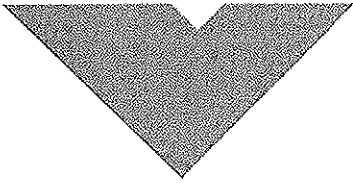
Presented to:

Frank Coccimiglio, Manager of I.T.
f.coccimiglio@cityssm.on.ca
Sault Ste. Marie Fire Services

Date: 4 Sept 2015
Version: 4
Contracting Customer: The Corporation of the
City of Sault Ste. Marie
MSA: 1-3416201784-MA
Bell Canada Reference: PSG-AQSPlusP-38

Sault Ste. Marie Fire Services
Frank Coccimiglio, Manager of I.T.
705-759-5303
f.coccimiglio@cityssm.on.ca

Bell Canada
65 Iber Road
Ottawa, Ontario K2S 1E7
Telephone: 613-270-5634
Facsimile: 613-831-1836



CONFIDENTIALITY

This Statement of Work contains information confidential and proprietary to Bell Canada (including affiliated companies) and its third party providers including in particular detailed pricing and designs (the "Information"). Bell Canada requires that this Information be held in strict confidence by the recipient and be protected with the same degree of care as the recipient uses to protect its own confidential and proprietary information, which in any event shall not be less than a reasonable degree of care. The recipient shall use the Information solely to evaluate the Statement of Work and for no other purpose without Bell Canada's prior written consent. The recipient shall not, without the prior written consent of Bell Canada, disclose the Information to any person or entity except its own authorized employees, contractors or agents who require same in connection with evaluating this Statement of Work, and only after such persons have been advised of the confidential and proprietary nature of the Information and have agreed to protect same in accordance with these confidentiality terms.

All rights to the Information shall be retained by Bell Canada or its third party providers as the case may be. In the event Bell Canada is not selected to perform the work, the recipient shall either return to Bell Canada or certify as destroyed all copies of the Statement of Work. As the release of the Information could significantly prejudice the competitive position of Bell Canada and its third party providers, Bell Canada claims that this response is confidential for purposes of any applicable freedom of information legislation.

VERSION CONTROL

Version	Date	Author	Description of change
1	25 July 2014	Dan Mongrain	Initial version
2	3 July 2015	Dan Mongrain	Refreshed quote
3	6 July 2015	Dan Mongrain	Update Master Agreement number
4	4 Sept 2015	Dan Mongrain	Added a redundant firewall



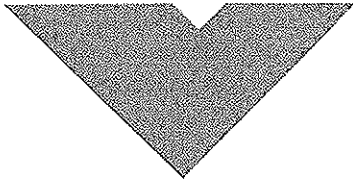


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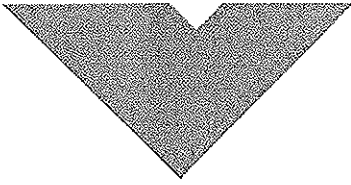
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1 INTRODUCTION

This Agreement outlines the activities, deliverables and schedule for the Bell Canada Public Safety Group to provide deployment services to Sault Ste. Marie Fire Services for the procurement and installation of networking equipment.

1.1 Background & Scope

Bell Canada is currently replacing the aging ALI delivery network with the IP-based ALI Query Service (AQS). IP VPN circuits will be used to deliver AQS to the PSAPs and the router(s) used to terminate the circuits have specific connectivity requirements for the PSAP's equipment that will connect it(them) :

1. Must use a dynamic routing protocol such as BGP, EIGRP, OSPF, RIP, etc. The dynamic routing is used to monitor the reachability of the PSAP's network.
2. Must be compliant with 802.1q VLAN trunking in order to accommodate 3 separate VLANs that are used to deliver the different services:
 - a. VLAN 7 for Text to 9-1-1 (T9-1-1)
 - b. VLAN 8 for AQS
 - c. VLAN 9 for future Next Generation services.
3. Bell Canada 9-1-1 utilizes private IP addresses in the 10.10.x.x subnet for its servers. In the case these addresses conflicts with the addresses in the PSAP, Network Address Translation (NAT) is required to adapt the addresses between both networks.

As part of the Bell Canada IP VPN 911 implementation, Bell Canada will provide the IP VPN circuit(s) and the router(s) to the PSAP facility at no cost. It is however then the responsibility of the PSAP to provide networking and computers required for the solution to work at the Customer site. All implementation, initial configuration and testing services are the responsibility of the Customer. Customer responsibilities also include provision of required hardware and software.

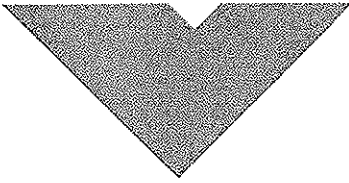
This Agreement relates specifically to services that can be contracted with Bell Canada for the procurement and deployment of networking equipment.

2 SOLUTION OVERVIEW

In order to use AQS, the customer must interface their PSAP network to the Bell Canada provided circuit(s) which is(are) terminated by Bell Canada provided router(s). The Customer must provide the local networking equipment or obtain it from Bell Canada.

The solution planned for Sault Ste. Marie Fire Services will comprise of:





1. A redundant implementation at SSMFS PSAP

The proposed solution includes the hardware and professional services to implement the solution at each site.

2.1 Redundant Implementation

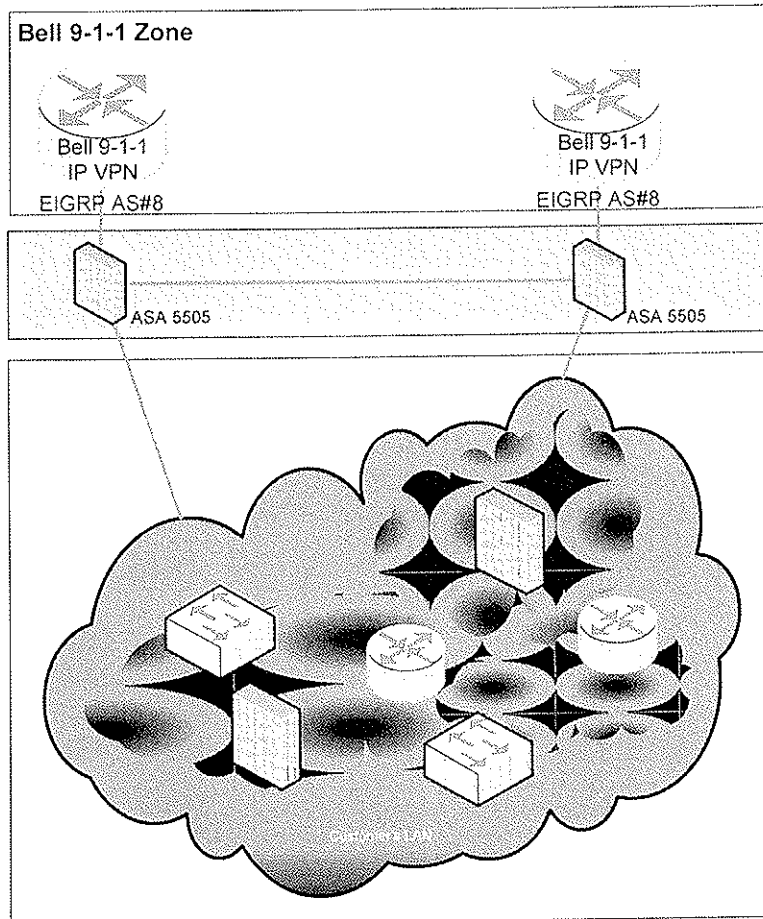
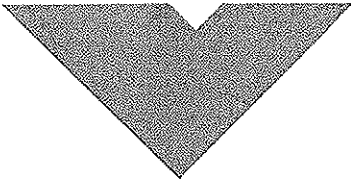


Figure 1: Redundant Implementation

The Redundant Implementation is designed for PSAPs to provide the high availability required for the 24/7 operations of the 9-1-1 call centres (refer to Figure 1: Redundant Implementation). At this PSAP the Bell 9-1-1 service includes two (2) circuits that each will be terminated by a router, the Customer Site Equipment (CSE) routers. These routers represent the end point of the Bell 9-1-1 service.





A firewall with an integrated Ethernet switch is connected to each CSE router and between each other. The Two (2) firewalls will be configured to meet the connectivity requirements of the Bell CSE routers. The firewalls will also be configured to operate in high availability mode in order that at least one firewall always provide connectivity the to the Bell 9-1-1 network. The firewalls are connected to the customer's networking equipment in a manner to provide the highest availability possible.

3 SERVICE DESCRIPTION

The following sections describe the deployment services that are offered; however, only those services contracted (as shown at Appendix A) will be provided.

3.1 Install Network Equipment

Bell Canada 9-1-1 is responsible under tariff to provide and install the Customer Site Equipment (CSE) router(s) at the customer site. The Customer is responsible for providing all other required networking equipment. However, the required equipment may be purchased from and installed by Bell Canada. Under this service:

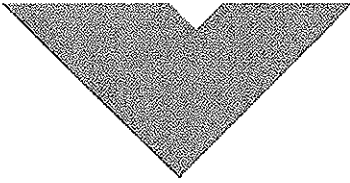
- Bell Canada will pre-configure the network equipment.
- Bell Canada will ship the pre-configured network equipment (if applicable)
- Bell Canada will install the equipment in the Customer rack(s) or a rack provided by Bell Canada (if applicable)
- Bell Canada will finalize and test the network equipment to ensure it is working correctly (if applicable).

Note: Bell Canada will only install, configure and test network equipment that was purchased from Bell Canada and/or for which appropriate services are contracted from Bell Canada.

Customer responsibilities in relation to this service:

- Provide and if required ship to Bell Canada the firewalls to be configured (if no firewalls are provided by Bell Canada)
- Provide site access and escort as required.
- Receive, unpack and install the equipment (if no site visit is contracted)
- Provide space in a rack or cabinet for equipment (if contracted).
- Provide uninterruptible power for all installed equipment unless provided by Bell Canada (if contracted)
- Ensure that the heating and cooling of the computer room can accommodate the required equipment.
- Provide assistance, as required, to the on-site technicians.





3.2 Provide Trial Support for AQS

This service includes activities for the duration of the burn-in period which will not exceed 10 calendar days. Under this service:

- Bell Canada PSG help desk and specialist will respond to installation and configuration enquiries from the Customer
- Bell Canada PSG help desk and specialist will investigate any issues during the burn-in period.
- Bell Canada PSG will correct any problems identified by the customer for the provided functionality.

Customer responsibilities in relation to this service:

- Communicate any issues to the PSG help desk.

There are Customer responsibilities and possible, additional prerequisite activities described in this SoW for Bell Canada to provide this service. If the Customer does not contract Bell Canada to perform the described prerequisite activities, then the Customer assumes responsibility for ensuring these prerequisite activities are completed. If the Customer does not contract Bell Canada to perform these prerequisite activities, or if the Customer does not meet the Customer responsibilities, then Bell Canada reserves the right to invoice the Customer for any effort that exceeds the proposed cost for this service, effort to be invoiced using the Level of Effort rates provided elsewhere in this SoW.

The prerequisite activities for this service are:

- Section 3.1 Install Network Equipment

4 MAINTENANCE AND SUPPORT OF THE SOLUTION

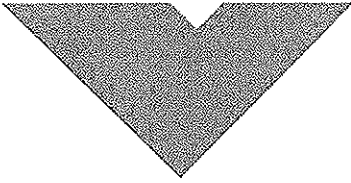
The support services are provided to the Customer as a complement to the customer's existing internal support capabilities. Therefore, it is expected that most user issues will be addressed locally. Technical issues will be reported to the Bell Canada E9-1-1 Surveillance & Maintenance Centre to assess for issues that might be network or workstation related. Therefore, the Bell Canada 9-1-1 Surveillance & Maintenance Centre will be acting as second line support. It is expected that identified Customer representatives (e.g. manager, supervisors and shift supervisors) will contact the Bell Canada 9-1-1 Surveillance & Maintenance Centre.

If the issue originates from equipment supplied by Bell Canada, the Customer must contact the manufacturer in order to resolve the issue. Bell Canada will supply to the Customer the procedure to follow in order to resolve the issue as soon as possible.

4.1 Hardware Support

When Bell Canada has provided the hardware and had been contracted to do so, Bell Canada will make arrangements with the hardware OEM for 24/7 support and maintenance; these arrangements are limited to the procurement of a support agreement for the Customer. In





addition, it will be the Customer's responsibility to maintain the support agreements beyond any period arranged by Bell Canada. Bell Canada itself will not be providing equipment, spares or resources to support the delivered hardware.

When Bell Canada has provided the hardware, if a hardware component becomes defective, the client must notify the contractor assigned by the hardware OEM (as agreed between Bell Canada and the Customer). The OEM or a sub-contractor to the OEM will provide the services and the parts in accordance with the OEM support and maintenance. If any shipping is required, it will be handled as per the agreement with the OEM, including any fees.

5 SERVICES AND DELIVERABLES

During the Service Term, Bell Canada will provide to the Customer the Services and Deliverables listed in the table under the Section entitled "Fees and Invoicing Details" below, for the prices and timing set forth in that Section. Deliverables identified as Optional must be explicitly agreed to by the Customer.

Bell Canada's performance of the Services and provision of Deliverables (including without limitation, the project schedule, fees and expenses, and quality and completeness of Services and Deliverables) is (i) dependent on Customer's timely and effective compliance with the Customer's Responsibilities, and (ii) subject to and dependent upon the Assumptions.

5.1 Deliverables

Bell Canada's Deliverables are listed on the attached quotation.

6 ASSUMPTIONS

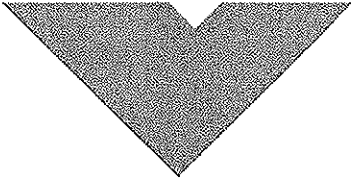
Bell Canada's performance of the Services and provision of the Deliverables is subject to and dependent upon the following assumptions (the "**Assumptions**"), which may impact fees and expenses, as well as delivery dates or deliverables or any other Bell Canada obligations or liabilities pursuant to this Statement of Work. These items are assumed to be in place or agreed upon as requirements for the successful completion of this project:

- The Customer will provide timely and accurate information as required for the completion of the work.

7 SERVICE TERM

The term of this Statement of Work ("Term") shall be from date of contract award (the "Effective Date") to the date on which all Services to be performed under this Statement of Work have been completed and accepted in accordance with this Agreement and the Acceptance Criteria set out herein.





8 RESPONSIBILITIES

8.1 Bell Canada Responsibilities

In connection with the provision of the Services, Bell Canada Project Team members have the responsibilities as outlined below:

- Provide the services described in this Agreement
- Respond promptly to customer requests for services including reports of incidents
- Provide an escalation plan as required
- Initiate and/or facilitate Change Requests as required
- Maintain the confidentiality of the Customer's information
- Provide additional professional services not described in this Agreement as may be requested by the Customer (subject to agreed-to billing)

8.2 Customer Responsibilities

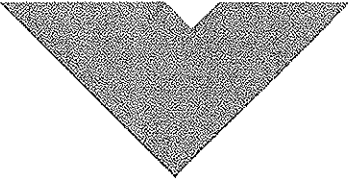
In connection with Bell Canada's provision of the Services and Deliverables, the Customer shall perform the tasks and assume the responsibilities and requirements specified hereunder. The Customer Responsibilities shall include without limitation the following:

- Provide a list of the project stakeholders contact information
- Provide access to appropriate locations and personnel if Bell Canada needs access to the site
- Provide necessary documents or other information as requested by the Bell Canada team
- Initiate Change Requests as required regarding any changes of site, equipment or other relevant information that has an impact on this project, and forward them to the Bell Canada Team for review

9 ACCEPTANCE PROCESS

Unless otherwise provided in this SoW, only Deliverables provided on a fixed fee basis are subject to acceptance by the Customer, which shall be conducted in accordance with the following. Bell Canada shall provide the Customer with each Deliverable upon completion. At the Customer's request, Bell Canada will demonstrate to the Customer that the Deliverable conforms to the description of the Deliverable in Section 5.1 5.1of this SoW. When this SoW specifies that Deliverables are to be provided in accordance with particular milestones, the Deliverables for each such milestone shall be considered separate from the Deliverables for other milestones, and acceptance of such Deliverables shall be conducted on a milestone by milestone basis. Upon accepting any Deliverable submitted by Bell Canada, the Customer shall provide Bell Canada with written acceptance of such Deliverable. If the Deliverable does not





meet the description for the Deliverable, the Customer has five (5) Business Days after Bell Canada's submission of the Deliverable ("Acceptance Period") to give Bell Canada written notice specifying the deficiency. Bell Canada shall use reasonable efforts to promptly cure any such deficiencies. After completing such cure, Bell Canada shall resubmit the Deliverable for your review and acceptance as set forth above. In any event, the Customer's use of the Deliverable in production or on a commercial basis or the Customer's failure to provide written notice of any deficiencies within the Acceptance Period as provided above shall constitute acceptance by the Customer of such Deliverable.

10 CHANGE REQUESTS

The Customer may, at any time during the Term, request changes ("Change Request") to the SoW. Bell Canada shall respond within five (5) Business Days of receipt of such Change Request indicating whether it is able to comply with the request, and any costs or other changes required to the SoW to comply with such Change Request. If both parties agree to implement the Change Request, both The Customer and Bell Canada shall sign the Change Request. No change to the SoW shall come into effect unless and until the Change Request has been approved by the Customer and Bell Canada.

11 FEES & INVOICING DETAILS

11.1 Fees

From time to time, Bell Canada revisits pricing policy to ensure best value to our customers, and to ensure pricing accurately reflects the associated costs for services provided. Pricing is subject to change.

The quotation at Appendix A provides the selected options and respective prices.

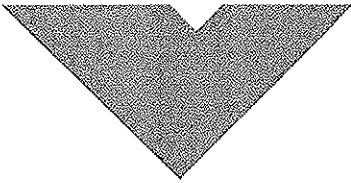
11.2 Bell Canada Rate Table

For services provided by Bell Canada not covered by the terms of this agreement, Bell Canada will invoice for the hours worked at the rates given in the following table. The customer may request, in writing, services not covered by the terms of this agreement, which will be billed according to the rates in the following table.

CATEGORY	Text Description	Hourly Rate
Project Manager - Sr	Project Manager	\$180.00
Solutions Consultant - Sr	Developer	\$160.00
Technical Specialist	Support Specialist	\$130.00

Table 1 – Level of Effort Rates





11.3 Invoicing Detail

Invoices shall be issued to the Client billing address detailed in the attached quotation (Appendix A).

11.4 Travel and Living

All Travel and Living numbers included in this SoW are estimates only. Travel and Living expenses will be billed to the Customer at-cost plus a 2% markup. All Travel and Living expenses will be submitted to the Customer for pre-approval.

11.5 Validity

All pricing in this SoW is valid for 30 days from date of SoW.

12 APPROVALS

The Corporation of the City of Sault Ste. Marie	Bell Canada
SIGNATURE _____	SIGNATURE _____
NAME <u>Christian Provenzano</u>	NAME _____
TITLE <u>Mayor</u>	TITLE _____
I am authorized to bind Customer to the terms and conditions of this Statement of Work.	I am authorized to bind Bell Canada to the terms and conditions of this Statement of Work.
DATE <u>October 13, 2015</u>	DATE _____

We are

SIGNATURE _____
Malcolm White, City Clerk

13 CONTACT

For additional information or clarification on any aspect of this proposal, please contact the Bell Canada contact person listed on the quotation.



APPENDIX A – QUOTATION



BELL CANADA
65 Iber Road
Ottawa, ON K2S 1E7
Tel: (613) 270-6601
Fax: (613) 831-1836

DEPLOYMENT QUOTATION

PSG-AOSPlusP-38NDP
1-3416201784-MA
DATE
September 4, 2015
QUOTATION VALID UNTIL
October 4, 2015

CLIENT INFORMATION	
END USER NAME	Frank Coccimiglio, Manager of I.T.
COMPANY	The Corporation of the City of Sault Ste. Marie 72 Tancred St.
ADDRESS	72 Tancred St
ADDRESS 2	
CITY / PROV / POSTAL	Sault Ste. Marie, ON, P6A 2W1
TELEPHONE	705-759-5303
EMAIL	f.coccimiglio@cityssm.on.ca

Account Manager	Graham Fry
Telephone Number	(705)-653-0728
Email Address	graham.fry@bell.ca

Technical Contact	Dan Mongrain
Telephone Number	(613) 270-5634

DEPLOYMENT SITE NAME:	SSMFS PSAP
DEPLOYMENT SITE ADDRESS:	72 Tancred St, Sault Ste. Marie, ON

Item	Part Number	Product Description	Qty	Unit Price	Extended Price
1	ASA5505-SEC-BUN-K9	Cisco ASA 5505 Firewall Edition Bundle - Security appliance	2	\$1,289.56	\$2,579.13
		2 Ethernet patch cables			
2	CON-OSP-AS5S8K9	Cisco SMARTnet Premium extended service agreement	2	\$403.57	\$807.15
3	ASA5505-RACK-MNT=	ASA5505 Cisco rack mounting kit (accommodates 2 ASA5505)	1	\$263.16	\$263.16
4	ASA5505-WALL-MNT=	ASA5505 Cisco wall mounting kit	0	\$73.92	\$0.00
5	BR1000G	APC Back-UPS Pro 600 Watts /1000 VA, Input 120V /Output 120V, Interface Port USB	0	\$193.32	\$0.00
6	RK812WALLOA	Wall mount equipment rack 8U - Adjustable depth	0	\$167.40	\$0.00
7	TBD	TBD	0	\$0.00	\$0.00
8	TBD	TBD	0	\$0.00	\$0.00
9	S&H	Shipping and Handling	2	\$75.00	\$150.00
10	PS - Install Network	Bell PSG Professional Service - Install network equipment (hours)	6.5	\$130.00	\$845.00
11	PS - Trial Support	Bell PSG Professional Service - Trial support (hours)	3.25	\$130.00	\$422.50
12	PS - Additional Work	Bell PSG Professional Service - Additional work (hours)	0	\$160.00	\$0.00
					\$0.00
					\$0.00
					\$0.00
SUBTOTAL					\$5,066.94
Travel and Living Estimate					N/A
TOTAL					\$5,066.94

SPECIAL INSTRUCTIONS
All travel and living are extra and will be claimed at cost + 2%.
All travel will be pre-approved by the Customer.
Travel time to and from the customer site will be charge at \$130.00 per hour of travel



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-188

AGREEMENT: (P5) A by-law to authorize the execution of an agreement between the City and Municipal Waste & Recycling to provide Multi-Residential Refuse Collection for a five (5) year period commencing January 1, 2016, allowing for extension by mutual agreement.

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 October 13, 2015 between the City and Municipal Waste & Recycling, a copy of which is attached as Schedule "A" hereto. This Agreement provides Multi- Residential Refuse Collection to provide Multi-Residential Refuse Collection for a five (5) year period commencing January 1, 2016, allowing for extension by mutual agreement.

2. **SCHEDULE "A"**

Schedule "A" forms part of this by-law.

3. **EFFECTIVE DATE**

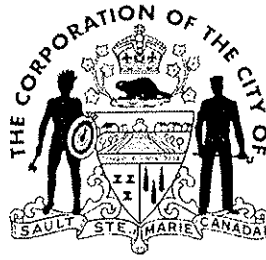
This by-law takes effect on the day of its final passing.

PASSED in open Council this 13th day of October, 2015.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

Schedule "A"



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

TENDER FOR

REFUSE COLLECTION – MULTI-RESIDENTIAL

Finance Department
Purchasing Division

June 23, 2015
File #2015WA21T

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

TENDER FOR

REFUSE COLLECTION – MULTI-RESIDENTIAL

Attached hereto is a set of tender documents pertaining to **Multi-Residential Refuse Collection** as required by the City of Sault Ste. Marie, Ontario.

This tender is now being advertised with a closing date of 12:00 o'clock noon, local time, on Thursday, August 13, 2015.

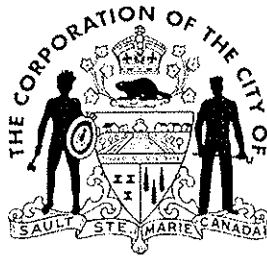
If you are in a position to bid on this contract, the completed Form of Tender must be returned in the envelope provided, to the City Clerk, prior to the closing date. You are encouraged to make a full copy of the document for your file.

Technical Questions concerning this tender should be addressed to Mr. Monty Pinder, Manager of Landfill & Refuse Operations at 705-541-7087 or by email - m.pinder@cityssm.on.ca.

Any other questions concerning this tender should be directed to the writer.

Yours sincerely,

Tim Gowans
Manager of Purchasing



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

TENDER FOR

REFUSE COLLECTION – MULTI-RESIDENTIAL

Sealed tenders, plainly marked as to the contents, in the envelope provided, will be received by the City Clerk until:

12:00 O'CLOCK NOON, LOCAL TIME, THURSDAY, AUGUST 13, 2015

for **Multi-Residential Refuse Collection** in the City of Sault Ste. Marie.

Instructions to bidders, form of tender, specifications and tender envelopes may be obtained from the office of the Manager of Purchasing, Civic Centre, 99 Foster Drive, Sault Ste. Marie, Ontario.

A public opening of tenders will be held in the Steelton Room, Civic Centre at 3:00 p.m., local time, on Thursday, August 13, 2015.

The lowest or any tender will not necessarily be accepted.

Tim Gowans
Manager of Purchasing

INDEX

- 1) INFORMATION TO BIDDERS
- 2) FORM OF TENDER
- 3) FORM OF AGREEMENT
- 4) SPECIFICATIONS
- 5) GENERAL CONDITIONS
- 6) MULTI-FAMILY RESIDENTIAL
COLLECTION LOCATIONS
- 7) BYLAW NO.#2004-68

SECTION 1

INFORMATION TO BIDDERS

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

INFORMATION TO BIDDERS

1. Delivery and Opening of Tenders

Sealed tenders properly marked as to contents in the Corporation of the City of Sault Ste. Marie tender envelopes will be received by the City Clerk, Sault Ste. Marie, Ontario until 12:00 o'clock noon, local time, Thursday, August 13, 2015.

2. Discrepancies

If a bidder finds discrepancies in, or omission from, the contract documents, or if is in doubt as to their meaning, the bidder shall notify the Manager of Purchasing, who may issue a written addendum. Neither the owner nor the Manager of Purchasing will make oral interpretations as to the meaning of the contract documents.

Addenda issued during the tendering period shall be allowed for by the bidder in submitting a tender.

3. Informal Tenders

Tenders which are incomplete, conditional or obscure, or which contain additions not called for, erasures, alterations or irregularities of any kind, may be rejected as informal.

All blanks must be legibly and properly filled in, otherwise the tender may be declared informal.

Persons tendering are required to fill in all blanks. Should any uncertainties arise as to the proper manner of doing so, the requisite information will, upon request, be give by the Manager of Purchasing.

4. Tender Deposit

Every tender shall be accompanied by a tender deposit in the form of a bid bond or certified cheque payable to the Corporation of the city of Sault Ste. Marie, in the amount of \$10,000.00 (Ten Thousand Dollars).

Such deposit shall be security to the owner that the bidder, if successful, will execute the documents and supply the stipulated bonding within two (2) weeks of award and will start the work as specified.

Failure to execute the documents and to supply the stipulated bonding or failing to start work as specified will result in forfeiture of the tender deposit.

Information to Bidders (Cont'd)
Refuse Collection – Multi-Residential

The tender deposit of the unsuccessful bidder(s) will be returned when the bidder has executed the contract, supplied the stipulated bonding and met any other requirements herein set forth and upon award of the contract.

5. Proof of Ability

The bidder must furnish satisfactory evidence; **upon request**; that the bidder has ability and experience in the class of work, and that the bidder has sufficient capital and plant to enable them to prosecute the work successfully and to complete it in the time named in the contract.

Bidders must also submit full details (in a Schedule attached to their tender) of the type and quantity of equipment they propose to use in this contract, together with details as to the proposed location of storage and repair facilities and other pertinent facts concerning the operation of this contract.

6. Condition and Requirements of Work

Bidders are required to submit their tender upon the express condition that they shall satisfy themselves by personal examination of the location of the proposed works, or by such other means as they may prefer, as to the actual conditions and requirements of the work.

Should any points of dispute arise between the successful bidder and the Corporation as to the intent of any portion of this tender, the Commissioner of Public Works and Transportation shall be the sole arbiter in their settlement.

The City of Sault Ste. Marie's By-law 2004-68 (or any successor by-law) stipulates the level of service provided to all multifamily dwellings five units and over. All multifamily stops and all specified municipal buildings, will be considered multifamily dwellings for the purpose of this contract. The actual number of pickups will be determined by the Commissioner of Public Works and Transportation and may vary throughout the contract term.

All refuse must be picked up on Tuesday and the listed municipal buildings receive an extra pickup on Fridays.

7. Agreement to Bond

Each tender must be accompanied by an "Agreement to Bond" from an approved Guaranty Company as a surety that the bidder can obtain the required bonding as indicated under the "General Conditions."

Information to Bidders (Cont'd)
Refuse Collection – Multi-Residential

8. Tender Left Open

The bidder shall keep the tender open for acceptance for ninety (90) days after the closing date. Withdrawal during this period may result in the forfeiture of the tender deposit.

9. Commencement and Completion

The contract to be awarded as a result of this tender will commence on January 1, 2016 or as specified and agreed upon in the Form of Tender and will terminate December 31, 2020, unless an extension is mutually agreed upon by both parties.

10. Contractor's Work Force

The contractor will be required to use local manpower as much as possible for work under this contract.

11. Municipal Freedom of Information and Protection of Privacy Act

The Corporation of the City of Sault Ste. Marie is governed by the provisions of the Municipal Freedom of Information and Protection of Privacy Act. The Act gives persons a right to access information held by the municipality. The right of access is subject to the exemptions contained in the Act.

12. Identification

The foregoing "Information to Bidders" are those referred to in and forming a part of the Agreement, dated the 13th day of October 2015 between _____ and the Corporation of the City of Sault Ste. Marie.

Contractor

Christian Provenzano Mayor

Witness

Malcolm White Clerk

SECTION 2

FORM OF TENDER

**FORM OF TENDER
REFUSE COLLECTION – MULTI-RESIDENTIAL**

Mayor Provenzano and
Members of Council
Civic Centre, 99 Foster Drive
Sault Ste. Marie, ON
P6A 5N1

RE: MULTI-FAMILY REFUSE COLLECTION

We, Municipal Waste Handling, the undersigned, having carefully examined all of the Contract Documents, hereby tender and agree to provide all labour, plant and materials for the complete execution of the work under this Contract in the locations and manner set out in the Contract Documents and to the satisfaction of the Commissioner of Public Works and Transportation for the following price as set forth herein.

Multi-Residential Hopper Collection

\$ <u>39⁰⁰</u>	X	<u>12</u>	X	<u>243</u>	=	<u>113,724⁰⁰</u>
Cost per location		Months		# of locations		Annual Cost
per month (based on one Collection weekly)						

This annual cost which is based on 2014 actual count, is for the purpose of establishing a 12 month total cost for comparison of bids only and shall not be used as a basis for payment.

(List of actual locations will be found in Section 6.)

Total Tender Cost	\$ <u>113,724⁰⁰</u>
	Annual Cost

The total cost per year is hereby repeated in writing.

One Hundred + Thirteen Thousand Seven
Hundred + Twenty Four .⁰⁰

Total cost indicated above do not include applicable taxes; these must be shown separately on all invoices.

Additional Collections at approved municipal locations to be invoiced at the tendered rate per location subject to yearly adjustment.

We are prepared to commence this work on January 1, 2016.

Form of Tender (cont'd)

Refuse Collection – Multi-Residential

I/We declare that this tender proposal is made without any connection, knowledge, comparison of figures or arrangements with any other person or persons submitting a tender for the same purpose and is in all respects fair and without collusion or fraud.

It is further understood and agreed that the lowest or any tender will not necessarily be accepted, and that the Corporation reserves the right in its absolute discretion to reject any or all proposals or accept that proposal deemed most acceptable to the City Corporation

Offered on behalf of the Contractors:

Municipal Waste + Recycling
NAME OF COMPANY

(SEAL)

9 East Industrial Rd.
ADDRESS

Blind River
CITY

POR 1B0
POSTAL CODE

W. St. Michel
SIGNING OFFICER SIGNATURE

WITNESS' SIGNATURE (must be present if
Corporate Seal is not affixed to Form of Tender)

Wayne St. Michel
SIGNING OFFICER (PRINT NAME)

705-356-4118
TELEPHONE NUMBER

Aug 13 - 2015
DATE

705-356-0315
FAX NUMBER

SECTION 3

FORM OF AGREEMENT

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
FORM OF AGREEMENT

This Agreement made (in triplicate), the 13th day of October, in the year 2015, by and between herein (and in the General Conditions) called the "Contractor".

AND

The Corporation of the City of Sault Ste. Marie, Ontario, herein (and in the General Conditions) called the "Owner".

WITNESSETH: That the Corporation and the Owner undertake and agree as follows:

Article 1

The Contractor will:

- (a) Provide all the materials and all the equipment and labour necessary and perform all the work shown and described in the Documents entitled
"Refuse Collection Multi-Residential Contract #2015WA21T".
- (b) Do and fulfill everything indicated by this Agreement, the Specifications and Drawings.
- (c) Complete substantially as certified by the Commissioner, all the work in the Form of Tender.

Article 2

The following list is an exact list of the Specifications referred to in Article 1.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

CONTRACT #2015WA21T

LIST OF CONTRACT DOCUMENTS

	<u>Section</u>	<u>Pages</u>
Information to Bidders	Section 1	5 - 8
Form of Tender	Section 2	9 - 11
Form of Agreement	Section 3	12 - 16
Specifications for Refuse Collection	Section 4	17 - 26
General Conditions	Section 5	27 - 33
Multi-Residential Collection Locations	Section 6	34 - 39
By-law 2004-68	Section 7	40 - 50

Form of Agreement (cont'd)
Refuse Collection – Multi-Residential

Article 3

The owner shall:

- (a) Pay to the Contractor in lawful money of Canada for the work performed at the tendered price; such amount to be subjected to annual adjustment as described herein.
- (b) Provide a list of 243 stops that shall be used to establish the 12 month total cost for tendering purposes.
- (c) Provide a list of Municipal buildings that require extra collection on Fridays.
- (d) Shall have the right to review and adjust the stops in accordance with the methods described in the specifications.

Article 4

The Owner shall make payment on account of the Contract as follows:

Payment will be made on a monthly basis on or before the fifteenth (15th) of the following month.

Article 5

The Contractor shall indemnify and save harmless the Owner from all loses, damages, cost, charges and expenses of every nature and kind whatsoever which they may incur, be put to or have to pay by reason of the neglect of the Contractor in the execution of the said works, or any of them, or by reason of omission by the Contractor to take due and proper precautions for the prevention of accidents to persons and property during or and in consequence of the work or by reason of any other act, default or omission of the Contractor and should the Owner incur, pay or be put to any such loss, damages, costs, charges or expenses, the Contractor shall forthwith, upon demand, repay the same to the Owner.

The Contractor authorizes and/or powers the Corporation, or its Solicitor, from time to time, to defend, settle or compromise any such action, suits, claims, liens, executions or demands as the Corporation or its Solicitor may deem expedient, and the Contractor ratifies and confirms all such acts, and will pay such Solicitor on demand his reasonable costs for any defense, settlement or compromise, including Counsel fees and disbursements and in default of payment, the same day may be deducted from the monies payable by the Corporation to the Contractor on any account whatsoever.

Form of Agreement (cont'd)
Refuse Collection – Multi-Residential

Article 6

The Contractor shall be responsible for all spills and leaks and must be prepared for such as stated in the Specifications, section 20.

Article 7

The "General Conditions" of the Contract, hereto annexed and signed in triplicate by both parties, and the aforesaid Specifications and Drawings, are all to be read into and form part of this

Agreement and the whole shall constitute the Contract between the parties and it shall enure to the benefit of and be binding upon them and their successors, executors, and administrators and assigns.

Article 8

All communications in writing between the parties shall be deemed to have been received by the addressee if delivered to 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 Owner: The Corporation of the City of Sault Ste. Marie
 P.O. Box 580
 99 Foster Drive
 Sault Ste. Marie, Ontario P6A 5N1

The Contractor: _____

The Deputy Commissioner: Susan Hamilton Beach, P.Eng.
 Deputy Commissioner
 Public Works & Transportation
 128 Sackville Road
 Sault Ste. Marie, Ontario P6B 4T6

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first written above.

Form of Agreement (cont'd)
Refuse Collection – Multi-Residential

Signed, Sealed and Delivered in the presence of:

The Corporation of the City of Sault Ste. Marie

(SEAL)

MAYOR Christian Provenzano

CLERK Malcolm White

The CONTRACTOR

(SEAL)

COMPANY NAME

SIGNATURE

SECTION 4

SPECIFICATIONS

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

SPECIFICATIONS FOR REFUSE COLLECTION

1. General Intent

During the currency of this Contract the Contractor on behalf of the Corporation shall perform the work of:

- (a) Weighing individual hoppers, collecting and removing all refuse as specified from all multi-family dwellings 5 units and over, and all locations listed on the attached list, on Tuesdays unless otherwise specified.
- (b) Weighing individual hoppers, collecting and removing all refuse as specified from selected municipal buildings on Tuesdays and those requiring extra collection on Fridays.
- (c) Delivering and unloading such refuse at the municipal landfill site or designated transfer site.
- (d) Providing at their expense all labour, vehicles, tools, equipment, etc., for the performance of such work.
- (e) Provide pick-up of all designated hoppers regardless of ownership of the hopper.

Note: Provision, care and maintenance of individual hoppers is the responsibility of the property owner.

2. Areas to be Served

The area to be served under this contract is any multi-family unit within the City boundaries as determined by the Commissioner of Public Works and Transportation or his designate.

3. Landfill Site

The landfill site is located on Fifth Line west of Great Northern Road. The hours of operation of the above described landfill site are from 8:00 a.m. to 5:00 p.m. (local time), Monday through Friday and from 7:30 a.m. to 3:30 p.m. on Saturdays, unless the said Saturday is a holiday at which time the site is closed. The site is also closed Saturday's from November 1st to April 1st each year, but remains open the one day a month.

Specifications (cont'd)
Refuse Collection – Multi-Residential

4. By-law 2004-68

This By-law (and any successor waste by-law) of the Corporation of the City of Sault Ste. Marie is for the management of waste and recyclables in the city. A copy of this By-law is attached hereto in Section 7 of these specifications and is to be construed as forming part of these specifications where applicable in the opinion of the Commissioner of Public Work and Transportation. The successful bidder must perform work in accordance with this by-law and any future revisions thereof. Any successor by-laws shall be provided to the successful contractor for their reference in advance of its effective date.

5. Collection Schedule

Collection must be on Tuesday of each week (with selected municipal buildings on Tuesdays and Fridays – Additional Charge for Friday Collections in accordance with Form of Tender).

The Contractor shall not change the schedule unless such change is approved in writing by the Commissioner and the change shall not become effective until the Contractor has given at least fourteen (14) days advance written notice of such change to each of the premises affected by such change.

6. Maintenance Schedule

The Contractor shall make collections on every scheduled day regardless of weather conditions, equipment breakdowns or quantity of material and shall plan his operations so that such normal contingencies are overcome. If conditions are so abnormal that regular collection is not possible, the Contractor shall inform the Commissioner that such is the case and request the permission of the Commissioner to suspend such collection in certain areas. If, in the opinion of the commissioner there is not sufficient justification for such a suspension and the Contractor is unable to carry out the scheduled work, the Commissioner retains the right to have the work done by others and the cost of such is to be borne by the Contractor. The onus is on the Contractor to have extra equipment available when breakdowns occur that will adversely affect the regular collection, removal and disposal of refuse.

Specifications (cont'd)
Refuse Collection – Multi-Residential

7. Collection on Weekends and Holidays

- (a) No regular collection of refuse shall be made on Saturdays, Sundays and on the following holidays:

New Year's Day	Family Day	Good Friday
Easter Monday	Victoria Day	Canada Day
Civic Holiday	Labour Day	Thanksgiving Day
Remembrance Day	Christmas Day	Boxing Day

- (b) Weekly Collection Schedule

When a holiday as specified above falls on a normal collection day, the Contractor shall make the formal collection for such day on the next day.

- (c) Prior to scheduling collection crews for a week containing a statutory holiday, the matter must be discussed and agreed to by the Commissioner.
- (d) Should any holiday(s) be added to the specified list in sub-section (a) during the life of this Contract, then refuse collection on that day(s) shall be conducted as outlined in sub-section (b).

8. Contractor's Vehicles

- (a) Units to be used for the performance of services as herein provided must have front fork loading systems and full enclosed steel bodies capable of loading, compacting and unloading the refuse mechanically, mounted on adequate truck chassis.
- (b) Units must be equipped with front fork scales or similar devices capable of recording and reporting the location ID (IP address attached), tare weight of hopper and gross weight of hopper for each individual lift. This information must be organized as a spreadsheet and provided to Public Works and Transportation on a monthly basis with the address and weight of each individual lift. The total load weight must match the landfill scale weight within the limits allowed in the industry.
- (c) Scales must be calibrated monthly to ensure they match the landfill scale. The total load weight must match the landfill scale weight within the limits allowed in the industry.

Specifications (cont'd)
Refuse Collection – Multi-Residential

- (d) The Contractor shall at all times maintain and operate a sufficient number of collection units as determined by the Commissioner to properly maintain the standard of service provided for in the contract.
- (e) All equipment used by the Contractor must be kept clean at all times and the Contractor shall be prohibited from displaying any advertising matter on any of the refuse collection units other than the name, address and telephone number of the Contractor, unless otherwise authorized by the Commissioner.
- (f) All collection vehicles must be equipped to contain and clean up all minor spills resulting from the collection of the refuse or the operation of the equipment.

9. Contractor's Office

During the currency of this Contract, the Contractor will:

- (a) maintain an office and telephone number within the city limits.
- (b) employ sufficient staff in such office during normal working hours to receive and process enquiries and complaints respecting the collection services.
- (c) keep written records of all such enquiries and complaints and the processing thereof; and,
- (d) permit the Commissioner of Public Works & Transportation or authorized representative to inspect such records.
- (e) submit a spreadsheet or database supported by ticket copies of the weekly weights of all refuse collected from individual multi-family buildings.
- (f) submit electronically or in writing to the Commissioner of Public Works & Transportation or his designate a report indicating any use of the hoppers that does not comply with By-law 2004-68 or successor waste by-laws.

10. Point of Collection

The Contractor shall:

- (a) collect from all multi-family buildings containing five (5) units or more, and all locations indicated on the attached list, in accordance with By-law 2004-68.
- (b) return all hoppers to the original location unless otherwise approved and the lids must be closed.

Specifications (cont'd)
Refuse Collection – Multi-Residential

In cases where the Contractor goes onto private property, a signed waiver of liability needs to be obtained from the Owner. A standard form is available and it will be the Contractor's responsibility to get these signed.

11. Weighing of Trucks

The Contractor shall require the driver of every collection vehicle when making a deliver at the disposal site to drive the loaded vehicle over the scales at such site in order that such loaded vehicle may be weighed by the attendant at the site.

12. Payment

- (a) The Contractor shall invoice the City at the end of each month for the **total number of collections** as well as additional **approved tonnages**. Tonnage fees will only be paid for hoppers that coincide with the City by-laws. The invoice shall include the weekly tonnage slips and the completed calculations of the tonnage collected at each establishment as well as the monthly total. Payment will be made on or before the fifteenth (15th) of the following month.

The Cost/Location/Month in the Form of Tender for refuse collection shall be increased or decreased on each successive January 1st commencing on January 1, 2017. The change will be based on the change in the Consumer Price Index for "All Items" in Ontario (from January 1 to December 31) relative to the CPI at December 31, 2015 and the change in the average annual cost for self serve diesel fuel (January 1 to December 31) in the City of Toronto as reported by Statistics Canada relative the average annual cost for self serve diesel fuel from January 1, 2015 to December 31, 2015 in the City of Toronto.

The formula to be applied in determining the Cost/Location/Month is provided below.

Cost/Location/Month for New Year (January 1 to December 31) = $[0.80 \times \text{CPI (at December 31 of the previous year)} / \text{CPI (at December 31, 2015)} + 0.20 \times (\text{average cost for diesel fuel in the City of Toronto for the previous year (January 1 to December 31)} / (\text{average cost for diesel in the City of Toronto for January 1, 2015 to December 31, 2015}))] \times \text{Form of Tender's Cost/Location/Month}$.

The change in price(s) shall become effective January 1st of each year; **subsequent** to the first year of the Contract; that the contract is in force.

Specifications (cont'd)
Refuse Collection – Multi-Residential

Example ONLY for 2017 (numbers shown below are only examples and provided for illustration purposes only-actual numbers will be used for calculation of annual price adjustments):

CPI at December 31, 2015 = 128

CPI at December 31, 2016 = 130

Average cost for Diesel Fuel (Toronto) for the period of January 1, 2016 to December 31, 2016 = \$1.35

Average cost for Diesel Fuel for the period of January 1, 2015 to December 31, 2015 = \$1.30

Cost/Location/Month is to be applied for the period January 1, 2017 to December 31, 2017 (New Year) = $[0.80 \times (130/128) + 0.20 \times (1.35/1.30)] \times$
Cost/Location/Month = 1.020 (rounded to three decimal places) * Form of Tender's Cost/Location/Month.

The Contractor shall submit after December 31st in each year of the Contract, the calculation as noted above with appropriate supporting documentation (i.e. data from the Statistics Canada website). The calculation is to be submitted directly to the City Purchasing Department with a copy provided to the Contract Administrator at Public Works and Transportation.

Additional City pick-ups will be paid at the cost per location as specified in the form of tender.

13. Administration

- (a) The Contractor shall accept supervision by the Commissioner of Public Works & Transportation of all work performed by the Contractor under this Contract and shall perform such work to his satisfaction.
- (b) The Contractor must notify the City in writing when a customer cancels service.
- (c) The City has the right to ride along to verify routes, locations, volumes and weights at any given time.

14. Forfeiture of Contract

If the Contractor:

- (a) neglects or refuses to sign the Agreement within fifteen (15) days of being advised by the Manager of Purchasing in writing, that the bid has been accepted.

Specifications (cont'd)
Refuse Collection – Multi-Residential

- (b) neglects or fails to commence operations on the date specified in the Agreement.
- (c) becomes bankrupt or insolvent or compound with their creditors.
- (d) commits any act of insolvency.
- (e) transfers, assigns, sublets or attempts to transfer, assign or sublet this contract or any part thereof, without the consent of the Commissioner.
- (f) fails, in the opinion of the Commissioner, after having been given forty-eight (48) hours written notice to execute the work or any part thereof in a sound and workmanlike manner to the Commissioner's satisfaction and in all respects in strict conformity with the contract.
- (g) fails to comply within forty-eight (48) hours written notice with a reasonable order from the Commissioner.
- (h) after having been given forty-eight (48) hours written notice from the Commissioner, persists in any course of conduct that is in violation of any of the provisions of this Agreement.

Then in each and every case, after twenty-four (24) hours written notice from the Commissioner to the Contractor, the Commissioner shall have full right and power, at his discretion, without process or action at law, to take over the whole contract, or any part or parts thereof specified in the said notice out of the hands of the

Contractor and the Contractor, upon receiving notice to that effect, shall vacate possession and give up said operations, on the part or parts thereof specified in the said notice peaceably to the Commissioner, who may either relet the same to any other person or persons, with or without its previously being advertised may employ workmen and provide the necessary plant at the expense of the Contractor or may take any other steps as he the said Commissioner may consider necessary to advisable in order to secure the completion of the said contract to his satisfaction; and the Contractor and their surety in every case shall be liable for all damages, expenditures and extra expenditures, and for all additional cost of the work which may be incurred by reason thereof.

Specifications (cont'd)
Refuse Collection – Multi-Residential

15. Notice to Contractor

All written notices and communications to the Contractor pursuant to this Agreement shall be deemed to have been received by the Contractor on the day of service or delivery if served on or delivered to any officer, employee or agent of the Contractor or on the next following mail delivery day if posted by prepaid registered mail in an envelope addressed to the Contractor at the address given for such notices to the Contractor in the signed Agreement.

16. Method of Payment

The payment of multi-family collection will be based on the number of stops for quantities up to the amount stated in By-law 2004-68 or successor waste by-laws.

17. Refuse over the Allowable Volume

If the building owner and the Contractor fail to reach an agreement on refuse volume, the Contractor can refuse to pick-up a container which has more than the allowable tonnage. The removal of waste from the respective hopper will be the responsibility of the Owner of the premise where the container is located, at not cost to the City or the Contractor.

18. Landfill Disposal Fees

ICI loads mixed with multi-family refuse collection loads will be weighed at the Landfill Scales. All ICI tipping fees will be charged at the current rates. The Contractor will be credited for all landfill fees pertaining to the multi-family tonnage received under this contract. Landfill fees may be subject to increase at the City's discretion.

19. Environmental Spills

- (a) The successful Contractor will be required to have in place, a written policy for handling spills. A copy of the policy is to be provided to the City.
- (b) Each collection vehicle must be equipped to clean up minor spills.

20. Occupational Health and Safety Act Requirements

The Contractor must ensure compliance of all WHMIS regulations and the requirements of the most recent issue of the Occupational Health and Safety Act Regulations for Construction Projects.

Specifications (cont'd)
Refuse Collection – Multi-Residential

The Contractor shall ensure that they, as well as their supervisors and employees, fulfill their respective duties as defined under the Act. The Contractor shall comply with the laws, ordinances, rules, regulations, codes and orders of the authorities having jurisdiction which are, or become, enforced during the performance of the work and which relate to the work so as to ensure conformance with all rules, regulations, practices and laws. They shall be solely responsible for construction means, methods, techniques, sequences and procedures and for coordinating the various parts of the work.

The Contractor shall have the responsibility for the design, erection, operation, maintenance and removal of temporary structural and other temporary facilities and the design and execution of construction methods required in their use.

If the Contractor performs work knowing it is to be contrary to any laws, ordinances, codes and orders of the authorities having jurisdiction, the Contractor shall be responsible for and shall correct the violations thereof and shall bear the costs, expense and damages attributed to their failure to comply with the provisions of such laws, ordinance, rules, regulations, codes and orders.

The Contractor shall employ a competent supervisor and necessary assistants who shall be in attendance at the place of work while work is being performed.

The Contractor shall have in place a set of Health and Safety Rules, Procedures and Policies.

SECTION 5

GENERAL CONDITIONS

GENERAL CONDITIONS

1. Tenders

All tenders for the execution of the work herein set forth or referred to must be made on the printed form supplied for that purpose. Such tenders must be made without any knowledge, comparison of figures or arrangements with any other person making any tender or estimate for the same purpose, and that it is in all respects fair and without collusion or fraud, and no member of the Corporation, Council or any other office of the Corporation is, shall be, or become interested directly or indirectly, as contracting party, partner, stockholder, surety or otherwise in, or supplies, work or business to which it relates, or in any portion profits to be used therein or thereof, or any of the monies derived therefrom. Tenders must cover the cost of the completion of the work in every respect in accordance with the Contract. Contractors are required to fully satisfy themselves as to the practicability of the works and every part thereof before tendering thereon and the Contractor, by signature thereto, assumes all responsibility.

2. Definition of Contract

The work to be done by the Contractor under this Contract comprises the collection of refuse within the area specified and dumping the same at the sanitary landfill site described and in accordance with the attached specifications. The Contractor will be required to provide at their own expense, all and every kind of labour, vehicles, tools, equipment, articles and things necessary for the due execution of the work set out or referred to in the specifications.

3. Contractor's Liability

The Contractor shall assume the defense of and indemnify and save harmless the Corporation and its officers and agents from all claims relating to labour, materials and equipment furnished for the work, and to inventions, patents or patent rights used in doing the work.

The Contractor shall be responsible for any and all damages or claims for damages or injuries or accidents done to or caused by the Contractor or their employees or relating from the prosecution of the works, or any of the operations or caused by reason of the existence of location or condition of any materials, plant or machinery used thereof, or arising from any failure, neglect or omission on the Contractor's part or on part of any of their employees, to do or perform any or all of the several acts or things required to be done by the Contractor or them under and by these conditions and covenants, and agrees to hold the Corporation harmless and indemnified for all such damage and claims for damages.

General Conditions (cont'd)

4. Surety and Bond

The Contractor will be required to deposit with the City Treasurer a bond or negotiable security in the amount of ten thousand dollars (\$10,000.00). This security is to serve as a guarantee of satisfactory performance of this contract and is subject to forfeiture under the conditions described herein. This security is to be returned to the Contractor at the successful conclusion of the contract.

5. Liability Insurance

The Contractor shall maintain such insurance as will protect the Contractor and the Corporation from all claims for damage or loss or personal injury, including death, and from claims of property damage or an occurrence basis which may arise from the Contractor's operations under this contract. The insurance shall be Comprehensive Liability Insurance including contractual liability, owners and/or contractors protective liability, contingent employer liability and shall contain a cross liability clause protecting the Corporation as if separately insured. The insurance shall have a minimum limit of not less than two million dollars (\$2,000,000.00) inclusive for any one occurrence. The deductible amount or amounts in any insurance policy required by the City pursuant to this contract shall be subject to the approval of the City. In the event that the City does not accept the deductible amount as proposed by the Contractor, the Contractor shall provide insurance coverage with a deductible amount acceptable to the City.

6. Vehicle Insurance

The Contractor shall maintain insurance against the liability for personal injury and property damage arising out of the use and operation of owned and non-owned vehicles under this contract. The insurance shall have a minimum limit of not less than five million dollars \$5,000,000.00 for any one accident.

7. Insurance Policies and Certificates

The Contractor shall file with the Manager of Purchasing prior to commencement of the contract, copies of the original Policies or Certificates of Insurance stating that the policies comply with the required provisions. The insurance shall be obtained from a company satisfactory to the City Corporation and shall be maintained until the Commissioner certifies that the work is complete.

8. Workplace Safety and Insurance Board

The Contractor, shall at all times, pay or cause to be paid, any assessment or compensation required to be paid pursuant to the Workplace Safety and Insurance Board, and, upon failure to do so, the Corporation may pay such assessment or compensation to the Workplace Safety and Insurance Board, and shall deduct or collect

General Conditions (cont'd)

such expenses under the provisions of Section 10 of this condition. The Contractor shall, at the time of entering into any contract with the Corporation, make a Statutory Declaration that all assessments or compensations payable to the Workplace Safety and Insurance Board have been paid, and the Corporation may, at any time during the performance or upon completion of such contract, require a further Certificate or Clearance that such assessment or compensations have been paid.

9. Contactor Pre-Qualification Program

The successful bidder is required to comply with the requirements of the City's Contractor Pre-Qualification Program prior to the start of onsite work on this Contract. Preference may be given to Bidders who have complied with, or are the process of complying with, this requirement prior to submitting their bid. These requirements include but are not limited to WSIB Coverage, Liability Insurance Coverage, Accessibility Training, and Safe Work Practices.

Details regarding compliance with this requirement may be obtained by contacting Aldo Iacoe, Health & Safety Coordinator, telephone 705-759-5367.

It is the responsibility of the successful bidder to ensure that ALL subcontractors employed during the commission of work on this contract have also complied with the requirements of the City's Contractor Pre-Qualification Programs prior to starting onsite work.

10. Subletting

The Contractor shall keep the work under their personal control and shall not assign, transfer or sublet any portion without first obtaining written consent of the Commissioner.

The consent of the commissioner of any such assignment, transfer or subletting, shall not, however, relieve the Contractor of any responsibility for the proper commencement, execution and completion of the work according to the terms of the contract, and the Contractor shall, either in person or through an accredited agent, receive all notices, communications, orders, instructions or legal service, as if the Contractor were performing the work with their own plant and own employees.

11. Payments

The Contractor is entitled to receive monthly payments at the rate of 100% of the work actually done less all stipulated forfeitures and deductions. All payments to the Contractor shall be made out of the funds under the control of the City, in its public capacity, and no member of City Council, or officer of the City is, or to be held personally liable to the Contractor under any circumstances whatever.

General Conditions (cont'd)

Before making any payment for work to be performed hereunder, the Corporation may require the Contractor to satisfy the Corporation that all claims against the Contractor for labour, materials or things hire or supplied upon or for the works, have been paid or satisfied, or if any such claims are found to exist, may pay such sum and the Contractor shall repay the same within two (2) days or the Corporation may, at its option, withhold from the payment due sufficient amounts to satisfy the same.

12. Monies Due To The Corporation

All monies payable to the Corporation by the Contractor under any stipulation herein, or to the Workplace Safety and Insurance Board, as provided hereunder, may be retained out of any monies then due or which may become due from the said Corporation to the said Contractor under this or any other contract with the Corporation, or otherwise howsoever, or may be recovered from the Contractor or surety, in any court of competent jurisdiction, as a debt to the Corporation; and the Commissioner shall have full power to withhold any progress payment if circumstances arise which may indicate to the Contractor the advisability or so doing, though the sum to be retained may be unascertained.

13. Liens

The parties hereto and their surety on themselves, their executors, administrators, successors and assigns, and any and all other parties in any way concerned shall fully indemnify the Corporation and all of its officers, servants and employees from any and all liability or expenses by way of legal costs or otherwise in respect to any claim which may be made for a lien or charge at law or in equity or to any claim or liability under the Mechanic's Lien Act or to any attachment for debt, garnishee process or otherwise. The Corporation shall not in any case be liable to any greater extent than the amount owing by it to the Contractor, their executors, administrators, successors and assigns.

14. Contractor's Employees Wages

The Contractor will pay to their employees a minimum wage equivalent to the prevailing rates of the community. The Contractor shall keep at all times, a list of the names of all persons employed on the contract and a record of the rate of wages and of amounts paid to each, and shall from time to time, if demanded, furnish a certified copy of all said lists, records and the originals thereof shall be open at all times for examination by the Commissioner, and the Contractor shall also at all times, furnish and disclose any other related information desired in connection with the said work.

General Conditions (cont'd)

15. Discharge of Employee

Should any overseer, mechanic, driver or workman employed on or about the work or in connection therewith, give any just cause for dismissal (of which the Commissioner shall be the sole judge), the Commissioner shall notify the Contractor in writing, stating the reasons therefore, and the Contractor shall remove such person forthwith, and the person shall not again be employed by the Contractor on any Corporation work without consent in writing of the Commissioner.

16. Notice to Contractor

Any notice or communication to the Contractor shall be deemed to be well and sufficiently given and served if handed to the Contractor or any of their clerks or agents or if posted or sent to the address given in the tender for the work attached hereto, or the usual place of business, or the place where the work is to be or is being carried out on, or if posted to or left at the Contractor's last known address; and any papers so left, sent or addressed to, shall be considered to be, and have been legally served upon the Contractor.

In any written or printed notice to the Contractor in respect to general, special or other repairs, or of any work of any nature required to be done under any of the provisions of the Contractor, or of any other matter, it shall not be obligatory upon the Commissioner to specify minutely or in detail everything required nor to specify by measurements the exact extent therefore, or the precise spot or spots where the work material may be defective or faulty or where any of the requirements of the specifications have not been observed; but a reference in such a notice to the clause or clauses bearing up on the matter, a description of the locality in general terms, and sufficiently clear, in the opinion of the Commissioner, to indicate where the defect or trouble exists, shall be deemed to be and shall be, ample notice.

17. Definitions

"Contract"

The work "Contract" herein, and in any agreement, bond, specification, condition or plan herein referred to, means the Agreement to do the work entered into with the Corporation and includes bond or Security, the specifications, the General Conditions, the Tender and other documents referred to or connected with the said Agreement.

"Contractor"

"Contractor" or a pronoun in place thereof, means the person or persons who have undertaken to carry out this contract.

General Conditions (cont'd)

“Corporation” or “City”

“Corporation” or “City” means the Corporation of the City of Sault Ste. Marie.

“Commissioner” or “Commissioner of Public Works and Transportation”

“Commissioner” or “Commissioner of Public Works and Transportation” means the person, for the time being filling the offices of the Commissioner of Public Works and Transportation of the Corporation or the person then acting as such, or any other person authorized by the Commissioner of Public Works and Transportation.

“Department”

“Department” means the Public Works and Transportation Department of the Corporation of the City of Sault Ste. Marie.

“Owner”

“Owner” means the Corporation of the City of Sault Ste. Marie.

“Property Owner”

“Property Owner” means the legal owner of the property; or property manager if designated.

“Waste”

“Waste” means any material as defined in By-law 2004-68.

18. Alterations to Document

No electronic reproduction or alterations of the original document will be permitted under any circumstances.

SECTION 6

MULTI-FAMILY RESIDENTIAL COLLECTION LOCATIONS

REFUSE COLLECTION CONTRACT – RESIDENTIAL (CONTAINERS)

Locations 1 – 12 are Municipal Locations.

	Property Address		Property Owner
1	27 4th Line	3 Yards	City Sault Ste. Marie (Cemetery)
2	540 Albert St	6 Yards	City Sault Ste. Marie (Ontario Works)
3	50 East Street	4 Yards	City Sault Ste. Marie (Main Library)
4	99 Foster Drive	4 Yards	City Sault Ste. Marie (City Hall)
5	111 Huron	6 Yards	City Sault Ste. Marie (Transit Garage)
6	160 Queen St. E	2 Yards	City Sault Ste. Marie (Transit Terminal)
7	65 Roberta Bondar Park	6 Yards	City Sault Ste. Marie
8	84 Ruth St.	2 Yards	City Sault Ste. Marie (Jessie Irving Centre)
9	128 Sackville Rd	6 Yards	City Sault Ste. Marie (Public Works & Transportation)
10	128 Sackville Rd	6 Yards	City Sault Ste. Marie (Public Works & Transportation)
11	128 Sackville Rd (Free Lift)	6 Yards	City Sault Ste. Marie (Public Works & Transportation)
12	13 Salisbury Ave	2 Yards	City Sault Ste. Marie (Maycourt Centre)
13	212 Albert St. East	2 Yards	2147031 Ontario Inc.
14	222 Albert St. East	6 Yards	Vincent Place Inc.
15	250 Albert St. East	3 Yards	Interrent Sault Ste. Marie, No. 2
16	275 Albert St. East	12 Yards	Elstrong Management Ltd./PBC 275 Albert GP Inc.
17	346 Albert St. West	2 Yards	Sabharwal Sadhana
18	544 Albert St. West	2 Yards	Brazeau Sylvain
19	555 Albert St. West	3 Yards	The Perzia Group Ltd.
20	588 Albert St. West	6 Yards	S.S.M. Housing Corp.
21	615 Albert St. West	12 Yards	The Perzia Group Ltd.
22	19 Albion Street	6 Yards	S.S.M. Housing Corp.
23	20 Albion Street	3 Yards	Silver Homes Ltd./Sar Gin Dev. (Sault)/Larocque Boyd William Ltd.
24	62 Allard Street	6 Yards	Interrent Sault Ste. Marie
25	76 Allard Street	6 Yards	Interrent Sault Ste. Marie
26	77 Allard Street	3 Yards	Cara Community Corp - Cara III
27	94 Allard Street	6 Yards	693285 Ontario Inc. In Trust
28	108 Allard Street	6 Yards	693285 Ontario Inc. In Trust
29	122 Allard Street	2 Yards	Skyline Real Estate Holdings (II) Inc.
30	130 Allard Street	6 Yards	Skyline Real Estate Holdings Inc.
31	142 Allard Street	2 Yards	Skyline Real Estate Holdings (II) Inc.
32	372 Allen Side Rd.	4 Yards	Alessandrini Daniel
33	615 Bay Street	12 Yards	S.S.M. Housing Corp.
34	623 Bay Street	4 Yards	Lions Club of S.S.Marie Housing Corp.
35	719 Bay Street	4 Yards	Sawer David/Sawer Adele
36	700 Bay Street	12 Yards	Seven Hundred Bay Street Corp.
37	711 Bay Street	4 Yards	Filipetti Phyllis M
38	723 Bay Street	6 Yards	Sar Gin Dev. (Sault) Ltd. (back of Sleep Inn)
39	36 Boehmer Blvd	6 Yards	Barbara Holdings Inc.
40	37 Boehmer Blvd	4 Yards	Boehmer Apartments Ltd.
41	50 Boehmer Blvd	2 Yards	Boehmer Apartments Ltd.
42	30 Borron Ave.	6 Yards	Sartor Ronald/Sartor Nadia
43	17 Boston Ave.	3 Yards	746487 Ontario Ltd.
44	519 Boundry Rd.	3 Yards	Interrent Sault Ste. Marie
45	78 Breton Rd.	4 Yards	Greg Apartments Ltd.
46	102 Breton Rd.	3 Yards	Parkhaven Place Properties Inc.
47	110 Breton Rd.	4 Yards	St Jules Donald Raymond
48	118 Breton Rd.	4 Yards	Greg Apartments Ltd.

49	123	Breton Rd.	2	Yards	Sar Gin Dev. (Sault) Ltd.
50	134	Breton Rd.	4	Yards	Sar Gin Dev. (Sault) Ltd.
51	141	Breton Rd.	2	Yards	James-West Investments Ltd.
52	151	Breton Rd.	2	Yards	Palumbo Louis/Palumbo Concetta
53	161	Breton Rd.	2	Yards	746487 Ontario Ltd.
54	171	Breton Rd.	2	Yards	746487 Ontario Ltd.
55	206	Breton Rd.	2	Yards	Real Ontario Home & Commercial Building Enterprises Ltd.
56	99	Cambridge Place	4	Yards	Elgie David Charles/Nori Eugene Douglas/Malpass William Murray
57	115	Cambridge Place	6	Yards	514684 Ontario Ltd.
58	125	Cambridge Place	6	Yards	514684 Ontario Ltd.
59	135	Cambridge Place	6	Yards	514684 Ontario Ltd.
60	136	Cambridge Place	3	Yards	Interrent Sault Ste. Marie
61	154	Cambridge Place	3	Yards	1685112 Ontario Inc.
62	155	Cambridge Place	3	Yards	1685112 Ontario Inc.
63	387	Cathcart St.	2	Yards	Bednarz James/Rudnicki Larry/Rudnicki Donalyn/Cudlipp Tiffany Nicole
64	101	Chapple Avenue	12	Yards	S.S.M. Housing Corp.
65	39	Chapple Avenue	2	Yards	Chow Peter Hong/Chow Susan Margaret Hong/Chow Linda Jane Hong
66	53	Chapple Avenue	3	Yards	S.S.M. Housing Corp.
67	55	Chapple Avenue	12	Yards	S.S.M. Housing Corp.
68	156	Chartwell Drive	3	Yards	1685112 Ontario Inc.
69	115	Church St.	2	Yards	1187841 Ontario Inc.
70	136	Church St.	2	Yards	Labelle Paul/Serrao Cathy/Powell Deborah/Molina Aura
71	634	Connaught Ave.	4	Yards	Brogno Vincent Jim
72	525	Cooper Street	4	Yards	Bourdages Glenn Patrick/Bourdages Alba
73	537	Cooper Street	3	Yards	1848652 Ontario Inc.
74	551	Cooper Street	3	Yards	1848652 Ontario Inc.
75	24	Clearview Drive	12	Yards	Crystal Heights Co-operative Inc.
76	254	Dacey Rd.	6	Yards	Carricato Lorne Carment/Carricato Myfanwy
77	310	Dacey Rd.	6	Yards	Taylor Patrina Natasha
78	334	Dacey Rd.	6	Yards	Sar Gin Dev. (Sault) Ltd.
79	334 A	Dacey Rd.	6	Yards	Sar Gin Dev. (Sault) Ltd.
80	344	Dacey Rd.	6	Yards	Sar Gin Dev. (Sault) Ltd./Reilly Norma/Bisceglia Joseph Anthony
81	344 A	Dacey Rd.	6	Yards	Sar Gin Dev. (Sault) Ltd./Reilly Norma/Bisceglia Joseph Anthony
82	352-A	Dacey Rd.	6	Yards	Skyline Real Estate Holdings Inc.
83	352-B	Dacey Rd.	6	Yards	Skyline Real Estate Holdings Inc.
84	530	Douglas St.	2	Yards	Kjevik Harald/Kjevik Carol Anne
85	707	Douglas St.	2	Yards	Wadas Wladimierz J
86	709	Douglas St.	2	Yards	Sartor Nadia
87	715	Douglas St.	2	Yards	Berto Robert Ronald Jr/Berto Deborah Ann
88	393	Dover Court	4	Yards	St. Gregory's Senior Citizens Homes
89	138	East St.	6	Yards	Asimco Textiles Inc.
90	4	East Street	4	Yards	Italian Housing Corp. of S.S.Marie
91	70	East Street	12	Yards	Old City Hall Complex
92	181	Elgin Street	2	Yards	Mizzi Patrick Parker
93	54	Ellis Rd.	2	Yards	Stefanizzi Lori Ann/Stefanizzi John Peter
94	3	Elmwood Ave.	3	Yards	Barbara Holdings Inc.
95	95	Fauquier	12	Yards	CSH Collegiate Heights Inc.
96	18	Ferguson Ave.	6	Yards	Continental Apartments Ltd.
97	21	Ferguson Ave.	2	Yards	2299371 Onterio Inc./West Properties
98	159	Gibb Street	2	Yards	Nemeth Danuta
99	171	Gore Street	2	Yards	1379726 Alberta Ltd.
100	269	Goulais Ave.	2	Yards	Roberts Ian Gerald
101	280	Goulais Ave.	2	Yards	1704628 Ontario Inc.
102	284	Goulais Ave.	2	Yards	Balmos Douglas Wilfred/Balmos Nicolina

103	288	Goulais Ave.	2	Yards	Berto Robert Ronald Jr.
104	524	Goulais Ave.	6	Yards	345205 Ontario Inc.
105	536	Goulais Ave.	6	Yards	345205 Ontario Inc.
106	760	Great Northern Rd.	12	Yards	Soonor Retirement Corp.
107	#3-39	Grove Crescent	3	Yards	Yorkshire Investments Inc./25-82 Grove Investments Inc.
108	#4-82	Grove Crescent	4	Yards	25-82 Grove Investments Inc.
109	4	Huntington Park	2	Yards	Sar Gin Dev. (Sault) Ltd.
110	5	Huntington Park	2	Yards	Bailey Barry Weber
111	40	Hynes St.	6	Yards	Finck Paul (Midtown Apts.)
112	100	James St.	12	Yards	One Hundred Rentals Inc.
113	181	James St.	2	Yards	Sabharwal Sadhana
114	321	John St.	6	Yards	Bumbacco Carl Joseph/Bumbacco Rita Irene (CB Home)
115	116	Kohler Street	4	Yards	Sar Gin Dev. (Sault) Ltd.
116	126	Kohler Street	6	Yards	Sar Gin Dev. (Sault) Ltd.
117	138	Kohler Street	6	Yards	Sar Gin Dev. (Sault) Ltd.
118	306	Korah Rd	2	Yards	Reggie's West Inc.
119	101	Lachamiere Place	4	Yards	La Co-operative D'Habitation La Chaumiere Inc.
120	365	Lake Street	12	Yards	2375791 Ontario Inc.
121	379	Lake Street	12	Yards	2375791 Ontario Inc. (Note: 2 bins)
122	597	Lake Street	2	Yards	Evoy Richard/Evoy Carolyn/Soltys Thomas/Soltys Ann Marie
123	608	Lake Street	2	Yards	Joe Spina & Sons Enterprises Ltd.
124	616	Lake Street	2	Yards	Spina Brothers Inc.
125	43	Lewis Rd.	4	Yards	Interrent Sault Ste. Marie, No. 2
126	47	Lewis Rd.	3	Yards	Interrent Sault Ste. Marie
127	303	MacDonald Ave.	9	Yards	Knapp Larrison Alexander/Knapp Rhea Lenore
128	313	MacDonald Ave.	12	Yards	Burlwood Investments Ltd.
129	570	MacDonald Ave.	3	Yards	Swift Stella Irene
130	586	MacDonald Ave.	2	Yards	Yun Jo-Anne F
131	594	MacDonald Ave.	2	Yards	Berto Robert Ronald
132	602	MacDonald Ave.	6	Yards	Interrent Sault Ste. Marie
133	614	MacDonald Ave.	6	Yards	Interrent Sault Ste. Marie
134	621	MacDonald Ave.	3	Yards	2386821 Ontario Inc. (NOTE: Compact)
135	627	MacDonald Ave.	3	Yards	2375791 Ontario Inc. (NOTE: Compact)
136	631	MacDonald Ave.	3	Yards	2386821 Ontario Inc. (NOTE: Compact)
137	652	MacDonald Ave.	12	Yards	YMK Investments Ltd.
138	2	Manitou Drive	4	Yards	Phoenix Rising Non-Profit Homes Inc.
139	1	Maxanne Place	4	Yards	West Kelsey Margarent/Chanas Nicholas Paul
140	420	McNabb Street	2	Yards	Berto Robert Ronald
141	434	McNabb Street	3	Yards	Berto Robert Ronald Jr./Berto Deborah Ann
142	606	McNabb Street	2	Yards	Filice Frank
143	616	McNabb Street	2	Yards	Greg Apartments Ltd.
144	207	Meadow Park Cres.	2	Yards	Evans Linda Marie/Evans Merle Douglas
145	215	Meadow Park Cres.	2	Yards	Tavares Suzanne
146	223	Meadow Park Cres.	2	Yards	Cicchelli Carmela/Cicchelli Antonio
147	231	Meadow Park Cres.	2	Yards	Barone Carmella
148	510	Morin St.	2	Yards	Caputo Franco
149	721	North Street	12	Yards	Ontario Finnish Resthome Assoc.
150	721	North Street	12	Yards	Ontario Finnish Resthome Assoc.
151	73	Northern Ave.	2	Yards	CCMMA Holdings Inc.
152	277	Northern Ave.	12	Yards	Columbus Club of S.S.Marie Housing Corp.
153	279	Northern Ave.	3	Yards	1022357 Ontario Inc.
154	31	Old Garden River Rd.	3	Yards	Cara Community Corp. (NOTE: Compact)
155	41	Old Garden River Rd.	4	Yards	Mah Jimmy/Wong Esther
156	59	Old Garden River Rd.	3	Yards	Cara Community Corp. (NOTE: Compact)

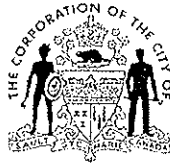
157	31	Oryme Ave.	6	Yards	Sar Gin Dev. (Sault) Ltd.
158	1001	Peoples Rd.	2	Yards	Pagnotta Armando/Pagnotta Franca
159	1046	Peoples Rd.	6	Yards	John Alo Dev. Ltd.
160	157	Pim Street	2	Yards	Cooks Algoma Corp.
161	256	Pim Street	2	Yards	Guerriero, Lawrence Anthony
162	89	Pine Street	12	Yards	Algoma Condominium Corp.
163	99	Pine Street	12	Yards	Narducci Lisa Ann
164	690	Pine Street	2	Yards	Graham Steven Bruce/Bain-Graham Deborah Lynn
165	696	Pine Street	2	Yards	2434748 Ontario Ltd.
166	700	Pine Street	2	Yards	DTL Group Investments Inc.
167	721	Pine Street	6	Yards	Interrent Sault Ste. Marie, No. 2
168	731	Pine Street	6	Yards	Interrent Sault Ste. Marie
169	751	Pine Street	6	Yards	693285 Ontario Inc. In Trust
170	769	Pine Street	6	Yards	693285 Ontario Inc. In Trust
171	680	Portage Lane	2	Yards	Stell Horse Enterprises Inc.
172	167	Prentice Ave.	2	Yards	Sehovic John Paul
173	35	Princess Cres.	4	Yards	Gregorino John Michael/Gregorini Marti-Lee
174	41	Princess Cres.	3	Yards	Perri Angelina/Perri Giovanni
175	5	Queen St. E.	2	Yards	Naccarato Emma Helen
176	175	Queen St. E.	6	Yards	La Roma Property Management Inc.
177	244	Queen St. E.	2	Yards	W M Watts Investments Ltd.
178	364	Queen St. E.	2	Yards	Sault Financial Corp. Ltd.
179	794	Queen St. E.	2	Yards	Cooks Algoma Corp.
180	805	Queen St. E.	6	Yards	DBR Property Management Ltd.
181	844	Queen St. E.	4	Yards	1372102 Ontario Inc. (Diplomat)
182	903	Queen St. E.	3	Yards	Quenneville Azadeh/Quennelle Ghislain
183	918	Queen St. E.	2	Yards	DTL Group Investments Inc.
184	1139	Queen St. E.	6	Yards	Luzzi Judit Eileen/Ladubec Lynda Janice
185	1162	Queen St. E.	2	Yards	Rains Jason Allen/Clayton John Roy
186	1713	Queen St. E.	2	Yards	Serrao Labelle Caterina/Labelle Paul/Powell Deborah/Molina Aura
187	569	Queen St. W.	3	Yards	Edgar David Hamilton/Edgar Jennifer Lynn
188	441	Queen St. W.	6	Yards	Tridico Orianda/Tridico Immacolata
189	80	Sackville Rd.	6	Yards	Croatian Housing Assoc. of S.S.Marie
190	115	Salisbury Ave	2	Yards	Messier Joanne Maureen/Messier Andre Marc
191	128	Second Line W.	2	Yards	Guzzo-Foliaro Aldo
192	140	Second Line W.	2	Yards	Cocchiola Bernardo/Cocchiola Linda Juliette
193	144	Second Line W.	2	Yards	Graffi Anna Maria/Graffi Nirvano Van
194	1025	Second Line W.	3	Yards	Neech-Ke-When Homes Inc.
195	491	Second Line W.	2	Yards	Sparling Diana/Sparling Sean/Desumma Sebastiano/Desumma Caterina
196	545	Second Line W.	2	Yards	Gervasi Carlo John/Gervasi Giovanna
197	568	Second Line W.	2	Yards	Berto Robert Ronald Jr./Berto Deborah Ann
198	587	Second Line W.	2	Yards	Chouinard-Adamo Cecile
199	603	Second Line W.	3	Yards	2434748 Ontario Ltd.
200	691	Second Line W.	4	Yards	Sar Gin Dev. (Sault) Ltd.
201	707	Second Line W.	4	Yards	Sar Gin Dev. (Sault) Ltd.
202	710	Second Line W.	6	Yards	S.S.M. Housing Corp.
203	721	Second Line W.	2	Yards	Neech-Ke-When Homes Inc.
204	731	Second Line W.	3	Yards	Niwaakai'iganaanind Aboriginal Housing
205	1001A	Second Line W.	6	Yards	Haldimand Co-Op Housing Corp.
206	1001B	Second Line W.	6	Yards	Haldimand Co-Op Housing Corp.
207	1001C	Second Line W.	2	Yards	Haldimand Co-Op Housing Corp.
208	2	Silver Birch	6	Yards	Sar Gin Dev. (Sault) Ltd.
209	30	Silver Birch	2	Yards	Vial Joanna/Vial Gino
210	37	Silver Birch	4	Yards	Spina Joseph Frank

211	38	Silver Birch	2	Yards	Spina Joseph Frank
212	147	South Market	3	Yards	746487 Ontario Ltd.
213	175	South Market	3	Yards	1685112 Ontario Inc.
214	191	South Market	3	Yards	Gibson Muriel Frances/Gibson Kenneth/Elgie David Charles/Levy David Jody
215	345	St. Georges Ave. East	6	Yards	S.S.M. Housing Corp.
216	49	St. Mary's Drive	12	Yards	Algoma Central Holdings
217	55	Stevens Street	2	Yards	Hong Edmond
218	23	Summit Ave.	2	Yards	Berto Robert Ronald Jr.
219	40	Sunnydale Road	3	Yards	Alo Lumber and Building Supplies Ltd.
220	16	Terry Fox Place	6	Yards	Centenial (Sault) Investment Co. Ltd.
221	17	Terry Fox Place	6	Yards	Interrent Sault Ste. Marie
222	23	Terry Fox Place	2	Yards	Skyline Real Estate Holdings Inc.
223	26	Terry Fox Place	6	Yards	Skyline Real Estate Holdings Inc.
224	27	Terry Fox Place	2	Yards	Skyline Real Estate Holdings Inc.
225	539	Trunk Rd.	6	Yards	Sault Moose Lodge Housing Corp.
226	807	Trunk Rd.	6	Yards	1848614 Ontario Inc.
227	819	Trunk Rd.	6	Yards	2178454 Ontario Inc.
228	229	Upton Rd.	2	Yards	Vandaele Kenneth
229	235	Upton Rd.	2	Yards	Archon Investments Inc.
230	241	Upton Rd.	2	Yards	Reid Dennis Bernard/Reid Lynn Audrey
231	2	Wallace Terr	2	Yards	Rudnicki Larry/Bednarz James Joseph
232	591	Wallace Terr	2	Yards	Berto Robert Ronald
233	370	Wellington St. East	2	Yards	Chow Anne H
234	760	Wellington St. East	2	Yards	2416990 Ontario Inc.
235	980	Wellington St. East	2	Yards	Chow Linda Jane Hong/Chow Susan Margaret Hong/Chow Peter Hong
236	1500	Wellington St. East	2	Yards	Winlaw Corp.
237	18	Wellington St. West	2	Yards	Amici Market Ltd.
238	3	Willoughby Street	3	Yards	510127 Ontario Ltd.
239	76	Willow Ave.	2	Yards	Rooney Gerard
240	77	Willow Ave.	2	Yards	1584836 Ontario Inc.
241	157	Willow Ave.	3	Yards	1848756 Ontario Inc.
242	171	Willow Ave.	6	Yards	Petra Properties Ltd.
243	285	Wilson St.	2	Yards	285W Ltd.

SECTION 7

BY-LAW NO. 2004-68

amended by
04-083



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

By-Law 2004-68 for the Control and Management of Waste and Recycling

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THE CORPORATION OF THE CITY OF SAULT STE. MARIE BY-LAW

BY-LAW 2004-68

By-Law for the Control and Management of Waste and Recycling

REGULATIONS: (R.1.2.7) A By-Law for the management of waste and recycling in the City of Sault Ste. Marie.

THE COUNCIL of the Corporation of the City of Sault Ste. Marie, pursuant to Sections 11(1) and 74 ~ 77 of the Municipal Act, S.O. 2001, c. 25, and amendments thereto ENACTS as follows:

1. DEFINITIONS

In this By-Law,

- 1) "Ashes" means the residue including soot of any kind of fuel or waste after consumption by fire.
- 2) "City" means The Corporation of the City of Sault Ste. Marie.
- 3) "Collector" means a City employee or person under contract to the City to collect waste or recyclables under the provisions set forth in this By-Law.
- 4) "Commissioner" means the Commissioner of Public Works and Transportation or his/her designate.
- 5) "Commercial Waste Container" means a waste container with or without casters that conforms to the specifications described in Section 2(2) of this By-law.
- 6) "Compacted Waste" means garbage that has been compressed by mechanical or other means.
- 7) "Compostable Material" means organic material which through the process of decomposition becomes dark earthy material that can be returned to the soil and includes the following:
 - a) leaf and yard waste including grass clippings, leaves and garden waste; and
 - b) vegetable waste material.
- 8) "Curbside Recyclables" means recyclable material that is accepted in the City's curbside recycling program and includes:
 - a) **Box Recyclables:** steel cans, aluminum cans, glass bottles and jars, polyethylene plastic commonly referred to as #1 PETE plastic containers, high density polyethylene commonly known as #2 HDPE plastic containers, aluminum food and drink containers and all other containers when accepted in the recycling program.
 - b) **Yellow Box Recyclables:** fibre, including newspapers, flyers, magazines, catalogues, boxboard, cardboard boxes, paper cartons, milk cartons, all paper products, and hard and soft cover books, and all other products when included in the program.
- 9) "Dwelling" means a place of residence with its own sleeping, cooking, eating and sanitary facilities for persons, and includes a single family home and apartment units, tenement or other multiple dwellings.
- 10) "ICI Sector" means industrial, commercial or institutional premises.
- 11) "ICI Recyclables" means any recyclables resulting from the operation and maintenance of any industrial, commercial or institutional premises.
- 12) "ICI Waste" means any waste resulting from the operation and maintenance of any industrial, commercial or institutional premises.

- 13) "Multi-Family Dwelling" means any dwelling having five (5) units or more.
- 14) "Non-collectible Recyclables" means recyclable material that is not collected curbside and includes the following:
- a) metal including, shelving, automotive parts, cable, and all clean metal products and large appliances;
 - b) old corrugated cardboard (OCC) in quantities above the allowable curbside limits as set out in this By-law;
 - c) wood products, including all clean wood products, wood building materials, tree branches and trees;
 - d) telecommunications and computer equipment; and
 - e) trees, batteries and all household special waste.
- 15) "Non-collectible Waste" means waste that is not collected curbside and includes the following:
- a) explosives and any other highly flammable or volatile substances of any nature whatsoever;
 - b) liquid or gaseous wastes;
 - c) biomedical waste including waste generated by human health and residential materials;
 - d) organic material, including wet waste and animal feces which has not been drained of all liquids and wrapped;
 - e) carcasses or parts thereof of any animal or other creature, except kitchen and table waste from a household;
 - f) any materials which have become frozen to a waste container and cannot be removed therefrom by shaking at the time of collection;
 - g) construction materials, including broken plaster, lumber, broken concrete, excavated material or other waste resulting from the construction, alteration, repair, demolition or removal of any building or structure;
 - h) discarded trucks, automobiles and other vehicles and the parts thereof, or accessories thereto, including tires;
 - i) septic tank pumpings, raw sewage sludge and industrial sludge;
 - j) trees and stumps, including tree branches,
 - k) asbestos;
 - l) sawdust or wood shavings in quantities of more than .1 cubic metre;
 - m) petroleum soaked rags;
 - n) industrial and hazardous waste as described in the Regulations to the Environmental Protection Act, R.R.O. 1990, Reg. 347;
 - o) radioactive waste;
 - p) PCB waste as defined in the Regulations to the Environmental Protection Act, R.R.O. 1990, Reg. 362;
 - q) ashes;

- r) household special waste, including but not limited to, caustics, acids, aerosols, used motor oil, household batteries, poisons, pesticides, paint, reactive waste and sharps (needles); and
 - s) fluorescent tubes.
- 16) "Occupant" means any lessee, tenant, householder, owner or any person in charge of any "premises" as hereunder defined in Section 1(17) of this By-law.
 - 17) "Premises" means any building, place, dwelling place, room or rooming-house, apartment, hotel, motel, restaurant, shop, store, office, shopping centre, parking lot, and any other property which is under separate occupation or control.
 - 18) "Residential Dwelling" means any dwelling having four (4) units or less.
 - 19) "Residential Waste Container" means a container used for curbside collection that can easily be emptied by the collector and conforms to the specifications described in Section 3(1) of this By-law
 - 20) "Street" means any public highway, road, street, lane, alley, square, thoroughfare, walk or way within the City of Sault Ste. Marie and maintained as a thoroughfare by the City.
 - 21) "Unit" means any self contained apartment, residence or business existing in a premises.
 - 22) "Waste" means all non-recyclable and non-compostable material resulting from the operation and maintenance of any premises.
 - 23) "Wet Waste" means the undrained refuse resulting from the operation of any premises.

2. WASTE COLLECTION SERVICE

1) Residential Waste Containers

The City and its authorized collectors shall be responsible for the collection and disposal of residential waste subject to the following:

- a) All waste shall be kept in plastic bags as described in Section 2(1)(d) of this By-law or water tight metallic or plastic residential waste containers having a tightly fitting cover of non-corrosive material and shall be equipped with proper carrying handles.
- b) Each waste container shall be of a capacity not exceeding 121 litres and which, when filled, shall not exceed 20 kilograms in weight and 92 centimetres in height.
- c) All waste containers greater than 121 litres are considered storage containers and all waste must be contained in bags inside these units as described in Section 2(1)(d) of this By-law. Each bag will be counted individually as a bag under Sault Ste. Marie By-Law 2003-140
- d) The use of plastic bags as residential waste containers are acceptable, providing they are a minimum of 1.5 mils in thickness and no less than 66X90 centimetres, nor greater than 76X98 centimetres when empty, and when filled shall not exceed 20 kilograms in weight
- e) Residents shall ensure that all plastic bags containing waste are securely tied or otherwise sealed when set out for collection.
- f) Cardboard boxes are not acceptable waste containers.
- g) Leaf and yard waste for special collection as noted in Section 7(3) must be placed in an approved paper biodegradable bag and when filled shall not exceed 20 kilograms in weight.

2) Multi-Family Waste Containers

Multi-family commercial waste containers shall be constructed to industry standards and may be used for the storage of garbage provided they are located on a concrete surface

or alternate surface. All containers must be capable of being emptied by waste trucks, shall be equipped with a leak-proof cover, and shall be kept closed at all times. This container shall be kept in a clean and sanitary condition at all times, and the gross weight shall not exceed 750 kg.

3) ICI Waste Containers

All ICI sector premises of four (4) units or less that are receiving curbside collection will be required to place waste curbside using residential containers as specified in Section 2(1) of this By-law.

4) Residential Curbside Limits

- a) Dwellings of four (4) units or less are required to place waste curbside according to Sault Ste. Marie By-Law 2003-140. Residential curbside limits apply to each legal unit of the dwelling.

The weekly curbside limit collected from any premises shall conform to the following:

- (i) 4 bags or containers / unit effective January 1st, 2004,
- (ii) 3 bag or container limit / unit effective May 1st, 2004; and
- (iii) 2 bag or container limit / unit effective January 1st, 2005.

- b) Waste containers in excess of the curbside limit as noted in Section 2(4)(a) must have a municipal identification tag or they will not be collected.

5) Multi-Family Limits

- a) Dwellings of five (5) units or greater are considered multi-family and the weekly waste collected from these premises shall not exceed:

- i) 1.50 cubic metres for any premises containing at least five (5) dwellings and up to and including twelve (12) dwellings;
- ii) 2.25 cubic metres for any premises containing at least thirteen (13) dwellings and up to and including twenty (20) dwellings;
- iii) 3.00 cubic metres for any premises containing at least twenty-one (21) dwellings and up to and including twenty-five (25) dwellings;
- iv) 4.50 cubic metres for any premises containing at least twenty-six (26) dwellings and up to and including fifty (50) dwellings;
- v) 6.75 cubic metres for any premises containing at least fifty-one (51) dwellings up to and including fifty-six (56) dwellings;
- vi) 9.00 cubic metres for any premises containing at least fifty-seven (57) or more dwellings;
- vii) any premises consisting of dwelling units abutting one another and sharing a common building wall and arranged in a linear manner along a municipally owned right-of-way will be allowed those quantities stated in Section 2(4) of this By-law;
- viii) any premises consisting of dwelling units abutting one another and sharing a common building wall and arranged in a linear manner along a privately owned right-of-way will be allowed those quantities stated in Section 2(4) of this By-law. The waste must be readily accessible on municipally owned property;
- ix) if garbage is compacted, a commercial waste container no larger than 2.25 cubic metres and weighing no more than 750 kg. must be used

- b) In exceptional circumstances, approval may be given by the Commissioner to a multi-family premises of five (5) units or more to place one (1) untagged residential container per unit curbside to a maximum of twenty (20) containers. All containers in excess of the allowable limit must have a municipal identification tag.

6) ICI Limits

ICI premises with four (4) units or less will be provided standard curbside collection and allowed those quantities stated in Section 2(4)(a) of this By-law. ICI premises with five (5) units or greater require their own private waste collection services. All costs and fees associated with private collection shall be the responsibility of the industrial, commercial or institution premises

7) Collection, Storage and Maintenance of Residential and ICI Curbside Waste

- a) Residential waste containers as described in Section 2(1) of this By-law shall be covered as to prevent the scattering of loose waste, the ingress and egress of flies, and shall be kept clean, sanitary and free from rodents, rats, vermin, insects, scavenging animals, maggots and odours at all times.
- b) All waste from the preparation of food shall be drained and thoroughly wrapped before being placed in the container.
- c) The pick up area must meet the requirements as set out in Section 4 of this By-Law and shall be kept clear of ice, snow, motor vehicles or any other obstruction so that convenient access is provided for the collector.
- d) No container shall have bleach or other hazardous chemicals on its surface.
- e) Plastic bags, as approved in Section 2(1)(d) of this By-law, shall be stored in a manner which affords them protection from domestic and other scavenging animals, and when set out for collection shall be securely tied or otherwise sealed to prevent the contents from being scattered,
- f) The clean up of scattered, loose waste is the responsibility of the occupant who placed the waste for collection.

8) Collection, Storage & Maintenance of Multi-Family & Non-Curbside ICI Waste

- a) ICI and multi-family premises using commercial waste containers shall place waste in the containers as described in Section 2(2) of this By-law unless otherwise approved.
- b) The pick up area shall be kept clear of ice, snow, motor vehicles or any other obstruction so that convenient access is provided for the collector.
- c) Commercial waste containers shall meet the requirements of the City Zoning By-law 4500, and any site plan agreements.
- d) Commercial waste containers as described in Section 2(2) of this By-law shall be covered as to prevent the scattering of loose waste, the ingress and egress of flies, and shall be kept clean, sanitary and free from rodents, rats, vermin, insects, scavenging animals, maggots and odours at all times.

9) General Provisions for Waste

- a) The City shall not be required to collect waste:
 - i) that is defined as non-collectible waste in Section 1(15) of this By-law;
 - ii) that is generated from any multi-family dwelling where quantities are more than the allotment set out in Section 2(5) of this By-Law. The City reserves the right to make changes as deemed necessary;
 - iii) that is generated from the ICI sector with five (5) units and over unless otherwise approved;
 - iv) where, in the opinion of the Commissioner, the premises is unsafe or in a difficult location for collection; or
 - v) where the bags or containers at curbside are in excess of the limits set out in Section 2(4)(a) of this By-law and they do not bear a municipal identification tag;

- b) The City has the authority to make a final determination as to the proper type of waste container or collection method to be used by the occupant of the premises.
- c) All non-collectible waste must be disposed of in accordance with all provincial and municipal legislation.
- d) All household special waste (HSW) must be delivered to the HSW depot during the regular HSW hours.
- e) The occupants are responsible for the proper disposal of all waste generated at the occupants' premises and the waste from any such premises shall not be placed, stored or discarded on any other property.
- f) Waste shall be drained of all liquids and securely wrapped and deposited in an approved receptacle supplied by the occupants and any sharp objects or broken glass shall be securely wrapped with materials so that no sharp object or broken glass can pierce the wrapper and no non-collectible waste shall be placed therein.
- g) Where waste collection has been approved on private property, the owner must grant the municipality or its agents permission to enter upon private property for the purpose of waste collection and further, save harmless the municipality or its agents from any damages that may occur while conducting refuse collection operations. The property owner must sign an appropriate waiver form provided by the City.
- h) The City shall collect only sawdust that has been securely wrapped in small bundles. The small bundles shall be placed in the waste receptacle so that the material is completely surrounded by other refuse.
- i) The City shall collect branches only in bundles not exceeding 100 cm in length, 60 cm in diameter and weighing 20 kg. or less. Each bundle shall be securely bound using light rope or twine and one bundle will be counted as one residential waste container as referred to in Section 2(4)(a) of this By-law.

3. RECYCLING COLLECTION SERVICE

1) Residential Recycling Containers

Residential recyclers are required to use blue and yellow residential recycling containers, which must meet with City approval.

2) Multi-Family Recycling Containers

Multi-family recyclers are required to use:

- a) blue and yellow recycling bags as approved by the City; or
- b) blue and yellow recycling boxes as approved by the City; and
- c) multi-family owners and/or landlords are required to supply 295 litre recycling carts as specified. The recycling cart must have lift handles that are compatible with the collection vehicles and colour coded or identified to match the City's recycling program.

3) ICI Recycling Containers

ICI premises that have four (4) units or less and have curbside waste collection are required to use blue and yellow residential recycling containers as specified in Section 3(1) of this By-law.

4) Residential Recycling Limits

A residential curbside limit is one (1) blue box, one (1) yellow box and three (3) bundles of cardboard per unit.

5) Multi-Family Recycling Limits

Recycling limits are subject to approval by the Commissioner.

6) ICI Recycling Limits

An ICI curbside limit is one (1) blue box, one (1) yellow box and three (3) bundles of cardboard per unit.

7) Residential Recycling Collection

Recyclable material from residential dwellings with four (4) units or less must be placed at the curbside as stated in Section 4 of this By-law on residential collection day in containers as specified in Section 3(1) of this By-law.

8) Multi-Family Recycling Collection

Recyclable material from multi-family units must be placed at the curbside on residential collection day in containers as specified in Section 3(2)(c) of this By-law unless otherwise approved by the Commissioner.

9) ICI Recyclables Collection

Any industrial, commercial or institutional premises that receives curbside waste collection as defined in this By-Law shall receive recycling collection, and must meet the provisions in Section 4 of this By-law. Private collection is required for recyclables that are over and above the amount allowed in this By-Law. All costs and fees associated with private collection shall be the responsibility of the ICI premises.

10) General Provision for Recycling

- a) The City shall not be required to collect recyclables:
 - i) that are not set out for collection in accordance with this By-Law;
 - ii) that are not a collectible product as set out in this By-Law; or
 - iii) which are generated from any ICI premise that has five (5) units or greater.
- b) The City shall require that all recyclable materials:
 - i) be clean; and
 - ii) have caps removed from all bottles.
- c) The City shall require that any cardboard set out for collection is securely tied in bundles not exceeding 60 cm long X 60 cm wide X 30 cm high and tied with heavy cord or twine.
- d) The City shall require that recyclable items, wood products, brush and metal be brought to the appropriate depot for recycling.
- e) Where recycling collection has been approved on private property, the owner must grant the municipality or its agents permission to enter upon private property for the purpose of curbside recyclable collection, and further, save harmless the municipality or its agents from any damages that may occur while conducting collection operations. The property owner must sign an appropriate waiver form.

4) PLACEMENT OF CURBSIDE WASTE AND RECYCLABLES

- 1) The Sault Ste Marie residential waste and recyclable collection system is a "curbside collection service" for the collection of waste and/or curbside recyclables that shall be placed for collection in accordance with the following:
 - a) for roads with concrete curbs, waste or recyclables shall be placed directly behind the curb; and
 - b) for roads with concrete sidewalks tightly abutting the curb, waste or recyclables shall be placed directly behind the sidewalk on the property owners side; and
 - c) for roads with boulevards between sidewalks and curbs, waste or recyclables shall be placed directly on the boulevard behind the curb, and

- d) for roads with asphalt or gravel shoulder, waste or curbside recyclables shall be placed directly on edge of the road shoulder.
- 2) No person shall place waste or recyclables so as to impede or obstruct pedestrian and vehicular traffic or maintenance operations.
- 3) Waste placed in residential waste containers or plastic waste bags for collection purposes shall not be placed or piled in such a way as to exceed 1.50 metres in height measured from the highest point of any waste container to the ground surface at a location as set out in Section 4(1) of this By-law. Ground surface shall be considered to mean any surface normally experienced during the summer season.
- 4) All waste and recyclables shall be placed on the property owners frontage adjacent to the access / egress of the premises.
- 5) Waste and recycling containers shall not be placed behind snowbanks unless a clear unobstructed path is available for the collector to reach the container

5. TRANSPORTATION OF WASTE AND RECYCLABLES

No person engaged in collecting, hauling or transporting waste or recyclables shall transport such material within the City of Sault Ste. Marie unless he or she does so with a vehicle that has an enclosed body or a covering securely fastened to the body of the vehicle as to prevent any of the contents falling therefrom. All such vehicles must conform to any and all relevant legislation including the Highway Traffic Act.

6. COLLECTION ROUTES – WASTE AND RECYCLING

The Commissioner shall direct that the City be divided into as many collection routes as necessary for the convenient collection of waste and recyclables.

7. COLLECTION TIMES – WASTE AND RECYCLING

- 1) Residential waste and recycling containers that are ready for removal by the collector shall not be placed curbside, as stipulated in Section 4(1) of this By-law before 7:00 p.m. local time prior to the day fixed for collection and not later than 7:30 a.m. local time on the day of collection.
- 2) Multi-family recycling containers that are ready for removal by the collector shall not be placed curbside, as stipulated in Section 4(1) of this By-law before 7:00 p.m. local time prior to the day fixed for collection and not later than 7:30 a.m. local time on the day of collection.
- 3) The City will determine and announce the time for placing items for special collection, such as leaf collection.

8. GENERAL PROVISIONS FOR PRIVATE COLLECTION – WASTE & RECYCLING

- 1) Where private collection of waste and recyclables is utilized, the containers must:
 - a) be emptied at least once weekly regardless of the volume of the contents unless otherwise approved and in all cases, not allowed to overflow; and
 - b) be placed on private property in a location satisfactory to the City; and
 - c) not be placed on any street, or public property except with the express written permission of the Commissioner; and
 - d) be of acceptable appearance.
- 2) The commercial waste container must be placed at a point freely accessible by the collector, free from hazards and kept in the same place at all times.

9. OCCUPANTS RESPONSIBILITY AND CONSEQUENCES OF CONTRAVENTION

- 1) The Occupant is responsible for the proper disposal of non-collectible waste.
- 2) The Occupant is responsible for the proper disposal of non-collectible recyclables.
- 3) Every person who contravenes any provision of this By-Law is guilty of an offence and on conviction is liable to a fine as provided for in the Provincial Offences Act.
- 4) The Occupant is responsible for ensuring that his or her waste and recyclable materials are in compliance with this By-Law.
- 5) Where waste or recyclables are not collected for any reason and are left to cause an untidy or unsanitary condition, the Commissioner shall make a written demand to the Occupant requesting removal. Should the Occupant fail to perform the work necessary to remove the waste, it will be performed by the City, and failing payment by the Occupant within ten (10) days after notice in writing of the cost of such work, the cost will be recovered in the same manner as Municipal taxes.

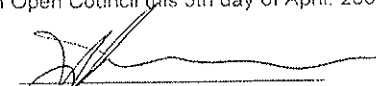
10. ADMINISTRATION OF THIS BY-LAW

The Commissioner shall be responsible for the administration of the By-Law.

11. EFFECTIVE DATE

This by-law shall be effective from the date of its final passing.

READ THREE TIMES and PASSED in Open Council this 5th day of April, 2004


MAYOR - JOHN ROWSWELL


DEPUTY CLERK - MALCOLM WHITE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2015-189

AGREEMENT: (S3) A by-law to authorize the execution of an agreement between the City and The Board of Health for the District of Algoma Health Unit Operating as Algoma Public Health to obtain funds to assist the City in carrying out the Ontario Healthy Kids Community Project.

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 October 13, 2015 between the City and The Board of Health for the District of Algoma Health Unit Operating as Algoma Public Health to obtain funds to assist the City in carrying out the Ontario Healthy Kids Community Project, a copy of which is attached as Schedule "A" hereto.

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 13th day of October, 2015.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

SERVICES AGREEMENT

This Agreement made this 13th day of October, 2015,

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(hereinafter referred to as the "City")

– and –

**THE BOARD OF HEALTH FOR THE DISTRICT OF ALGOMA HEALTH UNIT
OPERATING AS ALGOMA PUBLIC HEALTH**

(hereinafter referred to as the "Service Provider")

WHEREAS the City applied to Her Majesty the Queen in Right of Ontario as represented by the Minister of Health and Long-Term Care (the "Province") for funds to assist the City in carrying out the Ontario Healthy Kids Community Challenge (the "Project"), a community-led program where partners from different sectors work together to implement activities to reduce and prevent childhood overweight and obesity;

AND WHEREAS the Province approved the City's application for funding, subject to specified terms and conditions, as outlined in an Agreement between the Province and the City made effective April 1, 2015 (the "Contribution Agreement"), the said Contribution Agreement being executed by the Province on September 15, 2015 and by the City as authorized by By-law 2015-149 passed on August 10, 2015, a copy of which Contribution Agreement is appended hereto as Appendix "A" to this Services Agreement;

AND WHEREAS the Service Provider desires to administer the Project in accordance with the terms and conditions of the Contribution Agreement and this Services Agreement;

AND WHEREAS Article 23 of the Contribution Agreement permits the City to assign its rights and obligations under the Contribution Agreement with the prior written consent of the Province and further confirms that all rights and obligations contained in the Contribution Agreement shall extend to and be binding on the City's permitted assigns;

AND WHEREAS the Province has provided its consent to the City assigning the administration of the Project to the Service Provider as set out herein;

NOW THEREFORE in consideration of the promises, covenants and agreements herein contained and hereby assumed, the parties for themselves and their respective successors and assigns do hereby covenant and agree with one another as follows:

1.0 ARTICLE 1 – INTERPRETATION AND DEFINITIONS

1.1 Interpretation. For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the background and the headings do not form part of the Agreement; they are for reference only and shall not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency shall be to Canadian dollars and currency; and
- (e) "include", "includes" and "including" denote that the subsequent list is not exhaustive.

1.2 Definitions. In the Agreement, the following terms shall have the following meanings:

"BPSAA" means the *Broader Public Sector Accountability Act, 2010* (Ontario).

"Budget" means the budget attached as Schedule "B" to Appendix "A" of this Service Agreement.

"Business Day" means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

"Contribution Agreement" means the Agreement between Her Majesty The Queen in Right of Ontario as represented by the Minister of Health and Long-Term Care and the City of Sault Ste. Marie, effective as of the 1st day of April, 2015, and appended hereto as Appendix "A" to this Service Agreement along with Schedules "A" through "D" inclusive.

"Effective Date" means April 1, 2015.

"Event of Default" has the meaning ascribed to it in Section 14.1.

"Funding Year" means:

- (a) in the case of the first Funding Year, the period commencing on the Effective Date

and ending on the following March 31; and

- (b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

"Funds" means the money the Province provides to the City pursuant to the Contribution Agreement.

"Indemnified Parties" means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees and employees and the City and its respective councillors, officials, officers, directors, employees, consultants, agents, successors, contractors and assigns, or any of them.

"Maximum Funds" means \$525,000.

"Notice" means any communication given or required to be given pursuant to this Services Agreement.

"Notice Period" means the period of time within which the Service Provider is required to remedy an Event of Default, and includes any such period or periods of time by which the City considers it reasonable to extend that time.

"Parties" means the City and the Service Provider.

"Party" means either the City or the Service Provider.

"Project" means the undertaking described in Schedule "A" of Appendix "A" to this Service Agreement.

"Reports" means the reports described in Schedule "D" of Appendix "A" to this Service Agreement.

"Service Agreement" means this agreement entered into between the City and the Service Provider, and includes the Recitals and all Appendices set out herein and any amending agreement entered into pursuant to Section 41.2.

"Timelines" means the Project schedule set out in Schedule "A" of Appendix "A" to this Service Agreement.

2.0 ARTICLE 2 - REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 General. The Service Provider represents, warrants and covenants that:

- (a) it is, and shall continue to be for the term of the Service Agreement, a validly existing legal entity with full power to fulfill its obligations under the Service Agreement;
- (b) it has, and shall continue to have for the term of the Service Agreement, the experience and expertise necessary to carry out the Project;
- (c) it is in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Project, the Funds or both; and
- (d) unless otherwise provided for in the Service Agreement, any information the Service Provider provided to the City in respect of this Project, its desire to administer same and any matters related directly or indirectly to this Service Agreement was true and complete at the time the Service Provider provided it and shall continue to be true and complete for the term of the Service Agreement.

2.2 Execution of Agreement. The Service Provider represents and warrants that:

- (a) it has the full power and authority to enter into the Service Agreement; and
- (b) it has taken all necessary actions to authorize the execution of the Service Agreement.

2.3 Governance. The Service Provider represents, warrants and covenants that it has, and shall maintain, in writing for the period during which the Service Provider is in effect:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Service Provider's organization;
- (b) procedures to ensure the ongoing effective functioning of the Service Provider;
- (c) decision-making mechanisms for the Service Provider;
- (d) procedures to enable the Service Provider to manage the Funds prudently and effectively;

- (e) procedures to enable the Service Provider to complete the Project successfully;
- (f) procedures to enable the Service Provider, in a timely manner, to identify risks to the completion of the Project, and strategies to address the identified risks;
- (g) procedures to enable the preparation and delivery of all Reports required pursuant to Article 7; and
- (h) procedures to enable the Service Provider to deal with such other matters as the Service Provider considers necessary to ensure that the Service Provider carries out its obligations under the Agreement.

2.4 Supporting Documentation. Upon request, Service Provider shall provide the City with proof of the matters referred to in this Article 2.

3.0 ARTICLE 3 - TERM OF THE AGREEMENT

3.1 Term. The term of the Service Agreement shall commence on the Effective Date and shall expire on March 31, 2018 unless terminated earlier pursuant to Article 12, Article 13 or Article 14.

4.0 ARTICLE 4 – THE PROJECT AND THE FUNDS

4.1 Description of Project and Timelines

- (a) City Council passed By-law 2015-149 which authorized the City's execution of the Contribution Agreement, a copy of which is appended as Appendix "A" to this Agreement. The Service Provider further acknowledges and agrees that the Contribution Agreement sets out the Project requirements, including but not limited to the Project Description, Project Timelines, Budget, Payment, Reports and record keeping requirements.
- (b) The City hereby assigns all matters related to and necessary for the administration of the Project to the Service Provider.
- (c) The Service Provider hereby covenants and undertakes to provide all that is necessary and required to perform the Project in accordance with the terms and conditions set out in the Contribution Agreement and further as set out in the Service Agreement.

- (d) The Service Provider acknowledges **Article 23** of the Contribution Agreement, and agrees that the Service Provider is bound to the terms, conditions and obligations set out therein.
- (e) The Service Provider acknowledges and understands that adhering to the Timelines, Budget and Project Description and obligations as set out in the Contribution Agreement is critical to the funding received by the City from the Province. The Service Provider covenants and undertakes to:
 - (i) Provide all that is necessary and required to perform the deliverables and administration of the Project in a manner which is consistent with the terms and conditions of the Contribution Agreement and this Services Agreement, to the satisfaction of the City. The Service Provider acknowledge and agrees that this includes but is not limited to hiring a Project Manager, hiring any other necessary personnel and labour, and providing all necessary materials, equipment, an office and resources necessary to perform the deliverables and administration of the Project;
 - (ii) be solely responsible for all activities, costs, liabilities and expenses related directly and/or indirectly to the Project and matters set out in this Services Agreement; and
 - (iii) provide and complete any reports, documents, invoices, financial records and any other materials requested by the City to facilitate the fulfillment of the obligations under the Contribution Agreement and this Services Agreement, to the satisfaction of the City.
- (f) The Service Provider undertakes to comply with all federal and provincial laws and regulations, all municipal by-laws, any other orders, rules and by-laws, and industry standards related to any aspect of the Project. The Service Provider further undertakes to, at its own expense, obtain all permits, licences, approvals and authorizations required to complete the Project and satisfy the terms set out in this Services Agreement.
- (g) The Service Provider shall attend and participate in any meeting required by the City to deal with Project issues or matters related to this Services Agreement immediately upon request by the City.
- (h) The Service Provider acknowledges and agrees that title to any intellectual property

created solely by this Project shall vest with the City. The Service Provider shall have no rights, title or interest in the intellectual property created by this Project.

4.2 Funds Provided. The City shall:

- (a) provide the Service Provider up to the Maximum Funds for the purpose of carrying out the Project;
- (b) provide the Funds to the Service Provider in accordance with the payment plan attached to the Services Agreement as Schedule "C" of Appendix "A"; and
- (c) deposit the Funds into an account designated by the Service Provider provided that the account:
 - (i) resides at a Canadian financial institution; and
 - (ii) is in the name of the Service Provider.

4.3 Financial Compliance, Tracking and Consolidated Monthly Package.

- (a) The Service Provider undertakes to complete all necessary deliverables and administer the Project to coincide with the Project Description, Budget and the Payment schedules appended as Schedules "A", "B" and "C" respectively to the Contribution Agreement. The Service Provider acknowledges that the Budget and Payment schedules as referenced herein sets for the maximum Funds payable by the City for those necessary deliverables of the Project as identified in Schedule "A" to the Contribution Agreement and the payment schedule for same. The Service Provider further acknowledges that the City shall in no way be responsible or liable to pay any Funds for any expenses associated with the Project that does not coincide with the Project, the Contribution Agreement or this Services Agreement, including but not limited to the maximum Funds payable for each deliverable, Budget Item or Payment Plan;
- (b) The Service Provider undertakes to track and maintain the progress of the Project and all fees and expenses related to same, along with supporting documentation and invoices. For each month during the Term, the Service Provider shall provide a consolidated monthly package that sets out the deliverables completed (Schedule "A" to the Contribution Agreement") and correlate same to the deliverables, Budget (Schedule "B" to the Contribution Agreement) and Payment plan (Schedule "C" to the

Contribution Agreement) for the City. The consolidated monthly package shall also contain any and all supporting documents and invoices. In the event that the City has any questions or requests clarification of a consolidated monthly package or at any time, the Service Provider shall forthwith answer such questions and clarify matters to the satisfaction of the City. The Service Provider shall provide the City with the consolidated monthly package by the last day of each month in the Term;

- (c) The Service Provider acknowledges and agrees that the City shall not be responsible to pay for any fees or expenses of any nature or kind that is not supported by accurate invoices and supporting documentation, to the satisfaction of the City regardless of whether or not the expenses/fees were incurred by the Service Provider. Further, the City shall not be responsible or liable to pay for any fees or expenses that are not eligible costs for the Project pursuant to the Contribution Agreement, regardless of whether or not the expenses/fees were incurred by the Service Provider.
- (d) The Service Provider acknowledges and agrees that the actual expenses associated with the deliverables and administration of the Project may be greater than or less than the amounts associated with same as provided in the Budget and Payment Schedule, appended as Schedules "B" and "C" respectively to the Contribution Agreement. To this end, the Service Provider acknowledges that:
 - (i) If the actual expenses associated with completing the Project deliverable is less than the amount provided for the applicable deliverable, the amount payable by the City to the Service Provider shall only be the actual cost for completing the deliverable, and not the higher cost; and
 - (ii) If the actual expenses associated with completing the deliverable is greater than the amount provided for the applicable deliverable, the Maximum Funds payable by the City to the Service Provider shall only be the amount as set out in Schedules "B" and "C" herein.

Essentially, the Service Provider hereby undertakes to complete all deliverables for the Project (Schedule "A" to the Contribution Agreement) in accordance with the Budget and Payment schedules (specifically Schedules "B" and "C" respectively).

4.4 Revised Schedules. The City may, at any time, upon consultation with the Service Provider, provide any or all of the following documents to amend the Schedules to Appendix "A" of this Services Agreement:

- (a) a new Schedule "A" to Appendix "A" herein (Project Description and Timelines);
- (b) a new Schedule "B" to Appendix "A" herein (Budget);
- (c) a new Schedule "C" to Appendix "A" herein (Payment); and
- (d) a new Schedule "D" to Appendix "A" herein (Reports).

4.5 Deemed to be Replaced. If the City provides a new Schedule in accordance with Section 4.4, the new Schedule shall be deemed to be either Schedule "A" (Project Description and Timelines), Schedule "B" (Budget), Schedule "C" (Payment) and Schedule "D" (Reports), as the case may be, (collectively referred to as "**New Schedules**"), for the period of time to which it relates.

4.6 Limitation on Payment of Funds. Despite Sections 4.2 and 4.3:

- (a) the City is not obligated to provide any Funds to the Service Provider until the Service Provider provides the insurance certificate or other proof as the City may request pursuant to Section 11.2;
- (b) the City is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project;
- (c) the City may adjust the amount of Funds it provides to the Service Provider in any Funding Year based upon the City's assessment of the information provided by the Service Provider pursuant to Section 7.1; and
- (d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Contribution Agreement, the City is not obligated to make any such payment to the Service Provider herein, and, as a consequence, the City may:
 - (i) reduce the amount of the Funds and, in consultation with the Service Provider, change the Project; or
 - (ii) terminate the Services Agreement pursuant to Section 13.1.

4.7 Use of Funds and Project. The Service Provider shall:

- (a) carry out the Project in accordance with the terms and conditions of the Services Agreement;

(b) use the Funds only for the purpose of carrying out the Project; and

(c) spend the Funds only in accordance with the Budget.

4.8 No Changes. The Service Provider shall not make any changes to the Project, the Timelines, or the Budget without the prior written consent of the City.

4.9 Interest Bearing Account. If the City provides Funds to the Service Provider prior to the Service Provider's immediate need for the Funds, the Service Provider shall place the Funds in a separate interest bearing account in the name of the Service Provider at a Canadian financial institution.

4.10 Interest. If the Service Provider earns any interest on the Funds, the City may:

(a) deduct an amount equal to the interest from any further instalments of Funds; or

(b) demand from the Service Provider the repayment of an amount equal to the interest.

4.11 Maximum Funds. The Service Provider acknowledges that the Funds available to it pursuant to this Services Agreement shall not exceed the Maximum Funds. Further, the Service Provider acknowledges that the Funds available to it pursuant to this Services Agreement shall not exceed the amount of Funds the City receives from the Province in respect of this Project.

4.12 Rebates, Credits and Refunds. The Service Provider acknowledges that the amount of Funds available to it pursuant to the Services Agreement is based on the actual costs to the Service Provider, less any costs (including taxes) for which the Service Provider and the City has received, will receive, or is eligible to receive, a rebate, credit or refund.

5.0 ARTICLE 5 - ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

5.1 Acquisition. Subject to Section 28.1, if the Service Provider acquires goods, services, or both with the Funds, it shall do so through a process that promotes the best value for money.

5.2 Disposal. The Service Provider shall not, without the City's prior written consent, sell, lease or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded \$1,000 at the time of purchase.

6.0 ARTICLE 6 - CONFLICT OF INTEREST

6.1 No Conflict of Interest. The Service Provider shall carry out the Project and use the Funds without an actual, potential or perceived conflict of interest.

6.2 Conflict of Interest Includes. For the purposes of this Article, a conflict of interest includes any circumstances where:

- (a) the Service Provider; or
- (b) any person who has the capacity to influence the Service Provider's decisions,

has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Service Provider's objective, unbiased and impartial judgment relating to the Project, the use of the Funds, or both.

6.3 Disclosure to Province. The Service Provider shall:

- (a) disclose to the City, without delay, any situation that a reasonable person would interpret as an actual, potential or perceived conflict of interest; and
- (b) comply with any terms and conditions that the City may prescribe as a result of the disclosure.

7.0 ARTICLE 7 - REPORTING, ACCOUNTING AND REVIEW

7.1 Preparation and Submission. The Service Provider shall:

- (a) submit to the City at the address provided in Section 18.1, all Reports in accordance with the timelines and content requirements set out in Schedule "D" of Appendix "A" attached hereto, or in a form as specified by the City from time to time;
- (b) submit to the City at the address provided in Section 18.1, any other reports as may be requested by the City in accordance with the timelines and content requirements specified by the City;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the City; and

- (d) ensure that all Reports and other reports are signed on behalf of the Service Provider by an authorized signing officer.

7.2 Record Maintenance. The Service Provider shall keep and maintain:

- (a) all financial records (including invoices) relating to the Funds or otherwise to the Project in a manner consistent with generally accepted accounting principles; and
- (b) all non-financial documents and records relating to the Funds or otherwise to the Project.

The Service Provider shall keep and maintain the records referenced above and in this Services Agreement for a period of ten (10) years after the expiry or termination of this Services Agreement.

7.3 Inspection. The City, its authorized representatives or an independent auditor identified by the City may, at its own expense, upon twenty-four hours' Notice to the Service Provider and during normal business hours, enter upon the Service Provider's premises to review the progress of the Project and the Service Provider's allocation and expenditure of the Funds and, for these purposes, the City, its authorized representatives or an independent auditor identified by the City may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in Section 7.2;
- (b) remove any copies made pursuant to Section 7.3(a) from the Service Provider's premises; and
- (c) conduct an audit or investigation of the Service Provider in respect of the expenditure of the Funds, the Project, or both.

7.4 Disclosure. To assist in respect of the rights set out in Section 7.3, the Service Provider shall disclose any information requested by the City, its authorized representatives or an independent auditor identified by the City, and shall do so in the form requested by the City, its authorized representatives or an independent auditor identified by the City, as the case may be.

7.5 No Control of Records. No provision of this Services Agreement shall be construed so as to give the City any control whatsoever over the Service Provider's records.

7.6 Auditor General. For greater certainty, the City's rights under this Article are in addition to

any rights provided to the Auditor General pursuant to Section 9.1 of the *Auditor General Act* (Ontario).

8.0 ARTICLE 8 – CONFIDENTIALITY AND COMMUNICATIONS REQUIREMENTS

8.1 Confidentiality. The Service Provider shall keep confidential and shall not disclose the contents of the Project or matters related directly or indirectly thereto without the consent of the City. The Service Provider undertakes to obtain the City's advance written permission and consent before issuing, releasing, creating or otherwise disclosing in any form any publications, signage or other visual, written or oral disclosure of matters related directly or indirectly to the Project.

8.2 Acknowledge Support. Unless otherwise directed by the City, the Service Provider shall acknowledge the support of the Province in a form and manner as directed by the City.

8.3 Publication. The Service Provider shall indicate, in any of its publications, of any kind, including written, oral, or visual, relating to the Project, that the views expressed in the publication are the views of the City and do not necessarily reflect those of the Province.

9.0 ARTICLE 9 - FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

9.1 FIPPA. The Service Provider acknowledges that the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the City and/or the Province in connection with the Project or otherwise in connection with the Services Agreement may be subject to disclosure in accordance with that Act.

9.2 MFIPPA. The Service Provider acknowledges that the City is bound by the *Municipal Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the City in connection with the Project or otherwise in connection with the Services Agreement may be subject to disclosure in accordance with that Act

10.0 ARTICLE 10 - INDEMNITY

10.1 Indemnification. The Service Provider hereby agrees to indemnify and hold harmless the Indemnified Parties and their respective councillors, officials, officers, directors, employees, consultants, agents, successors, contractors and assigns, or any of them from and against any and all liability, loss, costs, damages, interest, expenses (including legal, expert and consultant fees), liens, losses, costs, charges, causes of action, actions, claims, demands, lawsuits or other proceedings (including without limitation those relating to environmental, work place safety and

insurance compensation and occupational health and safety matters), by whomever made, sustained, incurred, brought, imposed, or prosecuted, upon all or any of them, in any way arising out of or in connection with the Project or otherwise in connection with the Contribution Agreement and this Services Agreement, unless solely caused by the negligence or wilful misconduct of the City.

11.0 ARTICLE 11 - INSURANCE

11.1 Service Provider's Insurance. The Service Provider represents and warrants that it has, and shall maintain for the term of the Services Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a project similar to the Project would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than two million dollars (\$2,000,000) per occurrence. The policy shall include the following:

- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Service Provider's obligations under, or otherwise in connection with, the Services Agreement;
- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) a 30 day written notice of cancellation, termination or material change.

11.2 Proof of Insurance. The Service Provider shall provide the City with certificates of insurance, or other proof as may be requested by the City, that confirms the insurance coverage as provided for in **Section 11.1**. Upon the request of the City, the Service Provider shall make available to the City a copy of each insurance policy.

11.3 Compliance with Insurance. The Service Provider shall comply with all provisions and requirements of any of the Service Provider's insurance policies applicable to the Project.

12.0 ARTICLE 12 - TERMINATION ON NOTICE

12.1 Termination on Notice. The City may terminate the Services Agreement at any time upon giving at least 30 days' Notice to the Service Provider.

12.2 Consequences of Termination on Notice by the City. If the City terminates the Services Agreement pursuant to Section 12.1, the City may take one or more of the following actions:

- (a) cancel all further instalments of Funds;
- (b) demand the repayment of any Funds remaining in the possession or under the control of the Service Provider; and
- (c) determine the reasonable costs for the Service Provider to wind down the Project, and do either or both of the following:
 - (i) permit the Service Provider to offset the costs determined pursuant to Section 12.2(c), against the amount owing pursuant to Section 12.2(b); and/or
 - (ii) subject to Section 4.11, provide Funds to the Service Provider to cover the costs determined pursuant to Section 12.2(c).

13.0 ARTICLE 13 - TERMINATION WHERE NO APPROPRIATION

13.1 Termination Where No Appropriation. If, as provided for in Section 4.6(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Contribution Agreement, the City may terminate the Services Agreement immediately by giving Notice to the Service Provider.

13.2 Consequences of Termination Where No Appropriation. If the City terminates the Services Agreement pursuant to Section 13.1, the City may take one or more of the following actions:

- (a) cancel all further instalments of Funds;
- (b) demand the repayment of any Funds remaining in the possession or under the control of the Service Provider; and/or
- (c) determine the reasonable costs for the Service Provider to wind down the Project and permit the Service Provider to offset such costs against the amount owing pursuant to Section 13.2(b).

13.3 No Additional Funds. For purposes of clarity, if the costs determined pursuant to Section 13.2(c) exceed the Funds remaining in the possession or under the control of the Service

Provider, the City shall not provide additional Funds to the Service Provider.

14.0 ARTICLE 14 - EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT

14.1 Events of Default. Each of the following events shall constitute an Event of Default:

- (a) in the opinion of the City, the Service Provider breaches any representation, warranty, covenant or other material term of the Services Agreement, including failing to do any of the following in accordance with the terms and conditions of the Services Agreement:
 - (i) carry out the Project;
 - (ii) use or spend Funds; or
 - (iii) provide, in accordance with Section 7.1, Reports or such other reports as may have been requested pursuant to Section 7.1(b);
- (b) the Service Provider's operations, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements of the program under which the City provides the Funds;
- (c) the Service Provider makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Service Provider bankrupt, or applies for the appointment of a receiver; or
- (d) the Service Provider ceases to operate.

14.2 Consequences of Events of Default and Corrective Action. If an Event of Default occurs, the City may, at any time, take one or more of the following actions:

- (a) initiate any action the City considers necessary in order to facilitate the successful continuation or completion of the Project;
- (b) provide the Service Provider with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the City determines appropriate;

- (d) reduce the amount of the Funds;
- (e) cancel all further instalments of Funds;
- (f) demand the repayment of any Funds remaining in the possession or under the control of the Service Provider;
- (g) demand the repayment of an amount equal to any Funds the Service Provider used, but did not use in accordance with the Services Agreement;
- (h) demand the repayment of an amount equal to any Funds the City provided to the Service Provider; and/or
- (i) terminate the Services Agreement at any time, including immediately, upon giving Notice to the Service Provider.

14.3 Opportunity to Remedy. If, in accordance with Section 14.2(b), the City provides the Service Provider with an opportunity to remedy the Event of Default, the City shall provide Notice to the Service Provider of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

14.4 Recipient not Remediating. If the City has provided the Service Provider with an opportunity to remedy the Event of Default pursuant to Section 14.2(b), and:

- (a) the Service Provider does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the City that the Service Provider cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Service Provider is not proceeding to remedy the Event of Default in a way that is satisfactory to the City,

the City may extend the Notice Period, or initiate any one or more of the actions provided for in Sections 14.2(a), (c), (d), (e), (f), (g), (h) and (i).

14.5 When Termination Effective. Termination under this Article shall take effect as set out in the Notice.

15.0 ARTICLE 15 - FUNDS AT THE END OF A FUNDING YEAR

15.1 Funds at the End of a Funding Year. Without limiting any rights of the City under Article 14, if the Service Provider has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the City may take one or both of the following actions:

- (a) demand the return of the unspent Funds; and
- (b) adjust the amount of any further instalments of Funds accordingly.

16.0 ARTICLE 16 - FUNDS UPON EXPIRY

16.1 Funds Upon Expiry. The Service Provider shall, upon expiry of the Services Agreement, return to the City any Funds remaining in its possession or under its control.

17.0 ARTICLE 17 - REPAYMENT

17.1 Repayment of Overpayment. If at any time during the term of the Services Agreement the City provides Funds in excess of the funds to which the Service Provider is entitled under the Services Agreement, the City may:

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
- (b) demand that the Service Provider pay an amount equal to the excess Funds to the City.

17.2 Debt Due. If, pursuant to this Services Agreement:

- (a) the City demands the payment of any Funds or an amount equal to any Funds from the Service Provider; or
- (b) the Service Provider owes any Funds or an amount equal to any Funds to the City, whether or not their return or repayment has been demanded by the City,

such Funds or other amount shall be deemed to be a debt due and owing to the City by the Service Provider, and the Service Provider shall pay or return the amount to the City immediately, unless the City directs otherwise.

17.3 Interest Rate. The City may charge the Service Provider interest on any money owing by the Service Provider at the then current interest rate charged by the City on accounts receivable.

17.4 Payment of Money to Province. The Service Provider shall pay any money owing to the City by cheque payable to the "The Corporation of the City of Sault Ste. Marie" and delivered to the City at the address provided in Section 18.1.

18.0 ARTICLE 18 - NOTICE

18.1 Notice in Writing and Addressed. Notice shall be in writing and shall be delivered by email, postage-prepaid mail, personal delivery or fax, and shall be addressed to the City and the Service Provider respectively as set out below, or as either Party later designates to the other by Notice:

To the Service Provider:

Algoma Public Health
294 Willow Avenue
Sault Ste. Marie, ON
P6B 0A9
Attention: Justin Pino
Chief Financial Officer
Fax: (705) 759-2540
Email:
jpino@algomapublichealth.com

To the City:

The Corporation of the City of
Sault Ste. Marie
Civic Centre, Level Four
99 Foster Drive
P.O. Box 580
Sault Ste. Marie, ON P6A 5N1
Attention: Nuala Kenny
City Solicitor
Fax: (705) 759-5407
Email:
n.kenny@cityssm.on.ca

18.2 Notice Given. Notice shall be deemed to have been received:

- (a) in the case of postage-prepaid mail, seven days after a Party mails the Notice; or
- (b) in the case of email, personal delivery or fax, at the time the other Party receives the Notice.

18.3 Postal Disruption. Despite Section 18.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail shall not be deemed to be received; and
- (b) the Party giving Notice shall provide Notice by email, personal delivery or by fax.

18.4 Despite Section 18.2. Despite section 18.2, if either Party receives a Notice on a non-Business Day, or after 5 p.m. on a Business Day, the Notice shall be deemed to have been received on the next Business Day.

19.0 ARTICLE 19 - CONSENT BY CITY AND COMPLIANCE BY SERVICE PROVIDER

19.1 Consent. When the City provides its consent pursuant to the Services Agreement, it may impose any terms and conditions on such consent and the Service Provider shall comply with such terms and conditions.

20.0 ARTICLE 20 - SEVERABILITY OF PROVISIONS

20.1 Invalidity or Unenforceability of Any Provision. The invalidity or unenforceability of any provision of the Services Agreement shall not affect the validity or enforceability of any other provision of the Services Agreement. Any invalid or unenforceable provision shall be deemed to be severed.

21.0 ARTICLE 21 - WAIVER

21.1 Waivers in Writing. If a Party fails to comply with any term of the Services Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the Notice provisions in Article 18. Any waiver must refer to a specific failure to comply and shall not have the effect of waiving any subsequent failures to comply.

22.0 ARTICLE 22 - INDEPENDENT PARTIES

22.1 Parties Independent. The Service Provider acknowledges that it is not an agent, joint venturer, partner or employee of the City, and the Recipient shall not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

23.0 ARTICLE 23 - ASSIGNMENT OF AGREEMENT OR FUNDS

23.1 No Assignment. The Service Provider shall not, without the prior written consent of the City, assign any of its rights, or obligations under the Services Agreement.

23.2 Agreement Binding. All rights and obligations contained in the Services Agreement shall extend to and be binding on the Parties' respective heirs, executors, administrators, successors and permitted assigns.

24.0 ARTICLE 24 - GOVERNING LAW

24.1 Governing Law. The Services Agreement and the rights, obligations and relations of the Parties shall be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement shall be conducted in the courts of Ontario, which shall have exclusive jurisdiction over such proceedings.

25.0 ARTICLE 25 - FURTHER ASSURANCES

25.1 Agreement into Effect. The Service Provider shall provide such further assurances as the City may request from time to time with respect to any matter to which the Service Agreement pertains, and shall otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Service Agreement to their full extent.

26.0 ARTICLE 26 - JOINT AND SEVERAL LIABILITY

26.1 Joint and Several Liability. Where the Service Provider is comprised of more than one entity, all such entities shall be jointly and severally liable to the City for the fulfillment of the obligations of the Service Provider under the Services Agreement.

27.0 ARTICLE 27 - RIGHTS AND REMEDIES CUMULATIVE

27.1 Rights and Remedies Cumulative. The rights and remedies of the City under the Services Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

28.0 ARTICLE 28 - BPSAA

28.1 BPSAA. For the purposes of clarity, if the Service Provider is subject to the *BPSAA* and

there is a conflict between any of the requirements of the Services Agreement and the requirements of the *BPSAA*, the *BPSAA* shall prevail.

29.0 ARTICLE 29 - ACKNOWLEDGEMENT OF OTHER LEGISLATION

29.1 Service Provider Acknowledges. The Service Provider acknowledges that by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *BPSAA*, the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario).

30.0 ARTICLE 30 - FAILURE TO COMPLY WITH OTHER AGREEMENTS

30.1 Other Agreements. If the Service Provider:

- (a) has failed to comply (a "**Failure**") with any term, condition or obligation under any other agreement with Her Majesty the Queen in right of Ontario or a Crown agency;
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (d) such Failure is continuing,

the City may suspend the payment of Funds for such period as the City determines appropriate.

31.0 ARTICLE 31 - Appendices

31.1 Appendix "A". Any reference to the term "Services Agreement" in this Services Agreement includes the Contribution Agreement attached as Appendix "A" hereto, inclusive of the following schedules appended thereto:

- (a) Schedule "A" - Project Description and Timelines;
- (b) Schedule "B" - Budget;
- (c) Schedule "C" - Payment; and
- (d) Schedule "D" - Reports.

32.0 ARTICLE 32 - SURVIVAL

32.1 Survival. The following Articles and sections, and all applicable cross-referenced sections and schedules, shall continue in full force and effect for a period of ten (10) years from the date of expiry or termination of the Agreement: Article 1 and any other applicable definitions, section 4.6(d), 4.10, section 5.2, section 7.1 (to the extent that the Service Provider has not provided the Reports to the satisfaction of the City), sections 7.2, 7.3, 7.4, 7.5, 7.6, Article 8, Article 10, Section 12.2, Sections 13.2 and 13.3, Sections 14.1, 14.2(d), (e), (f), (g) and (h), Article 16, Article 17, Article 18, Article 20, Section 23.2, Article 24, Article 26, Article 27, Article 29, Article 30, Article 31, Article 32, and Articles 34 through 41 inclusive.

33.0 ARTICLE 33 - COUNTERPARTS

33.1 Counterparts. The Services Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

34.0 ARTICLE 34 – COMPLIANCE WITH AGREEMENT AND LAWS

34.1 Compliance with Agreement. The Service Provider shall take all reasonable measures to ensure that its officers, directors, partners, employees, agents and permitted contractors and assigns are bound to observe the provisions of the Services Agreement.

34.2 Compliance with Laws. The Service Provider shall take all reasonable measures to ensure that its officers, directors, partners, employees, agents and permitted contractors and assigns if any, at all times to comply with any and all applicable federal, provincial and municipal laws, ordinances, statutes, rules regulations and orders.

35.0 ARTICLE 35 - REPAYMENT

35.1 Debt due. If the Service Provider owes any monies to the City whether or not their return or repayment has been demanded by the City, such monies shall be deemed to be a debt due and owing to the City by the Service Provider, and the Service Provider shall pay or return the amount to the City immediately unless the City directs otherwise.

36.0 ARTICLE 36 – INTEREST AND SET OFF

36.1 Interest rate. The City may charge the Service Provider interest on any monies owing by the

Service Provider at the then current interest rate charged by the Province of Ontario on accounts receivable.

36.2 Set off. If the Service Provider is indebted to the City under this or any other agreement between them, the City shall have the right to set off the amount of such indebtedness against the amount of Funds owing to the Service Provider under this Services Agreement and to reduce the total amount of Funds payable to the Service Provider by such amount.

37.0 ARTICLE 37 - HEALTH & SAFETY AND WSIB

37.1 The Service Provider and any permitted contractor(s) and assigns employed by them shall comply with all requirements of the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1 and its regulations; including, but not limited to, providing proof of compliance with WSIB requirements (maintain current WSIB Clearance Certificate on file with the City for the duration of the Term), And providing proof of Commercial General Liability Insurance (minimum of Five Million (\$5,000,000.00 CDN) Canadian Dollars per occurrence) for the duration of the onsite work and compliance with the City's Contractor Qualification Policy.

37.2 The Service Provider acknowledges and agrees that the Project Manager and any and all necessary personnel for the administration of the Project shall be hired by the Service Provider and shall at all times be the employee(s) of the Service Provider.

38.0 ARTICLE 38 – DISPUTE RESOLUTION

38.1 In the event of a dispute, the City shall avail itself of any and all legal recourse in any forum the City deems appropriate to deal with same.

39.0 ARTICLE 39 - FURTHER ASSURANCES

39.1 The parties shall do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Services Agreement to its full extent.

40.0 ARTICLE 40 - TIME IS OF THE ESSENCE

40.1 Time is of the essence in the performance of obligations under this Services Agreement.

41.0 ARTICLE 41 - ENTIRE AGREEMENT

41.1 **Entire Agreement.** The Services Agreement constitutes the entire agreement between the

Parties with respect to the subject matter contained in the Services Agreement and supersedes all prior oral or written representations and agreements.

41.2 Modification of Agreement. The Services Agreement may only be amended by a written agreement duly executed by the Parties.

41.3 Recitals and Appendices. The Parties hereto acknowledge and agree that the Recitals and Appendix "A", along with Schedules "A" through "D" inclusive have formed part of the Services Agreement.

IN WITNESS WHEREOF the Parties hereto have signed this Services Agreement this th day of October, 2015.

**THE CORPORATION OF THE
CITY OF SAULT STE. MARIE**

Per: _____
Mayor – Christian Provenzano

Per: _____
City Clerk – Malcolm White
I/We have authority to bind the City

**The Board of Health for the District of
Algoma Health Unit Operating as
Algoma Public Health**

Per: _____

Per: _____

I/We have authority to bind The Board of
Health for the District of Algoma Health
Unit Operating as Algoma Public Health

APPENDIX "A"

Contribution Agreement

- Schedule 'A'
- Schedule 'B'
- Schedule 'C'
- Schedule 'D'

THE AGREEMENT effective as of the 1st day of April, 2015

B E T W E E N :

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Health and Long-Term Care
(the "Province")

- and -

City of Sault Ste. Marie
(the "Recipient")

BACKGROUND:

The Recipient has applied to the Province for funds to assist the Recipient to carry out the Project and the Province wishes to provide such funds.

CONSIDERATION:

In consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Parties agree as follows:

ARTICLE 1
INTERPRETATION AND DEFINITIONS

1.1 Interpretation. For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the background and the headings do not form part of the Agreement; they are for reference only and shall not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency shall be to Canadian dollars and currency; and
- (e) "include", "includes" and "including" denote that the subsequent list is not exhaustive.

1.2 Definitions. In the Agreement, the following terms shall have the following meanings:

"Agreement" means this agreement entered into between the Province and the Recipient and includes all of the schedules listed in section 31.1 and any

amending agreement entered into pursuant to section 34.2.

"BPSAA" means the *Broader Public Sector Accountability Act, 2010* (Ontario).

"Budget" means the budget attached to the Agreement as Schedule "B".

"Business Day" means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

"Effective Date" means the date set out at the top of the Agreement.

"Event of Default" has the meaning ascribed to it in section 14.1.

"Funding Year" means:

- (a) in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
- (b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

"Funds" means the money the Province provides to the Recipient pursuant to the Agreement.

"Indemnified Parties" means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees and employees.

"Maximum Funds" means \$525,000.

"Notice" means any communication given or required to be given pursuant to the Agreement.

"Notice Period" means the period of time within which the Recipient is required to remedy an Event of Default, and includes any such period or periods of time by which the Province considers it reasonable to extend that time.

"Parties" means the Province and the Recipient.

"Party" means either the Province or the Recipient.

"Project" means the undertaking described in Schedule "A".

"Reports" means the reports described in Schedule "D".

"Timelines" means the Project schedule set out in Schedule "A".

ARTICLE 2
REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 General. The Recipient represents, warrants and covenants that:

- (a) it is, and shall continue to be for the term of the Agreement, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and shall continue to have for the term of the Agreement, the experience and expertise necessary to carry out the Project;
- (c) it is in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Project, the Funds or both;
- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and shall continue to be true and complete for the term of the Agreement.

2.2 Execution of Agreement. The Recipient represents and warrants that:

- (a) it has the full power and authority to enter into the Agreement; and
- (b) it has taken all necessary actions to authorize the execution of the Agreement.

2.3 Governance. The Recipient represents, warrants and covenants that it has, and shall maintain, in writing for the period during which the Agreement is in effect:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Recipient's organization;
- (b) procedures to ensure the ongoing effective functioning of the Recipient;
- (c) decision-making mechanisms for the Recipient;
- (d) procedures to enable the Recipient to manage the Funds prudently and effectively;
- (e) procedures to enable the Recipient to complete the Project successfully;
- (f) procedures to enable the Recipient, in a timely manner, to identify risks to the completion of the Project, and strategies to address the identified risks;

- (g) procedures to enable the preparation and delivery of all Reports required pursuant to Article 7; and
- (h) procedures to enable the Recipient to deal with such other matters as the Recipient considers necessary to ensure that the Recipient carries out its obligations under the Agreement.

2.4 **Supporting Documentation.** Upon request, the Recipient shall provide the Province with proof of the matters referred to in this Article 2.

ARTICLE 3 TERM OF THE AGREEMENT

3.1 **Term.** The term of the Agreement shall commence on the Effective Date and shall expire on March 31, 2018 unless terminated earlier pursuant to Article 12, Article 13 or Article 14.

ARTICLE 4 FUNDS AND CARRYING OUT THE PROJECT

4.1 **Funds Provided.** The Province shall:

- (a) provide the Recipient up to the Maximum Funds for the purpose of carrying out the Project;
- (b) provide the Funds to the Recipient in accordance with the payment plan attached to the Agreement as Schedule "C"; and
- (c) deposit the Funds into an account designated by the Recipient provided that the account:
 - (i) resides at a Canadian financial institution; and
 - (ii) is in the name of the Recipient.

4.2 **Revised Schedules.** The Province may, at any time, upon consultation with the Recipient, provide any or all of the following:

- (a) a new Schedule "A" (Project Description and Timelines);
- (b) a new Schedule "B" (Budget);
- (c) a new Schedule "C" (Payment); and
- (d) a new Schedule "D" (Reports).

- 4.3 **Deemed to be Replaced.** If the Province provides a new schedule in accordance with section 4.2, the new schedule shall be deemed to be either Schedule "A" (Project Description and Timelines), Schedule "B" (Budget), Schedule "C" (Payment) and Schedule "D" (Reports), as the case may be, (collectively referred to as "**New Schedules**"), for the period of time to which it relates.
- 4.4 **Limitation on Payment of Funds.** Despite section 4.1:
- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the insurance certificate or other proof as the Province may request pursuant to section 11.2;
 - (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project;
 - (c) the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province's assessment of the information provided by the Recipient pursuant to section 7.1; and
 - (d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:
 - (i) reduce the amount of the Funds and, in consultation with the Recipient, change the Project; or
 - (ii) terminate the Agreement pursuant to section 13.1.
- 4.5 **Use of Funds and Project.** The Recipient shall:
- (a) carry out the Project in accordance with the terms and conditions of the Agreement;
 - (b) use the Funds only for the purpose of carrying out the Project; and
 - (c) spend the Funds only in accordance with the Budget.
- 4.6 **No Changes.** The Recipient shall not make any changes to the Project, the Timelines, or the Budget without the prior written consent of the Province.
- 4.7 **Interest Bearing Account.** If the Province provides Funds to the Recipient prior to the Recipient's immediate need for the Funds, the Recipient shall place the Funds in a separate interest bearing account in the name of the Recipient at a Canadian financial institution.
- 4.8 **Interest.** If the Recipient earns any interest on the Funds, the Province may:

- (a) deduct an amount equal to the interest from any further instalments of Funds; or
 - (b) demand from the Recipient the repayment of an amount equal to the interest.
- 4.9 **Maximum Funds.** The Recipient acknowledges that the Funds available to it pursuant to the Agreement shall not exceed the Maximum Funds.
- 4.10 **Rebates, Credits and Refunds.** The Recipient acknowledges that the amount of Funds available to it pursuant to the Agreement is based on the actual costs to the Recipient, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit or refund.

ARTICLE 5 ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

- 5.1 **Acquisition.** Subject to section 28.1, if the Recipient acquires goods, services, or both with the Funds, it shall do so through a process that promotes the best value for money.
- 5.2 **Disposal.** The Recipient shall not, without the Province's prior written consent, sell, lease or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded \$1,000 at the time of purchase.

ARTICLE 6 CONFLICT OF INTEREST

- 6.1 **No Conflict of Interest.** The Recipient shall carry out the Project and use the Funds without an actual, potential or perceived conflict of interest.
- 6.2 **Conflict of Interest Includes.** For the purposes of this Article, a conflict of interest includes any circumstances where:
 - (a) the Recipient; or
 - (b) any person who has the capacity to influence the Recipient's decisions,has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased and impartial judgment relating to the Project, the use of the Funds, or both.
- 6.3 **Disclosure to Province.** The Recipient shall:
 - (a) disclose to the Province, without delay, any situation that a reasonable person would interpret as an actual, potential or perceived conflict of

interest; and

- (b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

ARTICLE 7 REPORTING, ACCOUNTING AND REVIEW

7.1 Preparation and Submission. The Recipient shall:

- (a) submit to the Province at the address provided in section 18.1, all Reports in accordance with the timelines and content requirements set out in Schedule "D", or in a form as specified by the Province from time to time;
- (b) submit to the Province at the address provided in section 18.1, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and
- (d) ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.

7.2 Record Maintenance. The Recipient shall keep and maintain:

- (a) all financial records (including invoices) relating to the Funds or otherwise to the Project in a manner consistent with generally accepted accounting principles; and
- (b) all non-financial documents and records relating to the Funds or otherwise to the Project.

7.3 Inspection. The Province, its authorized representatives or an independent auditor identified by the Province may, at its own expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to review the progress of the Project and the Recipient's allocation and expenditure of the Funds and, for these purposes, the Province, its authorized representatives or an independent auditor identified by the Province may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section 7.2;
- (b) remove any copies made pursuant to section 7.3(a) from the Recipient's premises; and
- (c) conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds, the Project, or both.

- 7.4 **Disclosure.** To assist in respect of the rights set out in section 7.3, the Recipient shall disclose any information requested by the Province, its authorized representatives or an independent auditor identified by the Province, and shall do so in the form requested by the Province, its authorized representatives or an independent auditor identified by the Province, as the case may be.
- 7.5 **No Control of Records.** No provision of the Agreement shall be construed so as to give the Province any control whatsoever over the Recipient's records.
- 7.6 **Auditor General.** For greater certainty, the Province's rights under this Article are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

ARTICLE 8 COMMUNICATIONS REQUIREMENTS

- 8.1 **Acknowledge Support.** Unless otherwise directed by the Province, the Recipient shall acknowledge the support of the Province in a form and manner as directed by the Province.
- 8.2 **Publication.** The Recipient shall indicate, in any of its publications, of any kind, including written, oral, or visual, relating to the Project, that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

ARTICLE 9 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

- 9.1 **FIPPA.** The Recipient acknowledges that the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

ARTICLE 10 INDEMNITY

- 10.1 **Indemnification.** The Recipient hereby agrees to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Project or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Province.

ARTICLE 11 INSURANCE

- 11.1 Recipient's Insurance.** The Recipient represents and warrants that it has, and shall maintain for the term of the Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a project similar to the Project would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than two million dollars (\$2,000,000) per occurrence. The policy shall include the following:
- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
 - (b) a cross-liability clause;
 - (c) contractual liability coverage; and
 - (d) a 30 day written notice of cancellation, termination or material change.
- 11.2 Proof of Insurance.** The Recipient shall provide the Province with certificates of insurance, or other proof as may be requested by the Province, that confirms the insurance coverage as provided for in section 11.1. Upon the request of the Province, the Recipient shall make available to the Province a copy of each insurance policy.

ARTICLE 12 TERMINATION ON NOTICE

- 12.1 Termination on Notice.** The Province may terminate the Agreement at any time upon giving at least 30 days Notice to the Recipient.
- 12.2 Consequences of Termination on Notice by the Province.** If the Province terminates the Agreement pursuant to section 12.1, the Province may take one or more of the following actions:
- (a) cancel all further instalments of Funds;
 - (b) demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and
 - (c) determine the reasonable costs for the Recipient to wind down the Project, and do either or both of the following:
 - (i) permit the Recipient to offset the costs determined pursuant to section 12.2(c), against the amount owing pursuant to section 12.2(b); and

- (ii) subject to section 4.9, provide Funds to the Recipient to cover the costs determined pursuant to section 12.2(c).

ARTICLE 13 TERMINATION WHERE NO APPROPRIATION

- 13.1 Termination Where No Appropriation.** If, as provided for in section 4.4(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately by giving Notice to the Recipient.
- 13.2 Consequences of Termination Where No Appropriation.** If the Province terminates the Agreement pursuant to section 13.1, the Province may take one or more of the following actions:
- (a) cancel all further instalments of Funds;
 - (b) demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and
 - (c) determine the reasonable costs for the Recipient to wind down the Project and permit the Recipient to offset such costs against the amount owing pursuant to section 13.2(b).
- 13.3 No Additional Funds.** For purposes of clarity, if the costs determined pursuant to section 13.2(c) exceed the Funds remaining in the possession or under the control of the Recipient, the Province shall not provide additional Funds to the Recipient.

ARTICLE 14 EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT

- 14.1 Events of Default.** Each of the following events shall constitute an Event of Default:
- (a) in the opinion of the Province, the Recipient breaches any representation, warranty, covenant or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
 - (i) carry out the Project;
 - (ii) use or spend Funds; or
 - (iii) provide, in accordance with section 7.1, Reports or such other

reports as may have been requested pursuant to section 7.1(b);

- (b) the Recipient's operations, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements of the program under which the Province provides the Funds;
- (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver;
- (d) the Recipient ceases to operate.

14.2 Consequences of Events of Default and Corrective Action. If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Project;
- (b) provide the Recipient with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel all further instalments of Funds;
- (f) demand the repayment of any Funds remaining in the possession or under the control of the Recipient;
- (g) demand the repayment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;
- (h) demand the repayment of an amount equal to any Funds the Province provided to the Recipient; and
- (i) terminate the Agreement at any time, including immediately, upon giving Notice to the Recipient.

14.3 Opportunity to Remedy. If, in accordance with section 14.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province shall provide Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

14.4 Recipient not Remedying. If the Province has provided the Recipient with an opportunity to remedy the Event of Default pursuant to section 14.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections 14.2(a), (c), (d), (e), (f), (g), (h) and (i).

14.5 When Termination Effective. Termination under this Article shall take effect as set out in the Notice.

ARTICLE 15 FUNDS AT THE END OF A FUNDING YEAR

15.1 Funds at the End of a Funding Year. Without limiting any rights of the Province under Article 14, if the Recipient has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the Province may take one or both of the following actions:

- (a) demand the return of the unspent Funds; and
- (b) adjust the amount of any further instalments of Funds accordingly.

ARTICLE 16 FUNDS UPON EXPIRY

16.1 Funds Upon Expiry. The Recipient shall, upon expiry of the Agreement, return to the Province any Funds remaining in its possession or under its control.

ARTICLE 17 REPAYMENT

17.1 Repayment of Overpayment. If at any time during the term of the Agreement the Province provides Funds in excess of the funds to which the Recipient is entitled under the Agreement, the Province may:

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or

- (b) demand that the Recipient pay an amount equal to the excess Funds to the Province.

17.2 Debt Due. If, pursuant to the Agreement:

- (a) the Province demands the payment of any Funds or an amount equal to any Funds from the Recipient; or
- (b) the Recipient owes any Funds or an amount equal to any Funds to the Province, whether or not their return or repayment has been demanded by the Province,

such Funds or other amount shall be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient shall pay or return the amount to the Province immediately, unless the Province directs otherwise.

17.3 Interest Rate. The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province of Ontario on accounts receivable.

17.4 Payment of Money to Province. The Recipient shall pay any money owing to the Province by cheque payable to the "Ontario Minister of Finance" and delivered to the Province at the address provided in section 18.1.

ARTICLE 18 NOTICE

18.1 Notice in Writing and Addressed. Notice shall be in writing and shall be delivered by email, postage-prepaid mail, personal delivery or fax, and shall be addressed to the Province and the Recipient respectively as set out below, or as either Party later designates to the other by Notice:

To the Province:

Ministry of Health and Long-Term
Care
Health Promotion Division
Strategic Initiatives Branch
777 Bay Street, Suite 1903
Toronto, ON M7A 1S5

Attention: Jackie Wood
A/Director
Fax: 416-212-2200
Email: jackie.wood@ontario.ca

To the Recipient:

City of Sault Ste. Marie
Civic Centre, Level Four
99 Foster Drive
P.O. Box 580
Sault Ste. Marie, ON P6A 5N1

Attention: Nuala Kenny
Chief Administrative Officer
Fax: (705) 759-5952
Email: CAO@cityssm.on.ca

18.2 Notice Given. Notice shall be deemed to have been received:

- (a) in the case of postage-prepaid mail, seven days after a Party mails the Notice; or
- (b) in the case of email, personal delivery or fax, at the time the other Party receives the Notice.

18.3 **Postal Disruption.** Despite section 18.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail shall not be deemed to be received; and
- (b) the Party giving Notice shall provide Notice by email, personal delivery or by fax.

18.4 **Despite Section 18.2.** Despite section 18.2, if either Party receives a Notice on a non-Business Day, or after 5 p.m. on a Business Day, the Notice shall be deemed to have been received on the next Business Day.

ARTICLE 19 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

19.1 **Consent.** When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Recipient shall comply with such terms and conditions.

ARTICLE 20 SEVERABILITY OF PROVISIONS

20.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision shall be deemed to be severed.

ARTICLE 21 WAIVER

21.1 **Waivers in Writing.** If a Party fails to comply with any term of the Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the Notice provisions in Article 18. Any waiver must refer to a specific failure to comply and shall not have the effect of waiving any subsequent failures to comply.

ARTICLE 22 INDEPENDENT PARTIES

22.1 **Parties Independent.** The Recipient acknowledges that it is not an agent, joint

venturer, partner or employee of the Province, and the Recipient shall not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

ARTICLE 23 ASSIGNMENT OF AGREEMENT OR FUNDS

- 23.1 **No Assignment.** The Recipient shall not, without the prior written consent of the Province, assign any of its rights, or obligations under the Agreement.
- 23.2 **Agreement Binding.** All rights and obligations contained in the Agreement shall extend to and be binding on the Parties' respective heirs, executors, administrators, successors and permitted assigns.

ARTICLE 24 GOVERNING LAW

- 24.1 **Governing Law.** The Agreement and the rights, obligations and relations of the Parties shall be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement shall be conducted in the courts of Ontario, which shall have exclusive jurisdiction over such proceedings.

ARTICLE 25 FURTHER ASSURANCES

- 25.1 **Agreement into Effect.** The Recipient shall provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and shall otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

ARTICLE 26 JOINT AND SEVERAL LIABILITY

- 26.1 **Joint and Several Liability.** Where the Recipient is comprised of more than one entity, all such entities shall be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

ARTICLE 27 RIGHTS AND REMEDIES CUMULATIVE

- 27.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in

substitution for, any of its rights and remedies provided by law or in equity.

ARTICLE 28 BPSAA

- 28.1 **BPSAA.** For the purposes of clarity, if the Recipient is subject to the BPSAA and there is a conflict between any of the requirements of the Agreement and the requirements of the BPSAA, the BPSAA shall prevail.

ARTICLE 29 ACKNOWLEDGEMENT OF OTHER LEGISLATION

- 29.1 **Recipient Acknowledges.** The Recipient acknowledges that by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the BPSAA, the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario).

ARTICLE 30 FAILURE TO COMPLY WITH OTHER AGREEMENTS

- 30.1 **Other Agreements.** If the Recipient:
- (a) has failed to comply (a "Failure") with any term, condition or obligation under any other agreement with Her Majesty the Queen in right of Ontario or a Crown agency;
 - (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
 - (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
 - (d) such Failure is continuing,
- the Province may suspend the payment of Funds for such period as the Province determines appropriate.

ARTICLE 31 SCHEDULES

- 31.1 **Schedules.** The Agreement includes the following schedules:
- (a) Schedule "A" - Project Description and Timelines;
 - (b) Schedule "B" - Budget;

- (c) Schedule "C" - Payment; and
- (d) Schedule "D" - Reports.

ARTICLE 32 SURVIVAL

- 32.1 **Survival.** The following Articles and sections, and all applicable cross-referenced sections and schedules, shall continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1 and any other applicable definitions, section 4.4(d), 4.8, section 5.2, section 7.1 (to the extent that the Recipient has not provided the Reports to the satisfaction of the Province), sections 7.2, 7.3, 7.4, 7.5, 7.6, Article 8, Article 10, section 12.2, sections 13.2 and 13.3, sections 14.1, 14.2(d), (e), (f), (g) and (h), Article 16, Article 17, Article 18, Article 20, section 23.2, Article 24, Article 26, Article 27, Article 29, Article 30, Article 31, Article 32, and Article 34.

ARTICLE 33 COUNTERPARTS

- 33.1 **Counterparts.** The Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ARTICLE 34 ENTIRE AGREEMENT

- 34.1 **Entire Agreement.** The Agreement constitutes the entire agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.
- 34.2 **Modification of Agreement.** The Agreement may only be amended by a written agreement duly executed by the Parties.

The Parties have executed the Agreement on the dates set out below.

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Health and Long-Term Care**

Martha Greenberg
Interim Assistant Deputy Minister
Health Promotion Division

Date

City of Sault Ste. Marie

Name:
Title:

Date

Name:
Title:

Date

I/We have authority to bind the Recipient.

SCHEDULE "A"

PROJECT DESCRIPTION AND TIMELINES

Background

Ontario's Healthy Kids Community Challenge (The Challenge) is a community-led program where partners from different sectors work together to implement activities to reduce and prevent childhood overweight and obesity. The Challenge is based on the EPODE (Ensemble Prévenons l'Obésité des Enfants – Together Let's Prevent Childhood Obesity) methodology, which is recognized by the World Health Organization as a best practice in childhood overweight and obesity prevention.

The Recipient, City of Sault Ste. Marie, will be asked to implement local activities based on one specific theme related to healthy eating or physical activity every 9 months. The selection of these themes will be based on the latest and best available evidence regarding the risk and protective factors that are known to lead to, or prevent, childhood overweight and obesity.

As a selected community to participate in and support The Challenge, also referred to as the Project, the Recipient will adhere to the following guiding principles:

- Focus on healthy kids, not just healthy weights. Strategies targeting protective factors for healthy weights – including improving nutrition and increasing physical activity – will benefit all children, regardless of weight status.
- Focus on positive health messages and not on programs or messages that could increase bias or stigma around weight.
- Recognize that healthy kids live in healthy families, schools and communities.
- Support health equity through interventions at the population-level and by targeting at-risk populations.

In addition to the Maximum Funds, the Province may also assist the Recipient through the provision of various supports for the Project. These supports include, but are not limited to, communication tools, training and assistance with evaluation. The purpose of these supports is to assist the Recipient and its local partners to plan and deliver community activities as part of The Challenge. The additional supports are within the discretion of the Province and separate from the Funds, which will remain unaffected if the Recipient receives additional supports from the Province related to The Challenge.

Project Goal and Objectives

The Recipient will develop and implement programs, policies and supports through community-led planning and action to contribute to the achievement of the following goal and objectives of The Challenge:

Goal:

- To reduce the prevalence of and prevent childhood overweight and obesity in The Challenge communities.

Objectives:

- To improve the conditions within communities participating in The Challenge by creating supportive environments to enable healthy behaviours in children, and related support behaviours in their parents.
- To contribute to the evidence on the effectiveness of centrally-coordinated, community-based interventions to improve healthy weights and weight related behaviours.
- To increase community capacity to plan, implement and evaluate sustainable health interventions at the community level.
- To improve community collaboration and coordination on promoting healthy childhood weights, through the development and mobilization of multi-sectoral community partnerships.
- To increase the proportion of children reporting recommended levels of specific health behaviours targeted by The Challenge.
- To increase the proportion of parents in The Challenge communities who engage in parental support behaviours and reduce the proportion who perceives barriers to supporting child health behaviours.
- To increase awareness of and participation in The Challenge.

Scope of Project

The Recipient and its local community partners will develop and leverage new and existing programs and policies that will encourage positive behavior change in the areas that are known to be key protective factors for childhood overweight and obesity (healthy eating, physical activity). These policies and programs will also work to remove the barriers to healthy behavior change and create healthy communities and environments (e.g., schools, workplaces, homes and other community settings).

All community-based programs, policies and supports planned and implemented by the Recipient and its local partners will support progress against the government's commitment to reduce rates of childhood obesity and overweight. The Recipient will participate in ongoing data collection for the purposes of Project evaluation and accountability reporting. Examples of potential performance indicators include:

- Health outcomes (clinical metrics such as Body Mass Index);
- Process indicators (reach, partnerships and awareness); and
- Behavioural indicators (physical activity levels and diet and nutrition).

In Year 1 (2015/16), the Recipient and its local community partners will undertake the following activities:

- Recruit, train and hire a Local Project Manager to lead, coordinate and monitor the planning and implementation of all community activities (e.g., local programs and/or policies) that will support the themes of The Challenge.
- Engage, orient and support a local community leader (e.g., Mayor, Councillor) as the Community Champion who will promote local partnerships and raise public awareness of the community initiatives and activities associated with The Challenge.
- Conduct a comprehensive Community Needs Assessment to identify the unique needs, gaps, opportunities, resources and assets of a community, and to support the planning and delivery of The Challenge as related to the aforementioned

outcomes.

- Develop the first Theme-Based Action Plan and Project Budget that outlines the programs, policies and supports the community will implement in support of the first theme.
- Implement the first Theme-Based Action Plan, in collaboration with community partners, through the delivery of community-based programs, policies and supports to support the first theme.
- Establish and maintain multi-sectoral partnerships and identify existing community resources to leverage that will support The Challenge and contribute to its successful delivery. Part of this process will involve the establishment of a Local Steering Committee to coordinate the planning, delegation and implementation of various activities by each local partner.
- Attend training sessions provided by the Province on various topics intended to educate and support the Recipient and its partners to deliver The Challenge. Sample topics may include best practices for community mobilization and networking, Project budgeting and reporting, marketing and communications, partnership development, evaluation, and other subjects designed to build the Recipient's capacity.
- Participate in a baseline data collection process to assist with the identification of health outcome, behavioural, and process indicators for healthy, active living as part of a larger evaluation of The Challenge.

In Years 2-3 (2016/17 – 2017/18), the Recipient and its community partners will develop subsequent Theme-Based Action Plans based on the new themes announced every 9 months by the Province. The Recipient and its community partners will implement these Action Plans to support the new themes and to address the gaps and/or opportunities identified through the Community Needs Assessment. In addition to the implementation of Action Plan activities, the Recipient will:

- Continue to lead, coordinate and monitor the planning and implementation of all community-based activities that support The Challenge, including the ongoing engagement of a community champion and a wide range of local partners operating in multiple sectors.
- Ensure the ongoing mobilization and engagement of key community partners, and the delegation of Project activities, through the Local Steering Committee.
- Track, monitor and update the gaps, opportunities, and assets previously identified through the Community Needs Assessment process to ensure they remain current and appropriate to support each new theme of The Challenge.
- Maintain active involvement and participation in training sessions delivered by the Province that are designed to build community capacity to support The Challenge.
- Participate in ongoing evaluation activities to assist the Province in collecting key outcome indicators that will measure the success and impact of The Challenge.

Timelines

The Recipient will undertake a Community Needs Assessment in Year 1 and prepare and implement Theme-Based Action Plans (including the cost of activities) every 9 months thereafter for each new theme.

The Province will select and announce the first theme in the Spring of 2015. Pending the Recipient's delivery of a Community Needs Assessment and Theme-Based Action Plan, Schedules will be revised and updated accordingly to reflect the specific programs, policies and supports that will be implemented in support of the first theme. Funding for the implementation of Theme-Based Action Plans is contingent on the successful execution of the previous Theme-Based Action Plans or other required Project activities.

Funding Year:	Timelines:	Activities:
Year 1 (2015-2016)	April 1, 2015 – March 31, 2016	• Hire/train Local Project Manager(s). • Establish and build multi-sectoral partnerships. • Undertake a Community Needs Assessment and collect baseline data. • Prepare for implementation by developing the first Theme-Based Action Plan. • Begin implementation of the first Theme-Based Action Plan. • Attend training sessions.
Year 2 (2016-2017)	April 1, 2016- March 31, 2017	• Revisit and update the original Community Needs Assessment to ensure the currency and relevancy of community gaps, opportunities, assets, etc. to support the ongoing implementation of The Challenge and its marketing themes.
Year 3 (2017-2018)	April 1, 2017- March 31, 2018	• Approximately every 9 months, the Recipient will submit and implement Theme-Based Action Plans and Budgets outlining specific, local activities (e.g., evidence-based programs, policies and supports) that will support The Challenge and one of its themes related to healthy eating and physical activity. • Ongoing collection of qualitative and quantitative data to inform Project evaluation through the tracking and measurement of health outcome, behavioural, and process indicators. • Continue to attend training sessions.

Communications and Marketing

1. The Recipient shall:
 - (a) act as media focus for the Project;
 - (b) respond to public inquiries, complaints and concerns with respect to the Project;
 - (c) report any potential or foreseeable issues to the Province through the Strategic Initiatives Branch ("SIB") and the Communications and Marketing Division ("CMD") of the Ministry of Health and Long-Term Care;

- (d) notify SIB and CMD 5 Business Days prior to issuing any news release and other planned communications relating to news releases and provide materials 2 Business Days prior to release;
 - (e) despite the time frames set out above for news releases and other planned communications relating to news releases, all public announcements and media communications related to urgent and/or emerging Project issues shall require the Recipient to provide SIB and CMD with notice of such announcement or communication as soon as possible prior to release;
 - (f) advise SIB and CMD prior to embarking on major provider outreach activities and the release of any publications related to the Project;
 - (g) develop advertising creative locally with artwork files (e.g., healthy kids assets, word mark, community identifier) and a Visual Identity Guidebook supplied by the Province:
 - (i) This advertising creative should not include the Ontario Logo or other Ontario identifier associated with the Visual Identity Directive, September 2006; and
 - (ii) The Province does not have to review and/or approve any advertising creative developed by the Recipient.
 - (h) Ensure that Marketing Communications (e.g., printed or printer-ready items provided by the Province such as posters, brochures, fact sheets) are not to be used in paid media. Paid media is:
 - (i) any item that the Recipient pays to have published in a newspaper or magazine, displayed on a billboard, or broadcast on radio or television;
 - (ii) any printed matter (e.g., householder) that the Recipient wants to pay to have distributed unaddressed to Ontario households by any method of bulk delivery; and
 - (iii) still considered to have a value and therefore considered "paid media" if the media is given, donated, and/or traded.
2. Despite the Notice provision in Article 18 of the Agreement, the Recipient shall provide any Notice required to be given under the Communications and Marketing part of this Schedule to the following:

(a) **Ministry of Health and Long-Term Care**
Communications and Marketing Division
Strategic Planning and Integrated Marketing Branch
9th Floor, Hepburn Block, Toronto, ON M7A 1R3
Email: judy.langille@ontario.ca

(b) **Ministry of Health and Long-Term Care**
Health Promotion Division
Strategic Initiatives Branch
777 Bay Street, 19th Floor, Toronto, ON M7A 1S5
Email: healthykidscommunitychallenge@ontario.ca

SCHEDULE "B"
BUDGET

Healthy Kids Community Challenge - City of Sault Ste. Marie

FUNDING YEAR: APRIL 1, 2015 - MARCH 31, 2016	
	DIRECT SERVICES / PROJECT ADMIN. COSTS
Salaries and wages including benefits (Local Project Manager)	\$50,000 (Based on 100% FTE)
Planning Services: • Community Needs Assessment • Theme-Based Action Plan and Budget • Baseline data collection • Other	\$125,000
TOTAL *	Up to \$175,000

FUNDING YEARS 2-3 (APRIL 1, 2016 - MARCH 31, 2018)	
	DIRECT SERVICES / PROJECT ADMIN. COSTS
Salaries and wages	Up to \$175,000 for the 2016-17 funding year
Contract employees	
Employee benefits	Up to \$175,000 for the 2017-18 funding year
Fee for services	
Transportation & communication	
Services	
Supplies	
Project materials	
Acquisition	
Other	
TOTAL *	Up to \$350,000

* "Maximum Funds" means \$525,000 over the Term of the Agreement.

SCHEDULE "C"
PAYMENT

Healthy Kids Community Challenge - City of Sault Ste. Marie

FUNDING YEAR 1: APRIL 1, 2015 – MARCH 31, 2016

PAYMENT DATE	TOTAL FUNDING
Pay up to \$7,292 semi-monthly on the 15th and 30th of each month, starting from April 15, 2015 to March 31, 2016.	\$175,000

FUNDING YEAR 2: APRIL 1, 2016 – MARCH 31, 2017

PAYMENT DATE	TOTAL FUNDING
Pay up to \$7,292 semi-monthly on the 15th and 30th of each month, starting from April 15, 2016 to March 31, 2017.	\$175,000

FUNDING YEAR 3: APRIL 1, 2017 – MARCH 31, 2018

PAYMENT DATE	TOTAL FUNDING
Pay up to \$7,292 semi-monthly on the 15th and 30th of each month, starting from April 15, 2017 to March 31, 2018.	\$175,000

Note: Final payment amount for each Funding Year to be rounded up or down, as required, to the total approved funding amount per Funding Year.

The Province may make adjustments to these instalments for reasons including, but not limited to, prior year Budget settlement based on this Agreement.

**SCHEDULE "D"
REPORTS**

Healthy Kids Community Challenge - City of Sault Ste. Marie

NAME OF REPORT		DUE DATE
Funding Year 1: April 1, 2015 to March 31, 2016		
1	Q1 Financial Report	July 31, 2015
2	1st Project Activity Report	October 31, 2015
3	Q2 Financial Report	October 31, 2015
4	Q3 Financial Report	January 31, 2016
5	2nd Project Activity Report	April 30, 2016
6	Q4 Financial Report	April 30, 2016
7	Funding Year/Annual Reconciliation Report	June 30, 2016
8	Recipient's Audited Financial Report	June 30, 2016
9	Reports specified from time to time	On a date or dates specified by the Province
Funding Year 2: April 1, 2016 to March 31, 2017		
10	Q1 Financial Report	July 31, 2016
11	3rd Project Activity Report	October 31, 2016
12	Q2 Financial Report	October 31, 2016
13	Q3 Financial Report	January 31, 2017
14	4th Project Activity Report	April 30, 2017
15	Q4 Financial Report	April 30, 2017
16	Funding Year/Annual Reconciliation Report	June 30, 2017
17	Recipient's Audited Financial Report	June 30, 2017
18	Reports specified from time to time	On a date or dates specified by the Province
Funding Year 3: April 1, 2017 to March 31, 2018		
19	Q1 Financial Report	July 31, 2017
20	5th Project Activity Report	October 31, 2017
21	Q2 Financial Report	October 31, 2017
22	Q3 Financial Report	January 31, 2018
23	6th (Final) Project Activity Report	April 30, 2018
24	Q4 (Final) Financial Report	April 30, 2018
25	Funding Year/Annual Reconciliation Report	June 30, 2018
26	Recipient's Audited Financial Report	June 30, 2018

Certificate of Insurance: The Certificate of Insurance shall be provided to the Province at the same time the executed Agreement is provided to the Province by the Recipient.

Report Details

1. Q1 Financial Report

The financial report will specify actual expenditures/revenues against approved budget and any resulting variances for each cost category at the end of June 30, 2015. Reporting templates will be provided by the Province.

2. 1st Project Activity Report

This report contains Project activity progress at the end of September 30, 2015. For this report, document achievements in relation to the agreed objectives and/or major activities, including key Project and evaluation results (outputs and/or outcomes); resources produced (if any); variances in achievement of planned outputs/outcomes (e.g., delays in meeting planned activities) and barriers encountered; and, if appropriate, planned remedial actions to ensure activities are met.

3. Q2 Financial Report

The financial report will specify actual expenditures/revenues against approved budget and any resulting variances for each cost category at the end of September 30, 2015. Reporting templates will be provided by the Province.

4. Q3 Financial Report

This financial report contains actual expenditures at the end of December 31, 2015, and a forecast of Project expenditures for the period from January 1, 2016 to March 31, 2016. Reporting templates will be provided by the Province. The purpose of this report is to report progress, flag large expenditures that are planned for the period from January 1, 2016 to March 31, 2016, and identify any funds which will be un-spent by the end of the Funding Year.

5. 2nd Project Activity Report

This report contains Project activity progress at the end of March 31, 2016. For this report, document achievements in relation to the agreed objectives and/or major activities, including key Project and evaluation results (outputs and/or outcomes); resources produced (if any); variances in achievement of planned outputs/outcomes (e.g., delays in meeting planned activities) and barriers encountered; and, if appropriate, planned remedial actions to ensure activities are met. This report should include progress against performance indicators as agreed to with the Province. The Province will provide a template for use in reporting on performance indicators.

- 6. Q4 Financial Report**
The financial report will specify actual expenditures/revenues against the approved budget and any resulting variances for each cost category at the end of March 31, 2016. Reporting templates will be provided by the Province and the report will be signed by authorized signing officers of the organization (e.g., Chief Executive Officer/Medical Officer of Health and/or Chief Financial Officer/Finance Director).
- 7. Funding Year/Annual Reconciliation Report**
The Funding Year/Annual Reconciliation report contains the approved budget and actual expenditures for the Funding Year from April 1, 2015 to March 31, 2016 after the organization's financial audit is completed. Reporting templates will be provided by the Province and the report will be signed by authorized signing officers of the organization (e.g., Chief Executive Officer/Medical Officer of Health and/or Chief Financial Officer/Finance Director).
- 8. Recipient's Audited Financial Report**
This report is the annual audited organizational financial report, including financial statements prepared by external auditors. The Province does not require a separate schedule to be prepared for each Project funded as long as Province revenue and expenditures are identifiable within the report and the Funding Year/Annual Reconciliation reports (which are Project-specific) are duly signed by authorized signing officers.
- 9. Reports specified by from time to time**
As specified by the Province.
- 10. Q1 Financial Report**
The financial report will specify actual expenditures/revenues against approved budget and any resulting variances for each cost category at the end of June 30, 2016. Reporting templates will be provided by the Province.
- 11. 3rd Project Activity Report**
This report contains Project activity progress at the end of September 30, 2016. For this report, document achievements in relation to the agreed objectives and/or major activities, including key Project and evaluation results (outputs and/or outcomes); resources produced (if any); variances in achievement of planned outputs/outcomes (e.g., delays in meeting planned activities) and barriers encountered; and, if appropriate, planned remedial actions to ensure activities are met.
- 12. Q2 Financial Report**
The financial report will specify actual expenditures/revenues against approved budget and any resulting variances for each cost category at the end of September 30, 2016. Reporting templates will be provided by the Province.
- 13. Q3 Financial Report**
This financial report contains actual expenditures at the end of December 31, 2016, and a forecast of Project expenditures for the period from January 1, 2017 to March 31, 2017. Reporting templates will be provided by the Province. The

purpose of this report is to report progress, flag large expenditures that are planned for the period from January 1, 2017 to March 31, 2017, and identify any funds which will be un-spent by the end of the Funding Year.

14. 4th Project Activity Report

This report contains Project activity progress at the end of March 31, 2017. For this report, document achievements in relation to the agreed objectives and/or major activities, including key Project and evaluation results (outputs and/or outcomes); resources produced (if any); variances in achievement of planned outputs/outcomes (e.g., delays in meeting planned activities) and barriers encountered; and, if appropriate, planned remedial actions to ensure activities are met. This report should include progress against performance indicators as agreed to with the Province. The Province will provide a template for use in reporting on performance indicators.

15. Q4 Financial Report

The financial report will specify actual expenditures/revenues against the approved budget and any resulting variances for each cost category at the end of March 31, 2017. Reporting templates will be provided by the Province and the report will be signed by authorized signing officers of the organization (e.g., Chief Executive Officer/Medical Officer of Health and/or Chief Financial Officer/Finance Director).

16. Funding Year/Annual Reconciliation Report

The Funding Year/Annual Reconciliation report contains the approved budget and actual expenditures for the Funding Year from April 1, 2016 to March 31, 2017 after the organization's financial audit is completed. Reporting templates will be provided by the Province and the report will be signed by authorized signing officers of the organization (e.g., Chief Executive Officer/Medical Officer of Health and/or Chief Financial Officer/Finance Director).

17. Recipient's Audited Financial Report

This report is the annual audited organizational financial report, including financial statements prepared by external auditors. The Province does not require a separate schedule to be prepared for each Project funded as long as Province revenue and expenditures are identifiable within the report and the Funding Year/Annual Reconciliation reports (which are Project-specific) are duly signed by authorized signing officers.

18. Reports specified from time to time

As specified by the Province.

19. Q1 Financial Report

The financial report will specify actual expenditures/revenues against approved budget and any resulting variances for each cost category at the end of June 30, 2017. Reporting templates will be provided by the Province.

20. 5th Project Activity Report

This report contains Project activity progress at the end of September 30, 2017. For this report, document achievements in relation to the agreed objectives and/or

major activities, including key Project and evaluation results (outputs and/or outcomes); resources produced (if any); variances in achievement of planned outputs/outcomes (e.g., delays in meeting planned activities) and barriers encountered; and, if appropriate, planned remedial actions to ensure activities are met.

21. Q2 Financial Report

The financial report will specify actual expenditures/revenues against approved budget and any resulting variances for each cost category at the end of September 30, 2017. Reporting templates will be provided by the Province.

22. Q3 Financial Report

This financial report contains actual expenditures at the end of December 31, 2017, and a forecast of Project expenditures for the period from January 1, 2018 to March 31, 2018. Reporting templates will be provided by the Province. The purpose of this report is to report progress, flag large expenditures that are planned for the period from January 1, 2018 to March 31, 2018, and identify any funds which will be un-spent by the end of the Funding Year.

23. 6th (Final) Project Activity Report

This report contains Project activity progress at the end of the Funding Year (March 31, 2018). For this report, document achievements in relation to the agreed objectives and/or major activities, including key Project and evaluation results (outputs and/or outcomes); resources produced (if any); variances in achievement of planned outputs/outcomes (e.g., delays in meeting planned activities) and barriers encountered. This report should include progress against performance indicators as agreed to by the Province. The Province will provide a template for use in reporting on performance indicators. Where appropriate, offer recommendations for future planning.

24. Q4 (Final) Financial Report

This report contains actual expenditures at the end of the Funding Year (March 31, 2018). The financial report will specify actual revenues and expenditures against the approved budget and any resulting variances for the funding period. Reporting templates will be provided by the Province and the report will be signed by authorized signing officers of the organization (e.g., Chief Executive Officer/Medical Officer of Health and/or Chief Financial Officer/Finance Director).

25. Funding Year/Annual Reconciliation Report

The Funding Year/Annual Reconciliation report contains the approved budget and actual expenditures for the Funding Year from April 1, 2017 to March 31, 2018 after the organization's financial audit is completed. Reporting templates will be provided by the Province and the report will be signed by authorized signing officers of the organization (e.g., Chief Executive Officer/Medical Officer of Health and/or Chief Financial Officer/Finance Director).

26. Recipient's Audited Financial Report

This report is the annual audited organizational financial report, including financial statements prepared by external auditors. The Province does not require a

separate schedule to be prepared for each Project funded as long as Province revenue and expenditures are identifiable within the report and the Funding Year/Annual Reconciliation reports (which are Project-specific) are duly signed by authorized signing officers.

27. Reports specified from time to time
As specified by the Province.