



**The Corporation of the City of Sault Ste. Marie
Regular Meeting of City Council
Revised Agenda**

Monday, May 28, 2018

4:30 pm

Council Chambers

Civic Centre

	Pages
1. Adoption of Minutes	16 - 32
Mover Councillor M. Bruni Seconder Councillor S. Myers	
Resolved that the Minutes of the Regular Council Meeting of 2018 05 14 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 M. Bruni Seconder Councillor S. Hollingsworth	
Resolved that the Agenda for 2018 05 28 City Council Meeting as presented be approved.	
5. Proclamations/Delegations	
5.1 Queen Street Cruise	
Joe Bisceglia, Gary Trembinski, Co-Chairs	
5.2 June is Recreation and Parks Month	
Virginia McLeod, Manager of Recreation and Culture	

- 5.3 Spina Bifida and Hydrocephalus Awareness Month**
Troy and Annette Chandler
- 5.4 National Italian Heritage Month**
Orlando Rosa, President, G. Marconi Men's Society
- 5.5 Local Food Week**
Jessica Laidley, Food Resource Centre Coordinator, United Way
- 5.6 Transit Route Optimization Study Update** 33 - 47
Sam Piraino, Manager of Transit and Parking
- 6. Communications and Routine Reports of City Departments, Boards and Committees – Consent Agenda**
Mover Councillor F. Fata
Seconder Councillor S. Myers

Resolved that all the items listed under date 2018 05 28 – Agenda item 6 – Consent Agenda be approved as recommended.
- 6.1 Property Tax Appeals** 48 - 50
A report of the Manager of Accounting and City Tax Collector is attached for the consideration of Council.

Mover Councillor F. Fata
Seconder Councillor S. Hollingsworth

Resolved that the report of the Manager of Accounting and City Tax Collector dated 2018 05 28 concerning Property Tax Appeals be received and that the tax records be amended pursuant to section 357 of the *Municipal Act*.
- 6.2 Naming, Advertising, and Sponsorship Rights** 51 - 59
A report of the Director of Community Services is attached for the consideration of Council.

Mover Councillor M. Bruni
Seconder Councillor S. Myers

Resolved that the report of the Director, Community Services – Community Development and Enterprise Services dated 2018 05 28 concerning Naming, Advertising and Sponsoring Rights be received and that the proposal submitted by GFL Environmental Inc. for naming, advertising, and sponsorship agreement rights for the multi-purpose indoor venue currently named the Essar Centre for the ten (10) year period commencing August 1, 2018 be approved.

A by-law authorizing signature of the agreement for the naming, advertising, and sponsorship agreement rights will appear on a future Council agenda.

6.3 Review of Municipal Staff Parking Fees

60 - 68

A report of the Deputy CAO, Community Development and Enterprise Services is attached for the consideration of Council.

Mover Councillor M. Bruni
Seconder Councillor S. Myers

Resolved that the report of the Deputy CAO, Community Development and Enterprise Services dated 2018 05 28 be received as information.

6.3.1 Additional Motion – Review of Municipal Staff Parking Fees

Mover Councillor M. Shoemaker
Seconder Councillor O. Grandinetti

Whereas a May 28, 2018 report titled Review of Municipal Staff Parking Fees sought further direction from Council on proceeding into a detailed analysis of implementing staff parking fees; and

Whereas staff set out the paid-parking practices of other Northern Ontario cities including Thunder Bay, Sudbury and Timmins; and

Whereas many public sector and greater-public-sector agencies in Sault Ste. Marie charge their employees for parking;

Now Therefore Be It Resolved that staff be requested to bring forward an implementation plan for paid employee parking at the Civic Centre North and South Lot, the Essar Centre, the Ermatinger-Clergue National Historic Site, the Transit Terminal and the Transit Centre;

Further Be It Resolved that staff use comparators from other organizations in Sault Ste. Marie to determine the rate at which employee parking will be charged;

Further Be It Resolved that staff be requested to include full-time employees, and City Councillors in implementation of the paid parking implementation plan but not to include part-time employees or summer students;
Further Be It Resolved that staff be requested to report back on the recommended method of enforcement to minimize enforcement costs to the greatest extent possible.

6.4 Public Works Ditching Program – 2018

69 - 72

A report of the Director of Public Works is attached for the information of Council.

Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth

Resolved that the report of the Director of Public Works dated 2017 05 28

concerning the Public Works 2018 ditching program be received as information.

- 6.5 Sault Area Hospital Emergency Evacuation Agreement 73 - 74**
- A report of the Emergency Management Coordinator is attached for the consideration of Council.
- The relevant By-law 2018-105 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.6 Sale of 84 Ruth Street – Further Information 75 - 77**
- A report of the City Solicitor is attached for the consideration of Council.
- The relevant By-law 2018-109 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.7 AG170 – Fox Run Developments – Lot 4 – Madison Avenue – Access Agreement 78 - 81**
- A report of the Assistant City Solicitor/Senior Litigation Counsel is attached for the consideration of Council.
- The relevant By-laws 2018-108, 2018-113 and 2018-114 are listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.8 Housekeeping – Amendments to By-law 4001 82 - 83**
- A report of the Solicitor/Prosecutor is attached for the consideration of Council.
- The relevant By-law 2018-110 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.9 R1.57 – Peddler and Food Vendor Licencing By-law 84 - 87**
- A report of the Solicitor/Prosecutor is attached for the consideration of Council.
- The relevant By-law 2018-67 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.10 Algoma's Companies Creditors' Arrangement Act Proceedings 88 - 96**
- Correspondence from Mayor Provenzano to party leaders and local candidates and responses
- 7. Reports of City Departments, Boards and Committees**
- 7.1 Administration**
- 7.2 Corporate Services**

7.3	Community Development and Enterprise Services	
7.4	Public Works and Engineering Services	
7.5	Fire Services	
7.6	Legal	
7.7	Planning	
7.7.1	A-11-18-Z - 87, 95, 107 Huron Street (1188004 Ontario Inc.)	97 - 106
	A report of the Director of Planning is attached for the consideration of Council.	
	Mover Councillor M. Bruni Seconder Councillor S. Myers	
	Resolved that the report of the Director of Planning, Community Development and Enterprise Services dated 2018 05 28 concerning rezoning application A-11-18-Z be received and that Council approve the request for removal of the Holding Provision by-law on the subject property; further that the Legal Department be directed to prepare the necessary by-law to effect the same.	
7.7.2	A-12-18-Z - 100 Estelle Street (1972659 Ontario Ltd. c/o Carlo Gervasi)	107 - 126
	A report of the Senior Planner is attached for the consideration of Council.	
	Mover Councillor M. Bruni Seconder Councillor S. Hollingsworth	
	Resolved that the report of the Senior Planner dated 2018 05 28 concerning rezoning application A-12-18-Z be received and that Council approve the application to rezone the subject property from Low Density Residential Zone (R3) to Low Density Residential Zone (R3.S) with a special exception to permit:	
	1. Up to 25 dwelling units within the existing building footprint 2. A 1.5m fence to be erected in a front yard. 3. Required parking to be located in an exterior side yard.	
	Further that the property be deemed subject to Site Plan Control pursuant to Section 41 of the <i>Planning Act</i> ;	
	And that the Legal Department be directed to prepare the necessary by-law to effect this approval.	
7.7.2.1	Correspondence	127 - 128
7.7.3	A-8-18-Z - 188 Kohler Street – 1890685 Ontario Inc. (Ruscio Masonry & Construction Limited)	129 - 140

A report of the Senior Planner is attached for the consideration of Council.

Mover Councillor F. Fata
Seconder Councillor S. Myers

Resolved that the report of the Senior Planner dated 2018 05 28 concerning Rezoning Application A-8-18-Z be received and that Council postpone this application to the June 25, 2018 Council meeting.

7.8 Boards and Committees

7.8.1 Vacancies

The Board and Committee Nominating Committee met on May 22, 2018 to consider applications to the Public Library Board and the Municipal Heritage Committee. The names of the applicants and their applications have been made available to Council under separate cover.

The recommended nominations are listed below

7.8.1.1 Sault Ste. Marie Public Library Board

Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth

Resolved that Erin Ferlaino be appointed to the Sault Ste. Marie Public Library Board from May 28, 2018 to December 31, 2018.

7.8.1.2 Municipal Heritage Committee

Sara McCleary

The relevant By-law 2018-117 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.

7.8.2 PUC Inc. and PUC Services Inc. Shareholders Meeting

7.8.2.1 *Resolution to appoint Mayor Provenzano as Proxy*

Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth

Resolved that City Council is now authorized to meet in open session as the sole shareholder of PUC Inc. and PUC Services Inc.; and

Further Be It Resolved that City Council appoints Mayor Christian Provenzano as Council's proxy to vote on the resolutions of the shareholder of PUC Inc. and PUC Services Inc.

7.8.2.2 *PUC Inc. and PUC Services Inc. Shareholder Resolutions*

141 - 142

7.8.2.3 *PUC Financial Statements*

143 - 228

8. Unfinished Business, Notice of Motions and Resolutions Placed on Agenda by Members of Council

8.1 Future SSM Project

Mover Councillor S. Hollingsworth
Seconder Councillor M. Bruni

Whereas the City has been working on developing a comprehensive community project (Future SSM) to support the community as it progresses towards an economically diverse, culturally vibrant, socially equitable and environmentally sustainable future; and

Whereas a number of individuals have been vigorously creating the plan by holding focus groups; and

Whereas the Future SSM Project is to set clear steps as one important method to think beyond specific sector needs and address urgent issues for the entire local economy, including: community infrastructure, social development, labour force development, education and training development and business retention and expansion; and

Whereas this is critical to the future of our community;

Now Therefore Be It Resolved that the Deputy CAO Community Development and Enterprise Services be requested to provide quarterly updates to keep Council and the community abreast of the progress being made by the committees and individuals involved.

8.2 National Housing Strategy Plan

Mover Councillor M. Shoemaker
Seconder Councillor O. Grandinetti

Whereas Sault Ste. Marie's current inventory of multi-residential social and community housing is at or near capacity; and

Whereas studies show that mixed income housing is the most inclusionary way to develop multi-residential social and community housing; and

Whereas Sault Ste. Marie's current inventory of multi-residential social and community housing has limited mixed-income availability; and

Whereas on April 30, 2018, the governments of Canada and Ontario signed a 10-year funding agreement under the National Housing Strategy that will see \$4.2 billion invested in social and community housing across Ontario; and

Whereas the National Housing Strategy funding might present an opportunity for Sault Ste. Marie to increase capacity in its multi-residential and mixed-income social and community housing inventory;

Now Therefore Be It Resolved that City Staff coordinate with Sault Ste. Marie social services to determine where new social and community housing can be developed, what resources are available to assist in the development of said

housing, and what role the City can play in ensuring availability of property for the development of such housing, including whether any property needs to be acquired and/or re-zoned for the development of such housing.

8.3 Jamestown Health Equity Centre

Mover Councillor M. Shoemaker
Seconder Councillor R. Niro

Whereas opioid and other illicit drug use is a significant public health issue in communities across Canada, including the City of Sault Ste. Marie; and

Whereas the health harms of illicit drug use include not only addiction and overdose, but also an increased risk of blood-borne infections; and

Whereas Algoma has a high burden of hepatitis C, a blood-borne infection which is strongly linked to injection drug use, based on information presented by the Sault Ste. Marie and Area Drug Strategy; and

Whereas per provincial data visualized by the Sault Ste. Marie Innovation Centre, the level of overdoses in this area suggests it may benefit from accessible harm reduction services such as needle exchange; and

Whereas on April 23, 2018 the Council of the City of Sault Ste. Marie committed to "continuing to work with and support the collective efforts of Algoma Leadership Table, Sault Area Hospitals, Group Health Centre, Algoma Public Health, Sault Ste. Marie Police Services and the Drug Strategy Committee to collectively address the opioid crisis and its consequences"; and

Whereas the Algoma Leadership Table is currently conducting an assessment of the needs and programming available in the community to determine where resources should be focused; and

Whereas the assessment by the Algoma Leadership Table will review the needs and programming not just in the City of Sault Ste. Marie, but across the District of Algoma;

Now Therefore Be It Resolved that the City of Sault Ste. Marie request that City staff work with the Algoma Leadership Table and engage other community partners as necessary to assess the need for harm reduction and health equity services specifically in Jamestown, in addition to the current needs assessment being undertaken by the Algoma Leadership Table, and report back to Council, and

Further Be It Resolved that City staff work with the Algoma Leadership Table and other community partners as necessary, to provide Council with an estimate of the cost for the establishment of said harm reduction and health equity centre.

8.4 City Laneway Cleanup

Mover Councillor R. Niro
Seconder Councillor M. Shoemaker

Whereas City Council recently passed a motion requesting City staff to address actions required to ensure compliance of properties in the Jamestown area, with the Minimum Standards and the Dirty Yard By-laws; and

Whereas the intent would be to initiate the findings of said request in the Jamestown area, and subsequently address all other areas of the City as required; and

Whereas the Minimum Standards and Dirty Yard By-Laws do not address the problem of property owners discarding unwanted items, garbage and debris into City-owned laneways; and

Whereas the City By-Law Enforcement Officer cannot issue a violation notice to a property owner without proof that the items were actually placed into the City laneway by that property owner; and

Whereas Public Works and Engineering Services does not generally pick up discarded items, debris, and garbage from an unmaintained laneway, and that each situation may require its own investigation; and

Whereas it is not in the City's best interest to leave this debris and garbage to accumulate in City laneways;

Now Therefore Be It Resolved that Public Works and Engineering Services, the Legal Department, and the Building Division investigate the problem of discarded items, debris, and garbage being placed in City laneways by property owners, and report back to Council with a solution on how to keep the City laneways clean, and

Be It Further Resolved that the said report include the cost estimate of keeping laneways clean from debris and garbage, and ways of recovering costs from property owners who are found to be in violation of the practice of placing debris and garbage in City laneways.

8.5 Bridge Bus Bike Rack Support Letter

Mover Councillor S. Hollingsworth
Seconder Councillor P. Christian

Whereas bicycling is more than a practical, cost-effective solution to many municipalities; and

Whereas it is an opportunity to provide an inexpensive activity for families and individuals that provides exercise and adds to the quality life that is important to our community; and

Whereas as a community it is critical to identify and respond to initiatives that improve cycling in and around our city, promoting safety;

Now Therefore Be It Resolved that the Mayor be requested to write a support letter to accompany the grant application being completed by the Sault Ste. Marie, Michigan Economic Development Corporation for bike racks for the

international bus.

8.6 Huron Central Railway

Mover Councillor S. Butland
Seconder Councillor P. Christian

Whereas City Council passed a resolution on 2017 04 24 supporting the efforts of the Huron Central Railway to secure the funding necessary to enable the railway between Sault Ste. Marie and the CPR connection in Sudbury to continue to provide a short-line freight service; and

Whereas Genessee & Wyoming Canada have recently announced they will suspend operations of the Huron Central Railway between Sault Ste. Marie and Sudbury by the end of 2018, due to a lack of funding from senior levels of government to maintain the railway; and

Whereas in 2009, in similar circumstances, the City of Sault Ste. Marie facilitated a task force consisting of industry stakeholders and chaired by then CAO, Joe Fratesi, which was instrumental in enabling the Huron Central Railway to receive significant funding from the Federal and Provincial governments to rehabilitate the infrastructure along the Sault Ste. Marie to Sudbury rail corridor,

Now Therefore Be It Resolved that City Council endorse a new task force, led by Councillor Steve Butland and Joe Fratesi and including all relevant stakeholders to assist the Huron Central Railway to obtain senior government funding to ensure the continued operation of the railway.

8.7 Ontario Municipal Commuter Cycling Program

Mover Councillor M. Shoemaker
Seconder Councillor S. Hollingsworth

Whereas on February 20, 2018 staff brought forward a report to City Council about more than \$500,000 of provincial funding the City of Sault Ste Marie has through the Ontario Municipal Commuter Cycling Program (OMCCP); and

Whereas staff were not directed at that time to bring forward project recommendations for the use of said provincial funding;

Now Therefore Be It Resolved that staff be requested to bring forward to City Council recommendations on projects to use the funding available through the OMCCP.

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 M. Bruni
Seconder Councillor S. Myers

Resolved that all By-laws under item 11 of the Agenda under date 2018 05 28 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 2018-67 (Regulations) Peddler and Food Vendor Licencing** 229 - 241
- A report from the Solicitor/Prosecutor is on the Agenda.
- Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth
- Resolved that By-law 2018-67 being a by-law to licence, govern and regulate peddlers and street sales and to repeal By-laws 2003-51 and 2003-53 be passed in open Council this 28th day of May, 2018.
- 11.1.2 By-law 2018-105 (Agreement) Sault Area Hospital Emergency Evacuation** 242 - 245
- A report from the Emergency Management Coordinator is on the Agenda.
- Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth
- Resolved that By-law 2018-105 being a by-law to authorize the Agreement between the City and Sault Area Hospital to provide emergency lodging if a large-scale evacuation of the Hospital occurred be passed in open Council this 28th day of May, 2018.
- 11.1.3 By-law 2018-106 (Street Assumption) Various Public Streets** 246 - 247
- Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth
- Resolved that By-law 2018-106 being a by-law to assume for public use and establish as public streets various parcels of land conveyed to the City be passed in open Council this 28th day of May, 2018.
- 11.1.4 By-law 2018-107 (Zoning) 680 Fifth Line East (Sherry Bernard)** 248 - 250
- Council Report was passed by Council resolution on May 14, 2018.
- Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth
- Resolved that By-law 2018-107 being a by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 680 Fifth Line East (Sherry Bernard) be passed in open Council this 28th day of May, 2018.
- 11.1.5 By-law 2018-108 (Agreement) Fox Run Limiting Agreement Amendment** 251 - 253

A report from the Assistant City Solicitor/Senior Litigation Counsel is on the Agenda.

Mover Councillor M. Bruni
Seconded Councillor S. Hollingsworth

Resolved that By-law 2018-108 being a by-law to authorize the execution of the Agreement between the City and Fox Run Developments (Sault) Inc. to amend the Limiting Distance Agreement dated December 11, 2017 to reflect a revised 1R Plan be passed in open Council this 28th day of May, 2018.

11.1.6 By-law 2018-109 (Property Sale) 84 Ruth Street 254 - 255

A report from the City Solicitor is on the Agenda.

Mover Councillor M. Bruni
Seconded Councillor S. Hollingsworth

Resolved that By-law 2018-109 being a by-law to authorize the sale of surplus property being civic 84 Ruth street, legally described in PIN 31581-0146 (LT), to 1927518 Ontario Inc. o/a Tocar Management be passed in open Council this 28th day of May, 2018.

11.1.7 By-law 2018-110 (Parking) Amend By-law 4001(Parking on Private Property) 256 - 256

A report from the Solicitor/Prosecutor is on the Agenda.

Mover Councillor M. Bruni
Seconded Councillor S. Hollingsworth

Resolved that By-law 2018-110 being a by-law to amend By-law 4001 Parking on Private Property be passed in open Council this 28th day of May, 2018.

11.1.8 By-law 2018-111 (Zoning) 33 Nichol Avenue (Johnson and Taylor) 257 - 259

Council Report was passed by Council resolution on May 14, 2018.

Mover Councillor M. Bruni
Seconded Councillor S. Hollingsworth

Resolved that By-law 2018-111 being a by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 33 Nichol Avenue (Johnson and Taylor) be passed in open Council this 28th day of May, 2018.

11.1.9 By-law 2018-112 (Development Control) 33 Nichol Avenue (Johnson and Taylor) 260 - 261

Council Report was passed by Council resolution on May 14, 2018.

Mover Councillor M. Bruni
Seconded Councillor S. Hollingsworth

Resolved that By-law 2018-112 being a by-law to designate the lands located at 33 Nichol Avenue an area of site plan control (Johnson and Taylor) be passed in open Council this 28th day of May, 2018.

11.1.10 By-law 2018-113 (Agreement) Fox Run Secondary Agreement Amendment 262 - 264

A report from the Assistant City Solicitor/Senior Litigation Counsel is on the Agenda.

Mover Councillor S. Hollingsworth
Seconder Councillor M. Bruni

Resolved that By-law 2018-113 being a by-law to authorize the execution of the Agreement between the City and Fox Run Developments (Sault) Inc. to amend the Secondary Agreement dated December 11, 2017 to reflect a revised 1R Plan be passed in open Council this 28th day of May, 2018.

11.1.11 By-law 2018-114 (Agreement) Fox Run Access Agreement 265 - 269

A report from the Assistant City Solicitor/Senior Litigation Counsel is on the Agenda.

Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth

Resolved that By-law 2018-114 being a by-law to authorize the execution of the Agreement between the City and Fox Run Developments (Sault) Inc. (the "Owner") to allow the Owner and any future owners of the Subject Property access over the City's one-foot reserve to facilitate the traffic necessary to complete the construction of the townhouses and to allow the future property owner access to their driveway be passed in open Council this 28th day of May, 2018.

11.1.12 By-law 2018-115 (Agreement) DSSMSSAB Election 270 - 335

Council Report was passed by Council resolution on March 5, 2018.

Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth

Resolved that By-law 2018-115 being a by-law to authorize the execution of the Agreement between the City and The District of Sault Ste. Marie Social Services Administration Board (DSSMSSAB) to provide municipal election administration services for the Sault Locality (unorganized municipal territory north of Sault Ste. Marie) be passed in open Council this 28th day of May, 2018.

11.1.13 By-law 2015-116 (Property) Transfers Fox Run 336 - 337

A report from the Assistant City Solicitor/Senior Litigation Counsel is on the Agenda.

Mover Councillor M. Bruni
Seconder Councillor S. Hollingsworth

Resolved that By-law 2018-116 being a by-law to authorize the transfer of property described as Parts 1, 2 and 5 1R13439 PIN 31511-0282 (LT) from Fox Run Development (Sault) Inc. to the City and a transfer of the said property from the City to Sal-Dan Developments Limited be passed in open Council this 28th day of May, 2018.

11.1.14 By-law 2018-117 (Appointments to Local Boards) Amend By-law 2017-20 338 - 338

Mover Councillor M. Bruni
 Secunder Councillor S. Hollingsworth

Resolved that By-law 2018-117 being a by-law to amend By-law 2017-20, a by-law to appoint members to various Local Boards in the City of Sault Ste. Marie be passed in open Council this 28th day of May, 2018.

11.1.15 By-law 2018-119 (Agreement) Ironside Consulting Services Inc. Integrity Commissioner 339 - 383

Council Report was passed by Council resolution on May 14, 2018.

Mover Councillor M. Bruni
 Secunder Councillor S. Hollingsworth

Resolved that By-law 2018-119 being a by-law to authorize the execution of the Agreement between the City and Ironside Consulting Services Inc. to provide Integrity Commissioner Services for the City of Sault Ste. Marie be passed in open Council this 28th day of May, 2018.

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

Mover Councillor F. Fata
 Secunder Councillor S. Myers

Resolved that this Council proceed into closed session to discuss a proposed disposition of land; further Be It Resolved that should the said closed session be adjourned, the Council may reconvene in closed session to continue to discuss the same matter without the need for a further authorizing resolution. *(Municipal Act R.S.O. 2002 – section 239 (2) (c) a proposed or pending acquisition or disposition of land by the municipality)*

14. Adjournment

Mover Councillor F. Fata
 Secunder Councillor S. Hollingsworth

Resolved that this Council now adjourn.



REGULAR MEETING OF CITY COUNCIL

MINUTES

Monday, May 14, 2018

4:30 pm

Council Chambers

Civic Centre

Present: Mayor C. Provenzano, Councillor S. Butland, Councillor P. Christian, Councillor S. Myers, Councillor S. Hollingsworth, Councillor J. Hupponen, Councillor L. Turco, Councillor M. Shoemaker, Councillor R. Niro, Councillor M. Bruni, Councillor F. Fata, Councillor J. Krmpotich, Councillor O. Grandinetti

Officials: A. Horsman, M. White, T. Vair, N. Kenny, P. Johnson, S. Schell, S. Hamilton Beach, D. Elliott, M. Borowicz-Sibenik, F. Coccimiglio, B. Lamming, P. Tonazzo, N. Scott

1. Adoption of Minutes

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the Minutes of the Regular Council Meeting of 2018 04 23 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 – A-9-18-Z – 33 Nichol Avenue (Johnson and Taylor)

Client of law firm.

eSCRIBE Minutes

3.2 Councillor M. Shoemaker – McNabb Street Drainage Improvements

Client of law firm.

3.3 Councillor M. Shoemaker – By-law 2018-103 (Agreement) McNabb Street Drainage Improvements

Client of law firm.

3.4 Councillor L. Turco – Great Northern Road Speed Study

Spouse employed by Police Services.

3.5 Councillor L. Turco – By-law 2018-99 (Appointments) Humane Society Officers

Spouse employed by Police Services.

4. Approve Agenda as Presented

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Hollingsworth

Resolved that the Agenda for 2018 05 14 City Council Meeting as presented be approved.

Carried

5. Proclamations/Delegations

5.1 United Way Pedals for Possibilities

Brianne Veale was in attendance.

5.2 Young Professionals Week

Ashlee Gerard, STRIVE Young Professionals Group was in attendance.

5.3 2019 Special Olympic Ontario Winter Games

Cst. Shaun Beaulieu and Alana Kenopic were in attendance.

5.4 Great Northern Road Speed Limit – 6.18

Brian Wallenius was in attendance regarding Agenda item 6.18.

5.5 EDC 2017 Annual Report – 7.8.1

Rob Reid, Chair and Dan Hollingsworth, Executive Director, Economic Development Corporation were in attendance regarding Agenda item 7.8.1.

5.6 Planning Application A-10-18-Z – 680 Fifth Line East

Mark Lepore, Counsel for the applicant, was in attendance.

5.7 Planning Application A-9-18-Z – 33 Nichol Avenue

Jamie Taylor, applicant, and Barbara Espie were in attendance.

6. Communications and Routine Reports of City Departments, Boards and Committees – Consent Agenda

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that all the items listed under date 2018 05 14 – Agenda item 6 – Consent Agenda be approved as recommended, save and except items 6.7, 6.14 and 6.18.

Carried

6.1 Council Travel

Moved by: Councillor F. Fata

Seconded by: Councillor S. Hollingsworth

Resolved that Councillor L. Turco be authorized to travel to Wawa for 2 days in May for a Rural Ontario Municipal Association meeting at no cost to the City.

Carried

6.2 RFP – Engagement of an Integrity Commissioner

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

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Manager of Purchasing dated 2018 05 14 be received and that the proposal submitted by Ironside Consulting Services Inc. to provide Integrity Commissioner Services for the City of Sault Ste. Marie be approved.

A by-law authorizing signature of the agreement for the provision of Integrity Commissioner services will appear on a future Council Agenda.

Carried

6.3 Tender for Asphalt

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

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Manager of Purchasing dated 2018 05 14 be received and that the tender submitted by Palmer Construction Group Incorporated for the supply of asphalt for

the 2018 construction season commencing June 1, 2018 at the tendered pricing (HST extra) be approved.

Carried

6.4 Tender for Ready-Mix Concrete

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

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the report of the Manager of Purchasing dated 2018 05 14 be received and that the tender submitted by Lafarge for the supply of Ready-Mix Concrete for the 2018 construction season commencing June 1, 2018 at the tendered pricing (HST extra) be approved.

Carried

6.5 2017 Year-End Reserve Transfers

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

Moved by: Councillor F. Fata

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Manager of Audits and Capital Planning dated 2018 05 14 concerning 2017 Year-End Transfers be received and that the recommended transfers to the Computer Software Reserve totaling \$88,000 and the transfer from the Contingency Reserve of \$610,080 be approved.

Carried

6.6 First Quarter Financial Report – March 31, 2018

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

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

That the report of the Manager of Audits and Capital Planning dated 2018 05 14 concerning the First Quarter Financial Report to March 31, 2018 be received as information.

Carried

6.8 2018 Property Tax Capping Options

The report of the Chief Financial Officer and Treasurer was received by Council.

The relevant By-law 2018-84 is listed under item 11 of the Minutes.

6.9 2019 Budget Update

The report of the Chief Financial Officer and Treasurer was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the report of the Chief Financial Officer and Treasurer dated 2018 05 14 regarding 2019 Budget Update be received as information.

Carried

6.10 Searchmont Ski Association Inc. Loan Guarantee Renewal Request

A report of the Deputy CAO, Community Development and Enterprise Services was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Deputy CAO, Community Development and Enterprise Services dated 2018 04 23 be received and that the \$100,000 previously transferred by the City of Sault Ste. Marie from the Economic Diversification Fund to the Sault Ste. Marie Economic Development Corporation (to be set aside as collateral for the RBC/SSAI line of credit) be renewed for the period of May 1, 2018 to May 1, 2019 or until such time as the Sault Ste. Marie Economic Development Corporation has divested itself of the asset, at which time the funds will be returned to the Economic Diversification Fund.

Carried

6.11 Request for Financial Assistance for National/ International Sports Competitions – Holly Lasante – Power Lifting

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

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Manager of Recreation and Culture dated 2018 05 14 concerning Request for Financial Assistance be received and that the recommendation of the Parks and Recreation Advisory Committee that City Council approve a financial assistance grant for Ms. Lasante's participation at the World Classic Power Lifting Championships to be held June 5th – 17th, 2018 in Calgary, Alberta in the amount of \$200.00 be approved.

Carried

6.12 Restaurant/Lounge Lease Termination at John Rhodes Community Centre

The report of the Director of Community Services, Community Development and Enterprise Services was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Director of Community Service, Community Development and Enterprise Services dated 2018 05 14 concerning Restaurant/Lounge Lease Termination at John Rhodes Community Centre be received and that staff be directed to review options for use of the space and provide recommendations for consideration at the June 25, 2018 Council meeting.

Carried

6.13 Sault Ste. Marie Accessibility Improvement Projects

The report of the Accessibility Coordinator was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Accessibility Coordinator dated 2018 05 14 concerning three accessibility improvement projects be received as information.

Carried

6.15 McNabb Street Drainage Improvements

Councillor M. Shoemaker declared a conflict on this item. (Client of law firm.)

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

The relevant By-laws 2018-103 and 2018-104 are listed under item 11 of the Minutes.

6.16 Municipal Class Environmental Assessment

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

Moved by: Councillor F. Fata

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Director of Engineering dated 2018 05 14 concerning the Municipal Class Environmental Assessment process be received as information.

Carried

6.17 Bruce Street Reconstruction

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

The relevant By-law 2018-96 is listed under item 11 of the Minutes.

6.19 Delegation of Signing Authority – Licence of Occupation Agreements for Special Events

The report of the Assistant City Solicitor/Senior Litigation Counsel was received by Council.

The relevant By-laws 2018-100 and 2018-101 are listed under item 11 of the Minutes.

6.20 Sale of 33 Wilks Street

The report of the City Solicitor was received by Council.

The relevant By-law 2018-93 is listed under item 11 of the Minutes.

6.21 Sale of Vacant Land on Highland Court

The report of the City Solicitor was received by Council.

The relevant By-law 2018-92 is listed under item 11 of the Minutes.

6.22 Sault Area Hospital Lease Agreement

The report of the City Solicitor was received by Council.

The relevant By-law 2018-94 is listed under item 11 of the Minutes.

6.23 Agreement with Electrical Safety Authority Continuous Safety Services Program

A report of the City Solicitor was received by Council.

The relevant By-law 2018-77 is listed under item 11 of the Minutes.

6.7 2018 Capital Priorities from Surplus

The report of the Chief Financial Officer and Treasurer was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Chief Financial Officer and Treasurer dated 2018 05 14 regarding 2018 Capital Budget Priorities from 2017 Surplus be received and that the ice resurfacer (\$112,000) and the snow dump project (\$650,000) be funded from the Asset Management Reserve.

Carried

Moved by: Councillor P. Christian

Seconded by: Councillor S. Myers

Resolved that Council direct the unallocated portion of the 2017 surplus (\$236,000) to be allocated as follows:

Splash Pad Project – \$100,280

2018 Road Resurfacing – \$135,720

Recorded	For	Against	Absent
Mayor C. Provenzano	X		

May 14, 2018 Council Minutes

Councillor S. Butland		X	
Councillor P. Christian	X		
Councillor S. Myers	X		
Councillor S. Hollingsworth	X		
Councillor J. Hupponen		X	
Councillor L. Turco		X	
Councillor M. Shoemaker	X		
Councillor R. Niro	X		
Councillor M. Bruni		X	
Councillor F. Fata	X		
Councillor J. Krmpotich		X	
Councillor O. Grandinetti		X	
Results	7	6	0
Carried			

6.14 Huron Street at Wellington Street Intersection – Traffic Signal Removal

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

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the report of the Design and Construction Engineer dated 2018 05 14 be received and that the traffic signals at the Huron Street and Wellington Street West intersection not be replaced instead a Stop at Huron Street be installed.

Postponed

Moved by: Councillor M. Shoemaker

Seconded by: Councillor M. Bruni

Resolved that agenda item 6.14 be postponed to allow for further review of parking and communication with business owners in the immediate vicinity of the current traffic signals.

Carried

6.18 Great Northern Road Speed Study

Councillor L. Turco declared a conflict on this item. (Spouse employed by Police Services.)

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

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Design and Construction Engineer dated 2018 05 14 concerning Great Northern Road Speed Study be received and that a posted speed reduction on Great Northern Road from 800m north of Third Line to Fifth Line from 80 km/h to 70 km/h be approved.

An amendment to the Traffic By-law will be brought to Council at a future meeting.

Carried as amended

Moved by: Councillor M. Shoemaker

Seconded by: Councillor J. Hupponen

Resolved that agenda item 6.18 be amended by inserting the following text after the operative clause “and further that staff report back to Council in one year's time and advise if any further action is required to ensure resident safety on this stretch of roadway”.

Carried

Main Motion as Amended

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Design and Construction Engineer dated 2018 05 14 concerning Great Northern Road Speed Study be received and that a posted speed reduction on Great Northern Road from 800m north of Third Line to Fifth Line from 80 km/h to 70 km/h be approved; and

further that staff report back to Council in one year's time and advise if any further action is required to ensure resident safety on this stretch of roadway.

Carried

7. Reports of City Departments, Boards and Committees

7.1 Administration

7.2 Corporate Services

7.3 Community Development and Enterprise Services

7.4 Public Works and Engineering Services

7.5 Fire Services

7.6 Legal

7.7 Planning

7.7.1 A-10-18-Z – 680 Fifth Line East (Sherry Bernard)

The report of the City Planner was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Senior Planner dated 2018 05 14 concerning Rezoning Application A-10-18-Z be received and that Council rezone the subject property from Rural Area Zone (RA) to Rural Area Zone (RA.S) with a special exception to permit a second dwelling unit upon the subject property, to be located within a detached garage;

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

Carried

7.7.2 A-9-18-Z – 33 Nichol Avenue (Johnson and Taylor)

Councillor M. Shoemaker declared a conflict on this item. (Client of law firm.)

The report of the Senior Planner was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Senior Planner, dated 2018 05 14 concerning Rezoning Application A-9-18-Z be received and that Council rezone the northern 32m of the subject property from Institutional Zone (I) to Single Detached Residential Zone (R2.S) with a special exception to:

1. Permit the existing building to be converted to a 5-unit apartment building.
2. To reduce the following setbacks for the existing building only:
 - a. Front yard to 6m
 - b. North interior side yard to 4m
 - c. Rear yard to 2m.

That Council rezones the southern 32m of the subject property from Institutional Zone (I) to Single Detached Residential Zone (R2.S) with a special exception to reduce the required lot area from 550m² to 517m²;

further, that Council deem the northern 32m (105') of the property subject to Site Plan Control;

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

Carried

7.8 Boards and Committees

7.8.1 Sault Ste. Marie Economic Development Corporation

8. Unfinished Business, Notice of Motions and Resolutions Placed on Agenda by Members of Council

8.1 Creation of Parking Lot for Gore Street

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

Whereas merchants on Gore Street have long had concerns about adequate parking on Gore Street; and

Whereas the Gore Street streetscape project has resulted in fewer parking spaces on Gore Street; and

Whereas Council directed staff to further reduce on-street parking to improve the sightlines at the Albert St. and Gore St. intersection;

Now Therefore Be It Resolved that Staff to look at options for a parking lot in proximity to the Gore Street business area and report back to Council with options prior to the end of the year.

Carried

8.2 Jamestown By-law Enforcement and Property Standards

Moved by: Councillor R. Niro

Seconded by: Councillor M. Shoemaker

Whereas the City recently passed a motion for a Jamestown revitalization plan; and

Whereas Jamestown business people and residents have expressed concern with the deteriorating condition of some buildings in the Jamestown area and with a lack of property standards by-law enforcement; and

Whereas this creates a disincentive for neighbouring properties to invest in revitalizing the neighbourhood;

Now Therefore Be It Resolved that the Building Division be requested to report as to actions required to ensure compliance of all buildings in the Jamestown area with the property standards by-law.

Carried

8.3 Request to Rename Street – Garrison Drive

Moved by: Councillor S. Myers

Seconded by: Councillor S. Hollingsworth

Resolved that the request of the Commanding Officer, 49th Field Regiment concerning renaming a portion of Ontario Avenue to Garrison Way be referred to staff for review and report back to Council.

Carried

9. Committee of the Whole for the Purpose of Such Matters as are Referred to it by the Council by Resolution

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that City Council now proceed into the Committee of the Whole to consider the following matter referred to it for consideration – Budget Process and Discretionary Services List Discussion.

Carried

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the Committee of the Whole Council now rise and report on the matter referred to it by City Council – Budget Process and Discretionary Services List Discussion.

Carried

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that staff bring forward to Council a further breakdown of discretionary spending for the five City divisions in a manner similar to the discretionary spending list provided by Public Works and Engineering Services on the May 14, 2018 agenda.

Withdrawn by Mover and Seconder

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that agenda item 9.1 be referred to the Finance Committee for review and report back to Council.

Carried

9.1 Budget Process and Discretionary Services List Discussion

10. Adoption of Report of the Committee of the Whole

11. Consideration and Passing of By-laws

Moved by: Councillor F. Fata

Seconded by: Councillor S. Hollingsworth

Resolved that all By-laws under item 11 of the Agenda under date 2018 05 14 be approved, save and except 2018-19, 2018-99 and 2018-103.

Carried

11.1 By-laws before Council to be passed which do not require more than a simple majority

11.1.2 By-law 2018-77 (Agreement) Electrical Safety Authority

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-77 being a by-law to authorize the execution of the Agreement between the City and the Electrical Safety Authority for the Continuous Safety Services Program for the three year term of April 1, 2018 to March 31, 2021 be passed in open Council this 14th day of May, 2018.

Carried

11.1.3 By-law 2018-84 (Tax) Tax Capping Options

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-84 being a by-law to adopt optional tools for the purposes of administering limits for the commercial, industrial and multi-residential property classes be passed in open Council this 14th day of May, 2018.

Carried

11.1.4 By-law 2018-92 (Property) Highland Court

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-92 being a by-law to authorize the sale of surplus property being a vacant strip of land adjacent to civic addresses 19 and 23 Highland Court, legally described in PIN 31562-0096 (LT) to Carrie Cerenzie be passed in open Council this 14th day of May, 2018.

Carried

11.1.5 By-law 2018-93 (Property) Sale of 33 Wilks Street

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-93 being a by-law to authorize the sale of surplus property being civic 33 Wilks Street, legally described in PIN 31611-0135 (LT) to Robert Dumanski be passed in open Council this 14th day of May, 2018.

Carried

11.1.6 By-law 2018-94 (Agreement) Sault Area Hospital Lease

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-94 being a by-law to authorize the execution of the Lease Agreement between the City and Sault Area Hospital to occupy City Property located at 65 Old Garden River Road be passed in open Council this 14th day of May, 2018.

Carried

11.1.7 By-law 2018-95 (Agreement) Bruce Street Reconstruction

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-95 being a by-law to authorize the execution of the Contract between the City and 1531161 Ontario Inc. o/a Boyer Construction for the reconstruction of Bruce Street from Queen Street East to Wellington Street East (Contract 2018-3E) be passed in open Council this 14th day of May, 2018.

Carried

11.1.8 By-law 2018-96 (Temporary Street Closing) Bruce Street Closing

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-96 being a by-law to permit the temporary closing of Bruce Street from Queen Street East to Wellington Street East from May 30, 2018 until October 31, 2018 be passed in open Council this 14th day of May, 2018.

Carried

11.1.9 By-law 2018-97 (Property) Acquisition of Part 953 Black Road

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-97 being a by-law to authorize the acquisition of a portion of property located at civic 953 Black Road (Dewar) be passed in open Council this 14th day of May, 2018.

Carried

11.1.10 By-law 2018-98 (Property) Acquisition of Part 828 Black Road

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-98 being a by-law to authorize the acquisition of a portion of property located at civic 828 Black Road (SSM 2 Solar ULC) be passed in open Council this 14th day of May, 2018.

Carried

11.1.12 By-law 2018-100 (Delegation) Signing Authority for Community Events

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-100 being a by-law to approve the standard form of a Licence to Occupy City Property Agreement for Community Events; and further to delegate to the Deputy CAO – Community Development & Enterprise Services, or his/her delegate, signing authority to execute same on behalf of the City of Sault Ste. Marie be passed in open Council this 14th day of May, 2018.

Carried

11.1.13 By-law 2018-101 (Noise) Exemptions for Community Events

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-101 being a by-law to amend the Noise By-law 80-200 be passed in open Council this 14th day of May, 2018.

Carried

11.1.14 By-law 2018-102 (Agreement) Civic Centre Cladding and Windows

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-102 being a by-law to authorize the execution of the Agreement between the City and Cy Rheault Construction Ltd. to perform the work required for the replacement of exterior cladding and windows be passed in open Council this 14th day of May, 2018.

Carried

11.1.16 By-law 2018-104 (Temporary Street Closing) McNabb Street Closing

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-104 being a by-law to permit the temporary closing of McNabb Street from Pim Street to Willow Avenue intermittently between June 1, 2018 until October 31, 2018 be passed in open Council this 14th day of May, 2018.

Carried

11.1.1 By-law 2018-19 (Regulations) Animal Care and Control

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-19 being a by-law responsible for animal care and control for The Corporation of the City of Sault Ste. Marie be passed in open Council this 14th day of May, 2018.

Carried

11.1.11 By-law 2018-99 (Appointments) Humane Society Officers

Councillor L. Turco declared a conflict on this item. (Spouse employed by Police Services.)

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-99 being a by-law to appoint Municipal By-Law Enforcement Officers and Provincial Offences Officers to enforce City animal control by-laws be passed in open Council this 14th day of May, 2018.

Carried

11.1.15 By-law 2018-103 (Agreement) McNabb Street Drainage Improvements

Councillor M. Shoemaker declared a conflict on this item. (Client of law firm.)

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-103 being a by-law to authorize the execution of the Contract between the City and Avery Construction Limited for the replacement of a storm sewer through Poplar Park to the north side of McNabb Street (Contract 2018-5E) be passed in open Council this 14th day of May, 2018.

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

11.3.1 2018-35 (Streets) Change Name Part Shore Drive to Rotary Parkway

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2018-35 being a by-law to rename a portion of Shore Drive to Rotary Parkway (the access to Bellevue Park which forms the south leg of the intersection of Churchill Boulevard and Queen Street) be read the THIRD time in open Council and passed this 14th day of May, 2018.

Carried

12. Questions By, New Business From, or Addresses by Members of Council Concerning Matters Not Otherwise on the Agenda

13. Closed Session

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that this Council proceed into closed session to discuss a proposed disposition of land and an item concerning a future event co-promotion;

further Be It Resolved that should the said closed session be adjourned, the Council may reconvene in closed session to continue to discuss the same matter without the need for a further authorizing resolution.

Municipal Act R.S.O. 2002 – section 239 (2) (c) a proposed or pending acquisition or disposition of land by the municipality; and (i) a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

Carried

14. Adjournment

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that this Council now adjourn.

Carried

Mayor

City Clerk



City of
Sault Ste. Marie

City of Sault Ste. Marie Transit Route Optimization

Round 1 Community Engagement



- ▶ Eight (8) Transit Focus Groups to launch the study
- ▶ Four public information centres to launch the on-line survey
- ▶ Two on-line surveys – general public and employer surveys
- ▶ On-line public transit survey: 837 responses!
 - ▶ 2/3 transit customers, 1/3 non-transit customers
- ▶ Employer survey: 58 businesses
- ▶ 331 residents provided one or more comments

What the Community Wanted to See



Transit Customers

- ▶ Longer service hours
- ▶ More frequent service
- ▶ Lower bus fares
- ▶ More direct service
- ▶ Service to more destinations
- ▶ Better buses

Non-Transit Customers

- ▶ More direct service/ fewer transfers
- ▶ More frequent service
- ▶ Longer service hours
- ▶ Increased service hours
- ▶ Service to more designations
- ▶ Shorter travel times

Route Design Principles & Best Practices



- ▶ Walk distance to bus stops: 95% within 5 minute walk (450 metres)
- ▶ Two-way service to extent possible (loops longer than 2 km should be avoided)
- ▶ Safe travel speeds (18 kph to 25 kph)
- ▶ Ensure key (priority) destinations are served appropriately
- ▶ Reflect community priorities:
 - ▶ Maintain focus on downtown + better service to northern destinations
 - ▶ Reduce the need to transfer
 - ▶ Bring back Sunday evening service
 - ▶ Serve residential areas not currently accommodated

Service Recommendation Highlights



September through May		June through August	
Day an Span of Service	Frequency (minutes)	Day and Span of Service	Frequency (minutes)
Weekday			
6:00am-9:00am	30	6:00am-9:00am	30
9:00am-3:00pm	30	9:00am-3:00pm	From 30 to 60
3:00pm-6:00pm	30	3:00pm-6:00pm	30
6:00pm-midnight	60	6:00pm- midnight	60
Saturday			
6:00am-9:00am	30	6:00am-9:00am	60
9:00am-3:00pm	60	9:00am-3:00pm	60
3:00pm-6:00pm	30	3:00pm-6:00pm	60
6:00pm- midnight	60	6:00pm-midnight	60
Sunday			
7:00am – midnight	60	7:00am- midnight	60

- ▶ Redesign of most routes
- ▶ New bus transfer hub at or near Sault College
- ▶ Reinstatement of Great Northern Route to Hospital
- ▶ New community bus route
- ▶ * Reduce 9am-3pm(off-peak) frequency during summer months from 30 min. to 60 min.

Round 2 Community Engagement



- ▶ Three public open houses
 - ▶ 100% support in full or with minor changes
- ▶ On-line survey – 312 responses, 361 comments
 - ▶ 78% supported the route changes



Summary of Community Engagement



- ▶ 8 Transit Focus Groups
- ▶ 8 Public Open Houses
- ▶ 3 on-line surveys
 - ▶ 1,208 responses to surveys
 - ▶ 900+ comments
- ▶ **Unprecedented public input to transit!**

Summary of Improvements



- ▶ Revised route network
- ▶ East-west connectors to reduce the need to travel downtown to transfer
- ▶ Return of late evening Sunday service
- ▶ Establish a central northern transit mobility hub
- ▶ Getting anywhere in the City by bus within 60 minutes
- ▶ Confirmation that a downtown transit terminal should be retained
- ▶ Accelerated fleet renewal/ modernization program
- ▶ Embracing technology to improve fare collection, provide real time schedule information, and the ongoing monitoring of passenger loads & bus reliability

Implementing the Changes – Timeline



First Step – Creating the service hours following the consultants recommendations.

Completed and presented to Council on April 9, 2018

- ▶ Effective June 3, 2018;
- ▶ Summer service hours – Monday to Friday
 - ▶ (600 a.m. to 900 a.m.) - 30 minute service
 - ▶ (900 a.m. to 300 p.m.) – 60 minute service
 - ▶ (300 p.m. to 600 p.m.) – 30 minute service
 - ▶ (600 p.m. to midnight) – 60 minute service
- ▶ All weekend service at 60 minutes

Implementing the Changes – Timeline Cont'd



School Year Hours -September through May

- ▶ (600 a.m. to 700 p.m.) 30 minute service
- ▶ (700 p.m. to midnight) 60 minute service
- ▶ All weekend services at 60 minute service

Implementing the Changes – Timeline Cont'd



- ▶ Blocking and Rostering of work assignments
- ▶ Following the current parameters of the collective agreement and the Employment Standards Act to create the operators work assignments
- ▶ Operator packages indicating turn by turn routing and timing for all the routes, including transfer points
- ▶ **Completed in April/May, 2018**

Customer Information

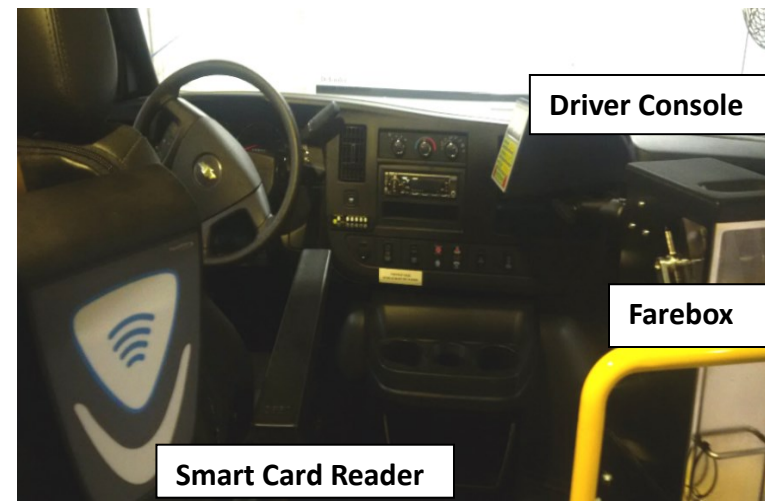


- ▶ Creating route maps and schedules including Community Bus Schedules (web page, paper copies and social media)
- ▶ Posting bus stop information including information on stop closures
- ▶ Using advertising informing the public of route changes and where they can get the information
- ▶ Creating banners on local news media sites to inform riders on where they can get the information
- ▶ Travel Training – setting up meetings at senior buildings and informing riders of the changes
- ▶ On kick off day, June 3, 2018, extra staff will be out amongst the city to help the public with questions they may have.

What's Next



- ▶ Summer Schedules are complete and we will now prepare for the School Year Schedule (September to May).
- ▶ Review the Summer Schedule using information survey's and feedback collected during the summer.
- ▶ Make improvements including route changes and schedule changes to the existing service.
- ▶ The City will issue an RFP for Smart Card Fare collection and mobility options.



Future Investment

Council directed Staff on April 9, 2018 to develop a plan to maximize the City's share of the Public Transit Infrastructure Funding over the next ten years and make Transit Infrastructure a priority in order to leverage this funding opportunity.

This represents a major Capital investment to renew and improve Transit services.



Questions?





The Corporation of the
City of Sault Ste. Marie

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Christine Pascall, CPA, CA Manager of Accounting & City Tax Collector

DEPARTMENT: Corporate Services

RE: Property Tax Appeals

PURPOSE

Staff is seeking Council approval of property tax appeals as required pursuant to Section 357 of the *Municipal Act*.

BACKGROUND

A listing of applications received for adjustment of realty taxes pursuant to Section 357 of the *Municipal Act* is attached to this report.

ANALYSIS

The Municipal Property Assessment Corporation has recommended the amount of the assessment to be adjusted.

FINANCIAL IMPLICATIONS

There is an annual budget allocation for tax write-offs. The decreased revenue of \$17,156.46 can be accommodated within the existing budget allocation.

STRATEGIC PLAN / POLICY IMPACT

Not applicable.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Accounting & City Tax Collector dated 2018 05 28 concerning Property Tax Appeals be received and the recommendation that the tax records be amended pursuant to Section 357 of the *Municipal Act* be approved.

Property Tax Appeals
2018 05 28
Page 2.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. Pascall', with a stylized, flowing script.

Christine Pascall, CPA, CA
Tax Collector
705.7595276
c.pascall@cityssm.on.ca

PROPERTY ADDRESS		PERSON ASSESSED		TAX CLASS	REASON	APPEAL NO.	TAXES	INTEREST	TOTAL
2017									
010-052-011-07	00383 Chambers Avenue	Mei Christopher Scott	Mei Melissa Dawn	RT	D (ii)	17-051	Confirmed		
020-042-147-03	00451 Queen Street East	920809 Ontario Inc.		CT/DT	C	17-052	14,723.51	2,147.99	16,871.50
040-008-112	00046 Knox Avenue	Campbell Calvin John Thomas	Paquette Lee Ann	RT	D (ii)	17-053	29.15	0.37	29.52
060-003-058	00160 Goulais Avenue	Laforest Shawn Joseph	Laforest Candace Dawn	RT	D(i)	17-054	82.55		82.55
060-035-126	00100 Ransome Drive	Barber Marshall Darwin	Barber Peggy Ina Marie	RT	D (ii)	17-055	172.89		172.89
REPORT TOTAL							15,008.10	2,148.36	17,156.46

- (A) Ceased to be liable to be taxed at rate it was taxed

(B) Vacant or excess land

(C) Became exempt

(D) (i) Razed by fire, demolition or otherwise
- (D)(ii) Damaged by fire, demolition or otherwise (substantially unusable)

(E) Mobile unit removed

(F) Gross or manifest clerical error

(G) Repairs/Renovations preventing normal use (minimum of 3 months)



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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Brent Lamming, Director of Community Services

DEPARTMENT: Community Development and Enterprise Services

RE: Naming, Advertising, and Sponsorship Rights

PURPOSE

This report has been prepared for Council's information and consideration, on behalf of the Evaluation Committee, concerning proposals received for the Naming, Advertising, and Sponsorship Agreement Rights for the multi-purpose indoor Venue currently named the Essar Centre (the Venue) for the ten (10) year period commencing August 1, 2018. Staff is seeking Council approval of the Evaluation Committee's recommendation.

BACKGROUND

In the original Council Report of September 25, 2017, staff determined two avenues to pursue sponsorship for the facility:

- A. Secure professional services from an outside agency to assist the City in finding a new corporate sponsor.
- B. City staff undertake an RFP process to find a new corporate sponsor.

Council authorized City Staff to undertake an RFP process for a corporate sponsor for the naming rights for the venue.

On January 17, 2018, the City of Sault Ste. Marie issued a Request for Proposals for the Naming Rights of the Event Centre. A Press release was issued and multiple proponents were sent RFP Naming Rights packages. Proposals were required to be submitted for consideration no later than 4:00 p.m. on February 23, 2018. As of the closing date, no Proposals were submitted.

On April 4, 2018, the City of Sault Ste. Marie re-issued a Request for Proposals for the Naming Rights of the Event Centre. A Press release was issued and multiple proponents were sent RFP Naming Rights packages. Proposals were required to be submitted for consideration no later than 4:00 p.m. on May 4, 2018.

ANALYSIS

The City received expressions of interest from various organizations throughout the RFP process. As of the closing date, three (3) Proponents submitted proposals and all proposals were worthy and met the criteria of the RFP package.

The Proposals received have been evaluated by a committee comprised of the Deputy Chief Administrative Officer – Community Development & Enterprise Services, the Director of Community Services, and the Manager of Purchasing. The proposals were evaluated using a criteria matrix in accordance with the City's regular evaluation process.

It is the consensus of the Evaluation Committee that the Proponent scoring the highest in the evaluation process is GFL Environmental Inc.

GFL has proposed that the Event Centre be named

GFL Memorial Gardens (see Appendix A)

Since the inception of GFL in 2007, they have built a team of highly qualified individuals and sit at approximately 5500 employees from coast to coast. GFL have teams in place from marketing specialists, sales teams and highly qualified management teams. GFL has indicated they will implement a team primarily focused for the kick-off of the new name. Lead by Chris Dovigi, GFL will actively involve the community for the reveal and will continuously strive to educate and lead the City of Sault Ste. Marie about waste and waste recycling.

GFL will implement a strong recycling program at the Centre to be utilized by all events held at the facility.

FINANCIAL IMPLICATIONS

The new agreement will see the City enter into a 10-year agreement which will generate \$750K in revenue for the naming rights for the Venue.

Annual payments of \$75,000 will commence August 1, 2018. Under the previous agreement \$1.5M was received for the 10-year timeframe released into revenue in increments of \$130,000 annually after taxes and commission fees. Under the new agreement the City will see an annual reduction in revenue of \$55,000.

In addition, as a Value Added Incentive, GFL Environmental Inc. will discount servicing all waste, recycling and temporary waste containers at the Centre by 50% during the duration of the naming rights agreement. This amounts to an approximate cost savings of \$3,600 annually or \$36,000 over the term of the agreement.

STRATEGIC PLAN / POLICY IMPACT

The recommendation supports the focus area of the Community Strategic Plan for 2016-2020 in a number of ways.

- Within the Service Delivery focus area it continues to assist in delivering excellent customer service to citizens.
- It supports the Community Development and Partnership focus of Maximizing Economic Development & Investment with the commitment to maintain financial viability.

Additionally, it supports the focus area of Infrastructure as it will assist in Maintaining Existing Infrastructure.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Director, Community Services – Community Development & Enterprise Services dated 2018 05 28 be received, and the recommendation that the proposal submitted by GFL Environmental Inc. for the Naming, Advertising, and Sponsorship Agreement Rights for the multi-purpose indoor Venue currently named the Essar Centre (the Venue) for the ten (10) year period commencing August 1, 2018, be approved.

A by-law authorizing signature of the agreement for the Naming, Advertising, and Sponsorship Agreement Rights will appear on a future Council agenda.

Respectfully submitted,



Brent Lamming, PFP, CPA, CMA
Director, Community Services
Community Development &
Enterprise Services
(705)759-5314
b.lamming@cityssm.on.ca

cc: Tim Gowans, Manager - Purchasing

Appendix A

Draft conceptual image of the signage – note this is likely to change and will be finalized by GFL Environmental in consultation with City staff. Image for illustrative purposes only.



GFL Memorial Gardens

BUILDING SIGNAGE

Sault Ste. Marie (Essar Centre)

Prepared for:
Chris Dovigi
GFL Environmental Inc.

By:
Sims Advertising

May 18, 2018



Option A



Pantone 375 C



100% Black

Universe 85 Extra Black

Universe 75 Black



GFL Memorial Gardens

BUILDING SIGNAGE Sault Ste. Marie (Essar Centre)

Option B



 Pantone 375 C

 100% Black

Universe 85 Extra Black



Option C



 Pantone 375 C

 100% Black

Universe 85 Extra Black Oblique



GFL Memorial Gardens

BUILDING SIGNAGE Sault Ste. Marie (Essar Centre)

Option D

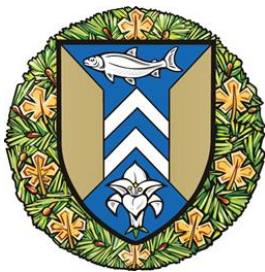
GFL ***MEMORIAL GARDENS***

 Pantone 375 C

 100% Black

Universe 85 Extra Black Oblique





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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Tom Vair, Deputy CAO Community Development & Enterprise Services

DEPARTMENT: Community Development and Enterprise Services

RE: Review of Municipal Staff Parking Fees

PURPOSE

The purpose of this report is to respond to the following Council resolution from the June 12, 2017 meeting:

“Whereas the Parking Review Committee has studied downtown parking and recommended changes to modernize our downtown parking system; and

Whereas during the community input portion of their investigations, the Parking Review Committee received significant feedback from residents; and

Whereas many residents noted that Algoma University, Sault College, the Sault Area Hospital, Ontario Lottery and Gaming, Group Health Centre and many other entities within the City charge employees for parking; and

Whereas the City must collect revenue wherever possible to offset tax increases;

Now Therefore Be It Resolved that staff bring forward to City Council a report on charging municipal employees for parking at all City-owned buildings including the Civic Centre.

BACKGROUND

Historically, City employees have never been charged for parking at the Civic Centre or any off-site municipal office or building. Similarly, visitors have never had to pay for parking at any municipal office or building. The only municipally-

operated paid parking is the on-street parking downtown and the ten parking lots in the downtown core.

As of April 18, 2018, the Corporation had the following employee complement:

Category	Total
Full Time Non-Union	129
Full Time Union	454
PT Non-Union	351
PT Union	38
Students	140
Total	1112

These statistics are for direct City employees and does not include external groups such as Sault Ste. Marie Police Service or Sault Ste. Marie Public Library.

There are enough parking spaces at all municipal locations to accommodate staff, students and visitors. However at times there may be a shortfall depending on events occurring at specific sites.

ANALYSIS

There are a number of considerations when examining the option to charge municipal employees for parking at all City-owned facilities. The Analysis section is organized to address some of the major considerations which include:

- Current Practices – parking procedures with other organizations
- Enforcement – options for enforcing parking permits
- Application - who should be charged for parking and any related impact
- Pricing – what are the considerations to determine pricing
- Financial Benefit - what would be the net financial benefit to the City

Current Practices

Each external organization referenced in the resolution was contacted regarding the details of their employee parking. Items reviewed were types of passes offered (e.g. yearly, monthly), various pricing and payment options, as well as any staff exceptions. It should be reinforced that both employees and the general public pay to park at these institutions. For comparison purposes the details have been summarized in a chart below.

The municipalities of North Bay, Timmins, Thunder Bay and Sudbury were contacted. Each of these municipalities have several factors in common with the City of Sault Ste. Marie, however none of them have on-site parking at their respective City Halls. Of the cities that charge, the location of their city hall is on a block within their downtown core.

Review of Municipal Staff Parking Fees

2018 05 28

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The City of North Bay has a Council approved resolution in which parking for employees is paid for within the annual budget for disclosure purposes and there is no charge to employees.

Depending on the lot, City of Sudbury employees pay the highest parking fees. For the lot closest to Tom Davies Square (Sudbury City Hall), City of Sudbury employees pay a monthly fee of \$82/month, totalling \$984 a year. Another lot is also used by employees, however it is further away. This lot costs \$51/month, totalling \$612/year. All employees are required to pay, regardless of title or seniority.

City of Thunder Bay employees pay the lowest parking fees, typically choosing between a lot and a parkade (parking garage). Those opting for the lot pay \$528/year, and those opting for the parkade pay \$583/year (plus an additional \$10 deposit on the parkade key tag). All employees are required to pay; however, some departments choose to pay for their senior staff.

All of the lots used by employees are competitive and open to the public, meaning that anyone can purchase a pass, and passes are sold on a first come first serve basis. Permit pricing is the same for employees and the general public. City employees at off-site municipal buildings and locations are not required to pay for parking, with the exception of the City of Timmins.

Municipality/ Organization	Charge Full Time Staff	Charge Part Time Staff/Student	Charge Public
City of Sudbury	Yes Monthly \$82.00 (premium) Monthly \$51.00 (other)	Yes	Yes Hourly Avg. \$1.30 Monthly Avg. \$74.00
City of Thunder Bay	Yes Annual \$528.00 (Lot) Annual \$583.00 (parkade)	Yes	Yes
City of North Bay	No Council approved resolution	No	Yes Hourly Avg. \$1.25 Monthly: Rental Program Available
City of Timmins	Yes Monthly \$50.85 Annual \$559.35	Yes Monthly \$50.85 Annual \$559.35	Yes
Algoma Steel	No	No	No
Algoma University	Yes Monthly \$25.00	Yes Monthly \$25.00	Yes Hourly \$2.00
Aurauco	No	No	No
Brookfield	No	No	No
Renewable Energy			
Group Health	Yes \$15.00/pay cheque Annual \$390	Yes \$15.00/pay cheque	Yes Metered \$2.00/half hr Gated: \$5.00
Centre			
OLG	Yes		No (Limited Spaces)

Review of Municipal Staff Parking Fees

2018 05 28

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		Monthly \$45.00 lot		
		Monthly \$50.00 covered		
		Private: \$40.00 lot		
PUC		No	No	No
Sault College		Yes	Yes	Yes
		Annual \$299.00 premium lot	Annual \$243.00	\$3.00/hour
		Annual \$243.00 other lot		\$5.00/day
Sault Area Hospital		Yes	Yes	Yes
		Monthly \$66.67	Monthly \$43.33	Daily \$6.00/visit
		Annual \$800	Annual \$520	Monthly \$66.67
SSM Courthouse		Yes		Yes
		Monthly \$45.00		Daily \$2.00/visit
Tenaris Tubes	Algoma	No	No	No

Monitoring

There are three different ways the City could enforce parking in municipal lots:

1. Special Constables - The use of special constables could be established in each area to enforce parking in their areas. In other organizations this is typically a contracted service company or designated staff person with permission to write tickets only on that designated lot. If an existing security company was utilized there may be no added cost to the City and the Parking Section would receive all the revenues from fines that are issued.
2. Contract By-Law enforcement officers - The City would provide vehicles for the enforcement officers. The difference with this option is that a by-law officer could write tickets throughout the City. The City's current agreement pays the Commissionaires \$18.46 per hour of enforcement. Based on 2080 hours per By-Law officer, the City would require \$40,000 for each By-Law enforcement officer and capital costs for a vehicle (vehicle, insurance, maintenance and fuel).
3. Contract Services – The City can also contract out services and pay per ticket issued for enforcement. The City would need to issue an RFP for the cost of enforcement, which would be added to each fine. (Example: each ticket would be \$20.00 and the contractor would receive \$5 per ticket issued).

The City issues permits to staff currently to park in the North and South Lots at the Civic Centre, Essar Centre, Transit Building and Dennis St. Terminal (315 permits in total). If the City were to issue parking permits to all staff the City would need to issue 1,112 in total. The projected cost to implement should the existing permits be utilized would be \$1,000 for incremental permits.

Staff did investigate other potential options for enforcement including:

Gates

If the City were to purchase and install a set of gates the cost is estimated to be \$26,500 per gate. Each gate requires an entry and exit point, a payment acceptor, access control software and labour installation. Given the City has approximately 20

lots with Civic Buildings and estimated gate requirements are 41 in total. Costs to implement are estimated to be approximately \$1.08 Million excluding annual maintenance and monitoring. Annual maintenance is estimated at \$2,000 and costs to issue proximity cards are estimated at \$5 per card.

Pay and Display

If Pay and Display Units were to be purchased and installed at all 20 lots with Civic buildings, it is estimated costs would be \$302,557 to implement when using two pay and displays per lot. In addition estimated annual maintenance would be \$2,000 annually. With the Pay and Display option enforcement may still be required and any cost associated with Special Constables would also need to be considered.

Application

The resolution from Council asked that staff report on parking fees at all City owned buildings including the Civic Centre. The list of buildings includes:

- Bellevue Marina & Park
- Bellevue Park
- Cemeteries
- Civic Centre (North and South Lot)
- Ermatinger Clergue National Historic Site
- Fire Station #1- Tancred
- Fire Station #2- Second Line
- Fire Station #3- 100 Bennett Blvd
- Fire Station #4- 65 Old Garden River Rd (EMS)
- John Rhodes Community Centre
- Landfill
- Northern Community Centre
- Public Works
- Essar Centre
- Transit Centre
- Transit Terminal
- Wastewater Treatment Facilities
- W. J. McMeeken Centre

There are other City owned buildings including the Library, Museum, Police Station and Ontario Works but staff has not included them in this analysis.

From a facility standpoint, there is some question to the practicality of charging municipal employees located at remote facilities a parking fee. Locations such as the cemetery and landfill which are remote or locations such as the Northern Community Centre, Essar Centre and John Rhodes which have large lots largely dedicated to visitors and utilize significant part-time or youth employees may need further consideration should parking fees be implemented.

Further, from an equity and application standpoint, there is a question as to which employees would be charged parking. The City has a number of part-time employees (Non-Union 351; PT Union 38 and Students 140). Some of these staff work at concessions or are undertaking roles such as lifeguards with limited hours.

It should also be noted that there may be a prosecutorial impact. A city staff prosecutor cannot prosecute a city staff person as it would be considered a conflict. If vehicles are ticketed and the ticket is challenged the City could incur legal costs retaining outside counsel.

Other considerations that would have to be finalized should parking fees be implemented include:

- How will contracted parking spots be monitored? (A number of spaces in both the North and South Civic Centre lots are permanently assigned to the former Algo Club property owner (HD Sports Grill/L.A. Nightclub). There are 15 spots in the South lot adjacent to HD Sports Grill/L.A. Nightclub and 30 spots allocated in the North lot).
- How will tenants be handled? Tenants include the EDC, SSMIC, Algoma Ports, Soo Greyhounds, Sault Gymnastic Club, Superior Sports Training, etc.
- Will there be any exceptions, e.g. councillors, senior staff, visitors, contractors, etc.?
- Would City fleet vehicles be exempt from paying fees? (Public Works staff is often 'visitors' at other sites providing a service (e.g. carpentry) or attending meetings
- Can the pass be used at all municipal locations?
- Would payment at one lot be valid for all?
- Will passes for the Civic Centre and other facilities such as Essar Centre be sold to the general public as well? For a facility such as the Essar Centre, will City employees who have a parking permit for all City buildings be allocated spots during events and Greyhound games?
- What kind of additional work will this create for current parking staff? E.g. management, administrative and enforcement?

Pricing

A determination will also have to be made on the amount employees would be charged for parking and if there are any pricing tiers (e.g., part-time versus full-time) should fees be implemented. Two options include:

Cost recovery - The annual cost to service the North and South parking lots at the Civic Centre is \$32,676. Using this lot as a proxy, cost recovery for the percentage of spaces utilized by staff is estimated at \$8.56 per month, per employee based on 136 existing permits issued to staff in North and South Lots (136 staff permits on 318 available spaces or 42.77%). Note this would cover

maintenance only – if capital costs were also included for major resurfacing or pole replacement this fee would need to be increased.

Parking Space Breakdown North-South Lot Civic Centre		%
City Staff with Parking Permits	136	42.77%
Other Permits: 15 Engineering Vehicles, 12 EDC, 2 Algoma Port, SSMIC 42 in use but 48 total, Council 12+1	84	26.42%
Total Permits for both lots (Includes SSMIC & Port of Algoma etc. excluding HD Sportsbar)	220	69.18%
Available public spots in the south lot – 45 standard + 8 accessible	53	16.67%
Subtotal	273	85.85%
HD Sports Grill/L.A Nightclub (Former Algo Club) - 15 spots adjacent in South Lot and 30 in North Lot	45	14.15%
Total Parking Spaces	318	100.00%

Comparators – Comparators either from other municipalities that do charge staff for parking or from other organizations in the community could be utilized to determine a rate should parking fees be implemented.

It should also be noted that not everyone requires a permit for the full year and staff may choose not to park in lots with Civic owned buildings moving forward. The Human Resources department has advised that consultation with the local unions would have to take place to get an understanding on the effect to their membership of a paid parking system. This is a significant item as some lots are used by far more union employees than non-union.

Some of the smaller, detailed items to be organized should parking fees be implemented would include:

- How can employees pay? Daily, monthly, annually?
- Can a payment plan through payroll deductions be established?
- Will the system be set up on a first come first serve basis or spots made available based on seniority, etc.?
- Will parking spaces be designated?
- Will visitors be required to pay as well? If so, what about those with Accessibility permits?
- Should the current physical pass be reviewed/replaced?

Summary

Albeit straightforward on the surface, there are a number of considerations and details that would need to be finalized should Council wish to proceed with charging staff for parking. As mentioned above, there is a question of practicality to charge staff for parking at remote locations such as the cemetery, Northern Community Centre, landfill, John Rhodes, etc. At the same time, the issue of

fairness and equity needs to be balanced if some employees are charged and others are not. There is also a question of fairness to consider if staff is paying the entire costs for lots that are being utilized and maintained for the public to use as well.

If visitors to City facilities are not required to pay for parking it makes enforcement somewhat more difficult depending on the size of the lot and the proportion of spaces that are set aside for visitors versus staff. Certainly, if it was decided to charge the public it would have a negative impact on participation rates across all programs and events. Many of the public visitors to City Hall are already attending the site to pay a fee i.e. tickets, building permits, licenses etc. This parking fee would be in addition which would further discourage compliance in many cases.

There is a potential for the net benefit to be reduced should a parking fee be challenged by union members and it proceeded to arbitration. Similarly, if fees are imposed they may be brought up as an item in the next contract for collective bargaining with each local union. A resultant increase in wages would negate some of the cost savings of implementing parking fees.

Further, if part-time employees are charged there could be potential attrition given the cost of parking versus total income received from their employment.

Before proceeding into any further detailed analysis, staff felt it prudent to bring this information to Council for any further direction.

FINANCIAL IMPLICATIONS

The full financial implications will depend on approach taken by Council as there are many options for implementation. Two scenarios for consideration are contained in the table below:

	Cost Recovery (this includes annual costs such as sweeping, plowing and sanding, line painting)	Increased Cost Recovery (this includes an amortized cost for tarring and stripping not done annually)
Employees - 1112 staff @ est. 80% purchase = 889.6	890	890
Rate	\$8.56	\$13.80
Potential Monthly Revenue	\$7,618.40	\$12,282

Months	12	12
Potential Annual Revenue	\$91,420.80	\$147,384
Contracted By-Law Enforcement Officers (3 required)	\$125,990.40	\$125,990.40
Net Loss/Benefit	(\$34,569.60)	\$21,393.60
*Net Benefit could also be affected by any additional administrative costs and any potential wage adjustments		

Additional revenue generation is possible through charging parking for part time employees and students however it is difficult to project this potential revenue given the variations in hours of work and seasonal employment. Furthermore, a price-point for part-time employees would have to be established, whether it is the same as full time staff or discounted.

Similar projection difficulties apply to students; many may not require parking, only work for short periods of time, and a student price would have to be established.

STRATEGIC PLAN / POLICY IMPACT

This is an operational matter not articulated in the corporate strategic plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

“Resolved that the report of the Deputy CAO Community Development & Enterprise Services dated 2018 05 28 be received as information.”

Respectfully submitted,



Tom Vair
Deputy CAO
705.759.5264
t.vair@cityssm.on.ca



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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Susan Hamilton Beach – Director, Public Works

DEPARTMENT: Public Works and Engineering Services

RE: Public Works Ditching Program – 2018

PURPOSE

The purpose of this report is to inform Council of the proposed 2018 ditching program.

BACKGROUND

Each year, the ditching program is reported to Council for their information. This year it is proposed that the program include the re-ditching of approximately 10,643 meters of ditches to improve drainage along municipal roadways. Attached is the listing of the 2018 locations. The program represents approximately 2.07% of the total 512,000 meters of ditches maintained by the City. The budget for this program is \$200,400.

ANALYSIS

Typically, each year the program has been compiled from requests from Councillors, residents and staff. Budgetary constraints allow for a limited amount of work to be undertaken each year. It is necessary to prioritize the requests and normally not all requests can be accommodated. Prioritization of the list considers flooding issues as a much higher priority than cosmetic concerns. Some of the ditching requests may not be included on the final list due to physical constraints (lack of grade) in an area. The solution may require that a storm sewer be installed to address the drainage issues.

It is proposed that the ditching program commence in June, 2018 with a completion date in October, 2018.

FINANCIAL IMPLICATIONS

The proposed program maximizes the assigned operational budget for ditching.

STRATEGIC PLAN / POLICY IMPACT

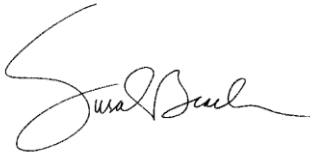
The ditching program is linked to the asset management, maintaining existing infrastructure component of the Corporate Strategic Plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Director of Public Works dated 2017 05 28 concerning the Public Works 2018 ditching program be received as information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Susan Beach", written in a cursive style.

Susan Hamilton Beach, P. Eng.

Director, Public Works

705.759.5207

s.hamiltonbeach@cityssm.on.ca

Attach.

2018 DITCHING PROGRAM

STREET	FROM	TO	METRES	COMPLETE	DESCRIPTION
ROYAL YORK	CIVIC #96	CIVIC #42	220		NORTH
MURPHY ST	CIVIC #81	CIVIC #89	50		NORTH
LOUISE AVE	CIVIC #157	CIVIC #175	75		SOUTH
WILLIAMS ST	CIVIC #7	14 KERR	35		SOUTH
WILLIAMS ST	CIVIC #93	CIVIC #77	60		NORTH
ADRIAN DR	CIVIC #105	GRATE ACROSS FROM 178 KERR	75		NORTH AND WEST
BOWKER ST	CIVIC #16	GRATE AT HARDWOOD	316		NORTH
EASTERN AVE	CIVIC #90	CIVIC #66	80		NORTH
GIBBS ST	CIVIC #59	CIVIC #75	35		WEST
GIBBS ST	CIVIC #158	CIVIC #176	30		EAST
ADELINE	CIVIC #15	RAILROAD SHACK	12		WEST
ANNA ST	CIVIC #151	CIVIC #88	240		EAST
AMY	CIVIC #24	136 MANITOU	170		EAST AND NORTH
CREERY AVE	CIVIC #70	LAKE ST	155		NORTH
WELLINGTON ST E	CIVIC #370	CIVIC #492	335		NORTH
ANITA BLVD	CIVIC #24	56 STRAND	75		EAST
GREAT NORTHERN RD	CIVIC #248	30 KENT AVE	70		NORTH
PRINCETON DR	CIVIC #26	54 PANORAMIC	85		NORTH
OLD GARDEN RVR RD	CIVIC #181	CIVIC #201	120		EAST
SACKVILLE RD	CIVIC #9	NORTH STREET	475		NORTH
SACKVILLE RD	CIVIC #143	MONTCALM	280		WEST
INDUSTRIAL PARK CRES	CIVIC #116	GREAT NORTHERN RD	350		NORTH
INDUSTRIAL PARK CRES	CIVIC #115	CIVIC #165	190		WEST
DRIVE IN RD	INDUSTRIAL PARK CRES	GREAT NORTHERN RD	360		SOUTH
INDUSTRIAL PARK CRES	DRIVE IN RD	CIVIC #116 INDUSTRIAL PARK CRES	602		EAST
INDUSTRIAL PARK CRES	CIVIC #380	CIVIC #500	310		EAST
KILLARNEY RD	CIVIC #38	CIVIC #86	202		NORTH
SOUTHWOOD	CIVIC #6	SOUTHWOOD AND TERRANCE	20		SOUTH
OLD GARDEN RVR RD	CIVIC #682	CIVIC #850	430		WEST
OLD GARDEN RVR RD	CIVIC#831	POLE #14085	280		EAST
FOURTH LINE E	CIVIC #687	POLE #15056	90		SOUTH
GREAT NORTHERN RD	CIVIC #1433	POLE #15083	50		WEST
FIFTH LINE E	CIVIC #577	25M BOTH SIDES OF DRIVEWAY	50		SOUTH

HAMPTON RD	CIVIC #302	KORAH AND HAMPTON	75		NORTH
MOSS	CIVIC #93	KORAH AND MOSS	305		WEST
COOPER ST	CIVIC #801	CIVIC #859	170		WEST
CHIPPEWA ST	CIVIC #170	CIVIC #190	105		NORTH
BORDEN AVE	CIVIC #362	CIVIC #396	166		EAST
WALLACE TERRACE	CIVIC #1136	WALLACE TERR AND ROYCE AVE	260		NORTH
BASE LINE A	CIVIC #764	CIVIC #812	320		NORTH
LEIGHS BAY RD	CIVIC #594	CIVIC #638	75		EAST
CARPIN BEACH RD	CIVIC #799	15M SOUTH OF CROSS CULVERT	15		WEST
TOWN LINE RD	CIVIC #606	POLE #16913	70		EAST SIDE
BASE LINE	CIVIC #1687	TOWN LINE AND BASE LINE	175		SOUTH
TOWN LINE RD	CIVIC #433	CIVIC #453	150		WEST
BASE LINE	CIVIC #1979	CIVIC #1981	90		SOUTH
SHATRUCK	POLE #17099	POLE #17097	440		EAST AND WEST
THIRD LINE W	CIVIC #1890	CIVIC #1900	45		NORTH
THIRD LINE W	CIVIC #1695	OFFTAKE BEHIND CIVIC #1695	220		SOUTH
THIRD LINE W	CIVIC #1376	CIVIC #1390	210		NORTH
THIRD LINE W	CIVIC #1304	THIRD LINE WEST AND MAKI RD	120		NORTH
THIRD LINE W	CIVIC #1115	CIVIC #1131	180		SOUTH
ALLENS SIDE RD	CIVIC #781	THIRD LINE WEST AND ALLENS SIDE RD	225		WEST
APPALOOSA AVE	CIVIC #30	GRATE NORTH OF CIVIC # 30	45		EAST
PINTO DR	CIVIC #104	EASEMENT TO BACK OF PROPERTY	80		NORTH
LANDSLIDE RD	POLE #14404	POLE #14489	210		EAST AND WEST
LANDSLIDE RD	POLE #14500	POLE #14502	200		EAST AND WEST
LANDSLIDE RD	POLE #14509	SIXTH LINE EAST AND CONNOR RD	275		EAST AND WEST
SIXTH LINE E	POLE #14995	POLE #14522	360		SOUTH
SIXTH LINE E	POLE #14522	POLE #14520	130		SOUTH
TOTAL			10643		



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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Lauren Perry, Emergency Management Coordinator

DEPARTMENT: Fire Services

RE: Sault Area Hospital Emergency Evacuation Agreement

PURPOSE

The purpose of this report is to seek Council approval for by-law 2018-105.

BACKGROUND

In the development of a new comprehensive emergency planning strategy, Sault Area Hospital is adopting a multi-site evacuation protocol with various partners throughout the community to ensure the best possible outcome in an emergency situation.

As the City of Sault Ste. Marie has facilities with the capacity to assist the Hospital in the reception of potential evacuees, we were identified as one of the potential partners. In addition, section 13 of the Emergency Management and Civil Protection Act, R.S.O.1990, c.E.9 makes the provision for the council of a municipality to enter into an agreement with any person for the provision of any personnel, services, equipment, or materials during an emergency.

Discussions began in August 2017 focused on developing a mutually satisfying agreement which would allow Sault Area Hospital to provide emergency lodging if a large-scale evacuation of the Hospital occurred. Over the next nine months a proposed agreement was developed by Sault Area Hospital and reviewed by the City of Sault Ste. Marie Legal Department. The approved agreement is presented for Council as By-law 2018-105.

ANALYSIS

NA

FINANCIAL IMPLICATIONS

There is no financial impact, if this agreement is activated all costs will be recovered on a cost recovery basis.

STRATEGIC PLAN / POLICY IMPACT

This is an operational matter not articulated in the Corporate Strategic Plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

The relevant By-law 2018-105 is listed elsewhere on the Agenda and is recommended for approval.

Respectfully submitted,



Lauren Perry
Emergency Management
Coordinator
705.541.5173
l.perry@cityssm.on.ca

Recommended for approval,



Paul Milosevich
Deputy Chief –Education, Prevention &
Emergency Management
705.949.3377
p.milosevich@cityssm.on.ca



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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Nuala Kenny, City Solicitor

DEPARTMENT: Legal Department

RE: Sale of 84 Ruth Street – Further Information

PURPOSE

The purpose of this report is to provide Council with further information on the bids received relating to 84 Ruth Street, previously the Jesse Irving Children's Centre.

ATTACHMENT

Attached as Schedule "A" is a map of the subject property. Attached as Schedule "B" is an e-mail from Carlo Gervasi.

BACKGROUND

On November 6, 2017, By-law 2017-200 declared the subject property surplus to the City's needs and approved the disposition of same. The current market value of Eighty Two Thousand (\$82,000.00) Dollars was provided by way of an appraisal. The subject property was advertised in the Sault Star on March 17, 2018, and on the City's website. We received two offers.

ANALYSIS

The first offer received was from 1927522 Ontario Inc. O/A TTG Group for One Hundred Thousand (\$100,000.00) Dollars. There is one condition that the property be rezoned to residential. The second offer is from 1927518 Ontario Inc. O/A TO-CAR Management for Eighty Thousand (\$80,000.00) Dollars. This also holds the rezoning condition.

Council had some concern as to the overlap of these bids. As a result, the City Solicitor was instructed to meet with the principal for both of these companies. The principal for both companies is Carlo Gervasi. Staff met with him on April 26, 2018. Mr. Gervasi said that the lower offer was sent inadvertently on behalf of his

company by an agent. Subsequent to this meeting, Mr. Gervasi withdrew the lower offer. Further, Mr. Gervasi indicated that he has purchased the adjacent property and is interested in turning 84 Ruth Street into one-level residential housing.

FINANCIAL IMPLICATIONS

If the City decides to dispose of the subject property, it will be consistent with the City's plan to dispose of surplus property. The current use of the subject property is exempt from property taxation. Upon the sale of the subject property, it may be assessable depending on its ultimate use, particularly given that Mr. Gervasi has indicated it will be used for residential housing.

STRATEGIC PLAN / POLICY IMPACT

Not applicable.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Council accept the offer from 1927522 Ontario Inc. O/A TTG Group for the amount of One Hundred Thousand (\$100,000.00) Dollars and direct the Legal Department to finalize the sale of the subject property.

By-law 2018-109 authorizing same appears elsewhere on the Agenda and is recommended for approval.

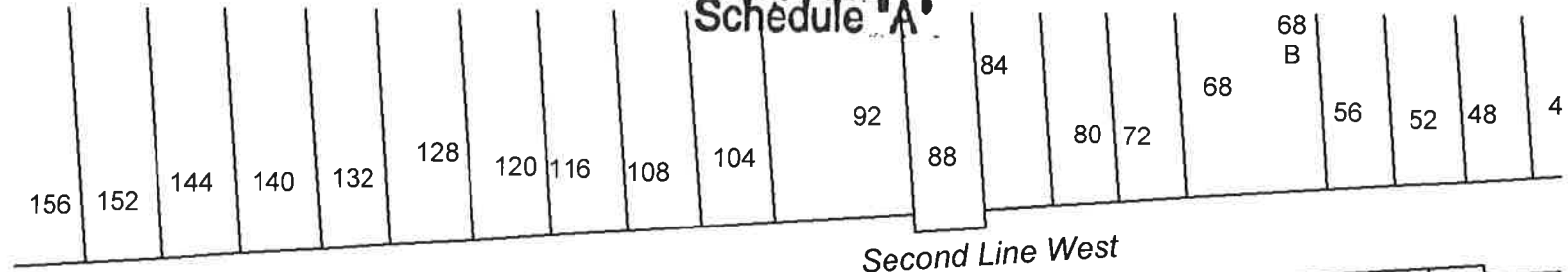
Respectfully submitted,

A handwritten signature in blue ink, consisting of a stylized 'N' followed by a long horizontal stroke that curves upwards at the end.

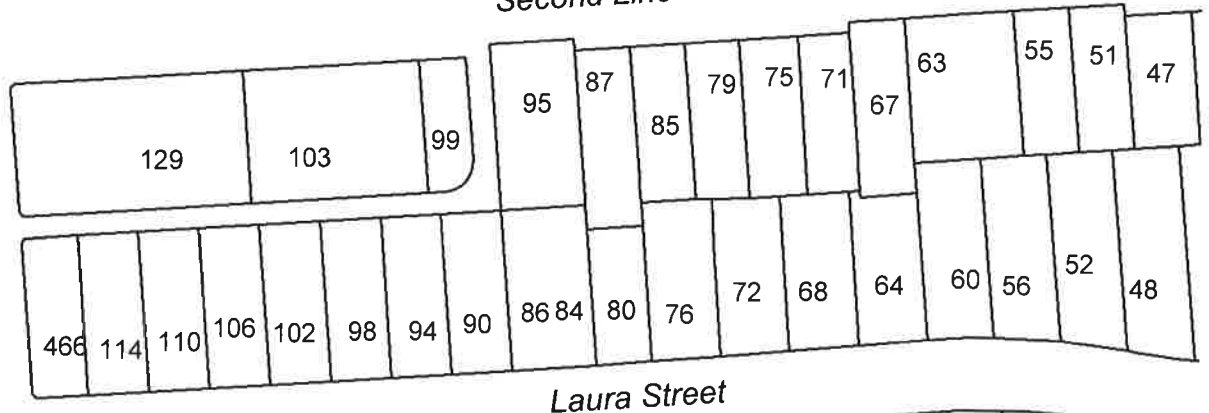
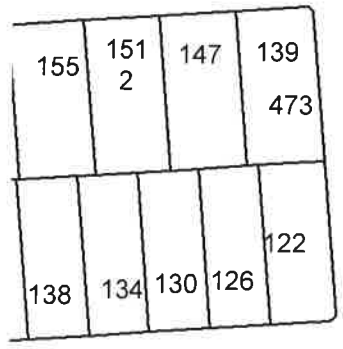
Nuala Kenny
City Solicitor

NK/da

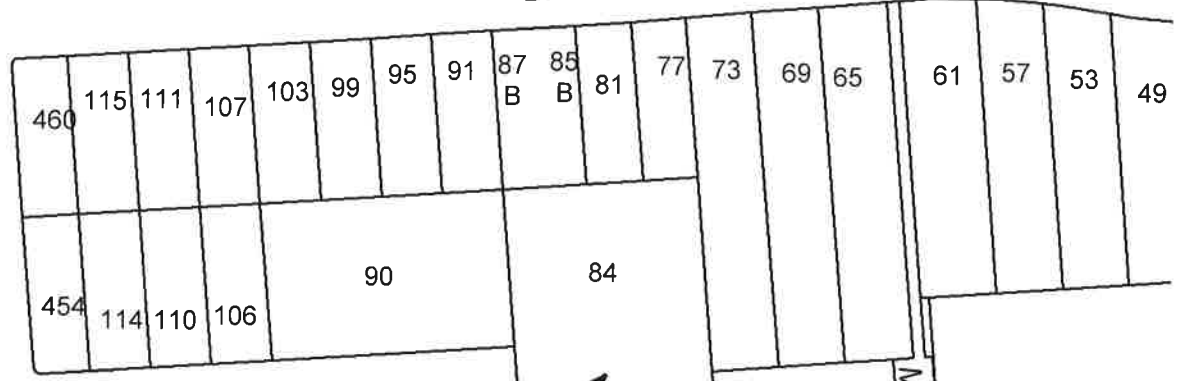
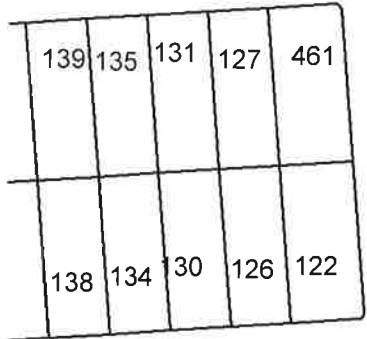
Schedule "A"



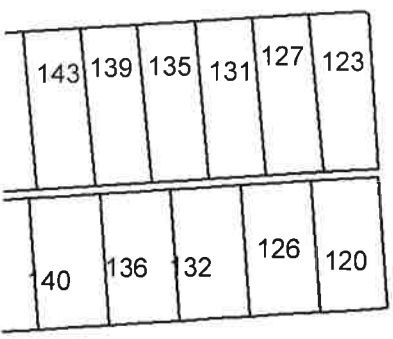
Second Line West



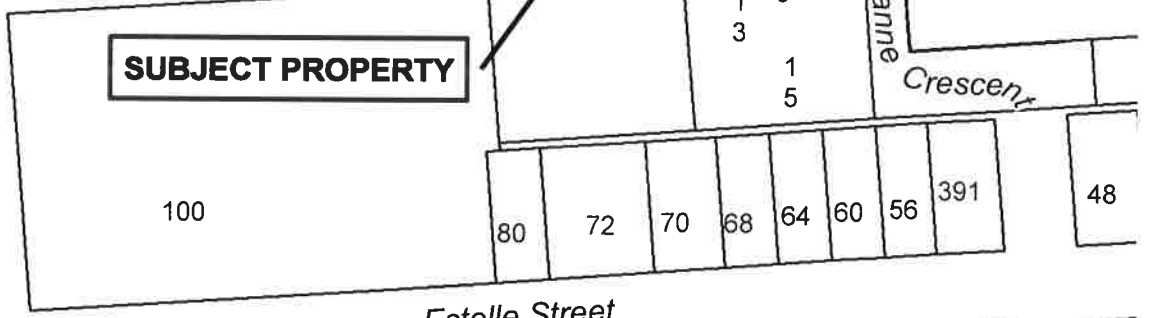
Laura Street



Ruth Street

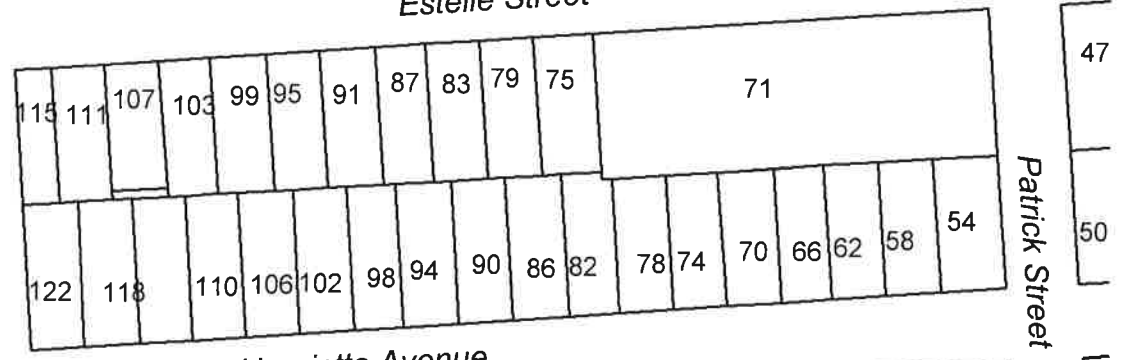
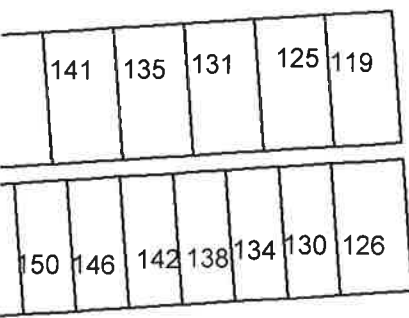


Moody Street



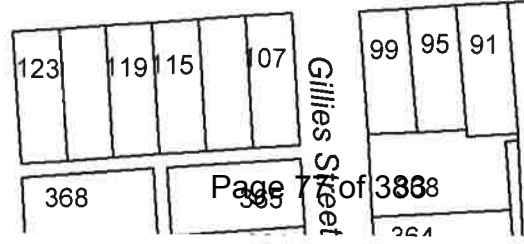
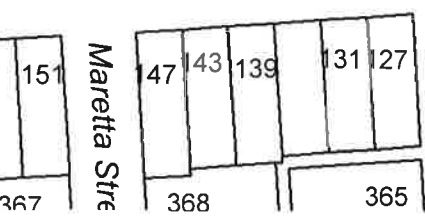
Maxanne Crescent

Estelle Street



Patrick Street

Henrietta Avenue





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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Melanie Borowicz-Sibenik, Assistant City Solicitor/Senior Litigation Counsel

DEPARTMENT: Legal Department

RE: AG170 – Fox Run Developments – Lot 4 – Madison Avenue – Access Agreement

PURPOSE

The purpose of this report is to request Council's authorization of three agreements between the City and Fox Run Developments (Sault) Inc. (the "Owner"), owner of the lands comprising the Fox Run Subdivision, which include 27, 29 and 31 Madison Avenue (the "Subject Property").

- 1) The purpose of the first agreement, the Amending Limiting Distance Agreement, is to amend the Limiting Distance Agreement dated December 11, 2017 to reflect a revised 1R Plan.
- 2) The purpose of the second agreement, the Amending Secondary Agreement, is to amend the Secondary Agreement dated December 11, 2017 to reflect a revised 1R Plan.
- 3) The purpose of the third agreement, the Access Agreement, is to allow the Owner and any future owners of the Subject Property access over the City's one-foot reserve to facilitate the traffic necessary to complete the construction of the townhouses and to allow the future property owner access to their driveway.

ATTACHMENTS

The Draft 1R Plan is attached as Schedule "A".

BACKGROUND

Fox Run Subdivision was registered in 2013 and construction is well underway. In December 2017 the City entered into an agreement with the Owner to allow for the consolidation of Lot 4, Plan H-731 and Parts 1 and 2 on the attached draft reference plan in order to accommodate the construction of townhouses on the lot.

ANALYSIS

A further review of the plans revealed an issue with construction; namely, a portion of the driveway, if built straight, would not connect with the Madison Avenue, the municipal road on which the property is located. In order to address this concern, the Legal Department must enter into an Access Agreement to allow the Owner and any future owners of the Subject Property access over the City's one-foot reserve located on the east end of Madison Avenue. Access over the reserve is required to facilitate the traffic necessary to complete the construction of the townhouses on the lot and to allow the future property owner access to their driveway. The Agreement will expire once Madison Avenue is extended eastward.

Further, two amending agreements are needed in order to reflect a revised 1R Plan, attached to this report. The Plan is in the process of being deposited with the Land Registry Office.

In addition, due to *Planning Act* regulations, the lots cannot be consolidated until 2021. In order to allow the Owner to transfer the Subject Property to the new owner prior to 2021, the City must first take possession of Parts 1, 2 and 5 on the attached plan and then transfer these parts to the new owner. The City will not incur any costs from this transaction; it is simply to allow for the transfer of the Subject Property to the new owner without offending the *Planning Act*.

FINANCIAL IMPLICATIONS

N/A

STRATEGIC PLAN / POLICY IMPACT

N/A

RECOMMENDATION

It is therefore recommended that Council take the following action:

- 1) By-law 2018-108, being a by-law to authorize the execution of the Amending Limiting Distance Agreement, appears elsewhere on the agenda and is recommended for approval.
- 2) By-law 2018-113, being a by-law to authorize the execution of the Amending Secondary Agreement, appears elsewhere on the agenda and is recommended for approval.
- 3) By-law 2018-114, being a by-law to authorize the execution of the Access Agreement, appears elsewhere on the agenda and is recommended for approval.

- 4) By-law 2018-116, being a by-law to authorize the Transfer from Fox Run Developments (Sault) Inc. to the City and the Transfer from the City to Sal-Dan Developments Limited.

Respectfully Submitted,



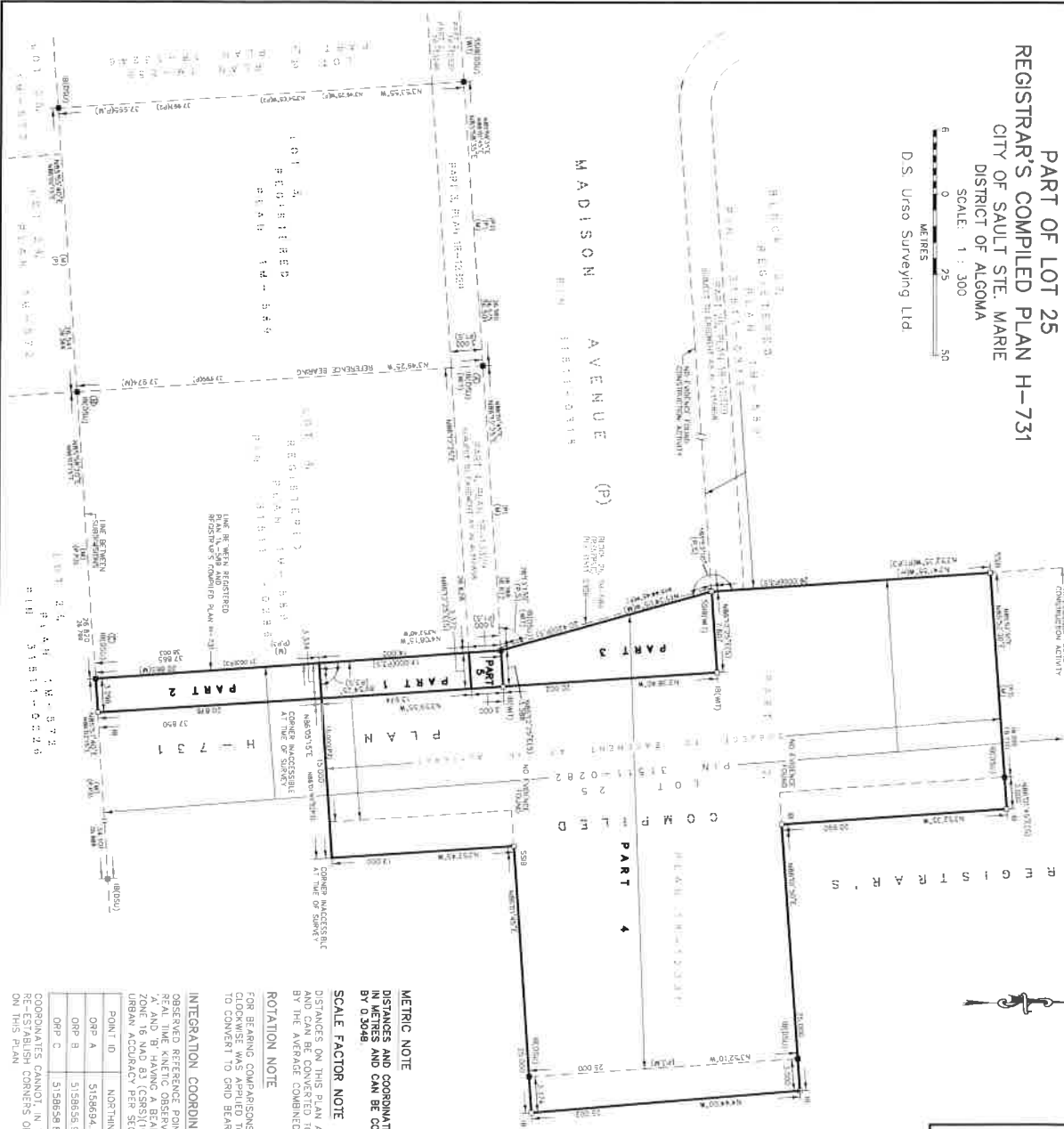
Melanie Borowicz-Sibenik
Assistant City Solicitor/Senior Litigation
Counsel

MBS/tj

\\citydata\LegalDept\Legal\Staff\COUNCIL\REPORTS\2018\Fox Run Lot 4 AG170 - Amending Agreements, Access Agreement, Transfers.docx

PLAN OF SURVEY OF
PART OF LOT 25
REGISTRAR'S COMPILED PLAN H-731
CITY OF SAULT STE. MARIE
DISTRICT OF ALGOMA
SCALE 1 : 300

D.S. Urso Surveying Ltd.



I REQUIRE THIS PLAN TO BE DEPOSITED
UNDER THE LAND TITLES ACT

PLAN 1R-

RECEIVED AND DEPOSITED

DATE

DATE

D.S. URSO - ONTARIO LAND SURVEYOR

REPRESENTATIVE FOR LAND REGISTRAR FOR THE
LAND TITLES DIVISION OF ALGOMA (N.B. 1)

PART	LOT	PLAN	AREA ±	PIN
1			46.63 Sq.m	PART OF 31511-0282
2			67.56 Sq.m	PART OF 31511-0282
3			109.91 Sq.m	PART OF 31511-0282
4	PART OF 25	REGISTRAR'S COMPILED PLAN H-731	753.54 Sq.m	PART OF 31511-0282
5			10.20 Sq.m	PART OF 31511-0282

PARTS 1, 2, 3, 4 AND 5 COMPRISE PART OF PIN 31511-0282
PARTS 1, 3, 4 AND 5 SUBJECT TO EASEMENT AS IN AL105861

LEGEND

METRIC NOTE
DISTANCES AND COORDINATES SHOWN ON THIS PLAN ARE
IN METRES AND CAN BE CONVERTED TO FEET BY DIVIDING
BY 0.3048

SCALE FACTOR NOTE

DISTANCES ON THIS PLAN ARE HORIZONTAL GROUND DISTANCES
AND CAN BE CONVERTED TO CURVED DISTANCES BY DIVIDING
BY THE AVERAGE COMBINED SCALE FACTOR OF 1.000197474

ROTATION NOTE

FOR BEARING COMPARISONS, A ROTATION OF 150°45' COUNTER
CLOCKWISE WAS APPLIED TO REGISTERED PLAN 1W-269
TO CONVERT TO GRID BEARINGS

INTEGRATION COORDINATE TABLE

GENERAL REFERENCE POINTS (GRPS) DERIVED FROM
REAL TIME KINETIC OBSERVATIONS (RTK) OF THE
'A' AND 'B' HAVING A BEARING OF N74°25'W UTM
ZONE 16 NAD 83 (CSRS) (1997.0) COORDINATES TO
UTM ZONE 16 NAD 83 (CSRS) (1997.0) OF 0.000 216/70

POINT ID	NORTHING	EASTING
GRP A	5158694.811	706626.778
GRP B	5158656.922	706629.310
GRP C	5158658.905	706656.064

COORDINATES CANNOT, IN THEMSELVES, BE USED TO
RE-ESTABLISH CORNERS OR BOUNDARIES SHOWN
ON THIS PLAN

BEARING NOTE

BEARINGS ARE UTM GRID DERIVED FROM REAL TIME KINETIC
OBSERVATIONS ON MONUMENTS 'A' AND 'B' SHOWN HEREON,
HAVING A BEARING OF N74°25'W AND ARE REFERRED TO THE
CANADIAN WEST LONGITUDE OF UTM ZONE 16
NAD 83 (CSRS) (1997.0)

SURVEYOR'S CERTIFICATE

1. THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE
WITH THE SURVEY ACT, THE REGULATIONS ACT, AND THE
LAND TITLES ACT AND THE REGULATIONS MADE UNDER THEM
2. THE SURVEY WAS COMPLETED ON MARCH 15th, 2018

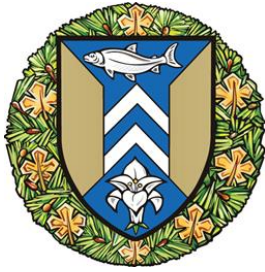
April 18th, 2018

SAULT STE. MARIE, ONTARIO

D.S. Urso Surveying Ltd.

Ontario Land Surveyor & Canada Land Surveyor
Planning Consultant TEL: (709) 244-7450
SAULT STE. MARIE, ONT. P6A 2T1 FAX: (709) 244-4537

DESIGNED BY	CHECKED BY	DATE	FILE NO.
			U-11342



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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Jeffrey King, Solicitor/Prosecutor

DEPARTMENT: Legal Department

RE: Housekeeping – Amendments to By-law 4001

PURPOSE

The purpose of this report is to recommend that City Council approve By-law 2018-110 which amends By-law 4001, being a by-law to prohibit unauthorized parking of motor vehicles on private property.

BACKGROUND

On September 12, 1966, City Council passed By-law 4001 to prohibit unauthorized parking of motor vehicles on private property. The by-law has been amended several times since.

ANALYSIS

Two minor amendments to the by-law are proposed to improve clarity.

FINANCIAL IMPLICATIONS

Not applicable.

STRATEGIC PLAN / POLICY IMPACT

Not applicable.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Re: Housekeeping – Amendments to By-law 4001

May 28, 2018

Page 2

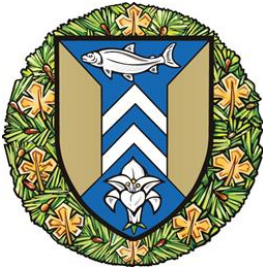
By-law 2018-110, being a by-law to amend By-law 4001, which prohibits unauthorized parking of motor vehicles on private property, appears elsewhere on the Agenda and is recommended for approval.

Respectfully submitted,



Jeffrey King
Solicitor/Prosecutor

LEGAL\STAFF\COUNCIL\REPORTS\2018\HOUSEKEEPING - AMENDMENTS TO BY-LAW 4001 (PR3.9).DOCX



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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Jeffrey King, Solicitor/Prosecutor

DEPARTMENT: Legal Department

RE: R1.57 – Peddler and Food Vendor Licencing By-law

PURPOSE

The purpose of this report is to respond to the below Council resolution regarding the revision of the City's current Peddler and Food Vendor Licencing By-laws.

On August 21, 2017 Council passed the following resolution:

“Resolved that the Legal Department be requested to prepare a revised draft Peddler By-law and a revised draft Food Vendor By-law including, but not limited to the following:

1. That vendors be limited to selling either goods or foods only at the location specified in the licence.
2. That the vendors not be able to locate in a residential area.
3. That a maximum time limit of 3 days be placed on each licence.
4. That a fee be charged to vendors requiring a re-inspection to confirm compliance to the respective By-law.
5. That the by-laws be amended to establish a category system depending on the class of licence.
6. That the by-laws contain a specific section dealing with inspections which authorize Police Services to inspect any premises where a stationary business is carried on.
7. That the by-laws include any additional requirements to obtain the licence, including an insurance requirement and certificates of approval from the Medical Officer of Health and the Fire Chief.
8. That the licence fee for each category be set with the norm for Northern Ontario municipalities.

R1.57 – Peddler and Food Vendor Licencing By-law

05 28 2018

Page 2.

9. That a separate category be established for ice cream vendors and food cart vendors with any applicable exceptions, as these are seasonal operations.”

BACKGROUND

Currently, the City has By-law 2003-53 (the “Peddler By-law”), being a by-law to licence, govern and regulate peddlers in Sault Ste. Marie. In November 2016, the Peddler By-law was amended to incorporate a mechanism to revoke licences from aggressive peddlers and discourage certain tactics. Specifically, the provisions concerning the cancellation or revocation of a licence and prohibitions were amended.

The City has a separate by-law, By-law 2003-51 (the “Food Vendor By-law”), to licence, govern and regulate food vending vehicles.

On June 12, 2017 Council directed the Legal Department to review the Peddler By-law and report back on possible ways to strengthen it.

Recently, the Province of Ontario passed the *Putting Consumers First Act* (Bill 59). Among other things, Bill 59 amends the *Consumer Protection Act, 2002* to prohibit certain products and services from being offered or sold at a person’s home unless the homeowner initiates the transaction. These restricted products and services include: furnaces, air conditioners, air cleaners, air purifiers, water heaters, water treatment devices, water purifiers, water filters, water softeners, duct cleaning services, and any good or service that performs or combines one or more of the above functions.

In 2017 the City issued five peddler licences and eight food vendor licences. Two of the peddler licences issued can no longer be licenced as a result of the passing of the Bill 59 and the restrictions set out.

ANALYSIS

The Legal Department consulted with relevant stakeholders, namely the City Clerk’s Department, Fire Services, Algoma Public Health, the Building Department and the Community Development & Enterprise Services (“CDES”) Department, in drafting this by-law.

The Legal Department reviewed other municipal approaches to licencing peddlers and food vendors and consulted with other municipal by-laws to ensure reasonable licencing fees and a balance between licencing and enforcement costs to the City and costs to the applicant. In reviewing these by-laws, it was determined that consolidating the City’s Peddler By-law and the Food Vendor By-law would create a more straightforward process for licencing these individuals. Further, the definitions of “peddler” and “food vendor” were modified slightly to eliminate confusion when licencing. With these modified definitions, an individual

R1.57 – Peddler and Food Vendor Licencing By-law

05 28 2018

Page 3.

selling any sort of food product, whether using a food vending vehicle or not, will be licenced as a food vendor; and any person selling any other product, whether door-to-door or stationary, will be licenced as a peddler.

The nine points outlined in the above resolution were considered and incorporated into the new by-law. However, consultation with the City Clerk's Department revealed that a number of local individuals require a licence for long-term, even year-round, food vending operations. As a result, placing a 3-day time limit on *all* licences would create undue hardship for these local vendors and administrative backlog. In order to address this concern, the Legal Department created a 7-day category, a 3-month category, and an annual category; the latter available to residents of Sault Ste. Marie only. The categories have been further divided between "mobile" or "door-to-door" sales and "stationary" sales depending on the type of sales conducted. Those obtaining a "stationary" licence will be permitted to sell only in the location specified on the licence; a location which will be approved by the City's Building and CDES Departments. A separate category for ice-cream and hotdog vendors has been created with no change in fee. This category system is consistent with other Northern Ontario municipalities.

Further, certain exemptions were created to the prohibition on operating in residential areas. These exemptions include those operating ice-cream trucks and those invited to a premises for an event by the owner or occupant of that premises.

The fee schedule is consistent with other Northern Ontario municipalities. There will be lower fees for residents of Sault Ste. Marie and higher fees for non-residents. In order to receive the "resident" fee, applicants must show proof of ownership of property or proof of long-term rental (12 months) within the City. Further, a "late licence" fee was created to encourage peddlers and food vendors to obtain a licence *prior* to operations and penalize those who fail to do so. Consultation with the City Clerk's Department revealed that many individuals were failing to obtain a licence prior to commencing sales.

Certain persons remain exempt from the licence requirement, as outlined in section 3.4 for food vendors and section 4.2 for peddlers.

With respect to the insurance requirement, consultation with the City's Risk Manager and a review of other Northern Ontario municipal licencing by-laws, revealed the current requirement of \$500,000.00 to be extremely low. The Risk Manager has suggested that individuals operating a food vending vehicle on City-owned property should have coverage in the amount of \$5,000,000.00. This is consistent with the insurance requirements for events and other uses of City-owned property.

R1.57 – Peddler and Food Vendor Licencing By-law

05 28 2018

Page 4.

Part IV of the by-law, the section dealing with the licencing of peddlers, addresses the recent passing of the *Putting Consumers First Act* (Bill 59). The City will therefore only licence those individuals who are not in contravention of provincial legislation.

The Legal Department has met with Mr. Joseph Greco, counsel for a group of approximately 20 local business owners, regarding his letter to City Council dated April 7, 2018. This meeting resulted in certain revisions being made to the by-law. Mr. Greco has advised that his clients are in agreement with the said changes

FINANCIAL IMPLICATIONS

If approved, the fee for a peddler's licence will change from \$255 to between \$150 and \$300 and a food vending licence will change from \$245 to between \$75 and \$300. The proposed new fee structure is not anticipated to have a material impact on budget revenues.

Also included in the proposed by-law are new fines for non-compliance. Financial impact of these fines will depend upon the enforcement required and cannot be quantified at this time.

STRATEGIC PLAN / POLICY IMPACT

Not applicable.

RECOMMENDATION

It is therefore recommended that Council take the following action:

By- law 2018-67, being the revised City of Sault Ste. Marie Peddler and Food Vendor Licencing By-law, appears elsewhere on the Agenda and is recommended for approval.

Respectfully submitted,



Jeffrey King
Solicitor/Prosecutor

JK/hh
tj

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OFFICE OF THE MAYOR



CORPORATION OF THE
CITY OF SAULT STE. MARIE

May 14, 2018

SENT VIA EMAIL

Doug Ford
Leader of the Ontario Progressive Conservative Party

Andrea Horwath
Leader of the Ontario New Democratic Party

Mike Schreiner
Leader of the Ontario Green Party

Kathleen Wynne
Leader of the Ontario Liberal Party

Dear Mr. Ford, Ms. Horwath, Mr. Schreiner and Ms. Wynne:

RE: Algoma's *Companies Creditors' Arrangement Act* proceedings

As I expect you are all aware, Algoma has been involved in a *Companies' Creditors Arrangement Act* (CCAA) proceeding since November, 2015.

Algoma is the largest private sector employer in Sault Ste. Marie and one of the largest in Northern Ontario. Just under 3,000 people depend on Algoma for direct employment, with approximately another 7,500 jobs indirectly dependent or related. Algoma's importance to our community and the region cannot be overstated.

Premier Wynne and the current provincial government have committed to a successful restructuring of Algoma. Prior to the commencement of this election, significant effort was invested and important work was completed with the current government to ensure that Algoma could exit the CCAA proceeding successfully and as a healthy operation.

You will likely have read that the company has reached tentative collective agreements with its labour unions, Local 2724 and Local 2251, subject to membership ratification which is recommended by labour leadership. As a result, there is very little in the way of Algoma exiting the CCAA process provided that the work that has been completed with the current government is not lost.

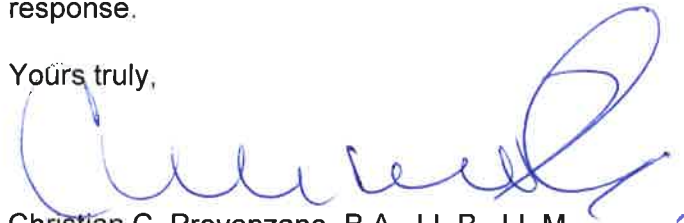
1 of 2

In that respect, I am writing to all of you asking for the following commitments to the City of Sault Ste. Marie should your party form government or hold the balance of power in a minority legislature:

1. That you and the government you form or are a part of will commit to a successful restructuring of Algoma; and,
2. That you and the government you form or are a part of will respect, honour and carry out the work and commitments made by the current government; and,
3. That you and the government you form or are a part of will take whatever legislative actions are necessary to ratify and/or finalize the commitments made by the current government as soon as called upon to do so by Algoma, its secured creditors, the Monitor and the CCAA process; and,
4. That you and the government you form or are a part of will make every effort to assist in the finalization and completion of the CCAA process as expeditiously as possible once government has been formed.

I appreciate that you are in the midst of an election campaign and this is only one of a number of matters that require your attention. It is, however, a matter of singular importance for the community that I represent and, in that respect, I would appreciate and expect a timely response.

Yours truly,



Christian C. Provenzano, B.A., LL.B., LL.M.

CC City Council
Kalyan Ghosh, Algoma CEO
Brian Denega, Ernst & Young Inc. Monitor
Mike Da Prat, Local 2251 President
Lisa Dale, Local 2724 President



May 14, 2018

SENT VIA EMAIL

Kara Flannigan
Candidate for the Ontario Green Party

Jaclynnne Hamel
Candidate for the Ontario Liberal Party

Michele McCleave-Kennedy
Candidate for the Ontario New Democratic Party

Ross Romano
Candidate for the Ontario Progressive Conservative Party

Dear Ms. Flannigan, Ms. Hamel, Ms. McCleave-Kennedy and Mr. Romano:

RE: Algoma's *Companies Creditors' Arrangement Act* proceedings

You will find attached hereto a letter I wrote to each of your respective party leaders. The letter is self-explanatory but I want to ensure that I am explicit about its intention.

Premier Wynne made a commitment that her government would support a successful restructuring of Algoma. It is my belief and understanding that the current government has taken the necessary steps and made the necessary commitments to ensure that Algoma can exit the *Companies Creditors' Arrangement Act* (CCAA) proceedings successfully. We do not want that work to be lost and, just as important, we do not want time to be lost in repeating work that has been completed or securing commitments that have already been secured.

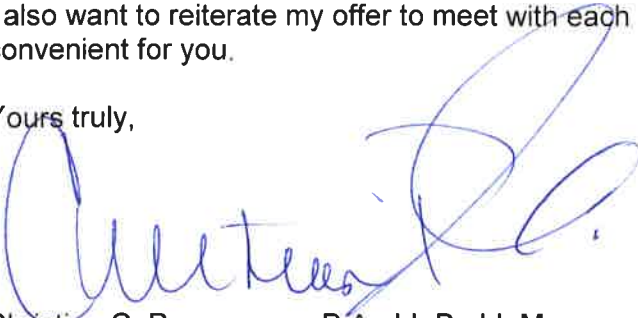
As a result, I ask you to confirm that if you are elected as our community's MPP you will:

1. Advocate that the government commit to a successful restructuring of Algoma; and,
2. Advocate that the government respect, honour and carry out the work and commitments made by the current government; and,
3. Advocate that the government take whatever legislative actions are necessary to ratify and/or finalize the commitments made by the current government as soon as called upon to do so by Algoma, its secured creditors, the Monitor and the CCAA process; and,
4. Advocate that the government make every effort to assist in the finalization and completion of the CCAA process as expeditiously as possible once government has been formed.

Considering the critical nature of this matter to our community and our region, I think it is important that the residents of our community have your fulsome and timely response.

I also want to reiterate my offer to meet with each of you and your party leaders as and when convenient for you.

Yours truly,

A handwritten signature in blue ink, appearing to read "Christian C. Provenzano". The signature is fluid and cursive, with a large initial "C" and a stylized "P" at the end.

Christian C. Provenzano, B.A., LL.B., LL.M.

CC City Council

May 16, 2018

Christian C. Provenzano
Mayor
PO Box 580
99 Foster Drive
Sault Ste. Marie, ON P6A 5N1

RE: Algoma's Companies Creditors' Arrangement Act proceedings

Thank you for contacting me about this important issue for our community.

I am very proud of the long history of Algoma Steel and its contribution to the growth of our City.

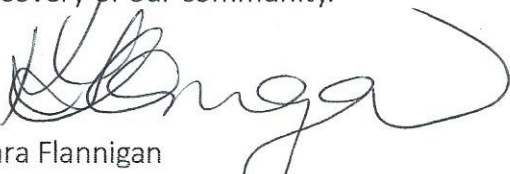
They have made significant investment in air pollution control to meet the Site Specific Standards required by the Ministry of the Environment and Climate Change and we have all benefited from the improved air quality as a result.

That the proceedings have gone so well and there is support from the unions, I hope the recently cancelled special meeting will be rescheduled once the technical reasons have been resolved.

I want to reassure you, as I'm sure the other candidates will as well, that I confirm to you that I will:

1. "Advocate that the government commit to a successful restructuring of Algoma; and,
2. Advocate that the government respect, honour and carry out the work and commitments made by the current government; and,
3. Advocate that the government take whatever legislative actions are necessary to ratify and/or finalize the commitments made by the current government as soon as called upon to do so by Algoma, its secured creditors, the Monitor and the CCAA process; and,
4. Advocate that the government make every effort to assist in the finalization and completion of the CCAA process as expeditiously as possible once government has been formed."

The work to settle the matter has been completed. Let's not waste any more time and speed the recovery of our community.



Kara Flannigan
Candidate for Sault Ste. Marie
Green Party of Ontario



May 15, 2018

His Worship Mayor Christian Provenzano
99 Foster Drive, Level 4
Sault Ste. Marie, ON
mayor.provenzano@cityssm.on.ca

SENT BY EMAIL

Dear Mayor Provenzano,

Thank you for your letter regarding the restructuring of Algoma. As we both know, Sault Ste. Marie has and continues to rely heavily on the steel mill to provide jobs for thousands of people in our community. The last three years have seen Algoma in the Companies' Creditors Arrangement Act (CCAA) process, which has certainly presented a challenge not only to the steel mill, but to our community that relies on its economic success.

It is because of this that I am committed to the successful and timely conclusion of the CCAA process. Under Premier Wynne's government, significant progress has been made. I am of the strong belief that we should continue to support this process through honouring the hard work that has been done by all parties thus far. I am ready to vigorously advocate on this community's behalf to ensure that the commitments made to support Algoma as they move toward the end of the CCAA process stand beyond the June 7th provincial election.

I will be contacting your office to arrange a meeting, at which time I am looking forward to discussing this very important topic.

Respectfully,

A handwritten signature in black ink, appearing to read 'Jaclynne Hamel'.

Jaclynne Hamel
Ontario Liberal Candidate for Sault Ste. Marie

May 25, 2018

Mayor Christian C. Provenzano
P.O. Box 580, 99 Foster Drive
Sault Ste. Marie, Ontario P6A 5N1

Dear Mayor Provenzano,

Thank you for your letter regarding Algoma's proceedings under the Companies Creditors' Arrangement Act.

As you note, our government has invested significant efforts in support of a successful restructuring of Algoma. We have consistently recognized that we need to have a robust steel sector in Ontario, and a Liberal government will continue to do everything we can to facilitate that.

Our efforts have included support, where appropriate, in Algoma's restructuring process. Throughout the CCAA process, our government has worked with Algoma and others to support the best possible outcome for the company, its employees, and the broader community of Sault Ste. Marie.

In that effort, we were glad to learn that a tentative agreement was reached on May 10th between Local Union 2251 and the group of secured creditors that are party to a restructuring support agreement. While further work needs to be done to finalize the agreement, we recognize that this is a critical step in the ongoing recovery process.

In response to your questions, a re-elected Liberal government would follow through on its current commitments and continue to dedicate full energies towards a successful restructuring of Algoma. As you state, it is our full intention to continue to make every effort to assist in the finalization and completion of the CCAA process as expeditiously as possible, with the intention of continuing to support a company and a sector that we view as vital to the community of Sault Ste. Marie and the economy of Ontario as a whole.

Thank you very much for writing and for providing an opportunity to engage on these issues.

Sincerely,

A handwritten signature in cursive script, reading 'Kathleen Wynne'.

Kathleen Wynne

Leader, Ontario Liberal Party

Ontario Liberal Party

10 St. Mary Street, Suite 210, Toronto, ON M4Y 1P9

Phone: 416.961.3800, 1.800.268.7250 | Fax: 416.323.9425

Email: info@ontarioliberal.ca | Web: www.ontarioliberal.ca

May 20, 2018

Mayor Christian Provenzano
City of Sault Ste. Marie

Dear Mayor Provenzano,

Thank you for providing me with the opportunity to speak to the issue of the Essar-Algoma *Companies' Creditors Arrangement Act* (CCAA) proceedings.

As MPP for Sault Ste. Marie, I will work with the parties to the CCAA, other levels of government, and steelworkers for the equitable and quick resolution to the CCAA process at Essar-Algoma. I will also advocate that the successful restructuring of Essar Steel-Algoma be a priority for our government. Andrea Horwath and the NDP have been fully committed to this process and have long called for government action on behalf of Algoma's retirees, workers, and this great community.

An NDP government will continue to advance any government commitments to an equitable end to the CCAA process already underway, and we will continue to champion our steelworkers, their families, and our community on the CCAA restructuring process faced by Essar-Algoma.

We are also committed to protecting retirees during creditor restructuring. This includes repeated calls to the current government to fight on behalf of retirees so that they go to the front of the line of any CCAA process. It is also important to mention that we will also increase the Pension Benefits Guarantee Fund to \$3000 a month. Further, Andrea Horwath and the NDP have committed to strengthening the future of the steel industry in Ontario through our manufacturing and regional sector cluster strategy.

As MPP, I will work tirelessly to ensure that there is a just and equitable outcome to the CCAA process at Essar-Algoma for its employees, the retirees, and the people of Sault Ste. Marie.

Sincerely,



Mayor Provenzano,

I have received your letter dated May 14th, 2018 sent to all candidates presently running in the Provincial election on June 7th, 2018 for the riding of Sault Ste. Marie. I respectfully wish to note, that there is a candidate now in the race on behalf of the Northern Ontario Party. I trust you will want to provide a copy of this letter to this candidate as well.

In response to your letter, I cannot comment on what level of commitment the current provincial Liberal government has made to ensure that Algoma can exit the *Companies Creditors' Arrangement Act* (CCAA) successfully. Nor can I comment on their ability to do this in a timely manner in order to ensure the best possible outcome for the workers at Algoma, pensioners, creditors at large in the City of Sault Ste. Marie and the community at large.

In fact, I have made many attempts to obtain information from the current Liberal government regarding this matter. Each and every time, I have been met with nothing but opposition and roadblocks causing me to question the level of commitment, if any at all, that has been dedicated to the successful restructuring at Algoma, with an aim to securing the best possible result for our community.

I agree with the proposition that we must exit this process as expediently as possible. We also must ensure that we achieve the best possible outcome for all parties referred to herein.

If I am successful in being re-elected as MPP for Sault Ste. Marie you can rest assured that I am committed to ensuring the best possible outcome throughout the process, once a new government is formed. I am committed to continue to fight for the people of our community who have been so consequently impacted by the CCAA process at Algoma, especially those workers, pensioners and creditors who continue to wait for a fair resolution to this process and who desperately require their monies/pensions owed to them and the peace of mind needed to move on with their daily lives.

To be clear -and as you already know- this is not a matter that I will or have taken lightly. This requires the immediate attention of the newly elected government following this provincial election, and I look forward to being actively involved in obtaining actual and timely results.



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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Donald B. McConnell, MCIP RPP, Director of Planning

DEPARTMENT: Community Development and Enterprise Services

RE: A-11-18-Z - 87, 95, 107 Huron Street (1188004 Ontario Inc.)

PURPOSE

The subject property is the former St. Mary's Paper site which was rezoned in 2011 to permit a variety of uses. That approval was subject to a Holding Provision by-law approved pursuant to Section 36 of the Planning Act to permit a detailed review of various technical issues.

The Applicant, 1188004 Ontario Inc., is requesting removal of this Holding Provision by-law for a portion of the property. This approval will allow for the construction of a train station and related tourism uses.

PROPOSED CHANGE

The Applicant is seeking Council's approval to remove the Holding Provision by-law for the portion of the former St. Mary's Paper site as shown on the attached plan.

Subject Property

- Location –
 - Vacant land on the west side of Huron Street South of the CN railway tracks and North of the Algoma Conservatory of music and machine shop properties.
 - The former yard locker building and surrounding properties West of the former pulp tower building.
 - Access between the two properties described above.
 - Civic numbers 87, 95, 107 Huron Street.
- Size – 3.4 hectares
- Present Use – Vacant
- Owner – 1188004 Ontario Inc.

BACKGROUND

The subject property has been used industrially since 1895 when the Sault Ste. Marie Pulp and Paper Company was incorporated as a subsidiary of the Lake Superior Power Company.

In 2012, City Council approved an Official Plan amendment and rezoning to permit various commercial, residential, institutional and renewable energy uses.

Given that there were a number of technical issues associated with the original proposal that cannot be adequately addressed until final project plans are known, approval was recommended subject to a Holding Provision as permitted by Section 36 of the Planning Act.

In 2013, City Council approved a request for the removal of the Holding Provision from the former office building, machine shop and related parking areas. That approval allowed for the redevelopment and reuse of these two existing buildings. The former office building has become the new home of the Algoma Conservatory of Music and the machine shop has been redeveloped as a restaurant and entertainment venue.

In 2014, City Council approved small-scale manufacturing as an additional permitted use on the property. Small-scale manufacturing was defined as a low intensity business with approximately 10 or fewer employees operated within an enclosed building and which has no off-site omissions such as noise, vibration, dust or odour.

ANALYSIS

Conformity with the Official Plan (OP)

This property was re-designated from “Industrial” to “Commercial” and included within the definition of the Downtown boundary as part of the 2012 approval. At the same time the property was rezoned to “C3” (Riverfront Commercial) with a Special Exception to permit various commercial, residential and institutional uses. Therefore, the proposed removal of the Holding Provision is consistent with the Official Plan.

Comments

As a result of previous approvals, the Holding Provision by-law may be removed when City Council is satisfied that the following issues have or will be adequately addressed as a condition of development: heritage, minimum setbacks and buffering, municipal services, soil remediation and traffic. Each of these issues is addressed separately below.

This property is also subject to the Conservation Authority development regulations and will require a permit prior to any development.

Heritage – The subject property does not contain any designated heritage structures. The existing yard locker building will remain and the applicant intends to retain the existing sandstone characteristic as much as possible. A new building to potentially accommodate a train station will be designed to be consistent with the existing architectural style.

An archaeological study of the property was completed. In summary, the report concludes that the majority of the property does not exhibit potential for archaeological resources by virtue of the large-scale and essentially continuous industrial developments that have occurred in the past. The only area of potential that was identified is the northeast corner of the property in the vicinity of the former North West Company and Hudson's Bay Company posts. However photographs of this area indicate that the entire property has been excavated for major foundations and services over the years. No further archaeological assessment is required.

Setbacks and Buffering – The proposed site plan (attached) is conceptual in nature however it provides for a new train station building, loading platform and parking as well as the redevelopment of the yard locker building. The site also includes areas for community events such as Bon Soo and a potential fountain/rink. The property will incorporate the Group of Seven boxcar and other train artifacts.

The overall design is intended to further develop the historic characteristics of the site. Extensive landscaping is proposed as part of a pedestrian friendly environment. Given the size of the property, there is sufficient space for all building setback and parking requirements to be met.

The applicant has indicated a strong interest in working with the City to extend the Hub Trail through the property. Staff will be working with the applicant to develop this component.

As the property is subject to site plan control, a further review will be completed once detailed designs are finalized. This will include barrier free facilities for persons with disabilities, lighting, landscaping, garbage storage areas and storm water management.

Municipal Services – City Council recently approved a study for the replacement of the Huron Street pump station. Due to its age, this pump station must be replaced within the next few years. The study will look at the required capacity increase to allow for the development of not only the entire former St. Mary's Paper property but for the Gateway site and other neighbouring properties. In the

interim, both City staff and the applicant's engineering consultant agree that the existing pump station has sufficient capacity for the proposed development.

There are several possible alternatives to stormwater management on this property. Further design work is required to determine the best solution. A final stormwater management plan will be approved and implemented as part of the site plan control agreement.

The PUC have a water main along the northerly property boundary which will require an easement for future maintenance purposes.

Soil Remediation – A change to a more sensitive use requires that a Record of Site Condition (RSC) be filed with the Ministry of Environment and Climate Change. No residential development is proposed on this portion of the property. The Ministry has confirmed that it RSC is not required for most commercial and industrial uses including railways. However this matter will be reviewed further upon application for a building permit.

Traffic – City staff agree that a traffic study is not required given the anticipated traffic volume associated with the proposed uses. Location of access points will be reviewed further as part of the site plan control agreement.

Consultation

The following Departments/Agencies commented on this Application as part of the consultation process:

- No comments/objections – PUC, the Accessibility Advisory Committee, Sault Ste. Marie Conservation Authority, Municipal Heritage Committee, EDC, Building, Legal, Engineering, Fire Services, Public Works & Transportation, and Ministry of Municipal Affairs & Housing
- See attached comments from PUC.

FINANCIAL IMPLICATIONS

Approval of this application will not impact municipal finances.

STRATEGIC PLAN / POLICY IMPACT

Approval of this application is consistent with and supports the City's Corporate Strategic Plan, Community Adjustment Committee recommendations and the Downtown Development Strategy.

RECOMMENDATION

It is therefore recommended that Council take the following action:

A-11-18-Z - 87, 95, 107 Huron Street

2018 05 28

Page 5.

Resolved that the Report of the Director of Planning and Enterprise Services, dated 2018 05 28 concerning the Rezoning Application A-11-18-Z be received and that Council approve the request for removal of the Holding Provision by-law on the subject property.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "D.B. McConnell". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Donald B. McConnell, MCIP, RPP

Director of Planning

705.759.5375

d.mcconnell@cityssm.on.ca



MGP ARCHITECTS + ENGINEER INC.

123 east street

sault ste. marie, ontario

p6a 3c7

MEZZOMO GREGOIRE PIETRZAKOWSKI PRINCIPLE



PUC SERVICES INC.
ENGINEERING DEPARTMENT
500 SECOND LINE EAST, P.O. Box 9000
SAULT STE. MARIE, ONTARIO, P6A 6P2

May 11, 2018

Donald B. McConnell, MCIP, RPP
The Corporation of The
City of Sault Ste. Marie
P.O. Box 580
Sault Ste. Marie, ON P6A 5N1

emailed: Stephanie Perri s.perri@cityssm.on.ca

Dear Sir:

Re: A-1-18-Z Huron Street 87,95,107 Huron Street

In a letter we sent to you May 8 regarding the above noted application we advised we have no concerns with the above noted rezoning application. We have however since identified that the Public Utilities Commission has a watermain which follows the very northerly property boundary of civics 87 and 95. Although we still have no objections with the rezoning proceeding, we would require an easement be put in place to allow continued access to maintain this asset.

Best Regards,

PUC SERVICES INC.

A handwritten signature in black ink, appearing to be 'Rob Harten', written over a light blue horizontal line.

Rob Harten, P. Eng.
Manager of Engineering

**Subject
Property**

**Area To Be
Rezoned**



Document Path: G:\Applications (2017 - Present)\2018\Zoning\A-11-18-Z - 87, 95, 107 Huron Street - 1163004 Ontario Inc\A-11-18-Z_AerialMap_May2018_8x11_V1.mxd

Application Map Series

- ☐ Subject Property ☐ Official Plan Landuse
☐ Existing Zoning ☒ Aerial Image
☐ Official Plan Amendment

Property Information

Civic Address: 87, 95, 107 Huron Street
Roll No.: Multiple
Map No.: 15, 16 / 2-25
Application No.: A-11-18-Z
Date Created: May 01, 2018

Legal Department Reference

Legend

- Area Subject to Rezoning
 Subject Property: 87, 95 & 107 Huron Street
 Parcel

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**City of
Sault Ste. Marie**

Planning and Enterprise Services

Community Development and Enterprise
Services Department

99 Foster Drive, Sault Ste Marie, ON P6A 5X6

saultstemarie.ca | 705-759-5368 | planning@cityssm.on.ca

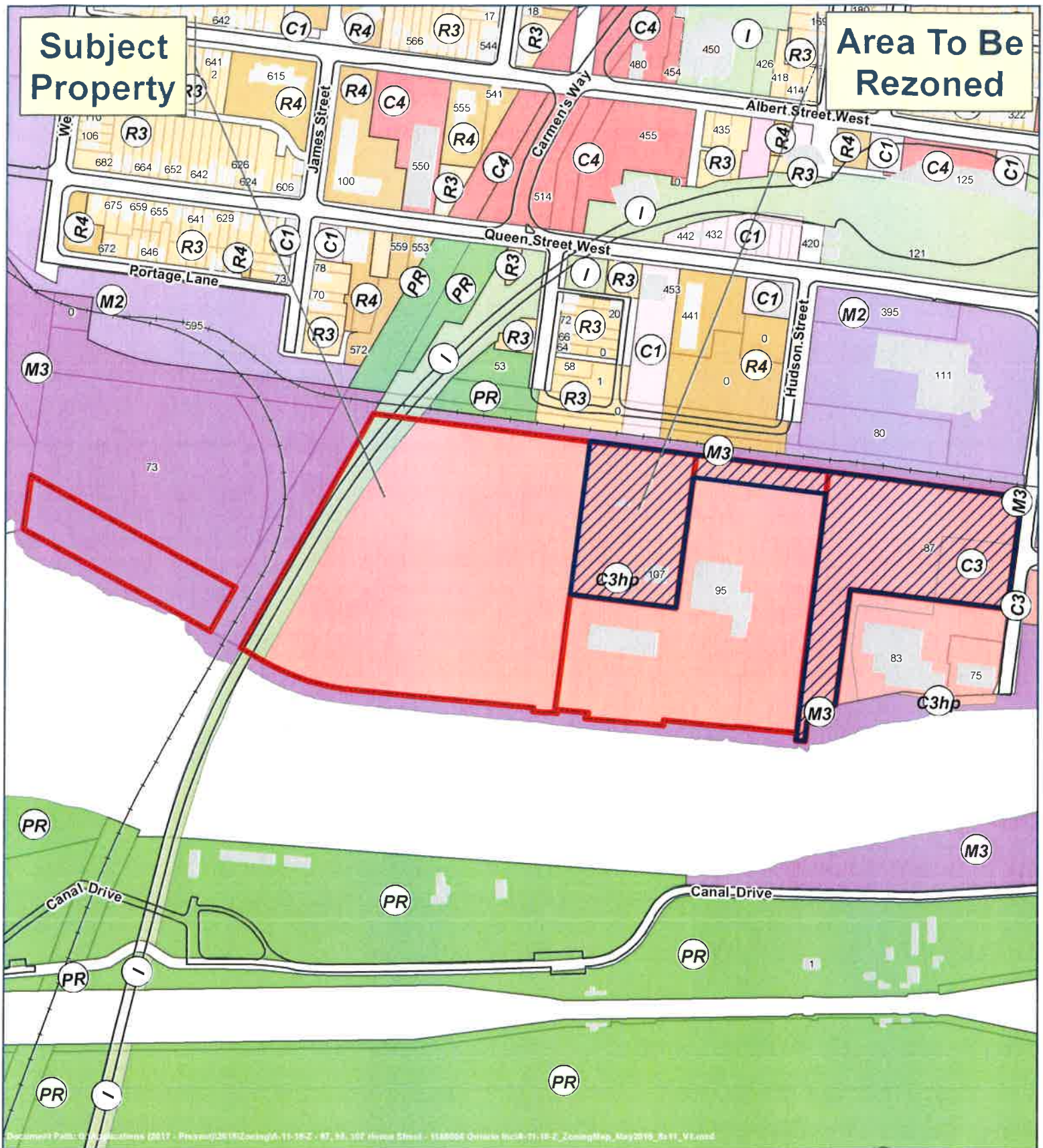
This map is for general reference only
Orthophoto: 2016 20cm Colour

Projection Details

NAD 1983 UTM Zone 16N
GCS North American 1983

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1:4,500





Application Map Series

☐ Subject Property ☐ Official Plan Landuse

☒ Existing Zoning ☐ Aerial Image

☐ Official Plan Amendment

Property Information

Civic Address: 87, 95, 107 Huron Street

Roll No.: Multiple

Map No.: 15, 16 / 2-25

Application No.: A-11-18-Z

Date Created: May 01, 2018

Legend

Traditional Commercial Zone	Low Density Residential Zone
Central Commercial Zone	Medium Density Residential Zone
Commercial Transitional Zone	High Density Residential Zone
Midtown Zone (City)	Medium Density Residential Zone
General Commercial Zone (Camp)	Industrial Zone
Shopping Centre Zone	Environmental Management Zone
Highway Zone	Parks and Recreation Zone
Light Industrial Zone	Rural Area Zone
Medium Industrial Zone (M2hp)	Rural Preservation Openlands Zone
Heavy Industrial Zone	Rural Aggregate Extraction Zone
Estate Residential Zone	Airport Zone
Single Detached Residential Zone (R2hp)	Commercial District

Subject Property

City of Sault Ste. Marie

Planning and Enterprise Services

Community Development and Enterprise Services Department

99 Foster Drive, Sault Ste Marie, ON P6A 5X6

saultstemarie.ca | 705-759-5368 | planning@cityssm.on.ca

This map is for general reference only

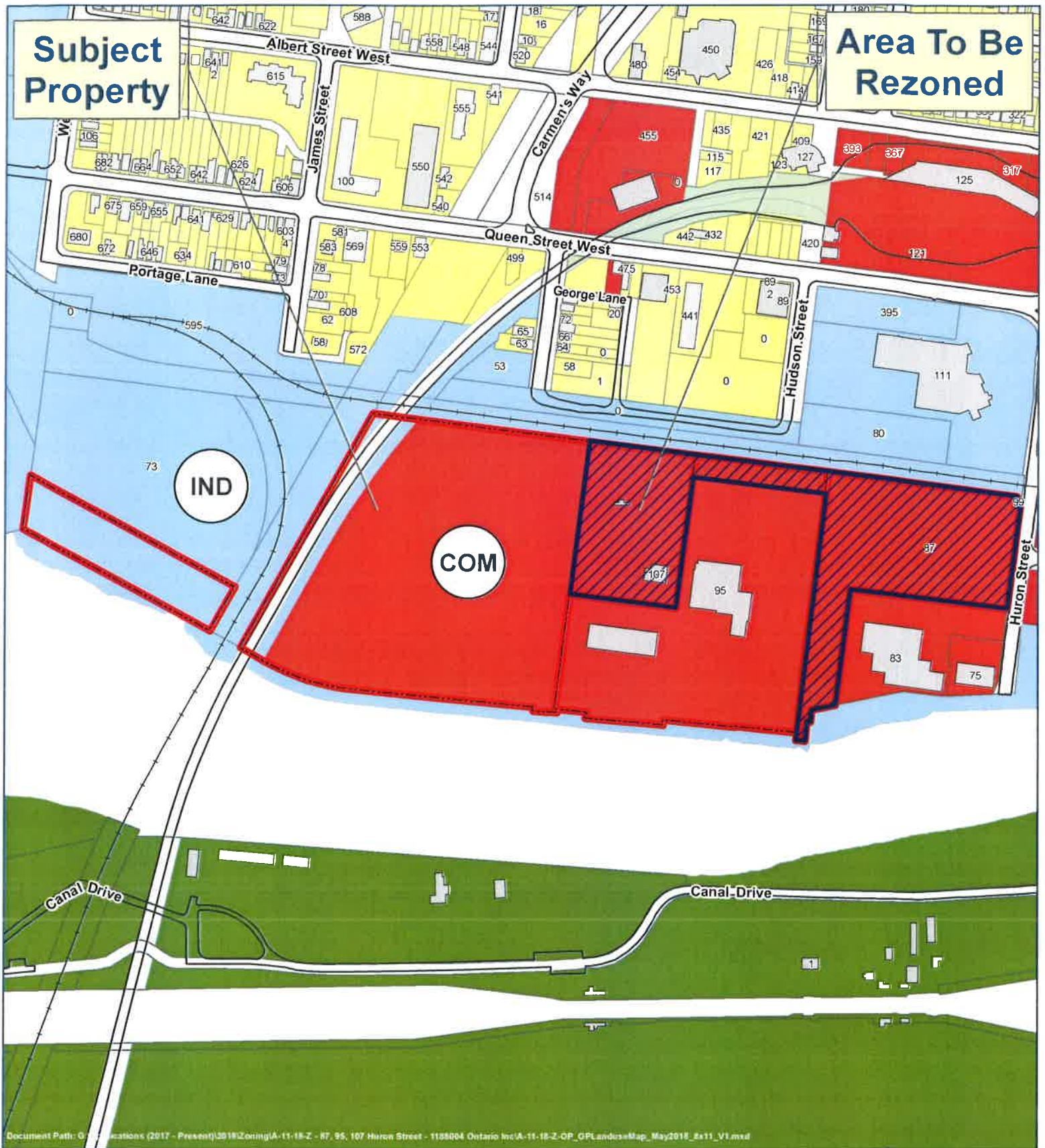
Orthophoto: None

Projection Details

NAD 1983 UTM Zone 16N

GCS North American 1983

0 20 40 80 Meters 1:4,500



Document Path: G:\Applications (2017 - Present)\2018 Zoning\A-11-18-Z - R7, 95, 107 Huron Street - 1155004 Ontario Inc\A-11-18-Z-OP_GPLanduseMap_May2018_ex11_V1.mxd

Application Map Series

- ☐ Subject Property ☒ Official Plan Landuse
☐ Existing Zoning ☐ Aerial Image
☐ Official Plan Amendment

Property Information

Civic Address: 87, 95, 107 Huron Street
 Roll No.: Multiple
 Map No.: 15, 16 / 2-25
 Application No.: A-11-18-Z
 Date Created: May 01, 2018

Legend

- Residential
- Commercial
- Institutional
- Parks Recreation
- Industrial
- Rural Area
- Airport Lands
- Parcel Fabric
- Area Subject to Rezoning
- Subject to Rezoning

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City of Sault Ste. Marie

Planning and Enterprise Services

Community Development and Enterprise
 Services Department

99 Foster Drive, Sault Ste Marie, ON P6A 5X6
 saultstemarie.ca | 705-759-5368 | planning@cityssm.on.ca

This map is for general reference only

Orthophoto: None

Projection Details

NAD 1983 UTM Zone 16N

GCS North American 1983

0 20 40 80 Meters
 1:4,500





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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Peter Tonazzo, RPP, Senior Planner

DEPARTMENT: Community Development and Enterprise Services

RE: A-12-18-Z - 100 Estelle Street (1972659 Ontario Ltd. c/o Carlo Gervasi)

PURPOSE

The Applicant is seeking Council's approval to facilitate the conversion of the former St. Theresa School to accommodate a 25 unit apartment building.

PROPOSED CHANGE

The Applicant, Carlo Gervasi, is seeking Council's approval to rezone the subject property from Low Density Residential Zone (R3) to Low Density Residential Zone (R3.S) with a special exception to permit up to 25 dwelling units within the existing building, to permit a 1.5m fence to be erected in a front yard, and to permit required parking to be located in an exterior side yard.

Subject Property

- Location – The subject property is located at the northeast corner of Estelle and Moody Streets.
- Size – 82m (270') frontage by 129m (423') depth totalling 1.08ha (2.7acres)
- Present Use – Former St. Theresa Elementary School
- Owner – Huron Superior Catholic District School Board

BACKGROUND

There have been no previous rezoning applications upon the subject property.

ANALYSIS

Conformity with the Official Plan (OP)

The subject property is designated Residential on Land Use Schedule 'C' of the Official Plan. The following Residential policies apply to this application:

- R.3 Medium density residential dwellings may be integrated into low density areas subject to rezoning.
- R.4 Small scale intensification may be permitted in all residential areas unless adequate supporting infrastructure is not available or significant physical constraints exist.
- R.5 Small scale residential intensification may include, but not be limited to, rooming, boarding and lodging houses, apartments in houses, infill development and redevelopment.

The applicant's proposal to convert the former St. Theresa School represents a redevelopment residential intensification opportunity. On a preliminary basis, there appears to be adequate supporting infrastructure and there are no significant physical constraints. It is however noted that if approved, sanitary/storm sewer and water service capacity, especially for fire flows, will need to be confirmed prior to development.

The applicant's proposal to rezone the northeastern portion of the subject property, (with frontage on Ruth Street), to facilitate the creation of a block of land for future Low Density Residential Zone (R3) development purposes (single, semi, and multiple attached dwellings) also conforms to the aforementioned residential policies within the OP.

It is also staff's opinion that this application is consistent with the *Provincial Policy Statement 2014 (PPS)*. More specifically:

- Section 1.1 '*Managing and Directing Land Use to Achieve Efficient and Resilient Development and Land Use Patterns*'
- Section 1.1.3 '*Settlement Areas*'
- Section 1.2.6 '*Land Use Compatibility*'
- Section 1.4 '*Housing*'

In general terms, Provincial Policy promotes efficient development and land use patterns which minimize land consumption and servicing costs. It is recognized that infill and redevelopment achieve these goals. The subject property is located within the Urban Settlement Area, which as per Provincial Policy, shall be the focus of growth. There are no nearby Major Facilities that would create land use compatibility concerns with the proposed residential units, which are classified as 'sensitive uses'. Finally, the Housing policies within the PPS support the provision of a range and mix of housing types and densities to meet projected requirements.

It is also staff's opinion that the applicants' proposal does not conflict with the policies contained within the *Growth Plan for Northern Ontario*.

Comments

The applicant is proposing to rezone the subject property to permit the conversion of the former St. Theresa's school into a 25-unit apartment building. The applicant is also proposing to develop the northeastern portion of the site, with frontage on Ruth Street, for future Low Density Residential Zone (R3) development purposes, including, but not limited to single, semi and multiple attached dwellings.

The subject property is a 'through lot' with frontage on three sides. By definition, the Moody Street frontage is the front lot line, Estelle and Ruth Street frontages are exterior side lot lines, and the rear lot line is to the east, abutting an existing single detached home and a portion of the former Jesse Irving Children's Centre property. The property has significant street exposure; therefore site layout and design are critical to ensuring this development compliments the character of this established neighbourhood.

Referring to the applicant's site plan attached, the building footprint, which meets all setback requirements for an apartment building would remain unchanged. It is worth noting the current site plan depicts a 24-unit apartment, whereas the application is for 25 units. The applicant has confirmed that an addition smaller unit will fit into the building to accommodate a full time site supervisor.

With this in mind, 31 parking spaces are required, whereas the current site plan only shows 30 spaces. There is ample space within one of the proposed parking areas to accommodate the additional required parking space. The parking will be accommodated in 3 separate areas, each with access onto Estelle, Moody and Ruth Streets respectively. Traffic generated from the proposed apartment building would be lower than that of the former elementary school and the separate parking areas and access points will further minimize traffic impacts.

The applicant is also proposing to remove a significant amount of the paved areas on the property and replace with green space, especially along the Estelle and Moody Street frontages, which include patios and fenced, private outdoor amenity areas for apartments. An internal courtyard is proposed to be created from an existing paved area, which will also function as an outdoor amenity area. An additional paved area is proposed to accommodate 7 parking spaces along the Ruth Street frontage.

The applicant has indicated that the preliminary dwelling split will be 22 2-bedroom units, and 3 1-bedroom units. The applicant has also indicated that the target market is retired seniors wishing to downsize.

Referring to the applicant's façade renderings attached, the majority of the building is 1 storey, with the exception of the former gymnasium which is 2 storeys. The applicant is proposing to add a gabled roof with a series of peaks

and columns to create covered patio areas for each unit. This will enhance the overall appearance of the building and create a more residential aesthetic. The overall look and feel of the building will bear more of a resemblance to multiple attached or townhouse units, rather than that of an apartment building.

The applicant is proposing to erect 1.52m (5') wooden privacy fences within the yards adjacent to Estelle and Moody Streets. The fenced yards would function as private outdoor amenity areas for each unit along Estelle and Moody Streets. The fencing is intended to provide privacy for tenants, and adjacent single detached dwellings. Locally, the standard fence height is 1.83m (6'). The reduced height is intended to minimize the aesthetic impact of a blank 'fence wall'.

While the proposed fence along Estelle Street is quite long, it is located in an exterior side yard and permitted by current zoning regulations. Furthermore, this fence will be setback 4.7m (15.4') from the lot line, with trees proposed to be planted between the fence and Estelle Street. The proposed vegetation will further 'soften' the look of the fence. If Council chooses to approve this application, it is recommended that Site Plan Control be utilized to ensure among other things that appropriate, high quality landscaping be planted and maintained between the fence and Estelle Street. Given the nature of the fence and concerns raised by neighbours, additional landscaping between the fence and Estelle Street will be required, in order to soften the look of the fence.

The significantly shorter fence along Moody Street is proposed to be located along the front lot line, and requires a special exception to current fence requirements. Although this portion of Moody Street has two single detached dwellings oriented towards the subject property, the aesthetic impact will be minimal, given how short this block is. Having said this, the overall design of the fence is critical and can be regulated through Site Plan Control.

The proposal also requires a variance to permit parking areas on the north and southwest portions of the site to be located in a required exterior side yard. The proposed parking area near the Moody/Estelle intersection utilizes a portion of the existing parking area of the former school. Given the relatively small size of these parking areas, (6 and 7 spaces respectively) the proposed variance is appropriate.

Consultation

The following Departments/Agencies commented on this Application as part of the consultation process:

- No comments/objections – Municipal Heritage Committee, Public Works and Transportation, Fire Services, Legal Department, Community Development & Enterprise Services, Economic Development Corporation,

PUC Services, Conservation Authority, and Ministry of Municipal Affairs and Housing

- See attached comments from PUC, the Accessibility Advisory Committee, Engineering, and Building

Correspondence from the PUC notes no concerns with the application, but wish to advise the applicant that water frontage charges for the proposed R3 lots along Ruth Street would be assessed and collected upon creation of the parcels. PUC also notes that available fire flows may be less than desired or required along the Ruth and Estelle Street frontages. Such matters can be addressed through a number of engineered solutions such as sprinklering the building or on-site water storage vaults. These matters will need to be addressed prior to development.

The attached correspondence from the Accessibility Advisory Committee notes that in order to accept Parabus service, the Parabus requires the ability to drive in and drive out, without the need to reverse. Through the site plan control process, planning staff will work with the applicant, Accessibility Committee and Transit to slightly reconfigure the parking areas to provide for a Parabus drive through. There appears to be enough space to locate such a drive through at either the parking area adjacent to the Moody/Estelle intersection or along the Ruth Street frontage.

Correspondence from the Municipal Services Engineer addresses servicing and storm water management requirements, and recommends that the property be deemed subject to site plan control so that these matters can be addressed prior to the issuance of a building permit.

Correspondence from the Building Division notes that a Record of Site Condition will not be required prior to the issuance of a building permit.

Up to the drafting of this report, one letter of objection (attached) was received from a neighbour on Ruth Street. The correspondence does not specifically indicate any reasons for the objection, but notes a *'fear of the occupancy of the 25 units.'*

Neighbourhood Meeting

On the evening of May 17th, at the request of a concerned neighbour, a public meeting was held at the subject property. There was no formal notice or mail-out rather, adjacent property owners on Estelle, Moody and Ruth Streets were notified by the concerned neighbour.

The meeting was attended by 43 residents, the applicant, Councillors Bruni and Fata, as well as planning staff.

Much of the discussion revolved around who may or may not rent at this particular location. The applicant indicated the target market is seniors wishing to downsize, and that 'market rents' would be charged. It is important to note that basing a land use decision on matters such as high vs. low rental or tenure (owned vs. rented) is considered discrimination under the Ontario Human Rights Code, in the same vein as basing a decision upon race or ethnicity.

There were also concerns raised about the ability of the existing infrastructure to accommodate the proposed dwellings. As noted earlier, prior to the issuance of a building permit, the applicant's qualified consultant will need to determine if capacity exists, to the satisfaction of the City and PUC.

There was also a question related to the overall need or demand for additional rental housing in Sault Ste. Marie. It is worth noting that local vacancy rates remain relatively low, below the generally accepted healthy vacancy rate of 3%. In fact, the Rental Housing Community Improvement Plan provides incentives to developers new rental dwelling units.

Other residents felt that the best use of the property was to demolish the school and construct single detached lots.

There was also a discussion about the proposed front and exterior side yard fencing. Opinions appeared to be mixed. Those for felt the fencing would provide occupants and residents with privacy. Those against, felt the fence would look like an 'unwelcoming' wall. As previously discussed, the fence is proposed to be 1.5m (5') whereas standard fence heights are 1.83m (6'). The longer fence, proposed along the Estelle frontage, will be setback approximately 7.5m (25') from the side lot line, with a planted landscape area between the fence and the sidewalk. Through site plan control, staff will ensure that the landscaping is high quality and significant enough to soften the view of the fence.

Finally, there were residents who supported the project, feeling that it was an appropriate use of the existing building, rather than allowing it to fall into disrepair and be more susceptible to vandalism.

FINANCIAL IMPLICATIONS

Approval of this Application will not impact municipal finances.

STRATEGIC PLAN / POLICY IMPACT

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

SUMMARY

In the late 60's, 70's and early 80's, when local residential development peaked, planning theory was such that differing housing types be separated. The

outcome was segregated blocks of homogeneous dwellings, resulting in marginalized areas and stigmas associated with certain types of dwellings.. Today, sound planning theory suggests that different housing types be integrated into the same neighbourhood, resulting in different people of different ages living together. Not only does this create a more vibrant, well rounded neighbourhood, it also allows residents to age in place. For example, seniors wishing to downsize, can do so and remain in the same neighbourhood. This change in planning theory is reinforced by current Official Plan Policies and Provincial Policies, which support mixed residential neighbourhoods, residential intensification and the adaptive reuse of vacant buildings.

Having said this, It is recognized that infill, residential intensification redevelopments can be unsettling to residents in established single detached residential neighbourhoods. It is also recognized that schools were often the geographical, social and recreational centre of a neighbourhood. This is certainly the case in this particular neighbourhood, where the former school is a prominent fixture with frontage on 3 sides and a building that faces all three frontages.

Consequently, design is important to ensure this particular development complements and rounds out this established neighbourhood. The proposed façade treatments and gabled roof line will result in an aesthetically pleasing building that will complement the neighbourhood. There is ample green space and the provision of parking in 3 separate areas will minimize traffic impacts. To this end, the proposed site plan appropriately takes advantage of the current layout of the site.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the Report of the Senior Planner, dated 2018 05 28 concerning the Rezoning Application A-12-18-Z be received and that Council approve the application rezone the subject property from Low Density Residential Zone (R3) to Low Density Residential Zone (R3.S) with a special exception to permit:

1. Up to 25 dwelling units within the existing building footprint
2. A 1.5m fence to be erected in a front yard.
3. Required parking to be located in an exterior side yard.

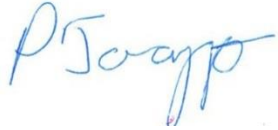
Furthermore, that the property be deemed subject to Site Plan Control, pursuant to Section 41 of the Planning Act.

A-12-18-Z – 100 Estelle Street – 1972659 Ontario Ltd (Carlo Gervasi)

2018 05 28

Page 8.

Respectfully submitted,

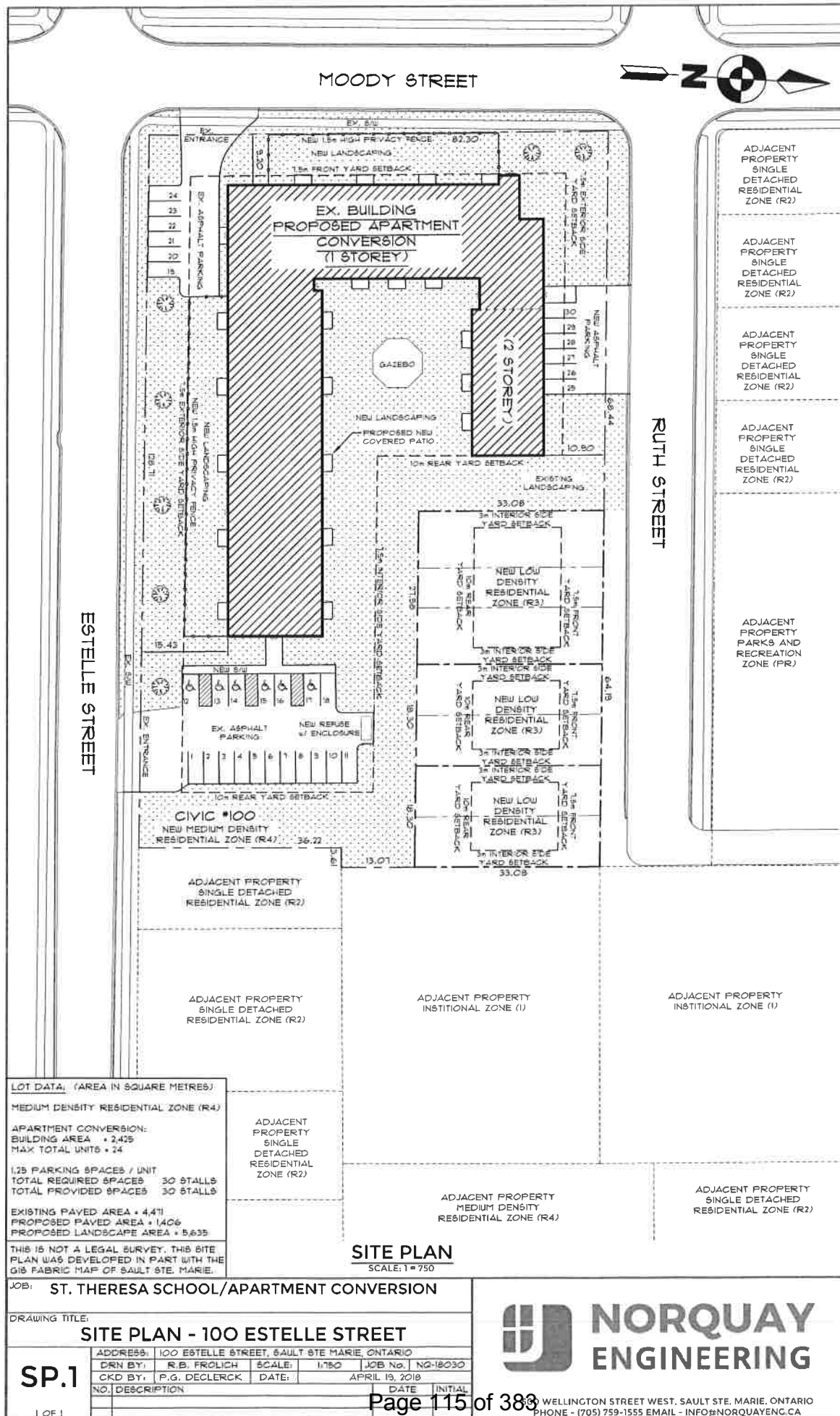
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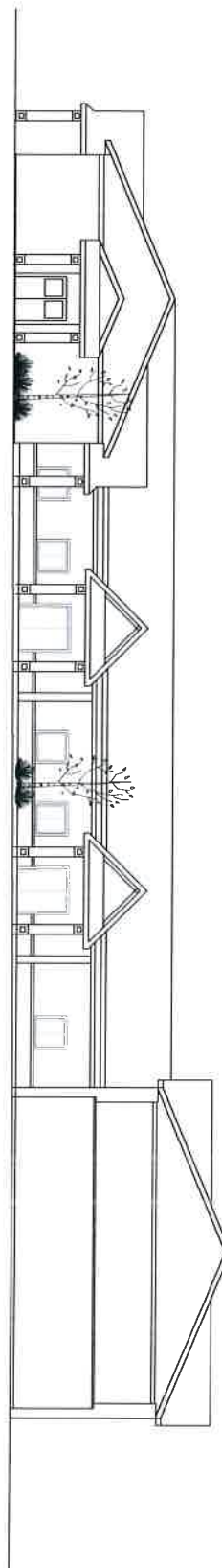
Peter Tonazzo, RPP

Senior Planner

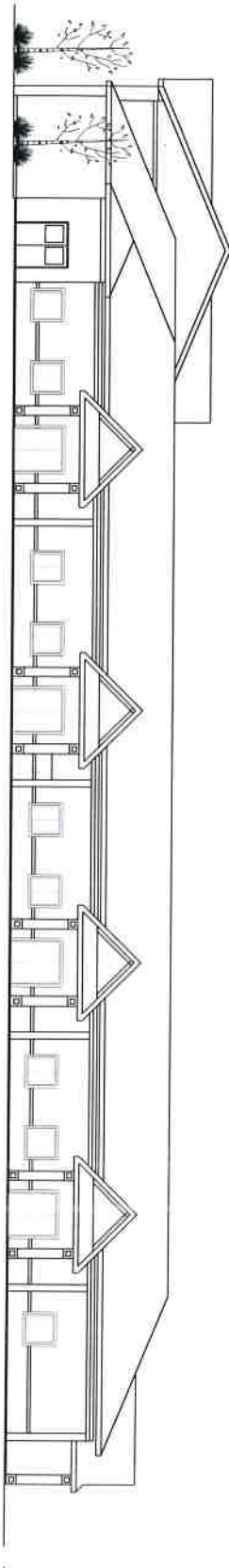
705.759.2780

p.tonazzo@cityssm.on.ca





EAST ELEVATION
SCALE: 1/32" = 1'-0"

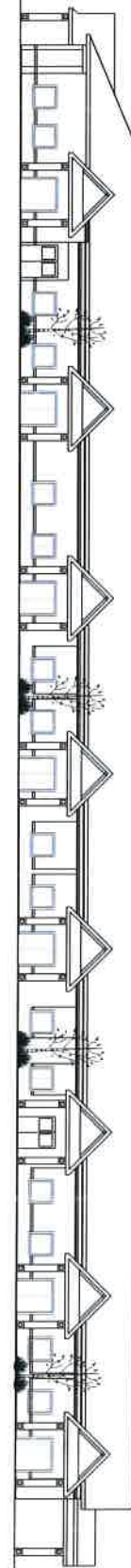


WEST ELEVATION (LOOKING FROM MOODY ST)
SCALE: 1/32" = 1'-0"

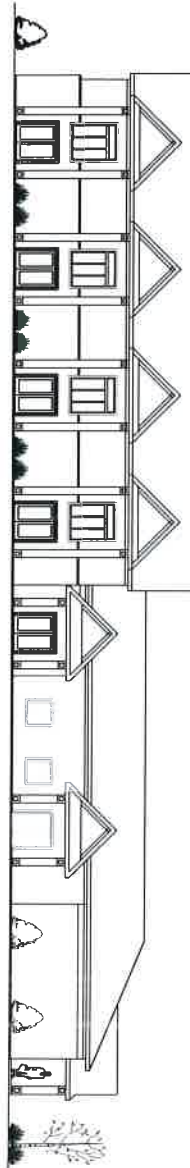
JOB TITLE		ST. THERESA SCHOOL/APARTMENT CONVERSION			
DRAWING TITLE		PROPOSED ELEVATIONS			
A1	ADDRESS	100 ESTELLE STREET SAULT STE MARIE, ONTARIO			
	DRN BY:	F. DECLERCK	SCALE:	1/32" = 1'-0"	JOB No. NQ-180501
	CKD BY:	---	DATE:	APRIL 25, 2018	
	NO	DESCRIPTION	DATE	INITIAL	
1 OF 1					



500 WELLINGTON STREET WEST, SAULT STE. MARIE, ONTARIO
PHONE - (705) 759-1555 EMAIL - INFO@NORQUAYENG.CA



SOUTH ELEVATION (LOOKING FROM ESTELLE ST)
SCALE: NTS



NORTH ELEVATION (LOOKING FROM RUTH ST)
SCALE: NTS

JOB TITLE:		ST. THERESA SCHOOL/APARTMENT CONVERSION			
DRAWING TITLE:		PROPOSED ELEVATIONS			
A1	ADDRESS:	100 ESTELLE STREET, SAULT STE MARIE, ONTARIO			
	DRN BY:	F. DECLERCK	SCALE:	1/32" = 1'-0"	JOB No. NO-8030
	CKD BY:	—	DATE:	APRIL 28, 2018	
	NO. DESCRIPTION		DATE	INITIAL	
1 OF 1					



500 WELLINGTON STREET WEST, SAULT STE. MARIE, ONTARIO
PHONE - (705) 759-1555 EMAIL - INFO@NORQUAYENG.CA



PUC SERVICES INC.
ENGINEERING DEPARTMENT
500 SECOND LINE EAST, P.O. Box 9000
SAULT STE. MARIE, ONTARIO, P6A 6P2

May 8, 2018

Donald B. McConnell, MCIP, RPP
The Corporation of The
City of Sault Ste. Marie
P.O. Box 580
Sault Ste. Marie, ON P6A 5N1

emailed: Stephanie Perri s.perri@cityssm.on.ca

Dear Sir:

Re: A-12-18-Z 100 Estelle Street

We have no concerns with the present above noted rezoning application.

We do take the opportunity however, to advise the applicant that water frontage charges for the future R3 low density residential lots proposed along Ruth St. would be assessed and collected if due at the time that the associated conveyance and/or development of those parcels proceed. Charges would in accordance with current By-law rates published online at www.ssmruc.com.

Furthermore, the property fronting on Ruth Street has a 150mm dead-end watermain & hydrant, and on Estelle Street has a 150mm cast iron watermain. Available fire flow may be less than desired and / or required, depending on the type of development.

Best Regards,

PUC SERVICES INC.

A handwritten signature in black ink, appearing to be 'Rob Harten', written over a light blue horizontal line.

Rob Harten, P. Eng.
Manager of Engineering



May 2, 2018

Don McConnell
Director of Planning & Enterprise Services

SUBJECT: REZONING APPLICATION REVIEW A-12-18-Z 100 Estelle Street; Former St. Theresa Elementary School; 25 Unit Apartment Building

Dear Mr. McConnell,

The Accessibility Advisory Committee makes the following recommendations in respect of barriers to access for person with disabilities on the subject rezoning application.

Exterior

1. Parking: Parabus requires space to pull through parking lot at entrance of building
2. Walkways & Sidewalks:
3. Curb Cuts:
4. Ramping:
5. Transit Access:
6. Lighting:
7. Signage:
8. Other: AAC respectfully requests invitation at any future development meetings

Sincerely,

Diane Morrell
Chair, Site Plan Sub Committee
Accessibility Advisory Committee

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



**Public Works &
Engineering Services**

2018 05 14

MEMO TO: Don McConnell, RPP
Planning Director

RE: A-12-18-Z
100 ESTELLE STREET
1972659 ONTARIO LTD. (c/o Carlo Gervasi)

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

- The Developer's Consultant should verify the adequacy of the existing sanitary servicing lateral to ensure capacity for the multi-unit development.
- For the proposed semi-detached units, sanitary laterals will be required for each proposed unit. Lateral permits will be required.
- Stormwater Management quantity and quality controls may be required for the apartment building.
- There is no storm sewer on Ruth Street in front of the future semi-detached dwellings. A grading plan should be provided to address surface drainage and sump-pump discharge. Depending on the design, a drainage agreement, registered on title, may be required.
- A lot grading and drainage plan must be completed by a Lot Grading Professional, to ensure that drainage is dealt with appropriately. Lot Grading Professionals must be a Professional Engineer (civil), Architect, or Ontario Land Surveyor, experienced in lot grading design; and
- It is recommended that the properties be subject to Site Plan Control to ensure servicing and drainage is addressed to the satisfaction of the Deputy CAO Public Works and Engineering or his designate.

If you have any questions, please do not hesitate to contact the undersigned.

A handwritten signature in black ink, appearing to read 'M. McAuley', is written over a horizontal line.

M. McAuley, P. Eng.
Municipal Services Engineer
Public Works & Engineering Services
705.759.5385
m.mcauley@cityssm.on.ca

MM
cc. Susan Hamilton Beach, Public Works
Don Elliott, Engineering

ZONING APPLICATION A-12-18-Z

BUILDING DIVISION COMMENTS

**SUBJECT: SCHOOL CONVERSION TO 25 UNIT APPARTMENT BUILDING
& NEW SEMI- DETACHED OR TOWNHOUSE DEVELOPMENT**

ADDRESS: 100 ESTELLE STREET

Date: 2018-05-08
To: PLANNING DEPARTMENT: Don McConnell
From: BUILDING DIVISION: Gary Schryer



BUILDING DIVISION COMMENT:

Data

- Existing Zone = I - Institutional Zone
- Proposed Zone = R3 - Low Density Residential Zone with special exception to permit the existing building to be converted to a 25 unit apartment building in addition to the uses permitted in an R3 zone.
- Site is regulated by Development Control
- Site is not regulated by the Sault Ste. Marie Region Conservation Authority

Setback Review – Apartment Building

The following setback review is based on the site plan prepared by Norquay Engineering.

- North Exterior Side Yard – minimum required setback is 6.0 meters, 10.9 meters have been proposed
- North Interior Side Yard – minimum required setback is 1.2 meters, dimensions to the building have not been provided however the distance is greater than 1.2 meters.
- Front Yard – minimum required setback is 7.5 meters, 9.2 meters have been proposed
- South Exterior Side Yard – minimum required setback is 6.0 meters, 15.43 meters have been proposed
- Rear Yard - minimum required setback is 10 meters, dimensions to the building have not been provided however the distance is greater than 10 meters.

Setback Review – 3 Lots fronting on Ruth Street

The following setback review is based on the site plan prepared by Norquay Engineering.

- Front Yard – minimum required setback is 7.5 meters, 7.5 meters have been proposed
- Interior Side Yard – minimum required setback is 3.0 meters, 3.0 meters have been proposed
- Other Interior Side Yard - minimum required setback is 3.0 meters, 3.0 meters have been proposed
- Rear Yard - minimum required setback is 10 meters, 10 meters have been proposed

Development Coverage

Apartment Building

- Lot Area 0.8957 Ha (8,957 square meters)
- Building Area 2,425 square meters
- Maximum Lot Coverage 40% Maximum – approximately 27% proposed

3 Lots fronting on Ruth Street

- Lot Area 0.0605 Ha (605 square meters)
- Building Area unknown
- Maximum Lot Coverage 40% Maximum – approximately 32% proposed based on setbacks

Parking

- Residential Uses - 1.25 spaces per dwelling unit required. The proposed apartment building use will require a total of 30 spaces for the proposed 24 units. The lots that front on Ruth Street do not provide the dwelling types, but assuming semi-detached dwellings on each of the three lots and that the lots will not be severed between the units, a total of 3 spaces will be required for each lot.

Barrier Free Parking

- Barrier free parking will be determined based on 1 space per barrier free unit plus 2 additional spaces. Additional review will take place upon receipt of building plans.

Record of Site Condition

The property located at 100 Estelle Street and known as SECTION 36 SPT PLAN 7666 LOT 171 TO 183 LOT 170 PT CLOSED LANE PT RP 1R10359 PT 1 PT 2 PT 3 has been identified as a Brownfield Site. The proposed change of use from a community use to a residential use does not require the filling of a record of site condition as the building did not contain the following uses:

Use of a classroom in a building by a,

- i. a university that is authorized to operate pursuant to section 3 of the Post-secondary Education Choice and Excellence Act, 2000,
- ii. a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002,
- iii. any other institution with authority to grant a degree or part of a degree under the Post-secondary Education Choice and Excellence Act, 2000,
- iv. a private career college as defined and approved under the Private Career Colleges Act;

Comment

No objection to the issuance of a building permit.



Peter Tonazzo

May 11/2018

I have received the proposed application to rezone St. Theresa school. I am definitely against this change in fear of the occupancy of the 25 units.

Katherine Poliforo
106 Ruth St.

Subject Property



Document Path: G:\Applications (2017 - Present)\2018\Zoning\A-12-18-Z - 100 Estelle Street - 1972659 Ontario Inc. (Carlo Gervasio)\A-12-18-Z_AerialMap_May2018_2x11_V1.mxd

Application Map Series

- ☐ Subject Property
 ☐ Official Plan Landuse
☐ Existing Zoning
 ☒ Aerial Image
☐ Official Plan Amendment

Property Information

Civic Address: 100 Estelle Street
 Roll No.: 050004094000000
 Map No.: 56 / 1-72
 Application No.: A-12-18-Z
 Date Created: May 01, 2018

Legal Department Reference

Legend

- ☒ Subject Property: 100 Estelle Street
☒ Parcel Fabric



City of
Sault Ste. Marie

Planning and Enterprise Services

Community Development and Enterprise
Services Department

99 Foster Drive, Sault Ste Marie, ON P6A 5X6

saultstemarie.ca | 705-759-5368 | planning@cityssm.on.ca

This map is for general reference only
Orthophoto: 2016 20cm Colour

Projection Details

NAD 1983 UTM Zone 16N

GCS North American 1983

0 5 10 20 Meters
1:1,000



Subject Property



Application Map Series

- ☐ Subject Property
 ☐ Official Plan Landuse
 ☒ Existing Zoning
 ☐ Aerial Image
 ☐ Official Plan Amendment

Property Information

Civic Address: 100 Estelle Street
 Roll No.: 050004094000000
 Map No.: 56 / 1-72
 Application No.: A-12-18-Z
 Date Created: May 01, 2018

Legend

- | | |
|---|--------------------------------------|
| C1: Traditional Commercial Zone | R3: Low Density Residential Zone |
| C2: Central Commercial Zone | R4: Medium Density Residential Zone |
| C3: Commercial Transitional Zone | R5: High Density Residential Zone |
| C4: Riverfront Zone (CRP) | R6: Major Home Residential Zone |
| C4a: General Commercial Zone (C4a) | I: Industrial Zone |
| C5: Shopping Centre Zone | EM: Environmental Management Zone |
| H2: Highway Zone | P: Parks and Recreation Zone |
| M1: Light Industrial Zone | RA: Rural Area Zone |
| M2: Medium Industrial Zone (M2p) | RU: Rural Residential Uplands Zone |
| M3: Heavy Industrial Zone | R6R: Rural Aggregate Extraction Zone |
| R1: Single Residential Zone | AIR: Airport Zone |
| R2: Single Detached Residential Zone (R2p) | T: Town Centre Zone |
| R2p: Single Detached Residential Zone (R2p) | T2: Town Centre Zone |



City of Sault Ste. Marie

Planning and Enterprise Services

Community Development and Enterprise Services Department

99 Foster Drive, Sault Ste Marie, ON P6A 5X6
 saultstemarie.ca | 705-759-5368 | planning@cityssm.on.ca

This map is for general reference only

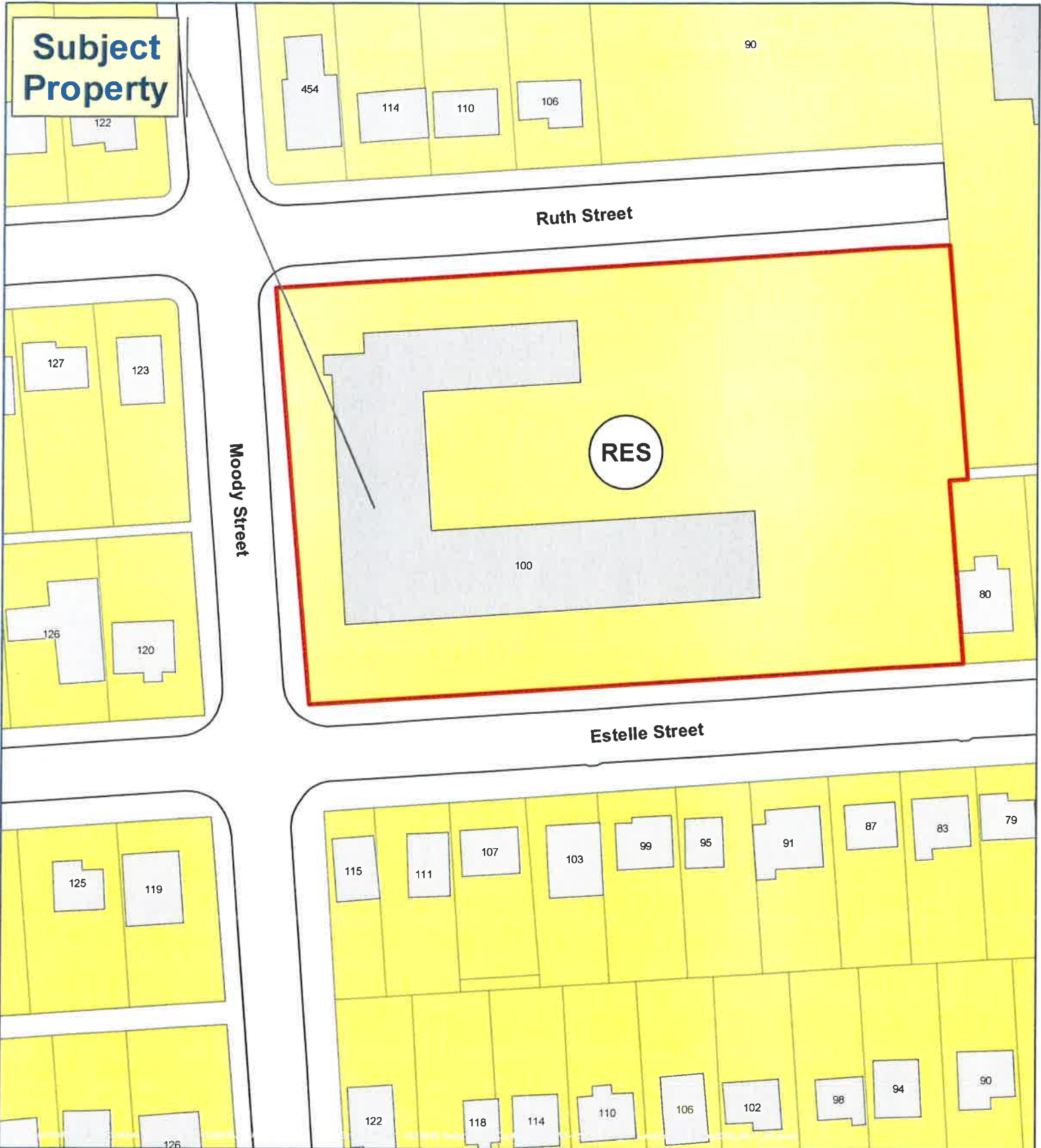
Orthophoto: None

Projection Details

NAD 1983 UTM Zone 16N
 GCS North American 1983

0 5 10 20 Meters
 1:1,000





Application Map Series

☐ Subject Property ☒ Official Plan Landuse

☐ Existing Zoning ☐ Aerial Image

☐ Official Plan Amendment

Property Information

Civic Address: 100 Estelle Street
 Roll No.: 050004094000000
 Map No.: 56 / 1-72
 Application No.: A-12-18-Z
 Date Created: May 01, 2018

Legend

- Residential
- Commercial
- Institutional
- Parks Recreation
- Industrial
- Rural Area
- Airport Lands
- Parcel Fabric
- Subject Property 100 Estelle Street

City of Sault Ste. Marie

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 Community Development and Enterprise Services Department
 99 Foster Drive, Sault Ste Marie, ON P6A 5X6
 saultstemarie.ca | 705-759-5368 | planning@cityssm.on.ca

This map is for general reference only
 Orthophoto: None
 Projection Details
 NAD 1983 UTM Zone 16N
 GCS North American 1983

0 5 10 20 Meters
 1:1,000

Reasons for Opposition to Rezoning for Multi Unit Development

Re: A-12-18-Z – 100 Estelle Street (1972659 Ontario Ltd. c/o Carlo Gervasi)

1. Financial Impact to Neighbourhood.

People who purchased their homes did so because the area was and has always been a single home neighbourhood. The fact that it requires rezoning shows that it was intended as a single home area. In cities where multi-unit development occurs, there has always been a drop in property values to the rest of the neighbourhood because when it comes to selling the homes, prospective buyers will be less likely to purchase in an area that includes multi-unit development, and redirect to other areas, driving the marketability of other homes in other areas at the expense of the proposed development. Many dozens of homeowners within the immediate radius will be affected. Hundreds of other homes within the broader radius will be affected because the rezoning will redefine their neighbourhood. These taxpayers did not purchase homes in this area to have it rezoned for usage that benefits the developer primarily who coincidentally does NOT live in the area.

2. Precedent To be set.

This project not only impacts the immediate area, but the entire radius because future projects are more likely to be approved if this one will. This will make it difficult for other homeowners to oppose future development through rezoning of other areas that will impact and redefine other neighbourhoods. Rezoning applications for future developments will increase, and they will come at the expense of infringing on the make up of residential communities that are single unit homes. Development of multi-unit projects can be directed to areas where zoning for that type already exists. There are significant areas of the city that need such development without having to infringe upon, redefine and financially impact neighbourhoods for both the short and long term.

3. Increased Traffic to the Area.

The area would likely only have 4-6 homes built on it. The proposed development will bring 25 units on one level, maximizing space but coming at the expense of increased residency to the confined area and increased traffic in an area largely populated by small children. The area is small. If every unit has one vehicle, that would necessitate 25 parking spots. If every unit has two vehicles, that would necessitate 50 parking spots. If every unit has visitors coming to the building, it would compound congestion and parking further. The area itself as a school could not accommodate more than 10-15 vehicles. These vehicles are likely going to be parking on the street in front of other homes which can obstruct views for other homeowners. This is something the neighbourhood has not had to face, and it is unfair to have to place added burden to the neighbourhood.

4. Small Area Does not have Adequate Infrastructure to Fully Accommodate Multi-Unit Development without Immediate Impact on other Homeowners in the Area.

Traffic always is the No. 1 concern with multi-unit development. The proposed plan will redefine the make up of the neighbourhood and area, place added short and long-term burdens on homeowners in the immediate radius and outer radius by increasing traffic within a very small area. There is no master plan to expand the area for accommodating the additional traffic. Hence, increased traffic and congestion will immediately impact the area because when roads were built they were built to accommodate single family homes in a residential area that had limited traffic. There are no immediate plans to include deceleration lanes and at least two ingress/egress options. Traffic will increase exponentially with residents and visitors creating congestion that could also be a safety risk if fire, police, and emergency vehicles must be present.

**Orlando and Immacolata Tridico
454 Moody Street**



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

COUNCIL REPORT

May 28, 2018

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Peter Tonazzo, RPP, Senior Planner

DEPARTMENT: Community Development and Enterprise Services

RE: A-8-18-Z - 188 Kohler Street – 1890685 Ontario Inc.
(Ruscio Masonry & Construction Limited)

PURPOSE

The Applicant wishes to convert the former Alex Muir Public School to accommodate up to 26 dwelling units, with a third storey addition to the existing building.

PROPOSED CHANGE

The Applicant, Ruscio Masonry & Construction Ltd., is seeking Council's approval to rezone the subject property from Low Density Residential Zone (R3) to Low Density Residential Zone (R3.S) with a special exception to permit a 3-storey, 26-unit apartment building.

Subject Property

- Location – The subject property is located on the east side of Kohler Street, approximately
- Size – Irregular – approximately 76m frontage on Simpson Street, 73m frontage on Kohler Street, Total area of .91ha
- Present Use – Vacant School (Former Alex Muir Public School)
- Owner – 1890685 Ontario Inc.

BACKGROUND

There have been no previous applications upon the portion of the subject property proposed to be rezoned. The eastern half of the subject property (Simpson St. frontage) was rezoned in 2016 to facilitate the construction of 6 townhouse and 2 semi-detached dwelling units.

ANALYSIS

The applicant has requested (attached) that Council postpone this application until June 25th. A concern has been raised regarding the third floor addition, and

the overall impacts to the character of the area and abutting neighbour to the south. The applicant is requesting this postponement in order to discuss this issue with the abutting neighbour to the south.

Two letters of objection have been submitted by neighbours, up to the drafting of this report. Both are attached for information.

FINANCIAL IMPLICATIONS

Postponing this Application will not impact municipal finances.

STRATEGIC PLAN / POLICY IMPACT

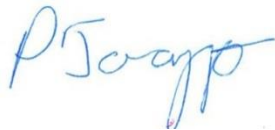
Postponing this Application is not directly linked to any Strategic Directions contained within the Corporate Strategic Plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the Report of the Senior Planner, dated 2018 05 28 concerning the Rezoning Application A-8-18-Z be received and that Council postpone this application to its June 25th meeting.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'P. Tonazzo'.

Peter Tonazzo, RPP
Senior Planner

p.tonazzo@cityssm.on.ca

705.759.2780

Peter Tonazzo

Subject: FW: Alex Muir Deferral

From: Dave Ruscio [<mailto:dave@ruscioconstruction.com>]

Sent: Thursday, May 17, 2018 8:14 PM

To: Peter Tonazzo

Subject: Re: Alex Muir Deferral

Hi Peter,

Thanks for the discussion and I would like to defer until the end of June so we can work thru the items .

Regards '

Dave Ruscio.



ALEX MUIR PROPOSED APARTMENT BUILDING
KOHLER STREET



M MCP ARCHITECTS + ENGINEER, INC.

May 16, 2018

City of Sault Ste. Marie
Planning Division
99 Foster Drive
Sault Ste. Marie, On P6A 5X6

Attention: Peter Tonazzo

Re: 188 Kohler St., Sault Ste. Marie
Application for Change to Zoning

Dear Sir;

Pursuant to a notification received from The City please accept this letter as a formal response to the request from abutting property owners respecting the application for zoning change to the former Alex Muir School at 188 Kohler Street.

My wife Kathryn and I purchased the property immediately abutting the property to the south side in May 2015. At that time I investigated the zoning and potential re-development options and understood what that allowed. I had no issue with the existing zoning or the possibility that a re-creation of something along the lines of up to 8 townhouse style units could occur. I also understood that a continuing use as some manner of an educational facility might also occur.

The change requested by the property owner/developer alters those possibilities in a significant way.

While it is true that the south end of Kohler Street does have 4 multi-level apartment buildings the northern end is all single family or duplex style, individual properties. It would seem inappropriate to suddenly allow this significant change to the nature of the neighbourhood. Other concerns surround what would be a considerable increase to resident traffic and parking. On street parking is allowed, and will only increase, but is already a challenging reality with Kohler St. being a direct route for many motorists accessing Queen St. from Wellington St. At least 3 young families live directly across the street from my residence and vehicles travel quickly, already requiring extra caution for all residents.

Personally, I find the possibility of another storey being added to the subject property disturbing. It will without question impact our right to reasonable enjoyment of our property, limit sightlines, create a considerable increase to vehicular traffic, on-site parking and a general increase to all related activities in the neighbourhood. The developer clearly understood what he was purchasing and should have based his decision making on those factors, not the "potential" for such a significant change.

Therefore, I respectfully request an understanding as to the position of the Planning Division to the application, specifically will it be recommended to Council, opposed, something in between etc. It is my intent and that of my wife to oppose the application and ask that the existing zoning be respected and the developer to work within those parameters.

I would be pleased to have the opportunity of a meeting with you or any other staff member to further discuss the matter prior to the meeting of May 28, 2018.

Yours truly,

A handwritten signature in dark ink, appearing to read 'Steve McGuire', with a stylized, flowing script.

Steve McGuire
180 Kohler St.
Sault Ste. Marie, On P6A 3V1
705 542-7389
steve@regentpm.com

May 14, 2018

170 Kohler St.,
Sault Ste. Marie, On. P6A3V1

Mr. Peter Tonazzo
Planning Division
Level 5

Civic Centre, Council Chambers
99 Foster Dr
Sault Ste Marie, On. P6A5X6



Attention Mr Peter Tonazzo,

I am writing to voice my objection to rezoning application # A-8-18-2 by Applicant 1890685 Ontario Inc for Alex Muir Public School from low Density Residential Zone R3 to R3.5.

When the 4 apartment buildings were built on the south end of Kohler St, The City Hall officials said they would not allow any more apartments to be built on this street. Kohler St is 1 block long and to have 5 apartment buildings plus all the individual residences makes a very busy street with the traffic light removed.

The field where the children of the street played is gone.

The water run off across 174 Kohler and 178 Kohler onto my lot will be worse.

Kohler St residents have little power it seems.

Unfortunately I am away until June and will not be able to attend this meeting therefore I wish to submit this letter in objection to the rezoning application and be allowed to appeal the decision if necessary.

May the council in its wisdom not agree to the
reasoning.

Thank you

Barbara MacDougall
170 Kohler St.
Sault Ste Marie, On P6A 3V1

**Area To Be
Rezoned**

**Subject
Property**



Document Path: Q:\Applications (2017 - Present)\2018\Zoning\A-8-18-Z - 188 Kohler Street - 1890655 Ontario Inc. - Ruscio\A-8-18-Z_AerialMap_April2018_8x11_V1.mxd

Application Map Series

- ☐ Subject Property ☐ Official Plan Landuse
☐ Existing Zoning ☒ Aerial Image
☐ Official Plan Amendment

Property Information

Civic Address: 188 Kohler Street
Roll No.: 020015009000000
Map No.:
Application No.: A-8-18-Z
Date Created: April 03, 2018

Legal Department Reference

Legend

- Area Subject to Rezoning
 Subject Property: 188 Kohler Street
 Parcel Fabric



**City of
Sault Ste. Marie**

Planning and Enterprise Services

Community Development and Enterprise
Services Department

99 Foster Drive, Sault Ste Marie, ON P6A 5X6
saultstemarie.ca | 705-759-5368 | planning@cityssm.on.ca

*This map is for general reference only:
Orthophoto - 2016 20cm Colour*

Projection Details

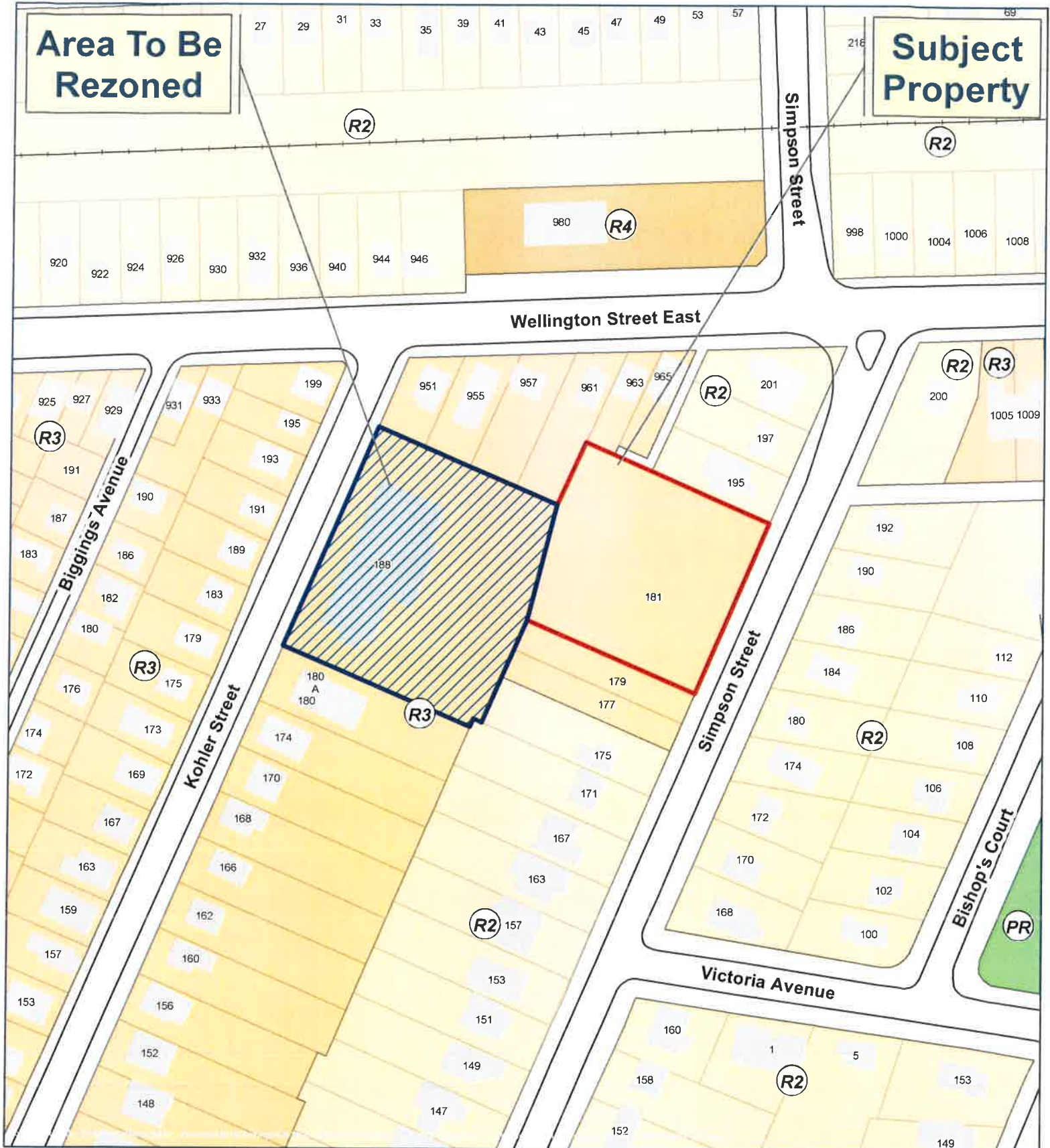
NAD 1983 UTM Zone 16N
GCS North American 1983

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1:1 000



Area To Be Rezoned

Subject Property



Application Map Series

- ☐ Subject Property
 ☐ Official Plan Landuse
☒ Existing Zoning
 ☐ Aerial Image
☐ Official Plan Amendment

Property Information

Civic Address: 188 Kohler Street
 Roll No.: 020015009000000
 Map No.:
 Application No.: A-8-18-Z
 Date Created: April 03, 2018

Legend

- | | |
|--|--------------------------------------|
| C1 - Traditional Commercial Zone | R3 - Medium Density Residential Zone |
| C2 - General Commercial Zone | R4 - High Density Residential Zone |
| C3 - Commercial Transitional Zone | R5 - Medium Density Residential Zone |
| C4 - Riverfront Urban Core | R6 - Medium Density Residential Zone |
| C5 - General Commercial Zone - City | R7 - Institutional Zone |
| C6 - Shopping Centre Zone | R8 - Environmental Management Zone |
| C7 - Highway Zone | R9 - Parks and Recreation Zone |
| C8 - Light Industrial Zone | R10 - Rural Area Zone |
| C9 - Medium Industrial Zone - M2b | R11 - Rural Residential Zone |
| C10 - Heavy Industrial Zone | R12 - Rural Residential Zone |
| C11 - Single Detached Residential Zone | R13 - Rural Residential Zone |
| C12 - Single Detached Residential Zone - R2b | R14 - Rural Residential Zone |
| C13 - Subject Property | R15 - Rural Residential Zone |
| | R16 - Rural Residential Zone |
| | R17 - Rural Residential Zone |
| | R18 - Rural Residential Zone |
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| | R98 - Rural Residential Zone |
| | R99 - Rural Residential Zone |
| | R100 - Rural Residential Zone |



City of Sault Ste. Marie

Planning and Enterprise Services

Community Development and Enterprise Services Department

99 Foster Drive, Sault Ste Marie, ON P6A 5X6

saultstemarie.ca | 705-759-5368 | planning@cityssm.on.ca

This map is for general reference only

Orthophoto: None

Projection Details

NAD 1983 UTM Zone 16N

GCS North American 1983

0 5 10 20 Meters

1:1553



Area To Be Rezoned

Subject Property

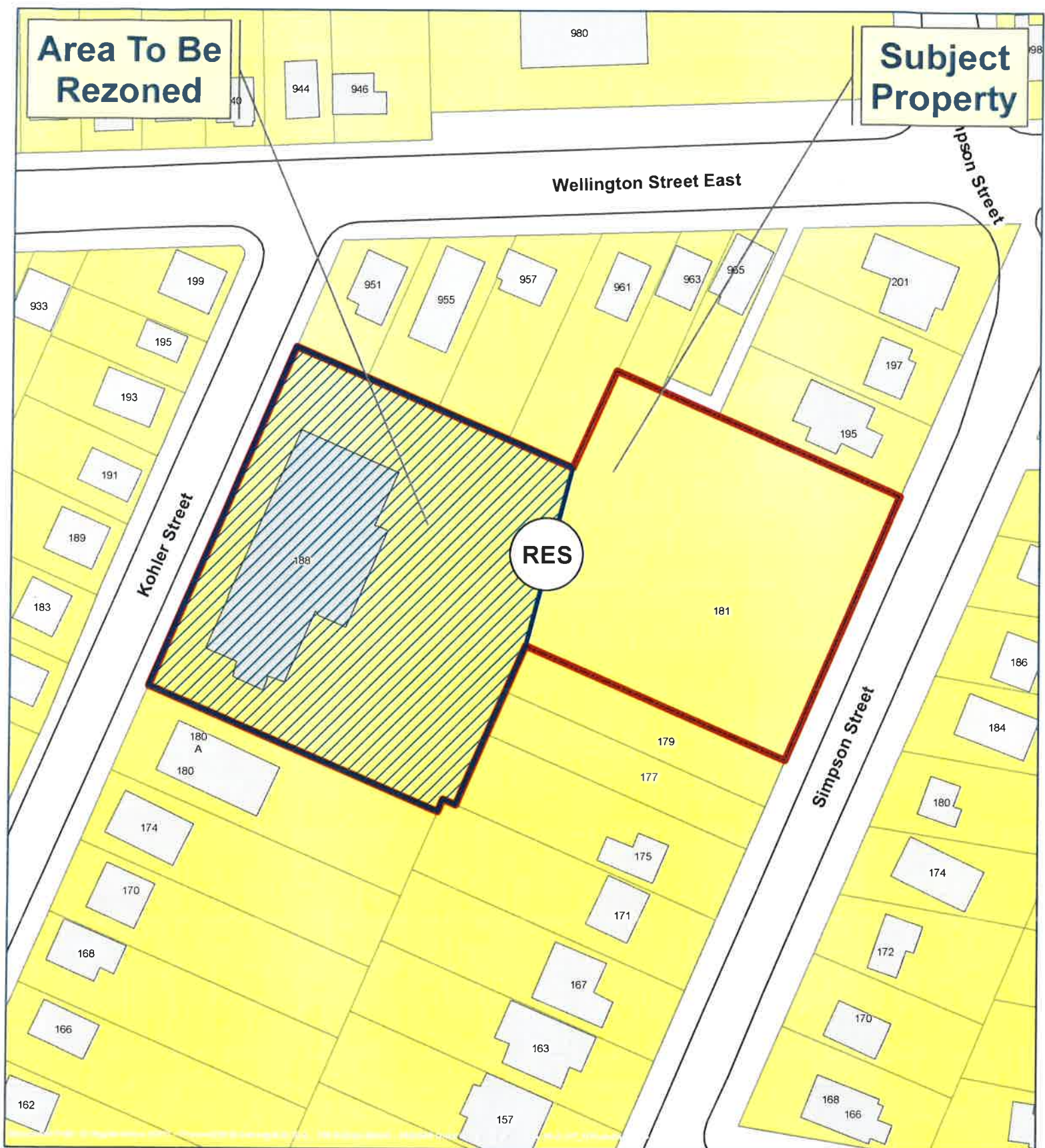
Wellington Street East

Simpson Street

Kohler Street

Simpson Street

RES



Application Map Series

- ☐ Subject Property
 ☒ Official Plan Landuse
☐ Existing Zoning
 ☐ Aerial Image
☐ Official Plan Amendment

Property Information

Civic Address: 188 Kohler Street
 Roll No.: 020015009000000
 Map No.:
 Application No.: A-8-18-Z
 Date Created: April 03, 2018

Legend

- Residential
- Commercial
- Institutional
- Parks Recreation
- Industrial
- Rural Area
- Airport Lands
- Subject Property 188 Kohler Street
- Parcel Fabric
- Area Subject to Rezoning

Page 140 of 383



City of Sault Ste. Marie

Planning and Enterprise Services

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This map is for general reference only

Orthophoto: None

Projection Details

NAD 1983 UTM Zone 16N

GCS North American 1983

0 5 10 20 Meters
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**RESOLUTION OF THE SHAREHOLDER OF
PUC INC.**

Financial Statements

BE IT RESOLVED THAT the financial statements of PUC Inc. (the Corporation) for the fiscal year ended on December 31st, 2017, together with the report of the auditors thereon, as placed before the undersigned, are hereby approved.

Appointment of Auditors

BE IT RESOLVED THAT the firm of KPMG LLP, Chartered Accountants, is hereby appointed Auditor of the Corporation until the close of the next annual meeting of the shareholder or until their successors are duly appointed at a remuneration to be fixed by the directors, the directors being hereby authorized to fix such remuneration.

Election of Directors

BE IT RESOLVED THAT the following persons, each resident Canadians, are hereby elected directors of the corporation, to hold office until the close of the third annual meeting of the shareholder following their election or until their successors have been duly elected or appointed, subject to the provisions of the Corporation's by-laws and the Ontario Business Corporations Act:

Cecilia Bruno
Jim Boniferro
Christian Provenzano
Paul Christian

The undersigned being the sole Shareholder of the Corporation hereby signs each and every one of the foregoing resolutions pursuant to the provisions of the Ontario Business Corporations Act.

Dated this 28th day of May, 2018

The Corporation of the City of Sault Ste. Marie

Per: _____
Christian Provenzano, Mayor

Per: _____
Malcolm White, City Clerk

**RESOLUTION OF THE SHAREHOLDER OF
PUC SERVICES INC.**

Financial Statements

BE IT RESOLVED THAT the financial statements of PUC Services Inc. (the Corporation) for the fiscal year ended on December 31st, 2017, together with the report of the auditors thereon, as placed before the undersigned, are hereby approved.

Appointment of Auditors

BE IT RESOLVED THAT the firm of KPMG LLP, Chartered Accountants, is hereby appointed Auditor of the Corporation until the close of the next annual meeting of the shareholder or until their successors are duly appointed at a remuneration to be fixed by the directors, the directors being hereby authorized to fix such remuneration.

Election of Directors

BE IT RESOLVED THAT the following persons, each resident Canadians, are hereby elected directors of the corporation, to hold office until the close of the third annual meeting of the shareholder following their election or until their successors have been duly elected or appointed, subject to the provisions of the Corporation's by-laws and the Ontario Business Corporations Act:

Cecilia Bruno
Jim Boniferro
Christian Provenzano
Paul Christian

The undersigned being the sole Shareholder of the Corporation hereby signs each and every one of the foregoing resolutions pursuant to the provisions of the Ontario Business Corporations Act.

Dated this 28th day of May, 2018

The Corporation of the City of Sault Ste. Marie

Per: _____
Christian Provenzano, Mayor

Per: _____
Malcolm White, City Clerk

Non-Consolidated Financial Statements of

PUC INC.

Year ended December 31, 2017



KPMG LLP
111 Elgin Street, Suite 200
Sault Ste. Marie ON P6A 6L6
Canada
Telephone (705) 949-5811
Fax (705) 949-0911

INDEPENDENT AUDITORS' REPORT

To the Shareholder of PUC Inc.

We have audited the accompanying non-consolidated financial statements of PUC Inc., which comprise the non-consolidated statement of financial position as at December 31, 2017 and the non-consolidated statements of comprehensive income, changes in shareholder's equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the non-consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of PUC Inc. as at December 31, 2017, and its non-consolidated financial performance and its non-consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

April 25, 2018
Sault Ste. Marie, Canada

PUC INC.

Non-Consolidated Statement of Financial Position

December 31, 2017, with comparative information for December 31, 2016

	2017	2016
Assets		
Current assets:		
Accounts receivable	\$ 1,911	\$ 1,883
Receivable from subsidiary, PUC Services Inc. (note 9)	7,496,036	7,473,658
Payment in lieu of taxes recoverable	24,330	26,619
Total current assets	7,522,277	7,502,160
Non-current assets:		
Investments (note 5)	5,331	5,331
Notes receivable from related company (note 4)	8,310,000	8,310,000
Investments in and notes receivable with subsidiaries, at cost (note 6)	46,596,146	46,596,146
Total non-current assets	54,911,477	54,911,477
Total Assets	\$ 62,433,754	\$ 62,413,637
Liabilities and Shareholder's Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ —	\$ 4,767
Long-term debt (note 7)	31,720,000	31,720,000
Total liabilities	31,720,000	31,724,767
Shareholder's equity:		
Share capital:		
Authorized:		
Unlimited Special shares, non-voting, non-cumulative, redeemable at \$10,000 per share		
100,000 Common shares		
Issued and outstanding:		
1,462 Special shares	14,620,000	14,620,000
21,632 Common shares	14,618,248	14,618,248
Retained earnings	1,475,506	1,450,622
	30,713,754	30,688,870
Total Liabilities and Shareholder's Equity	\$ 62,433,754	\$ 62,413,637

See accompanying notes to non-consolidated financial statements.

On behalf of the Board:

 Director  Director

PUC INC.

Non-Consolidated Statement of Comprehensive Income

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Interest	\$ 2,151,214	\$ 2,151,214
Miscellaneous	88,046	78,860
	2,239,260	2,230,074
Expenses:		
Interest on long-term debt	1,934,920	1,934,920
Administrative	117,071	123,738
Business development	141,634	34,284
	2,193,625	2,092,942
Income before payment in lieu of taxes	45,635	137,132
Payment in lieu of taxes (note 8):		
Current	20,751	36,860
Net income, being total comprehensive income for the year	\$ 24,884	\$ 100,272

See accompanying notes to non-consolidated financial statements.

PUC INC.

Non-Consolidated Statement of Changes in Shareholders' Equity

Year ended December 31, 2017, with comparative information for 2016

	Share Capital	Retained Earnings	Total
Balance, December 31, 2015	\$ 29,238,248	\$ 2,570,510	\$ 31,808,758
Net income, being total comprehensive income	–	100,272	100,272
Dividends on common shares	–	(1,220,160)	(1,220,160)
Balance, December 31, 2016	29,238,248	1,450,622	30,688,870
Net income, being total comprehensive income	–	24,884	24,884
Balance, December 31, 2017	\$ 29,238,248	\$ 1,475,506	\$30,713,754

See accompanying notes to non-consolidated financial statements.

PUC INC.

Non-Consolidated Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash flows from operating activities:		
Net income, being total comprehensive income	\$ 24,884	\$ 100,272
Changes in non-cash operating working capital items:		
Accounts receivable	(28)	5,374
Payment in lieu of taxes recoverable	2,289	36,545
Accounts payable and accrued liabilities	(4,767)	2,655
	22,378	144,846
Cash flows from financing activities:		
Dividends on common shares	–	(1,220,160)
Cash flows from investing activities:		
Receivable from subsidiary, PUC Services Inc.	(22,378)	1,075,314
Cash, beginning and end of year	\$ –	\$ –
Supplemental cash flow information:		
Cash paid during the year for interest	\$ 1,934,920	\$ 1,934,920
Cash received during the year for interest	2,151,214	2,151,214

See accompanying notes to non-consolidated financial statements.

PUC INC.

Notes to Non-Consolidated Financial Statements

Year ended December 31, 2017

1. Reporting entity:

PUC Inc. (the "Company"), is incorporated under the under the Ontario Business Corporations Act and a successor of the former City of Sault Ste. Marie Public Utilities Commission Electric Utility. The Company's head office is located at 500 Second Line East Sault Ste. Marie, Ontario.

2. Basis of preparation:

(a) Statement of compliance:

The non-consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

These non-consolidated financial statements have been authorized for issue by the Board of Directors on April 25, 2018.

(b) Basis of measurement:

The non-consolidated financial statements have been prepared on the historical cost basis, except for the following:

- Derivative instruments, if any, are measured at fair value.

(c) Functional and presentation currency:

These non-consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company.

(d) Use of estimates and judgments:

The preparation of the non-consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next fiscal year are included in note 13.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these non-consolidated financial statements.

(a) Payment in lieu of taxes:

As a municipally owned corporation holding an investment in a municipal utility, the Company is exempt from corporate income and capital taxes. However, under the Electricity Act, 1998, the Company is required to make payments in lieu of corporate income and capital taxes to Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Corporations Tax Act (Ontario) as modified by the Electricity Act, 1998, and related regulations.

The Company uses the asset and liability method of accounting for payment in lieu of income taxes. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

(b) Interest income and expense:

Interest income and expense are recognized in the non-consolidated statement of comprehensive income using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability to its fair value at inception. The effective interest rate is established on initial recognition of the financial asset or liability and is not revised subsequently.

The calculation of the effective interest rate includes all fees paid or received and transaction costs and discounts or premiums that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

(c) Investment in subsidiaries:

The investment in subsidiaries, which are non-marketable equity investments and not traded on an active market, are classified as available for sale for financial instrument purposes and are recorded at cost.

(d) Investments:

Investments are recorded at fair value unless the investment is designated as Loans and Receivables. Any gains and losses on disposal of investments are recorded in the year they occur and are included in other investment income in the Non-Consolidated Statement of Comprehensive Income.

PUC INC.

Notes to Non-Consolidated Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(e) Financial instruments:

i) Financial assets and liabilities:

All financial assets are classified as loans and receivables and all financial liabilities are classified as other liabilities. These financial instruments are recognized initially at fair value plus any directly attributable transactions costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets. The Company does not enter into derivative instruments.

ii) Share capital

Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Special shares

Special shares are classified as equity. Incremental costs directly attributable to the issue of special shares are recognized as a deduction from equity, net of any tax effects.

(f) The following new standards and interpretations are not yet effective but are considered to be relevant to the Company's non-consolidated financial statements:

i) IFRS 9 Financial Instruments ("IFRS 9"(2015))

In July 2015, the IASB issued a new standard, IFRS 9 Financial Instruments, which will replace IAS 39 Financial Instruments: Recognition and Measurement. The replacement of IAS 39 is a multiphase project with the objective of improving and simplifying the reporting for financial instruments. The issuance of IFRS 9 is part of the first phase of this project. IFRS 9 is effective for periods beginning on or after January 1, 2018 and must be applied retrospectively. The Company is assessing the impact of IFRS 9 on its results of operations, financial position, and disclosures.

4. Notes receivable from related company:

	2017	2016
Note receivable from PUC Services Inc., unsecured, bears interest at 7.62% per annum and is receivable one year after demand	\$ 6,990,000	\$ 6,990,000
Note receivable from PUC Services Inc., unsecured and without interest and is receivable one year after demand	1,320,000	1,320,000
	\$ 8,310,000	\$ 8,310,000

PUC INC.

Notes to Non-Consolidated Financial Statements

Year ended December 31, 2017

5. Investments:

On January 9, 2016, the Company purchased 1 Class A share and 33,058 Class B shares of Customer First Inc, an incorporated entity in Ontario, representing 21% equity interest. The investment is carried at cost.

6. Investment in and notes receivable with subsidiary:

			2017	2016
	Notes Receivable	Common Shares	Total	Total
PUC Distribution	\$ 26,534,040	\$ 20,062,106	\$ 46,596,146	\$ 46,596,146

The note receivable from PUC Distribution Inc. bears interest at 6.1%, is unsecured and is repayable on the year after demand. In 2017, the Company received interest income on this note receivable from PUC Distribution in the amount of \$1,618,575 (2016 - \$1,618,575).

7. Long-term debt:

	2017	2016
Note payable to shareholder. The Corporation of the City of Sault Ste. Marie, unsecured, with 6.1% (2016 - 6.1%) interest payable quarterly and principal payable one year after demand	\$ 6,720,000	\$ 6,720,000
Note payable to shareholder. The Corporation of the City of Sault Ste. Marie, unsecured, with interest payable quarterly at rates periodically negotiated and principal payable one year after demand, rate for 2017 was 6.1% (2016 – 6.1%)	25,000,000	25,000,000
	\$ 31,720,000	\$ 31,720,000

PUC INC.

Notes to Non-Consolidated Financial Statements

Year ended December 31, 2017

8. Payment in lieu of taxes:

Payment in lieu of taxes differs from the amount that would be computed by applying the federal and provincial statutory tax rates of 26.5% (2016 - 26.5%) to earnings before income taxes. The reasons for the differences and related tax effects are as follows:

	2017	2016
Earnings before payment in lieu of taxes	\$ 45,635	\$ 137,132
Tax at applicable tax rate	\$ 12,093	\$ 36,340
Other	8,658	520
Payment in lieu of taxes - current	\$ 20,751	\$ 36,860

9. Related party transactions:

The following entities are related parties to the Company:

- The Corporation of the City of Sault Ste. Marie (City) - 100% shareholder of PUC Inc.
- PUC Distribution Inc. (Distribution) - 100% owned by PUC Inc.
- PUC Services Inc. (Services) - 100% owned by the Corporation of the City of Sault Ste. Marie.
- Public Utilities Commission of the City of Sault Ste. Marie (Utility) - 100% owned by the Corporation of the City of Sault Ste. Marie.

The Company has a management, operations and maintenance agreement with Services until November 30, 2022 under which PUC Services Inc. manages, controls, administers and operates the business of the Corporation.

The Company receives interest income on its receivable balance from Services at the Ontario Energy Board Deemed Rate on its average monthly balance. Interest of \$88,046 (2016 - \$78,860) was received during the year. The Company receives interest income on its notes receivable from Services. Interest of \$532,638 (2016 - \$532,638) was received during the year.

The Company receives interest income on its note receivable balance from Distribution which bears interest at a rate of 6.1% (2016 - 6.1%). Interest of \$1,618,576 (2016 - \$1,618,575) was received during the year. The note is unsecured and is repayable one year after demand. There has been no demand on the note at December 31, 2017.

The Company has purchased services relating to business development costs from Services in the amount of \$141,634 (2016 - \$34,284). The Company incurred interest of \$1,934,920 (2016 - \$1,934,920) payable to its shareholder. The Company paid a dividend of \$Nil (2016 - \$1,220,160) to its shareholder.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

PUC INC.

Notes to Non-Consolidated Financial Statements

Year ended December 31, 2017

10. Contingency:

In 2007, the Ontario Provincial Government proposed amendments affecting the calculation of payments-in-lieu (PILs) for municipal electricity utilities. The Company has determined the proposed amendments are not substantively enacted. The proposed amendments will limit the allowable interest based on the regulatory deemed debt rate and debt to equity ratio. Interest paid to municipalities, after March 27, 2007, in excess of the allowable amounts will not be deductible in calculating PILs. The Company has determined these proposed amendments will result in incremental PILs totaling approximately \$180,000 for the period from March 28, 2007 to December 31, 2008. The incremental PILs, if any, will be recorded in the period the proposed amendments become enacted.

11. Fair value of financial instruments:

The carrying value of accounts receivable approximate fair value because of the short maturity of these instruments.

It is not practicable to determine the fair values of the investment in subsidiaries, notes receivable from related company, receivable from subsidiaries and notes payable as the companies are not publicly traded and the notes payable have no principal repayment terms.

12. Capital disclosures:

The Company's objective with respect to its capital structure is to maintain effective access to capital on an ongoing basis at reasonable rates while achieving appropriate rates of financial return for its shareholder.

The Company considers its capital structure to consist of shareholder's equity and notes payable held by the Company's shareholder which has been outlined below.

	2017	2016
Note payable to shareholder - 6.1% (2016 - 6.1%)	\$ 6,720,000	\$ 6,720,000
Note payable to shareholder - 6.1% (2016 - 6.1%)	25,000,000	25,000,000
Special shares	14,620,000	14,620,000
Common shares	14,618,248	14,618,248
Retained earnings	1,475,506	1,450,622
	\$ 62,433,754	\$ 62,408,870

The Company is subject to a shareholder's agreement which has restrictive covenants typically associated with such an agreement. At December 31, 2017, the Company is in compliance with all of the restrictive covenants and restrictions.

13. Financial risk management:

Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- market risk

This note presents information about the Company's risk management framework, its operational risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk management

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Financial Statements of

PUC SERVICES INC.

Year ended December 31, 2017



KPMG LLP
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Canada
Telephone (705) 949-5811
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INDEPENDENT AUDITORS' REPORT

To the Shareholder of PUC Services Inc.

We have audited the accompanying financial statements of PUC Services Inc., which comprise the statement of financial position as at December 31, 2017 and the statements of income and comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of PUC Services Inc. as at December 31, 2017, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Canada

April 25, 2018

PUC SERVICES INC.

Statement of Financial Position

As at December 31, 2017, with comparative information for 2016

	2017	2016
Assets		
Current assets:		
Cash	\$ 9,877,709	7,586,260
Accounts receivable (note 5)	4,558,241	5,742,568
Due from related party (note 18)	1,629,153	2,622,934
Inventories (note 6)	323,255	319,214
Prepaid expenses	692,679	18,712
Payment in lieu of taxes recoverable	9,862	-
Total current assets	17,090,899	16,289,688
Non-current assets:		
Deferred taxes (note 9)	768,000	650,000
Property, plant and equipment (note 7)	16,146,449	17,410,836
Intangible assets (note 8)	294,868	547,906
Total non-current assets	17,209,317	18,608,742
Total assets	\$ 34,300,216	34,898,430
Liabilities and Shareholder's Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,563,353	4,103,555
Payment in lieu of taxes	-	29,199
Due to related parties (note 18)	7,688,682	7,573,859
Current portion of long-term debt (note 10)	85,656	85,656
Total current liabilities	11,337,691	11,792,269
Non-current liabilities:		
Long-term debt (note 10)	9,314,842	9,400,498
Deferred revenue	10,732,985	10,716,759
Employee future benefit obligations (note 11)	2,240,410	2,002,450
Total non-current liabilities	22,288,237	22,119,707
Total liabilities	33,625,928	33,911,976
Shareholder's equity:		
Share capital (note 14)	1,943,300	1,943,300
Accumulated other comprehensive income	(6,005)	87,835
Deficit	(1,263,007)	(1,044,681)
Total shareholder's equity	674,288	986,454
Commitments and contingences (note 17)		
Total liabilities and shareholder's equity	\$ 34,300,216	34,898,430

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director
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Director

PUC SERVICES INC.

Statement of Income and Comprehensive Income

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Management fees	\$ 10,210,843	9,886,496
Contract services	5,079,096	5,132,802
Other operating revenue (note 15)	1,445,208	1,744,898
	16,735,147	16,764,196
Expenses:		
Contract service	4,402,896	4,580,946
Administrative	3,833,640	3,827,729
Facilities	2,675,390	2,793,312
Depreciation and amortization	2,314,797	2,229,024
Billing and collection	1,698,311	1,195,654
Customer service	987,698	973,830
Street lights	315,643	370,600
Other business and maintenance	154,785	125,759
New business development	141,634	34,284
	16,524,794	16,131,138
Income from operating activities	210,353	633,058
Other (income) expense:		
Finance income (note 16)	(45,265)	(5,857)
Finance charges (note 16)	579,013	594,096
Net finance costs	533,748	588,239
Income (loss) before provision for payment in lieu of taxes	(323,395)	44,819
Payment in lieu of taxes (note 9)		
Current (recovery)	(20,903)	1,864
Deferred (recovery)	(84,166)	(94,789)
	(105,069)	(92,925)
Income (loss) for the year	(218,326)	137,744
Other comprehensive income (loss): items that will not be classified to profit or loss, net of income tax:		
Remeasurement of employee future benefits (note 11)	(127,674)	(42,305)
Income tax recovery on other comprehensive income (note 9)	33,834	11,211
Other comprehensive income (loss) for the year, net of income tax	(93,840)	(31,094)
Net income (loss) and comprehensive income (loss) for the year	\$ (312,166)	106,650

See accompanying notes to financial statements.

PUC SERVICES INC.

Statement of Changes in Shareholders' Equity

Year ended December 31, 2017, with comparative information for 2016

	Share Capital	Acc. other comprehensive income (loss)	Deficit	Total
Balance, January 1, 2016	\$ 1,943,300	118,929	(1,182,425)	\$ 879,804
Net income for the year	-	-	137,744	137,744
Remeasurement of employee future benefit obligation	-	(31,094)	-	(31,094)
Balance, December 31, 2016	1,943,300	87,835	(1,044,681)	986,454
Loss for the year	-	-	(218,326)	(218,326)
Remeasurement of employee future benefit obligation	-	(93,840)	-	(93,840)
Balance, December 31, 2017	\$ 1,943,300	(6,005)	(1,263,007)	\$ 674,288

See accompanying notes to financial statements.

PUC SERVICES INC.

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash flows from operating activities:		
Net income (loss) and comprehensive income (loss)	\$ (312,166)	106,650
Item not involving cash:		
Depreciation and amortization	2,314,797	2,229,024
Amortization of deferred revenue	(408,615)	(525,255)
Gain on disposal of property, plant and equipment	(15,929)	(177,696)
Net finance costs	533,748	588,239
Income tax expense (recovery)	(105,069)	(92,925)
	2,006,766	2,128,037
Changes in non-cash working capital:		
Decrease in accounts receivables	1,184,327	493,692
Decrease (increase) in balances with related entities	1,153,869	(1,183,880)
Increase in inventories	(4,041)	(20,578)
Increase in prepaid expenses	(673,967)	(18,712)
Decrease in accounts payable and accrued liabilities	(540,202)	(361,363)
Increase in employee future benefit obligation	204,126	195,152
Income tax paid	(18,158)	124,391
Net cash from operating activities	3,312,720	1,356,739
Cash flows from financing activities:		
Principal payments on long-term debt	(85,656)	(85,657)
Contributions relating to property, plant and equipment	518,742	6,347,786
Interest paid	(579,013)	(594,096)
Net cash from financing activities	(145,927)	5,668,033
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	16,148	51,615
Purchase of property, plant and equipment	(879,130)	(7,581,952)
Purchase of intangible assets	(12,362)	(96,123)
	(875,344)	(7,626,460)
Increase (decrease) in cash	2,291,449	(601,688)
Cash, beginning of year	7,586,260	8,187,948
Cash, end of year	\$ 9,877,709	7,586,260

See accompanying notes to financial statements.

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

1. Reporting entity:

PUC Services Inc. (the "Company"), is incorporated under the Ontario Business Corporations Act and provides management, operations and maintenance services related to water, waste water and electrical services to its related entities and other organizations. The Company's head office is located at 500 Second Line East Sault Ste. Marie, Ontario.

The Company is wholly owned by The Corporation of the City of Sault Ste. Marie.

2. Basis of preparation:

(a) Statement of compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) Approval of the financial statements:

The financial statements have been approved and authorized for issue by the Board of Directors on April 25, 2018.

(c) Basis of measurement:

The financial statements have been prepared on the historical cost basis, unless otherwise stated.

(d) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the functional currency of the Company. All financial information is presented in Canadian dollars.

(e) Use of estimates and judgments:

The preparation of the financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next fiscal year are included in the following note:

- (i) Note 7 – Property, plant and equipment: estimation of useful lives
- (ii) Note 11 – Employee future benefits: key actuarial assumptions
- (iii) Note 17 – Commitments and contingencies

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies:

The accounting policies set out below have been applied consistently in all years presented in these financial statements unless otherwise indicated.

(a) Financial instruments:

All financial assets are classified as loans and receivables and all financial liabilities are classified as other liabilities. These financial instruments are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets as described in note 3(f). The Company does not enter into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short-term investments with maturities of three months or less when purchased.

(b) Revenue recognition:

Management fee revenue:

The Company provides management services to related parties and recognizes revenues as services are rendered.

Streetlight revenue:

The Company is contracted by the City of Sault Ste. Marie to provide electricity for street lights to the city and provide maintenance services on the lights. Revenue is recognized in the period the billing services are rendered and as services are provided.

Contract revenue:

The Company is contracted by the City of Sault Ste. Marie to operate the water and wastewater plants. Revenue is recognized as services are rendered. *CDM Revenue:*

Performance incentive payments under CDM programs are recognized by the Company when there is reasonable assurance that the program conditions have been satisfied and the incentive payments will be received.

(c) Inventory:

Inventories consist of parts, supplies and materials held for the future capital expansion and operations and are valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the material and supplies and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(d) Property, plant and equipment:

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Company's borrowings. Qualifying assets are considered to be those that take a substantial period of time to construct.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on the disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of the item of property, plant and equipment and are recognized net within other income in profit or loss.

Major spare parts and standby equipment are recognized as items of property, plant and equipment.

The cost of replacing a part of an item of property, plant and equipment is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. In this event, the replaced part of property, plant and equipment is written-off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation is calculated over the depreciable amount and is recognized in profit or loss on a straight-line basis over the estimated useful life of each part or component of an item of property, plant and equipment. The depreciable amount is cost. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and in service.

The estimated useful lives are as follows:

Buildings	25 – 50 years
Plant and equipment	4 – 40 years

Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(e) Intangible assets:

(i) Computer software:

Computer software that is acquired or developed by the Company, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated depreciation and accumulated impairment losses.

(ii) Amortization:

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful lives are:

Computer software

2 – 5 years

Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate.

(f) Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its current carrying amount (using prevailing interest rates), and the present value of the estimated future cash flows discounted at the original effective interest rate. Interest on the impaired assets continues to be recognized through the unwinding of the discount.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost the reversal is recognized in profit or loss.

(ii) Non-financial assets:

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(f) Impairment (continued):

(ii) Non-financial assets (continued):

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Provisions:

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(h) Deferred revenue and assets transferred from customers:

Certain customers and developers are required to contribute towards the capital cost of construction in order to provide ongoing service. When an asset is received as a capital contribution, the asset is initially recognized at its fair value, with the corresponding amount recognized as deferred revenue. Deferred revenue represents the Company's obligation to continue to provide customers services related to the supply of electricity, and is amortized to income on a straight-line basis over the economic useful life of the acquired or contributed asset, which represents the period of ongoing service to the customer.

(i) Employee future benefits:

(i) Pension plan:

The Company provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund"), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an underfunded position, additional contribution rates may be assessed to participating employers and members.

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(h) Employee future benefits (continued):

(i) Pension plan (continued):

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Company to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in net income when they are due.

(ii) Post-employment benefits, other than pension:

The Company provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The cost of these benefits is expensed as earned by employees through employment service. The accrued benefit obligations and the current service costs are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Actuarial gains and losses arising from defined benefit plans are recognized immediately in other comprehensive income and reported in retained earnings. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in net income on a straight-line basis over the average period until the benefits become vested. In circumstances where the benefits vest immediately, the expense is recognized immediately in net income.

(i) Finance income and finance charges:

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash and cash equivalents and on regulatory assets.

Finance charges comprise interest expense on borrowings. Finance charges are recognized as an expense unless they are capitalized as part of the cost of qualifying assets.

(j) Payment in lieu of taxes:

The Company is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations' Tax Act (collectively the "Tax Acts"). Under the *Electricity Act*, 1998, the Company makes payments in lieu of corporate taxes to the Ontario Electricity Financial Company ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Company's Tax Act (Ontario) as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001, the Company was not subject to income or capital taxes.

PILs comprises current and deferred payments in lieu of income tax. PILs are recognized in income and loss except to the extent that it relates to items recognized directly in either comprehensive income or equity, in which case, it is recognized in comprehensive income or in equity.

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(j) Payment in lieu of taxes (continued):

Current PILS is the expected amount of tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred PILs comprise the net tax effects of temporary differences between the tax basis of assets and liabilities and their respective carrying amounts for accounting purposes, as well as for tax losses available to be carried forward to future years that are likely to be realized. Deferred PILs assets and liabilities are measured using enacted or substantively enacted tax rates, at the reporting date, expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred PILs assets and liabilities of a change in tax rates is recognized in income in the year that includes the date of enactment or substantive enactment.

A deferred PILs asset is recognized to the extent that it is probable that future taxable income will be available against which the temporary difference can be utilized. Deferred PILs assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(k) Changes in accounting policies:

Effective January 1, 2017, the Company has adopted amendments to IAS 7, Financial Statement Disclosure. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both, cash and non-cash changes. Refer to note 10 for the reconciliation between the opening and closing balances for liabilities from financing activities related to long term debt.

(l) New standards and interpretations not yet effective:

The following new standards and interpretations are not yet effective but are considered to be relevant to the Company's financial statements:

i) *IFRS 15 Revenue from Contracts with Customers*

The IASB has issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15"). IFRS 15 replaces IAS 11 Construction Contracts, IAS 18 Revenue and various interpretations and establishes principles regarding the nature, amount, timing and uncertainty of revenue arising from contracts with customers. The standard requires entities to recognize revenue for the transfer of goods or services to customers measured at the amounts an entity expects to be entitled to in exchange for those goods or services. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. The Company is assessing the impact of IFRS 15 on its results of operations, financial position and disclosures.

ii) *IFRS 9 Financial Instruments ("IFRS 9" (2014))*

In July 2014, the IASB issued a new standard, IFRS 9 Financial Instruments, which will replace IAS 39 Financial Instruments: Recognition and Measurement. The replacement of IAS 39 is a multiphase project with the objective of improving and simplifying the reporting for financial instruments. The issuance of IFRS 9 is part of the first phase of

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(I) New standards and interpretations not yet effective (continued):

ii) IFRS 9 *Financial Instruments* ("IFRS 9" (2014)) (continued)

this project. IFRS 9 is effective for periods beginning on or after January 1, 2018 and must be applied retrospectively. The Company is assessing the impact of IFRS 9 on its results of operations, financial position, and disclosures.

(II) IFRS 16 *Leases*:

In January 2016, the IASB issued IFRS 16 to establish principles for the recognition, measurement, presentation and disclosures of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 replaces IAS17 and it is effective for annual periods beginning on or after January 1, 2019. The Company is assessing the impact of IFRS 16 on its results of operations, financial position and disclosures.

4. Critical accounting estimates and judgments:

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value of financial instruments:

The Company determines the fair value of financial instruments that are not quoted in an active market, using valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. In that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realized immediately.

The methods, and assumptions applied, and the valuation techniques used, for financial instruments that are not quoted in an active market are disclosed in note 19.

Payment in lieu of taxes:

The Company periodically assesses its liabilities and contingencies related to PILs for all years open to audit based on the latest information available. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current PILs provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the PILs liabilities.

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

4. Critical accounting estimates and judgments (continued):

Useful lives of depreciable assets:

Management reviews the useful lives of depreciable assets at each reporting date. At December 31, 2017, management assesses that the useful lives represent the expected utility of the assets to the Company. The carrying amounts are analyzed in notes 7 and 8. Actual results, however, may vary due to technical obsolescence, particularly for software and electronic equipment.

Impairment:

An impairment loss is recognized for the amount by which an asset's carrying amount exceeds its recoverable amount, which is the higher of fair value less cost to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances.

Employee retirement benefits:

The Company estimates the present value of employee retirement benefits, which depends on a number of assumptions including discount rates, expected salary and other cost increases, and mortality rates. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. Refer to note 11 for information relating to these estimates.

5. Accounts receivable:

	2017	2016
Trade receivables	\$ 4,053,587	\$ 4,868,291
Other receivables	504,654	874,277
	<u>\$ 4,558,241</u>	<u>\$ 5,742,568</u>

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

6. Inventories:

	2017	2016
Stores	\$ 84,167	\$ 105,041
Fuel	39,361	28,193
Street lights	199,727	185,980
	<u>\$ 323,255</u>	<u>\$ 319,214</u>

The amount of inventories consumed by the Company and recognized as an expense during 2017 was \$120,313 (2016 - \$156,210).

7. Property, plant and equipment:

(a) Cost:

	Land	Building	Plant and equipment	Construction -in- Progress	Total
Balance at January 1, 2017	\$ —	\$ 262,704	\$38,960,317	\$ 26,883	\$39,249,904
Additions	—	—	905,794	—	905,794
Disposals/retirements	—	—	(1,261,231)	(26,883)	(1,288,114)
Balance at December 31, 2017	\$ —	\$ 262,704	\$38,604,880	\$ —	\$38,867,584

	Land	Building	Plant and equipment	Construction -in- Progress	Total
Balance at January 1, 2016	\$ 70,368	\$1,666,669	\$31,967,841	\$ 36,244	\$33,741,122
Additions	—	—	7,581,952	—	7,581,952
Disposals/retirements	(70,368)	(1,403,965)	(589,476)	(9,361)	(2,073,170)
Balance at December 31, 2016	\$ —	\$ 262,704	\$38,960,317	\$ 26,883	\$39,249,904

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

7. Property, plant and equipment (continued):

(b) Accumulated depreciation:

	Land	Buildings	Plant and equipment	Construction -in-Progress	Total
Balance at January 1, 2017	\$ —	\$107,878	\$21,731,190	\$ —	\$21,839,068
Depreciation charge	—	5,254	2,044,142	—	2,049,396
Disposals/retirements	—	—	(1,167,329)	—	(1,167,329)
Balance at December 31, 2017	\$ —	\$113,132	\$22,608,003	\$ —	\$22,721,135

	Land	Buildings	Plant and equipment	Construction -in-Progress	Total
Balance at January 1, 2016	\$ —	\$ 933,647	\$20,416,113	\$ —	\$21,349,760
Depreciation charge	—	5,254	1,904,553	—	1,909,807
Disposals/retirements	—	(831,023)	(589,476)	—	(1,420,499)
Balance at December 31, 2016	\$ —	\$ 107,878	\$21,731,190	\$ —	\$21,839,068

(c) Carrying amounts:

	Land	Buildings	Plant and equipment	Construction -in-Progress	Total
December 31, 2017	\$ —	\$ 149,572	\$15,996,877	\$ —	\$16,146,449
December 31, 2016	\$ —	\$ 154,826	\$17,229,036	\$ 26,974	\$17,410,836

(d) Security:

At December 31, 2017, properties with a carrying amount of \$16,146,449 (2016 - \$17,410,836) are subject to a general security agreement.

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

8. Intangible assets:

(a) Cost:

	Computer software
Balance at January 1, 2017	\$ 2,049,578
Additions	12,362
Balance at December 31, 2017	\$ 2,061,940
Balance at January 1, 2016	\$ 1,953,455
Additions	96,123
Balance at December 31, 2016	\$ 2,049,578

(b) Accumulated amortization:

	Computer software
Balance at January 1, 2017	\$ 1,501,672
Amortization charges in 2017	265,400
Balance at December 31, 2017	\$ 1,767,072
Balance at January 1, 2016	\$ 1,182,454
Amortization charges in 2016	319,218
Balance at December 31, 2016	\$ 1,501,672

(c) Carrying amounts:

	Computer software
December 31, 2017	\$ 294,868
December 31, 2016	\$ 547,906

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

9. Payments in lieu of income taxes:

Payment in lieu of taxes:

	2017	2016
Current (recovery)	\$ (20,903)	\$ 1,864
Deferred (recovery)	(84,166)	(94,789)
Income tax expense	\$ (105,069)	\$ (92,925)

Reconciliation of effective tax rate:

	2017	2016
Earnings before payments in lieu of income taxes	\$ (323,395)	\$ 44,819
Statutory rate	26.5%	26.5%
Income tax	(85,700)	11,877
Increase (decrease) resulting from:		
Permanent difference	3,258	2,505
Adjustment of prior years		(68,933)
Other comprehensive income adjustment	(33,834)	(11,211)
Investment tax credits	3,073	(31,562)
Other	8,134	4,399
	\$ (105,069)	\$ (92,925)

Significant components of the Company's deferred tax balances are as follows:

	2017	2016
Deferred tax assets (liabilities):		
Plant and equipment	\$ (2,669,000)	\$ (2,720,000)
Employee benefits	594,000	531,000
Deferred revenue – contributed capital	2,843,000	2,839,000
	\$ 768,000	\$ 650,000

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

10. Long-term debt:

	2017	2016
Notes payable:		
(i) PUC Inc.	\$ 6,990,000	\$ 6,990,000
(ii) PUC Inc.	1,320,000	1,320,000
(iii) Ontario Infrastructure and Lands Corporation	573,333	626,667
(iv) Federation of Canadian Municipalities	517,165	549,487
	9,400,498	9,486,154
Less: current portion of long-term debt	85,656	85,656
	\$ 9,314,842	\$ 9,400,498

- I. Note payable to related company, PUC Inc., unsecured, bears interest at 7.62% per annum and is payable one year after demand. Interest of \$532,638 (2016 - \$532,638) was paid and expensed during the year.
- II. Note payable to related company, PUC Inc., unsecured and without interest and is payable one year after demand.
- III. Note payable to Ontario Infrastructure and Lands Corporation (OILC), bears interest at 4.22% per annum and is payable in monthly principal payments of \$4,444, due September 16, 2028. Interest of \$25,412 (2016 - \$27,741) was paid and expensed during the year.
- IV. Note payable to Federation of Canadian Municipalities (FCM), unsecured, bears interest at 4.21% per annum and is payable in semi-annual principal payments of \$16,161, due October 30, 2033. Interest of \$20,683 (2016 - \$23,921) was paid and expensed during the year.

Principal payments on the long-term debt are as follows:

2018	\$ 85,656
2019	85,656
2020	85,656
2021	85,656
2022	85,656
2023 - 2033	8,972,218
	9,400,498
Less: current portion	(85,656)
Long-term portion	\$ 9,314,842

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

10. Long-term debt (continued):

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	2017	2016
Long term debt - beginning	\$ 9,486,154	\$ 9,571,810
Less: cash outflows for principal repayments	85,656	85,656
	\$ 9,400,498	\$ 9,486,154

11. Employee future benefits:

The Company pays certain medical and life insurance benefits on behalf of some of its retired employees. The Company recognizes these post-retirement costs in the period in which employees' services were rendered. The accrued benefit liability at December 31, 2017 of \$2,240,410 was based on an actuarial valuation completed in 2017 using a discount rate of 3.40%.

Changes in the present value of the defined benefit unfunded obligation and the accrued benefit liability:

	2017	2016
Defined benefit obligation, beginning of year	\$ 2,002,450	\$ 1,846,728
Current service cost	107,382	103,800
Interest cost	76,658	74,388
Benefits paid during the year	(73,754)	(64,771)
Actuarial gains recognized in other comprehensive income	127,674	42,305
Accrued benefit liability, end of year	\$ 2,240,410	\$ 2,002,450

Components of net benefit expense recognized are as follows:

	2017	2016
Current service cost	\$ 107,382	\$ 103,800
Interest cost	76,658	74,388
Net benefit expense recognized	\$ 184,040	\$ 178,188

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

11. Employee future benefits (continued):

The significant actuarial assumptions used in the valuation are as follows (weighted average):

	2017	2016
Accrued benefit obligation:		
Discount rate	3.40%	3.90%
Benefit cost for the year:		
Withdrawal rate	0.50%	0.50%
Assumed health care cost trend rates:		
Cost trend rate estimated to decline to 4.5% over 8 years.	6.25%	6.50%

The approximate effect on the accrued benefit obligation of the entire plan and the estimated net benefit expense of the entire plan if the health care trend rate assumption was increased or decreased by 1%, and all other assumptions were held constant, is as follows:

	Defined Benefit Obligation	Periodic Benefit Cost
1% increase in health care trend rate	\$ 257,000	\$ 82,700
1% decrease in health care trend rate	216,200	66,700

The main actuarial assumptions utilized for the valuation are as follows:

General inflation - future general inflation levels, as measured by the changes in the Consumer Price Index, were assumed at 2% in 2017, and thereafter (2016; 2%).

12. Pension agreement:

The Company provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2017, the Company made employer contributions of \$1,642,869 to OMERS (2016 - \$1,633,366). The Company's net benefit expense has been charged to income.

13. Employee benefits:

	2017	2016
Salaries, wages and benefits	\$ 15,710,848	\$ 16,240,016
CPP and EI remittances	659,238	714,383
Contributions to OMERS	1,602,409	1,633,366
	\$ 17,972,495	\$ 18,587,765

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

14. Share capital:

	2017	2016
Authorized:		
Unlimited special shares, non-voting, non-cumulative, redeemable at \$10,000 per share		
10,000 Common shares		
Issued and outstanding:		
105 special shares	\$ 1,050,000	\$ 1,050,000
4,000 common shares	893,300	893,300
	<u>\$ 1,943,300</u>	<u>\$ 1,943,300</u>

15. Other operating revenue:

	2017	2016
Streetlights	\$ 487,261	\$ 566,428
Miscellaneous	359,324	479,118
Amortization of deferred revenue	408,615	525,255
Generation revenue	190,008	174,097
Total other income	<u>\$ 1,445,208</u>	<u>\$ 1,744,898</u>

16. Finance income and finance charges:

	2017	2016
Interest income	\$ 45,265	\$ 5,857
Interest expense on amounts due to related party	532,638	532,638
Interest expense on long-term debt	46,375	61,458
	<u>579,013</u>	<u>594,096</u>
Net finance costs recognized in comprehensive income	<u>\$ 533,748</u>	<u>\$ 588,239</u>

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

17. Commitments and contingencies:

General:

From time to time, the Company is involved in various litigation matters arising in the ordinary course of its business. The Company has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Company's financial position, results of operations or its ability to carry on any of its business activities.

General Liability Insurance:

The Company is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2017, no assessments have been made.

18. Related party transactions:

(a) Parent, ultimate controlling party, and other related parties:

The sole shareholder of the Company is the Corporation of the City of Sault Ste. Marie (the "City"). The City produces financial statements that are available for public use. Other related parties include; PUC Inc. also owned 100% by the City and PUC Distribution Inc. owned 100% by PUC Inc.; and the Public Utilities Commission of the City of Sault Ste. Marie (Water Utility).

(b) The key management personnel of the Company have been defined as members of its board of directors and executive management team members, and is summarized below.

	2017	2016
Directors' fees	\$ 30,288	\$ 23,562
Salaries and other short-term benefits	790,196	747,367
Post-employment benefits	10,837	10,601
	<u>\$ 831,321</u>	<u>\$ 781,530</u>

(c) Transactions with ultimate parent (the City):

In the year, the Company had the following significant transactions with its ultimate parent, a government entity:

The Company provides streetlight services and water and waste water services to the City. The amount charged to the City for streetlight maintenance is \$487,261 (2016 - \$566,428) and water and waste water services is \$3,067,824 (2016 - \$3,391,263).

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

18. Related party transactions (continued):

(d) Transactions with other related parties:

The Company has agreements which expire November 30, 2022 with the Utility, and with its other related entities, to manage, control, administer and operate the business of these entities. The Company charged the following management fees to the related parties:

	2017	2016
PUC Distribution Inc.	\$ 4,795,852	\$ 4,718,888
Public Utilities Commission of the City of Sault Ste. Marie	5,200,945	5,133,324
PUC Inc.	214,046	34,284
	<u>\$ 10,210,843</u>	<u>\$ 9,886,496</u>

The Company pays interest on payable balances at the Ontario Energy Board Deemed Rate on the average payable balance for the month. Interest was paid to PUC Inc., PUC Distribution Inc, and the Public Utilities Commission of the City of Sault Ste. Marie of \$88,046, \$18,693 and \$10,112 (2016 - \$78,860, \$31,981, and \$19,901 respectively).

The Company paid interest on its long-term debt to PUC Inc. of \$532,638 (2016 - \$532,638).

New business development costs of \$141,634 (2016 - \$34,284) were charged to PUC Inc.

19. Financial instruments and risk management:

Fair value disclosure

Cash is measured at fair value. The carrying values of receivables, and accounts payable and accrued charges approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

Financial risks

The Company understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Company's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

(a) Credit risk:

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Company, such as accounts receivable, expose it to credit risk. The Company earns in excess of 90% of its revenue from related parties and other municipal corporations.

PUC SERVICES INC.

Notes to Financial Statements

Year ended December 31, 2017

19. Financial instruments and risk management (continued):

(b) Liquidity risk:

The Company monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Company's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure.

The majority of accounts payable, as reported on the balance sheet, are due within 30 days.

(c) Capital disclosures:

The Company's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2017, shareholder's equity amounts to \$674,288 (2016 - \$986,454) and long-term debt amounts to \$9,314,842 (2016 - \$9,400,498).

20. Comparative information:

Certain 2016 comparative information has been reclassified to conform with the financial statement presentation adopted for 2017. The changes made do not have an impact on the statement of comprehensive income.

Financial Statements of

PUC DISTRIBUTION INC.

Year ended December 31, 2017



KPMG LLP
111 Elgin Street, Suite 200
Sault Ste. Marie ON P6A 6L6
Canada
Telephone (705) 949-5811
Fax (705) 949-0911

INDEPENDENT AUDITORS' REPORT

To the Shareholder of PUC Distribution Inc.

We have audited the accompanying financial statements of PUC Distribution Inc., which comprise the statement of financial position as at December 31, 2017 and the statements of comprehensive income, changes in shareholder's equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of PUC Distribution Inc. as at December 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

April 25, 2018
Sault Ste. Marie, Canada

PUC DISTRIBUTION INC.

Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,098,433	3,899,721
Accounts receivable (note 5)	4,772,774	6,620,270
Unbilled revenue	11,745,845	10,175,782
Due from related parties	192,649	100,201
Payment in lieu of taxes recoverable	27,798	550,032
Inventory (note 6)	1,445,792	1,486,453
Prepaid expenses	82,587	63,400
Total current assets	19,365,878	22,895,859
Non-current assets:		
Property, plant and equipment (note 7)	95,358,139	92,704,231
Deferred tax assets (note 8)	145,000	211,000
Total non-current assets	95,503,139	92,915,231
Total assets	114,869,017	115,811,090
Regulatory deferral account debit balances (note 9)	120,529	698,439
Deferred tax asset associated with regulatory deferral account balances (note 9)	52,000	77,000
	172,529	775,439
Total assets and regulatory deferral account debit balances	\$ 115,041,546	116,586,529

See accompanying notes to financial statements.

PUC DISTRIBUTION INC.

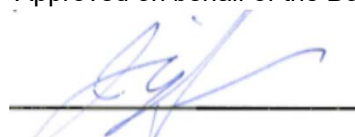
Statement of Financial Position (continued)

December 31, 2017, with comparative information for 2016

	2017	2016
Liabilities and Shareholder's Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 10,515,223	13,766,614
Current portion of long-term debt (note 10)	1,260,844	1,211,084
Customer deposits (note 11)	1,144,445	987,485
Deferred revenue	21,558	207,980
Total current liabilities	12,942,070	16,173,163
Non-current liabilities:		
Deferred revenue	2,936,510	1,862,763
Long-term debt (note 10)	62,686,347	63,947,191
Total non-current liabilities	65,622,857	65,809,954
Total liabilities	78,564,927	81,983,117
Shareholder's equity:		
Share capital (note 12)	20,062,107	20,062,107
Retained earnings	11,233,619	11,106,336
Total shareholder's equity	31,295,726	31,168,443
Total liabilities and shareholder's equity	109,860,653	113,151,560
Regulatory deferral account credit balances (note 9)	4,983,893	3,146,969
Deferred tax liability associated with regulatory deferral account balances	197,000	288,000
	5,180,893	3,434,969
Commitments and contingences (note 15)		
Total liabilities, regulatory balances and shareholder's equity	\$ 115,041,546	116,586,529

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

PUC DISTRIBUTION INC.

Statement of Comprehensive Income

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Electricity sales	\$ 76,878,822	82,764,200
Distribution revenue	16,311,679	15,495,940
Cost of electricity sold	(75,158,523)	(81,410,411)
	18,031,978	16,849,729
Other operating revenue (note 13)	4,321,865	3,497,340
Net operating revenue	22,353,843	20,347,069
Expenses:		
Operations and maintenance	5,916,615	5,977,871
General and administrative	3,347,960	3,188,235
Billing and collection	1,682,623	1,572,173
Depreciation and amortization	3,729,303	3,587,134
Community relations	2,525,333	1,388,930
	17,201,834	15,714,343
Income from operating activities	5,152,009	4,632,726
Other expenses:		
Finance income (note 14)	(22,622)	(33,313)
Finance charges (note 14)	3,199,549	3,058,063
Net finance costs	3,176,927	3,024,750
Income before tax and regulatory items	1,975,082	1,607,976
Income tax expense (recovery):		
Current (note 8)	127,500	(44,000)
Deferred (note 8)	66,000	185,000
	193,500	141,000
Income for the year before movements in regulatory deferral account balances	1,781,582	1,466,976
Net movement in regulatory deferral account balances related to profit or loss	1,720,299	1,353,788
Income tax	(66,000)	(185,000)
	1,654,299	1,168,788
Net income, being total comprehensive income for the year	\$ 127,283	298,188

See accompanying notes to financial statements.

PUC DISTRIBUTION INC.

Statement of Changes in Shareholders' Equity

Year ended December 31, 2017, with comparative information for 2016

	Share Capital	Retained Earnings	Total
Balance, January 1, 2016, as previously reported	\$ 20,062,107	10,808,148	30,870,255
Net income and comprehensive income	-	298,188	298,188
Balance, December 31, 2016	20,062,107	11,106,336	31,168,443
Net income and comprehensive income	-	127,283	127,283
Balance, December 31, 2017	\$ 20,062,107	11,233,619	31,295,726

See accompanying notes to financial statements.

PUC DISTRIBUTION INC.

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in)		
Cash flows from operating activities:		
Total comprehensive income for the year	\$ 127,283	298,188
Items not involving cash:		
Depreciation and amortization	3,729,303	3,587,134
Amortization of deferred revenue	(62,979)	(116,018)
Loss on disposal of property, plant and equipment	6,657	-
Net finance costs	3,176,927	3,024,750
Income tax expense (recovery)	193,500	(41,000)
	7,170,691	6,753,054
Changes in non-cash working capital:		
Accounts receivable	1,847,496	(719,935)
Unbilled revenue	(1,570,063)	686,386
Inventory	40,661	6,744
Prepaid expenses	(19,187)	(600)
Due from related parties	(69,826)	336,682
Accounts payable and accrued liabilities	(3,251,390)	5,807,888
Customer deposits	156,960	65,063
Deferred revenue	(186,422)	(20,475)
Income tax paid	394,733	114,250
Net movements in regulatory balances	2,348,833	(2,609,928)
Net cash from operating activities	6,862,486	10,419,129
Cash flows from financing activities:		
Repayment of long-term debt	(1,211,084)	(1,007,285)
Interest paid	(3,199,549)	(3,058,063)
Net cash from financing activities	(4,410,633)	(4,065,348)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(6,389,868)	(5,988,626)
Contributions relating to property, plant and equipment	1,136,727	450,272
	(5,253,141)	(5,538,354)
Change in cash and cash equivalents	(2,801,288)	815,427
Cash and cash equivalents, beginning of year	3,899,721	3,084,294
Cash and cash equivalents, end of year	\$ 1,098,433	3,899,721

See accompanying notes to financial statements.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

1. Reporting entity:

PUC Distribution Inc. (the "Company") is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The Company is located in the City of Sault Ste. Marie. The address of the Company's registered office is 500 Second Line East, Sault Ste. Marie, Ontario Canada.

The Company delivers electricity and related energy services to residential and commercial customers in Sault Ste. Marie. The Company is wholly owned by PUC Inc., which is itself wholly owned by The Corporation of the City of Sault Ste. Marie.

2. Basis of presentation:

(a) Statement of compliance:

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Approval of the financial statements:

The financial statements were approved by the Board of Directors on April 25, 2018.

(c) Basis of measurement:

The financial statements have been prepared on the historical cost basis, unless otherwise stated.

(d) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

(e) Use of estimates and judgments:

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in these financial statements is included in the following notes:

- (i) Note 7 - Property, plant and equipment
- (ii) Note 15 - Commitments and contingencies

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

2. Basis of presentation (continued):

(f) Rate regulation:

The Company is regulated by the Ontario Energy Board ("OEB"), under the authority granted by the *Ontario Energy Board Act, 1998*. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDCs"), such as the Company, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

The Company is required to bill customers for the debt retirement charge set by the province. The Company may file to recover uncollected debt retirement charges from Ontario Electricity Financial Company ("OEFC") once each year.

(g) Rate setting:

i) Distribution revenue:

For the distribution revenue included in electricity sales, the Company files a "Cost of Service" ("COS") rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenses, debt and shareholder's equity required to support the Company's business. The Company estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year's rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a productivity factor and a "stretch factor" determined by the relative efficiency of an electricity distributor.

As a licensed distributor, the Company is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Company is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Company ultimately collects these amounts from customers.

The Company filed an IRM in 2016 requesting a 1.45% inflationary increase to distribution rates for the period of May 1, 2017 to April 30, 2018. The IRM was approved on March 8, 2017.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

2. Basis of presentation (continued):

(g) Rate setting (continued):

ii) Electricity rates:

The OEB sets electricity prices for low-volume consumers twice each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Company is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

(a) Financial instruments:

All financial assets are classified as loans and receivables and all financial liabilities are classified as other liabilities. These financial instruments are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets as described in note 3(g). The Company does not enter into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short-term investments with maturities of three months or less when purchased.

(b) Revenue recognition:

i) Electricity sales:

Electricity sales are recognized as the electricity is delivered to customers and includes the amounts billed to customers for electricity, including the cost of electricity supplied, distribution, and any other regulatory charges. Electricity revenue is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the year. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Company has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

The difference between the amounts charged by the Company to customers, based on regulated rates, and the corresponding cost of electricity and related electricity service costs billed monthly by the Independent Electricity System Operator ("IESO") is recorded as a settlement variance. In accordance with IFRS 14, this settlement variance is presented within regulatory balances on the balance sheets and within net movements in regulatory balances, net of tax on the statement of comprehensive income.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(b) Revenue recognition (continued):

ii) Revenue from contracts with customers:

Certain customers and developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. Cash contributions are initially recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Company's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the economic useful life of the constructed or contributed asset, which represents the period of ongoing service to the customer.

iii) Rendering of services:

Revenue earned from the provision of services is recognized as the service is rendered.

iv) Conservation programs:

Incentive payments to which the Company is entitled from the IESO are recognized as revenue in the period when they are determined by the IESO and the amount is communicated to the Company.

(c) Inventory:

Inventories consist of parts, supplies and materials held for the future capital expansion and are valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the material and supplies and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

(d) Property, plant and equipment:

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Company's borrowings. Qualifying assets are considered to be those that take a substantial period of time to construct.

When parts of an item of property, plant and equipment ("PP&E") have different useful lives, they are accounted for as separate items (major components) of PP&E.

Gains and losses on the disposal of an item of PP&E are determined by comparing the proceeds from disposal, if any, with the carrying amount of the item of PP&E and are recognized net within other income in profit or loss.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(d) Property, plant and equipment (continued):

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

Depreciation is calculated over the depreciable amount and is recognized in profit or loss on a straight-line basis over the estimated useful life of each part or component of an item of PP&E. The depreciable amount is cost. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and in service.

The estimated useful lives are as follows:

Buildings	25 – 50 years
Transmission and distribution	15 – 60 years
Machinery and equipment	5 – 40 years

Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.

(e) Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its current carrying amount (using prevailing interest rates), and the present value of the estimated future cash flows discounted at the original effective interest rate. Interest on the impaired assets continues to be recognized through the unwinding of the discount.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost the reversal is recognized in profit or loss.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(e) Impairment (continued):

(ii) Non-financial assets:

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

(f) Provisions:

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(g) Regulation:

The following regulatory treatments have resulted in accounting treatments which differ from those prescribed by IFRS for enterprises operating in an unrelated environment and regulated entities that have not adopted IFRS 14, Regulatory Deferral Accounts (IFRS 14).

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(h) Regulatory deferral accounts:

In January 2014, the IASB issued IFRS 14 as an interim standard giving entities conducting rate-regulated activities the option of continuing to recognize regulatory balances according to their previous GAAP. Regulatory balances provide useful information about the Company's financial position, financial performance and cash flows. IFRS 14 will remain in force until either repealed or replaced by permanent guidance on rate-regulated accounting from the IASB. The Company early adopted IFRS 14 in 2015.

The Company has determined that certain asset and liability balances arising from rate-regulated activities qualify for the application of regulatory accounting treatment in accordance with IFRS 14 and the accounting principles prescribed by the OEB in the Accounting Procedures Handbook for Electricity Distributors. Under rate-regulated accounting, the timing and recognition of certain expenses and revenues may differ from those otherwise expected under other IFRS in order to appropriately reflect the economic impact of regulatory decisions regarding the Company's regulated revenues and expenditures. These amounts arising from timing differences are recorded as regulatory asset and liability balances on the Company's balance sheets, and represent existing rights and obligations regarding cash flows expected to be recovered from or refunded to customers, based on decisions and approvals by the OEB.

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. These amounts have been accumulated and deferred in anticipation of their future recovery in electricity distribution rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Company.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the capitalized cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in profit and loss. The debit balance is reduced by the amount of customer billings as electricity is delivered to the customer and the customer is billed at rates approved by the OEB for the recovery of the capitalized costs.

Regulatory deferral account credit balances are recognized if it is probable that future billings in an amount at least equal to the credit balance will be reduced as a result of rate-making activities. The offsetting amount is recognized in profit and loss. The credit balance is reduced by the amounts returned to customers as electricity is delivered to the customer at rates approved by the OEB for the return of the regulatory account credit balance.

The probability of recovery or repayment of the regulatory account balances are assessed annually based upon the likelihood that the OEB will approve the change in rates to recover or repay the balance. Any resulting impairment loss is recognized in profit and loss in the year incurred.

Regulatory deferral accounts attract interest at OEB prescribed rates. In 2017 the rate was 1.23%. Regulatory balances can be recognized for rate-setting and financial reporting purposes only if the OEB directs the relevant regulatory treatment or if future OEB direction is determined by management to be probable.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(h) Regulatory deferral accounts (continued):

In the event that the disposition of these balances is assessed to no longer be probable based on management's judgment, the balances are recorded in the Company's statement of income and comprehensive income in the period when the assessment is made. Regulatory balances that do not meet the definition of an asset or liability under any other IFRS are segregated on the statement of financial position and on the statement of income and comprehensive income as net movements in regulatory balances, net of tax. The netting of regulatory debit and credit balances is not permitted.

The measurement of regulatory balances is subject to certain estimates and assumptions, including assumptions made in the interpretation of the OEB's regulations and decisions.

(i) Credit support for service delivery:

Credit support for service delivery represents cash deposits from electricity distribution customers as well as construction deposits.

Deposits from electricity distribution customers are applied against any unpaid portion of individual customer accounts. Customer deposits in excess of unpaid account balances are refundable to individual customers upon termination of their electricity distribution service. Customer deposits are also refundable to residential electricity distribution customers demonstrating an acceptable level of credit risk, as determined by the Company.

Certain customers and developers are required to contribute towards the capital cost of construction in order to provide ongoing service. Cash contributions are initially recorded as credit support for service delivery, a current liability. Once the distribution system asset is completed or modified as outlined in the terms of the contract, the contribution amount is transferred to deferred revenue.

(j) Deferred revenue and assets transferred from customers:

Certain customers and developers are required to contribute towards the capital cost of construction in order to provide ongoing service. When an asset is received as a capital contribution, the asset is initially recognized at its fair value, with the corresponding amount recognized as deferred revenue within non-current liabilities. Deferred revenue represents the Company's obligation to continue to provide customers access to the supply of electricity, and is amortized to income on a straight-line basis over the economic useful life of the acquired or contributed asset, which represents the period of ongoing service to the customer.

(k) Finance income and finance costs:

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash and cash equivalents and on regulatory assets.

Finance charges comprise interest expense on borrowings and regulatory liabilities. Finance costs are recognized as an expense unless they are capitalized as part of the cost of qualifying assets.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(l) Payment in lieu of taxes:

The Company is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations' Tax Act (collectively the "Tax Acts"). Under the *Electricity Act*, 1998, the Company makes payments in lieu of corporate taxes to the Ontario Electricity Financial Company ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Company's Tax Act (Ontario) as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001, the Company was not subject to income or capital taxes.

PILs comprises current and deferred payments in lieu of income tax. PILs recognized in income and loss except to the extent that it relates to items recognized directly in either comprehensive income or equity, in which case, it is recognized in comprehensive income or in equity.

Current PILS is the expected amount of tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred PILs comprise the net tax effects of temporary differences between the tax basis of assets and liabilities and their respective carrying amounts for accounting purposes, as well as for tax losses available to be carried forward to future years that are likely to be realized.

Deferred PILs assets and liabilities are measured using enacted or substantively enacted tax rates, at the reporting date, expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred PILs assets and liabilities of a change in tax rates is recognized in income in the year that includes the date of enactment or substantive enactment.

A deferred PILs asset is recognized to the extent that it is probable that future taxable income will be available against which the temporary difference can be utilized. Deferred PILs assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(m) Changes in accounting policies:

Effective January 1, 2017, the Company has adopted amendments to IAS 7, Financial Statement Disclosure. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both, cash and non-cash changes. Refer to note 10 for the reconciliation between the opening and closing balances for liabilities from financing activities related to long term debt.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

3. Significant accounting policies (continued):

(n) New standards and interpretations not yet effective:

The following new standards and interpretations are not yet effective but are considered to be relevant to the Company's financial statements:

i) IFRS 15 *Revenue from Contracts with Customers*

The IASB has issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15"). IFRS 15 replaces IAS 11 Construction Contracts, IAS 18 Revenue and various interpretations and establishes principles regarding the nature, amount, timing and uncertainty of revenue arising from contracts with customers. The standard requires entities to recognize revenue for the transfer of goods or services to customers measured at the amounts an entity expects to be entitled to in exchange for those goods or services. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. The Company is assessing the impact of IFRS 15 on its results of operations, financial position and disclosures.

ii) IFRS 9 Financial Instruments ("IFRS 9"(2014))

In July 2014, the IASB issued a new standard, IFRS 9 Financial Instruments, which will replace IAS 39 Financial Instruments: Recognition and Measurement. The replacement of IAS 39 is a multiphase project with the objective of improving and simplifying the reporting for financial instruments. The issuance of IFRS 9 is part of the first phase of this project. IFRS 9 is effective for periods beginning on or after January 1, 2018 and must be applied retrospectively. The Company is assessing the impact of IFRS 9 on its results of operations, financial position, and disclosures.

iii) IFRS 16 Leases:

In January 2016, the IASB issued IFRS 16 to establish principles for the recognition, measurement, presentation and disclosures of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 replaces IAS17 and it is effective for annual periods beginning on or after January 1, 2019. The Company is assessing the impact of IFRS 16 on its results of operations, financial position and disclosures.

4. Critical accounting estimates and judgments:

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

4. Critical accounting estimates and judgments (continued):

Fair value of financial instruments:

The Company determines the fair value of financial instruments that are not quoted in an active market, using valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. In that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realized immediately.

The methods, and assumptions applied, and the valuation techniques used, for financial instruments that are not quoted in an active market are disclosed in note 17.

Payment in lieu of taxes:

The Company periodically assesses its liabilities and contingencies related to PILs for all years open to audit based on the latest information available. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current PILs provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the PILs liabilities.

Useful lives of depreciable assets:

Management reviews the useful lives of depreciable assets at each reporting date. At December 31, 2017, management assesses that the useful lives represent the expected utility of the assets to the Company. The carrying amounts are analyzed in note 7. Actual results, however, may vary due to technical obsolescence, particularly for software and electronic equipment.

Impairment:

An impairment loss is recognized for the amount by which an asset's carrying amount exceeds its recoverable amount, which is the higher of fair value less cost to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

5. Accounts receivable:

	2017	2016
Trade receivables	\$ 3,946,957	\$ 6,372,195
Other receivables	825,817	248,075
	<u>\$ 4,772,774</u>	<u>\$ 6,620,270</u>

Included in the receivables balance is an allowance for doubtful accounts in the amount of \$105,521 (2016 - \$100,000)

6. Inventory:

The amount of inventories consumed by the Company and recognized as an expense during 2017 was \$291,526 (2016 - \$344,489).

	2017	2016
Stores	\$ 730,216	\$ 765,430
Wire and cable	522,541	489,754
Poles	193,035	232,569
	<u>\$ 1,445,792</u>	<u>\$ 1,487,753</u>

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

7. Property, plant and equipment:

(a) Cost or deemed cost:

		Land and buildings	Transmission & distribution	Plant & equipment	Construction -in- Progress	Total
Balance at January 1, 2017	\$	25,884,134	\$58,850,844	\$18,271,159	\$ —	\$103,006,137
Additions		13,376	4,836,055	1,502,762	37,675	6,389,868
Disposals/retirements		—	(6,657)		—	(6,657)
Balance at December 31, 2017	\$	25,897,510	\$63,680,242	\$19,773,921	\$ 37,675	\$109,389,348

		Land and buildings	Transmission & distribution	Plant & equipment	Construction -in- Progress	Total
Balance at January 1, 2016	\$	25,794,441	\$53,547,654	\$17,675,416	\$ —	\$ 97,017,511
Additions		89,693	5,303,190	595,743	—	5,988,626
Balance at December 31, 2016	\$	25,884,134	\$58,850,844	\$18,271,159	\$ —	\$103,006,137

(b) Accumulated depreciation:

		Land and buildings	Transmission & distribution	Plant & equipment	Construction -in- Progress	Total
Balance at January 1, 2017	\$	2,034,706	\$ 5,644,033	\$ 2,623,167	\$ —	\$ 10,301,906
Depreciation charge		682,707	2,118,681	927,915	—	3,729,303
Balance at December 31, 2017	\$	2,717,413	\$ 7,762,714	\$ 3,551,082	\$ —	\$ 14,031,209

		Land and buildings	Transmission & distribution	Plant & equipment	Construction -in- Progress	Total
Balance at January 1, 2016	\$	1,353,814	\$ 3,638,750	\$ 1,722,208	\$ —	\$ 6,714,772
Depreciation charge		680,892	2,005,283	900,959	—	3,587,134
Balance at December 31, 2016	\$	2,034,706	\$ 5,644,033	\$ 2,623,167	\$ —	\$ 10,301,906

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

7. Property, plant and equipment (continued):

(c) Carrying amounts:

	Land and buildings	Transmission & distribution	Plant & equipment	Construction -in- Progress	Total
At December 31, 2017	\$ 23,180,097	55,917,528	16,222,839	37,675	95,358,139
At December 31, 2016	23,849,428	53,206,811	15,647,992	—	92,704,231

(d) Security:

At December 31, 2017, properties with a carrying amount of \$95,358,139 (2016 - \$92,704,231) are subject to a general security agreement.

8. Payments in lieu of income taxes:

Payment in lieu of taxes expense (recovery):

	2017	2016
Current	\$ 127,500	\$ (44,000)
Deferred	66,000	185,000
Income tax expense	\$ 193,500	\$ 141,000

Reconciliation of effective tax rate:

	2017	2016
Earnings before payments in lieu of income taxes	\$ 1,975,082	\$ 1,607,976
Statutory rate	26.5%	26.5%
Income tax	523,397	426,114
Increase (decrease) resulting from:		
Permanent difference	899	823
Change in regulatory accounts impacting current tax	(456,000)	(358,754)
Adjustment to prior year's recovery	127,500	28,000
Other	(2,296)	44,817
	\$ 193,500	\$ 141,000

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

9. Regulatory deferral account balance:

The following is a reconciliation of the carrying amount for each class of regulatory deferral account balances:

	January 1, 2017	Balances arising in the period	Recovery/ reversal	December 31, 2017	Remaining recovery/ reversal period (years)
Regulatory deferral account debit balances					
Regulatory Asset recovery Account Phase 6	\$ 31,963	\$ 3,838	\$ —	\$ 35,801	<1
Regulatory Asset recovery Account Phase 8	627,361	—	(571,335)	56,026	1
Deferred taxes	77,000	—	(25,000)	52,000	
Stranded Meters	3,847	(61)	—	3,786	<1
Smart Meter Entity Charges	35,268	312,558	(322,910)	24,916	3
Total amount related to regulatory deferral account debit balances	\$ 775,439	\$ 316,335	\$(919,245)	\$ 172,529	
Regulatory deferral account credit balances					
Settlement Variance	\$ (3,046,784)	\$ (1,741,922)	\$ —	\$ (4,788,706)	<1
Deferred Taxes	(288,000)	—	91,000	(197,000)	
Regulatory Asset Recovery Account Phase 5	(30,634)	—	—	(30,634)	<1
Regulatory Asset Recovery Account Phase 7	(59,051)	(15)	—	(59,066)	<1
CGAAP Accounting Changes	2	—	—	2	1
LRAMVA	(10,502)	(94,987)	—	(105,489)	<1
Total amount related to regulatory deferral account credit balances	\$ (3,434,969)	\$ (1,836,924)	\$ 91,000	\$ (5,180,893)	
	January 1, 2016	Balances arising in the period	Recovery/ reversal	December 31, 2016	Remaining recovery/ reversal period (years)
Regulatory deferral account debit balances					
Regulatory Asset recovery Account Phase 6	\$ 21,987	\$ 9,976	\$ —	\$ 31,963	<1
Regulatory Asset recovery Account Phase 8	—	(116,319)	743,680	627,361	1
Deferred taxes	143,000	—	(66,000)	77,000	
Stranded Meters	3,908	(61)	—	3,847	<1
Smart Meter Entity Charges	23,748	313,637	(302,117)	35,268	3
Total amount related to regulatory deferral account debit balances	\$ 192,643	\$ 207,233	\$ 375,563	\$ 775,439	
Regulatory deferral account credit balances					
Settlement Variance	\$ (5,021,855)	\$ 1,975,071	\$ —	\$ (3,046,784)	<1
Deferred Taxes	(539,000)	—	251,000	(288,000)	
Regulatory Asset Recovery Account Phase 5	(30,544)	(90)	—	(30,634)	<1
Regulatory Asset Recovery Account Phase 7	(58,402)	(9)	(640)	(59,051)	<1
CGAAP Accounting Changes	(72,874)	—	72,876	2	1
LRAMVA	(10,355)	(124)	(23)	(10,502)	<1
Total amount related to regulatory deferral account credit balances	\$ (5,733,030)	\$ 1,974,848	\$ 323,213	\$(3,434,969)	

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

9. Regulatory deferral account balance (continued):

The regulatory deferral account balances are recovered or settled through rates set by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Company has received approval from the OEB to establish its regulatory deferral account balances.

Group 1 deferral and variance accounts (Group 1 accounts) track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.

The OEB requires the Company to estimate its income taxes when it files a COS application to set its rates. As a result, the Company has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Company's deferred tax balance fluctuates.

10. Long-term debt:

	2017	2016
Notes payable:		
(i) Ontario Infrastructure smart meter loan	\$ 3,930,566	\$ 4,213,286
(ii) Ontario Infrastructure building loan	19,096,479	19,633,212
(iii) Ontario Infrastructure construction loan	14,386,106	14,777,737
(iv) Note payable to parent company, PUC Inc.	26,534,040	26,534,040
	63,947,191	65,158,275
Current portion of long-term debt	1,260,844	1,211,084
	\$ 62,686,347	\$ 63,947,191

- i) Smart Meter Loan with Ontario Infrastructure and Lands Corporation (OILC): Reducing Debenture Facility, amortization period of 15 years to July 17, 2028. The loan interest rate of 3.82%. Interest of \$153,773 (2016 - \$164,438) was paid and expensed during the year. The loan is payable in the amount of \$220,496 semi-annual principal and interest. Security is in the form of a second ranking general security agreement.
- ii) Land and Building Loan with OILC: Reducing Debenture Facility, amortization period of 25 years to October 1, 2038. The loan interest rate of 4.57%. Interest of \$886,088 (2016 - \$910,020) was paid and expensed during the year. The loan is payable in the amount of \$118,568 monthly principal and interest. Security is in the form of a first charge over the Company's land and building and a third ranking general security agreement.

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

10. Long-term debt (continued):

- iii) Electric Distribution Infrastructure Loan with OILC: The construction loan was converted to long term debt in 2016, at an interest rate of 3.47%, repayable over 25 years by a blended principal and interest payment of \$74,852 monthly maturing on May 16, 2041. Interest of \$506,598 (2016 - \$394,071) was paid and expensed during the year. Security is in the form of a fourth ranking general security agreement and a guarantee and assignment of shares from the company's shareholder, PUC Inc.
- iv) Note payable to parent company, PUC Inc., bears interest payable quarterly at rates periodically negotiated and principal payable one year after demand. The average interest rate for 2017 was 6.1% (2016 – 6.1%). The balance outstanding for 2017 is \$26,534,040 (2016 - \$26,534,040).

Principal payments on the long-term debt are as follows:

2018	\$ 1,260,844
2019	1,312,680
2020	1,366,680
2021	1,422,937
2022	1,481,545
2023 - 2041	57,102,505
	\$ 63,947,191

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	2017	2016
Long term debt - beginning	\$ 65,158,275	\$ 66,165,560
Less: cash outflows for principal repayments	1,211,084	1,007,285
	\$ 63,947,191	\$ 65,158,275

11. Customer deposits:

Customer deposits represent cash deposits from electricity distribution customers and retailers, as well as construction deposits.

Deposits from electricity distribution customers are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Company in accordance with policies set out by the OEB or upon termination of their electricity distribution service. The balance at December 31, 2017 is \$1,144,445 (2016 - \$987,485).

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

12. Share capital:

	2017	2016
Authorized:		
Unlimited number of special shares, non-voting, non-cumulative		
Redeemable at \$10,000 per share		
10,000 Common shares		
Issued and outstanding:		
8,612 common shares	\$ 20,062,107	\$ 20,062,107

13. Other operating revenue:

Other income comprises:

	2017	2016
Rendering of services	\$ 4,112,444	\$ 3,238,358
Other	146,442	142,964
Amortization of deferred revenue	62,979	116,018
Total other income	\$ 4,321,865	\$ 3,497,340

14. Finance income and expense:

	2017	2016
Interest income	\$ 22,622	\$ 33,313
Finance income	22,622	33,313
Interest expense on long-term debt	3,165,035	3,087,106
Other interest and carrying charges	34,514	(29,043)
	3,199,549	3,058,063
Net finance costs recognized in profit or loss	\$ 3,176,927	\$ 3,024,750

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

15. Commitments and contingencies:

i) General:

From time to time, the Company is involved in various litigation matters arising in the ordinary course of its business. The Company has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Company's financial position, results of operations or its ability to carry on any of its business activities.

ii) General Liability Insurance:

The Company is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2017, no assessments have been made.

iii) Letter of Guarantee:

The Company maintains a \$5,000,000 letter of guarantee with its Bank in favor of the IESO.

16. Related party transactions:

(a) Parent, ultimate controlling party, and other related parties:

The sole shareholder of the Company is PUC Inc., which in turn is wholly-owned by the Corporation of the City of Sault Ste. Marie. The City produces financial statements that are available for public use. Other related parties include PUC Services Inc. (Services), and Public Utilities Commission of the City of Sault Ste. Marie (Utility).

(b) Key management personnel:

The key management personnel of the Company have been defined as members of its board of directors and is summarized below:

	2017	2016
Directors' fees	\$ 12,052	\$ 7,827

(c) Transactions with ultimate parent (the City):

In the year, the Company had the following significant transactions with its ultimate parent, a government entity:

The Company delivers electricity to the City throughout the year for the electricity needs of the City and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The amount charged to the City for electricity consumed by streetlights is \$858,042 (2016 - \$1,450,202) and for other electricity consumption is \$4,187,577 (2016 - \$4,275,882).

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

16. Related party transactions (continued):

(d) Transactions with Services:

The Company has a management, operation and maintenance agreement with Services, which has been extended to November 30, 2022, under which Services manages, controls, administers and operates the business of the Company. During the year, management fees were paid to Services in the amount of \$4,795,852 (2016 - \$4,718,888).

The Company receives interest on its receivable balance to Services at the OEB prescribed short-term borrowing rate on its average monthly balance. Interest of \$18,693 (2016 - \$31,981) was received during the year.

These transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration agreed to by the related parties.

17. Financial instruments and risk management:

(a) Fair value disclosure:

Cash and cash equivalents are measured at fair value. The carrying values of receivables, and accounts payable and accrued charges approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

(b) Financial risks:

The Company understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Company's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

i) Credit risk:

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Company, such as accounts receivable, expose it to credit risk. The Company earns its revenue from a broad base of customers located in the City. No single customer accounts for a balance in excess of 2.53% of total accounts receivable.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in net income. Subsequent recoveries of receivables previously provisioned are credited to net income. The balance of the allowance for impairment at December 31, 2017 is \$105,521 (2016 - \$100,000).

The Company's credit risk associated with accounts receivable is primarily related to payments from distribution customers. The Company has over 33 thousand customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB. As at December 31, 2017, the Company holds security deposits in the amount of \$1,144,445 (2016 - \$987,485).

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

17. Financial instruments and risk management (continued):

(b) Financial risks (continued):

ii) Market risk:

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Company currently does not have any material commodity or foreign exchange risk. The Company is exposed to fluctuations in interest rates as the regulated rate of return for the Company's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

iii) Liquidity risk:

The Company monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Company's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Company monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they come due. As at December 31, 2017, no amounts had been drawn under the Company's credit facilities.

The majority of accounts payable, as reported on the balance sheet, are due within 30 days.

iv) Capital disclosures:

The main objectives of the Company, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Company's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2017, shareholder's equity amounts to \$31,295,726 (2016 - \$31,168,443) and long-term debt amounts to \$63,947,191 (2016 - \$65,158,275).

PUC DISTRIBUTION INC.

Notes to Financial Statements

Year ended December 31, 2017

18. Correction of immaterial errors:

	2017	2016
Opening retained earnings as previously reported	\$ 7,830,504	\$ 8,150,941
To correct immaterial errors in relation to depreciation and amortization on property, plant and equipment incorrectly recorded in prior years resulting in overstated amounts for depreciation and amortization.	3,275,832	2,657,207
Opening retained earnings, as recasted	\$ 11,106,336	\$ 10,808,148

The impact of correcting the immaterial errors to depreciation and amortization was to increase the net book value of property, plant and equipment by \$3,291,005, decrease deferred tax assets by \$870,000, decrease deferred tax asset associated with regulatory deferral account debit balances by \$313,000, increase deferred revenue by \$15,173 and decrease deferred tax liability associated with regulatory deferral account credit balances by \$1,183,000 at January 1, 2016. The net impact of these immaterial errors was to increase retained earnings by \$2,657,207 as at January 1, 2016 as presented in the table above.

Financial Statements of

**PUBLIC UTILITIES COMMISSION
OF THE CITY OF SAULT STE. MARIE**

Year ended December 31, 2017

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Financial Statements

Year ended December 31, 2017

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INDEPENDENT AUDITORS' REPORT

To the Commissioners of the Public Utilities Commission of the City of Sault Ste. Marie, Members of Council, Inhabitants and Ratepayers of The Corporation of the City of Sault Ste. Marie.

We have audited the accompanying financial statements of the Public Utilities Commission of the City of Sault Ste. Marie, which comprise the statement of financial position as at December 31, 2017, the statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Public Utilities Commission of the City of Sault Ste. Marie as at December 31, 2017, and its results of operations and its change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

May 8, 2018

Sault Ste. Marie, Canada

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
Financial assets:		
Cash	\$ 3,201,291	\$ 4,152,778
Accounts receivable	2,353,165	2,480,095
Unbilled service revenue	721,276	548,352
	6,275,732	7,181,225
Financial liabilities:		
Accounts payable and accrued liabilities	2,914,602	3,866,780
Loan payable (note 5)	6,652,782	7,365,679
Payable to related company PUC Services Inc. (note 4)	1,629,153	2,622,934
	11,196,537	13,855,393
Total net debt	(4,920,805)	(6,674,168)
Non-financial assets:		
Tangible capital assets (note 7)	87,873,433	85,525,500
Inventory	319,138	315,681
Prepaid expenses	3,196	-
	88,195,767	85,841,181
Accumulated surplus (note 8)	\$ 83,274,962	\$ 79,167,013

The accompanying notes are an integral part of these financial statements.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Statement of Operations and Accumulated Surplus

Year ended December 31, 2017, with comparative information for 2016

	Budget (note 2)	2017 Total	2016 Total
Revenues:			
Service revenue:			
Residential	\$ 10,735,838	\$ 10,203,003	\$ 9,655,343
General	7,506,574	7,182,197	6,452,885
Hydrants	1,234,000	1,276,627	1,166,989
	19,476,412	18,661,827	17,275,217
Other:			
Investment income	20,000	10,898	19,901
Non-service revenue	489,500	430,914	476,058
Developers contributions	-	617,513	198,458
Gain on sale of assets	-	-	98,032
	509,500	1,059,325	792,449
Total revenues	19,985,912	19,721,152	18,067,666
Expenditures:			
Purification and pumping	4,412,569	3,775,845	4,292,209
Transmission and distribution	4,192,081	3,403,963	3,706,839
Amortization of tangible capital assets	2,380,000	2,432,643	2,304,853
Hydrants	489,044	640,997	441,446
Billing and collection	1,328,919	1,413,161	1,218,688
Interest on long-term debt	263,571	219,808	223,885
General and administration	3,971,247	3,726,786	3,596,786
Total expenses	17,037,431	15,613,203	15,784,706
Annual surplus	2,948,481	4,107,949	2,282,960
Accumulated surplus, beginning of year	79,167,013	79,167,013	76,884,053
Accumulated surplus, end of year	\$ 82,115,494	\$ 83,274,962	\$ 79,167,013

The accompanying notes are an integral part of the financial statements.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Statement of Change in Net Debt

Year ended December 31, 2017, with comparative information for 2016

	Budget (note 2)	2017	2016
Annual surplus	\$ 2,948,481	\$ 4,107,949	\$ 2,282,960
Acquisition of tangible capital assets	(5,024,914)	(4,780,576)	(6,432,679)
Amortization of tangible capital assets	2,380,000	2,432,643	2,304,853
Gain on disposal of tangible capital assets		-	(98,032)
Proceeds on sale of tangible capital assets		-	726,765
	303,567	1,760,016	(1,216,133)
Change in prepaid expenses	-	(3,196)	-
Acquisition of inventory	-	(319,138)	(315,681)
Use of inventory	-	315,681	301,745
Change in net financial assets (net debt)	303,567	1,753,363	(1,230,069)
Net debt, beginning of year	(6,674,168)	(6,674,168)	(5,444,099)
Net debt, end of year	\$ (6,370,601)	\$ (4,920,805)	\$ (6,674,168)

The accompanying notes are an integral part of these consolidated financial statements.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used for):		
Operating activities:		
Annual surplus	\$ 4,107,949	\$ 2,282,960
Items not involving cash:		
Amortization of tangible capital assets	2,432,643	2,304,853
Developers contributions	(617,513)	(198,458)
Gain on disposal of tangible capital assets	-	(98,032)
	5,923,079	4,291,323
Change in non-cash assets and liabilities:		
Accounts receivable	126,930	471,636
Unbilled service revenue	(172,924)	159,236
Prepaid expenses	(3,196)	-
Inventory	(3,457)	(13,936)
Accounts payable	(952,178)	609,285
Increase in cash from operating activities	4,918,254	5,517,544
Capital activities:		
Cash used to acquire tangible capital assets	(4,163,063)	(6,234,221)
Proceeds on sale of tangible capital assets	-	726,765
	(4,163,063)	(5,507,456)
Financing activities:		
Proceeds of loan payable	-	8,000,000
Repayment of loan payable	(712,897)	(634,321)
Repayment of line of credit	-	(3,000,000)
Payable to PUC Services Inc.	(993,781)	(233,973)
Net change in cash for financing activities	(1,706,678)	4,131,706
Increase (decrease) in cash	(951,487)	4,141,794
Cash beginning of year	4,152,778	10,984
Cash end of year	\$ 3,201,291	\$ 4,152,778

The accompanying notes are an integral part of the financial statements.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2017

The Public Utilities Commission of the City of Sault Ste. Marie (the "Commission") is a body appointed by the Corporation of the City of Sault Ste. Marie to supply water and related services to its residents.

1. Significant accounting policies:

The financial statements of the Commission are prepared by management in accordance with accounting principles generally accepted in Canada for government organizations as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Commission are as follows:

(a) Basis of accounting:

Revenues and expenses are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Buildings and building improvements	10 to 60
Machinery and equipment	5
Water infrastructure	15 to 100

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2017

1. Significant accounting policies (continued):

(b) Non-financial assets (continued):

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Inventory

Inventory, which consists of parts and supplies acquired for internal construction or consumption, is valued at the lower of cost and replacement cost.

(c) Revenue recognition:

Revenue is recognized on the accrual basis, which includes an estimate of unbilled revenue for water consumed by customers since the date of each customer's last meter reading. Actual results could differ from estimates made of water usage.

(d) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

2. Budget figures:

The budgets established for capital funds are based on a project-oriented basis, the costs of which may be carried out over one or more years. As such, they may not be directly comparable with current year actual amounts.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2017

3. Related party transactions:

The following entities are identified as related parties to the Commission:

PUC Inc. – 100% owned by the Corporation of the City of Sault Ste. Marie (City).

PUC Distribution Inc. (Distribution) – 100% owned by PUC Inc.

PUC Services Inc. (Services) – 100% owned by the Corporation of the City of Sault Ste. Marie (City)

The Commission has a management, operation and maintenance agreement with Services, which currently has been extended to November 30, 2022, under which Services manages, controls, administers and operates the business of the Commission. All terms of the extension remain the same as the original agreement.

The Commission receives interest on balances receivable from Services at the Ontario Energy Board deemed interest rate on the average balance. Interest of (\$10,112) (2016 – \$19,901) was received during the year.

The Commission was charged management fees and operational fees by Services in the amount of \$5,200,945 (2016 – \$5,133,324). These transactions have been recorded at the exchange amount which is the agreed amount between the related parties.

4. Credit facility:

The Commission has an authorized line of credit facility available in the amount of \$6,200,000. The credit facility bears interest at prime plus 0.5% and is secured by a general security agreement. At December 31, 2017, \$ Nil (2016 - \$ Nil) was outstanding under the facility.

5. Loan payable:

	2017	2016
Loan payable incurred by The Commission	\$ 6,652,782	\$ 7,365,679

The loan is repayable \$77,660 monthly including interest at 3.11% and matures on January 12, 2026.

The Corporation of the City of Sault Ste. Marie (the "Guarantor") guarantees payment to the Bank of all present and future debts and liabilities, including interest due at any time by the Commission to the Bank. The Guarantor shall be limited to the sum of \$8,000,000 together with interest from the date of demand for repayment.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2017

5. Loan payable (continued):

Principal payments due on the loan payable for the next five fiscal years are as follows:

2018	\$	735,388
2019		758,587
2020		782,518
2021		807,205
2022		832,670

6. Expenditures by object:

Total expenditures by object are as follows:

	2017	2016
Salaries and benefits	\$ 4,022,519	\$ 4,108,416
Materials, supplies and services	9,158,040	9,371,437
Amortization of tangible capital assets	2,432,643	2,304,853
	\$ 15,613,202	\$ 15,784,706

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Year ended December 31, 2017

7. Tangible capital assets:

Cost	Balance at December 31, 2016	Additions	Disposals	Balance at December 31, 2017
Land	\$ 823,563	222	-	823,785
Buildings and building improvements	9,261,657	5,797	-	9,267,454
Water infrastructure	127,366,634	4,775,131	-	132,141,765
Work in progress	397,583	(574)	-	397,009
Total	\$ 137,849,437	4,780,576	-	142,630,013

Accumulated Amortization	Balance at December 31, 2016	Disposals	Amortization	Balance at December 31, 2017
Land	\$ -	-	-	-
Buildings and building improvements	4,377,108	-	150,332	4,527,440
Water infrastructure	47,946,829	-	2,282,311	50,229,140
Work in progress	-	-	-	-
Total	\$ 52,323,937	-	2,432,643	54,756,580

	Net book value, December 31, 2016	Net book value, December 31, 2017
Land	\$ 823,563	823,785
Buildings and building improvements	4,884,549	4,740,014
Water infrastructure	79,419,805	81,912,625
Work in progress	397,583	397,009
Total	\$ 85,525,500	87,873,433

Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$617,513 (2016 - \$198,458) comprised of water infrastructure.

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Year ended December 31, 2017

7. Tangible capital assets (continued):

Cost	Balance at December 31, 2015	Additions	Disposals	Balance at December 31, 2016
Land	\$ 869,374	7,074	(52,885)	823,563
Buildings and building improvements	10,553,728	219,397	(1,511,468)	9,261,657
Water infrastructure	121,160,994	6,205,640	-	127,366,634
Work in progress	397,015	568	-	397,583
Total	\$ 132,981,111	6,432,679	(1,564,353)	137,849,437

Accumulated Amortization	Balance at December 31, 2015	Disposals	Amortization	Balance at December 31, 2016
Land	\$ -	-	-	-
Buildings and building improvements	5,160,042	(935,620)	152,686	4,377,108
Water infrastructure	45,794,662	-	2,152,167	47,946,829
Work in progress	-	-	-	-
Total	\$ 50,954,704	(935,620)	2,304,853	52,323,937

	Net book value, December 31, 2015	Net book value, December 31, 2016
Land	\$ 869,374	823,563
Buildings and building improvements	5,393,686	4,884,549
Water infrastructure	75,366,332	79,419,805
Work in progress	397,015	397,583
Total	\$ 82,026,407	85,525,500

PUBLIC UTILITIES COMMISSION OF THE CITY OF SAULT STE. MARIE

Notes to Financial Statements

Year ended December 31, 2017

8. Accumulated surplus:

Accumulated surplus is comprised of:

	2017	2016
Invested in tangible capital assets	\$ 87,873,433	\$ 85,525,500
Operating fund	(4,598,471)	(6,358,487)
	<u>\$ 83,274,962</u>	<u>\$ 79,167,013</u>

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2018-67

PEDDLER AND FOOD VENDOR LICENCING: (R1.57) A by-law to licence, govern and regulate peddlers and street sales and to repeal By-laws 2003-51 and 2003-53.

WHEREAS Part IV of the *Municipal Act, 2001*, S.O. 2001, c.25, Part IV being entitled "Licences" sets out the conditions precedent to a municipality licencing a business;

AND WHEREAS s. 151 of the *Municipal Act* sets out a municipality's powers with respect to licencing a business and allows a municipality to provide for a system of licences with respect to a business;

AND WHEREAS after a review carried out by the City Clerk's Department, Police Services and the Legal Department it was determined that for the purpose of nuisance control and consumer protection it was necessary to licence peddlers and food vendors;

AND WHEREAS the proposed fees for each peddler and food vendor licence is set out in Schedule "A" to this by-law;

AND WHEREAS there are costs to the City associated with preparing this by-law, issuing licences, and enforcing this by-law;

AND WHEREAS the City wishes to strengthen compliance and enforcement to ensure greater fairness for local business;

NOW THEREFORE THE COUNCIL of the Corporation of the City of Sault Ste. Marie pursuant to the *Municipal Act* 2001, S.O. 2001, c.25, **ENACTS** as follows:

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PART I – DEFINITIONS

In this by-law:

“Applicant” means the person making application for issuance of a Licence under this by-law.

“City” means the Corporation of the City of Sault Ste. Marie.

“Council” means the Council of the City of Sault Ste. Marie or, where a hearing body of Council has been designated by Council for such purpose, means the hearing body of Council.

“Farmers’ Market” means a physical retail marketplace, either indoor or outdoor, consisting of booths, tables or stands where Northern Ontario farmers and vendors sell fruits, vegetables, meats, cheeses, prepared foods and beverages, wares and merchandise which they themselves produce and/or craft.

“Fire Chief” means the Fire Chief of the City of Sault Ste. Marie Fire Services or any officer of that Service.

“Food Vending Vehicle” means a handcart, peddled vehicle, vehicle, or trailer from which refreshments and/or food are sold for consumption by the public.

“Food Vendor” includes:

- (a) a person operating or using a Food Vending Vehicle; or
- (b) any person who goes from place to place, or to a particular place, with food or refreshments for sale to the public at large; or
- (c) any retailer which has an employee or agent who goes from place to place or to a particular place with food or refreshments for sale to the public at large.

“Licence” means a Licence issued pursuant to this by-law, which authorizes a Person to operate or use a Food Vending Vehicle or to go from place to place or to a particular place with goods, wares, merchandise, food or refreshments for sale, or to carry and expose samples, patterns or specimens of any goods, wares, merchandise, food or refreshments. There are six (6) classes of Food Vending Vehicle Licences and four (4) classes of Peddler Licences.

“Licencee” means the holder of a Licence.

“Medical Officer of Health” shall mean the Algoma Public Health Unit Medical Officer of Health or a person delegated by him or her for the purposes of this by-law.

“Owner” with respect to a premises licenced under this by-law shall mean the registered owner of the land on which the premises is situated and includes a trustee acting on behalf of the registered owner, the estate of a registered owner and a person with a leasehold interest in the land.

“Owner” with respect to a trade, business or occupation licenced under this By-law shall mean the person, company or partnership that carries on the trade, business or occupation and whose name appears on the Licence issued by the City for such trade, business or occupation pursuant to this by-law.

“Peddler” includes:

- (a) any person who goes from place to place, or to a particular place, with goods, wares or merchandise, excluding food or refreshments, for sale, or who carries and displays

samples, patterns or specimens of any goods, wares or merchandise, excluding food or refreshments; or

- (b) any retailer which has an employee or agent who goes from place to place or to a particular place with goods, wares or merchandise, excluding food or refreshments, for sale, or who carries and displays samples, patterns or specimens of any goods, wares or merchandise, excluding food or refreshments.

"Person" shall include an individual, a partnership, a firm or a corporation.

"Resident" shall include an individual, a partnership, a firm or a corporation who owns or rents long-term, a residential property within the City of Sault Ste. Marie or who pays commercial property tax. *"Long-term"* with respect to rental shall mean a minimum twelve (12) month rental.

"Sidewalk" means any public walkway, or portion of a highway between the curb line or the lateral line of a roadway and the adjacent property line.

PART II – GENERAL PROVISIONS

All of the regulations contained in this Part of this by-law shall apply to all Licences required under this by-law in addition to any other regulation contained in any other part of this by-law.

2.1 LICENCES

2.1.1 Licence Requirement

There shall be taken out by every person who operates or uses a Food Vending Vehicle or by every person who goes from place to place or to a particular place with goods, wares, merchandise, food or refreshments for sale, or who carries and exposes samples, patterns or specimens of any goods, wares, merchandise, food or refreshments, a Licence, for which said Licence the person obtaining same shall pay to The Corporation of the City of Sault Ste. Marie at the time of the taking out of such Licence the fee set out by this by-law.

2.1.2 Licence Fees

- (1) The sums of money set out in Schedule "A" of this by-law are hereby fixed as the fees for Licences and which shall be paid before the issue or renewal of any Licence. Unless otherwise specified, the fees shown are for the current calendar year or the portion thereof unexpired on the date of the application.
- (2) In order to receive the "Resident" fee for a Food Vendor Licence, the Applicant must provide, to the satisfaction of the City Clerk of the Corporation of the City of Sault Ste. Marie, or his/her designate, proof of ownership of property or proof of long-term rental (minimum twelve (12) month rental) within the City of Sault Ste. Marie, the determination of which shall be at the discretion of the City Clerk, or his/her designate.

2.1.3 Late Licence Fee

- (1) A Licence shall be taken out prior to any person operating or using any Food Vending Vehicle or carrying on or engaging in any trade, calling, business or occupation set out in Section 2.1.1 of this by-law.

- (2) A person who takes out a Licence after already engaging in the aforementioned activities in which a Licence is required for shall pay an additional "Late Licence" fee as set out in Schedule "A" to this by-law.

2.1.4 Duration of Licence

The duration of the Licence shall be set out on the Licence and shall depend on the Class of Licence issued.

2.1.5 Location of Licence

- (1) Every Licence issued pursuant to this by-law shall permit the Licensee to operate or use any Food Vending Vehicle or carry on or engage in any trade, calling, business or occupation set out in Section 2.1.1 of this by-law only in the particular location for which the Licence has been issued, and not in any other location, unless a separate Licence has been issued for said location.
- (2) Despite subsection (1), a person holding any Class 3, 4, 5 or 6 Licence may engage in door-to-door or mobile sales, and such permission shall be explicitly indicated on the Licence.

2.1.6 Transfer Not Permitted

- (1) No person shall enjoy a vested right in the continuance of a Licence and upon the issue, renewal, transfer or suspension thereof, the value of a Licence shall be the property of the City.
- (2) No Licence shall be transferred except upon the written approval of the City.

2.2 APPLICATION PROCEDURE

2.2.1 Administration

The City Clerk, or his/her designate, shall be responsible for the administration of this by-law and shall be the Issuer of Licences under this by-law.

2.2.2 Application for Licence

- (1) On an application for a Licence, or the renewal thereof, the applicant shall complete the prescribed forms and shall furnish to the City Clerk's Department of the Corporation of the City of Sault Ste. Marie such information as the City may direct to be furnished.
- (2) The City Clerk, or his/her designate, shall, upon receipt of an application for a Licence, make or cause to be made all investigations required by law or by the City relative to such application.
- (3) Every Applicant for a Licence shall disclose each municipality in Ontario in which he/she has carried on business in the year immediately preceding his/her application for a Licence and where the Applicant is a limited company the names and addresses of all the officers of the company shall be disclosed.
- (4) Every Applicant for a Licence shall disclose whether he/she, a partner or a corporation of which he/she is an officer or director has been convicted of an offence under a by-law

passed by another municipality regulating the types of businesses described in Section 2.1.1 of this bylaw or the *Business Practices Act*, R.S.O. 1990, chapter B. 18.

- (5) No Licence shall be granted until the application has been referred to the Sault Ste. Marie Police Services and it has investigated and reported in respect thereof. In the event that the Applicant has been convicted of an offence relating to fraud, theft or a violation of a peddler licencing by-law in another municipality, the Sault Ste. Marie Police Services may recommend that a Licence not be issued to the Applicant.

2.2.3 Issuance of Licence

- (1) If, after making the inquiries required under this by-law, the City Clerk, or his/her designate, is satisfied that a Licence should be issued the City Clerk, or his/her designate, shall issue a Licence to the Applicant.
- (2) If, after making the inquiries required under this by-law, the City Clerk, or his/her designate, is of the opinion that a Licence should not be issued, the City Clerk, or his/her designate, shall so advise the Applicant in writing. The Applicant may, within fourteen (14) days of being so advised, request that the matter of the issuance of the Licence be referred to City Council for a final determination of whether a Licence should be issued.
- (3) Every Licence issued under this by-law, where the same applies to a Food Vending Vehicle, shall be issued to the owner of the Food Vending Vehicle on the application of such owner and in accordance with the provisions of this by-law.

2.2.4 Cancellation or Revocation of Licence

- (1) Any Licence issued pursuant to the provisions of this by-law may be revoked or cancelled at any time by the City, without notice, subject to the provisions of the *Statutory Powers Procedures Act*, R.S.O. 1990, c S.22 and the *Municipal Act, 2001*, S.O. 2001, c. 25:
 - (a) For any reason that would disentitle the holder of the Licence if he or she were an Applicant;
 - (b) If the information in the application is false;
 - (c) If the operation of the Licencee's business is or will not be carried on in compliance with the law;
 - (d) If the conduct of the Licencee is calculated to mislead, deceive, or intimidate the public, or in a manner contrary to the provisions of this by-law.
- (2) Upon cancellation or revocation of a Licence, the Licencee shall return to the City Clerk, or his/her designate, all Licence certificates and licence plates, badges and other indicia issued by the City with reference to such Licence.

2.2.5 Signature on Licence

The City Clerk, or his/her designate, shall on behalf of the City sign all Licences issued by it pursuant to this by-law and his/her signature may be printed or mechanically reproduced on each Licence issued, and such Licence shall be in such form as the City may, from time to time, designate.

2.2.6 Lost Licences

Upon the City Clerk, or his/her designate, being satisfied that a Licence has been lost and that the Applicant for a new Licence form has made a diligent search therefor and is making application for a new Licence form in good faith, and if such Applicant undertakes in writing to the City Clerk, or his/her designate, to surrender the lost Licence form to him if found, the City Clerk, or his/her designate, may issue a duplicate Licence to such Applicant which shall consist of a true copy of the original Licence upon which the word "duplicate" is endorsed over the signature of the City Clerk, or his/her designate. A fee of Twenty (\$20.00) Dollars shall be charged for any replacement Licence issued.

2.2.7 Partnership

- (1) Where two or more persons carry on or engage in partnership in business, the Licence may be issued in the name of one partner only, but when the application for Licence is made, the name and address of each member of the partnership shall be set out therein.
- (2) Where a business is carried on under a name other than that of the Licencee, the Licence shall nonetheless be issued in the name of the Licencee, but there shall be endorsed thereon the name under which the business is carried on and no person shall carry on any such business under any name other than a name so endorsed upon the Licence.

2.3 RESPONSIBILITIES OF LICENCEE

2.3.1 Licence to be Posted/Carried

- (1) Every person obtaining a Licence under this by-law, where the same applies to a place or premises used in the carrying on of the business, shall keep the Licence posted up in some conspicuous place on the business premises in respect of which the Licence is issued, and every person so Licenced shall, when so requested by any member of the Sault Ste. Marie Police Service, a Municipal By-law Enforcement Officer, or the City Clerk, or his/her designate, produce a Licence for inspection.
- (2) Every person obtaining a Licence under this by-law, where the same applies to the occupation of such person, shall carry his/her Licence with him when engaged in the occupation for which the Licence is issued, and every person so Licenced shall, when so requested by any member of the Sault Ste. Marie Police Services, Municipal By-law Enforcement Officer, or City Clerk, or his/her designate, produce a Licence for inspection.
- (3) Every person obtaining a Licence under this by-law, where the same applies to a Food Vending Vehicle, shall during the currency of such Licence be kept affixed to and prominently displayed on the Food Vending Vehicle for which the Licence was issued.

2.3.2 Compliance with Laws

- (1) Every person applying for or holding a Licence under this by-law, or who is liable to be Licenced under this by-law, shall in such application or in carrying on such business, observe, comply with and be governed by the regulations set out in this by-law which relate to such business.

- (2) No person shall operate or use a Food Vending Vehicle or carry on or engage in any trade, calling, business or occupation set out in Section 2.1.1 of this by-law in contravention of any of the provisions of any other by-law of the Corporation or of any provincial or federal law.
- (3) Each holder of a Licence, where the same applies to a Food Vendor, shall comply with all provincial requirements regarding the handling of food.

2.3.3 Physical Intimidation Prohibited

No person operating under a Licence issued pursuant to this by-law shall engage in physical intimidation including but not limited to entering or failing to leave private property when it is known or ought reasonably be known to be unwelcome.

2.3.4 Operate in Permitted Location

No person holding any Class 1 or Class 2 Licence shall operate or use any Food Vending Vehicle or carry on or engage in any trade, calling, business or occupation set out in Section 2.1.1 of this by-law in any location other than the particular location for which the Licence has been issued.

PART III – FOOD VENDORS

Part III of this by-law applies to “Food Vending Vehicles” and “Food Vendors” only.

3.1 LICENCE – CLASSES

The following classes of “Food Vendors” are hereby established:

Class 1 – “Stationary Day Sales” shall include temporary businesses for one period of up to seven (7) days from one specific location and may include the use of a temporary structure where the use is permitted in the Zoning By-law.

Class 2 – “Stationary Temporary Sales” shall include temporary businesses for one period of up to three (3) months from one specific location and may include the use of a temporary structure where the use is permitted in the Zoning By-law.

Class 3 – “Mobile Day Sales” shall include any business, person or organization that conducts sales or has sales conducted on his/her or its behalf by door-to-door solicitation, or by moving from place to place, and such Licences shall be valid for a period of up to seven (7) days only.

Class 4 – “Mobile Temporary Sales” shall include any business, person or organization that conducts sales or has sales conducted on his/her or its behalf by door-to-door solicitation, or by moving from place to place, and such Licences shall be valid for a period of up to three (3) months only.

Class 5 – “Ice-cream or Hotdog Cart” shall include a vehicle from which only ice-cream and related products, or hotdogs and related products, are sold or offered for sale for consumption by the public, including, but not limited to, push carts and wheeled vehicles.

Class 6 – “Annual Sales” shall include any business, person or organization that conducts sales or has sales conducted on his/her or its behalf from one specific location, which may include the use of a temporary structure where the use is permitted in the Zoning By-law, or by door-to-door solicitation, or by moving from place to place, and such Licences shall be valid only for the calendar year in which it was issued.

3.2 REQUIREMENTS FOR FOOD VENDOR

3.2.1 Health Certificate

No Food Vending Vehicle or Food Vendor shall be Licenced under this by-law unless the City Clerk’s Department has received from the Medical Officer of Health a certificate of approval of such vehicle.

3.2.2 TSSA Approval

If the Food Vending Vehicle contains fuel-burning equipment, the Applicant must provide the City Clerk’s Department with a Technical Standards and Safety Authority (“TSSA”) certificate of approval.

3.2.3 Fire Extinguisher

If the Food Vending Vehicle contains fuel-burning equipment, the Applicant must provide to the City Clerk’s Department satisfactory proof that the Food Vending Vehicle is equipped with a working 2A10BC certified portable fire extinguisher.

3.2.4 Location Approval

No Food Vending Vehicle or Food Vendor shall be Licenced as a Class 1 or Class 2 Food Vendor under this by-law unless the Applicant has received approval from the relevant City Department(s) of the location in which the Food Vending Vehicle shall operate.

3.2.5 No Alterations or Additions

No person shall make any alteration in or addition to the structure of a Licenced Food Vending Vehicle or to the equipment used therein or thereon for the storage, preparation or serving of food.

3.2.6 Insurance

A person operating a Food Vending Vehicle or operating as a Food Vendor on City-owned property shall maintain at all times during the currency of the Licence a minimum of Five Million (\$5,000,000.00) Dollars comprehensive general liability insurance in respect of personal injury, death, loss or damage of or to any person or property of third parties, with insurers licenced to conduct business in Ontario. The City shall be added as an Additional Insured to the required liability insurance policy or policies and no such policy shall be cancelled or allowed to lapse without at least thirty (30) days written notice having been given to the City. An Insurance Certificate, on the C.S.I.O. form and satisfactory to the City’s Risk Manager, shall be provided to the City prior to the commencement of the Licence date.

3.3 LOCATION OF FOOD VENDING VEHICLE

3.3.1 Stationary Only (Class 1 and 2 Licences)

Class 1 and Class 2 Food Vendors may operate only in the location issued on the Licence and are not permitted to move from place to place.

3.3.2 Sidewalk, Boulevard and/or Road Allowance

If a person proposes to locate a free standing Food Vending Vehicle on a property owned by the City Corporation that is a sidewalk, boulevard and/or road allowance, that person must locate at a distance not less than thirty (30m) metres from an entrance to a food service premises unless written approval is received from the Owner and/or operator of such premises.

3.3.3 City Property

- (1) If a person proposes to locate a free standing Food Vending Vehicle on a property owned by the City Corporation not identified in 3.3.2 that person must first obtain approval for that location from the City Clerk's Department and/or relevant City Departments.
- (2) If the operator of the Food Vending Vehicle is not satisfied with the decision of the City Clerk's Department and/or relevant City Departments regarding the location of the Food Vending Vehicle on City property, the operator of the food vending vehicle is entitled to request that the matter be heard and a decision made by City Council.

3.3.4 Obstruction of Entrance/Exit Prohibited

No Food Vending Vehicle shall be placed so as to obstruct the entrance or exit to any building, whether the building is located on public or private property.

3.3.5 Located on Highway

No person shall sell or serve food or refreshments from the front of a Food Vending Vehicle or from the side thereof that faces the centre of the highway on which the vehicle stands.

3.3.6 Occupation without Permission

It is an offence for any person to operate a Food Vending Vehicle at any location without the written consent of the Owner of the land from which the Food Vending Vehicle is operated.

3.3.7 Residential Areas Prohibited

- (1) No persons, except those listed in subsection (2), shall sell or serve food or refreshments from a Food Vending Vehicle within an area of the City zoned Residential.
- (2) The following persons are permitted to sell or serve food or refreshments from a Food Vending Vehicle within an area of the City zoned Residential:
 - (a) Persons holding a Class 5 Food Vendor Licence selling ice-cream and related products; and
 - (b) Persons invited to sell or serve food or refreshments at an event upon the invitation of the Owner or Occupant of the premises from which the sale will take place.

3.4 EXEMPTIONS

- (1) No such Licence is required for operating a Food Vending Vehicle or operating as a Food Vendor:
 - (a) if the food product is grown or produced by a farmer resident in Ontario who offers for sale or sells only the produce of his/her own farm;
 - (b) by persons who enter into a written agreement with a non-profit charitable organization to sell their food product at a show or fund-raising event organized by the non-profit charitable organization and only during the hours of operation of the non-profit charitable organization's fundraising event or show;
 - (c) by persons who participate in a Farmers' Market open to the public;
 - (d) by persons who pay commercial property tax in the City for a business wherein food is prepared at the commercial property for which the taxes are based for consumption by the public.
- (2) Persons described in subsection 3.4(1)(d) are required to obtain a Licence when operating a Food Vending Vehicle and/or preparing and/or selling food off site.

PART IV – PEDDLERS

Part IV of this by-law applies to "Peddlers" only and is only applicable to the extent that door-to-door sales are permitted under the *Consumer Protection Act, 2002*, S.O. 2002, c.30.

4.1 LICENCE – CLASSES

The following classes of "Peddlers" are hereby established:

Class 1 – "Stationary Day Sales" shall include temporary businesses for one period of up to seven (7) days from one specific location and may include the use of a temporary structure where the use is permitted in the Zoning By-law.

Class 2 – "Stationary Temporary Sales" shall include temporary businesses for one period of up to three (3) months from one specific location and may include the use of a temporary structure where the use is permitted in the Zoning By-law.

Class 3 – "Door-to-Door Day Sales" shall include any business, person or organization that conducts sales or has sales conducted on his/her or its behalf by door-to-door solicitation and such Licences shall be valid for a period of up to seven (7) days only.

Class 4 – "Door-to-Door Temporary Sales" shall include any business, person or organization that conducts sales or has sales conducted on his/her or its behalf by door-to-door solicitation and such Licences shall be valid for a period of up to three (3) months only.

4.2 EXEMPTIONS

- (1) No such Licence is required for hawking, peddling or selling goods, wares or merchandise:
 - (a) to wholesale or retail dealers in similar goods, wares or merchandise;
 - (b) if the goods, wares or merchandise are hawked, peddled or sold by a person who operates a business selling similar goods, wares or merchandise in the City of Sault Ste. Marie, or by his/her employee or agent;

- (c) if the goods, wares or merchandise are hawked, peddled or sold by a person who pays property tax in the City, or by his/her employee or agent;
- (d) if the goods, wares or merchandise are hawked, peddled or sold by an agent of the grower, producer or manufacturer, acting on behalf of a dealer who pays property tax in the City in respect of such goods, wares or merchandise;
- (e) by persons who enter into a written agreement with a non-profit charitable organization to sell their goods, wares or merchandise at a show or fund-raising event organized by the non-profit charitable organization and only during the hours of operation of the non-profit charitable organization's fundraising event or show;
- (f) by persons who participate in a Farmers' Market open to the public;
- (g) by persons who sell wares at "home parties" or "events" upon the invitation of the Owner or Occupant of the premises from which the sale will take place.

PART V – ADMINISTRATION AND ENFORCEMENT

5.1 ENFORCEMENT

5.1.1 Enforcement Agency

The Sault Ste. Marie Police Service and the City's Municipal By-law Enforcement Officer(s), or a designate, shall be responsible for the enforcement of this by-law.

5.1.2 Inspections and Re-inspections

- (1) The Sault Ste. Marie Police Service, a Municipal By-law Enforcement Officer or any person acting under those persons, or any person authorized by the City may at reasonable times during business hours inspect as much of any place or premises carrying on any business in respect of which a person has or is required to have a Licence.
- (2) The Sault Ste. Marie Police Service, a Municipal By-law Enforcement Officer or any person acting under those persons, or any person authorized by the City may at reasonable times during business hours inspect:
 - (a) any premises or place where a Stationary Peddler business is carried on, or where there are reasonable and probable grounds to believe a Stationary Peddler business is being carried on; and/or
 - (b) any goods, equipment, books, records or documents used or to be used by any person in connection with a business.
- (1) When a re-inspection is required to confirm compliance with the provisions of this by-law a fee in the amount of One Hundred (\$100.00) Dollars shall be charged.

5.1.3. Offences and Penalties

- (1) Any person violating any of the provisions of this by-law shall be subject to a penalty of not more than \$2,000.00, exclusive of costs, and all such penalties shall be recoverable under the *Provincial Offences Act*, R.S.O. 1990, c. P.33.

- (2) For the purposes of this section, a separate violation shall be deemed to have been committed for each and every day during which such violation continues, and conviction in respect of a violation shall not operate as a bar to further prosecution if such violation continues.

5.2 ENACTMENT

5.2.1 Interpretation

In this by-law, unless the context otherwise requires, words importing the singular member shall include the plural and words importing the masculine shall include the feminine.

5.2.2 Conflict

In the case of a conflict between the provisions of this by-law and any other municipal by-law, the provisions of this by-law shall prevail.

5.2.3 Severances

If any section, subsection, sentence, clause, phrase or provision of this bylaw is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of the by-law. The City hereby declares that it would have passed this by-law and each section, subsection, sentence, clause, phrase and provision herein, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or provisions be declared invalid.

5.2.4 By-laws Repealed

By-Laws 2003-51 and 2003-53 of the Corporation of the City of Sault Ste. Marie and any amendments made thereto are hereby repealed.

5.2.5 Effective Date

This by-law shall be effective on the date of its final passing.

PASSED in open Council this 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

SCHEDULE “A” – FEE SCHEDULE

LICENCE TYPE	FEE	LATE LICENCE FEE
Part III – Food Vendor – Resident		
Class 1 – Stationary Day Sales	\$75 (maximum of 7 day Licence)	\$150
Class 2 – Stationary Temporary Sales	\$150 (maximum of 3 month Licence)	\$300
Class 3 – Mobile Day Sales	\$75 (maximum of 7 day Licence)	\$150
Class 4 – Mobile Temporary Sales	\$150 (maximum of 3 month Licence)	\$300
Class 5 – Ice-cream or Hotdog Cart	\$245 (seasonal)	\$490
Class 6 – Annual Sales	\$245 (valid only in the calendar year issued)	\$490
Part III – Food Vendor – Non-Resident		
Class 1 – Stationary Day Sales	\$150 (maximum of 7 day Licence)	\$300
Class 2 – Stationary Temporary Sales	\$300 (maximum of 3 month Licence)	\$600
Class 3 – Mobile Day Sales	\$150 (maximum of 7 day Licence)	\$300
Class 4 – Mobile Temporary Sales	\$300 (maximum of 3 month Licence)	\$600
Class 5 – Ice-cream or Hotdog Cart	\$300 (seasonal)	\$600
Part IV – Peddler – Resident		
Exempt from Licence requirement	N/A	N/A
Part IV – Peddler – Non-Resident		
Class 1 – Stationary Day Sales	\$150 (maximum of 7 day Licence)	\$300
Class 2 – Stationary Temporary Sales	\$300 (maximum of 3 month Licence)	\$600
Class 3 – Door-to-Door Day Sales	\$150 (maximum of 7 day Licence)	\$300
Class 4 – Door-to-Door Temporary Sales	\$300 (maximum of 3 month Licence)	\$600

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2018-105

AGREEMENT: (R1.40) A by-law to authorize the execution of the Agreement between the City and Sault Area Hospital to provide emergency lodging if a large-scale evacuation of the Hospital occurred.

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 the Agreement dated May 3, 2018 between the City and Sault Area Hospital, a copy of which is attached as Schedule "A" hereto. This Agreement is to provide emergency lodging if a large-scale evacuation of the Hospital occurred.

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 28th day of May, 2018.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

Schedule "A"

THIS AGREEMENT MADE THIS 3rd DAY OF MAY 2018

BETWEEN:

SAULT AREA HOSPITAL ("SAH")

—and—

THE CORPORATION OF THE CITY OF SAULT STE MARIE ("SAULT STE. MARIE")

WHEREAS, emergencies are unpredictable by their very nature, in size, scope and duration, so SAH is adopting a multi-site evacuation protocol with various partners throughout the community to ensure the best possible outcome in an emergency situation;

WHEREAS, the evacuation of some or all the patients, physicians, staff and volunteers of SAH could become necessary with very short notice in a large-scale, emergency situation;

AND WHEREAS, Sault Ste. Marie has facilities with the capacity to assist SAH in the reception of potential evacuees, they are being identified as one of the potential options in an emergency situation;

AND WHEREAS, section 13 of the Emergency Management and Civil Protection Act, R.S.O. 1990, c.E.9 (the "Act") makes provision for the council of a municipality to enter into an agreement with any person for the provision of any personnel, services, equipment, or materials during an emergency;

AND WHEREAS, Sault Ste. Marie has been asked to be one of the community partners to potentially receive evacuees, including the provision of emergency lodging, in a large-scale evacuation to the extent it is able to do so;

NOW THEREFORE, the parties hereby agree to the following:

A. OPERATION OF THIS AGREEMENT

1. This agreement shall have no force or effect unless and until a large-scale evacuation of SAH becomes necessary due to any threat or emergency.

B. DEFINITION OF AN EMERGENCY

2. An emergency situation of such disruption that SAH can no longer care for patients within its facility. Examples include catastrophic fire, building collapse, chemical contamination or severe loss of essential services

C. PROVISION OF EMERGENCY ASSISTANCE

3. (a) Subject to Section 1, if and when an evacuation of the patients, physicians and staff of SAH becomes necessary, Sault Ste. Marie hereby agrees to render assistance as follows:
 - (i) to make available the use of its respective facilities/community/sports centres ("Facilities") and/or equipment ("Equipment") to house evacuees;
 - (ii) to provide its respective municipal personnel as are necessary to maintain and operate the Facilities and/or Equipment, so provided pursuant to Section 2 herein; and
 - (iii) such other assistance as the parties may agree upon.
3. (b) Any assistance and the duration thereof rendered by Sault Ste. Marie pursuant to Section (a) herein shall be:
 - (i) determined exclusively by Sault Ste. Marie as the host in its sole and unfettered discretion; and
 - (ii) provided by Sault Ste. Marie subject to availability as determined solely by Sault Ste. Marie, as the host.

D. USE OF FACILITIES AND EQUIPMENT

4. Sault Ste. Marie will give due consideration to the requirements of any Facilities and Equipment provided pursuant to Section 1(a) herein as is required to ensure safe accommodation.
5. Notwithstanding the above paragraphs, final authority for the use and control of the Facilities and Equipment shall rest with Sault Ste. Marie.

E. STAFFING

6. While any Facility is in use under the terms of the agreement:

- (a) Sault Ste. Marie shall have one or more members of its staff on the Facility premises at all times to assist with the operation and maintenance of the facility; and
- (b) The SAH shall have one or more members of its staff on the Facility premises at all times to assist with the operation and maintenance of the activities for the evacuees and volunteers.

F. DILIGENCE AND CARE

7. SAH, in using the host municipality's Facilities, shall exercise due diligence and care and shall not interfere with any of the Facility's activities unless deemed necessary as part of the response to the emergency.

8. Prior to the use of any Facility, a duly authorized representative of Sault Ste. Marie and a duly authorized representative of SAH shall jointly inspect each Facility and Equipment to be used. A memorandum will then be signed by both parties outlining any pre-use damage or deficiencies.

9. Upon termination of use by either party, both parties shall again inspect each Facility and Equipment used and make note of any damage, deficiencies or other such factors resulting from the use of said Facility and Equipment.

G. INDEMNITY

10. In the event that Sault Ste. Marie acts as host site pursuant to this agreement, SAH agrees to save harmless and fully indemnify Sault Ste. Marie, its officers, agents, contractors and employees from and against all losses, damages, liabilities, costs and expenses (including legal fees on a substantial indemnity scale basis and disbursements with choice of counsel being reserved to Sault Ste. Marie in its sole discretion), caused to or incurred by Sault Ste. Marie and from all claims, demands, awards, losses, costs, damages, actions, suits or other proceedings by whomsoever made, brought or prosecuted in any matter based upon, arising directly or indirectly out of Sault Ste. Marie acting as host municipality pursuant to this agreement, the intent being that Sault Ste. Marie shall be at no risk or expense in acting as host site.

11. Sault Ste. Marie agrees to indemnify and hold harmless SAH, its directors, officers, employees, agents, independent contractors and volunteers against all (negligent) actions, causes of action, suits, claims, demands, judgments, costs, damage and damages of any kind whatsoever, including reasonable legal fees which SAH may suffer, arising solely from the negligence of the Sault Ste. Marie or the breach of the Sault Ste. Marie's obligations under this Agreement or as the result of any act or omission of the Sault Ste. Marie or those persons authorized to act on behalf of the Sault Ste. Marie.

12. SAH and Sault Ste. Marie will consult with one another prior to either party incurring such costs as those outlined in 10 and 11.

H. INSURANCE

13. SAH shall at no expense to the Sault Ste. Marie, maintain professional and general liability insurance, against claims for bodily injury, death or property damage or loss arising out of the services being provided hereunder, indemnifying and protecting Sault Ste. Marie but only with respect to liability arising from this Agreement, to an amount of not less than twenty million dollars (\$20,000,000.00) in respect of any one accident or occurrence. Any and all such certificates of such coverage shall include coverage providing for cross liability and severability of interest.

14. Sault Ste. Marie shall at no expense to SAH, maintain professional and general liability insurance, against claims for bodily injury, death or property damage or loss arising out of the services being provided hereunder, indemnifying and protecting Sault Ste. Marie but only with respect to liability arising from this Agreement, to an amount of not less than twenty million dollars (\$20,000,000.00) in respect of any one accident or occurrence.

15. SAH shall at its own expense, provide to Sault Ste. Marie a certificate of insurance not less than fifteen (15) days prior to the expiration of any then current policy. The certificate of coverage provided to Sault Ste. Marie shall include a written confirmation that Sault Ste. Marie has been added as an Additional Insured with respect to SAH's general liability insurance coverage.

I. COSTS

16. The parties hereby acknowledge and agree that both SAH and Sault Ste. Marie will incur costs as a result of the use of any Facility and any evacuees being received.

17. SAH shall pay all such costs and/or expenses incurred by Sault Ste. Marie under this agreement forthwith upon receipt of an invoice and supporting documentation.

18. In the event that Sault Ste. Marie is asked to receive evacuees and/or provide emergency services to SAH, the parties acknowledge and agree that either party may receive funding under the Act or other provincial and/or federal emergency disaster programs.

19. Upon the receipt of any provincial and/or federal emergency/disaster relief program funding related to the reception of evacuees, the SAH agrees to remit any funds owed to the host.

20. Nothing in this agreement shall preclude either SAH or Sault Ste. Marie from taking action to recover costs and expenses from such person(s) or entities as may be found responsible for causing the emergency, or from seeking federal and/or provincial funding to cover any or all costs.

J. TERM

21. This agreement shall be in effect commencing on the date on which it is executed by both parties and shall remain in effect until terminated according to the provisions of Article L. The parties agree to review this agreement every three (3) years, or upon request by either party.

K. DISPUTE RESOLUTION

22. If a dispute arises between the Parties relating to any matter contemplated by this Agreement, then both Parties shall make every effort to resolve the dispute. If unable to resolve the dispute, then the dispute shall be referred to the CEO of SAH and the Sault Ste. Marie CAO who shall make every effort to resolve the dispute *(and will jointly explore and agree on additional steps if not able to resolve)*.

L. TERMINATION

23. This agreement may be terminated by any of the parties hereto, by 60 days-notice given in writing to the other parties by delivering the same in-person or by ordinary mail. Any notice shall be deemed to have been given on the third business day following the date on which it was mailed.

M. SUCCESSORS AND ASSIGNS

24. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their seals attested by the proper officers in that behalf.

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

Mayor Christian Provenzano

I have the authority to bind the Corporation.

Malcolm White, Deputy CAO and City Clerk

I have the authority to bind the Corporation.

SAULT AREA HOSPITAL

Ron Gagnon, President & Chief Executive Officer

I have the authority to bind the Organization.

Ila Watson, Vice President Transformation & Chief Human Resources Officer

I have the authority to bind the Organization.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2018-106

STREET ASSUMPTION: (PR4) A by-law to assume for public use and establish as public streets various parcels of land conveyed to the City.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. **STREETS ESTABLISHED AND ASSUMED**

The Corporation of the City of Sault Ste. Marie hereby assumes for public use and establishes as public streets, the streets or parts of streets more particularly described in Schedule "A" to this by-law.

2. **SCHEDULE "A"**

Schedule "A" hereto forms a part of this by-law.

3. **EFFECTIVE DATE**

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

PASSED in open Council this 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

da LEGAL\STAFF\COUNCIL\BY-LAWS\2018\2018-106 STREET ASSUMPTION.DOC

SCHEDULE "A" TO BY-LAW 2018-106

1) **CHATFIELD STREET**

PART PIN 31566-0640 (LT)
PT SECTION 24 KORAH PT 2 1R11996; CITY OF SAULT STE. MARIE

2) **BALSAM LANE**

PART PIN 31566-0640 (LT)
PT SECTION 24 KORAH PT 3 1R11996; CITY OF SAULT STE. MARIE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2018-107

ZONING: A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 680 Fifth Line East (Sherry Bernard).

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 34 of the *Planning Act*, R.S.O. 1990, c. P.13 and amendments thereto, **ENACTS** as follows:

1. **680 FIFTH LINE EAST; LOCATED ON THE SOUTHEAST SIDE OF GREAT NORTHERN ROAD, APPROXIMATELY 294M NORTHEAST OF ITS INTERSECTION WITH FIFTH LINE EAST; CHANGE FROM RA TO RA.S WITH A “SPECIAL EXCEPTION”**

The zone designation on the lands described in section 2 of this by-law, which lands are shown on Map 504/2-62 of Schedule “A” to By-law 2005-150, is changed from RA (Rural Area) zone to RA.S (Rural Area) zone with a “Special Exception”.

2. **BY-LAW 2005-151 AMENDED**

Section 2 of By-law 2005-151 is amended by adding the following subsection 2(377) and heading as follows:

“2(377) 680 FIFTH LINE EAST

Despite the provisions of By-law 2005-150, the zone designation on the lands located on the southeast side of Great Northern Road, approximately 294m northeast of its intersection with Fifth Line East and having civic no. 680 Fifth Line East and outlined and marked “Subject Property” on the map attached as Schedule 377 hereto is changed from RA (Rural Area) zone to RA.S (Rural Area) zone with a “Special Exception” to permit, in addition to those uses permitted in an RA zone, a second dwelling unit upon the subject property, to be located on the second floor of the detached garage.”

3. **SCHEDULE “A”**

Schedule “A” hereto forms a part of this by-law.

4. **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.

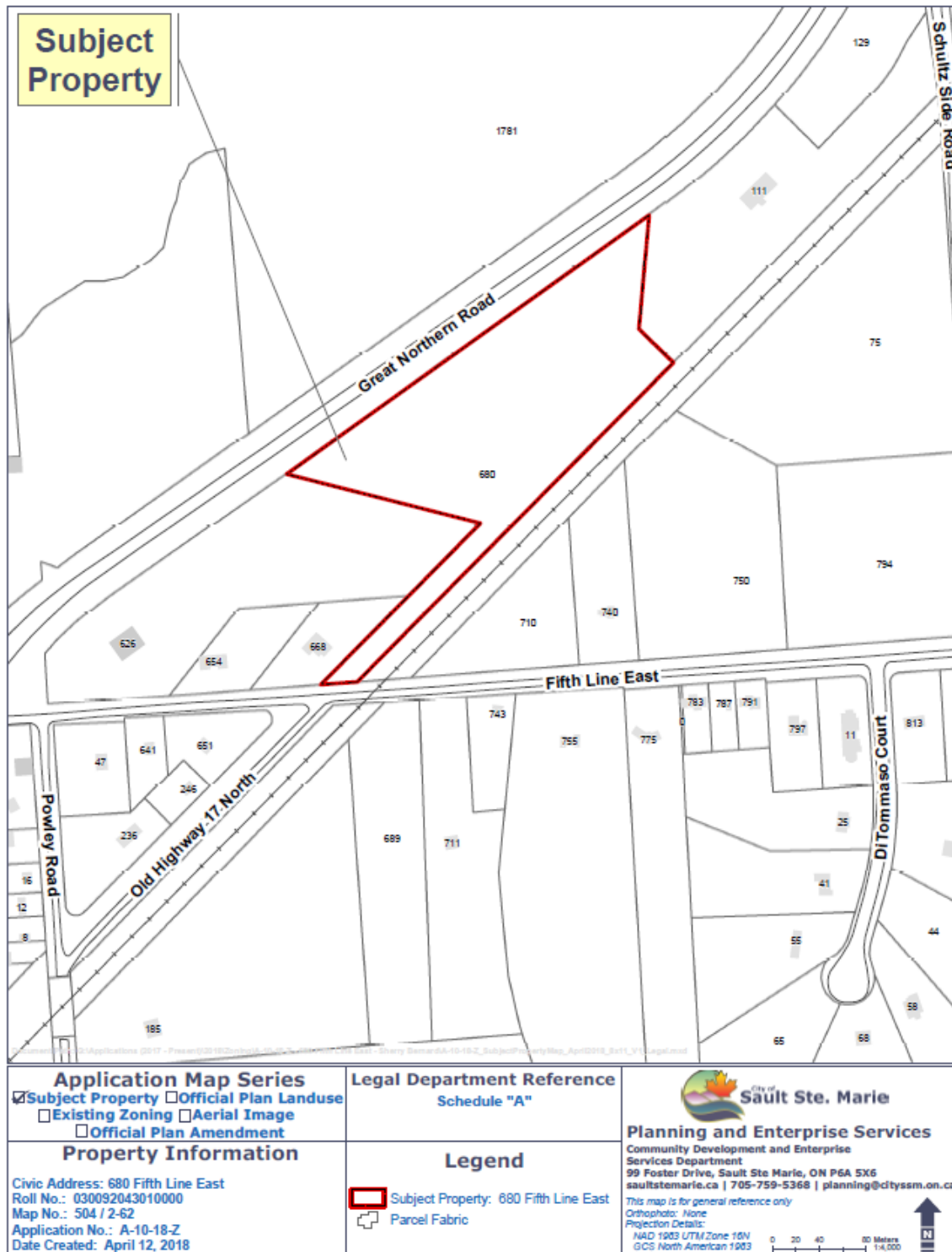
PASSED in Open Council this 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

DEPUTY CITY CLERK – RACHEL TYCZINSKI

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**SCHEDULE "A" TO BY-LAW 2012-45 AND
SCHEDULE 377 TO BY-LAW 2005-151**



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2018-108

AGREEMENT: (AG170) A by-law to authorize the execution of the Agreement between the City and Fox Run Developments (Sault) Inc. to amend the Limiting Distance Agreement dated December 11, 2017 to reflect a revised IR Plan.

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 the Agreement dated May 28, 2018 between the City and Fox Run Developments (Sault) Inc., a copy of which is attached as Schedule "A" hereto. This Agreement is to amend the Limiting Distance Agreement dated December 11, 2017 to reflect a revised IR Plan.

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 28th day of May, 2018.

MAYOR - CHRISTIAN PROVENZANO

DEPUTY CITY CLERK – RACHEL TYCZINSKI

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Schedule "A"
AMENDING LIMITING DISTANCE AGREEMENT

This Amending Agreement made this 28th day of May, 2018

BETWEEN:

FOX RUN DEVELOPMENTS (SAULT) INC.
(hereinafter referred to as the "Owner")

- and -

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
(hereinafter referred to as the "City")

WHEREAS the City and the Owner entered into a Limiting Distance Agreement on December 11, 2017;

AND WHEREAS the Parties wish to amend the Limiting Distance Agreement to reflect a revised 1R Plan;

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. Except for the amendments provided for in this Amending Limiting Distance Agreement, all provisions in the Limiting Distance Agreement shall remain in full force and effect.
2. Capitalized terms used but not defined in this Amending Limiting Distance Agreement have the meanings ascribed to them in the Limiting Distance Agreement.
3. Any reference to the Adjacent Lands shall include part of Lot 25, Plan H-731, part of PIN 31511-0282, as represented as Parts 1, 2 and 5 on the revised Plan 1R-13439, attached as Schedule "A" to this Amending Limiting Distance Agreement;
4. The Limiting Distance Agreement is amended by deleting Schedule "C" and replacing it with the revised Plan 1R-13439, attached as Schedule "A" to this Amending Limiting Distance Agreement.
5. The Limiting Distance Agreement is amended by deleting Section 11(b) and replacing it with the following:
 11. (b) Following completion of the matters set out in Section 11(a) above, the Owner shall register an application to consolidate the parcels, being the Existing Lot and the Adjacent Lands, and shall provide the City with a copy of the registered document.
6. The City shall, at the Owner's expense, register this Agreement on title to the Existing Lot and on title to the Adjacent Lands and the covenants, provisions and conditions herein contained shall run with both the Existing Lot and the Adjacent Lands, and shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Existing Lot and the Adjacent Lands.
7. Following the City's and the Owner's completion of the condition precedents set out in Section 11 of the Limiting Distance Agreement, this Agreement shall hereby be terminated.

The City shall, at the Owner's expense, take all necessary steps to cause the deletion of this Agreement from title to the Existing Lot and the Adjacent Lands.

8. This Amending Limiting Distance Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.
9. This Amending Limiting Distance Agreement is governed by the laws of the Province of Ontario and the laws of Canada applicable therein.
10. This Agreement is binding upon, and shall enure to the benefit of, the City and the Owner and their respective successors and assigns and shall be binding upon, and enure to the benefit of, the successors and assigns of the Existing Lot and the Adjacent Lands.
11. The Owner shall be responsible for the payment of all costs and expenses related directly and indirectly with the 1R Plan, survey costs and this Agreement, including but not limited to the cost of registering the 1R Plan and this Agreement on title to the Existing Lot and the Adjacent Lands.

IN WITNESS WHEREOF, the Parties have executed this Amending Agreement effective as of the date first above written.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE
We have the authority to bind the corporation.

FOX RUN DEVELOPMENTS (SAULT) INC.

Sam Biasucci – President
I have the authority to bind the corporation.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2018-109

PROPERTY SALE: (PR1.105) A by-law to authorize the sale of surplus property being civic 84 Ruth Street, legally described in PIN 31581-0146 (LT), to 1927518 Ontario Inc. o/a Tocar Management.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. **LANDS DECLARED SURPLUS**

The lands more particularly described in Schedule “A” to this by-law are surplus to the requirements of the municipality.

2. **SALE AUTHORIZED**

The Corporation of the City of Sault Ste. Marie shall sell the lands more particularly described in the attached Schedule “A” to 1927518 Ontario Inc. o/a Tocar Management or as otherwise directed at the consideration shown and upon the conditions set out in Schedule “A”.

3. **EXECUTION OF DOCUMENTS**

The City Solicitor is hereby authorized by By-law 2018-55 for and in the name of the Corporation to execute and to affix the seal of the Corporation to all documents required to complete the sale.

4. **SCHEDULE “A”**

Schedule “A” hereto forms a part of this by-law.

5. **EFFECTIVE DATE**

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

PASSED in open Council this 28th day of May, 2018.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

SCHEDULE "A" TO BY-LAW 2018-109

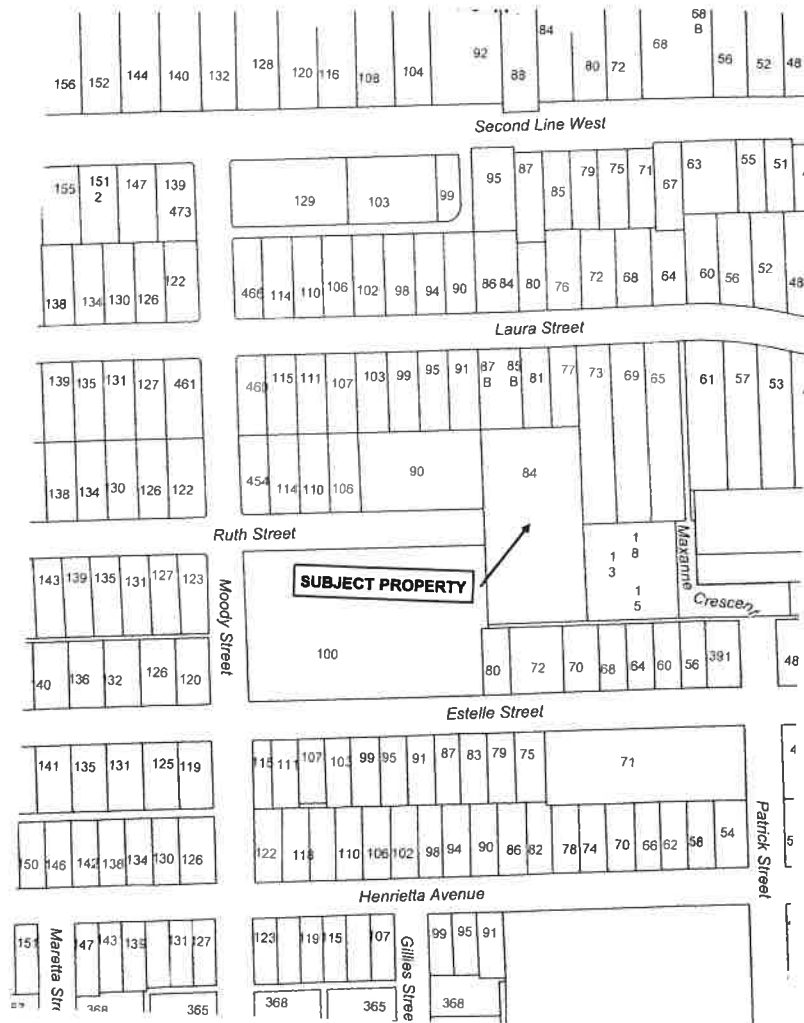
PURCHASER: 1927518 ONTARIO INC. O/A TOCAR MANAGEMENT

ADDRESS: 84 RUTH STREET
SAULT STE. MARIE, ONTARIO

LEGAL DESCRIPTION: PART PIN 31581-0146 (LT)
PT SEC 36 KORAH PTS 1 AND 2 1R2143; SAULT
STE. MARIE

CONSIDERATION: ONE HUNDRED THOUSAND (\$100,000.00)
DOLLARS

CONDITIONS: Conditional on Purchaser being able to have the
property re-zoned.



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2018-110

PARKING: (P3.9) A by-law to amend By-law 4001 Parking on Private Property.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to the *Municipal Act*, S.O. 2001, C. 25, **ENACTS** as follows:

1. AMENDMENTS TO BY-LAW 4001

Section 2 of By-law 4001 is deleted and hereby replaced with the following:

“2. No person shall park or leave any motor vehicle:

- a) on private property without the consent of the owner or occupant of such property;
- b) on municipal property without the consent of the Supervisor of Building Services or his/her designate, or the Chief Administrative Officer or his/her designate of any local board of the City, as the case may be; or
- c) in a private or municipal parking lot or facility without complying with the terms and conditions for such parking, including but not limited to the payment of the appropriate fee for the privilege of parking or the display of a valid permit authorizing such parking.”

Section 4 of By-law 4001 is deleted and hereby replaced with the following:

“4. The driver or owner of a motor vehicle parked or left on private property shall not be liable to a penalty of the kind set out in Section 3 of this by-law, or to have the motor vehicle removed from such property or impounded under this by-law except upon the complaint of the owner or occupant or any adult resident of the property.”

2. EFFECTIVE DATE

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

PASSED in open Council this 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2018-111

ZONING: A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 33 Nichol Avenue (Johnson and Taylor).

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 34 of the *Planning Act*, R.S.O. 1990, c. P.13 and amendments thereto, **ENACTS** as follows:

1. **33 NICHOL AVENUE; LOCATED ON THE WEST SIDE OF NICHOL AVENUE, APPROXIMATELY 72M NORTH OF ITS INTERSECTION WITH SECOND LINE WEST; CHANGE FROM I TO R2.S WITH A "SPECIAL EXCEPTION"**

The zone designation on the lands described in Section 2 of this by-law, which lands are shown on Map 79/1-89 of Schedule "A" to By-law 2005-150, is changed from I (Institutional) zone to R2.S (Single Detached Residential) zone with a "Special Exception".

2. **BY-LAW 2005-151 AMENDED**

Section 2 of By-law 2005-151 is amended by adding the following subsection 2(378) and heading as follows:

"2(378) 33 Nichol Avenue

Despite the provisions of By-law 2005-150, the zone designated on the lands located on the west side of Nichol Avenue, approximately 72m north of its intersection with Second Line West and having civic no. 33 Nichol Avenue and outlined and marked "Subject Property" on the map attached as Schedule 378 hereto is changed from I (Institutional) zone to R2.S (Single Detached Residential) zone with a "Special Exception" to permit, in addition to those uses permitted in an R2 zone, the following provisions:

1. Permit the existing building to be converted to a 5-unit apartment building;
2. To reduce the following setbacks for the existing building only:
 - a. Front yard to 6m
 - b. North interior side yard to 4m
 - c. Rear yard to 2m; and
3. To reduce the required R2 lot area upon the Southern 32m of the subject property, from 550m² to 517m²."

3. **SCHEDULE “A”**

Schedule “A” hereto forms a part of this by-law.

4. **CERTIFICATE OF CONFORMITY**

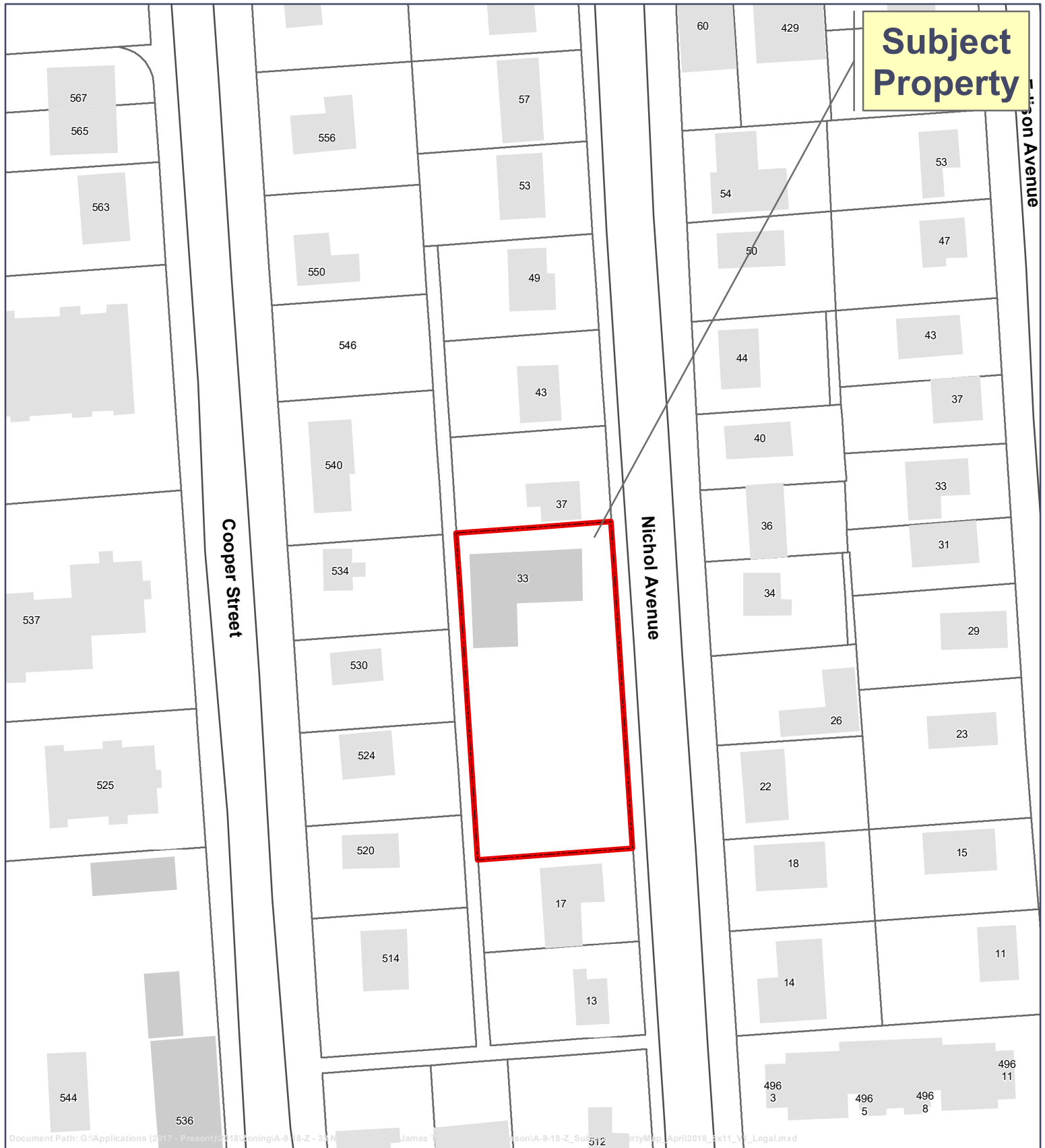
It is hereby certified that this by-law is in conformity with the Official Plan for the City of Sault Ste. Marie authorized and in force on the day of the passing of this by-law.

PASSED in Open Council this 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

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Document Path: G:\Applications (2017 - Present)\2018\Zoning\A-9-18-Z - 33 Nichol Avenue\James Foster\A-9-18-Z_Subject Property\Map April 2018_3x11_Vis_Legal.mxd

Application Map Series ☒ Subject Property ☐ Official Plan Landuse ☐ Existing Zoning ☐ Aerial Image ☐ Official Plan Amendment	Legal Department Reference Schedule "A"	 City of Sault Ste. Marie Planning and Enterprise Services Community Development and Enterprise Services Department 99 Foster Drive, Sault Ste Marie, ON P6A 5X6 saultstemarie.ca 705-759-5368 planning@cityssm.on.ca <i>This map is for general reference only</i> Orthophoto: None Projection Details: NAD 1983 UTM Zone 16N GCS North American 1983  0 5 10 20 Meters 1:1,000
Property Information Civic Address: 66 Nichol Avenue Roll No.: 060013039000000 Map No.: 79 / 1-89 Application No.: A-9-18-Z Date Created: April 05, 2018	Legend  Subject Property: 33 Nichol Avenue  Parcel Fabric Page 259 of 383	

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2018-112

DEVELOPMENT CONTROL: A by-law to designate the lands located at 33 Nichol Avenue an area of site plan control (Johnson and Taylor).

THE COUNCIL of The Corporation of the City of Sault Ste. Marie **ENACTS** as follows:

1. **DEVELOPMENT CONTROL AREA**

The lands described on Schedule “A” attached hereto are hereby designated to be an area of site plan control pursuant to section 41 of the *Planning Act*, R.S.O. 1990, c. P. 13 and amendments thereto.

2. **SITE PLAN POWERS DELEGATED**

The Council hereby delegates to the Planning Director or his/her designate for the City of Sault Ste. Marie, Council’s powers to enter into a site plan agreement dealing with any of the works or matters mentioned in Section 41 of the *Planning Act* as amended, for the lands shown as Subject Property on the map attached as Schedule “A” to this by-law.

3. **SCHEDULE “A”**

Schedule “A” hereto forms a part of this by-law.

4. **PENALTY**

Any person who contravenes this by-law including the obligations pursuant to the agreement entered into under the authority of this by-law is liable upon conviction therefore to penalty provisions as contained in the *Planning Act* and the *Municipal Act, 2001*.

5. **EFFECTIVE DATE**

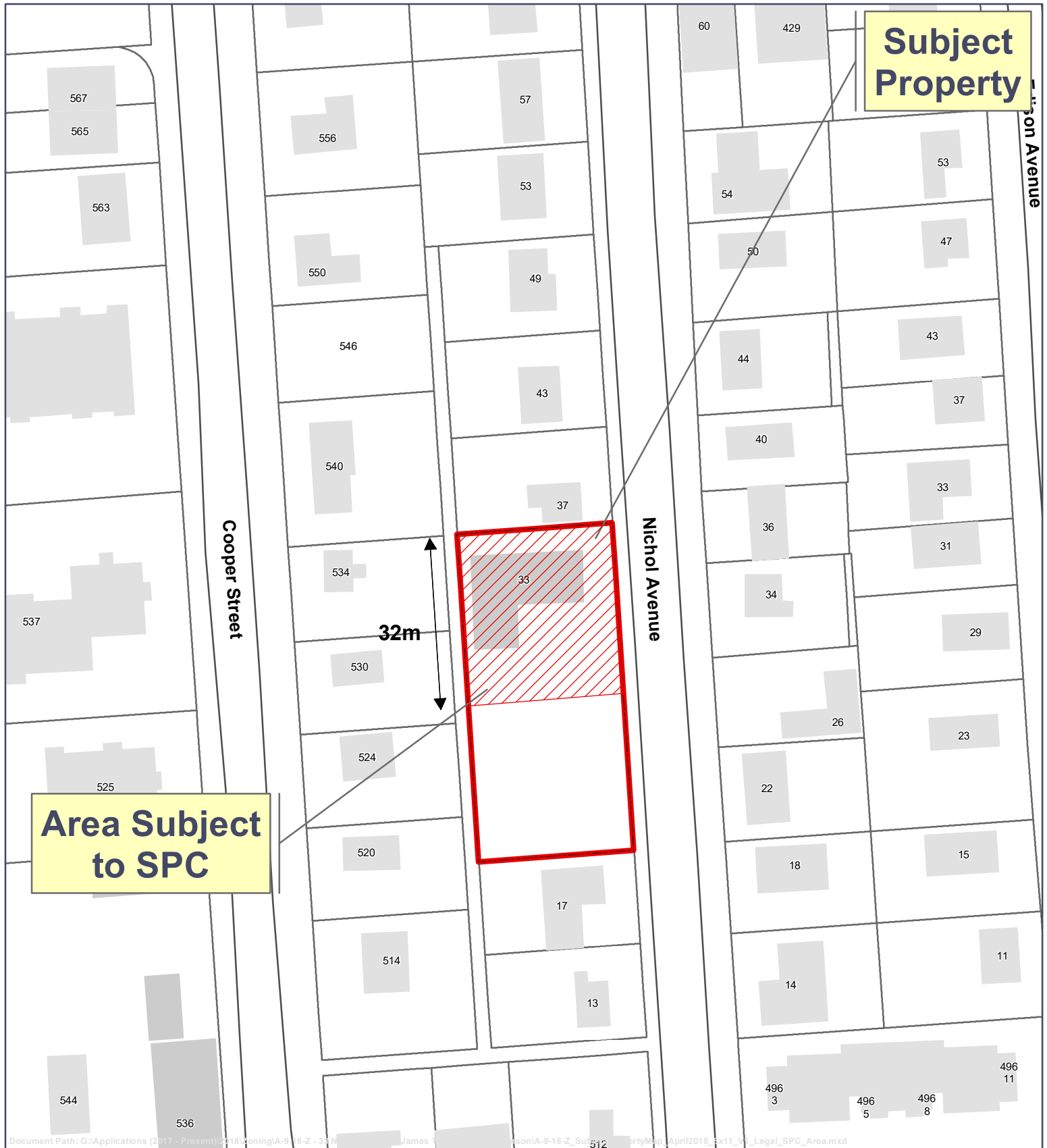
This by-law takes effect from the date of its final passing.

PASSED in open Council this 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

mw \\citydata\\LegalDept\\Legal\\Staff\\LEGAL\\ZONING\\2018\\2018-111 (Z) and 2018-112 (DC) 33 Nichol Ave\\2018-112 - DC.docx



Document Path: G:\Applications (2017 - Present)\2018\Zoning\A-9-18-Z - 33 Nichol Avenue\James Foster\A-9-18-Z_Subject Property Map April 2018_3x11_Vis_Legal_SPC_Area.mxd

Application Map Series ☒ Subject Property ☐ Official Plan Landuse ☐ Existing Zoning ☐ Aerial Image ☐ Official Plan Amendment	Legal Department Reference Schedule "A"	City of Sault Ste. Marie Planning and Enterprise Services Community Development and Enterprise Services Department 99 Foster Drive, Sault Ste Marie, ON P6A 5X6 saultstemarie.ca 705-759-5368 planning@cityssm.on.ca <i>This map is for general reference only</i> Orthophoto: None Projection Details: NAD 1983 UTM Zone 16N GCS North American 1983
Property Information Civic Address: 66 Nichol Avenue Roll No.: 060013039000000 Map No.: 79 / 1-89 Application No.: A-9-18-Z Date Created: April 05, 2018	Legend Subject Property: 33 Nichol Avenue Parcel Fabric Page 261 of 383	

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2018-113

AGREEMENT: (AG170) A by-law to authorize the execution of the Agreement between the City and Fox Run Developments (Sault) Inc. to amend the Secondary Agreement dated December 11, 2017 to reflect a revised 1R Plan.

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 the Agreement dated May 28, 2018 between the City and Fox Run Developments (Sault) Inc., a copy of which is attached as Schedule "A" hereto. This Agreement is to amend the Secondary Agreement dated December 11, 2017 to reflect a revised 1R Plan.

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 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

DEPUTY CITY CLERK – RACHEL TYCZINSKI

AMENDING SECONDARY AGREEMENT

This Amending Agreement made this 28th day of May, 2018

BETWEEN:

FOX RUN DEVELOPMENTS (SAULT) INC.
(hereinafter referred to as the "Owner")

- and -

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
(hereinafter referred to as the "City")

WHEREAS the City and the Owner entered into a Secondary Agreement on December 11, 2017;

AND WHEREAS the Parties wish to amend the Secondary Agreement to reflect a revised 1R Plan;

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. Except for the amendments provided for in this Amending Secondary Agreement, all provisions in the Secondary Agreement shall remain in full force and effect.
2. Capitalized terms used but not defined in this Amending Secondary Agreement have the meanings ascribed to them in the Secondary Agreement.
3. Any reference to the Adjacent Lands shall include part of Lot 25, Plan H-731, part of PIN 31511-0282, as represented as Parts 1, 2 and 5 on the revised Plan 1R-13439, attached as Schedule "A" to this Amending Secondary Agreement.
4. The City shall, at the Owner's expense, register this Agreement on title to the Adjacent Lands.
5. This Agreement is binding upon, and shall enure to the benefit of, the City and the Owner and their respective successors and assigns and shall be binding upon, and enure to the benefit of, the successors and assigns of the Adjacent Lands.
6. This Amending Secondary Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.
7. This Amending Secondary Agreement is governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF, the Parties have executed this Amending Agreement effective as of the date first above written.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE
We have the authority to bind the corporation.

FOX RUN DEVELOPMENTS (SAULT) INC.

Sam Biasucci – President
I have the authority to bind the corporation.

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THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2018-114

AGREEMENT: (AG170) A by-law to authorize the execution of the Agreement between the City and Fox Run Developments (Sault) Inc. (the "Owner") to allow the Owner and any future owners of the Subject Property access over the City's one-foot reserve to facilitate the traffic necessary to complete the construction of the townhouses and to allow the future property owner access to their driveway.

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 the Agreement dated May 28, 2018 between the City and Fox Run Developments (Sault) Inc., a copy of which is attached as Schedule "A" hereto. This Agreement is to allow the Owner and any future owners of the Subject Property access over the City's one-foot reserve to facilitate the traffic necessary to complete the construction of the townhouses and to allow the future property owner access to their driveway.

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 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

DEPUTY CITY CLERK – RACHEL TYCZINSKI

Schedule "A"

ACCESS AGREEMENT

Made this 28th day of May, 2018

BETWEEN:

FOX RUN DEVELOPMENTS (SAULT) INC.
(hereinafter referred to as the "Owner")

- and -

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
(hereinafter referred to as the "City")

WHEREAS the Owner is the registered owner in fee simple in possession of lands known municipally as 27, 29 and 31 Madison Avenue, legally described as Lot 4, Plan 1M-589; Subject to an Easement in Gross over Part 4 Plan 1R-12329 as in AL116858; City of Sault Ste. Marie, PIN 31511-0286 (the "Existing Lot"), which forms part of the Fox Run Subdivision;

AND WHEREAS the Owner is also the owner of the adjacent lands and premises immediately east of the Existing Lot, which form part of Lot 25, Plan H-731, part of PIN 31511-0282, as represented as Parts 1, 2 and 5 on Plan 1R-13439 (the "Adjacent Lands"), a copy of which is appended as Schedule "A" to this Access Agreement;

AND WHEREAS the Owner is also the owner of the adjacent lands and premises immediately east of the Adjacent Lands, legally described as Lot 25, Plan H-731, PIN 31511-0282 (the "Owner's Lands");

AND WHEREAS buildings, namely three single family dwellings (the "Single Family Dwellings"), are to be constructed on the Existing Lot and the Adjacent Lands (the "Work") by the Owner as part of the development of the Fox Run Subdivision;

AND WHEREAS the City is the registered owner of a one-foot reserve legally described as Block 26, 1M-589, PIN 31511-0308, which is located at the eastern end of Madison Avenue, Sault Ste. Marie, Ontario and which abuts the Owner's Lands as shown on Plan 1R-13439 (the "City's Reserve");

AND WHEREAS in order to complete the Work on the Existing Lot and the Adjacent Lands, the Owner requires access over the City's Reserve;

AND WHEREAS in order to access the driveway connected to the single family dwelling located on the Existing Lot and the Adjacent Lands, municipally known as 31 Madison Avenue (the "Dwelling"), any future owners of the Dwelling (the "Future Owners") will require access over the City's Reserve;

AND WHEREAS the Owner has requested permission to enter onto the City's Reserve until such time as Madison Avenue is further developed eastward;

AND WHEREAS the City is prepared to grant such access to both the Owner and the Future Owners of the Dwelling, subject to the terms and conditions set forth herein;

NOW THEREFORE in consideration of the rents, 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. The City hereby grants the Owner and its directors, officers, employees, consultants, contractors, subcontractors, agents or other persons for which it is responsible in law or any of them, permission to enter onto the City's Reserve for the purpose of completing the Work on the Existing Lot and the Adjacent Lands.
2. The City hereby grants the Future Owners of the Dwelling permission to enter onto the City's Reserve to allow access to the driveway of the Dwelling.
3. The Owner and the Future Owners shall be permitted to enter onto the City's Reserve until such time as Madison Avenue is further developed eastward (the "Term").
4. The Owner and the Future Owners shall, at its sole cost, liability and expense assume full responsibility for any and all maintenance of the City's Reserve during the Term.
5. During the Term, the Owner and the Future Owners shall not do or cause to be done, any action which would damage or injure the City's Reserve.
6. The Owner and the Future Owners shall not other use the City Reserve for any purpose other than the purpose set out herein.
7. At the conclusion of the Term, the Owner and the Future Owners shall promptly return the City's Reserve to a condition which is at least as good as on the date of the commencement of the Term at the Owner's and the Future Owners' sole liability and expense. In the event that the Owner and the Future Owners fail to comply with their obligation to restore the City's Reserve as set out herein, the Owner and the Future Owners acknowledge and agree that the City may, at its sole discretion, repair the City's Reserve to the condition it existed at the commencement of the Term and any costs incurred by the City in such restoration shall be payable by the Owner and the Future Owners immediately upon demand by the City.
8. The Owner and the Future Owners agree to defend, indemnify and save harmless the City and their respective councillors, officials, officers, directors, employees, consultants, agents, successors, contractors and assigns, or any of them, from any actions, causes of actions, claims, demands, interest, damages, expenses, liens, losses, costs, charges and other proceedings (including without limitation those relating to environmental, work place safety and insurance compensation, and occupational health and safety matters) made or brought against or suffered by or imposed upon all or any of them or their respective property in respect of any loss or damage to property, personal injury or death or any other losses of any nature or other relief to any person or property directly or indirectly arising out of or resulting from or sustained by reason of any act, error, default, failure, fault, neglect, negligence, omission or wrong doing of the Owner and the Future Owners, their directors, officers, employees, consultants, contractors, subcontractors, agents or other persons for which it is responsible in law or any of them including but not limited to the design, delivery, transportation, preparation, installation, or construction of the Single Family Dwellings, the Work or, or any other activity arising out of or connected with this Access Agreement.
9. The Owner and the Future Owners, their directors, officers, employees, consultants, contractors, subcontractors, agents or other persons for which it is responsible in law or any of them shall comply with all laws, by-laws, rules and relations of any governing body respecting the construction of the single family dwellings, the Work, and any matters set out in this Access Agreement, and shall save harmless and fully indemnify the City from and against all losses, costs, damages and expenses, of every kind or nature which the City may suffer, be at or be put

to by reason of or in consequence of the noncompliance by the Owner and the Future Owners, their directors, officers, employees, consultants, subcontractors, agents or other persons for which it is responsible in law or any of them with such laws, by-laws, rules and regulations.

10. If, at the sole discretion of the City and/or emergency personnel, the City and/or emergency personnel requires access to any portion of the City's Reserve, the Owner and the Future Owners shall in no way restrict such access.
11. The City shall, at the Owner's expense, register this Access Agreement on title to the Existing Lot and on title to the Adjacent Lands and the covenants, provisions and conditions herein contained shall run with both the Existing Lot and the Adjacent Lands, and shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Existing Lot and the Adjacent Lands.
12. At the end of the Term, this Agreement shall hereby be terminated. The City shall, at the Owner's expense, take all necessary steps to cause the deletion of this Agreement from title to the Existing Lot and the Adjacent Lands.
13. The Owner shall not assign, transfer or make any other disposition of this Access Agreement or of the rights conferred thereby, without the prior written consent of the City, except to the Future Owners of the Dwelling.
14. The Owner and the Future Owners hereby agree that access to the City's Reserve pursuant to this Access Agreement in no way confers any right, benefit or title in any way to the Owner and the Future Owners of the City's Reserve.
15. This Access Agreement constitutes the entire agreement of the parties and supercedes all prior representations, proposals, discussions, and communications, whether oral or in writing. This Access Agreement may be modified only by written instrument signed by both parties.
16. The provisions of this Access Agreement shall be binding upon, and enure to the benefit of the parties and their respective successors and (where applicable) permitted assigns.
17. This Access Agreement shall be exclusively governed by, and construed in accordance with, the laws of the Province of Ontario, and the federal laws of Canada applicable therein.
18. The parties hereto agree that paragraphs 7-9 herein survive the termination of this Access Agreement.

In witness whereof, the parties hereto have affixed their hands and seals.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE
We have the authority to bind the corporation.

FOX RUN DEVELOPMENTS (SAULT) INC.

Sam Biasucci – President
I have the authority to bind the corporation.

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THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2018-115

AGREEMENT: (P4) A by-law to authorize the execution of the Agreement between the City and The District of Sault Ste. Marie Social Services Administration Board to provide municipal election administration services for the Sault Locality (unorganized municipal territory north of Sault Ste. Marie).

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 the Agreement dated May 28, 2018 between the City and The District of Sault Ste. Marie Social Services Administration Board, a copy of which is attached as Schedule "A" hereto. This Agreement is to provide municipal election administration for the Sault Locality (unorganized municipal territory north of Sault Ste. Marie).

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 28th day of May, 2018.

MAYOR - CHRISTIAN PROVENZANO

DEPUTY CITY CLERK – RACHEL TYCZINSKI

SERVICE AGREEMENT

This agreement is made in quintuplicate this May 28, 2018.

Between:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "City")

and

THE DISTRICT OF SAULT STE. MARIE SOCIAL SERVICES ADMINISTRATION BOARD

(the "DSSMSSAB")

WHEREAS District Social Services Administration Board (the "DSSAB") members representing areas within Territories Without Municipal Organization ("TWOMO"), which includes the Sault Locality, are selected by the residents of that territory through an election;

AND WHEREAS two DSSAB positions are allocated to the Sault Locality and the election for these two positions is scheduled for October 22, 2018;

AND WHEREAS the DSSMSSAB has approached the City to request consideration of the City taking over the election administration role for the two Sault Locality DSSAB positions on a full recovery cost basis;

AND WHEREAS the City has agreed to provide such service subject to the terms and conditions as set out in this Agreement;

NOW THEREFORE in consideration of the mutual covenants, provisos, and conditions 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:

SCOPE OF SERVICES

1. The City, namely the City Clerk, shall administer the election of the two Sault Locality DSSAB positions on behalf of the DSSMSSAB in accordance with the Fall 2018 TWOMO Election Resource Guide (with necessary modifications) attached as Schedule "A" to this Agreement (hereinafter referred to as the "Services").
2. The said Services shall be performed by duly qualified City employees and delegated persons and such City employees and delegated persons shall be subject to direction from the City only.

COST OF SERVICES

3. The City shall receive full reimbursement from the DSSMSSAB for the direct and indirect costs of providing the Services and such costs shall be quantified at a future date.

TERM

4. This Agreement shall commence on the 28th day of May 2018 and shall conclude on the 30th day of January 2019 (the "Term").
5. The City may terminate this Agreement at any time and for any reason upon thirty (30) days written notice of termination to the DSSMSSAB.

LIMITED LIABILITY AND RELEASE

6. The DSSMSSAB hereby release and forever discharge the City, including its elected officials, officers, employees, agents and contractors; and the DSSMSSAB further agree that notwithstanding anything to the contrary contained herein, the City, including elected officials, officers, employees, agents and contractors shall not be liable to the DSSMSSAB or to anyone for whom the DSSMSSAB may be in law responsible for any loss of or damage to property, personal injury or death or any other losses, actions, claims, causes of action, damages, both direct or indirect and such other costs and expenses, however and whatsoever incurred, suffered or sustained by the DSSMSSAB or any of the DSSMSSAB's agents, employees and contractors in relation to or in connection with the City performing their duties contained herein, except where the action, claim, demand, cost, loss or expense was solely caused by or contributed to by an intentional act of the City.

INDEMNITY

7. The DSSMSSAB will at all times indemnify and hold harmless the City against and from all claims, demands, loss, costs, damages, actions, suits or other proceedings by whomsoever made, sustained or prosecuted in any manner based upon, related to, occasioned by or attributable to any service provided to the DSSMSSAB by the City under the provisions of this Agreement.

NOTICE

8. All correspondence or other notices related to the terms of the Agreement shall be delivered as set forth below:

Malcolm White
Deputy CAO/City Clerk – Corporate Services
The Corporation of the City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie ON P6A 5X6

Mike Nadeau
Chief Administrative Officer
District of Sault Ste. Marie Social Services Administration Board
180 Brock Street
Sault Ste. Marie, ON P6A 3B7

GENERAL PROVISIONS

9. This agreement and all matters or issues incident hereto shall be governed by and construed under and in accordance with the laws of the Province of Ontario. The parties hereto attorn to the jurisdiction of the Courts of Ontario. This agreement shall be treated in all respects as an Ontario contract.
10. This Agreement constitutes the entire Agreement between the parties, and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the relationship of the parties or supported hereby other than as expressed herein in writing. Any amendment to this Agreement must be in writing, duly executed by the parties.
11. The parties hereby acknowledge and agree that any future amendments to this Agreement must be made in writing and signed by both parties.
12. This agreement shall ensure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have affixed their Corporate Seals attested by the signatures of their duly authorized signing officers to be effective as of the 28th day of May 2018.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Per:

Mayor – Christian Provenzano

City Clerk – Malcolm White

We have authority to bind the Corporation.

THE DISTRICT OF SAULT STE. MARIE SOCIAL SERVICE ADMINISTRATION BOARD

Per:

CAO – Mike Nadeau

I have authority to bind the DSSMSSAB.

TWOMO ELECTION RESOURCE GUIDE

FALL 2018

**For the Fall 2018 Election of District Social Services Administration Board (DSSAB)
Members to Represent Territory Without Municipal Organization (TWOMO)**

Ministry of Community and Social Services

April 2018

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1. CONTEXT

Social services in Northern Ontario are delivered by 10 District Social Services Administration Boards (DSSABs). Created in 1998, DSSABs are responsible for delivering a range of social services including Ontario Works, childcare, and social housing. Eight DSSABs also deliver land ambulance services.

The *DSSAB Act* and its regulation provide for the DSSAB's structure, board member qualifications, chairs of boards, and term of office of members. The Regulation also identifies the number of members for each Board, the areas they represent and the manner of their appointment.

While DSSAB members representing municipal jurisdictions within the District are appointed by the municipal councils of those municipalities, DSSAB members representing areas within Territories Without Municipal Organization (TWOMO) are selected by the residents of that territory through an election.

Elections in TWOMOs are held the same day that municipal elections are held. This year's municipal and TWOMO elections will be held on **October 22, 2018**. DSSABs are responsible for administering the TWOMO elections.

The regulation under the *DSSAB Act* does not define the election process for members representing territory without municipal organization. This resource guide will assist DSSABs in administering the TWOMO election process by:

- providing guidance to DSSABs for running elections in a territory without municipal organization,
- identifying the ministry's key requirements for running elections,
- describing the roles and responsibilities of election officials, and
- providing templates of forms that can be adapted.

WHAT'S NEW FOR THE OCTOBER 22, 2018 ELECTIONS?

The TWOMO Election Resource Guide has been revised and updated, using as references the Ministry of Municipal Affairs (MMA) **2018 Voters' Guide for Ontario Municipal and School Board Elections** and the **2018 Candidates' Guide for Ontario Municipal and School Board Elections**.

New for 2018:

1. Election day is **October 22, 2018**, and the close of nominations is **July 27, 2018** (Nominations may be submitted beginning May 1, 2018). Both of these dates are the same as the dates for municipal elections determined under the *Municipal Elections Act, 1996*.
2. Voters are required to show identification in order to vote. If your name is on the voters' list, you will be required to show one piece of identification that has your name and address on it in order to receive a ballot. The requirement to show identification that has your signature on it has been removed.
3. Clerks can decide to accept the nomination filing fee by an electronic method of payment if they wish.

Representation of TWOMO

The following summary chart shows for each DSSAB, the number of members representing TWOMO and the area(s) they represent. (Refer to the regulation under the DSSAB Act in Appendix "P" for a more detailed description of each area.)

DSSAB	Territory Without Municipal Organization
Algoma	1 member represents Area 7
Cochrane	1 member represents Area 8
Kenora	1 member represents Area 12 1 member represents Area 13 1 member represents Area 14 1 member represents Area 15
Manitoulin-Sudbury	3 members represent Area 7
Nipissing	1 member represents Area 7
Parry Sound	2 members represents Area 7
Rainy River	1 member represents Area 11 1 member represents Area 12 1 member represents Area 13
Sault Ste. Marie	2 members represent Area 3
Thunder Bay	1 member represents Area 7
Timiskaming	1 member represents Area 6 1 member represents Area 7

2. MCSS's KEY REQUIREMENTS FOR RUNNING ELECTIONS IN A TERRITORY WITHOUT MUNICIPAL ORGANIZATION

The key requirements of the Ministry of Community and Social Services (MCSS) for running elections in TWOMOs are as follows:

- Elections will be held on the same day that municipal elections are held: **October 22, 2018.**
- The nomination period will end on the same day that nominations end for municipal elections: **July 27, 2018.**
- The public will be notified (e.g. ads in local newspapers, radio, etc.) of the dates and locations of nomination meetings.
- Legally constituted parties/bodies (e.g. local services boards, cottager associations, local roads boards) in the District will be notified of the election (see Appendix "C").
- Nomination Papers will be mailed to interested parties and will be accepted by mail, courier or fax up to a pre-determined date prior to the election (see Appendix "E").
- A Notice of Election will be prepared and submitted to local newspapers to advise the public of the location, time and date of voting (see Appendix "J").
- Voting places will be established to permit, within reason, easy access for electors.
- Proxy voting will not be permitted.
- DSSABs will be required to report-back to MCSS and account for the funds that were flowed to them (see Appendix "O").

3. ELECTION PLANNING TIMEFRAME

As per the ministry's key requirements, the election of members representing TWOMOs must take place on **October 22, 2018**.

The nomination period will end **July 27, 2018** (Nominations may be submitted beginning May 1, 2018).

The following timetable is provided as a guide for the staging of major election activities. It is not intended to be an exhaustive list of all the activities that are required to be carried out.

Activity	Timeframe
Advertise to local media (e.g. newspapers, radio) to inform the public about the upcoming election and nomination process.	April 20 – Jul 26
Deputize a Returning Officer, as appropriate, to run the election in a Territory Without Municipal Organization.	14-16 weeks prior to election date: Jun 22 - Jul 13
Receive nominations and determine whether they will be accepted or rejected.	By July 27, 2018 if nomination received before nomination day; By July 30, 2018 if nomination received on nomination day
Where Nomination Papers are rejected, complete the Notice of Rejection of Nomination Papers (see Appendix "F") and mail to individual.	As soon as possible after nomination is rejected
Prepare the list of Certified Candidates; or (see Appendix "G") announce Acclamation (see Appendix "I").	By July 27, 2018 if all nominations received before nomination day; By July 30, 2018 if a nomination received on nomination day.
Select poll personnel (Deputy Returning Officers and poll clerks), as may be required, and have them complete the oath (see Appendices "A" and "B").	8-10 weeks prior to election date: Aug 10 – Aug 24
Adapt the forms provided in this Resource Guide, as required.	8-10 weeks prior to election date: Aug 10 – Aug 24
Alternative voting methods: Deadline for passage of a By-law for use of alternative voting methods, establishing of the forms and processes and providing candidates with the forms and processes.	Aug 22, 2018

Activity	Timeframe
Finalize Voters List [Preliminary List of Electors (PLE) received from MPAC by September 1].	6-8 weeks prior to election date: Aug 24 - Sept 7
Notify legally constituted parties/bodies in the District about the election and provide a supply of Nomination Papers (see Appendix "C"). (Examples of legally constituted parties/bodies include local services boards, cottager associations, local roads boards, volunteer fire departments, and statute labour boards.)	6-8 weeks prior to election date: Aug 24 – Sept 7
Mail out Nominations Papers to interested parties (see Appendix "E").	Upon request
Confirm the number and location of voting places.	3-4 weeks prior to election date: Sept 21 – Sept 28
Prepare the Notice of Election and submit it to appropriate local media (see Appendix "J").	3-4 weeks prior to election date: Sept 21 – Sept 28
Prepare ballots and Voter's Lists (see Appendices "J" and "L").	3-4 weeks prior to election date: Sept 21 – Sept 28
Provide an information session for election personnel, as may be required.	2-3 weeks prior to election date: Sept 28 – Oct 5
Deliver ballots and other voting material to Deputy Returning Officers.	1-2 weeks prior to election date: Oct 5 – Oct 12
Advertise to the public, via appropriate media, the location of polling places, hours, etc.	Friday, Saturday and Sunday before election day, and day of election: Oct 19 – Oct 22
At the close of election day, tabulate returns and inform the Board of the results.	October 22, 2018
Review Ballots and Ballot Tabulations and provide the Board with the certification of results.	October 24, 2018
Deadline for returning completed form "Report Back to MCSS on Election Expenditures" to MCSS. (see Appendix "O")	January 30, 2019

4. ELECTION PROCESS FOR TERRITORIES WITHOUT MUNICIPAL ORGANIZATION

The DSSAB regulation requires that residents of TWOMOs select the DSSAB board members who will be their representatives. TWOMO elections take place on the same day as the municipal elections, this year the elections are held on October 22, 2018.

DSSAB members representing municipal jurisdictions within the District are appointed by the municipal councils of those municipalities as set out in the Regulation. Council members are elected under the *Municipal Elections Act, 1996*. The term of all DSSAB members begins on January 1 following the municipal election.

DSSABs are responsible for administering the TWOMO elections. The election process includes obtaining the Preliminary List of Electors, selecting personnel and Returning Officers, adapting the forms provided in this Resource Guide as needed, notification of the public of the nomination process and the polling process, receiving nominations and determining eligibility, establishing location of polls, training elections personnel, preparing voters lists, conducting polling, and tabulating and certifying results.

Alternative Processes for Administering the Election

A DSSAB may contract with a third party to administer the election. This could include a contract with a municipality.

The expertise in election administration often resides with municipal clerks in Ontario. The use of an outside expert, namely a municipal clerk, as the board's election clerk may be cost effective and will best assure the board, the ministry and the public that the election process is fair and is being conducted with integrity. The costs incurred by the member municipality for the conduct of the DSSAB election are the responsibility of the board.

The clerk of the largest municipality is the clerk for school board elections under the *Education Act, 1990*. Often the municipal clerk of the largest member municipality will be in the best position to oversee the DSSAB election. However, there may be a better choice of municipality to conduct the election for a particular board. For example, there are synergies possible by having an adjacent municipality take on the responsibilities.

The DSSAB in each instance would sit in the place of the municipal council for making those decisions that a municipal council would normally make during the elections process. The municipal clerk, as the election clerk for the DSSAB would be required to make the necessary reports to the board for direction on those matters.

Subject to approval of municipal council, the clerk of a member municipality may be appointed the DSSAB Election clerk.

Qualifications of Electors

An elector must be:

- a Canadian citizen;
- at least 18 years old; and
- residing in the Territory Without Municipal Organization or an owner or tenant of land there, or the spouse of such owner or tenant.

Regulations made under the *District Social Services Administration Boards Act* state that Board members representing a territory without municipal organization are to be selected by the residents of that territory.

According to information from Statistics Canada from the 2016 census, there are approximately 33,011 residents in TWOMOs who are represented by DSSABs.

An elector should show identification confirming their identity in order to receive a ballot. Photo ID is not required (please see list on page 9-10 of acceptable documents that show names).

Identification to establish place of residence is only required if the elector is not already on the voters' list.

Acceptable documents that show name and qualifying address:

1. An Ontario driver's licence.
2. An Ontario Health Card (photo card).
3. An Ontario photo card
4. An Ontario motor vehicle permit (vehicle portion).
5. A cancelled personalized cheque.
6. A mortgage statement, lease or rental agreement relating to property in Ontario.
7. An insurance policy or insurance statement.
8. A loan or financial agreement with a financial institution.
9. A document issued or certified by a court in Ontario.
10. Any other document from the government of Canada, Ontario or a municipality in Ontario or from an agency of such a government.
11. Any document from a Band Council in Ontario established under the *Indian Act* (Canada).
12. An income tax assessment notice.
13. A Child Tax Benefit Statement.
14. A Statement of Employment Insurance Benefits Paid T4E.

15. A Statement of Old Age Security T4A (OAS).
16. A Statement of Canada Pension Plan Benefits T4A (P).
17. A Canada Pension Plan Statement of Contributions.
18. A Statement of Direct Deposit for Ontario Works.
19. A Statement of Direct Deposit for Ontario Disability Support Program.
20. A Workplace Safety and Insurance Board Statement of Benefits T5007.
21. A property tax assessment.
22. A credit card statement, bank account statement, RRSP, RRIF, RHOSP or T5 statement.
23. A CNIB Card or a card from another registered charitable organization which provides services to persons with disabilities.
24. A hospital card or record.
25. A document showing campus residence issued by the office or officials responsible for student residence at a post-secondary institution.
27. A utility bill for hydro, water, gas, telephone or cable TV or a bill from a public utilities commission.
28. A cheque stub, T4 statement or pay receipt issued by an employer.
29. A transcript or report card from a post-secondary school.
30. A document showing residence in a long-term care home under the *Long-Term Care Homes Act, 2007*, issued by the Administrator for the home.

Acceptable documents that show name:

1. An Ontario driver's licence.
2. An Ontario Health Card.
3. An Ontario motor vehicle permit (plate portion).
4. A Canadian passport.
5. A Certificate of Canadian Citizenship.
6. A Certificate of Indian Status.
7. A Veterans Affairs Canada Health Card.
8. A social insurance number card.
9. An Old Age Security Card.
10. A credit card.
11. A debit card.

12. An employee identification card.
13. A student identification card issued by a post-secondary institution.
14. A union identification card or a professional licence card.
15. A cancelled personalized cheque.
16. A mortgage, lease or rental agreement for property in Ontario.
17. An insurance policy.
18. A document issued or certified by a court in Ontario.
19. Any other document from the government of Canada, Ontario or a municipality in Ontario or from an agency of such a government.
20. Any document from a Band Council in Ontario established under the *Indian Act* (Canada).

If an elector does not have acceptable identification, they may make a statutory declaration that they are eligible to vote in order to receive a ballot.

Qualifications of Members Elected to Represent Territories Without Municipal Organization

The Regulation made under the *DSSAB Act* outlines the qualifications of members and the term of office.

Section 3.1(2) of the Regulation provides that:

“A member of a board ... who represents a territory without municipal organization shall be a Canadian citizen who is at least 18 years of age, and

- (a) a permanent resident of the territory without municipal organization*;
- (b) an owner or tenant of property in the territory without municipal organization; or
- (c) the spouse of an owner or tenant of property in the territory without municipal organization.”

*Note that this should be read as if ‘or’ follows section (a).

Term of Office of Members Elected to Represent Territories Without Municipal Organization

The term of office for DSSAB TWOMO board members is four years. The term of office for a board member commences on January 1, 2019.

There is no authority for boards to use alternate members. If a member becomes ineligible, the board appoints a new member to serve that territory for the remainder of the term. Boards decide how to appoint a new member.

The Nomination Process

DSSABs must appoint/deputize a Returning Officer to conduct the election in the TWOMO. DSSABs must also appoint Deputy Returning Officers, and may appoint Poll Clerks and any other election officials that are considered necessary, for each voting place. All election administration personnel must complete the oath (see Appendices "A" and "B").

A person may be nominated by submitting a nomination form (see Appendix "E") to the Returning Officer, or his or her designate, in person or by an agent. Where the DSSAB requires nominees to submit their form in person, Returning Officers may wish to designate in different areas of the DSSAB officials to whom nomination forms may be returned. DSSABs may also organize nomination meetings if appropriate.

Note that the form in Appendix "E" allows for self-nomination.

The last day for nomination, Nomination Day, is the same as that for municipalities July 27, 2018. Prior to 4:00 p.m. on the Monday following Nomination Day (July 30, 2018) the Returning Officer shall examine each nomination filed and, if satisfied the person is qualified to be nominated and that the nomination complies with the DSSAB Act and Regulation, the Returning Officer shall certify as such on the nomination filed. If not satisfied, the Returning Officer shall reject the nomination and as soon as possible give notice to the person who sought to be nominated and all other candidates for that office. The Returning Officer's decision is final.

Those disqualified from seeking to represent TWOMO include:

- An employee of the DSSAB.
- Except during a leave of absence under Section 30 of the *Municipal Elections Act, 1996*, an employee of a municipality within the DSSAB service area and as defined in the *Municipal Affairs Act, 1990*. An employee must be on leave as of the day they are nominated. If elected to office, the employee is deemed to have resigned from employment.
- A judge of any court.
- A member of the Assembly (Ontario Legislature).
- A member of the House of Commons.
- A member of the Senate.
- Anyone who holds one or more office(s), election of which is governed by the *Municipal Elections Act, 1996* and/or the *District Social Services Administration Boards Act*.
- A Crown Employee within the meaning of the *Public Service Act* who is a Deputy Minister or who is in a position or classification designated in the regulations made under that Act for the purposes of Section 11 thereof.

- A person who is serving a sentence of imprisonment in a penal or correctional institution, including a sentence being served in the evenings or on weekends.
- A corporation.
- A person who was convicted of the corrupt practice described in Subsection 90(3) of the *Municipal Elections Act, 1996* if Voting Day in the current election is less than four years after Voting Day in the election in respect of which he or she was convicted.
- A person who was convicted of the corrupt practice described in Subsection 91(1) of the *Municipal Elections Act, 1996* if Voting Day in the current election is less than six years after Voting Day in the election in respect of which he or she was convicted.
- A person disqualified for violations of financial requirements or violations of requirements for filing financial information.
- Otherwise ineligible or disqualified under the *Municipal Act, 2001* or any other Act.

The Returning Officer will inform a nominee that his or her nomination papers have been rejected (see Appendix "F", "Notice of Rejection of Nomination Papers"). Note that a candidate who is running for municipal office may run as a member to represent a DSSAB, but if elected to both positions, is permitted to hold only one office.

Notification of Nomination Process

The Returning Officer should establish early on in the process, the method of giving notice regarding offices for which persons may be nominated and the nomination procedures.

Legally constituted parties/bodies in the District as well as residents of the territory without municipal organization should be notified about the nomination process and that an election is taking place for a representative on the DSSAB and that eligible nominees should come forward.

DSSABs will need to reach residents using some of the approaches outlined below. Since each territory without municipal organization is distinct, some approaches will likely need to be modified to meet different communities' needs.

Nomination Papers should be reasonably accessible to allow interested parties the opportunity to participate in the election process.

Ways of Notifying the Public

Suggested ways to notify the public about the nomination process and election date, location of voting places, etc., include the following:

- A. Local newspapers
- B. Local radio stations
- C. Mail notices to residents

- D. Notify legally constituted parties such as (1) Incorporated Municipalities, (2) Post Offices, (3) Local Services Boards, (4) Local Roads Boards, (5) Cottager Associations, (6) Volunteer Fire Departments, and (7) Statute Labour Boards
- E. Place notices in establishments open to the public, community centres, etc.
- F. Posting on DSSAB internet site
- G. Consider hosting a candidate info night to answer questions

Acclamation

If the number of candidates nominated is equal to the number of members that are required, the candidate or candidates will be declared duly elected by acclamation. See Appendix "I", "Declaration of Acclamation to Office".

Insufficient Number of Nominees

Candidates who have filed their nomination papers by the deadline will be declared duly elected by acclamation.

Where there are fewer eligible nominees than members required to represent the TWOMO, the Returning Officer will extend the deadline for nominations. Additional efforts should be made to circulate the Notice of Nominations more broadly.

Preliminary Lists of Electors (PLE) for Elections in a Territory Without Municipal Organization

The Municipal Property Assessment Corporation (MPAC) conducts an enumeration of the inhabitants in a municipality, locality and non-municipal territory. MPAC provides a Preliminary List of Electors (PLE) which is delivered by Sept. 1, 2018. The PLE may only be used for election purposes. The PLE cannot be made available to the public. The PLE is used by a municipality/electing school board or DSSAB to create the final Voters' List. The Voters' List may only be made available to the public as prescribed in the *Municipal Elections Act, 1996*.

In accordance with Section 15 (1) and (2) of the *Assessment Act, 1990*:

- (1) For the purposes of the *Municipal Elections Act, 1996*, the assessment corporation shall conduct an enumeration of the inhabitants of a municipality and locality at the times and in the manner prescribed by the Minister. 2016, c. 15, s. 72 (2).

Same, non-municipal territory

- (2) For the purposes of elections to boards constituted under the *District Social Services Administration Boards Act* or under other provincial statutes, the assessment corporation shall conduct an enumeration of the inhabitants of all or part of the non-municipal territory at the times and in the manner prescribed

by the Minister. 2016, c. 15, s. 72 (2).

MPAC will also provide DSSABs with September Exceptions Files in early-September which will reflect changes that have occurred since the July PLE (MPAC canvasses municipalities, DSSABs in May/June to obtain their 2018 post-enumeration product requirements and delivery date preferences. MPAC offers 2 delivery date options for the PLE – July 31st or Aug. 21st and the September Exceptions Files will be provided to all municipalities and DSSABs on Sept. 7th)

Once the Returning Officer has corrected any obvious errors on the PLE, it becomes the Voters' List and should be certified as revised. The Voters' List is subject to revisions¹ up to and including Election Day. MPAC should be notified of any revisions which are to be submitted to MPAC within 30 days following a regular election.

5. VOTING PROCESS

Access

Voting place means the area designated by the Returning Officer in which the facilities for the conduct of the vote are located.

Typically, the voting places for local elections are open from 10:00 a.m. to 8:00 p.m. on voting day. Electors who are in the voting place at 8:00 p.m. are entitled to vote. This timeframe is used throughout the resource guide. If local circumstances warrant, these hours may be extended through earlier opening of the voting place.

Each election area should have at least one voting place. Voting places should be located in a central area that provides reasonable access to residents. Interpretation of "reasonable access" will vary across the DSSABs, depending on local conditions.

Note that all voting places be accessible to electors with disabilities, and the Returning Officer shall have regard to the needs of electors with disabilities in choosing voting places.

For The Vote

DSSABs must make a concerted effort to communicate to all residents the election date, locations of voting places and relevant processes.

Prior to voting day, the Returning Officer shall prepare and certify the Voters' List for use in each voting place.

¹ A person can now only apply to remove another person's name from the voters' list in the case of a voter who is deceased. (Rules for adding a name or changing information have not changed.)

No campaign material or literature of any nature relating to any candidate in the election shall be displayed within the voting place on voting day.

Every person who is present in the voting place or at the counting of the votes shall help to maintain the secrecy of the voting. No person shall interfere with an elector, obtain or attempt to obtain at a voting place information about how an elector intends to vote or has voted, or communicate any information obtained at a voting place about how an elector intends to vote or has voted².

Emergency Vote Procedures

The vote will be postponed for a particular voting place by the Returning Officer in the event of adverse weather or other unforeseen circumstances that would unduly hinder qualified electors from voting.

In areas where one or more poll (but not all) needs to be postponed, those polls that do not need to be postponed will proceed normally. The ballot boxes for these polls will be sealed and remain closed until all polls for the area have been completed.

An effort should be made by the Returning Officer to ensure that any poll that needs to be postponed is rescheduled as soon as possible.

Forms

Clear, consistent forms should be utilized for the nomination and election process.

The Returning Officer shall prepare and cause to be printed a sufficient number of ballots for use in the election.

Sample forms provided for use can be found in the Appendices to the Resource Guide.

Ballot Boxes

Ballot Boxes should be provided to each Deputy Returning Officer in advance of the poll.

Ballot boxes should be made of a durable material and constructed so that the ballots can be deposited and cannot be withdrawn without the box being unsealed or being unsealed and unlocked.

Specific details concerning maintaining the integrity of the ballot box and the poll are discussed in Appendix "H".

² This includes photography or video of a marked ballot which is now expressly prohibited.

The Returning Officer may require that three envelopes be included in the Ballot Box to be used after the Poll Count. One envelope could be labeled for "USED BALLOTS", a second for "UNUSED BALLOTS" and a third for "REJECTED, CANCELLED AND DECLINED BALLOTS".

The Ballot Box should also be sent with seals to close the box before the vote and with seals to be used after the Vote for its transport to the Returning Officer.

Voting Procedures

Ballots will be given to persons whose name appears on the Voter's List. Identification may be requested to verify the name. It is recommended that the elector's name then be crossed off the Voter's List or marked to show that the elector has received a ballot.

On attendance of a qualified elector whose name does not appear on the Voter's List, the Deputy Returning Officer must complete the Application to Amend Voter's List information required (name, qualifying address, mailing address) and then require the elector to sign the Voter's List (see Appendix "K" for a sample Application to Amend Voter's List).

Once the Returning Officer has approved the application and the elector has signed the amended Voter's List, he/she should be given a ballot and directed to the Voting Booth.

On receiving the ballot from the voter, the Deputy Returning Officer shall immediately deposit it in the ballot box, in the full view of the voter and any persons authorized to be in the voting place.

If an elector returns a ballot to the Deputy Returning Officer and indicates that the elector is declining to vote, the elector is no longer entitled to vote and the Deputy Returning Officer shall immediately write the word "declined" upon the ballot.

The Deputy Returning Officer shall keep a record of the number of electors who indicate that they are declining to vote.

Ballot Counting

After the close of the voting place, the Deputy Returning Officer counts the ballots and records the results on an Election Results Form (see Appendix "N").

The Deputy Returning Officer then notifies the Returning Officer of the results. The ballot boxes will then be sealed and sent to the Returning Officer.

The Returning Officer shall check the election results forms from the Deputy Returning Officers for the Official Totals. The Returning Officer may open the ballot box if he or she considers it necessary in order to interpret the election results form. The Deputy Returning Officer shall be present.

A scrutineer or a certified candidate is entitled to receive a copy of the election results form from the Returning Officer but not from the Deputy Returning Officer.

The Returning Officer conducts all recounts for the elections for which he or she is responsible. Recounts can be required when there is a tied vote where both or all candidates cannot be declared elected or by resolution of the DSSAB board. The Deputy Returning Officer, any other election official appointed to assist with the recount, certified candidates for the office involved, counsel for the certified candidate, or any other person may be present with the Returning Officer's permission.

Alternative Voting Methods

Recently, a number of municipalities have chosen to use alternative voting methods. DSSABs may wish to look at using alternative voting methods when planning for elections for members from TWOMOs. These methods may provide improved convenience, greater accessibility and the opportunity for increased voter turnout.

The DSSAB must pass a by-law for alternative voting/counting methods and the by-law must be passed at least sixty (60) days prior to the election (by August 22, 2018) and remain in force until repealed.

If DSSABs are interested in seeing sample procedure information as a reference for any of these alternative voting methods, they may contact the Ministry for a copy. Previously, the Ministry obtained the information from the Association of Municipal Clerks and Treasurers of Ontario (AMCTO) and the sample procedures have not been tested or proven by AMCTO or by the Ministry and are merely provided for reference:

- automated vote equipment – poll count tabulators (City of London);
- vote by mail-in ballot (Municipality of Clarington);
- internet voting (Town of Markham);
- touch screen voting (none available);
- voting by telephone

The municipalities noted in brackets above have drafted the sample procedure materials. Since the materials are just samples, if DSSABs wish to pursue the alternative voting methods or wish for more information after reviewing the samples, DSSABs are encouraged to directly contact the municipality who drafted the procedure or another municipality who also conducts their elections using the same or similar method.

DSSABs may contact: Kenny Li Cheong Man, Team Lead, MCSS, Ontario Works Branch, at 416-325-1382 for copies of the sample procedures.

Transition Period Following the Election

During the period following the election and prior to the beginning of the new Term of Office (January 1), the existing Board continues to govern. However, some restrictions to the Board's actions will apply. The following activities should not be undertaken by the Board during this period:

- appointment or removal from office of any member of the board;
- hiring or dismissal of any employee of the board;
- disposition of any real or personal property of the DSSAB which had a value exceeding \$50,000 when it was acquired by the DSSAB (unless the disposition was included in the most recent budget adopted by the DSSAB before nomination day);
- making any expenditures or incurring any other liability which exceeds \$50,000 (unless the liability was included in the most recent budget adopted by the DSSAB before nomination day), excluding normal day to day business expenditures e.g. Ontario Works.

6. FUNDING

In 2018, a base funding of up to \$22,000 per DSSAB and 1 TWOMO Area, plus \$2,000 for each additional TWOMO Area within a DSSAB, will be allocated to cover the costs of administering the TWOMO elections and will be flowed as part of Ontario Works cost of administration for TWOMOs.

Eligible costs must be reasonably attributable to running the election (e.g. holding public meetings, sub-contracting the task of running the election, advertising, postage). Eligible costs are only those costs in addition to costs that are already cost-shared through Ontario Works Administration funding. Receipts to support the eligible costs are to be submitted with the Report-Back on Eligible Expenditures (see Appendix O for supporting form). Any unspent funds and/or funds used for ineligible costs are recoverable by the Ministry of Community and Social Services.

DSSABs will be required to report-back to the ministry and account for the funds that were flowed to them.

Each DSSAB Chief Administrative Officer must complete and return this form by January 30, 2019 to the appropriate MCSS Regional Director.

APPENDICES

APPENDIX "A"**Appointment and Oath of Deputy Returning Officer****District Social Services Administration Board**

Name of Person Appointed

The person named above is hereby appointed Deputy Returning Officer for the above-named DSSAB and delegated the following duties and responsibilities:

Returning Officer

Date

I, the person named above, swear solemnly that I will:

- act faithfully in the capacity set out in my appointment and perform all duties required without partiality, fear or affection,
- maintain and aid in maintaining the secrecy of the voting, and
- not interfere nor attempt to interfere with an elector when she/he is marking her/his ballot, obtain or communicate any information as to how an elector is about to vote or has voted, or directly or indirectly induce an elector to show her/his marked ballot to any person.

(Signature of Person making Affidavit)

Date

Declared before me

At the _____ of _____

In the District of _____

this _____ day of _____, 2018.

Returning Officer

APPENDIX "B"**Appointment and Oath of Poll Clerk**

District Social Services Administration Board

Name of Person Appointed

The person named above is hereby appointed Poll Clerk for the above-named DSSAB and delegated the following duties and responsibilities:

Returning Officer

Date

I, the person named above, swear solemnly that I will:

- act faithfully in the capacity set out in my appointment and perform all duties required without partiality, fear or affection,
- maintain and aid in maintaining the secrecy of the voting, and
- not interfere nor attempt to interfere with an elector when she/he is marking her/his ballot, obtain or communicate any information as to how an elector is about to vote or has voted, or directly or indirectly induce an elector to show her/his marked ballot to any person.

(Signature of Person making Affidavit)

Date

Declared before me

At the _____ of _____

In the District of _____

this _____ day of _____, 2018.

Returning Officer

APPENDIX “C”

Letter of Notification

District Social Services Administration Board

Letter to be sent to legally constituted parties/bodies (e.g. local services boards, cottager associations) in the District

Dear,

As you may know, an election will be held on **(insert date of election)** to vote for **(insert number of members to be elected)** to represent territory without municipal organization on the **(insert appropriate DSSAB name)** District Social Services Administration Board.

In order to proceed with the election of an individual **(if more than 1 member insert the number to be elected)** to represent territory without municipal organization in the District, the **(insert name of DSSAB)** is seeking the assistance of local services boards, local roads boards, volunteer fire departments and other interested organizations in the District.

Enclosed is the Notice of Election, as advertised in the local papers, along with a supply of Nomination Papers which we ask you to post in a conspicuous area to the advantage of the electors in territory without municipal organization.

Section 3.1(2) of the Regulations made under the *District Social Services Administration Boards Act* provides that:

“A member of a board ... who represents territory without municipal organization shall be a Canadian citizen who is at least 18 years of age, and

- (a) a permanent resident of the territory without municipal organization;
- (b) an owner or tenant of property in the territory without municipal organization; or
- (c) the spouse or partner of an owner or tenant of property in the territory without municipal organization.”

Those disqualified from seeking to represent TWOMO include:

- An employee of the DSSAB.
- Except during a leave of absence under Section 30 of the *Municipal Elections Act, 1996*, an employee of a municipality or a local Board as defined in the *Municipal Affairs Act*. An employee must be on leave as of the day they are nominated.

- A judge of any court.
- A member of the Assembly (Ontario Legislature).
- A member of the House of Commons.
- A member of the Senate.
- Anyone who holds more than one office, election of which is governed by the *Municipal Elections Act, 1996* and/or the *District Social Services Administration Boards Act, 1990*.
- A Crown Employee within the meaning of the *Public Service Act, 2006* who is a Deputy Minister or who is in a position or classification designated in the regulations made under that Act for the purposes of Section 11 thereof.
- A person who is serving a sentence of imprisonment in a penal or correctional institution, including a sentence being served in the evenings or on weekends.
- A corporation.
- A person who was convicted of the corrupt practice described in Subsection 90(3) of the *Municipal Elections Act, 1996* if Voting Day in the current election is less than four years after Voting Day in the election in respect of which he or she was convicted.
- A person who was convicted of the corrupt practice described in Subsection 91(1) of the *Municipal Elections Act, 1996* if Voting Day in the current election is less than six years after Voting Day in the election in respect of which he or she was convicted.
- A person disqualified for violations of financial requirements or violations of requirements for filing financial information.
- Otherwise ineligible or disqualified under the *Municipal Act, 2001* or any other Act.

Completed Nomination Papers are to be forwarded to the undersigned by **(date)**.

Voting will take place on **(insert date)** between the hours of **(insert hours)**.

[If alternative voting method is chosen provide details]

All persons who are entitled to vote (Canadian citizens, 18 years of age or older, and residents of the territory) are required to register with Election Officials at the Poll prior to receiving a Ballot. Proxy voting is not permitted.

Any inquiry may be addressed to the undersigned.

Thank you for your assistance.

Sincerely,

Name, address, phone and fax numbers of Returning Officer

APPENDIX "D"

Notice of Nominations

****IMPORTANT NOTICE****

TO: **All residents of the territory without municipal organization within the District of _____**

Pursuant to Section 3.1(2) of Ontario regulation 278/98, under the *District Social Services Administration Boards Act*, there will be an election for _____ () representative(s) on the _____ District Social Services Administration Board. _____ () representative(s) shall represent _____.

The District Social Services Administration Board for the District of _____ is seeking **Nominations for Representation** of the territory without municipal organization to represent Area _____.

Nominee Qualifications

A person is eligible to be a DSSAB member representing territory without municipal organization if he or she is:

- a permanent resident of the territory without municipal organization; or
- an owner or tenant of property in the territory without municipal organization; or
- the spouse or partner of an owner or tenant of property in the territory without municipal organization.

The Position

- To represent the territory without municipal organization of _____, effective _____, 20____. The number of meetings, meeting dates and remuneration will be established by the Board.

Territory without municipal organization includes the following geographic townships:

*List geographic townships as in the appropriate Schedule of the Regulations made under the *District Social Services Administration Boards Act**

Please contact, _____, the Deputy Returning Officer for a copy of the Nomination Papers at _____.

Nomination Papers must be in by no later than July 27, 2018.

APPENDIX "E"**Nomination Papers****District Social Services Administration Board**

I, _____, of _____,
 (Name of Candidate/Nominee) (Qualifying Address)

and _____, _____ hereby put forward
 (Mailing Address) (Postal Code)

- my name as a candidate for the office of DSSAB member representing Territory Without Municipal Organization (TWOMO) and I further declare that I am legally qualified to hold office for which I have been nominated.

 Signature of Candidate/Nominee

 Date

Business Phone: _____

Home Phone: _____

Cell Phone: _____

Fax #: _____

E-Mail: _____

Note: A person who has been nominated may withdraw his/her nomination by filing a written withdrawal with the Returning Officer by 2:00 p.m. on July 27, 2018.

A candidate who is running for municipal office may run as a member to represent DSSAB but, if elected to both positions, is permitted to hold only one office.

APPENDIX "F"**Notice of Rejection of Nomination Papers**

District Social Services Administration Board

TO:

(Candidate Name)

(Address)

(Postal Code)

FROM:

Returning Officer:

(Name of Returning Officer)

(District Social Services Administration Board)

Take notice that your nomination filed with me has been examined and the same has been **REJECTED** as you do not meet the eligibility requirements to hold office:

Signature of Returning Officer

Date

APPENDIX "G"**List of Certified Candidates**

District Social Services Administration Board
NAME OF CANDIDATE**QUALIFYING ADDRESS**

Dated at _____
 This ____ day of _____, 2018.

 Name of Returning Officer,

 District Social Services
 Administration Board

APPENDIX "H"

Instructions for Deputy Returning Officers and Poll Clerks

The following is a brief description of the duties and responsibilities of election personnel.

General

- The poll is to be open to voters from 10:00 a.m. until 8:00 p.m. [NOTE THAT POLLS MAY OPEN EARLIER AT THE DISCRETION OF THE RETURNING OFFICER]
- Election personnel should attend at their respective Poll in order to be "open for business" at 10:00 a.m. Election personnel should be present at the Poll 15-20 minutes early to set-up.
- Personnel should take any food or drink they may require during the day.

Voting Procedures

- Empty the ballot box of all materials as provided.
- On the attendance of a qualified elector, the Deputy Returning Officer (DRO) shall complete the Voter's List with the information required (name, qualifying address, mailing address) and then require the elector to sign the Voter's List.
- Ballots are to be folded. The outside of the Ballot is to be initialed by the DRO.
- Once the elector has signed the Voter's List, he/she is to be handed a ballot and directed to the Voting Booth or area.
- The elector is requested to bring the completed Ballot back to the DRO, folded in a manner that the DRO's initials are visible and the Ballot is then deposited in the Ballot Box by the elector. For clarity, Ballots are folded to ensure that the DRO cannot see the mark on the ballot.

Page 1 of 2

Counting Procedures

- At 8:00 p.m. the Poll shall be closed. Any person, eligible to vote, who is in attendance at the Poll before 8:00 p.m. shall be permitted to vote. In effect should an elector be in the Poll before 8:00 p.m. he/she will be allowed to vote though the Poll has been effectively closed.
- When everyone has voted, the DRO will open the Ballot Box and sort the ballots in those marked for each candidate.
- The DRO will then take a count of each sort and complete the "Statement of Elections Results" accordingly.
- All UNUSED Ballots will be placed in the envelope provided with the Ballot Box. The number of USED ballots will be noted on the envelope.
- All REJECTED, CANCELLED, and DECLINED Ballots will be placed in the envelope provided with the Ballot Box. The number of REJECTED, CANCELLED, and DECLINED ballots will be noted on the envelope.

Place all envelopes in the Ballot Box. Seal the Ballot Box and return it to the Returning Officer.

APPENDIX "I"**Declaration of Acclamation to Office**

District Social Services Administration Board

Member to Represent _____ Territory Without Municipal
Organization

I hereby declare the certified candidates listed below to be acclaimed to the District Social Services Administration Board as members representing territory without municipal organization:

NAME OF CERTIFIED CANDIDATE

Dated this _____ day of _____, 2018

Name of Returning Officer

Chair of District Social Services Administration Board

APPENDIX "J"**Notice of Election******IMPORTANT NOTICE****

TO: All residents of the Territory Without Municipal Organization within the District of _____

The _____ District Social Services Administration Board will hold an election to select a member who will represent the Territory Without Municipal Organization for Area _____ to the District Social Services Administration Board.

____ () Member to represent the Territory Without Municipal Organization of Area _____

NOTE: If there are 2 or more members on a DSSAB representing territory without municipal organization, adapt this form accordingly.

Voting will take place in the listed Poll Centre(s) on _____
Between 10:00 a.m. and 8:00 p.m.

All persons who are entitled to vote are required to register with Election Officials at the Poll prior to receiving a Ballot.

Proxy Voting is **not** permitted.

Qualified Electors

- a Canadian citizen;
- at least 18 years old; and
- residing in the territory without municipal organization or an owner or tenant of land there, or the spouse of such owner or tenant.

Names of Candidates

Candidate's Name

Candidate's Name

Qualifying Address

_____ Township

_____ Township

Polls

#1 – Name of Centre
Address

#2 – Name of Centre
Address

Date of Notice
Returning Officer Name
DSSAB

Appendix "K"

Application to Amend Voters' List

Check only one

- ☐ Add applicant's name to list.
- ☐ Correct applicant's information on list
- ☐ Delete applicant's or family member's name from list:
 - ☐ deceased ☐ moved ☐ other

Name of applicant

Date of birth: / /

Last

First

Middle

Qualifying address on voting day

Street Number and Name

Apt.

Roll number

City/Township

Postal Code

I, the undersigned, hereby declare that I am a Canadian citizen, that I have attained the age of eighteen (18) on or before Voting Day, and that on Voting Day I am entitled to be an elector in accordance with the facts or information submitted on this form, and that I understand the effect thereof. I hereby apply to have my name included or amendments made on the Voters' List in accordance with such facts or information.

Signature of applicant

Date

Certificate of Approval

☐ Approved

☐ Refused (state reason)

Poll Clerk

Signature of returning officer or designate

Date

APPENDIX "L"**Ballot**

District of _____ Social Services Administration Board
BALLOT

Member to represent Territory Without Municipal Organization for Area _____
of the Board.

You can vote for ONE (1) candidate for this Office:

Name of Candidate _____ ☐

Name of Candidate _____ ☐

Name of Candidate _____ ☐

APPENDIX "M"**Certificate and Receipt for Ballots**

Poll # _____ _____ District Social Services Administration Board

Ballot for Member to Represent Territory Without Municipal Organization on the DSSAB Quantity (as delivered by Returning Officer) _____ Corrected Quantity (as verified by D.R.O.) _____

I, the undersigned Returning Officer, do hereby declare that I have supplied to the Deputy Returning Officer of the said polling subdivision, the quantities of ballots listed.

 Returning Officer

 Date

I, the undersigned Deputy Returning Officer for the said polling subdivision, do hereby declare that I have received from the Returning Officer, the quantities of ballots delivered to me or, if different, as verified by me.

 Deputy Returning Officer

 Date

APPENDIX "N"

Election Results

_____ District Social Services Administration Board

Office of DSSAB Member to Represent

_____ Territory Without Municipal Organization

Date: _____

I hereby certify that during the election held on _____ for the Office listed above, the certified candidates received the votes that follow their respective name:

Candidate	Total Votes
_____	_____
_____	_____
_____	_____
_____	_____

I further certify the following candidate **ELECTED** as a result of the vote taken on

Date

_____ Candidate	_____ Total Votes
--------------------	----------------------

_____ Initials of Returning Officer	_____ Date
--	---------------

APPENDIX “N”

Election Results (cont'd)

Ballot Count

Total Ballots Received from the Returning Officer _____

Counted Ballots _____

Rejected Ballots _____

Cancelled Ballots _____

Declined Ballots _____

Unused Ballots _____

Total Ballots _____

Returning Officer

Date

APPENDIX "O"

Report-back to Ministry of Community and Social Services (MCSS) on Election Expenditures

_____ District Social Services Administration Board

Chief Administrative Officer
DSSAB
Address
Date

Total Allocation for _____ DSSAB \$ _____

Expenses	Specify	Amount(\$)
Human Resources		
Sub-contracting		
Public Meetings		
Advertising		
Printing/Photocopying		
Postage		
Ballot		
Boxes		
Transportation		
Other		
Total		\$

I, the undersigned, verify the items listed above and their expense. Receipts are provided to support the expenses identified above.

Chief Administrative Officer

Date

APPENDIX “P”

District Social Services Administration Boards Act Loi sur les conseils d’administration de district des services sociaux

ONTARIO REGULATION 278/98

GENERAL

Consolidation Period: From March 27, 2009 to the e-Laws currency date.

Last amendment: O. Reg. 123/09.

This Regulation is made in English only.

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SOCIAL SERVICES PRESCRIBED

1. (1) For the purpose of the definition of “social services” in subsection 1 (1) of the Act, social services include,

- (a) services with respect to assistance under the *Ontario Works Act, 1997*;
- (b) services with respect to income support under the *Ontario Disability Support Program Act, 1997*;
- (c) the services set out in section 66.1 of Regulation 262 of the Revised Regulations of Ontario, 1990, made under the *Day Nurseries Act*; and

(d) Revoked: O. Reg. 131/01, s. 1 (1).

(e) services with respect to benefits under the *Family Benefits Act*. O. Reg. 278/98, s. 1; O. Reg. 131/01, s. 1 (1).

(2) Despite Ontario Regulation 131/01, this section, as it read immediately before that regulation came into force, continues to apply to expenditures with respect to provincial social housing costs under the *Social Housing Funding Act, 1997* in respect of billing periods ending before January 1, 2001. O. Reg. 131/01, s. 1 (2).

GRANTS UNDER SECTION 10 OF THE ACT

2. The amount of a grant under section 10 of the Act shall be,

- (a) 50 per cent of the board's reasonable costs of administration during its first year, as estimated by the board and approved by the Director under the *Ontario Works Act, 1997*; and
- (b) the board's reasonable start up costs, as estimated by the board and approved by the Director under the *Ontario Works Act, 1997*. O. Reg. 278/98, s. 2.

DESIGNATION OF DISTRICTS FOR BOARDS AND MEMBERSHIP OF BOARD

3. (1) The district for each of the boards established by the Minister is set out in section 1 of the corresponding Schedule to this Regulation. O. Reg. 278/98, s. 3 (1).

(2) The number of members of each of the boards, the areas that those members represent and the manner of their appointment are set out in section 2 of the corresponding Schedule to this Regulation. O. Reg. 278/98, s. 3 (2).

QUALIFICATIONS OF MEMBERS

3.1 (1) A member of a board who is not a member at large and who represents one or more municipalities shall be a member of a municipal council. O. Reg. 37/99, s. 1.

(2) A member of a board who is not a member at large and who represents territory without municipal organization shall be a Canadian citizen who is at least 18 years of age and,

- (a) a permanent resident of the territory without municipal organization;
- (b) an owner or tenant of property in the territory without municipal organization; or
- (c) the spouse of an owner or tenant of property in the territory without municipal organization. O. Reg. 37/99, s. 1; O. Reg. 40/00, s. 1 (1); O. Reg. 288/05, s. 1 (1).

(3) A member of a board shall not be an employee of the board. O. Reg. 37/99, s. 1.

(4) In this section,

“spouse” means,

- (a) a spouse as defined in section 1 of the *Family Law Act*, or
- (b) either of two persons who live together in a conjugal relationship outside marriage. O. Reg. 288/05, s. 1 (2).

TERM OF OFFICE OF MEMBERS

4. (1) A member of a board appointed as a member at large shall hold office for a term not exceeding four years. O. Reg. 278/98, s. 4 (1); O. Reg. 410/06, s. 1 (1).

(2) The term of office of a member of a board who is not a member at large shall commence on January 1 next following the commencement of the term of office of the council that the member represents or January 1 in any subsequent year of the term of office of that council and shall not exceed four years. O. Reg. 278/98, s. 4 (2); O. Reg. 410/06, s. 1 (2).

(3) A member of a board may be re-appointed when his or her term ends. O. Reg. 278/98, s. 4 (3).

(4) If a member who was appointed by one or more municipalities becomes ineligible to hold office as a board member, fails to attend three consecutive board meetings without the board’s authorization, resigns or dies before the end of his or her term, the council or councils that appointed the member shall appoint a new member to serve for the remainder of the term. O. Reg. 37/99, s. 2.

(5) If a member of a board represents an area set out in the Schedule for that board that is comprised of territory without municipal organization and that member becomes ineligible to hold office as a board member, fails to attend three consecutive board meetings without the board’s authorization, resigns or dies before the end of his or her term, the board shall appoint a new member to serve that territory for the remainder of the term. O. Reg. 37/99, s. 2.

CHAIRS OF BOARDS

5. (1) A board shall, at its first meeting after January 1 in each year, appoint one of its members as chair of the board. O. Reg. 278/98, s. 5 (1).

(2) The member of the board who is appointed as chair shall serve as chair until the December 31 following the appointment and, subject to subsection (3), may be re-appointed as chair for the next year. O. Reg. 278/98, s. 5 (2).

(3) No member of the board shall serve as chair for more than,

- (a) in the case of a member appointed as chair before January 1, 2007, three consecutive terms; and
- (b) in the case of a member appointed as chair on or after January 1, 2007, four consecutive terms. O. Reg. 410/06, s. 2.

(4) If the chair resigns or dies before his or her term expires, the board shall appoint another member of the board as chair to complete the unexpired portion of the term. O. Reg. 278/98, s. 5 (4).

APPORTIONMENT OF COSTS

6. (1) In this section and in section 7,

“tax ratio”, with respect to a property, means the tax ratio established under section 308 of the *Municipal Act, 2001* for the property class it is in;

“weighted assessment” means,

- (a) with respect to property that is in a subclass to which section 313 of the *Municipal Act, 2001* applies, the taxable assessment for the property, as reduced by the percentage reduction that applies with respect to that assessment under section 313 of the *Municipal Act, 2001* and multiplied by the tax ratio of the property class that the property is in, and
- (b) in all other cases, the taxable assessment for a property multiplied by the tax ratio of the property class that the property is in. O. Reg. 37/99, s. 3; O. Reg. 112/99, s. 1 (1); O. Reg. 355/02, s. 1 (1, 2).

(2) For the purposes of this section, if the area of jurisdiction of a board includes territory without municipal organization,

- (a) the costs of social services attributable to the areas of the board comprised of municipalities are the actual costs of social services for all of those areas, including the costs of administration with respect to those costs; and
- (b) the costs of social services attributable to the areas of the board comprised of territory without municipal organization are the actual costs of those social services for that territory, including the costs of administration with respect to those costs. O. Reg. 37/99, s. 3.

(2.1) The costs of social services attributable to the areas of the board under subsection (2) include only those costs for which the board is responsible. O. Reg. 112/99, s. 1 (2).

(3) The attribution of costs between municipalities and territory without municipal organization in accordance with subsection (2) must be approved by the Director under the *Ontario Works Act, 1997*. O. Reg. 37/99, s. 3.

(4) Subject to subsections (5) and (6), the amount determined under clause (2) (a) shall be apportioned among the municipalities in the board’s district as follows:

- 1. When the assessment rolls of the municipalities in the district are returned to the clerks under section 36 of the *Assessment Act*, they shall also be provided to the board.

2. Each municipality shall provide the board with a copy of its by-law setting its tax ratios on or before the date it is required under section 308 of the *Municipal Act, 2001* to make the by-law.
3. The board shall determine, for each municipality, the amount to be apportioned to the municipality in accordance with the following formula:

$$A = B \times (C \div D)$$

where,

A = the amount to be apportioned to the municipality,

B = the amount determined under clause (2) (a),

C = the sum of the weighted assessments for all of the properties in the municipality,

D = the sum of the weighted assessments for all of the properties in all of the municipalities.

O. Reg. 37/99, s. 3; O. Reg. 355/02, s. 1 (3).

(5) The board may agree to apportion costs of social services in its district, including the costs of administration, in a way other than that provided in subsections (2) and (4) if,

- (a) a majority of the municipalities and members representing territory without municipal organization consent to that apportionment; and
- (b) those municipalities and members who have consented represent a majority of the electors in the board's district. O. Reg. 37/99, s. 3.

(6) Each of the municipalities set out in an area of a board set out in the Schedule for that board and each of the members of that board representing territory without municipal organization is entitled to one vote under clause (5) (a). O. Reg. 37/99, s. 3.

(7) For the purposes of clause (5) (b), if two or more members of the board represent an area set out in the Schedule for the board that is comprised of territory without municipal organization, a member who represents the area shall be deemed to represent the total number of electors in the area divided by the total number of board members who represent the area. O. Reg. 37/99, s. 3.

(8) A resolution of the municipal council is required for a municipality to consent under subsection (5) and a signed consent of a member representing territory without municipal organization is required for the member to consent under subsection (5). O. Reg. 37/99, s. 3.

(9) Each board whose area of jurisdiction includes territory without municipal organization shall inform the Minister responsible for each social service of the costs of that social service attributable to territory without municipal organization forthwith after determining those costs. O. Reg. 37/99, s. 3.

6.1 The interest that a board may impose on a municipality under subsection 6 (3) of the Act shall not exceed 1 per cent per month. O. Reg. 37/99, s. 4.

ESTIMATES AND RESERVES

7. (1) Each board shall in each year apportion among the jurisdictions in its district, in accordance with section 6, the amounts that it estimates will be required to defray the expenditures for social services for that year and shall on or before March 31 of that year notify,

- (a) the clerk of each municipality of the amount to be provided by that municipality; and
- (b) the Minister responsible for each social service of the amount to be provided by the Minister with respect to that social service under section 8 of the Act. O. Reg. 37/99, s. 5 (1).

(2) If a board that has given notice of its estimated expenditures incurs additional costs for social services that were not anticipated at the time the notice was given, the additional costs shall be apportioned and notification given in accordance with subsection (1). O. Reg. 278/98, s. 7 (2); O. Reg. 37/99, s. 5 (2).

(3) In preparing the estimates, the board may provide for a reserve for working funds in a year not to exceed 15 per cent of the total estimates of the board for the year. O. Reg. 278/98, s. 7 (3).

(4) If the actual expenditures of a board for a year are greater or less than the estimated expenditures for that year, the board shall, in preparing the estimates of the amount required to defray its expenditures for the following year,

- (a) make due allowance for any surplus that will be available from the preceding year; or
- (b) provide for any deficit of the preceding year. O. Reg. 278/98, s. 7 (4).

8. For the purposes of sections 6, 6.1 and 7, the costs of social services attributable to the Town of Moosonee shall be considered as if they were attributable to the areas of a board comprised of territory without municipal organization and the Town shall not participate in the apportionment of the costs of social services required by subsection 6 (4). O. Reg. 620/00, s. 1.

SCHEDULE 1

ALGOMA DISTRICT SERVICES ADMINISTRATION BOARD

1. The district for the Algoma District Services Administration Board is the District of Algoma, excluding the part of the District of Algoma that is part of the district for the District of Sault Ste. Marie Social Services Administration Board.

2. The Algoma District Services Administration Board shall consist of 12 members and the areas they represent and the manner of their appointment shall be as follows:

1. Area 1 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 1:
 - i. The Corporation of the Township of Hornepayne.
 - ii. The Corporation of the Township of White River.
 - iii. The Corporation of the Township of Dubreuilville.
2. Area 2 is the area of jurisdiction of The Corporation of the Township of Michipicoten and one member shall be appointed by its municipal council to represent Area 2.
3. Area 3 is the area of jurisdiction of the following municipalities and two members shall be appointed jointly by the municipal councils of those municipalities to represent Area 3:
 - i. The Corporation of the Township of MacDonald, Meredith and Aberdeen Additional.
 - ii. The Corporation of the Township of Laird.
 - iii. The Corporation of the Township of Tarbutt and Tarbutt Additional.
 - iv. The Corporation of the Township of St. Joseph.
 - v. The Corporation of the Township of Jocelyn.
 - vi. The Corporation of the Township of Hilton.
 - vii. The Corporation of the Village of Hilton Beach.
 - viii. The Corporation of the Township of Johnson.
4. Area 4 is the area of jurisdiction of the following municipalities and two members shall be appointed jointly by the municipal councils of those municipalities to represent Area 4:
 - i. The Corporation of the Township of Plummer Additional.
 - ii. The Corporation of the Town of Bruce Mines.
 - iii. The Corporation of the Town of Thessalon.
 - iv. The Corporation of the Municipality of Huron Shores.
 - v. The Corporation of the Township of the North Shore.
 - vi. The Corporation of the Township of Shedden.

5. Area 5 is the area of jurisdiction of The Corporation of the Town of Blind River and one member shall be appointed by its municipal council to represent Area 5.
6. Area 6 is the area of jurisdiction of The Corporation of the City of Elliot Lake and four members shall be appointed by its municipal council to represent Area 6.
7. Area 7 is the territory without municipal organization within the district for the Algoma District Services Administration Board and one member shall be selected by the residents of that territory to represent Area 7.

O. Reg. 37/99, s. 6; O. Reg. 620/00, s. 2.

SCHEDULE 2

THE DISTRICT OF COCHRANE SOCIAL SERVICES ADMINISTRATION BOARD

1. The district for the District of Cochrane Social Services Administration Board is the District of Cochrane.

2. The District of Cochrane Social Services Administration Board shall consist of 14 members and the areas they represent and the manner of their appointment shall be as follows:

1. Revoked: O. Reg. 501/05, s. 1 (2).
2. Area 1 is the area of jurisdiction of The Corporation of the City of Timmins and seven members shall be appointed by its municipal council to represent Area 1.
3. Area 2 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 2:
 - i. The Corporation of the Town of Hearst.
 - ii. The Corporation of the Township of Mattice-Val Côté.
4. Area 3 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 3:
 - i. The Corporation of the Township of Fauquier-Strickland.
 - ii. The Corporation of the Township of Moonbeam.
 - iii. The Corporation of the Town of Smooth Rock Falls.
 - iv. The Corporation of the Township of Opasatika.
 - v. The Corporation of the Township of Val Rita-Harty.

5. Area 4 is the area of jurisdiction of The Corporation of the Town of Kapuskasing and one member shall be appointed by its municipal council to represent Area 4.
 6. Area 5 is the area of jurisdiction of The Corporation of the Town of Cochrane and The Corporation of the Town of Moosonee and one member shall be appointed by the municipal council of The Corporation of the Town of Cochrane to represent Area 5.
 7. Area 6 is the area of jurisdiction of the Corporation of the Town of Iroquois Falls and one member shall be appointed by its municipal council to represent Area 6.
 8. Area 7 is the area of jurisdiction of the Corporation of the Township of Black River-Matheson and one member shall be appointed by its municipal council to represent Area 7.
 9. Area 8 is the territory without municipal organization within the district for the District of Cochrane Social Services Administration Board and one member shall be selected by the residents of that territory to represent Area 8.
- O. Reg. 37/99, s. 6; O. Reg. 608/99, s. 1; O. Reg. 620/00, s. 3; O. Reg. 501/05, s. 1;
O. Reg. 123/09, s. 1.

SCHEDULE 2.1 KENORA DISTRICT SERVICES BOARD

1. The district for the Kenora District Services Board is the District of Kenora including the geographic townships of Mathieu, Croome and Claxton that are annexed to The Corporation of the Township of Sioux Narrows-Nestor Falls.
2. The Kenora District Services Board shall consist of 13 members and the areas they represent and the manner of their appointment shall be as follows:
 1. Area 1 is the area of jurisdiction of The Corporation of the City of Dryden and one member shall be appointed by its municipal council to represent Area 1.
 - 2., 3. Revoked: O. Reg. 608/99, s. 2 (2).
 4. Area 4 is the area of jurisdiction of The Corporation of the City of Kenora and one member shall be appointed by its municipal council to represent Area 4.
 5. Area 5 is the area of jurisdiction of The Corporation of the Town of Sioux Lookout and one member shall be appointed by its municipal council to represent Area 5.
 6. Area 6 is the area of jurisdiction of The Corporation of the Township of Ear Falls and one member shall be appointed by its municipal council to represent Area 6.

7. Area 7 is the area of jurisdiction of The Corporation of the Township of Ignace and one member shall be appointed by its municipal council to represent Area 7.
8. Area 8 is the area of jurisdiction of The Corporation of the Township of Machin and one member shall be appointed by its municipal council to represent Area 8.
9. Area 9 is the area of jurisdiction of The Corporation of the Township of Pickle Lake and one member shall be appointed by its municipal council to represent Area 9.
10. Area 10 is the area of jurisdiction of The Corporation of the Municipality of Red Lake and one member shall be appointed by its municipal council to represent Area 10.
11. Area 11 is the area of jurisdiction of The Corporation of the Township of Sioux Narrows-Nestor Falls and one member shall be appointed by its municipal council to represent Area 11.
12. Area 12 is that part of the territory without municipal organization within the district for the Kenora District Services Board that is described as follows and one member shall be selected jointly by the residents of that area to represent Area 12:

Lac Seul Electoral Area which takes in all the unincorporated area easterly from the western intersection of the 11th baseline and the Manitoba border to the intersection of the Thunder Bay District; thence, southerly along the Thunder Bay District western boundary until the intersection of a line of latitude drawn across the northern border of Grand Trunk Block 10; thence, westerly along the line of latitude drawn across the northern border of Grand Trunk Block 10 to the Manitoba border; thence, northerly along the Manitoba border to the intersection of the 11th baseline.
13. Area 13 is that part of the territory without municipal organization within the district for the Kenora District Services Board that is described as follows and one member shall be selected jointly by the residents of that area to represent Area 13:

Oxdrift Electoral Area which takes in all the unincorporated area southerly from the intersection of the southern border of the Lac Seul Area and the western boundary of the Thunder Bay District to the northern boundary of the Rainy River District; thence, westerly along the northern boundary of the Rainy River District to the intersection of a line of longitude drawn to travel along the western boundary of Bridges Township; thence, northerly along the line of longitude drawn to travel along the western boundary of Bridges Township to the intersection of the southern boundary of the Lac Seul Area;

thence, easterly along the southern boundary of the Lac Seul Area to the intersection of the western boundary of the Thunder Bay District.

14. Area 14 is that part of the territory without municipal organization within the district for the Kenora District Services Board that is described as follows and one member shall be selected jointly by the residents of that area to represent Area 14:

Lake of the Woods North Area which takes in all the unincorporated area easterly from the Manitoba border along the southern boundary of the Lac Seul Area to the intersection of the western boundary of the Oxdrift Area; thence, southerly along the western boundary of the Oxdrift Area to the intersection of the north side of Highway 17; thence, westerly along the north side of Highway 17 to the intersection of the Manitoba border; thence, northerly along the Manitoba border to the intersection of the southern boundary of the Lac Seul Area.

15. Area 15 is that part of the territory without municipal organization within the district for the Kenora District Services Board that is described as follows and one member shall be selected jointly by the residents of that area to represent Area 15:

Lake of the Woods South Area which takes in all the unincorporated area easterly from the Manitoba border along the south side of Highway 17 to the intersection of the western boundary of the Oxdrift Area; thence, southerly along the western boundary of the Oxdrift Area to the intersection of the northern boundary of the Rainy River District; thence, westerly along the northern boundary of the Rainy River District to the Manitoba border; thence, northerly along the Manitoba border to the intersection of the south side of Highway 17, excluding areas annexed to The Corporation of the Township of Lake of the Woods.

O. Reg. 112/99, s. 2 (1); O. Reg. 608/99, s. 2; O. Reg. 620/00, s. 4; O. Reg. 422/03, s. 1.

SCHEDULE 2.2

MANITOULIN-SUDBURY DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

1. The district for the Manitoulin-Sudbury District Social Services Administration Board is the District of Manitoulin and that part of the District of Sudbury that does not include the area of jurisdiction of City of Greater Sudbury.

2. The Manitoulin-Sudbury District Social Services Administration Board shall consist of 14 members and the areas they represent and the manner of their appointment shall be as follows:

1. Area 1 is the area of jurisdiction of The Corporation of the Town of Espanola and two members shall be appointed by its municipal council to represent Area 1.
2. Area 2 is the area of jurisdiction of the following municipalities and two members shall be appointed jointly by the municipal councils of those municipalities to represent Area 2:
 - i. The Corporation of the Township of Sables-Spanish Rivers.
 - ii. The Corporation of the Township of Baldwin.
 - iii. The Corporation of the Township of Nairn and Hyman.
3. Area 3 is the area of jurisdiction of the following municipalities and three members shall be appointed jointly by the municipal councils of those municipalities to represent Area 3:
 - i. The Corporation of the Municipality of Markstay-Warren.
 - ii. The Corporation of the Municipality of St.-Charles.
 - iii. The Corporation of the Municipality of French River.
 - iv. The Corporation of the Municipality of Killarney.
4. Area 4 is the area of jurisdiction of The Corporation of the Township of Chapleau and one member shall be appointed by its municipal council to represent Area 4.
5. Area 5 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 5:
 - i. The Corporation of the Township of Cockburn Island.
 - ii. The Corporation of the Township of Barrie Island.
 - iii. The Corporation of the Township of Burpee and Mills.
 - iv. The Corporation of the Township of Gordon.
 - v. The Corporation of the Town of Gore Bay.
 - vi. The Corporation of the Township of Billings.
6. Area 6 is the area of jurisdiction of the following municipalities and two members shall be appointed jointly by the municipal councils of those municipalities to represent Area 6:
 - i. The Corporation of the Township of Central Manitoulin.
 - ii. The Corporation of the Township of Tehkummah.
 - iii. The Corporation of the Town of Northeastern Manitoulin and the Islands.

iv. The Corporation of the Township of Assiginack.

7. Area 7 is the territory without municipal organization within the district for the Manitoulin-Sudbury District Social Services Administration Board and three members shall be selected by the residents of that territory to represent Area 7.

O. Reg. 112/99, s. 2 (1); O. Reg. 608/99, s. 3; O. Reg. 620/00, s. 5.

SCHEDULE 3

THE DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD

1. The district for the District of Nipissing Social Services Administration Board is the District of Nipissing and the part of the District of Sudbury that is within the area of jurisdiction of The Corporation of the Municipality of West Nipissing.

2. The District of Nipissing Social Services Administration Board shall consist of 12 members and the areas they represent and the manner of their appointment shall be as follows:

1. Area 1 is the area of jurisdiction of The Corporation of the City of North Bay and six members shall be appointed by its municipal council to represent Area 1.
2. Area 2 is the area of jurisdiction of The Corporation of the Municipality of West Nipissing and one member shall be appointed by its municipal council to represent Area 2.
3. Area 3 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 3:
 - i. The Corporation of the Township of Bonfield.
 - ii. The Corporation of the Township of Calvin.
 - iii. The Corporation of the Township of Chisholm.
 - iv. The Corporation of the Town of Mattawa.
 - v. The Corporation of the Township of Mattawan.
 - vi. The Corporation of the Township of Papineau-Cameron.
4. Area 4 is the area of jurisdiction of The Corporation of Township of South Algonquin and one member shall be appointed by its municipal council to represent Area 4.
5. Area 5 is the area of jurisdiction of The Corporation of the Municipality of Temagami and one member shall be appointed by its municipal council to represent Area 5.

6. Area 6 is the area of jurisdiction of The Corporation of the Township of East Ferris and one member shall be appointed by its municipal council to represent Area 6.
7. Area 7 is the territory without municipal organization within the district for the District of Nipissing Social Services Administration Board and one member shall be selected by the residents of that territory to represent Area 7.

O. Reg. 37/99, s. 6; O. Reg. 422/03, s. 2.

SCHEDULE 4 THE DISTRICT OF PARRY SOUND SOCIAL SERVICES ADMINISTRATION BOARD

1. The district for the District of Parry Sound Social Services Administration Board is the District of Parry Sound, excluding the area of jurisdiction of The Corporation of the Municipality of Killarney.

2. The District of Parry Sound Social Services Administration Board shall consist of 15 members and the areas they represent and the manner of their appointment shall be as follows:

1. Area 1 is the area of jurisdiction of The Corporation of the Township of Seguin and two members shall be appointed by its municipal council to represent Area 1.
2. Area 2 is the area of jurisdiction of the following municipalities and three members shall be appointed jointly by the municipal councils of those municipalities to represent Area 2:
 - i. The Corporation of the Township of Archipelago.
 - ii. The Corporation of the Town of Parry Sound.
3. Area 3 is the area of jurisdiction of the following municipalities and two members shall be appointed jointly by the municipal councils of those municipalities to represent Area 3:
 - i. The Corporation of the Township of Carling.
 - ii. The Corporation of the Municipality of Whitestone.
 - iii. The Corporation of the Township of McDougall.
 - iv. The Corporation of the Township of McKellar.
4. Area 4 is the area of jurisdiction of the following municipalities and two members shall be appointed jointly by the municipal councils of those municipalities to represent Area 4:
 - i. The Corporation of the Town of Kearney.

- ii. The Corporation of the Village of Burk's Falls.
 - iii. The Corporation of the Township of Armour.
 - iv. The Corporation of the Township of Perry.
 - v. The Corporation of the Township of Ryerson.
 - vi. The Corporation of the Township of McMurrich-Monteith.
5. Area 5 is the area of jurisdiction of the following municipalities and two members shall be appointed jointly by the municipal councils of those municipalities to represent Area 5:
- i. The Corporation of the Village of South River.
 - ii. The Corporation of the Village of Sundridge.
 - iii. The Corporation of the Township of Joly.
 - iv. The Corporation of the Township of Machar.
 - v. The Corporation of the Township of Strong.
 - vi. The Corporation of the Municipality of Magnetawan.
6. Area 6 is the area of jurisdiction of the following municipalities and two members shall be appointed jointly by the municipal councils of those municipalities to represent Area 6:
- i. The Corporation of the Municipality of Powassan.
 - ii. Revoked: O. Reg. 620/00, s. 6 (2).
 - iii. The Corporation of the Township of Himsworth North.
 - iv. Revoked: O. Reg. 620/00, s. 6 (2).
 - v. The Corporation of the Township of Nipissing.
7. Area 7 is the territory without municipal organization within the district for the District of Parry Sound Social Services Administration Board and two members shall be selected by the residents of that territory to represent Area 7.
- O. Reg. 37/99, s. 6; O. Reg. 608/99, s. 4; O. Reg. 620/00, s. 6.

SCHEDULE 5

RAINY RIVER DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

1. The district for Rainy River District Social Services Administration Board is the District of Rainy River, the area of jurisdiction of The Corporation of the Township of Lake of the Woods excluding the geographic townships of Mathieu, Croome and Claxton that are annexed to The Corporation of the Township of Sioux Narrows-Nestor Falls.

2. Rainy River District Social Services Administration Board shall consist of 13 members and the areas they represent and the manner of their appointment shall be as follows:

1. Area 1 is the area of jurisdiction of The Corporation of the Town of Fort Frances and one member shall be appointed by its municipal council to represent Area 1.
2. Area 2 is the area of jurisdiction of The Corporation of the Township of Atikokan and one member shall be appointed by its municipal council to represent Area 2.
3. Area 3 is the area of jurisdiction of The Corporation of the Township of Emo and one member shall be appointed by its municipal council to represent Area 3.
4. Area 4 is the area of jurisdiction of The Corporation of the Township of La Vallée and one member shall be appointed by its municipal council to represent Area 4.
5. Area 5 is the area of jurisdiction of The Corporation of the Town of Rainy River and one member shall be appointed by its municipal council to represent Area 5.
6. Area 6 is the area of jurisdiction of The Corporation of the Township of Alberton and one member shall be appointed by its municipal council to represent Area 6.
7. Area 7 is the area of jurisdiction of The Corporation of the Township of Chapple and one member shall be appointed by its municipal council to represent Area 7.
8. Area 8 is the area of jurisdiction of The Corporation of the Township of Dawson and one member shall be appointed by its municipal council to represent Area 8.
9. Area 9 is the area of jurisdiction of The Corporation of the Township of Morley and one member shall be appointed by its municipal council to represent Area 9.
10. Area 10 is the area of jurisdiction of The Corporation of the Township of Lake of the Woods and one member shall be appointed by its municipal council to represent Area 10.
11. Area 11 is the territory without municipal organization that is located westerly from the northwest corner of Indian Reserve 16D on a line projected northward astronomically to the point of intersection with the District of Kenora to the westerly boundary of the District of Rainy River and one

member shall be selected by the residents of those territories to represent Area 11.

12. Area 12 is the territory without municipal organization that is located easterly from the northwest corner of Indian Reserve 16D on a line projected northward astronomically to the point of intersection with the District of Kenora and easterly to the 5th Meridian Line and one member shall be selected by the residents of that territory to represent Area 12.
13. Area 13 is the territory without municipal organization that is located from the easterly boundary of the District of Rainy River northward until it intersects with the District of Kenora, westerly until the 5th Meridian Line which lies on the west boundary of the unincorporated area of Bennett and one member shall be selected by the residents of that territory to represent Area 13.

O. Reg. 37/99, s. 6; O. Reg. 620/00, s. 7; O. Reg. 422/03, s. 3; O. Reg. 298/04, s. 1.

SCHEDULE 5.1

THE DISTRICT OF SAULT STE. MARIE SOCIAL SERVICES ADMINISTRATION BOARD

1. The district for the District of Sault Ste. Marie Social Services Administration Board is the area of jurisdiction of The Corporation of the City of Sault Ste. Marie, the area of jurisdiction of The Corporation of the Township of Prince and the territory without municipal organization that is within the planning area for the Sault North Planning Board.

2. The District of Sault Ste. Marie Social Services Administration Board shall consist of nine members and the areas they represent and the manner of their appointment shall be as follows:

1. Area 1 is the area of jurisdiction of The Corporation of the City of Sault Ste. Marie and six members shall be appointed by its municipal council to represent Area 1.
2. Area 2 is the area of jurisdiction of The Corporation of the Township of Prince and one member shall be appointed by its municipal council to represent Area 2.
3. Area 3 is the territory without municipal organization that is within the planning area for the Sault North Planning Board and two members shall be selected by the residents of that territory to represent Area 3.

O. Reg. 37/99, s. 6.

SCHEDULE 6

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD

1. The district for the Thunder Bay Social Services Administration Board is the District of Thunder Bay.

2. The District of the Thunder Bay Social Services Administration Board shall consist of 12 members and the areas they represent and the manner of their appointment shall be as follows:

1. Revoked: O. Reg. 164/07, s. 1 (2).
2. Area 1 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 1:
 - i. The Corporation of the Municipality of Oliver Paipoonge.
 - ii. The Corporation of the Township of Shuniah.
 - iii. The Corporation of the Township of O'Connor.
 - iv. The Corporation of the Municipality of Neebing.
 - v. The Corporation of the Township of Conmee.
 - vi. The Corporation of the Township of Gillies.
3. Area 2 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 2:
 - i. The Corporation of the Township of Nipigon.
 - ii. The Corporation of the Township of Red Rock.
 - iii. The Corporation of the Township of Dorion.
4. Area 3 is the area of the jurisdiction of The Corporation of the Municipality of Greenstone and one member shall be appointed by its municipal council to represent Area 3.
5. Area 4 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 4:
 - i. The Corporation of the Township of Terrace Bay.
 - ii. The Corporation of the Township of Schreiber.
6. Area 5 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 5:
 - i. The Corporation of the Town of Marathon.
 - ii. The Corporation of the Township of Manitouwadge.

7. Area 6 is the area of jurisdiction of The Corporation of the City of Thunder Bay and six members shall be appointed by the municipal council of The Corporation of the City of Thunder Bay to represent Area 6.
8. Area 7 is the territory without municipal organization within the district for the District of Thunder Bay Social Services Administration Board and one member shall be selected by the residents of that territory to represent Area 7.

O. Reg. 112/99, s. 2 (2); O. Reg. 620/00, s. 8; O. Reg. 164/07, s. 1.

SCHEDULE 7 THE DISTRICT OF TIMISKAMING SOCIAL SERVICES ADMINISTRATION BOARD

1. The district for the District of Timiskaming Social Services Administration Board is the District of Timiskaming.
2. The District of Timiskaming Social Services Administration Board shall consist of nine members and the areas they represent and the manner of their appointment shall be as follows:
 1. Area 1 is the area of jurisdiction of The Corporation of the Town of Kirkland Lake and two members shall be appointed by its municipal council to represent Area 1.
 2. Area 2 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 2:
 - i. The Corporation of the Town of Englehart.
 - ii. The Corporation of the Township of McGarry.
 - iii. The Corporation of the Township of Larder Lake.
 - iv. The Corporation of the Township of Gauthier.
 - v. The Corporation of the Township of Chamberlain.
 - vi. The Corporation of the Municipality of Charlton and Dack.
 - vii. The Corporation of the Township of Evanturel.
 3. Area 3 is the area of jurisdiction of the Corporation of the Municipality of Timiskaming Shores and two members shall be appointed by its municipal council to represent Area 3.
 4. Area 4 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 4:
 - i. The Corporation of the Township of Hudson.

- ii. The Corporation of the Township of Kerns.
 - iii. The Corporation of the Town of Latchford.
 - iv. The Corporation of the Township of Coleman.
 - v. The Corporation of the Town of Cobalt.
 - vi. The Corporation of the Township of Harris.
 - vii. Revoked: O. Reg. 123/09, s. 2 (3).
5. Area 5 is the area of jurisdiction of the following municipalities and one member shall be appointed jointly by the municipal councils of those municipalities to represent Area 5:
- i. The Corporation of the Township of James.
 - ii. The Corporation of the Township of Matachewan.
 - iii. The Corporation of the Township of Armstrong.
 - iv. The Corporation of the Township of Hilliard.
 - v. The Corporation of the Township of Brethour.
 - vi. The Corporation of the Village of Thornloe.
 - vii. Revoked: O. Reg. 123/09, s. 2 (4).
 - viii. The Corporation of the Township of Harley.
 - ix. The Corporation of the Township of Casey.
6. Revoked: O. Reg. 123/09, s. 2 (5).
7. Area 6 is the territory without municipal organization consisting of the following geographic townships and one member shall be selected jointly by the residents of those geographic townships to represent Area 6:
- Hillary, Reynolds, McKeown, Fripp, McArthur, Douglas, Fallon, Fasken, Michie, Nordica, Terry, Lee, Maisonville, Arnold, Katrine, Ossian, Pharand, Childerhouse, Doyle, Musgrove, Bartlett, Geikie, Cleaver, McNeil, Robertson, Sheba, Dunmore, Bompas, Grenfell, Lebel, Hincks, Argule, Baden, Alma, Holmes, Burt, Eby, Otto, Boston, McElroy, McFadden, Montrose, Bannockburn, Flavelle, Gross, Blain, Marquis, Pacaud, Catharine, Rattray, Willison, Davidson, Sharpe, Savard, Marter, Bayly, Mulligan.
8. Area 7 is the territory without municipal organization consisting of the following geographic townships and one member shall be selected jointly by the residents of those geographic townships to represent Area 7:
- Raymond, Rankin, Morel, Shillington, Farr, Smyth, Truax, Robillard, Ingram, Pense, Knight, Van Hise, Haultain, Chown, Mickle, Tudhope, Bryce, Beauchamp, Tyrrell, Milner, Nicol, Lawson, Roadhouse, Willet, Barber, Cane,

Henwood, Leonard, Leith, Charters, Corkill, Wallis, Banks, Speight, Auld, Lundy, North Williams, Ray, Donovan, Brewster, Trethewey, Whitson, van Nostrand, Klock, Barr, Firstbrook, Dufferin, Leckie, Corley, Gamble, McGriffin, Rorke, Leo, Dane, Kittson, Medina, Cole, Brigstocke, Gillies Limit, Lorrain, South Lorrain.

O. Reg. 37/99, s. 7; O. Reg. 123/09, s. 2.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2018-116

PROPERTY: (AG170) A by-law to authorize the transfer of property described as PT LT 25 RCP H731 TARENTORUS PTS 1, 2 AND 5 1R13439; SAULT STE. MARIE PART PIN 31511-0282 (LT) from Fox Run Development (Sault) Inc. to the City and a transfer of the said property from the City to Sal-Dan Developments Limited.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. **TRANSFERS AUTHORIZED**

The Corporation of the City of Sault Ste. Marie shall acquire the lands more particularly described in the attached Schedule “A” from Fox Run Development (Sault) Inc. and shall then transfer the said lands to Sal-Dan Developments Limited or as otherwise directed at the consideration shown and upon the conditions set out in Schedule “A” to allow for the transfer of the property to the new owner without offending the *Planning Act*.

2. **EXECUTION OF DOCUMENTS**

The City Solicitor is hereby authorized by By-law 2018-55 for and in the name of the Corporation to execute and to affix the seal of the Corporation to all documents required to complete these transactions.

3. **SCHEDULE “A”**

Schedule “A” hereto forms a part of this by-law.

4. **EFFECTIVE DATE**

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

PASSED in open Council this 28th day of May, 2018.

MAYOR - CHRISTIAN PROVENZANO

DEPUTY CITY CLERK – RACHEL TYCZINSKI

da LEGAL\STAFF\COUNCIL\BY-LAWS\2018\2018-116 TRANSFERS FOX RUN.DOCX

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2018-117

APPOINTMENTS TO LOCAL BOARDS: (L5.2) A by-law to amend By-law 2017-20 being a by-law to appoint members to various Local Boards in the City of Sault Ste. Marie.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie **ENACTS** as follows:

1. **BY-LAW 2017-20 AMENDED**

No. 3 Appointments to the Municipal Heritage Committee By-law 2017-20 is hereby amended by adding "Sara McLeary".

2. **EFFECTIVE DATE**

This by-law shall be effective from the date of its final passing.

PASSED in open Council this 28th day of May, 2018.

MAYOR – CHRISTIAN PROVENZANO

DEPUTY CITY CLERK – RACHEL TYCZINSKI

da legal\Staff\COUNCIL\BY-LAWS\2018-117 Amend By-law 2017-20 Appointments to Local Boards.doc

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2018-119

AGREEMENT: (P4) A by-law to authorize the execution of the Agreement between the City and Ironside Consulting Services Inc. to provide Integrity Commissioner Services for the City of Sault Ste. Marie.

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 the Agreement dated May 28, 2018 between the City and Ironside Consulting Services Inc., a copy of which is attached as Schedule "A" hereto. This Agreement is to provide Integrity Commissioner Services for the City of Sault Ste. Marie.

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 28th day of May, 2018.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

**ENGAGEMENT OF AN INTEGRITY COMMISSIONER
FOR THE CITY OF SAULT STE. MARIE**

THIS AGREEMENT made in duplicate this 28th day of May, 2018.

B E T W E E N:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(herein referred to as the "Municipality")

- and -

IRONSIDE CONSULTING SERVICES INC.

(herein referred to as the "Integrity Commissioner")

THIS AGREEMENT WITNESSETH THAT in consideration of the mutual promises and obligations contained herein, the Parties agree as follows:

1. TERM

This agreement (the "Agreement") shall commence May 1, 2018 and end December 31, 2020 (the "Term"), provided that this Agreement is not previously cancelled or terminated by the City in accordance with this Agreement, by operation of law or otherwise, and further provided that the Integrity Commissioner has faithfully complied with and performed all of the covenants and conditions as set out in this Agreement on its part to be performed during the Term.

The Municipality reserves the right to extend the Agreement upon mutual agreement of the Parties hereto and on completion of the Term as set out herein.

2. DESCRIPTION OF WORK

The work (the "Work") shall consist of:

- (1) Provide all that is necessary and required to perform all the work shown and described in this Agreement and the Contract Documents, attached as Schedules "A" and "B" to this Agreement.

3. DOCUMENTS

- (1) The following list is an exact list of the Contract Documents referred to in Section 2(1) of this Agreement:
 - (a) Letter of Introduction: Proposal for Engagement of an Integrity Commissioner for the City of Sault Ste. Marie (the "Proposal"); and
 - (b) Request for Proposal – Engagement of an Integrity Commissioner for the City of Sault Ste. Marie (the "RFP").
- (2) In the event of a conflict or inconsistency between the Proposal and the RFP, the RFP shall prevail.

4. EXECUTION OF WORK

- (1) The Integrity Commissioner shall always carry out the Work in a diligent manner.
- (2) No information about any account shall be given to any person or entity by the Integrity Commissioner either during or after the Term unless prior written authorization to do so has been provided by the Municipality, and only then, in accordance with the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M.56. Upon expiry of this Agreement, the Integrity Commissioner shall provide to the Municipality all accounts and related documentation pertaining to such accounts.

5. PAYMENT FOR SERVICES

- (1) The Integrity Commissioner shall invoice the Municipality monthly for the Work performed for the Municipality at the rates outlined on page 8 of the Proposal and in accordance with the terms outlined thereto.
- (2) Except where a dispute arises with respect to the accuracy of an invoice, the Municipality shall pay to the Integrity Commissioner the invoiced amount within sixty (60) days of receipt thereof.

6. TERMINATION OF AGREEMENT

- (1) The Municipality may terminate this Agreement, without cause or reason, by giving the Integrity Commissioner notice as contained within the individual policies.
- (2) Upon termination of this Agreement, the Integrity Commissioner and the Municipality shall forthwith pay to each other any monies owing to date, and the Integrity Commissioner shall return any incomplete account materials.

7. INSURANCE

- (1) The Integrity Commissioner shall protect itself from and against all claims that might arise from anything done, proposed to be done or omitted to be done by the Integrity Commissioner, its officers, employees, agents or contractors in connection with this Agreement.
- (2) For the purposes of Section 7(1) of this Agreement, and without restricting the generality of that Section, the Integrity Commissioner shall, at its own expense, maintain in full force and effect during the term of this Agreement, a policy of Comprehensive General Liability and Professional Liability insurance, in a form and substance acceptable to the Municipality and written by a responsible carrier or carriers acceptable to the Municipality, including Product and Completed Operations Liability, Contractual Liability, Owners and/or Contractors Protective Liability, Contingent Employers Liability and contain a Cross Liability Clause protecting the Municipality as if separately insured. The insurance shall have a limit of not less than Five Million (\$5,000,000.00) Dollars per occurrence for any cause of action, demand or claim with respect to personal injury (including death) or property damage, including loss of use thereof, and for any cause of action, demand or claim arising out of or occurring in connection with the obligations of the Integrity Commissioner under this Agreement, including, but not limited to, a cause of action, demand or claim with

respect to defamation, contravention of any right guaranteed under the *Canadian Charter of Rights and Freedoms*, and errors and omissions.

8. ASSIGNMENT

The Integrity Commissioner shall not assign this Agreement or any portion thereof without the prior written consent of the Municipality. In the event that the Municipality consents to such assignment, the Integrity Commissioner shall ensure that any assignee undertaking any of the Integrity Commissioner's obligations hereunder shall be bound by the terms of this Agreement. The Integrity Commissioner shall not be released of its obligation to the Municipality by reason of the assignment, and the Integrity Commissioner shall be deemed liable for any breach of this Agreement, or any legislation or regulation, committed by the assignee.

9. MUNICIPALITY AND INTEGRITY COMMISSIONER CONTACT PERSONS

The following contact persons and addresses shall be used by all Parties for all matters in this Agreement that require the Parties to send documentation to a Party, or to contact a Party:

The Corporation of the City of Sault Ste. Marie
Rachel Tyczinski
Deputy City Clerk
P.O. Box 580
Sault Ste. Marie, Ontario P6A 5N1
Telephone: (705) 759-5892

Ironside Consulting Services Inc.
Antoinette Blunt
President
155 Ironside Drive
Prince Township, Ontario P6A 6K4
Office: (705) 779-3223
Mobile: (705) 542-3504

10. INDEPENDENT CONTRACTOR STATUS

- (1) The Integrity Commissioner is an independent contractor and neither the Integrity Commissioner nor the Integrity Commissioner's staff is or shall be deemed to be employed by the Municipality. The Integrity Commissioner reserves the right to determine the method, manner and means by which the services will be performed in accordance with Schedules "A" and "B" attached. Notwithstanding the same, the Integrity Commissioner acknowledges and agrees to discharge its obligations and perform the services set out herein in accordance with the terms of this Agreement (including Schedules "A" and "B" attached), the Municipality's Code of Conduct, and all applicable legislation, including but not limited to the *Municipal Act, 2001* and the *Municipal Conflict of Interest Act*.
- (2) The Integrity Commissioner is not required to perform the services during a fixed hourly or daily time and if the services are performed at the Municipality's premises, then the Integrity Commissioner's time spent at the premises is to be at the discretion of the Integrity Commissioner; subject to the Municipality's normal business hours and security requirements. The Integrity Commissioner hereby confirms to the Municipality that the

Municipality will not be required to furnish or provide any training to the Integrity Commissioner to enable the Integrity Commissioner to perform services required hereunder.

- (3) The services shall be performed by the Integrity Commissioner or Integrity Commissioner's staff, and the Municipality shall not be required to hire, supervise or pay any assistants to help the Integrity Commissioner who performs the services under this agreement. The Integrity Commissioner shall not be required to devote the Integrity Commissioner's full time nor the full time of the Integrity Commissioner's staff to the performance of the services required hereunder, and it is acknowledged that the Integrity Commissioner has other Clients and the Integrity Commissioner offers services to the general public.
- (4) The order or sequence in which the work is to be performed shall be under the control of the Integrity Commissioner, except to the extent that the Integrity Commissioner's work must be performed on or with the Municipality's computers or the Municipality's existing software. All materials used in providing the services shall be provided by the Integrity Commissioner.
- (5) The Municipality shall not provide any insurance coverage of any kind for the Integrity Commissioner or the Integrity Commissioner's staff, and the Municipality will not withhold any amount that would normally be withheld from an employee's pay.

11. AMENDMENTS

The Municipality and the Integrity Commissioner hereby acknowledge and agree that any future amendments to this Agreement must be made in writing and signed by both Parties.

12. ENTIRE AGREEMENT

The Integrity Commissioner acknowledges that there are no covenants, representations, warranties, agreements or conditions expressed or implied, collateral or otherwise forming part of or in any way affecting or relating to this Agreement other than as set out in this Agreement and the Contract Documents, which constitutes the entire agreement between the Parties and which may be modified only as set out in Section 11 of this Agreement.

13. SUCCESSORS

The provisions of this Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and, where applicable, permitted assigns.

14. GOVERNING LAW

The Parties hereto acknowledge and agree that this Agreement is made in the Province of Ontario and the Courts of the Province of Ontario shall have jurisdiction in reference to any matters herein.

IN WITNESS WHEREOF the Parties hereto have signed this Agreement this 28th day of May, 2018.

IRONSIDE CONSULTING SERVICES INC.

Per: _____

Name:

Position:

I have the authority to bind the Corporation

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

Per: _____
MAYOR – CHRISTIAN PROVENZANO

Per: _____
DEPUTY CITY CLERK – RACHEL TYCZINSKI
We have the authority to bind the Corporation

\\CITYDATA\\Legal\\Staff\\LEGAL\\PURCHASING\\P5 Purchasing General\\Agreement - INTEGRITY COMMISSIONER.docx



COPY

14 March 2018

The City of Sault Ste. Marie
Attn: Manager of Purchasing
99 Foster Drive – Level 2
Sault Ste. Marie, Ontario, P6A 5X6

Dear Mr. Gowans:

**RE: Letter of Introduction: Proposal for Engagement of an Integrity Commissioner
for the City of Sault Ste. Marie**

Please accept my response for the RFP for the Engagement of an Integrity Commissioner for the City of Sault Ste. Marie. I believe that my professional and work-related experiences have provided me with the qualifications you are seeking for this role and as are described in your role of the Integrity Commissioner. In addition, as requested, as President of my company I am legally authorized to bind the company and myself as the proponent to the contents of this proposal, including pricing.

As a certified, human resources professional, I have achieved the highest standing professionally that is recognized in Ontario, through my education and contributions to our profession. For these, I have been granted the Fellow designation by the Human Resources Professionals Association. One of my roles included Chair of the Appeals Committee for our profession and in this role, I lead the advancement of our processes to ensure fair, and legal processes. As Chair, my role required the utmost in impartiality and neutrality.

As a professional I can assure you I possess high ethical standards and effective communications skills. I have both the understanding of impartiality and the ability to function in such a manner. My years of work and professional experience have afforded me with wisdom and confidence. Trust is earned by behaviour and through effective communication and relationship management skills, I have built trust in my actions with my numerous clients and with my professional colleagues. Please do not hesitate to

155 Ironside Drive
Prince Twp, ON P6A 6K4
Office: (705) 779-3223

Toll Free: 1-866-881-0003
Fax: 1-705-779-9982
Mobile: (705) 542-3504

Email: ironsideconsult@xplornet.com
Web : www.ironsideconsulting.com

seek confirmation of my statements by contacting the individuals I have listed in my response.

As President of my consulting business I have the ability to provide the services required on a part-time, flexible and as-needed basis. Also, I am not involved in political campaigning or endorsements and have no related conflicts of interest. While I have previously undertaken some work projects for the City of Sault Ste. Marie I am not currently provided any consultative services and understand that if I am the successful proponent, I would not be able to accept such assignment during the term as Integrity Commissioner.

I have experience in managing sensitive inquiries, conducting investigations and making appropriate recommendations and a good understanding of legal principles. I have the ability to research, analyze, understand and apply the provisions of various statutes, regulations, policies and other enabling frameworks. My company is licenced to engage in the business of selling the services of Private Investigators under the Private Security and Investigative Services Act, 2005, and its regulations. As well, I am a licenced Private Investigator with extensive experience in undertaking workplace investigations related to allegations of violations of the Occupational Health and Safety Act (Bullying, Harassment and Violence in the Workplace), and allegations of violations of the Human Rights Code. I have conducted over twelve different Workplace Investigations primarily related to allegations of violations of the Occupational Health and Safety Act.

In conclusion, I believe that my over eighteen years' experience as a consultant, four years' experience in a senior leadership role for my professional association and over twenty years' experience in management in the health care industry, have provided me with the experiences and qualifications that you have indicated the City of Sault Ste. Marie is seeking for role of Integrity Commissioner. As such, I look forward to your consideration and thank you for the opportunity to apply.

Regards,

Antoinette Blunt MPA, CHRL, CHRE, FHRPA
President, Ironside Consulting Services Inc.

Proposal for Engagement of an Integrity Commissioner for the City of Sault Ste. Marie

Work Program Methodology

The following describes the proposed work methodology that is designed to ensure quality of work and cost-effectiveness. The proponent guarantees a timely response to all requests for services/work assignments and in most cases, can initially respond and begin an assignment within forty-eight hours.

Complaints Process and Protocol

Early Stage Complaints Resolution

The proponent understands the goal to resolve any complaint prior to commencing an inquiry and also that while individuals are encouraged to pursue an informal complaint procedure that this is not a precondition or a prerequisite to pursuing a formal complaint procedure.

A mediation process will be utilized in attempting the parties to resolve informal complaints. The parties will initially be approached individually and advised of the intended process and the Integrity Commissioner's role. Ground rules will be discussed including:

- Each party will be advised that one person speaks at a time and speaks in a calm, professional manner
- To acknowledge respect for each other and to build trust, each party will be asked:
 - To make a sincere commitment to listen to the other without interrupting, to try to understand the other person's point of view before responding
 - To not discuss the conversations during the process with others colleagues (maintain confidentiality)
 - To speak for themselves as individuals – not for others and trust that each is doing
 - To fair consideration of the other person's opinions
 - To consider the issues as the point of disagreement and not the other person
 - To not criticize negatively

The Integrity Commissioner will discuss each person's perspective of the conflict with them and ask them to consider this process to achieve resolution. Each person will be asked what their goals are – what they need/want as an outcome of this process.

The Integrity Commissioner will utilize effective Communication and relationship management and conflict resolution skills in the mediation process to support

resolution. Notes will be kept of the process and outcome but given it is informal, no report will be provided if resolution is achieved.

Investigation of Complaints and Alleged Breaches of the Code of Conduct

Upon receipt of a complaint or inquiry, the proponent understands the role of the Integrity Commissioner is first to determine if it is within their jurisdiction, and whether there is a procedure under other legislation or City policy to deal with the complaint. If this is the case, the complaint or inquiry will be referred to the appropriate person or agency.

If the complaint or inquiry is within the Integrity Commissioner's jurisdiction, a preliminary information report will be provided to an open meeting of Council as required by protocol (section 4.). Following the provision of the preliminary information report to Council, the investigation of the complaint within jurisdiction, will commence.

A thorough review of all relevant documentation will be undertaken prior to the investigation including:

- The Request for Investigation – Code of Conduct for Members of Council and Local Boards
- Copies of all documents and records submitted with the complaint
- Any relevant policies including the Code of Conduct

The complainant and the respondent will both be provided with copies of the Request for Investigation and all documents and records submitted with the complaint.

The Integrity Commissioner will develop a list of interview questions based on an analysis of the information provided in the Request for Investigation and all documents and records submitted with the complaint.

The complainant will first be interviewed; then the respondent and then potential witnesses. All those interviewed will be provided with the same introductory information at the beginning of the interview including:

- A review of the process
- Confirmation that all parties will be treated fairly and that complaints shall be treated as confidential to the extent possible and in accordance with the Municipal Act
- That all records of the investigation will be kept confidential and access limited to those in the City with a need to know for the purposes of conducting a full investigation
- The purpose – to gather information and determine facts of the matter as to whether or not the Code has been contravened
- That it is Council's role and not the Integrity Commissioner's to determine the actions/penalties, resulting from a finding of contravention of the Code

- That the Integrity Commissioner's report to Council on the investigation of complaints are public documents. The report will be provided in an open meeting of Council. Provision of individual investigative reports will include the background concerning a complaint and recommendations will be provided to City Council for its consideration, in accordance with section 223.6 of the Municipal Act, 2001.

When interviewing, the Integrity Commissioner will consider the demeanour of individuals to establish credibility. Where a number of witnesses are identified, the concept of the balance of probabilities can be considered to establish grounds for considering the validity of the complaint.

Conclusions shall consider the credibility of those interviewed; for example, whether or not they gave their statement in a direct and straightforward way, seemingly without embellishment or whether or not there were significant discrepancies between all those interviewed as to the versions of events raised in the complaint.

As a result of the conclusions reached, the findings will identify if there is evidence and/or credible witnesses to substantiate the allegations identified in the complaint and as such if the Integrity Commissioner believes there has been a violation of the Code.

Reporting the Results of an Investigation

The proponent understands that the Integrity Commissioner will report the findings to an open meeting of Council and if the report relates to a local board, to both Council and the local board. The report shall contain all requirements noted in the protocol including the provision of the final report to the complainant and the respondent (the member whose conduct it concerned).

Review Code of Conduct (Council and Elected Board)

The Code of Conduct was last reviewed 11 December 2017 and will be reviewed at least annually and at any time questions or issues arise related to the interpretation of the meaning of the Code that may identify sections that lack clarity or completeness. The proponent recommends seeking out Codes from other Municipalities for review and consideration in the annual review process. Any recommended amendments to the Code will be accompanied by statements of rationale and source references will be defined.

Advisor to Members of City Council

The proponent understands the role of Integrity Commission and can provide advice to individual members of Council relating to the Code of Conduct and any procedures, rules and policies of the municipality governing ethical behavior. The proponent will

keep abreast of related issues and topics on the internet and review and analyze any information found or provided by staff and proactively act as an educator for Council, City Administration and the Public. An education session can be provided as requested and information submitted by way of the annual report, posted on-line.

Provision of Annual Reports to City Council

The proponent understands the requirement to submit an annual report to Council summarizing activities in accordance with section 223.6 of the Municipal Act.

2.4 Fee Structure: Antoinette Blunt, Ironside Consulting Services Inc.

Hourly Rate: \$205/hour

Telephone

Consultation: Minimum fee of 15 minutes time (\$51.25)

Notes:

1. Rate quoted is guaranteed (net and firm), for the duration of the contract.
2. HST at 13% is not included in the above price quotation.
3. All accounts are invoiced monthly:
 - a. Billing can be arranged for lengthier periods up to every quarter if preferred.
4. Disbursements:
 - a. None are predicted for this project but if incurred (i.e. parking fees, etc.) such expenses are billed at cost. This provision is negotiable.
5. Payment is due upon receipt of invoice:
 - a. Unless alternative arrangements are agreed to.
6. The proponent is an independent contractor and the company is incorporated and as such, the proponent is solely responsible for any and all payments and/or deductions required including those required for Canada Pension Plan, Employment Insurance, Workplace Safety and Insurance Board and Income Tax.
7. **Business Number: 87739 0922 RT0001**



Curriculum Vitae

Antoinette Blunt, MPA, CHRL, CHRE, FHRPA
President, Ironside Consulting Services Inc.

Antoinette is the President of Ironside Consulting Services Inc. (ICS Inc.), a company specializing in the provision of a variety of human resources, labour relations and management services for employers primarily in Northern Ontario, since 2000. Her company offers a variety of services including organizational review and design, governance review and strategic planning, workplace investigations, mediation, re-design and development of policies and procedures, compensation system review and design including pay equity services, early stage grievance management, collective bargaining for employers, nominee services for employers, performance management system design; coaching and training in numerous areas including relationship management, communication, team building and leadership.

ICS Inc. is licenced to engage in the business of selling the services of Private Investigators under the Private Security and Investigative Services Act, 2005, and its regulations. Antoinette Blunt is a licenced Private Investigator with extensive experience in undertaking workplace investigations related to allegations of violations of the Occupational Health and Safety Act (Bullying, Harassment and Violence in the Workplace), and allegations of violations of the Human Rights Code. In the past three years Antoinette has conducted over twelve different Workplace Investigations primarily related to allegations of violations of the Occupational Health and Safety Act.

Antoinette's educational background includes a Masters' Degree in Public Administration, B.A. and BScN. Antoinette also has over 18 years' experience providing consultative services to employers and over 20 years' experience in management in the health care industry.

Antoinette is currently the Chair of the Board of Directors of the Human Resources Research Institute, a national not-for-profit organization that is focused on human resources research and educational scholarships and is also a Past Chair of the Board of Directors of the Human Resources Professional Association (HRPA), the provincial association for HR professionals. HRPA represents about 22,000 members across the province and internationally. While serving on this Board, Antionette also chaired a number of committee including the Appeals Committee, Government Relations Committee and represented the provincial association on a national level serving as Chair of the Professional Standards Committee. As Chair of the Appeals Committee lead the re-design of processes for appeals to ensure a fair and professional approach.

From 2016 until 2017, Antoinette was a member of the Standards Council of Canada Human Resources Management Committee and as a Subject Matter expert to the Working Group: Harmonized Human Resources Professionals Competency Framework. Membership of the Working Group is from numerous countries around the world who were collaborating to develop common internationally accepted professional competencies.

In 2013, Antoinette was awarded the Fellow Designation by the Human Resources Professionals Association. This is considered to be *“a prestigious title and designation awarded within the human resources profession to an individual that promotes best practices and continually enhances the reputation of the profession.”* Outstanding contributions are in the five key areas of strategic positioning of the human resources professions; advocacy on behalf of the HR profession to government policy makers; development, sharing and promotion of innovative HR ideas, policies and practices; service to local, provincial and/or national HR associations and service to the broader community/social responsibility. At the same time, she was also awarded an Honorary Life Membership in the Human Resources Professionals Association *“Recognizing Extraordinary Volunteer and Leadership Contributions at HRPA”*.

In June of 2011, Antoinette received the Osgoode Certificate in HR Law for HR Professionals from Osgoode Hall Law School, York University which included modules in Employment and Labour Law Statutes, Labour Relations and Dealing with Unions, Occupational Health and Safety Law in Ontario, Conducting Workplace Investigations, Equity, Diversity and Accommodation: Human Rights at Work and Terminating the Employment relationship: Minimizing Your Legal Exposure.

In 2005, Antoinette was named by the Sault Ste. Marie Chamber of Commerce as the winner of the Athena Award, an internationally recognized award honouring exceptional women leader who inspire others to achieve excellence in their professional and personal lives.

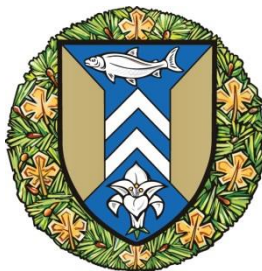
Ironside Consulting Services Inc. has provided services to employers in both private and public sectors. Some industries services have been provided to include:

- Health Care Organizations (Hospitals; Health Units)
- Long Term Care Facilities
- Agencies providing community based social and health services for individuals with both physical and mental abilities special needs
- Automotive dealerships
- Power construction and power related industries
- Police Services
- First Nations
- Aboriginal organizations and service providers

- Addiction Service Providers
- Motel/hotel Industries
- Municipalities
- Government Agencies (Ministry of Health and Long-Term Care)
- Children's Services Agencies including special needs and other social and mental health services
- Universities
- Library Services
- Medical School (Northern Ontario)

For additional information visit: www.ironsideconsulting.com

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



*Corporate Services
Finance Department
Purchasing Division*

*Tim Gowans
Manager of Purchasing*

Request for Proposal

Engagement of an Integrity Commissioner for the City of Sault Ste. Marie

SECTION 1

INFORMATION TO PROPONENTS

1.1 Introduction

The City of Sault Ste. Marie is requesting proposals for the provision of services in the role as Integrity Commissioner.

1.2 Date and Place for Receiving Proposals

All proposals must be sealed in an envelope properly marked as to contents ("**Proposal for Engagement of an Integrity Commissioner for the City of Sault Ste. Marie**") and delivered to:

**The City of Sault Ste. Marie
Attn: Manager of Purchasing
99 Foster Drive – Level 2
Sault Ste. Marie, Ontario, P6A 5X6**

By the following date and time:

Date: Thursday, March 29, 2018

Time: 4:00 p.m., local (Eastern) time

Late Proposals will not be accepted and will be returned unopened.

The Corporation reserves the right to reject any or all Proposals and the lowest or any Proposal will not necessarily be accepted.

The Contact Person for this RFP is Ms. Rachel Tyczinski; Deputy City Clerk, telephone 705-759-5392; email r.tyczinski@cityssm.on.ca.

Request for Proposal (cont'd)

Engagement of an Integrity Commissioner for the City of Sault Ste. Marie

It will be the Proponent's responsibility to clarify any questions before submitting a Proposal. A written addendum issued by the **City of Sault Ste. Marie** is the only means of changing, amending or correcting this RFP. In the process of responding to this RFP, the Proponent should not utilize any information obtained outside this protocol.

1.3 Errors, Omissions, Clarifications

During the period for Proposal preparation, any questions concerning the Terms of Reference requirements should be addressed **by email only** to Ms. Rachel Tyczinski; Deputy City Clerk, telephone 705-759-5392; email r.tyczinski@cityssm.on.ca.

General bidding process inquiries should be directed (by email preferred) to Mr. Tim Gowans; Manager of Purchasing; telephone 705-759-5298; email t.gowans@cityssm.on.ca.

Proposals should be limited to twenty (20) pages, single sided including appendices; excluding the Letter of Introduction.

1.4 Withdrawal of Proposal

Proponents will be permitted to withdraw their Proposal, unopened, after it has been deposited, if such a request is received by the City, prior to the time specified for the opening of Proposals.

1.5 Informal Proposals

Proposals are to conform to the terms and conditions set out herein. Proposals 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 Proposals must be legibly signed in ink by an authorized officer of the Proponent's firm.

1.6 Proposal Evaluation

The successful Proponent will be selected based on evaluation of the proposal utilizing our rating system which considers the requirements mentioned below. An evaluation committee will be used in the selection process.

Request for Proposal (cont'd)

Engagement of an Integrity Commissioner for the City of Sault Ste. Marie

Requirements:

- 1) Curriculum Vitae for the Proponent, and any persons to which the work may be delegated, requirements of Paragraph 2.6 of the RFP should be addressed;
- 2) Proponent's relevant past experience on similar projects. Proposals should include details and provide relevant references (minimum of 3) including Contact Names;
- 3) Proposal must include a detailed work program methodology – ensuring quality of work and cost effectiveness; any anticipated assignment of work; setting out proposed response times, and any communication and coordination procedures as appropriate;
- 4) Proposal must include a fee schedule for the required scope of services as outlined in Paragraph 2.4 of Section 2 - Terms of Reference of the RFP;
- 5) Five (5) copies of the complete proposal submission must be received; four (4) copies in “hard copy” format (one (1) marked “original” and the others as “copy”) and one (1) copy in “electronic” format (USB Key, CD, or similar format). Each copy must be complete including all schedules and appendices. The “original” must bear signatures in ink;
- 6) Proponents are required to include a Letter of Introduction with the Proposal that states that the Signee is authorized to bind the Proponent to the contents of the Proposal including pricing.

The above list of requirements and criteria represents areas which are to be specifically addressed in the proposal. The evaluation process will not necessarily be limited to these areas. Other criteria not specifically listed above may also receive consideration. The order in which the requirements and criteria are listed does not indicate the weighting of the evaluation.

To assist in evaluation of the Proposals submitted, the City may elect to conduct interviews with one or more Proponents at its sole discretion. Please see Paragraph 1.10 concerning incurred costs associated with attendance at such interviews.

The City reserves the right, in its sole and absolute discretion to select a preferred Proponent with which to negotiate a final contract, terminate the proposal call or reject any and all Proposals.

The City will endeavor to complete the evaluation process within a reasonable time frame. The City reserves the right to contact Proponents to seek clarification of the proposals, as submitted, to assist in the evaluation process. Interviews may be required.

IMPORTANT: The decision of the City of Sault Ste. Marie with respect to this Request for Proposals is considered final. In submitting a Proposal, Proponents agree that there is no recourse to the City of Sault Ste. Marie for its decision.

Request for Proposal (cont'd)

Engagement of an Integrity Commissioner for the City of Sault Ste. Marie

1.7 Conditions and Requirements of Work

The successful Proponent is required to comply with the requirements of the City's Contractor Pre-Qualification Program prior to the start of any onsite work on this Contract. These requirements may 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 or by email to a.iacoe@cityssm.on.ca.

1.8 Proposal Left Open

The Proponent shall keep their Proposal open for acceptance for sixty (60) days after the closing date.

1.9 Schedule

- (A) Release of RFP: Friday March 9, 2018
- (B) Last Date for Questions: Monday March 19, 2018 12:00 noon
- (C) Submission of Proposal: Thursday March 29, 2018
- (D) Recommendation of Award: March/April 2018
- (E) Signing of Agreement: April 2018
- (F) Commencement of Services: May 1, 2018
- (G) End of Engagement: Thursday December 31, 2020 (may be extended)

The City reserves the right to alter the scheduling of items "C" to "G".

Proponents are asked to designate a contact person to whom any additional information or requests for clarification deemed to be relevant to the proposal may be communicated. Complete contact details including telephone and email address is required.

1.10 Incurred Costs

The City will not be liable for, nor reimburse any Proponent for costs incurred in the preparation of Proposals or any other costs such as preparation for, and attendance at interviews that may be required as part of the evaluation process.

Whenever possible, at the sole determination of the City, additional information and/or clarifications will be obtained by telephone or other electronic means.

1.11 Alterations to Documents

No electronic reproduction or alteration of the original document will be permitted under any circumstance. The Proponent shall not change the wording of the proposal after submission; and no words or comments shall be added to the general conditions or detailed specifications unless requested by the City for the purpose of clarification.

1.12 Confidentiality & Post-Award Comment

No Proponent shall have the right to review or receive any information with respect to a proposal, documentation, or information submitted by any other Proponent. The content of the proposal, and all documentation, and information shall be held in confidence by the City subject only to the provision of freedom of information and privacy legislation, including without limitation, the Municipal Freedom of Information and Protection of Privacy Act.

Post-Award Comment by the City regarding this Request for Proposal will be limited to written notification to all Proponents of the successful Proponent's name and address only – no further debriefing will be provided. **In submitting a Proposal, Proponents acknowledge and agree to this provision.**

1.13 Municipal Freedom of Information & 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*. All documents submitted to the City in response to this Request for Proposal become the property of the City and as such will be subject to the disclosure provisions of *the Act*. *The Act* gives persons a right of access to information held by the municipality. The right of access is subject to exemptions contained in *the Act*.

1.14 Indemnification

Engagement of an Integrity Commissioner is subject to the provisions of the *Municipal Act, 2001, SO 2001, c 25* (excerpts from which can be found in Appendix "2" attached to this document).

The *Act* states that "A municipality shall indemnify and save harmless, the Commissioner or any person acting under the instructions of that officer for costs reasonably incurred by either of them in connection with the defence of a proceeding if the proceeding relates to an act done in good faith in the performance or intended performance of a duty or authority under this Part or a by-law passed under it or an alleged neglect or default in the performance of the duty or authority. 2017 c. 10, Sched. 1, s 19 (4)."

Request for Proposal (cont'd)

Engagement of an Integrity Commissioner for the City of Sault Ste. Marie

The rights to indemnity contained in this section shall survive any termination of the agreement, anything in this agreement to the contrary notwithstanding.

1.15 Agreement for Services

The successful Proponent will be required to enter into an agreement for professional services with a fee structure established at the outset of the agreement. Additional fees for unforeseen work which may be required must be approved in writing by the City prior to expenditure.

SECTION 2

TERMS OF REFERENCE

2.1 Purpose

The City of Sault Ste. Marie is requesting Proposals from Proponents who are interested in serving the City as its Integrity Commissioner. The appointment will be on an as needed basis for an initial term from May 1, 2018 until December 31, 2020 with the potential for further extensions by mutual agreement.

2.2 Background

The City of Sault Ste. Marie is located in Northern Ontario on the St. Mary's River. The city has approximately 75,000 residents.

Municipal Governance presently consists of a single tier structure with a City Council consisting of a Mayor (Head of Council) and twelve (12) Councillors – two for each of the six (6) wards. At the time of the upcoming election in the fall of 2018, the City will be reorganized into five (5) wards. The Council Structure will consist of a Mayor and ten (10) councillors – two per ward.

2.3 Code of Conduct

The "City's Code of Conduct (Council and Elected Boards)" applying to elected officials was approved and passed through by-law (By-law 2017-242) at the December 11, 2017 meeting of City Council.

A copy of the Code of Conduct and its associated appendices is attached at the end of this RFP and is labelled as Appendix "1".

2.4 Fee Structure

A comprehensive fee schedule (HST shown as extra) detailing the costs associated with the Proponent acting as the City's Integrity Commissioner must be included within the Proposal submitted.

Proponents are encouraged to provide any alternative fee structure as may be available to the City, such as block billing, per diem rates, annual caps on fees etc., in addition to hourly rates.

The Proponent's response shall include:

1. The proposed fee structure and billing methods, including the proposed billing rate for the Proponent and any other pertinent staff members.
2. Any alternative fee structures and proposed disbursement rates.
3. An undertaking that the rates proposed in the fee structure will be guaranteed for the duration of the contract.

All prices must be net and firm.

The Proponent will be solely responsible for any and all payments and/or deductions required, including those required for Canada Pension Plan, Employment Insurance, Workplace Safety and Insurance Board and Income Tax.

2.5 Role of the Integrity Commissioner

The successful Proponent in his/her role of Integrity Commissioner shall:

- Function independently from City Administration and report directly to City Council;
- Investigate complaints and alleged breaches of the "Code of Conduct (Council and Elected Boards)" in accordance with the "Complaint Protocol for Code of Conduct (Council and Local Boards) (see Appendix "A" – part of Appendix "1" as attached to this RFP)";
- Review the "Code of Conduct (Council and Elected Boards)" and make recommendations, at a minimum of once per year;
- Serve as an advisor to individual Members of City council in relation to the "Code of Conduct (Council and Elected Boards)", and any procedures, rules and policies of the municipality governing ethical behaviour; and act as a proactive educator for City Council, City Administration, and the Public;
- Provide annual Reports to City Council summarizing his/her activities in accordance with section 223.6 of the *Municipal Act, 2001*;

Request for Proposal (cont'd)

Engagement of an Integrity Commissioner for the City of Sault Ste. Marie

- Provide individual investigative reports, as required, which will include background concerning a complaint and recommendations to City Council with respect to a complaint for its consideration, in accordance with section 223.6 of the *Municipal Act, 2001*;
- Notwithstanding the above, perform the required duties as outlined in the *Municipal Act, 2001* (see Appendix “2” as attached to this RFP).

The Integrity Commissioner will work independently and it is expected that the bulk of the work will be carried out at his/her workplace and not on City property; however, space at a City facility to undertake interviews will be made available, as required.

The Integrity Commissioner does not have authority over the conduct of City employees.

2.6 Proponent’s Qualifications

Proponents for appointment to the role of Integrity Commissioner should possess the following qualifications:

- Proven impartiality and neutrality, such as that of a judge;
- An ability to provide services on a part time, flexible, and as-needed basis;
- No other involvement in political campaigning/endorsement, or related conflicts of interest;
- No financial interest in the work undertaken by the City of Sault Ste. Marie;
- An independent person who personifies high ethical standards;
- Experience managing sensitive inquiries, conducting investigations, and making appropriate recommendations;
- Excellent communication skills;
- Familiarity with investigative procedures, and the applicable legal principles;
- Ability to interpret, and apply the provisions of various statutes, regulations, policies, and other enabling frameworks;
- Impartiality, wisdom, sound judgement, combined with the ability to inspire trust, and confidence; and,
- At least ten (10) years of senior-level management, legal, or quasi-judicial experience.

2.7 Conflict of Interest

In addition to complying with any rules as established by a Proponent’s governing body, if any, Proponents shall declare any actual or potential conflict of interest that exists now or may exist in the future with respect to the Proponent’s participation in this RFP process, and if selected, the performance of the successful Proponent’s responsibilities pursuant to the Agreement.

Request for Proposal (cont'd)

Engagement of an Integrity Commissioner for the City of Sault Ste. Marie

The City reserves the sole right and discretion to determine whether any situation constitutes an actual or potential conflict of interest, and may disqualify any Proponent on that basis.



Subject: Code of Conduct (Council and Local Boards)
Service Area: Mayor and Council
Source: By-law 2017-242
Date: 11 December 2017

Purpose:

A written Code of Conduct for Council and local boards helps to ensure that the members of Council, advisory committees, and local boards of the municipality (as defined in the *Municipal Act*) share a common basis for acceptable conduct. This Code is designed to provide a reference guide and a supplement to the legislative parameters within which the members must operate. These standards should enhance public confidence that Sault Ste. Marie’s elected and appointed representatives operate from a base of integrity, justice and courtesy. The key principles underlining the Code of Conduct are:

- a. All members shall serve and be seen to serve their constituents in a conscientious and diligent manner;
- b. Members should be committed to performing their functions with integrity and to avoiding the improper use of the influence of their office, and conflicts of interest, both real and apparent;
- c. Members are expected to perform their duties in office in a manner that promotes public confidence and will bear close public scrutiny;
- d. Members shall seek to serve the public interest by upholding both the letter and the spirit of the laws and policies established by the Federal Parliament, Ontario Legislature and City Council.

Municipal Council members hold positions of privilege; therefore, they must discharge their duties in a manner that recognizes a fundamental commitment to the wellbeing of the community and regard for the integrity of the Corporation. The purpose of the Code of Conduct is to: protect the public interest; encourage high ethical standards among members of Sault Ste. Marie City Council and local boards; provide a universal understanding of the fundamental rights, privileges, and obligations of members of Sault Ste. Marie City Council and local boards; provide a means for members of Sault Ste. Marie City Council and local boards to obtain information on some contemplated conduct in circumstances where they are uncertain as to the ethical appropriateness of that conduct.

Applications:

This policy shall apply to all members of Sault Ste. Marie City Council and members of local boards as defined in section 223.1 of the *Municipal Act*.

Definitions:

“Members” includes the Mayor and members of Sault Ste. Marie City Council and members of local boards as defined in section 223.1 of the *Municipal Act*.

“Confidential Information” includes:

- a. Any information in the possession of, or received in confidence by the City, that the City is prohibited from disclosing, or has decided to refuse to disclose, under the *Municipal Freedom of Information and Protection of Privacy Act* or any other law;

Appendix “1” (cont’d)



- b. Information of a corporate, commercial, scientific or technical nature received in confidence from third parties (personal information; information that is subject to solicitor-client privilege; information that concerns any confidential matters pertaining to personnel, labour relations, litigation, property acquisition, security of property of the municipality; any other information lawfully determined by the Council or the local board to be confidential or required to remain or be kept confidential by legislation or order;
- c. A matter, the substance of a matter, and information pertaining to a matter, that has been debated or discussed at a meeting closed to the public, unless the matter is subsequently discussed in open Council or it is authorized to be released by Council/local board or otherwise by law;
- d. Reports of consultants, draft documents and internal communications which, if disclosed, may prejudice the reputation of the City, its officers and employees, or its effective operation;
- e. Information concerning litigation, negotiation or personnel matters;
- f. Information the publication of which may infringe on the rights of any person (eg. source of a complaint where the identity of a complainant is given in confidence)

“Integrity Commissioner” means the person appointed by by-law in accordance with section 223.3 of the *Municipal Act, 2001* and who is responsible for performing in an independent manner the functions assigned by the municipality with respect to the application of the Code of Conduct for members of Council and local boards.

Gifts and Benefits:

No member shall accept a fee, advance, gift or personal benefit that is connected directly or indirectly with the performance of his / her duties of office, unless permitted by the exceptions listed below. For these purposes, a fee or advance paid to, or a gift or benefit provided with the member’s knowledge to, a member’s spouse, child or parent or to a member’s staff that is connected directly or indirectly to the performance of the member’s duties is deemed to be a gift to that member. The following are recognized as exceptions:

- a. compensation authorized by by-law;
- b. such gifts or benefits that normally accompany the responsibilities of office and are received as an incident of protocol or social obligation;
- c. a political contribution otherwise reported by law;
- d. services provided without compensation by persons volunteering their time;
- e. a suitable memento of a function honouring the member;
- f. food, lodging, transportation and entertainment provided by provincial, regional and local governments or political subdivisions of them, by the Federal government or by a foreign country;
- g. food and beverages consumed at banquets, receptions or similar events, if:
 - attendance is in keeping with his or her representative role; and
 - the value is reasonable; and
 - attendance at events sponsored by the same entity is infrequent.
- h. communication to the offices of a member, including subscriptions to newspapers and periodicals.

Appendix “1” (cont’d)



In the case of categories (b) (e) (f) (g) and (h), if the value of the gift or benefit exceeds \$300, or if the total value received from any one source during the course of a calendar year exceeds \$300, the member shall within 30 days of receipt of the gift or reaching the annual limit, file a disclosure statement with the City Clerk. The disclosure statement must indicate:

- a. the nature of the gift or benefit;
- b. its source and date of receipt;
- c. the circumstances under which it was given or received;
- d. its estimated value;
- e. what the recipient intends to do with the gift; and,
- f. whether any gift will at any point be left with the City.

Disclosure statements will be a matter of public record.

Except in the case of category (f), a member may not accept a gift or benefit worth in excess of \$500 or gifts or benefits from one source during a calendar year worth in excess of \$500. No member shall seek or obtain by reason of his / her office any personal privilege or advantage with respect to City services not otherwise available to the general public and not consequent to his or her official duties.

Confidentiality

No member shall disclose, release, or publish by any means to any person or to the public any confidential information acquired by virtue of his or her office in any form, except when required or authorized by Council or otherwise by law to do so. No member shall use confidential information for personal or private gain or benefit, or for the personal or private gain or benefit of any other person or body.

Use of City Property

No member shall, for personal purposes or profit, permit the use of any City property, equipment, services, or supplies other than for purposes connected with:

- a. the discharge of City duties; or
- b. associated community activities of which Council has been advised

unless such use is permitted by one of the following exceptions:

- a. reasonable and incidental personal use of office space, equipment such as computers, fax machines, cell phones, etc., where the City incurs no additional costs relating to such use, and the use is of limited duration and frequency.
- b. use of City property and facilities where such use is universally known to be available to other residents upon request and on equal terms.

No member shall obtain financial gain from the use of City-developed intellectual property, computer programs, technological innovations or other patentable items, while an elected official or thereafter. All such property remains the exclusive property of the City of Sault Ste. Marie.

No member shall use information gained in the execution of his or her duties that is not available to the general public for any purposes other than his or her official duties.



Work of a Political or Personal Nature

Members are required to follow the provisions of the *Municipal Elections Act, 1996*. No member shall use the facilities, equipment, supplies, services or other resources of the City (including Councillor newsletters and websites linked through the City’s website) for any election campaign or campaign-related activities. No member shall undertake campaign-related activities in any City facility for the purpose of seeking the support of City employees working in that facility. No member shall use the services of persons for his or her election campaign purposes during the working hours for which those persons receive compensation from the City.

No member shall use City facilities, services or property for his or her personal or business use.

No member shall use the services of persons for his or her personal or personal business use during the working hours for which those persons receive compensation from the City.

Conduct Respecting Current and Prospective Employment

No member shall allow the prospect of his / her future employment by a person or entity to detrimentally affect the performance of his / her duties to the City.

Business Relations

No member shall act as a paid agent before Council, its committees, or an agency, board or commission of the City. A member shall not refer a third party to a person, partnership, or corporation in exchange for payment or other personal benefit.

Conduct

As a representative of the City, every member has the duty and responsibility to treat members of the public, one another and staff appropriately and without abuse, bullying or intimidation, and to ensure that the municipal work environment is free from discrimination and harassment. A member shall not use indecent, abusive, or insulting words or expressions toward any other member, any member of staff or any member of the public. A member shall not speak or communicate in a manner that is discriminatory to any individual based on that person’s race ancestry, place of origin, creed, gender, sexual orientation, age colour, marital status or disability.

Influence on Staff

Only Council as a whole has the authority to approve budget, policy, committee processes and other such matters. Members shall be respectful of the fact that staff work for the City as a body corporate and are charged with making recommendations that reflect their professional expertise and corporate perspective, without undue influence from any individual member or group of members. Accordingly, no member shall maliciously or falsely injure the professional or ethical reputation, or the prospects or practice of staff, and all members shall show respect for the professional capacities of City staff.

Council directs the business of the City and passes by-laws or resolutions, as appropriate, for decisions adopted by Council. Council has delegated responsibility to the Chief Administrative Officer (CAO) for the administration of the affairs of the City in accordance with decisions adopted by Council. This means that under the direction of the CAO, staff have the responsibility and the authority to provide

Appendix “1” (cont’d)



consultation, advice and direction to Council and to implement Council approved policy. Accordingly, staff establish the appropriate administrative policies, systems, structures and internal controls to implement the goals and objectives of Council, and manage implementation within the resources at their disposal. Council should expect a high quality of advice from staff based on political neutrality and objectivity irrespective of party politics, the loyalties of persons in power, or their personal opinions. No member shall compel any staff member to engage in activities that are contrary to the directions of Council or the policies of the municipality.

No member shall compel staff to engage in partisan political activities or be subjected to threats or discrimination for refusing to engage in such activities; nor shall any member use, or attempt to use, their authority or influence for the purpose of intimidating, threatening, coercing, commanding, or influencing any staff member with the intent of interfering with that person’s duties, including the duty to disclose improper activity.

Improper Use of Influence

No member of Council shall use the influence of her or his office for any purpose other than for the exercise of her or his official duties.

Examples of prohibited conduct are the use of one’s status as a member of Council to improperly influence the decision of another person to the private advantage of oneself, or one’s immediate relatives, staff members, friends, or associates, business or otherwise. This would include attempts to secure preferential treatment beyond activities in which members normally engage on behalf of their constituents as part of their official duties. Also prohibited is the holding out of the prospect or promise of future advantage through a member’s supposed influence within Council in return for present actions or inaction.

For the purposes of this provision “private advantage” does not include a matter:

- a. that is of general application;
- b. that affects a member of Council, his / her immediate relatives, staff members, friends, or associates, business or otherwise as one of a broad class of persons; or
- c. that concerns the remuneration or benefits of a member of Council.

Members should not advocate on behalf of any person at a hearing of an adjudicative board and should not contact any member of such a board regarding any application before it.

Complaints Alleging Violation of This Code

Where an elector or a person acting demonstrably in the public interest has reasonable grounds to believe that a member has breached this Code, a complaint may be submitted to the Clerk’s Department in the prescribed form which will be forwarded to the City’s Integrity Commissioner who will process it in accordance with the Complaint Protocol attached hereto as Appendix “A”.

Appendix “A” – Complaint Protocol

Appendix “B” – Request for Investigation

Appendix “C” – Request for Advice

Appendix “1” (cont’d)

Appendix “A”

Complaint Protocol for Code of Conduct (Council and Local Boards)

Application:

This process applies to members of Sault Ste. Marie City Council and its local boards as defined in section 223.1 of the *Municipal Act* (members).

Integrity Commissioner

The City of Sault Ste. Marie Integrity Commissioner shall be responsible for the provision of services as established by Council which will include the following:

1. To provide written and oral advice to members and City staff concerning the interpretation of and compliance with the Code of Conduct for Council and Local Boards governing the ethical behaviour of the members (the “Code”);
2. To provide Council and its local boards with specific and general opinions and advice on the interpretation of the Code, including revisions thereto;
3. To conduct inquiries into a request made by Council, a local board, a member, a member of City staff or any person demonstrably acting in the public interest into whether a member has contravened any application provision of the Code;
4. To attempt to settle any complaint between the complainant and the member before commencing an inquiry.

Procedure for Making a Complaint

Informal Complaints

Any individual who identifies or witnesses behaviour or activity by a member of Council that appears to be in contravention of the Code of Conduct for Council and Local Boards may address the prohibited behaviour or activity themselves in the following manner:

1. advise the member in writing that the behaviour or activity appears to contravene the Code of Conduct identifying the specific provision of the Code of Conduct that is alleged to have been contravened;
2. encourage the member to acknowledge and agree to stop the prohibited behaviour or activity and to avoid future occurrences of the prohibited behaviour or activity;
3. document the incident(s) including dates, times, locations, other persons present and any other relevant information, including steps taken to resolve the matter;
4. if applicable, confirm to the member satisfaction with the response of the member; or, if applicable, advise the member of dissatisfaction with the response; and
5. if applicable, consider the need to pursue the matter in accordance with the formal complaint procedure.

Individuals are encouraged to pursue this informal complaint procedure as the first means of remedying behaviour or an activity that they believe violates the Code of Conduct; however, the informal process is not a precondition or a prerequisite to pursuing the formal complaint procedure.

Formal Complaints

1. All complaints or requests for inquiries shall be submitted to the City Clerk’s Department and sworn before a commissioner of oaths in the form provided in Appendix “B” and the Clerk shall forthwith forward the complaint to the Integrity Commissioner.
2. All complaints or requests for inquiries must clearly state:
 - a. The member to whom the complaint relates
 - b. The nature of the alleged contravention
 - c. The specific provision(s) of the Code allegedly contravened;
 - d. Names of any witnesses to the alleged contravention; and
 - e. Written material in support of the alleged contravention.
3. Upon receipt of a complaint or request for inquiry, the Integrity Commissioner shall first determine if it is within his/her jurisdiction and whether there is a procedure under other legislation or City policy to deal with the

Appendix “1” (cont’d)

complaint. If it is determined that other procedures apply, the Integrity Commissioner shall refer the complainant to the appropriate person or agency to follow that process. This would include such matters as:

- a. The grievance provisions of a collective agreement;
- b. The complaint provisions under the *Ontario Human Rights Code*;
- c. A complaint of alleged criminal activity;
- d. Procedures under the *Municipal Act*, the *Municipal Conflict of Interest Act* or the *Municipal Elections Act*;
- e. The complaint provisions of the *Workplace Violence and Harassment Prevention Policy*.

Where it has been determined that a complaint should be dealt with under one of the above processes, it will no longer be considered or dealt with by the Integrity Commission and the time limits within the above processes will apply accordingly.

4. Upon receipt of a complaint or request to conduct an inquiry within his/her jurisdiction the Integrity Commissioner will deliver a preliminary information report to an open meeting of Council including the following:
 - a. The opinion of the Commissioner as to whether the inquiry is appropriate and whether it can be conducted within the law applicable to such an inquiry;
 - b. An indication as to whether it is the Commissioner’s intention to conduct the inquiry under sections 33 and 34 of the *Public Inquiries Act*;
 - c. A preliminary indication of the members of staff and/or consultations needed to assist the Commissioner;
 - d. An estimated cost of the inquiry;
 - e. The estimated time required to complete the inquiry and prepare a final report;
 - f. Where appropriate, the Commissioner may recommend that the alleged infraction be reported to the police and that the inquiry be suspended until the police investigation is completed.
5. If the Integrity Commissioner is of the opinion that the referral of a matter to him or her is frivolous, vexatious or not made in good faith or that there are no grounds or insufficient grounds for an inquiry, the Integrity Commissioner shall not conduct an inquiry and shall state the reasons for not doing so in the preliminary report.

Procedure for Obtaining Advice

Where a member or employee is seeking to obtain advice from the Integrity Commissioner he/she shall submit to the City Clerk the completed form provided (Appendix “C”).

All advice of the Integrity Commissioner to members or employees shall be confirmed in writing. No solicitor/client relationship will exist in the giving of such advice.

Where the Integrity Commissioner learns of a violation through the request for advice from any member, he or she is required to report such a violation to Council.

The Integrity Commissioner may decline to give advice if he/she determines that it will put him/her in conflict with his/her duty to Council as a whole.

Confidentiality

The Integrity Commissioner shall carry out all inquiries in a manner which will ensure that the individual to whom the complaint relates is treated fairly and all complaints shall be treated as confidential to the extent possible and in accordance with the *Municipal Act*.

All records of investigations shall be kept confidential and access limited to those in the City with a need to know for the purposes of conducting a full investigation.

Intake Procedures

Upon receipt of a complaint involving a member other than the Mayor, the Clerk shall immediately advise the Mayor and the Chief Administrative Officer (CAO).

Upon receipt of a complaint involving the Mayor, the Clerk shall immediately advise the CAO and the individual who was acting mayor at the time of the allegation who is authorized to act in the place of the Mayor.

Appendix “1” (cont’d)

The Integrity Commissioner may attempt to settle any complaint. Except where otherwise required by the *Public Inquiries Act*, the Commissioner shall provide a copy of the complaint and supporting material to the member with a request for a written response to the allegation within ten days and provide a copy of such response to the complainant with a request for a written response also within ten days.

Investigations

After the presentation of the information report to Council, the Integrity Commissioner shall take all steps necessary to promptly investigate the complaint within his or her jurisdiction, including entering any City office for such purpose and consultation with City staff with access to all information and records described in subsections 3 and 4 of section 223.4 of the *Municipal Act* and may retain independent professional services if required.

The Integrity Commissioner shall make every effort to complete an investigation within 30 days.

If the Integrity Commissioner requires more than 30 days to complete an investigation, the following shall be notified accordingly:

1. The complainant;
2. The individual to whom the complaint relates
3. The Mayor in the case of a complaint concerning another member; or the individual who was acting mayor at the time of the allegation in the case of a complaint concerning the Mayor.

A complaint involving an alleged contravention that has already been thoroughly investigated will not be re-investigated unless new evidence is presented.

Reporting the Results of an Investigation

The Integrity Commissioner shall report his/her findings to an open meeting of Council. Where the inquiry relates to a local board the report will be submitted both to Council and to the local board.

If the Integrity Commissioner determines that there has been no contravention of the Code of Conduct or that a contravention occurred although the member took all reasonable measures to prevent it, or that a contravention occurred that was trivial or committed through inadvertence or an error of judgement made in good faith, the Integrity Commissioner shall so state in the report and shall recommend that no penalty be imposed.

The Commissioner shall give a copy of the final report to the complainant and the member whose conduct is concerned 15 days prior to the Council meeting at which it will be considered.

At the time of the Integrity Commissioner’s report to Council the identity of the person who is the subject of the complaint shall not be treated as confidential information if the Integrity Commissioner finds that a breach has occurred.

Actions by Council

In reviewing the final report Council will determine whether it will impose any of the following penalties on a member if the Integrity Commissioner reports that it is his/her opinion that the member has contravened the Code:

1. Issue a motion of reprimand;
2. Suspension of the remuneration paid to the member in respect of his or her services as a member for a period of up to 90 days;
3. Request the member involved to return any gift or benefit received in contravention of the Code of Conduct;
4. Request the member involved to repay the value of the benefit;
5. Remove the member from committee or local board appointments;
6. Request an apology; or
7. Withhold confidential materials/matters for a period of time.

All reports to Council by the Integrity Commissioner on the investigation of complaints are public documents.

The Integrity Commissioner shall be responsible for ensuring the above procedures are followed with respect to requests for inquiries and for conducting investigations. City Council shall be responsible for determining penalties where appropriate.

Appendix “1” (cont’d)

Protection from Retaliation

Any employee who files a complaint of a contravention of the Code of Conduct will not be subjected to any form of penalty or reprisal provided the complaint is made in good faith and in the reasonable belief of the complainant that a contravention of the Code has occurred.

Limitation Period

The Integrity Commissioner shall not proceed with an inquiry in regard to a complaint more than 60 days after the event or series of events which are the subject matter of the complaint were discovered by the complainant. An event or series of events is discovered on the earlier of the date upon which the complainant first knew:

- that the event(s) had occurred and by whom; and
- that the event(s) may have constituted a contravention of the Code.

The onus of proof as to the date of discovery lies with the complainant.

Where the Integrity Commissioner decides not to proceed with an investigation of a complaint received more than 60 days after the date when the event(s) occurred, the Integrity Commissioner shall prepare and file a report setting out that decision.

Complaints in Municipal Election Years

Despite any other provision of this process, if the Commissioner has not completed an inquiry before nomination day for a regular election as set out in section 31 of the *Municipal Elections Act, 1996*, the Commissioner shall terminate the inquiry on that day.

If an inquiry is so terminated, the Commissioner shall not commence another inquiry in respect of the matter unless, within six weeks after voting day in a regular election, as set out in section 5 of the *Municipal Elections Act, 1996*, the person or entity who made the request or the member or former member whose conduct is concerned makes a written request to the Commissioner that the inquiry be commenced.

The following rules apply during the period of time starting on nomination day for a regular election, as set out in section 31 of the *Municipal Elections Act, 1996*, and ending on voting day in a regular election, as set out in section 5 of that Act:

1. There shall be no requests for an inquiry about whether a member of council or of a local board has contravened the code of conduct applicable to the member.
2. The Commissioner shall not report to the municipality or local board about whether, in his or her opinion, a member of council or of a local board has contravened the code of conduct applicable to the member.
3. The municipality or local board shall not consider whether to impose the penalties referred to in subsection (5) on a member of council or of a local board.

Appendix “1” (cont’d)

Appendix "B"

Request for Investigation

Code of Conduct for Members of Council and Local Boards

Name of Requestor:	
Address:	
Telephone:	
Email address:	
It is an offence under the Criminal Code of Canada to knowingly swear/affirm a false affidavit.	
I, _____ (full name)	
of _____ (municipality of residence)	
in the Province of Ontario, MAKE OATH AND SAY (or affirm)	
1. I have personal knowledge of the facts as set out in this affidavit.	
2. I have reasonable and probable grounds to believe that:	
(specify name of member of Sault Ste. Marie City Council or local board)	
has contravened section(s) _____ (specify)	
of the Code of Conduct for Members of Council and Local Boards.	
The particulars are as follows:	
Provide information such as date, time, location of conduct, names of all persons involved, including witnesses, and information as to how they can be reached. If you require more space attach a second page.	
3. This affidavit is made for the purpose of requesting that this matter be investigated and for no improper purpose.	
Attached are copies of documents and records relevant to the requested inquiry.	
SWORN (or affirmed) before me at the City of Sault Ste Marie, in the District of Algoma, this day of 20	
A Commissioner, etc.	
	Requestor's signature

Deliver request to: City Clerk's Department, Civic Centre, 99 Foster Drive, Sault Ste. Marie ON P6A 5X6

Appendix "1" (cont'd)

It is an offence under the Criminal Code of Canada to knowingly swear/affirm a false affidavit.

Schedule "A" to the Affidavit of

[illegible]

Schedule "A" referred to in the affidavit of

Sworn before me this day of 20

A Commissioner, etc.

Appendix “1” (cont’d)

Appendix “C” Request for Advice

Note: Should the Integrity Commissioner determine that a member of Council or of a local board has violated any provisions governing ethical behaviour pursuant to the Code of Conduct for Council or local boards, he/she is obligated to report such violation, with any recommendation for sanction, to Council.

Request for Advice

Name of Requestor:	
Address:	
Telephone:	
Email address:	
Advice requested (Provide as much detail as possible relating to the issue. Attach second page if required.)	
Signature of Requestor	Date received by Integrity Commissioner
Date	Date reply issued

Appendix “2”

Appendix A

Excerpt from the Municipal Act, 2001, SO 2001, c 25, s 223.3 to s 223.8 Sections outlining the role of Integrity Commissioner

Integrity Commissioner

223.3 (1) Without limiting sections 9, 10 and 11, those sections authorize the municipality to appoint an Integrity Commissioner who reports to council and who is responsible for performing in an independent manner the functions assigned by the municipality with respect to,

- (a) the application of the code of conduct for members of council and the code of conduct for members of local boards or of either of them;
- (b) the application of any procedures, rules and policies of the municipality and local boards governing the ethical behaviour of members of council and of local boards or of either of them; or
- (c) both of clauses (a) and (b). 2006, c. 32, Sched. A, s. 98.

Note: On March 1, 2019, the day named by proclamation of the Lieutenant Governor, subsection 223.3 (1) of the Act is repealed and the following substituted: (See: 2017, c. 10, Sched. 1, s. 19 (1))

Integrity Commissioner

(1) Without limiting sections 9, 10 and 11, those sections authorize the municipality to appoint an Integrity Commissioner who reports to council and who is responsible for performing in an independent manner the functions assigned by the municipality with respect to any or all of the following:

1. The application of the code of conduct for members of council and the code of conduct for members of local boards.
2. The application of any procedures, rules and policies of the municipality and local boards governing the ethical behaviour of members of council and of local boards.
3. The application of sections 5, 5.1 and 5.2 of the *Municipal Conflict of Interest Act* to members of council and of local boards.
4. Requests from members of council and of local boards for advice respecting their obligations under the code of conduct applicable to the member.
5. Requests from members of council and of local boards for advice respecting their obligations under a procedure, rule or policy of the municipality or of the local board, as the case may be, governing the ethical behaviour of members.
6. Requests from members of council and of local boards for advice respecting their obligations under the *Municipal Conflict of Interest Act*.
7. The provision of educational information to members of council, members of local boards, the municipality and the public about the municipality's codes of conduct for members of council and members of local boards and about the *Municipal Conflict of Interest Act*. 2017, c. 10, Sched. 1, s. 19 (1).

Note: On March 1, 2019, the day named by proclamation of the Lieutenant Governor, section 223.3 of the Act is amended by adding the following subsections: (See: 2017, c. 10, Sched. 1, s. 19 (2))

Appendix “2” (cont’d)

Provision for functions if no Commissioner appointed

(1.1) If a municipality has not appointed a Commissioner under subsection (1), the municipality shall make arrangements for all of the responsibilities set out in that subsection to be provided by a Commissioner of another municipality. 2017, c. 10, Sched. 1, s. 19 (2).

Provision for functions if responsibility not assigned

(1.2) If a municipality has appointed a Commissioner under subsection (1), but has not assigned functions to the Commissioner with respect to one or more of the responsibilities set out in that subsection, the municipality shall make arrangements for those responsibilities to be provided by a Commissioner of another municipality. 2017, c. 10, Sched. 1, s. 19 (2).

Powers and duties

(2) Subject to this Part, in carrying out the responsibilities described in subsection (1), the Commissioner may exercise such powers and shall perform such duties as may be assigned to him or her by the municipality. 2006, c. 32, Sched. A, s. 98.

Note: On March 1, 2019, the day named by proclamation of the Lieutenant Governor, section 223.3 of the Act is amended by adding the following subsections: (See: 2017, c. 10, Sched. 1, s. 19 (3))

Request for advice shall be in writing

(2.1) A request by a member of council or of a local board for advice from the Commissioner under paragraph 4, 5 or 6 of subsection (1) shall be made in writing. 2017, c. 10, Sched. 1, s. 19 (3).

Advice shall be in writing

(2.2) If the Commissioner provides advice to a member of council or of a local board under paragraph 4, 5 or 6 of subsection (1), the advice shall be in writing. 2017, c. 10, Sched. 1, s. 19 (3).

Content of educational information

(2.3) If the Commissioner provides educational information to the public under paragraph 7 of subsection (1), the Commissioner may summarize advice he or she has provided but shall not disclose confidential information that could identify a person concerned. 2017, c. 10, Sched. 1, s. 19 (3).

Delegation

(3) The Commissioner may delegate in writing to any person, other than a member of council, any of the Commissioner's powers and duties under this Part. 2006, c. 32, Sched. A, s. 98.

Same

(4) The Commissioner may continue to exercise the delegated powers and duties, despite the delegation. 2006, c. 32, Sched. A, s. 98.

Status

(5) The Commissioner is not required to be a municipal employee. 2006, c. 32, Sched. A, s. 98.

Appendix “2” (cont’d)

Note: On March 1, 2019, the day named by proclamation of the Lieutenant Governor, section 223.3 of the Act is amended by adding the following subsections: (See: 2017, c. 10, Sched. 1, s. 19 (4))

Indemnity

(6) A municipality shall indemnify and save harmless the Commissioner or any person acting under the instructions of that officer for costs reasonably incurred by either of them in connection with the defence of a proceeding if the proceeding relates to an act done in good faith in the performance or intended performance of a duty or authority under this Part or a by-law passed under it or an alleged neglect or default in the performance in good faith of the duty or authority. 2017, c. 10, Sched. 1, s. 19 (4).

Interpretation

(7) For greater certainty, nothing in this section affects the application of section 448 with respect to a proceeding referred to in subsection (6) of this section. 2017, c. 10, Sched. 1, s. 19 (4).

Section Amendments with date in force (d/m/y)

Inquiry by Commissioner

223.4 (1) This section applies if the Commissioner conducts an inquiry under this Part,

(a) in respect of a request made by council, a member of council or a member of the public about whether a member of council or of a local board has contravened the code of conduct applicable to the member; or

(b) in respect of a request made by a local board or a member of a local board about whether a member of the local board has contravened the code of conduct applicable to the member. 2006, c. 32, Sched. A, s. 98.

Powers on inquiry

(2) The Commissioner may elect to exercise the powers under sections 33 and 34 of the *Public Inquiries Act, 2009*, in which case those sections apply to the inquiry. 2009, c. 33, Sched. 6, s. 72 (1).

Information

(3) The municipality and its local boards shall give the Commissioner such information as the Commissioner believes to be necessary for an inquiry. 2006, c. 32, Sched. A, s. 98.

Same

(4) The Commissioner is entitled to have free access to all books, accounts, financial records, electronic data processing records, reports, files and all other papers, things or property belonging to or used by the municipality or a local board that the Commissioner believes to be necessary for an inquiry. 2006, c. 32, Sched. A, s. 98.

Appendix “2” (cont’d)

Penalties

(5) The municipality may impose either of the following penalties on a member of council or of a local board if the Commissioner reports to the municipality that, in his or her opinion, the member has contravened the code of conduct:

1. A reprimand.
2. Suspension of the remuneration paid to the member in respect of his or her services as a member of council or of the local board, as the case may be, for a period of up to 90 days. 2006, c. 32, Sched. A, s. 98.

Same

(6) The local board may impose either of the penalties described in subsection (5) on its member if the Commissioner reports to the board that, in his or her opinion, the member has contravened the code of conduct, and if the municipality has not imposed a penalty on the member under subsection (5) in respect of the same contravention. 2006, c. 32, Sched. A, s. 98.

Note: On March 1, 2019, the day named by proclamation of the Lieutenant Governor, section 223.4 of the Act is amended by adding the following subsections: (See: 2017, c. 10, Sched. 1, s. 20)

Termination of inquiry when regular election begins

(7) If the Commissioner has not completed an inquiry before nomination day for a regular election, as set out in section 31 of the *Municipal Elections Act, 1996*, the Commissioner shall terminate the inquiry on that day. 2017, c. 10, Sched. 1, s. 20.

Same

(8) If an inquiry is terminated under subsection (7), the Commissioner shall not commence another inquiry in respect of the matter unless, within six weeks after voting day in a regular election, as set out in section 5 of the *Municipal Elections Act, 1996*, the person or entity who made the request or the member or former member whose conduct is concerned makes a written request to the Commissioner that the inquiry be commenced. 2017, c. 10, Sched. 1, s. 20.

Other rules that apply during regular election

(9) The following rules apply during the period of time starting on nomination day for a regular election, as set out in section 31 of the *Municipal Elections Act, 1996*, and ending on voting day in a regular election, as set out in section 5 of that Act:

1. There shall be no requests for an inquiry about whether a member of council or of a local board has contravened the code of conduct applicable to the member.
2. The Commissioner shall not report to the municipality or local board about whether, in his or her opinion, a member of council or of a local board has contravened the code of conduct applicable to the member.
3. The municipality or local board shall not consider whether to impose the penalties referred to in subsection (5) on a member of council or of a local board. 2017, c. 10, Sched. 1, s. 20.

Appendix “2” (cont’d)

Section Amendments with date in force (d/m/y)

Note: On March 1, 2019, the day named by proclamation of the Lieutenant Governor, the Act is amended by adding the following section: (See: 2017, c. 10, Sched. 1, s. 21)

Inquiry by Commissioner re s. 5, 5.1 or 5.2 of *Municipal Conflict of Interest Act*

223.4.1 (1) This section applies if the Commissioner conducts an inquiry under this Part in respect of an application under subsection (2). 2017, c. 10, Sched. 1, s. 21.

Application

(2) An elector, as defined in section 1 of the *Municipal Conflict of Interest Act*, or a person demonstrably acting in the public interest may apply in writing to the Commissioner for an inquiry to be carried out concerning an alleged contravention of section 5, 5.1 or 5.2 of that Act by a member of council or a member of a local board. 2017, c. 10, Sched. 1, s. 21.

No application for inquiry during regular election

(3) No application for an inquiry under this section shall be made to the Commissioner during the period of time starting on nomination day for a regular election, as set out in section 31 of the *Municipal Elections Act, 1996*, and ending on voting day in a regular election, as set out in section 5 of that Act. 2017, c. 10, Sched. 1, s. 21.

Timing

(4) An application may only be made within six weeks after the applicant became aware of the alleged contravention. 2017, c. 10, Sched. 1, s. 21.

Exception

(5) Despite subsection (4), an application may be made more than six weeks after the applicant became aware of the alleged contravention if both of the following are satisfied:

1. The applicant became aware of the alleged contravention within the period of time starting six weeks before nomination day for a regular election, as set out in section 31 of the *Municipal Elections Act, 1996*, and ending on voting day in a regular election, as set out in section 5 of that Act.

2. The applicant applies to the Commissioner under subsection (2) within six weeks after the day after voting day in a regular election, as set out in section 5 of the *Municipal Elections Act, 1996*. 2017, c. 10, Sched. 1, s. 21.

Content of application

(6) An application shall set out the reasons for believing that the member has contravened section 5, 5.1 or 5.2 of the *Municipal Conflict of Interest Act* and include a statutory declaration attesting to the fact that the applicant became aware of the contravention not more than six weeks before the date of the application or, in the case where an applicant became aware of the alleged contravention during the period of time described in paragraph 1 of subsection (5), a statutory declaration attesting to the fact that the applicant became aware of the alleged contravention during that period of time. 2017, c. 10, Sched. 1, s. 21.

Appendix “2” (cont’d)

Inquiry

(7) The Commissioner may conduct such inquiry as he or she considers necessary. 2017, c. 10, Sched. 1, s. 21.

Public meeting

(8) If the Commissioner decides to conduct an inquiry, the Commissioner may have a public meeting to discuss the inquiry. 2017, c. 10, Sched. 1, s. 21.

Powers on inquiry

(9) The Commissioner may elect to exercise the powers under sections 33 and 34 of the *Public Inquiries Act, 2009*, in which case those sections apply to the inquiry. 2017, c. 10, Sched. 1, s. 21.

Information

(10) The municipality and its local boards shall give the Commissioner such information as the Commissioner believes to be necessary for an inquiry. 2017, c. 10, Sched. 1, s. 21.

Same

(11) The Commissioner is entitled to have free access to all books, accounts, financial records, electronic data processing records, reports, files and all other papers, things or property belonging to or used by the municipality or a local board that the Commissioner believes to be necessary for an inquiry. 2017, c. 10, Sched. 1, s. 21.

Termination of inquiry when regular election begins

(12) If the Commissioner has not completed an inquiry before nomination day for a regular election, as set out in section 31 of the *Municipal Elections Act, 1996*, the Commissioner shall terminate the inquiry on that day. 2017, c. 10, Sched. 1, s. 21.

Same

(13) If an inquiry is terminated under subsection (12), the Commissioner shall not commence another inquiry in respect of the matter unless, within six weeks after voting day in a regular election, as set out in section 5 of the *Municipal Elections Act, 1996*, the person who made the application or the member or former member whose conduct is concerned applies in writing to the Commissioner for the inquiry to be carried out. 2017, c. 10, Sched. 1, s. 21.

Timing

(14) The Commissioner shall complete the inquiry within 180 days after receiving the completed application, unless the inquiry is terminated under subsection (12). 2017, c. 10, Sched. 1, s. 21.

Completion

(15) Upon completion of the inquiry, the Commissioner may, if he or she considers it appropriate, apply to a judge under section 8 of the *Municipal Conflict of Interest Act* for a determination as to whether the member has contravened section 5, 5.1 or 5.2 of that Act. 2017, c. 10, Sched. 1, s. 21.

Notice to applicant re decision not to apply to judge

(16) The Commissioner shall advise the applicant if the Commissioner will not be making an application to a judge. 2017, c. 10, Sched. 1, s. 21.

Reasons after inquiry

Appendix “2” (cont’d)

(17) After deciding whether or not to apply to a judge, the Commissioner shall publish written reasons for the decision. 2017, c. 10, Sched. 1, s. 21.

Costs

(18) The Commissioner’s costs of applying to a judge shall be paid by the following:

1. If the member is alleged to have contravened section 5, 5.1 or 5.2 of the *Municipal Conflict of Interest Act* as a member of council of a municipality, the municipality.

2. If the member is alleged to have contravened section 5, 5.1 or 5.2 of the *Municipal Conflict of Interest Act* as a member of a local board, the local board. 2017, c. 10, Sched. 1, s. 21.

Section Amendments with date in force (d/m/y)

Duty of confidentiality

223.5 (1) The Commissioner and every person acting under the instructions of the Commissioner shall preserve secrecy with respect to all matters that come to his or her knowledge in the course of his or her duties under this Part. 2006, c. 32, Sched. A, s. 98.

Exception

(2) Despite subsection (1), information may be disclosed in a criminal proceeding as required by law or otherwise in accordance with this Part. 2006, c. 32, Sched. A, s. 98.

Note: On March 1, 2019, the day named by proclamation of the Lieutenant Governor, section 223.5 of the Act is amended by adding the following subsections: (See: 2017, c. 10, Sched. 1, s. 22)

Release of advice

(2.1) Advice provided by the Commissioner to a member under paragraph 4, 5 or 6 of subsection 223.3 (1) may be released with the member’s written consent. 2017, c. 10, Sched. 1, s. 22.

Partial release by member

(2.2) If a member releases only part of the advice provided to the member by the Commissioner under paragraph 4, 5 or 6 of subsection 223.3 (1), the Commissioner may release part or all of the advice without obtaining the member’s consent. 2017, c. 10, Sched. 1, s. 22.

Other circumstances

(2.3) The Commissioner may disclose such information as in the Commissioner’s opinion is necessary,

(a) for the purposes of a public meeting under subsection 223.4.1 (8);

(b) in an application to a judge referred to in subsection 223.4.1 (15); or

(c) in the written reasons given by the Commissioner under subsection 223.4.1

(17). 2017, c. 10, Sched. 1, s. 22.

Section prevails

(3) This section prevails over the *Municipal Freedom of Information and Protection of Privacy Act*. 2006, c. 32, Sched. A, s. 98.

Appendix “2” (cont’d)

Section Amendments with date in force (d/m/y)

Report to council

223.6 (1) If the Commissioner provides a periodic report to the municipality on his or her activities, the Commissioner may summarize advice he or she has given but shall not disclose confidential information that could identify a person concerned. 2006, c. 32, Sched. A, s. 98.

Report about conduct

(2) If the Commissioner reports to the municipality or to a local board his or her opinion about whether a member of council or of the local board has contravened the applicable code of conduct, the Commissioner may disclose in the report such matters as in the Commissioner’s opinion are necessary for the purposes of the report. 2006, c. 32, Sched. A, s. 98.

Publication of reports

(3) The municipality and each local board shall ensure that reports received from the Commissioner by the municipality or by the board, as the case may be, are made available to the public. 2006, c. 32, Sched. A, s. 98.

Section Amendments with date in force (d/m/y)

Testimony

223.7 Neither the Commissioner nor any person acting under the instructions of the Commissioner is a competent or compellable witness in a civil proceeding in connection with anything done under this Part. 2006, c. 32, Sched. A, s. 98.

Section Amendments with date in force (d/m/y)

Reference to appropriate authorities

223.8 If the Commissioner, when conducting an inquiry, determines that there are reasonable grounds to believe that there has been a contravention of any other Act or of the *Criminal Code* (Canada), the Commissioner shall immediately refer the matter to the appropriate authorities and suspend the inquiry until any resulting police investigation and charge have been finally disposed of, and shall report the suspension to council. 2006, c. 32, Sched. A, s. 98.

Note: On March 1, 2019, the day named by proclamation of the Lieutenant Governor, section 223.8 of the Act is amended by striking out “of any other Act or” and substituting “of any other Act, other than the *Municipal Conflict of Interest Act*, or”. (See: 2017, c. 10, Sched. 1, s. 23)

Section Amendments with date in force (d/m/y)