



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

Monday, May 6, 2019

4:30 pm

Council Chambers

Civic Centre

	Pages
1. Adoption of Minutes	10 - 36
Mover Councillor M. Bruni Seconder Councillor M. Shoemaker Resolved that the Minutes of the Regular Council Meeting of 2019 04 15 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 D. Hilsinger Resolved that the Agenda for 2019 05 06 City Council Meeting as presented be approved.	
5. Proclamations/Delegations	
5.1 Pediatric Brain Tumor Awareness Month	
Vicki Size	
5.2 Young Professionals Week	
Ashlee Gerard, Chair, STRIVE Young Professionals Group	

5.3	Economic Development Week	
	John Febbraro, Manager, Business Development, Sault Ste. Marie Economic Development Corporation	
5.4	Emergency Preparedness Week	
	Naomi Thibault, Emergency Management Coordinator	
6.	Communications and Routine Reports of City Departments, Boards and Committees – Consent Agenda	
	Mover Councillor R. Niro	
	Seconder Councillor M. Shoemaker	
	Resolved that all the items listed under date 2019 05 06 – Agenda item 6 – Consent Agenda be approved as recommended.	
6.1	Special 2019 Gas Tax Funding – Project Allocations	37 - 43
	A report of the Chief Administrative Officer is attached for the consideration of Council.	
	Mover Councillor R. Niro	
	Seconder Councillor D. Hilsinger	
	Resolved that the report of the CAO dated 2019 05 06 concerning Special 2019 Gas Tax Funding – Project Allocations be received and that the projects highlighted under Option 1 of Schedule A be approved to proceed as recommended.	
6.2	2019 Property Tax Capping Options	44 - 48
	A report of the Manager of Accounting and City Tax Collector is attached for the consideration of Council.	
	The relevant By-law 2019-101 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.	
6.3	Property Tax Appeals	49 - 52
	A report of the Manager of Accounting and City Tax Collector is attached for the consideration of Council.	
	Mover Councillor M. Bruni	
	Seconder Councillor M. Shoemaker	
	Resolved that the report of the Manager of Accounting and City Tax Collector dated 2019 05 06 concerning Property Tax Appeals be received and the recommendation that the tax records be amended pursuant to Sections 354 and 357 of the <i>Municipal Act</i> be approved.	
6.4	First Quarter Financial Report to March 31, 2019	53 - 70

A report of the Manager of Audits and Capital Planning is attached for the consideration of Council.

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that the report of the Manager of Audits and Capital Planning dated 2019 05 06 concerning First Quarter Financial Report to March 31, 2019 be received as information.

6.5 2018 Municipal Election – Candidate Financial Filing Default

71 - 72

A report of the Deputy CAO / City Clerk is attached for the information of Council.

Mover Councillor M. Bruni

Seconder Councillor M. Shoemaker

Resolved that the report of the Deputy CAO / City Clerk dated 2019 05 01 concerning 2018 Municipal Election – Candidate Financial Filing Default be received as information.

6.6 Parking By-Law Enforcement By Private Firm

73 - 82

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

Mover Councillor R. Niro

Seconder Councillor M. Shoemaker

Resolved that the report of the Director of Community Services dated 2019 05 06 concerning Parking By-Law Enforcement by Private Firm be approved and that Council approve staff taking the next step to establish a one (1) year pilot for third party by-law enforcement and authorize staff to issue a Request for Proposal and that the results be brought back to Council as part of the 2020 Budget decision process.

An agreement for the pilot and by-law authorizing signature of the agreement will appear on a future Council agenda for approval.

6.7 Superior Sports Training Inc. – Lease Extension

83 - 84

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

The relevant By-law 2019-102 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.

6.8 Gore Street Parking Lot Proposal

85 - 90

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

Mover Councillor L. Dufour

Seconder Councillor L. Vezeau-Allen
Resolved that the report of the Director of Community Services dated 2019 05 06
concerning Gore Street Parking Lot Proposal be approved.

- 6.9 St. Georges Avenue East and McNabb Street Improvements 91 - 93**
- A report of the Manager of Design and Construction Engineering is attached for the consideration of Council.
- The relevant By-laws 2019-108 and 2019-109 are listed under the item of the Agenda and will be read with all by-laws listed under that item.
- 6.10 Ruth Street and Second Avenue Reconstruction 94 - 96**
- A report of the Manager of Design and Transportation Engineering is attached for the consideration of Council.
- The relevant By-laws 2019-110 and 2019-111 are listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.11 Lease Amending Agreement for 540 Albert Street East 97 - 105**
- A report of the Assistant City Solicitor/Senior Litigation Counsel is attached for the consideration of Council.
- The relevant By-law 2019-104 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.12 Second Amending Agreement – The Federal Bridge Corporation Limited 106 - 107**
- A report of the Assistant City Solicitor/Senior Litigation Counsel is attached for the consideration of Council.
- The relevant By-law 2019-105 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.13 Passport Agreement 108 - 123**
- A report of the Solicitor/Prosecutor is attached for the consideration of Council.
- The relevant By-law 2019-107 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.14 Appointment of Chief Weed Inspector 124 - 125**
- A report of the Area Coordinator, Parks, is attached for the consideration of Council.
- The relevant By-law 2019-106 is listed under item 11 of the Agenda and will be read with all by-laws listed under that item.
- 6.15 Construction Employer 126 - 127**

A report of the Director of Human Resources is attached for the information of Council.

Mover Councillor M. Bruni

Seconder Councillor M. Shoemaker

Resolved that the report of the Director of Human Resources dated 2019 05 06 be received as information.

6.16 *Correspondence* 128 - 129

Sault Ste. Marie Region Conservation Authority

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

7.8 Boards and Committees

7.8.1 Sault Ste. Marie PUC Inc. Share Capital 130 - 137

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

Mover Councillor R. Niro

Seconder Councillor M. Shoemaker

Resolved that the report of 2019 05 06 concerning Sault Ste. Marie PUC Inc. Share Capital be received and that Council as Shareholder approve Sault Ste. Marie PUC Inc.'s request to purchase or acquire shares in capital of a non-subsidiary corporation as provided under Article "k" of Schedule A of the Shareholder Agreement (By-law 2000-185).

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

8.1 Transient Accommodations

Mover Councillor C. Gardi

Seconder Councillor M. Scott

Whereas short term/transient accommodation rentals have become more and more popular in recent years; and

Whereas short term/transient accommodation rentals are operated by owner occupants, tenants, property investors and management companies; and

Whereas many communities in North America have taken steps to regulate short term/transient rentals to address housing, nuisance and community issues; and

Whereas these types of rentals can impact the amenities, character and stability of a neighborhood; and

Whereas the City of Sault Ste. Marie currently has no regulations that apply to these types of accommodations;

Now Therefore Be It Resolved that City Staff consider best practices developed in other municipalities and report back to Council with recommendations on a framework that permits transient accommodation consistent with and respectful of our residential neighborhoods.

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 D. Hilsinger

Resolved that all By-laws under item 11 of the Agenda under date 2019 05 06 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 2019-101 (Tax) Adopt Optional Tools

138 - 140

A report from the Manager of Accounting/City Tax Collector is on the Agenda.

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-101 being a by-law to Adopt Option Tools for the Purposes of Administering Limits for the Commercial, Industrial and Multi-Residential Property Classes be passed in open Council this 6th day of May, 2019.

11.1.2 By-law 2019-102 (Agreement) Superior Sports Training Inc.

141 - 155

A report from the Director of Community Services is on the Agenda.

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-102 being a by-law to authorize the execution of the Agreement between the City and Superior Sports Training Inc. for the use of a portion of the John Rhodes Community Centre, 260-280 Elizabeth Street, having a three (3) year term with the option to extend on a year-to-year basis at the agreed upon rent be passed in open Council this 6th day of May, 2019.

11.1.3 By-law 2019-104 (Agreement) 540 Albert Street East Lease 156 - 160

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

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-104 being a By-law to authorize the execution of the Agreement between the City and Her Majesty the Queen in Right of Ontario as Represented by the Minister of Government and Consumer Services for the lease of a portion of 540 Albert Street East be passed in open Council this 6th day of May, 2019.

11.1.4 By-law 2019-105 (Agreement) Second Amendment Extending Expiry Date Federal Bridge 161 - 165

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

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-105 being a by-law to authorize the execution of the Second Amending Agreement dated May 6, 2019 between the City and The Federal Bridge Corporation Limited to amend the Licence Agreement dated December 11, 2017, as amended by an Amending Agreement dated December 10, 2018 to extend the expiry date of this Licence Agreement to permit the occupation and use of the City lands designated to be transferred to The Federal Bridge Corporation Limited be passed in open Council this 6th day of May, 2019.

11.1.5 By-law 2019-106 (Appointment) Weed Inspector 166 - 166

A report from the Area Coordinator, Parks is on the Agenda.

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-106 being a by-law to appoint a Weed Inspector for the administration of the *Weed Control Act* be passed in open Council this 6th day of April, 2019.

11.1.6 By-law 2019-107 (Agreement) Passport Mobile Parking Payment 167 - 181

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

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-107 being a by-law to authorize the execution of the Agreement between the City and Passport Labs, Inc. for the Mobile Payment Parking Solution one (1) year Pilot Program be passed in open Council this 6th day of May, 2019.

11.1.7 By-law 2019-108 (Agreement) St. Georges Avenue & McNabb street Resurfacing/Reconstruction Contract 2019-3E 182 - 184

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

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-108 being a by-law to authorize the execution of the Contract between the City and Trimount Construction Group Incorporated for the reconstruction of St. Georges Avenue from Grand Boulevard to Gladstone Avenue and reconstruction of McNabb Street from Gladstone Avenue to Great Northern Road (Contract 2019-3E) be passed in open Council this 6th day of May, 2019.

11.1.8 By-law 2019-109 (Temporary Street Closing) McNabb Street 185 - 185

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

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-109 being a by-law to permit the temporary closing of McNabb Street between Gladstone Avenue and Great Northern Road from May 30, 2019 until October 31, 2019 for the reconstruction of McNabb Street be passed in open Council this 6th day of May, 2019,

11.1.9 By-law 2019-110 (Agreement) Ruth Street Contract 2019-4E 186 - 188

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

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-110 being a by-law to authorize the execution of the Contract between the City and Avery Construction Limited for the reconstruction of Ruth Street from Franklin Street to the east limit (Contract 2019-4E) be passed in open Council this 6th day of May, 2019.

11.1.10 By-law 2019-111 (Temporary Street Closure) Ruth Street 189 - 189

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

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that By-law 2019-111 being a by-law to permit the temporary closing of Ruth Street from Franklin Street to the east limit be passed in open Council this 6th day of May, 2019.

- 11.2 By-laws before Council for FIRST and SECOND reading which do not require more than a simple majority**
- 11.3 By-laws before Council for THIRD reading which do not require more than a simple majority**
- 12. Questions By, New Business From, or Addresses by Members of Council Concerning Matters Not Otherwise on the Agenda**
- 13. Closed Session**
- 14. Adjournment**

Mover Councillor M. Bruni

Seconder Councillor M. Shoemaker

Resolved that this Council now adjourn.



REGULAR MEETING OF CITY COUNCIL

MINUTES

Monday, April 15, 2019

4:30 pm

Council Chambers

Civic Centre

Present: Mayor C. Provenzano, Councillor P. Christian, Councillor L. Dufour, Councillor L. Vezeau-Allen, Councillor D. Hilsinger, Councillor M. Shoemaker, Councillor M. Bruni, Councillor R. Niro, Councillor C. Gardi, Councillor M. Scott

Absent: Councillor S. Hollingsworth

Officials: R. Tyczinski, M. White, L. Girardi, T. Vair, P. Johnson, K. Fields, S. Schell, D. Elliott, F. Coccimiglio, F. Pozzebon, P. Tonazzo, T. Vecchio, J. Bruzas, T. Anderson, R. Madonna, J. King

1. Adoption of Minutes

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Dufour

Resolved that the Minutes of the Regular Council Meeting of 2019 04 01 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 Mayor C. Provenzano – Municipal Capital Exemption Request – 1972703 Ontario Inc.

Proponent is a client of law firm

3.2 Mayor C. Provenzano – By-law 2019-80 (Zoning) 22 MacDonald Avenue (Ruscio and Martella)

Proponent is a client of law firm, objector is client of law firm.

3.3 Mayor C. Provenzano – By-law 2019-81 (Development Control) 22 MacDonald (Ruscio and Martella)

Proponent is a client of law firm, objector is client of law firm.

3.4 Mayor C. Provenzano – By-law 2019-85 (Agreement) 1972703 Ontario Inc. (Municipal Capital Facility)

Proponent is client of law firm.

3.5 Councillor R. Niro – 2019 Road Resurfacing

Daughter resides on section of Allen's Side Road being resurfaced

3.6 Councillor M. Shoemaker – Great Lakes Honda 415 Pim Street (Housekeeping)

Agreement is with a client of law firm.

3.7 Councillor M. Shoemaker – By-law 2019-88 (Agreement) Sault North Holdings Ltd.o/a Great Lakes Honda

Agreement is with client of law firm.

3.8 Councillor M. Shoemaker – By-law 2019-80 (Zoning) 22 MacDonald Avenue (Ruscio and Martella)

Owners of property are clients of law firm.

3.9 Councillor M. Shoemaker – By-law 2019-81 (Development Control) 22 MacDonald (Ruscio and Martella)

Owners of property are clients of law firm.

3.10 Councillor M. Shoemaker – Fort Creek Aqueduct Reconstruction – John Street Laneway

Contract awarded to client of law firm.

3.11 Councillor M. Shoemaker – By-law 2019-97 (Agreement) Fort Creek Aqueduct Contract 2019-1E

Contract awarded to client of law firm.

4. Approve Agenda as Presented

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Vezeau-Allen

Resolved that the Agenda for 2019 04 15 City Council Meeting as presented be approved.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	10	0	1

Carried

5. Proclamations/Delegations

5.1 Community Living Awareness Month

Tania Mash-Gagnon, Deborah Chadwick, Gordon Draper and John Policicchio were in attendance.

5.2 Sault Ste. Marie Motorcycle Awareness Week

Gerry Rhodes, Chair, Sault Ste. Marie Bikers' Rights Organization was in attendance.

5.3 Children's Mental Health Week

Ali Juma and Paige Linklater were in attendance.

5.4 Day of Mourning

Drew Craig, Sault Ste. Marie District Labour Council was in attendance.

5.5 Sault Ste. Marie Climate Hub and Extinction Rebellion

(Withdrawn)

5.6 Catholic Women's League

Betsy Currier, Diocesan President, Jane Chaput and Marg Hammond, Co-Chairs of the Convention Planning Committee and Gerri Chateau, Publicity Chair were in attendance.

5.7 The National Day of Action on the Overdose Epidemic

Connie Raynor-Elliott was in attendance.

5.8 YMCA Healthy Kids

Todd Hocking, Child, Youth, Family and Aquatics Manager was in attendance.

5.9 Foreign Trade Zone Point Designation Application

Dan Hollingsworth, Executive Director, EDC and Nevin Buconjic, Manager Trade Investment Attraction and Community Marketing were in attendance.

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

Moved by: Councillor M. Scott

Seconded by: Councillor L. Dufour

Resolved that all the items listed under date 2019 04 15 – Agenda item 6 – Consent Agenda save and except Agenda items 6.6, 6.7, 6.14, 6.18, 6.20, 6.25, 6.26 and 6.28 be approved as recommended.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour			X
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		

Results

9

0

2

Carried

6.1 Outstanding Council Resolutions

6.2 Correspondence

6.3 Board/Committee Travel

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Dufour

Resolved that members of the Municipal Heritage Committee be authorized to travel to Goderich for four days in May for the Ontario Heritage Conference at an estimated cost to the City of \$1,030.

Carried

6.4 RFP – 2019 Enterprise Resource Planning Software Licensing and Support

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

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Dufour

Resolved that the report of the Manager of Purchasing dated 2019 04 15 be received and that the proposal submitted by Diamond Software Inc., a CentralSquare Company for licensing and support for the City's ERP Software in the amount of approximately \$94,750 (plus HST) be approved on a sole source basis.

Carried

6.5 RFP – Risk Management Information System Software

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

The relevant By-law 2019-90 is listed under item 11 of the Minutes.

6.8 Tenders for Equipment

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

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Vezeau-Allen

Resolved that the report of the Manager of Purchasing dated 2019 04 15 be received and that tenders for the supply and delivery of various pieces of equipment be awarded as follows:

- One (1) 58000 GVW tandem sander truck c/w 14' four seasons type dump box – TMS Truck Centre Ltd. \$218,755.00
 - One (1) 4WD municipal tractor c/w snow blower, v-plow and sweeper – Work Equipment Ltd. \$154,800.00
 - One (1) 60000 GVW tandem truck cab and chassis – TMS Truck Centre Ltd. \$123,734.00
 - One (1) portable asphalt hot box – Jade Equipment Co. Ltd. \$32,600.00
 - One (1) sidewalk sander – McDowell Brothers Inc. \$17,125.00
 - One (1) 3-wheel broom street sweeper w/belt conveyor – FST Canada Inc. \$244,757.77
- for a total amount of \$791,771.77 (HST extra) be approved.

Carried

6.9 Tender for Ready-Mix Concrete

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

Moved by: Councillor M. Scott

Seconded by: Councillor L. Dufour

Resolved that the report of the Manager of Purchasing dated 2019 04 15 be received and that the tender submitted by Lafarge for the supply of Ready-Mix Concrete for the 2019 construction season commencing May 1, 2019 at the tendered pricing (HST extra) be approved.

Carried

6.10 Tender for Asphalt

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

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that the report of the Manager of Purchasing dated 2019 04 15 be received and that the tender submitted by Palmer Construction for the supply of asphalt for the 2019 construction season commencing May 1, 2019 at the tendered pricing (HST extra) be approved.

Carried

6.11 Year End Financial Report – December 31, 2018

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

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Dufour

Resolved that the report of the Chief Financial Officer and Treasurer dated 2019 04 15 concerning the Year End Financial Report of December 31, 2018 be received as information and the 2018 year end reserve transfers be approved.

Carried

6.12 IRCC Funding Amendment for the Local Immigration Partnership

The report of the Local Immigration Partnership Coordinator was received by Council.

The relevant By-law 2019-100 is listed under item 11 of the Minutes.

6.13 FutureSSM Project Update

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

The relevant By-laws 2019-91, 2019-92 and 2019-93 are listed under item 11 of the Minutes.

6.15 Financial Assistance for National/ International Sports Competitions – Holly Lasante

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

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that the report of the Manager of Recreation and Culture dated 2019 04 15 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 in the amount of \$200 for Holly Lasante's participation at the World Classic Power Lifting Championships to be held June 3rd – 15th, 2019 in Helsingborg, Sweden be approved.

Carried

6.16 Financial Assistance for National/ International Sports Competitions – Sault Surge Aquatic Team

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

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Dufour

Resolved that the report of the Manager of Recreation and Culture dated 2019 04 15 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 in the amount of \$400 for the Sault Surge Aquatic Team to attend the 2019 Canadian Junior Swimming Championships to be held in Calgary, Alberta from July 24th – 29th, 2019 be approved.

Carried

6.17 Financial Assistance for Miscellaneous National and International Competitions – Team iSMAC

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

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Vezeau-Allen

Resolved that the report of the Manager of Recreation and Culture dated 2019 04 15 concerning Request for Financial Assistance be received and that City Council approve a financial assistance grant in the amount of \$400 for Team iSMAC to attend the 2019 VEX World Robotics Championships to be held in Louisville, Kentucky from April 28th – 30th, 2019 be approved.

Carried

6.19 Investing in Canada Infrastructure Program – Candidate Project

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

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that the report of the Director of Engineering dated 2019 04 15 be received and that the recommendation to designate the reconstruction of Third Line between Black Road and the Sault Area Hospital entrance as the candidate for the first intake of the Rural and Northern Communities stream under the Investing in Canada Infrastructure Program be approved.

Carried

6.21 Reconstruction of Leo Avenue

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

The relevant By-laws 2019-95 and 2019-96 is listed under item of the Minutes.

6.22 City Laneway Cleanup Costs Recovery Measures

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

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Dufour

Resolved that the report of the Solicitor/Prosecutor dated 2019 04 15 concerning City Laneway Cleanup Cost Recovery Measures be received as information.

Carried

6.23 Deeming By-law – Wilding Park Subdivision

The report of the City Solicitor was received by Council.

The relevant By-law 2019-77 is listed under item 11 of the Minutes.

6.24 Prince Township Agreement for Building Inspection Services

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

The relevant By-law 2019-84 is listed under item 11 of the Minutes.

6.27 Municipal Capital Facility Agreement – Mill Market

The report of the City Solicitor was received by Council.

The relevant By-law 2019-78 is listed under item 11 of the Minutes.

6.6 RFP – Development of a Post Secondary New Economy Strategy

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

The relevant By-law 2019-92 is listed under item 11 of the Minutes.

6.7 RFP – Development of a Community Youth Welcoming Plan

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

The relevant By-law 2019-93 is listed under item 11 of the Minutes.

6.14 Mill Market Update

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

The relevant By-law 2019-94 is listed under item 11 of the Minutes.

6.18 2019 Road Resurfacing

Councillor R. Niro declared a conflict on this item. (Daughter resides on section of Allen's Side Road being resurfaced)

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

Moved by: Councillor M. Scott

Seconded by: Councillor D. Hilsinger

Resolved that the report of the Director of Engineering dated 2019 04 15 be received and that the 2019 road resurfacing program be approved.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian			X
Councillor S. Hollingsworth			X
Councillor L. Dufour			X
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro			
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	7	0	3

Carried

6.20 Fort Creek Aqueduct Reconstruction – John Street Laneway

Councillor M. Shoemaker declared a conflict on this item. (Contract awarded to client of law firm.)

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

The relevant By-laws 2019-97 and 2019-98 are listed under item 11 of the Minutes.

6.25 Great Lakes Honda 415 Pim Street (Housekeeping)

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

The report of the City Solicitor was received by Council.

The relevant By-law 2019-88 is listed under item 11 of the Minutes.

6.26 Municipal Capital Exemption Request – 1972703 Ontario Inc.

Mayor C. Provenzano declared a conflict on this item. (Proponent is a client of law firm)

The report of the City Solicitor was received by Council.

The relevant By-law 2019-85 is listed under item 11 of the Minutes.

6.28 Correspondence Regarding A-8-19-Z – 22 MacDonald Avenue

7. Reports of City Departments, Boards and Committees

7.1 Administration

7.1.1 Support for Foreign Trade Zone Point Designation Application

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

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that the report of the Chief Administrative Officer dated 2019 04 15 be received and that Council indicate its support of the Sault Ste. Marie Economic Development Corporation pursuing the designation of Foreign Trade Zone Point for Sault Ste. Marie.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	10	0	1

Carried

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

7.8 Boards and Committees

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

8.1 Endorse The Objectives of Bill C-384 in Principle

Moved by: Councillor M. Scott

Seconded by: Councillor C. Gardi

Whereas pensions are a major source of financial security for millions of Canadians; and

Whereas pensions impact a large number of residents of Sault Ste. Marie and continue to provide economic activity in the community; and

Whereas Bill C-384, introduced in the Federal Parliament during the 2015-2019 term of government looks to improve pension protections for Canadian workers; and

Whereas many recent, highly publicized pension plan terminations have created an uneasiness among Canadians who are receiving pensions as well as those expecting to receive pensions; and

Whereas a pension is deferred earnings and failure to pay a pension is failure to pay earned income;

Now Therefore Be It Resolved that the City of Sault Ste. Marie endorse, in principle, the objectives of Bill C-384, those being, primarily, the protection of pensions for Canadians, and urge the Government of Canada to further study and examine what pension protections could be put into place to give peace of mind to pension holders across the country.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		

Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	10	0	1

Carried

8.2 Examine Established Neighbourhoods for Future Growth

Moved by: Councillor L. Dufour

Seconded by: Councillor D. Hilsinger

Whereas the costs associated with maintaining municipal services at their current level is likely to increase annually; and

Whereas City Council wants to ensure that the municipal levy is affordable and that the levy and any increases to it do not outpace the community's ability to pay; and

Whereas assessment growth is important to minimizing or neutralizing the pressures on the municipal levy; and

Whereas assessment growth has conventionally been understood and is usually discussed as new buildings/developments on previously unoccupied land; and

Whereas the City of Sault Ste. Marie could have untapped assessment growth potential in old or existing neighborhoods where assessment values have declined or are in decline;

Now Therefore Be It Resolved that staff work with the Sault Ste. Marie Innovation Centre to prepare a report that outlines and maps the areas of our community that have experienced assessment growth along with the areas of our community that have experienced assessment decline or stagnation over the past two assessment periods in order that Council may have that information when it is considering infrastructure investments and prioritization.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian			X
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		

Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	9	0	2

Carried

8.3 Level III Withdrawal Management Facility Funding

Moved by: Councillor L. Dufour

Seconded by: Councillor L. Vezeau-Allen

Whereas the Sault Area Hospital has applied for the capital and operating funds necessary to develop a Level III Withdrawal Management facility (the 'project') in Sault Ste. Marie which would serve our community and the region; and

Whereas the North East Local Health Integration Network is supportive of the project; and

Whereas the Ministry of Health and Long-Term Care has not yet approved the project; and

Whereas Mayor Provenzano provided a letter of support for the project on March 15, 2017, and Council received a presentation on the project on February 20, 2018 and passed a motion of support on the same date; and

Whereas there is a demonstrated and acute need for a Level III Withdrawal Management facility in Sault Ste. Marie to serve it and the region;

Now Therefore Be It Resolved that City Council calls on the Provincial Government to immediately provide the approvals and funding necessary to build and operate a Level III Withdrawal Management facility and directs Mayor Provenzano to provide this resolution to Sault Ste. Marie MPP Ross Romano, the Minister of Health and Long Term Care and the Premier accordingly.

Majority	For	Against	Absent
Mayor C. Provenzano	X		

Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger			X
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	9	0	2

Carried

8.4 Amendment to Canada Post Corporation Act

Moved by: Councillor L. Dufour

Seconded by: Councillor L. Vezeau-Allen

Whereas the opioid crisis has affected the entire country including our own community and region; and

Whereas it has been established that drugs including fentanyl are being purchased online in both small and large quantities and shipped from countries such as China into Canada by way of Canada Post; and

Whereas the *Canada Post Corporation Act, 1981* has provisions that make it more difficult for police officers to seize such packages or intervene in the delivery of such packages than those delivered by another delivery service or a private sector courier; and

Whereas law enforcement supports the amendment of the *Canada Post Corporation Act, 1981* in order that they are better able to either stop, intervene in or seize the shipment and delivery of illegal drugs through Canada Post more effectively and in the same manner as they could if the material were shipped by way of any other competing delivery services; and

Whereas from the Algoma Community Health Profile published by Algoma Public Health in September of 2018, it stated that there were 15 deaths due to opioid overdoses in Algoma in 2016, and the rate of hospitalization due to opioid toxicity were 45.7 per 100,000 people in Algoma in 2017, compared to 14.6 per 100,000 in Ontario,

Now Therefore Be It Resolved that Sault Ste. Marie City Council hereby supports the amendment of the *Canada Post Corporation Act, 1981*, in order that law enforcement is better able to stop, intervene in or seize the shipment and delivery of illegal drugs through Canada and directs Mayor Provenzano to provide this resolution to Sault Ste. Marie MP Terry Sheehan, the Minister of Public Service and Procurement and Accessibility and the Prime Minister.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger			X
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott		X	
Results	8	1	2

Carried

- 9. Committee of the Whole for the Purpose of Such Matters as are Referred to it by the Council by Resolution**
- 10. Adoption of Report of the Committee of the Whole**
- 11. Consideration and Passing of By-laws**

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that all By-laws under item 11 of the Agenda under date 2019 04 15 save and except By-laws 2019-80, 2019-81, 2019-85, 2019-88, 2019-92, 2019-93 and 2019-97 be approved.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian			X
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi			X
Councillor M. Scott	X		
Results	8	0	3

Carried

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

11.1.1 By-law 2019-77 (Subdivision Control) Deeming Wilding Park Subdivision (Reliable Automotive & Industrial Radiator Inc.)

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-77 being a By-law to deem not registered for purposes of subdivision control certain lots in the **Wilding Park Subdivision**, pursuant to Section 50(4) of the *Planning Act*, (civic 534 Wallace Terrace and 101 McFadden Avenue) be passed in open Council this 15th day of April, 2019.

Carried

11.1.2 By-law 2019-78 (Agreement) Mill Market (Municipal Capital Facility)

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-78 being a by-law to authorize an agreement between the City and the Mill Market Inc. for the provision of a Municipal Capital Facility at the Mill Market, Huron Street be passed in open Council this 15th day of April, 2019.

Carried

11.1.3 By-law 2019-79 (Taxation Exemption) Mill Market Inc.

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-79 being a By-law to provide for the taxation exemption for the Mill Market Inc. as a Municipal Capital Facility be passed in open Council this 15th day of April, 2019.

Carried

11.1.6 By-law 2019-82 (Official Plan Amendment) Second Units

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-82 being a by-law to adopt Amendment No. 223 to the Official Plan for the City of Sault Ste. Marie (Second Units) be passed in open Council this 15th day of April, 2019.

Carried

11.1.7 By-law 2019-83 (Zoning) Second Units

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-83 being a by-law to amend Sault Ste. Marie Zoning By-law 2005-150 concerning Second Units be passed in open Council this 15th day of April, 2019.

Carried

11.1.8 By-law 2019-84 (Agreement) Prince Township Building Inspections

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-84 being a by-law to authorize the execution of the Agreement between the City and The Corporation of the Township of Prince for building inspection services be passed in open Council this 15th day of April, 2019.

Carried

11.1.10 By-law 2019-86 (Taxation Exemption) 1972703 Ontario Inc. (Beavertails)

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-86 being a by-law to provide for the taxation exemption of the property being used by 1972703 Ontario Inc. located at Roberta Bondar Park as a Municipal Capital Facility be passed in open Council this 15th day of April, 2019.

Postponed

11.1.11 By-law 2019-87 (Zoning) 728 Wellington Street West (Nicastro)

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-87 being a by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 728 Wellington Street West (Nicastro) be passed in open Council this 15th day of April, 2019.

Carried

11.1.12 By-law 2019-88 (Agreement) Sault North Holdings Ltd.o/a Great Lakes Honda

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

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-88 being a by-law to authorize the execution of the Agreement between the City and Sault North Holdings Ltd. o/a Great Lakes Honda for the registration of a City easement and the transfer and leaseback of certain City owned lands be passed in open Council this 15th day of April, 2019.

Carried

11.1.13 By-law 2019-90 (Agreement) Clear Risk Inc.

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-90 being a by-law to authorize the execution of the Agreement between the City and Clear Risk Inc. for the provision of Risk Information Management Software for a three year period, beginning April 15, 2019 and ending April 14, 2022 be passed in open Council this 15th day of April, 2019.

Carried

11.1.14 By-law 2019-91 (Agreement) DTA Community Art Project

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-91 being a by-law to authorize the execution of the Agreement between the City and The Downtown Association for a community art project be passed in open Council this 15th day of April, 2019.

Carried

11.1.16 By-law 2019-95 (Agreement) Boyer Construction Leo Avenue Contract 2019-2E

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-95 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 Leo Avenue from Queen Street East to Victoria Street (Contract 2019-2E) be passed in open Council this 15th day of April, 2019.

Carried

11.1.17 By-law 2019-96 (Temporary Street Closing) Leo Avenue

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-96 being a by-law to permit the temporary closing of Leo Avenue from Queen Street East to Victoria Street from May 30, 2019 until October 31, 2019 for the reconstruction of Leo Avenue be passed in open Council this 15th day of April, 2019.

Carried

11.1.19 By-law 2019-98 (Temporary Street Closing) John and Cathcart Street

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-98 being a by-law to permit the intermittent closings of John Street at Edinburgh Street and Cathcart Street between John Street and Brown Street during the construction seasons in 2019 and 2020 for the Fort Creek Aqueduct Reconstructions be passed in open Council this 15th day of April, 2019.

Carried

11.1.20 By-law 2019-99 (Agreement) Finger Dock Replacement – Roberta Bondar Marina

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-99 being a by-law to authorize the execution of the Agreement between the City and Poralu Marine Inc. for the Finger Dock Replacement at the Robert Bondar Marina be passed in open Council this 15th day of April, 2019.

Carried

11.1.21 By-law 2019-100 (Agreement) Local Immigration Partnership

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-100 being a by-law to authorize the execution of the Agreement between the City and Her Majesty the Queen in Right of Canada, represented by the Minister of Immigration, Refugees and Citizenship, authorizing to amend the 2017-2020 Contribution Agreement between Immigration, Refugees and Citizenship Canada (IRCC) and the City of Sault Ste. Marie be passed in open Council this 15th day of April, 2019.

Carried

11.1.23 By-law 2019-94 (Agreement) Mill Market Extension

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-94 being a By-law to authorize the execution of the Agreement between the City and Mill Market Inc., for a lease extension be passed in open Council this 15th day of April, 2019.

Carried

11.1.4 By-law 2019-80 (Zoning) 22 MacDonald Avenue (Ruscio and Martella)

Mayor C. Provenzano declared a conflict on this item. (Proponent is a client of law firm, objector is client of law firm.)

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

Acting Mayor L. Vezeau-Allen assumed the Chair due to the Mayor's pecuniary interest.

Moved by: Councillor M. Scott

Seconded by: Councillor L. Dufour

Resolved that By-law 2019-80 to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 22 MacDonald Avenue (Ruscio & Martella) be passed in open Council this 15th day of April, 2019.

Majority	For	Against	Absent
Mayor C. Provenzano			
Councillor P. Christian			X
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen		X	
Councillor D. Hilsinger	X		
Councillor M. Shoemaker			
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	6	1	2

Carried

11.1.5 By-law 2019-81 (Development Control) 22 MacDonald (Ruscio and Martella)

Mayor C. Provenzano declared a conflict on this item. (Proponent is a client of law firm, objector is client of law firm.)

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

Moved by: Councillor M. Scott

Seconded by: Councillor L. Dufour

Resolved that By-law 2019-81 being a by-law to designate the lands located at 22 MacDonald Avenue an area of site plan control (Ruscio & Martella) be passed in open Council this 15th day of April, 2019.

Majority	For	Against	Absent
Mayor C. Provenzano			

Councillor P. Christian			X
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen		X	
Councillor D. Hilsinger	X		
Councillor M. Shoemaker			
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	6	1	2

Carried

11.1.9 By-law 2019-85 (Agreement) 1972703 Ontario Inc. (Municipal Capital Facility)

Mayor C. Provenzano declared a conflict on this item. (Proponent is client of law firm.)

Moved by: Councillor M. Scott

Seconded by: Councillor L. Dufour

Resolved that By-law 2019-85 being a by-law to authorize an agreement between the City and 1972703 Ontario Inc. for the provision of a Municipal Capital Facility at 1972703 Ontario Inc., Roberta Bondar Park be passed in open Council this 15th day of April, 2019.

Postponed

11.1.15 By-law 2019-93 (Agreement) Global Friends

Mayor Provenzano resumed the Chair.

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-93 being a By-law to authorize the execution of the Agreement between the City of Sault Ste. Marie Community Career Centre to develop and implement a community wide plan to create a safe, welcoming and inclusive place for all newcomer youth (15-29), as well as other minorities, including indigenous and LGBTTTQQ2s+ be passed in open Council this 15th day of April, 2019.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker		X	
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott		X	
Results	8	2	1

Carried

11.1.18 By-law 2019-97 (Agreement) Fort Creek Aqueduct Contract 2019-1E

Councillor M. Shoemaker declared a conflict on this item. (Contract awarded to client of law firm.)

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-97 being a by-law to authorize the execution of the Contract between the City and Avery Construction Limited for the last two phases in improvements to the Fort Creek Aqueduct, which includes the reconstruction of the existing aqueduct that is located within the laneway on the east side of John Street between Edinburgh and Albert Streets (Contract 2019-1E) be passed in open Council this 15th day of April, 2019.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian			X
Councillor S. Hollingsworth			X

Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker			
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi			X
Councillor M. Scott	X		
Results	7	0	3

Carried

11.1.22 By-law 2019-92 (Agreement) Dr. Coates

Moved by: Councillor M. Scott

Seconded by: Councillor L. Vezeau-Allen

Resolved that By-law 2019-92 being a by-law to authorize the execution of the Agreement between the City and Dr. Ken Coates, Coates Holroyd Consulting to assist in the development of innovative programming and research to complement current work being undertaken by local companies, the SSM Innovation Centre and SSM Economic Development Corporaiton be passed in open Council this 15th day of April, 2019.

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker		X	
Councillor M. Bruni	X		

Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott		X	
Results	8	2	1

Carried

- 11.2 By-laws before Council for FIRST and SECOND reading which do not require more than a simple majority**
- 11.3 By-laws before Council for THIRD reading which do not require more than a simple majority**
- 12. Questions By, New Business From, or Addresses by Members of Council Concerning Matters Not Otherwise on the Agenda**
- 13. Closed Session**

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Vezeau-Allen

Resolved that this Council proceed into closed session to discuss one item concerning instructions for negotiations and one item concerning labour relations.

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 section 239(2)(k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board, (d) labour relations or employee negotiations. 2001, c. 25, s. 239 (2); 2017, c. 10, Sched. 1, s. 26

Majority	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		

Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro	X		
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	10	0	1

Carried

14. Adjournment

Moved by: Councillor C. Gardi

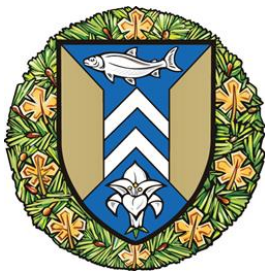
Seconded by: Councillor L. Dufour

Resolved that this Council now adjourn.

Carried

Mayor

Deputy City Clerk



The Corporation of the City of Sault Ste. Marie

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Al Horsman, CAO
DEPARTMENT: Chief Administrative Officer
RE: Special 2019 Gas Tax Funding – Project Allocations

PURPOSE

This report seeks Council approval to apply the estimated \$4.8 million of one-time federal Gas Tax Fund top up to those projects highlighted in Schedule A to this report.

BACKGROUND

In his letter dated March 27, 2019 (attached as Appendix A) the federal Minister of Infrastructure and Communities informed the City that the Government of Canada is providing a one-time \$2.2 billion top up of the Federal Gas Tax Fund to support improved productivity, economic growth, a clean environment and to assist in building strong cities and communities. The Ontario share of this is \$819.4 million shared between the province, AMO (on behalf of Ontario Municipalities) and the City of Toronto. It is estimated that Sault Ste. Marie's share will be approximately \$4.8 million based on the allocation formula.

ANALYSIS

Senior Management Team (SMT) staff convened a meeting to assess and make recommendations on best use of the one-time top up gas tax funds. In advance of this staff shared recommendations for the respective service areas giving consideration to previously unfunded projects presented in 2019 Capital Budget, Council initiatives identified subsequent to the 2019 Budget being approved and current strategic directions of the corporation and the community. The projects considered as part of this exercise were shared in advance of the meeting to insure a more fulsome understanding and discussion of options. The Eligible Project Categories in the Gas Tax Agreement were also provided and used to assess project eligibility as well as give consideration to options.

During its deliberations, SMT collaboratively agreed that a balanced approach to identifying projects for recommendation to Council was the most effective means to maximizing positive community impacts and to leverage funding. Key considerations included: capacity to complete the work; opportunities to attract other funding; projects that could be started in this summer's construction season; and, achieving positive social, economic and environmental outcomes.

Schedule A (attached) lists the projects being brought forward for approval under the Public Works and Engineering Services (PW&ES) Option 1 and Community Development and Enterprise Services (CD&ES) Option 1.

The minor shortfall of \$67,375 existing should Council provide approval of the recommended initiatives will be secured by adjusting currently approved projects to be identified to Council later this year and/or as part of the 2020 Budget deliberations. No project will proceed until the gas tax agreement is amended and approved by Council through By-law. CD&ES and PW&ES are the primary recipients of the recommended allocations. However, given the significant discussion during and post 2019 Budget deliberations centred on these areas other options were considered and have been provided here for Council's information when considering this recommended Schedule A of projects to which the one time funds could be applied.

FINANCIAL IMPLICATIONS

The one-time top up gas tax funding is expected to total approximately \$4.8 million as outlined in Schedule A. The minor shortfall of \$67,375 will be reallocated from other approved projects and/or under expenditures to be determined throughout the course of 2019.

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 CAO dated 2019 05 06 concerning application of one-time gas tax top up funds of approximately \$4.8 million be received as information and that the projects highlighted under Option 1 of Schedule A be approved to proceed as recommended.

Respectfully submitted,



Al Horsman
Chief Administrative Officer

Minister of Infrastructure
and Communities

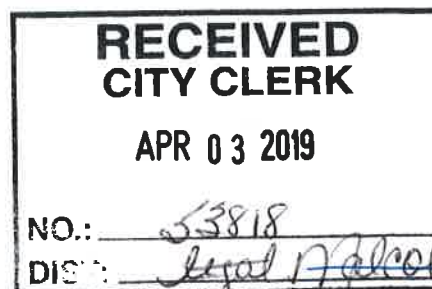


Ministre de l'Infrastructure
et des Collectivités

Ottawa, Canada K1P 0B6

March 27, 2019

His Worship Christian Provenzano
Mayor
City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, Ontario P6A 5X6



Dear Mr. Mayor:

I am pleased to inform you that, in accordance with the commitment in Budget 2019, the Government of Canada will provide an additional \$2.2 billion to the Gas Tax Fund. This one-time top-up will provide additional support to municipalities that face infrastructure deficits to support improved productivity, economic growth, a clean environment, and help to build strong cities and communities.

CAO,
CFO,
D/CAO -
PWED
CODES

This special funding will be provided to Ontario recipients under the Canada–Ontario–Association of Municipalities of Ontario–Toronto Gas Tax Fund Administrative Agreement. An amount of \$819,443,895 will be provided to Ontario as well as individual signatories, and will then be distributed to ultimate recipients in accordance with the allocation formula used for gas tax payments made in 2018, as follows:

• Ontario:	\$819,443,895
○ Association Municipalities of Ontario	\$649,940,923
○ City of Toronto	\$167,421,424
○ Province of Ontario	\$2,081,548

Funds must be used in accordance with all the terms of the current Gas Tax Fund Administrative Agreement. Information on Ontario's federal Gas Tax Fund allocations per community prior to Budget 2019 can be found on Infrastructure Canada's website¹.

The gas tax top-up funding is expected to be transferred following royal assent of Budget 2019.

March 14, 2019 marked one year since the Canada–Ontario Integrated Bilateral Agreement was signed.

¹ <https://www.canada.ca/en/office-infrastructure/news/2018/backgrounder-ontarios-2018-19-federal-gas-tax-fund-allocations.html>

As I know you appreciate, under the Investing in Canada Infrastructure Program, proposed projects must first be prioritized by the province before they are submitted to Infrastructure Canada for consideration.

As a reminder, through the Integrated Bilateral Agreement with Ontario, \$11.9 billion is available to the province and is broken down as follows:

- \$8.3 billion for public transit;
- \$2.8 billion for green infrastructure;
- \$407 million for community, culture, and recreation infrastructure; and
- \$250 million for infrastructure in rural and northern communities.

The one-time top-up to the Gas Tax Fund adds substantial dollars to this Agreement. More importantly, those dollars flow to you.

We believe this is an important step to take to ensure your local priorities have the resources needed so projects can get moving and, crucially, the summer construction season is not missed. We all know how important that season is to make real progress on projects, not to mention job creation locally.

In the meantime, we continue to press the Ontario government to open intakes for all four streams so as to maximize the number of projects we can build together for Ontarians in 2019 and the years ahead.

We know you have proposals ready, and last week's announcement in Budget 2019 is a clear signal that we are there to support you.

Spring is already (at last) in the air. It is time to get projects moving so we do not lose a historic opportunity to build our communities and create good-paying jobs now.

I look forward to continuing to work with you on our shared infrastructure interests.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'F. Champagne', with a stylized flourish at the end.

The Honourable François-Philippe Champagne, P.C., M.P.
Minister of Infrastructure and Communities

c.c. City Clerk and Council

Enclosure – Gas Tax Fund fact sheet

THE FEDERAL GAS TAX FUND IN ONTARIO

The federal Gas Tax Fund delivers over \$2 billion every year to over 3600 communities across the country. For the 2018-19 fiscal year, this represents an investment of more than \$819 million from the Government of Canada to Ontario municipalities.

The **federal Gas Tax Fund (GTF)** is a permanent source of annual funding to provinces and territories, who in turn flow this funding to their municipalities to support local infrastructure priorities.

Every year, municipalities benefit from the support and flexibility of the federal Gas Tax Fund. They can pool, bank, and borrow against this funding — providing significant financial flexibility to plan infrastructure projects over the long term. Projects are chosen locally and prioritized according to the infrastructure needs of each community.

Communities select how best to direct the funds and have the flexibility to make strategic investments across 18 different project categories.

Because many municipalities across Canada continue to face serious infrastructure deficits, **Budget 2019** proposes a **one-time transfer of \$2.2 billion** through the federal Gas Tax Fund to address short-term priorities in municipalities and First Nations communities. This will double the Government of Canada's commitment to municipalities in 2018-19, with **Ontario municipalities of all sizes sharing an additional federal investment in local infrastructure of over \$819 million, for a total of approximately \$1.64 billion.**

QUICK FACTS:

- The federal Gas Tax Fund is allocated on a per capita basis for provinces, and provides a base funding amount of 0.75 percent of total annual funding for Prince Edward Island and each territory.
- On-reserve First Nations communities in provinces also receive an allocation on a per capita basis.
- The federal Gas Tax Fund has been indexed at two percent per year, meaning that it will continue to grow to provide additional support to municipalities.
- To date, more than \$23 billion has been invested in municipalities through the federal Gas Tax Fund.

THE FEDERAL GAS TAX FUND

Eligible projects include investments in infrastructure for construction, renewal or material enhancement in each of the following categories:



1. **Local roads and bridges** – roads, bridges and active transportation infrastructure (active transportation refers to investments that support active methods of travel. This can include: cycling lanes and paths, sidewalks, hiking and walking trails).
2. **Highways** – highway infrastructure.
3. **Short-sea shipping** – infrastructure related to the movement of cargo and passengers around the coast and on inland waterways.
4. **Short-line rail** – railway-related infrastructure for carriage of passengers or freight.
5. **Regional and local airports** – airport-related infrastructure (excludes the National Airport System).
6. **Broadband connectivity** – infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.
7. **Public transit** – infrastructure that supports a shared passenger transport system which is available for public use.
8. **Drinking water** – infrastructure that supports drinking water conservation, collection, treatment and distribution systems.
9. **Wastewater** – infrastructure that supports wastewater and storm water collection, treatment and management systems.
10. **Solid waste** – infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage.
11. **Community energy systems** – infrastructure that generates or increases the efficient usage of energy, including energy retrofits of municipal buildings.
12. **Brownfield redevelopment** – remediation or decontamination and redevelopment of a brownfield site.
13. **Sport infrastructure** – amateur sport infrastructure (excludes facilities, including arenas, which would be used as the home of professional sports teams or major junior hockey teams, e.g. Junior A).
14. **Recreational infrastructure** – recreational facilities or networks.
15. **Cultural infrastructure** – infrastructure that supports arts, humanities, and heritage.
16. **Tourism infrastructure** – infrastructure that attracts travelers for recreation, leisure, business or other purposes.
17. **Disaster mitigation** – infrastructure that reduces or eliminates the long-term impacts and risks associated with natural disasters.
18. **Capacity building** – investments related to strengthening the ability of municipalities to develop long-term planning practices (e.g., including local asset management planning, public transit network planning, etc.)

Note: Investments in health infrastructure (hospitals, convalescent and senior centres) are not eligible.

SCHEDULE "A"

THE CORPORATION OF THE CITY OF SAULT STE MARIE
2019 ONE TIME FEDERAL GAS TAX TOP UP

Estimated Funding	\$ 4,786,625
Based upon 2018 July and November payments	

	Option 1	Option 2
Public Works and Engineering:		
Additional resurfacing requirements		
Queen Street: Lorna Drive to Kerr Drive	\$ 400,000	
Pim Street: Summit Avenue to McDonald Avenue	\$ 600,000	
Chapple Avenue: Willow Avenue to Allard Street	\$ 410,000	
	<u>\$ 1,410,000</u>	
Culvert Priority Replacement		
Connor Road	\$ 450,000	
	<u>\$ 1,860,000</u>	
Northern Avenue Improvements 2020		
North Street to Pine Street		\$ 2,500,000
Community Development and Enterprise Services:		
Downtown Initiative: expansion of 2019 request	\$ 2,500,000	\$ 1,500,000
2019 Capital Budget Priorities not funded		
Greco Pool filter system replacement	\$ 32,000	\$ 32,000
Bellevue Marina-D-Dock and gate lock replacement	\$ 394,000	\$ 394,000
GFL-building automation computer controller software	\$ 40,000	\$ 40,000
Greco and Manzo Pools-sandblast and gel coat outdoor pool basins	\$ 28,000	\$ 28,000
	<u>\$ 494,000</u>	<u>\$ 494,000</u>
	<u>\$ 2,994,000</u>	<u>\$ 1,994,000</u>

Options:

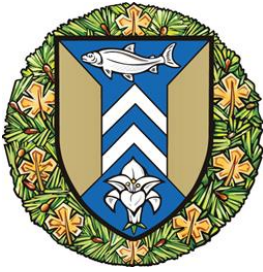
		(shortfall)/excess
PW & E Scenario 1 and CD & ES Scenario 1	\$ 4,854,000	\$ (67,375)
PW & E Scenario 2 and CD & ES Scenario 2	\$ 4,494,000	\$ 292,625
PW & E Scenario 1 and CD & ES Scenario 2	\$ 3,854,000	\$ 932,625
PW & E Scenario 2 and CD & ES Scenario 1	\$ 5,494,000	\$ (707,375)

Recommendation:

PW & E Scenario 1 and CD & ES Scenario 1 will maximize the estimated Federal Gas Tax top up.

Funding shortfall will require decreasing budget of one or more projects by \$67,375

Confirmation of allocation from AMO should be received prior to procurements.



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

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

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

DEPARTMENT: Corporate Services

RE: 2019 Property Tax Capping Options

PURPOSE

Municipalities in Ontario are required to pass a by-law annually to adopt optional tools for the purposes of administering limits for the non-residential tax classes. The purpose of this report is to seek Council approval of the by-law.

BACKGROUND

In 1998, the Province of Ontario introduced the Tax Capping program to protect commercial, industrial and multi-residential properties from significant property tax increases. This program limits or “caps” tax increases at 5% due to changes in property value.

Capping limits landowners from paying the full amount of taxes based on the assessed value of the property. When properties experience a decline in property value, which would normally lead to a decrease in property tax, the capping program “claws back” from them to fund the revenue shortfall resulting from the capping limit placed on property experiencing an increase in value. In other words, decreasing property owners do not receive their full benefit, as they must forgo a portion of their decrease in order to fund the increasing properties’ cap on their tax increase. If there is not enough room in the properties being clawed back to finance the capped properties then a shortfall occurs which is funded by general revenue, reserves or all other classes.

The caps established are not intended to be permanent. The ultimate goal is eventually to have all properties at their Current Value Assessment (CVA). This objective can often be undone following a reassessment. The province has added additional tools to assist municipalities reaching the objective of CVA and thus exit from capping permanently. Generally, this will involve shifting the tax burden among properties within the affected property tax class.

ANALYSIS

In setting the objectives and tax capping options it should be recognized that properties with assessment increases will also have protection from large assessment changes by the four-year phase-in, as well as by capping. It should also be noted that tax ratios are systematically decreasing the tax burden in the industrial and commercial sector due to levy restriction.

Staff's objectives in establishing the capping options were:

- To utilize tools that will assist in reaching the goal of CVA tax and thus exit capping in the non-residential property classes in the future (ie. A greater percentage of properties will reach CVA)
- To find an acceptable balance to allow decreasing properties to realize their tax decrease while not transferring excessive burden in one year to increasing properties
- Mitigate shortfalls in financing capped properties from the claw back properties

Currently Sault Ste Marie's Industrial, Commercial and Multi-residential classes are capped. The following options may be used singularly or in combination with other options:

- The amount of the annual cap can be set to a maximum of 10% of last year's capped taxes
- A minimum cap of 5% of the prior year CVA tax can be implemented
- Properties that would receive a cap credit of \$500 or less can be moved directly to CVA tax
- Properties that would be subject to a claw back of \$500 or less can be moved directly to CVA tax
- Exempt properties from the capping calculation where the previous year's capped taxes for the property equal to the uncapped taxes for that year
- Exempt properties from the capping calculation where the previous years capped taxes were less than the previous year's CVA taxes, and the current year's capped taxes would otherwise be greater than the current year's CVA taxes or vice-versa.

The available options were reviewed for each of the classes and compared to the status quo (options used in 2018). Included in Appendix A is a comparison of the Status Quo to the recommended option for each class in 2019.

Note this analysis was completed using preliminary education rates as provided by the Ministry. These rates are currently being revised due to recent changes announced by the Province. It is anticipated that these revisions will not have a significant impact on this analysis.

The recommended option for the Multi-Residential class brings it close to exiting capping. With only one property remaining in capping the City potentially be able to pass a by-law in 2021 to permanently exit capping for this class.

The recommended option for the Commercial class is status quo. This option continues toward the objective of being able to exit capping in the future. This option will result in 388 (583 in 2018) properties being impacted by capping. The decreasing properties in this class will retain 67.2% (52.4% in 2018) of their decrease.

All available options for the Industrial Class will result in a capping shortfall that will be required to be funded. This capping shortfall results from there not being enough increasing properties to fund the decreasing properties. The options available to fund the shortfall are:

- Adjust the tax ratios/rates passed on April 1, 2019 to reduce the shortfall. This would shift the tax burden to the other classes, most significantly to the residential class bringing the rate increase to 4%.
- Fund the shortfall from other sources; tax write-offs or reserves.

It is recommended that this shortfall be handled through the tax write-offs for 2019. In the event that there is not sufficient budget to handle the short-fall a request will be brought to council to fund it through the tax stabilization reserve. Going forward will require reducing the industrial ratio to a greater degree resulting in a greater redistribution of the tax burden to the other classes.

The recommended option will not alter the number of properties or taxes for those properties that are increasers or those that are at CVA. It will however affect the decrease for those properties that are not yet at CVA. It will bring those properties closer to CVA and they will absorb some but not all of the shortfall. This will assist the smaller industrial properties by reducing the tax burden that they would otherwise experience. This option leaves \$278,892 to be funded. Under the status quo option the capping shortfall would have been \$436,990.

The recommended options are reflected in By-law 2019-101 which staff is seeking Council approval.

FINANCIAL IMPLICATIONS

The setting of property tax capping options does not affect the levy requirement for 2019.

The funding shortfall of \$278,982 resulting from there not being enough increasing properties to fund the decreasing properties will be funded within the 2019 tax write-off budget.

STRATEGIC PLAN / POLICY IMPACT

This is not an activity directly related to the Strategic Plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Accounting and City Tax Collector dated May 6, 2019 concerning the 2019 Property Tax Capping Options be received and that the recommended capping options be approved.

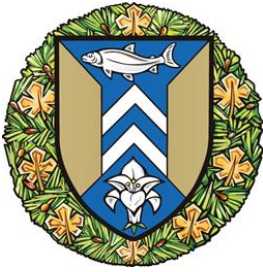
The relevant By-law 2019-101 appears elsewhere on the agenda and is recommended for approval.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'C. Pascall', with a stylized flourish at the end.

Christine Pascall, CPA, CA
Manager of Accounting and City Tax
Collector
705.759.5276
c.pascall@cityssm.on.ca

	Multi Residential		Commercial	Industrial	
	Status Quo	Recommended	Status Quo (Recommended)	Status Quo	Recommended
Annualized Tax Limit	10%	10%	5%	5%	5%
Prior Year CVA Tax Limit	5%	10%	5%	0%	5%
CVA Tax Threshold - Increasers	500	500	250	250	250
CVA Tax Threshold - Decreasers	500	500	250	250	250
Exclude Properties Previously at CVA Tax	Yes	Yes	Yes	No	No
Exclude Properties that Move from Capped to Clawed Back	Yes	Yes	Yes	No	No
Exclude Properties that Move from Clawed Back to Capped	Yes	Yes	Yes	No	No
Exclude Reassessment Increase	Yes	Yes	Yes	No	Yes
Clawback (%Claw)	11.3811%	0.1364%	32.8181%	100.0000%	100.0000%
Decrease Retained (%Decr)	88.6189%	99.8636%	67.1819%	0.0000%	0.0000%
Cost of Capping	-1,008	-19	-343,565	-1,248,088	-1,090,079
Clawback Amount	1,033	0	343,565	811,098	811,098
Net Class Impact	25	-19	0	-436,990	-278,982
Capped/Protected by Annualized Tax Limit	2	0	0	110	0
Capped/Protected by CVA Tax Limit	0	1	149	0	110
Tax Above CVA Tax due to Clawback	2	0	239	11	11
Total Subject to Capping	4	1	388	121	121



The Corporation of the
City of Sault Ste. Marie
COUNCIL REPORT

May 6, 2019

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 Sections 354 and 357 of the *Municipal Act*.

BACKGROUND

A listing of applications received for adjustment of realty taxes pursuant to Sections 354 and 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 \$8,400.41 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 2019 05 06 concerning Property Tax Appeals be received and the recommendation that the tax records be amended pursuant to Sections 354 and 357 of the *Municipal Act* be approved.

Property Tax Appeals

2019 05 06

Page 2.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'C. Pascall', with a stylized flourish at the end.

Christine Pascall, CPA, CA
Manager of Accounting and City Tax
Collector

705.759.5276

c.pascall@cityssm.on.ca

	PROPERTY ADDRESS	PERSON ASSESSED		TAX CLASS	REASON	APPEAL NO.	TAXES	INTEREST	TOTAL
2017									
010-070-032-26	00015 Ruscio Cres	Corbiere George Clifford	Hurley Meagan Elizabeth	RT	C	17-068	583.91	167.44	751.35
2018									
010-039-036-00	00004 East Champagne Dr	Chum Claude George	Chum Dorothy Marilyn	RT	D (ii)	18-065	558.03	-	558.03
010-070-032-26	00015 Ruscio Cres	Corbiere George Clifford	Hurley Meagan Elizabeth	RT	C	18-066	569.28	79.47	648.75
020-028-023-00	00098 Bellevue Ave	Lovelace Larry Leon		RT	D (ii)	18-067	215.57	-	215.57
050-002-074-00	00631 Shafer Ave	Stay At Home Renovation Services Inc		RT	C	18-068	264.75	10.86	275.61
050-012-071-00	00338 Fifth Ave	Staite Evan Kyle		RT	D (ii)	18-069	5.57	-	5.57
060-085-048-00	00248 Pointe Louise Dr	Avery Jeffery Arthur		RT	D (ii)	18-070	1,016.83	-	1,016.83
REPORT TOTAL							3,213.94	257.77	3,471.71

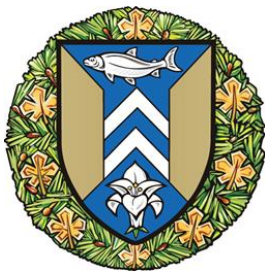
- | | | | |
|---------|--|---------|---|
| (A) | Ceased to be liable to be taxed at rate it was taxed | (D)(ii) | Damaged by fire, demolition or otherwise (substantially unusable) |
| (B) | Vacant or excess land | (E) | Mobile unit removed |
| (C) | Became exempt | (F) | Gross or manifest clerical error |
| (D) (i) | Razed by fire, demolition or otherwise | (G) | Repairs/Renovations preventing normal use (minimum of 3 months) |

RECOMMENDATION TO STRIKE
UNCOLLECTABLE TAXES OFF THE ROLL
PURSUANT TO SECTION 354(4) OF THE
MUNICIPAL ACT R.S.O. 2001.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
REALTY TAXES

DATE 6-May-19
PAGE 1 OF 1

ROLL NUMBER	PROPERTY ADDRESS	REASON	TAX CLASS	MUNICIPAL TAXES	CANCELLATION EDUCATION TAXES	INTEREST	TOTAL
		2016					
060-070-157-00	01563 Herkimer St	Property vested in favour of the City	RT	1,108.02	159.80	475.48	1,743.30
		2017					
060-070-157-00	01563 Herkimer St	Property vested in favour of the City	RT	1,092.88	146.87	350.46	1,590.21
		2018					
060-070-157-00	01563 Herkimer St	Property vested in favour of the City	RT	1,266.46	165.42	163.31	1,595.19
			Report Total	3,467.36	472.09	989.25	4,928.70



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

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Jacob Bruzas, Manager of Audits and Capital Planning

DEPARTMENT: Corporate Services

RE: First Quarter Financial Report – March 31, 2019

PURPOSE

The purpose of this report is to provide a Three Month Financial Report to March 31, 2019.

BACKGROUND

The Finance Committee reviewed the 2019 First Quarter Financial Report at their April 24th, 2019 meeting.

ANALYSIS

Most departments are trending on budget as of March 31, 2019.

With the significant winter events that the City experienced in the first quarter of the year, the Public Works and Engineering department is trending over budget for Winter Control costs. However, it is anticipated that even with a harsher than normal early winter season (November and December 2019) the overage can be accommodated through the Winter Control Reserve, which currently has a balance of \$900,000.

No other significant variances from budget are noted for the first quarter of 2019.

The recently announced 2019/2020 Ontario Budget may have implications on the City's budget going forward. However, at this point, it cannot be confirmed what those impacts may be. Staff will continue to monitor and will report back to Council whenever those impacts are known.

FINANCIAL IMPLICATIONS

At this early point in the 2019 fiscal year, it is difficult to predict whether or not the City will be in a surplus or deficit position at the end of 2019.

At a future Council meeting, Staff will provide another quarterly report to the end of June 2019 where it is anticipated that more trends will be developed and reported on.

STRATEGIC PLAN / POLICY IMPACT

This is not an activity directly related to the Strategic Plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

That the report of the Manager of Audits and Capital Planning dated May 6, 2019 concerning the First Quarter Financial Report to March 31, 2019 be received as information.

Respectfully submitted,



Jacob Bruzas, CPA, CA
Manager of Audits & Capital
Planning
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j.bruzas@cityssm.on.ca

CITY OF SAULT STE MARIE

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage	2018	2018
FISCAL YEAR REMAINING% :	Actual	2019		Budget-Rem 75%	Actual To: March	Actual Year End
REVENUE						
Taxation	(\$55,531,929.55)	(\$117,173,658.00)	(\$61,641,728.45)	52.61%	(\$54,585,335.95)	(\$113,693,255.17)
Payment in Lieu of taxes	(\$499,224.99)	(\$4,366,415.00)	(\$3,867,190.01)	88.57%	(\$504,976.90)	(\$4,366,620.12)
Fees and user charges	(\$8,393,280.35)	(\$36,392,032.00)	(\$27,998,751.65)	76.94%	(\$8,342,640.65)	(\$35,395,302.73)
Government grants	(\$4,369,333.17)	(\$18,869,011.00)	(\$14,499,677.83)	76.84%	(\$4,749,639.11)	(\$18,698,501.54)
Interest and Investment income	(\$743,859.68)	(\$4,320,000.00)	(\$3,576,140.32)	82.78%	(\$1,538,572.78)	(\$7,110,245.98)
Contribution from own funds		(\$165,500.00)	(\$165,500.00)	100.00%	(\$65,234.83)	(\$1,388,218.35)
Other income	(\$541,502.05)	(\$2,832,000.00)	(\$2,290,497.95)	80.88%	(\$102,493.33)	(\$2,099,249.00)
Change in future employee benefits			\$0.00	0.00%		(\$220,275.58)
	(\$70,079,129.79)	(\$184,118,616.00)	(\$114,039,486.21)	61.94%	(\$69,888,893.55)	(\$182,971,668.47)
EXPENDITURES						
Salaries	\$11,528,787.71	\$51,830,820.00	\$40,302,032.29	77.76%	\$10,976,518.11	\$49,606,029.50
Benefits	\$3,546,785.12	\$15,192,361.00	\$11,645,575.88	76.65%	\$3,476,756.90	\$13,897,326.12
TOTAL SALARIES/BENEFITS	\$15,075,572.83	\$67,023,181.00	\$51,947,608.17	77.51%	\$14,453,275.01	\$63,503,355.62
Travel and training	\$50,399.92	\$480,344.00	\$429,944.08	89.51%	\$52,395.37	\$321,242.81
Vehicle allowance, maintenance and repairs	\$1,808,869.78	\$3,510,789.00	\$1,701,919.22	48.48%	\$1,211,132.75	\$4,571,596.43
Utilities and Fuel	\$2,200,133.13	\$10,284,220.00	\$8,084,086.87	78.61%	\$2,536,679.11	\$10,294,740.03
Materials and supplies	\$1,353,472.17	\$5,599,748.00	\$4,246,275.83	75.83%	\$1,071,922.17	\$6,496,826.50
Maintenance and repairs	\$518,762.90	\$2,248,663.00	\$1,729,900.10	76.93%	\$434,502.67	\$2,063,783.69
Program expenses	\$35,056.36	\$922,725.00	\$887,668.64	96.20%	\$34,107.96	\$215,839.06
Goods for resale	\$173,902.21	\$600,690.00	\$426,787.79	71.05%	\$158,799.25	\$666,064.93
Rents and leases	\$16,456.43	\$99,645.00	\$83,188.57	83.48%	\$20,445.83	\$114,799.22
Taxes and licenses	\$67,848.53	\$1,824,384.00	\$1,756,535.47	96.28%	\$943,326.69	\$1,813,126.45
Financial expenses	\$676,621.88	\$2,717,601.00	\$2,040,979.12	75.10%	\$487,278.59	\$4,223,008.27
Purchased and contracted services	\$1,918,496.34	\$10,215,543.00	\$8,297,046.66	81.22%	\$1,589,694.46	\$9,659,394.10
Grants to others	\$13,486,937.99	\$52,168,036.00	\$38,681,098.01	74.15%	\$12,513,583.76	\$52,681,247.02
Long term debt	\$1,089,530.07	\$2,875,685.00	\$1,786,154.93	62.11%	\$1,089,530.07	\$3,243,871.52
Transfer to own funds	\$283,707.00	\$23,476,782.00	\$23,193,075.00	98.79%	\$893,787.00	\$24,210,298.01
Capital expense	\$22,137.05	\$290,710.00	\$268,572.95	92.39%	\$79,780.95	\$255,813.02
Depreciation			\$0.00	0.00%		\$15,926,020.49
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$159,913.86)
Less: recoverable costs	(\$93,741.39)	(\$220,130.00)	(\$126,388.61)	57.42%	(\$89,893.52)	(\$640,618.75)
TOTAL OTHER EXPENSES	\$23,608,590.37	\$117,095,435.00	\$93,486,844.63	79.84%	\$23,027,073.11	\$135,957,138.94
	\$38,684,163.20	\$184,118,616.00	\$145,434,452.80	78.99%	\$37,480,348.12	\$199,460,494.56
NET (REVENUE)/EXPENDITURE	(\$31,394,966.59)	\$0.00	\$31,394,966.59		(\$32,408,545.43)	\$16,488,826.09
Mayor and Council	\$179,524.83	\$700,562.00	\$521,037.17			
Chief Administrative Officer	\$85,008.72	\$383,003.00	\$297,994.28			
Corporate Services	\$2,378,798.88	\$10,492,367.00	\$8,113,568.12			
Legal	(\$190,526.76)	\$1,148,843.00	\$1,339,369.76			
Fire Services	\$3,021,103.16	\$13,513,073.00	\$10,491,969.84			
Public Works and Engineering	\$10,236,310.88	\$42,824,503.00	\$32,588,192.12			
Community Development and Enterprise Ser	\$2,576,895.95	\$13,828,597.00	\$11,251,701.05			
Levy Board	\$5,215,760.69	\$21,257,110.00	\$16,041,349.31			
Outside Agencies	\$7,940,504.55	\$29,247,005.00	\$21,306,500.45			
Outside Agencies - Other	\$284,397.37	\$1,492,056.00	\$1,207,658.63			
Economic Diversification Fund	\$197.16	\$500,000.00	\$499,802.84			
Corporate	(\$64,092,902.53)	(\$144,155,384.00)	(\$80,062,481.47)			
Capital and Debt	\$969,960.51	\$8,768,265.00	\$7,798,304.49			
	(\$31,394,966.59)	\$0.00	\$31,394,966.59			

MAYOR AND COUNCIL

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To: March	2018 Actual Year End
FISCAL YEAR REMAINING% :	Actual	2019		75%		
REVENUE						
Contribution from own funds			\$0.00	0.00%		(\$4,260.65)
	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	(\$4,260.65)
EXPENDITURES						
Salaries	\$104,759.52	\$453,967.00	\$349,207.48	76.92%	\$111,223.13	\$486,803.59
Benefits	\$16,538.47	\$55,817.00	\$39,278.53	70.37%	\$12,197.95	\$51,766.22
TOTAL SALARIES/BENEFITS	\$121,297.99	\$509,784.00	\$388,486.01	76.21%	\$123,421.08	\$538,569.81
Travel and training	\$1,979.18	\$53,500.00	\$51,520.82	96.30%	\$5,283.00	\$19,028.38
Vehicle allowance, maintenance and repairs	\$7,526.53	\$35,675.00	\$28,148.47	78.90%	\$8,806.17	\$32,284.25
Materials and supplies	\$38,543.95	\$63,503.00	\$24,959.05	39.30%	\$39,965.93	\$62,598.28
Purchased and contracted services	(\$72.83)	\$3,100.00	\$3,172.83	102.35%	\$6.49	\$2,436.73
Grants to others	\$10,250.01	\$35,000.00	\$24,749.99	70.71%		\$6,410.29
Transfer to own funds			\$0.00	0.00%		\$17,173.36
Depreciation			\$0.00	0.00%		\$1,798.83
TOTAL OTHER EXPENSES	\$58,226.84	\$190,778.00	\$132,551.16	69.48%	\$54,061.59	\$141,730.12
	\$179,524.83	\$700,562.00	\$521,037.17	74.37%	\$177,482.67	\$680,299.93
NET (REVENUE)/EXPENDITURE	\$179,524.83	\$700,562.00	\$521,037.17	74.37%	\$177,482.67	\$676,039.28

CAO'S OFFICE

2019 - FIRST QUARTER ENDED MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To: March	2018 Actual Year End
FISCAL YEAR REMAINING% :	Actual	2019		75%		
REVENUE						
EXPENDITURES						
Salaries	\$63,253.33	\$288,555.00	\$225,301.67	78.08%	\$63,096.78	\$268,757.88
Benefits	\$19,293.23	\$70,999.00	\$51,705.77	72.83%	\$18,556.79	\$68,929.65
TOTAL SALARIES/BENEFITS	\$82,546.56	\$359,554.00	\$277,007.44	77.04%	\$81,653.57	\$337,687.53
Travel and training		\$9,215.00	\$9,215.00	100.00%	\$474.55	\$2,972.85
Vehicle allowance, maintenance and repairs	\$1,204.65	\$4,480.00	\$3,275.35	73.11%	\$1,182.74	\$4,285.02
Materials and supplies	\$1,257.51	\$9,364.00	\$8,106.49	86.57%	\$2,275.06	\$44,152.39
Maintenance and repairs		\$150.00	\$150.00	100.00%		
Purchased and contracted services		\$90.00	\$90.00	100.00%		
Capital expense		\$150.00	\$150.00	100.00%		
Depreciation		\$0.00	\$0.00	0.00%		\$908.08
TOTAL OTHER EXPENSES	\$2,462.16	\$23,449.00	\$20,986.84	89.50%	\$3,932.35	\$52,318.34
	\$85,008.72	\$383,003.00	\$297,994.28	77.80%	\$85,585.92	\$390,005.87
NET (REVENUE)/EXPENDITURE	\$85,008.72	\$383,003.00	\$297,994.28	77.80%	\$85,585.92	\$390,005.87

CORPORATE SERVICES

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To:	2018 Actual
FISCAL YEAR REMAINING% :	Actual	2019		75%	March	Year End
REVENUE						
Fees and user charges	(\$31,274.69)	(\$194,402.00)	(\$163,127.31)	83.91%	(\$29,054.37)	(\$143,768.03)
Government grants		(\$1,540.00)	(\$1,540.00)	100.00%		(\$489,554.69)
Contribution from own funds			\$0.00	0.00%		(\$180,515.26)
Other income	(\$27,752.43)	(\$116,400.00)	(\$88,647.57)	76.16%	(\$24,776.22)	(\$178,533.04)
	(\$59,027.12)	(\$312,342.00)	(\$253,314.88)	81.10%	(\$53,830.59)	(\$992,371.02)
EXPENDITURES						
Salaries	\$930,288.81	\$4,277,751.00	\$3,347,462.19	78.25%	\$927,655.04	\$4,352,753.39
Benefits	\$502,778.65	\$1,841,206.00	\$1,338,427.35	72.69%	\$433,615.32	\$1,784,634.98
TOTAL SALARIES/BENEFITS	\$1,433,067.46	\$6,118,957.00	\$4,685,889.54	76.58%	\$1,361,270.36	\$6,137,388.37
Travel and training	\$7,892.42	\$88,445.00	\$80,552.58	91.08%	\$2,554.66	\$82,949.66
Vehicle allowance, maintenance and repairs	\$116.28	\$1,700.00	\$1,583.72	93.16%	\$172.68	\$1,106.96
Materials and supplies	\$55,488.27	\$95,569.00	\$40,080.73	41.94%	\$72,862.28	\$86,481.74
Maintenance and repairs	\$132,619.01	\$658,123.00	\$525,503.99	79.85%	\$74,358.77	\$516,005.20
Goods for resale		\$19,200.00	\$19,200.00	100.00%		\$19,200.00
Rents and leases		\$7,625.00	\$7,625.00	100.00%	\$3,816.00	\$37,305.16
Financial expenses	\$647,564.89	\$2,616,855.00	\$1,969,290.11	75.25%	\$460,081.13	\$3,862,101.43
Purchased and contracted services	\$152,451.41	\$1,003,348.00	\$850,896.59	84.81%	\$136,323.44	\$1,138,107.58
Grants to others		\$2,000.00	\$2,000.00	100.00%		\$959.90
Transfer to own funds		\$75,000.00	\$75,000.00	100.00%		\$96,631.58
Capital expense	\$8,626.26	\$117,887.00	\$109,260.74	92.68%	\$69,446.79	\$98,096.19
Depreciation		\$0.00	\$0.00	0.00%		\$359,393.79
TOTAL OTHER EXPENSES	\$1,004,758.54	\$4,685,752.00	\$3,680,993.46	78.56%	\$819,615.75	\$6,298,339.19
	\$2,437,826.00	\$10,804,709.00	\$8,366,883.00	77.44%	\$2,180,886.11	\$12,435,727.56
NET (REVENUE)/EXPENDITURE	\$2,378,798.88	\$10,492,367.00	\$8,113,568.12	77.33%	\$2,127,055.52	\$11,443,356.54
HR	483,695.51	2,004,756.00	1,521,060.49	75.87%		
IT	508,268.15	2,321,470.00	1,813,201.85	78.11%		
Clerks	209,949.64	1,072,557.00	862,607.36	80.43%		
Finance	1,176,885.58	5,093,584.00	3,916,698.42	76.89%		
	2,378,798.88	10,492,367.00	8,113,568.12			

LEGAL DEPARTMENT

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To:	2018 Actual
FISCAL YEAR REMAINING% :	Actual	2019		75%	March	Year End
REVENUE						
Fees and user charges	(\$649,360.14)	(\$2,261,698.00)	(\$1,612,337.86)	71.29%	(\$662,171.57)	(\$2,282,300.65)
Government grants			\$0.00	0.00%	(\$15,742.27)	(\$48,810.24)
Interest and Investment income	(\$4,666.19)		\$4,666.19	0.00%	(\$394.77)	(\$12,452.18)
	(\$654,026.33)	(\$2,261,698.00)	(\$1,607,671.67)	71.08%	(\$678,308.61)	(\$2,343,563.07)
EXPENDITURES						
Salaries	\$226,803.28	\$1,040,668.00	\$813,864.72	78.21%	\$241,180.04	\$988,496.26
Benefits	\$68,273.54	\$289,740.00	\$221,466.46	76.44%	\$67,994.73	\$252,760.18
TOTAL SALARIES/BENEFITS	\$295,076.82	\$1,330,408.00	\$1,035,331.18	77.82%	\$309,174.77	\$1,241,256.44
Travel and training	\$5,879.61	\$21,285.00	\$15,405.39	72.38%	\$2,713.05	\$21,079.08
Materials and supplies	\$15,238.31	\$75,837.00	\$60,598.69	79.91%	\$19,663.29	\$80,897.13
Maintenance and repairs	\$13,513.46	\$4,000.00	(\$9,513.46)	(237.84%)		\$1,427.00
Rents and leases	\$16,456.43	\$78,075.00	\$61,618.57	78.92%	\$14,788.19	\$67,408.42
Taxes and licenses	\$65,712.07	\$1,486,736.00	\$1,421,023.93	95.58%	\$941,691.95	\$1,515,742.71
Purchased and contracted services	\$50,960.42	\$302,000.00	\$251,039.58	83.13%	\$26,114.53	\$374,808.82
Transfer to own funds		\$102,200.00	\$102,200.00	100.00%		\$171,585.63
Capital expense	\$662.45	\$10,000.00	\$9,337.55	93.38%		\$2,528.32
Depreciation			\$0.00	0.00%		\$1,749.61
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$253,260.53)
TOTAL OTHER EXPENSES	\$168,422.75	\$2,080,133.00	\$1,911,710.25	91.90%	\$1,004,971.01	\$1,983,966.19
	\$463,499.57	\$3,410,541.00	\$2,947,041.43	86.41%	\$1,314,145.78	\$3,225,222.63
NET (REVENUE)/EXPENDITURE	(\$190,526.76)	\$1,148,843.00	\$1,339,369.76	116.58%	\$635,837.17	\$881,659.56

FIRE SERVICES

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To:	2018 Actual
FISCAL YEAR REMAINING% :	Actual	2019		75%	March	Year End
REVENUE						
Fees and user charges	(\$1,666,466.05)	(\$7,661,155.00)	(\$5,994,688.95)	78.25%	(\$1,690,546.45)	(\$7,356,190.65)
Government grants			\$0.00	0.00%		(\$1,680.00)
Other income		(\$6,000.00)	(\$6,000.00)	100.00%	(\$536.75)	(\$3,688.77)
	(\$1,666,466.05)	(\$7,667,155.00)	(\$6,000,688.95)	78.26%	(\$1,691,083.20)	(\$7,361,559.42)
EXPENDITURES						
Salaries	\$3,358,380.42	\$15,392,343.00	\$12,033,962.58	78.18%	\$3,251,490.91	\$14,812,236.81
Benefits	\$1,065,325.46	\$4,373,637.00	\$3,308,311.54	75.64%	\$1,118,390.59	\$4,296,440.07
TOTAL SALARIES/BENEFITS	\$4,423,705.88	\$19,765,980.00	\$15,342,274.12	77.62%	\$4,369,881.50	\$19,108,676.88
Travel and training	\$15,272.84	\$132,320.00	\$117,047.16	88.46%	\$14,398.58	\$60,831.78
Vehicle allowance, maintenance and repairs	\$80,820.74	\$110,735.00	\$29,914.26	27.01%	\$46,058.51	\$296,737.83
Utilities and Fuel	\$72,154.38	\$259,752.00	\$187,597.62	72.22%	\$91,050.37	\$323,323.50
Materials and supplies	\$28,164.39	\$308,523.00	\$280,358.61	90.87%	\$38,897.76	\$353,993.52
Maintenance and repairs	\$57,719.58	\$120,640.00	\$62,920.42	52.16%	\$58,571.13	\$223,790.58
Rents and leases		\$3,695.00	\$3,695.00	100.00%		
Taxes and licenses		\$84,183.00	\$84,183.00	100.00%		\$56,775.00
Financial expenses	\$267.57	\$2,500.00	\$2,232.43	89.30%	\$268.90	\$2,556.79
Purchased and contracted services	\$9,463.83	\$28,334.00	\$18,870.17	66.60%	(\$29,938.26)	\$213,646.27
Transfer to own funds		\$303,000.00	\$303,000.00	100.00%		\$317,434.80
Capital expense		\$60,566.00	\$60,566.00	100.00%	(\$22,466.11)	\$15,609.42
Depreciation			\$0.00	0.00%		\$441,510.70
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		\$23,470.92
TOTAL OTHER EXPENSES	\$263,863.33	\$1,414,248.00	\$1,150,384.67	81.34%	\$196,840.88	\$2,329,681.11
	\$4,687,569.21	\$21,180,228.00	\$16,492,658.79	77.87%	\$4,566,722.38	\$21,438,357.99
NET (REVENUE)/EXPENDITURE	\$3,021,103.16	\$13,513,073.00	\$10,491,969.84	77.64%	\$2,875,639.18	\$14,076,798.57

PUBLIC WORKS AND ENGINEERING

2019- FIRST QUARTER ENDED MARCH 31, 2019

	YTD	Budget	Variance	Percentage	2018	2018
FISCAL YEAR REMAINING% :	Actual	2019		Budget-Rem	Actual To:	Actual
				75%	March	Year End
REVENUE						
Fees and user charges	(\$628,836.03)	(\$3,102,230.00)	(\$2,473,393.97)	79.73%	(\$517,966.45)	(\$3,409,258.04)
Government grants	(\$9,722.22)	(\$689,013.00)	(\$679,290.78)	98.59%	(\$9,206.90)	(\$737,680.95)
Contribution from own funds		(\$10,500.00)	(\$10,500.00)	100.00%		(\$87,185.63)
Other income	(\$13,645.38)	(\$18,500.00)	(\$4,854.62)	26.24%	(\$20,827.16)	(\$170,694.51)
	(\$652,203.63)	(\$3,820,243.00)	(\$3,168,039.37)	82.93%	(\$548,000.51)	(\$4,404,819.13)
EXPENDITURES						
Salaries	\$4,126,458.93	\$17,724,110.00	\$13,597,651.07	76.72%	\$3,868,879.83	\$16,939,668.27
Benefits	\$1,158,639.37	\$5,261,474.00	\$4,102,834.63	77.98%	\$1,140,106.28	\$4,580,360.55
TOTAL SALARIES/BENEFITS	\$5,285,098.30	\$22,985,584.00	\$17,700,485.70	77.01%	\$5,008,986.11	\$21,520,028.82
Travel and training	\$12,850.59	\$105,509.00	\$92,658.41	87.82%	\$20,223.51	\$95,988.12
Vehicle allowance, maintenance and repairs	\$1,496,181.74	\$2,475,237.00	\$979,055.26	39.55%	\$852,974.59	\$3,146,636.20
Utilities and Fuel	\$1,424,980.87	\$6,887,326.00	\$5,462,345.13	79.31%	\$1,642,614.79	\$6,822,219.40
Materials and supplies	\$1,050,365.48	\$3,757,415.00	\$2,707,049.52	72.05%	\$719,133.71	\$3,905,156.68
Maintenance and repairs	\$52,681.47	\$260,000.00	\$207,318.53	79.74%	\$54,337.66	\$240,832.54
Taxes and licenses	\$2,054.46	\$82,715.00	\$80,660.54	97.52%	\$2,081.74	\$56,461.56
Financial expenses	\$529.73	\$2,507.00	\$1,977.27	78.87%	\$481.56	\$11,790.87
Purchased and contracted services	\$1,372,269.49	\$7,015,823.00	\$5,643,553.51	80.44%	\$1,385,155.79	\$6,774,553.01
Transfer to own funds	\$283,707.00	\$3,241,738.00	\$2,958,031.00	91.25%	\$283,707.00	\$2,602,329.23
Capital expense	\$1,526.40	\$51,022.00	\$49,495.60	97.01%	\$8,175.01	\$34,046.85
Depreciation			\$0.00	0.00%		\$13,376,557.05
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$50,318.25)
Less: recoverable costs	(\$93,741.39)	(\$220,130.00)	(\$126,388.61)	57.42%	(\$89,893.52)	(\$640,618.75)
TOTAL OTHER EXPENSES	\$5,603,405.84	\$23,659,162.00	\$18,055,756.16	76.32%	\$4,878,991.84	\$36,375,634.51
	\$10,888,504.14	\$46,644,746.00	\$35,756,241.86	76.66%	\$9,887,977.95	\$57,895,663.33
NET (REVENUE)/EXPENDITURE	\$10,236,300.51	\$42,824,503.00	\$32,588,202.49	76.10%	\$9,339,977.44	\$53,490,844.20
Public Works	7,751,213.67	29,187,742.00	21,436,528.33	73.44%		
Engineering	2,485,086.84	13,636,761.00	11,151,674.16	81.78%		
	10,236,300.51	42,824,503.00	32,588,202.49			

CITY OF SAULT STE MARIE
PUBLIC WORKS & TRANSPORTATION
For the Three Months Ending Sunday, March 31, 2019

	YTD	Budget	Variance	Percentage	2018	2018
	Actual	2019		Budget-Rem	Actual To:	Actual
FISCAL YEAR REMAINING% :				75%	March	Year End
REVENUE						
Fees and user charges	(\$506,227.82)	(\$1,902,604.00)	(\$1,396,376.18)	73.39%	(\$408,149.89)	(\$2,378,267.09)
Government grants	(\$9,722.22)	(\$659,013.00)	(\$649,290.78)	98.52%	(\$9,206.90)	(\$702,664.11)
Contribution from own funds		(\$10,500.00)	(\$10,500.00)	100.00%		(\$4,881.40)
Other income	(\$113,529.72)	(\$18,500.00)	(\$4,970.28)	26.87%	(\$20,827.16)	(\$170,548.29)
	(\$529,479.76)	(\$2,590,617.00)	(\$2,061,137.24)	79.56%	(\$438,183.95)	(\$3,256,360.89)
EXPENDITURES						
Salaries	\$3,521,877.53	\$14,732,971.00	\$11,211,093.47	76.10%	\$3,226,507.57	\$14,153,420.90
Benefits	\$984,931.28	\$4,452,457.00	\$3,467,525.72	77.88%	\$970,900.96	\$3,896,661.77
TOTAL SALARIES/BENEFITS	\$4,506,808.81	\$19,185,428.00	\$14,678,619.19	76.51%	\$4,197,408.53	\$18,050,082.67
Travel and training	\$10,425.27	\$78,040.00	\$67,614.73	86.64%	\$15,472.16	\$77,098.14
Vehicle allowance, maintenance and repairs	\$1,491,938.98	\$2,449,933.00	\$957,994.02	39.10%	\$850,080.73	\$3,121,980.21
Utilities and Fuel	\$603,937.99	\$1,561,574.00	\$957,636.01	61.33%	\$551,952.55	\$1,639,771.28
Materials and supplies	\$1,004,863.21	\$3,513,292.00	\$2,508,428.79	71.40%	\$682,686.33	\$3,704,114.49
Taxes and licenses	\$2,054.46	\$82,715.00	\$80,660.54	97.52%	\$2,081.74	\$56,461.56
Financial expenses	\$397.88	\$2,000.00	\$1,602.12	80.11%	\$356.97	\$11,096.72
Purchased and contracted services	\$470,301.22	\$3,292,995.00	\$2,822,693.78	85.72%	\$517,149.03	\$3,202,611.64
Transfer to own funds	\$283,707.00	\$1,829,512.00	\$1,545,805.00	84.49%	\$283,707.00	\$1,248,855.63
Capital expense		\$3,000.00	\$3,000.00	100.00%	\$1,138.26	\$4,836.87
Depreciation			\$0.00	0.00%		\$2,480,641.61
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$50,666.74)
Less: recoverable costs	(\$93,741.39)	(\$220,130.00)	(\$126,388.61)	57.42%	(\$89,893.52)	(\$640,618.75)
TOTAL OTHER EXPENSES	\$3,773,884.62	\$12,592,931.00	\$8,819,046.38	70.03%	\$2,814,731.25	\$14,856,182.66
	\$8,280,693.43	\$31,778,359.00	\$23,497,665.57	73.94%	\$7,012,139.78	\$32,906,265.33
NET (REVENUE)/EXPENDITURE	\$7,751,213.67	\$29,187,742.00	\$21,436,528.33	73.44%	\$6,573,955.83	\$29,649,904.44
Operations						
Winter Control: Roadways and Sidewalks	5,296,525.57	7,477,805.00	2,181,279.43	29.17%		
Sanitary Sewers	131,621.88	1,958,532.00	1,826,910.12	93.28%		
Storm Sewers	14,595.79	614,941.00	600,345.21	97.63%		
Roadways and Sidewalks	1,528.64	3,619,178.00	3,617,649.36	99.96%		
Supervision and Overhead	622,228.28	3,219,719.00	2,597,490.72	80.67%		
Traffic & Communications	276,266.14	1,486,739.00	1,210,472.86	81.42%		
Carpentry	153,787.07	624,239.00	470,451.93	75.36%		
Administration	396,023.45	1,621,178.00	1,225,154.55	75.57%		
Buildings & Equipment	(167,436.72)	2,068,839.00	2,236,275.72	108.09%		
Waste Management	395,054.29	3,211,453.00	2,816,398.71	87.70%		
Parks	631,019.28	3,285,119.00	2,654,099.72	80.79%		
	7,751,213.67	29,187,742.00	21,436,528.33			

CITY OF SAULT STE MARIE
ENGINEERING
For the Three Months Ending Sunday, March 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To:	2018 Actual
FISCAL YEAR REMAINING% :	Actual	2019		75%	March	Year End
REVENUE						
Fees and user charges	(\$122,608.21)	(\$1,199,626.00)	(\$1,077,017.79)	89.78%	(\$109,816.56)	(\$1,030,990.95)
Government grants		(\$30,000.00)	(\$30,000.00)	100.00%		(\$35,016.84)
Contribution from own funds			\$0.00	0.00%		(\$82,304.23)
Other income	(\$115.66)		\$115.66	0.00%		(\$146.22)
	(\$122,723.87)	(\$1,229,626.00)	(\$1,106,902.13)	90.02%	(\$109,816.56)	(\$1,148,458.24)
EXPENDITURES						
Salaries	\$604,581.40	\$2,991,139.00	\$2,386,557.60	79.79%	\$642,372.26	\$2,786,247.37
Benefits	\$173,708.09	\$809,017.00	\$635,308.91	78.53%	\$169,205.32	\$683,698.78
TOTAL SALARIES/BENEFITS	\$778,289.49	\$3,800,156.00	\$3,021,866.51	79.52%	\$811,577.58	\$3,469,946.15
Travel and training	\$2,425.32	\$27,469.00	\$25,043.68	91.17%	\$4,751.35	\$18,889.98
Vehicle allowance, maintenance and repairs	\$4,253.13	\$25,304.00	\$21,050.87	83.19%	\$2,893.86	\$24,655.99
Utilities and Fuel	\$821,042.88	\$5,325,752.00	\$4,504,709.12	84.58%	\$1,090,662.24	\$5,182,448.12
Materials and supplies	\$45,491.90	\$244,123.00	\$198,631.10	81.37%	\$36,447.38	\$201,042.19
Maintenance and repairs	\$52,681.47	\$260,000.00	\$207,318.53	79.74%	\$54,337.66	\$240,832.54
Financial expenses	\$131.85	\$507.00	\$375.15	73.99%	\$124.59	\$694.15
Purchased and contracted services	\$901,968.27	\$3,722,828.00	\$2,820,859.73	75.77%	\$868,006.76	\$3,571,941.37
Transfer to own funds		\$1,412,226.00	\$1,412,226.00	100.00%		\$1,353,473.60
Capital expense	\$1,526.40	\$48,022.00	\$46,495.60	96.82%	\$7,036.75	\$29,209.98
Depreciation			\$0.00	0.00%		\$10,895,915.44
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		\$348.49
TOTAL OTHER EXPENSES	\$1,829,521.22	\$11,066,231.00	\$9,236,709.78	83.47%	\$2,064,260.59	\$21,519,451.85
	\$2,607,810.71	\$14,866,387.00	\$12,258,576.29	82.46%	\$2,875,838.17	\$24,989,398.00
NET (REVENUE)/EXPENDITURE	\$2,485,086.84	\$13,636,761.00	\$11,151,674.16	81.78%	\$2,766,021.61	\$23,840,939.76

COMMUNITY DEVELOPMENT & ENTERPRISE SERVICES

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To:	2018 Actual
FISCAL YEAR REMAINING% :	Actual	2019		75%	March	Year End
REVENUE						
Fees and user charges	(\$2,262,681.14)	(\$8,165,217.00)	(\$5,902,535.86)	72.29%	(\$2,252,524.40)	(\$8,735,276.33)
Government grants	(\$282,535.50)	(\$2,434,872.00)	(\$2,152,336.50)	88.40%	(\$839,624.44)	(\$1,822,940.61)
Contribution from own funds		(\$75,000.00)	(\$75,000.00)	100.00%	\$58,540.17	(\$178,508.69)
Other income	(\$100,204.97)	(\$43,600.00)	\$56,604.97	(129.83%)	(\$53,508.64)	(\$203,124.92)
	(\$2,645,421.61)	(\$10,718,689.00)	(\$8,073,267.39)	75.32%	(\$3,087,117.31)	(\$10,939,850.55)
EXPENDITURES						
Salaries	\$2,718,843.42	\$12,653,426.00	\$9,934,582.58	78.51%	\$2,512,992.38	\$11,726,867.03
Benefits	\$713,936.40	\$3,279,488.00	\$2,565,551.60	78.23%	\$675,895.24	\$2,840,434.47
TOTAL SALARIES/BENEFITS	\$3,432,779.82	\$15,932,914.00	\$12,500,134.18	78.45%	\$3,188,887.62	\$14,567,301.50
Travel and training	\$6,525.28	\$70,070.00	\$63,544.72	90.69%	\$6,748.02	\$38,392.94
Vehicle allowance, maintenance and repairs	\$223,019.84	\$882,962.00	\$659,942.16	74.74%	\$301,938.06	\$1,090,546.17
Utilities and Fuel	\$702,997.88	\$3,137,142.00	\$2,434,144.12	77.59%	\$803,013.95	\$3,149,197.13
Materials and supplies	\$159,320.99	\$780,610.00	\$621,289.01	79.59%	\$141,755.66	\$750,854.45
Maintenance and repairs	\$262,229.38	\$1,205,750.00	\$943,520.62	78.25%	\$247,235.11	\$1,081,728.37
Program expenses	\$35,056.36	\$162,725.00	\$127,668.64	78.46%	\$34,107.96	\$215,839.06
Goods for resale	\$173,902.21	\$581,490.00	\$407,587.79	70.09%	\$158,799.25	\$646,864.93
Rents and leases		\$10,250.00	\$10,250.00	100.00%	\$1,841.64	\$10,085.64
Taxes and licenses	\$82.00	\$170,750.00	\$170,668.00	99.95%	(\$447.00)	\$184,147.18
Financial expenses	\$28,605.38	\$83,264.00	\$54,658.62	65.64%	\$26,447.00	\$181,649.02
Purchased and contracted services	\$186,341.68	\$1,268,069.00	\$1,081,727.32	85.31%	\$71,603.26	\$637,234.30
Grants to others	\$134.80	\$14,000.00	\$13,865.20	99.04%	\$3,563.69	\$155,873.89
Transfer to own funds		\$196,205.00	\$196,205.00	100.00%		\$1,027,563.99
Capital expense	\$11,321.94	\$51,085.00	\$39,763.06	77.84%	\$24,625.26	\$105,532.24
Depreciation			\$0.00	0.00%		\$1,744,102.43
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		\$120,194.00
TOTAL OTHER EXPENSES	\$1,789,537.74	\$8,614,372.00	\$6,824,834.26	79.23%	\$1,821,231.86	\$11,139,805.74
	\$5,222,317.56	\$24,547,286.00	\$19,324,968.44	78.73%	\$5,010,119.48	\$25,707,107.24
NET (REVENUE)/EXPENDITURE	\$2,576,895.95	\$13,828,597.00	\$11,251,701.05	81.37%	\$1,923,002.17	\$14,767,256.69
Planning	150,509.46	984,605.00	834,095.54	84.71%		
LIP	59,913.03	(437.00)	(60,350.03)	13,810.08%		
Recreation & Culture	234,615.69	1,493,782.00	1,259,166.31	84.29%		
Community Centres						
John Rhodes Community Centre	105,243.05	1,570,902.00	1,465,658.95	93.30%		
McMeeken Centre	(11,928.11)	218,842.00	230,770.11	105.45%		
Northern Community Centre	(59,311.34)	(12,719.00)	46,592.34	(366.32%)		
Outdoor Pools/ Misc Concessions	16,681.47	118,943.00	102,261.53	85.98%		
Administration	187,259.41	917,589.00	730,329.59	79.59%		
GFL Memorial Gardens	181,650.27	681,435.00	499,784.73	73.34%		
Locks	391.14	45,191.00	44,799.86	99.13%		
Cemetery	23,145.58	(4,286.00)	(27,431.58)	640.03%		
Transit	1,456,888.32	6,371,139.00	4,914,250.68	77.13%		
School Guards	70,696.62	271,410.00	200,713.38	73.95%		
FutureSSM	53,980.41	444,656.00	390,675.59	87.86%		
Parking	(50,824.01)	60,577.00	111,401.01	183.90%		
Administration	157,984.96	666,968.00	508,983.04	76.31%		
	2,576,895.95	13,828,597.00	11,251,701.05			

LEVY BOARDS

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To: March	2018 Actual Year End
FISCAL YEAR REMAINING% :	Actual	2019		75%		
REVENUE						
EXPENDITURES						
Grants to others	\$5,215,760.69	\$21,257,110.00	\$16,041,349.31	75.46%	\$5,118,155.25	\$20,823,472.00
TOTAL OTHER EXPENSES	\$5,215,760.69	\$21,257,110.00	\$16,041,349.31	75.46%	\$5,118,155.25	\$20,823,472.00
	\$5,215,760.69	\$21,257,110.00	\$16,041,349.31	75.46%	\$5,118,155.25	\$20,823,472.00
NET (REVENUE)/EXPENDITURE	\$5,215,760.69	\$21,257,110.00	\$16,041,349.31	75.46%	\$5,118,155.25	\$20,823,472.00

OUTSIDE AGENCIES - MAIN

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To:	2018 Actual
FISCAL YEAR REMAINING% :	Actual	2019		75%	March	Year End
REVENUE						
Fees and user charges			\$0.00	0.00%	(\$2,334.00)	
Government grants	(\$16,746.45)	(\$200,000.00)	(\$183,253.55)	91.63%	(\$21,265.50)	(\$142,635.05)
	(\$16,746.45)	(\$200,000.00)	(\$183,253.55)	91.63%	(\$23,599.50)	(\$142,635.05)
EXPENDITURES						
Grants to others	\$973,403.33	\$3,840,156.00	\$2,866,752.67	74.65%	\$913,320.00	\$3,524,293.71
Transfer to own funds		\$80,000.00	\$80,000.00	100.00%		\$80,000.00
TOTAL OTHER EXPENSES	\$973,403.33	\$3,920,156.00	\$2,946,752.67	75.17%	\$913,320.00	\$3,604,293.71
	\$973,403.33	\$3,920,156.00	\$2,946,752.67	75.17%	\$913,320.00	\$3,604,293.71
NET (REVENUE)/EXPENDITURE	\$956,656.88	\$3,720,156.00	\$2,763,499.12	74.28%	\$889,720.50	\$3,461,658.66

OUTSIDE AGENCIES - OTHER

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage	2018	2018
	Actual	2019		Budget-Rem	Actual To:	Actual
ISCAL YEAR REMAINING%				75%	March	Year End
REVENUE						
Fees and user charges	(\$19,144.12)	(\$120,000.00)	(\$100,855.88)	84.05%	(\$35,272.32)	(\$121,128.20)
Contribution from own funds		(\$80,000.00)	(\$80,000.00)	100.00%	(\$123,775.00)	(\$204,527.14)
	(\$19,144.12)	(\$200,000.00)	(\$180,855.88)	90.43%	(\$159,047.32)	(\$325,655.34)
EXPENDITURES						
Materials and supplies		\$200,000.00	\$200,000.00	100.00%	\$16,446.55	\$201,880.34
Grants to others	\$303,541.49	\$1,492,056.00	\$1,188,514.51	79.66%	\$424,816.50	\$1,605,831.00
TOTAL OTHER EXPENSES	\$303,541.49	\$1,692,056.00	\$1,388,514.51	82.06%	\$441,263.05	\$1,807,711.34
	\$303,541.49	\$1,692,056.00	\$1,388,514.51	82.06%	\$441,263.05	\$1,807,711.34
NET (REVENUE)/EXPENDITURE	\$284,397.37	\$1,492,056.00	\$1,207,658.63	80.94%	\$282,215.73	\$1,482,056.00

EDF

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To: March	2018 Actual Year End
FISCAL YEAR REMAINING% :	Actual	2019		75%		
REVENUE						
Contribution from own funds			\$0.00	0.00%		(\$730,220.98)
	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	(\$730,220.98)
EXPENDITURES						
Materials and supplies	\$197.16		(\$197.16)	0.00%	\$91.58	\$730,220.98
Transfer to own funds		\$500,000.00	\$500,000.00	100.00%		\$500,000.00
TOTAL OTHER EXPENSES	\$197.16	\$500,000.00	\$499,802.84	99.96%	\$91.58	\$1,230,220.98
	\$197.16	\$500,000.00	\$499,802.84	99.96%	\$91.58	\$1,230,220.98
NET (REVENUE)/EXPENDITURE	\$197.16	\$500,000.00	\$499,802.84	99.96%	\$91.58	\$500,000.00

CORPORATE FINANCIALS

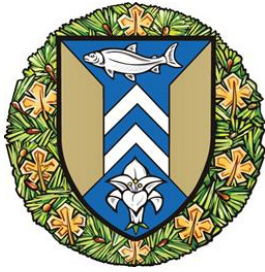
2019- FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage Budget-Rem	2018 Actual To:	2018 Actual
FISCAL YEAR REMAINING% :	Actual	2019		75%	March	Year End
REVENUE						
Taxation	(\$55,531,929.55)	(\$117,173,658.00)	(\$61,641,728.45)	52.61%	(\$54,585,335.95)	(\$113,693,255.17)
Payment in Lieu of taxes	(\$499,224.99)	(\$4,366,415.00)	(\$3,867,190.01)	88.57%	(\$504,976.90)	(\$4,366,620.12)
Fees and user charges	(\$3,015,948.62)	(\$14,537,330.00)	(\$11,521,381.38)	79.25%	(\$3,118,417.80)	(\$13,026,639.59)
Government grants	(\$4,060,329.00)	(\$15,543,586.00)	(\$11,483,257.00)	73.88%	(\$3,863,800.00)	(\$15,455,200.00)
Interest and Investment income	(\$739,193.49)	(\$4,320,000.00)	(\$3,580,806.51)	82.89%	(\$1,538,178.01)	(\$7,097,793.80)
Contribution from own funds			\$0.00	0.00%		(\$3,000.00)
Other income	(\$399,899.27)	(\$2,647,500.00)	(\$2,247,600.73)	84.90%	(\$2,844.56)	(\$1,543,207.76)
Change in future employee benefits			\$0.00	0.00%		(\$220,275.58)
	(\$64,246,524.92)	(\$158,588,489.00)	(\$94,341,964.08)	59.49%	(\$63,613,553.22)	(\$155,405,992.02)
EXPENDITURES						
Salaries			\$0.00	0.00%		\$316.17
Benefits	\$2,000.00	\$20,000.00	\$18,000.00	90.00%	\$10,000.00	\$22,000.00
TOTAL SALARIES/BENEFITS	\$2,000.00	\$20,000.00	\$18,000.00	90.00%	\$10,000.00	\$22,316.17
Materials and supplies	\$4,885.74	\$308,927.00	\$304,041.26	98.42%	\$20,830.35	\$280,662.21
Program expenses		\$760,000.00	\$760,000.00	100.00%		
Financial expenses	(\$345.69)	\$12,475.00	\$12,820.69	102.77%		\$164,910.16
Purchased and contracted services	\$147,082.34	\$594,779.00	\$447,696.66	75.27%	\$429.21	\$518,607.39
Grants to others		\$865.00	\$865.00	100.00%	\$119,615.01	\$863.72
Transfer to own funds		\$12,736,059.00	\$12,736,059.00	100.00%	\$610,080.00	\$10,328,427.50
TOTAL OTHER EXPENSES	\$151,622.39	\$14,413,105.00	\$14,261,482.61	98.95%	\$750,954.57	\$11,293,470.98
	\$153,622.39	\$14,433,105.00	\$14,279,482.61	98.94%	\$760,954.57	\$11,315,787.15
NET (REVENUE)/EXPENDITURE	(\$64,092,902.53)	(\$144,155,384.00)	(\$80,062,481.47)	55.54%	(\$62,852,598.65)	(\$144,090,204.87)

CAPITAL LEVY & DEBT

2019 - FIRST QUARTER ENDED
MARCH 31, 2019

	YTD	Budget	Variance	Percentage	2018	2018
	Actual	2019		Budget-Rem	Actual To:	Actual
FISCAL YEAR REMAINING% :				75%	March	Year End
REVENUE						
Fees and user charges	(\$119,569.56)	(\$350,000.00)	(\$230,430.44)	65.84%	(\$34,353.29)	(\$320,741.24)
	(\$119,569.56)	(\$350,000.00)	(\$230,430.44)	65.84%	(\$34,353.29)	(\$320,741.24)
EXPENDITURES						
Long term debt	\$1,089,530.07	\$2,875,685.00	\$1,786,154.93	62.11%	\$1,089,530.07	\$3,243,871.52
Transfer to own funds		\$6,242,580.00	\$6,242,580.00	100.00%		\$6,240,734.00
TOTAL OTHER EXPENSES	\$1,089,530.07	\$9,118,265.00	\$8,028,734.93	88.05%	\$1,089,530.07	\$9,484,605.52
	\$1,089,530.07	\$9,118,265.00	\$8,028,734.93	88.05%	\$1,089,530.07	\$9,484,605.52
NET (REVENUE)/EXPENDITURE	\$969,960.51	\$8,768,265.00	\$7,798,304.49	88.94%	\$1,055,176.78	\$9,163,864.28



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

COUNCIL REPORT

May 1, 2019

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Malcolm White, Deputy CAO / City Clerk

DEPARTMENT: Corporate Services

RE: 2018 Municipal Election – Candidate Financial Filing Default

PURPOSE

To advise Council of the financial filing default of 3 candidates from the 2018 Municipal Election.

BACKGROUND

Pursuant to the Municipal Elections Act, 1996, all candidates who were nominated in the 2018 Municipal Election were required to file financial statements in the prescribed form by 2:00 p.m., March 29, 2019. Candidates who failed to file by that date were permitted under the Act to file their statements with an accompanying payment of \$500 by 2:00 p.m., April 29, 2019 to avoid being subject to the default provisions of the Act.

ANALYSIS

As of the April 29, 2019 deadline, there were 3 candidates who had not filed: Ted Johnston (Mayor), Rory Ring (Mayor) and Frank Fata (Councillor – Ward 5). These candidates are now ineligible to be elected or appointed to any office to which the Act applies until the next regular election has taken place (October 24, 2022).

All other candidates complied with the initial deadline and their statements are posted on the City website.

FINANCIAL IMPLICATIONS

There are no financial implications to this report.

STRATEGIC PLAN / POLICY IMPACT

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

RECOMMENDATION

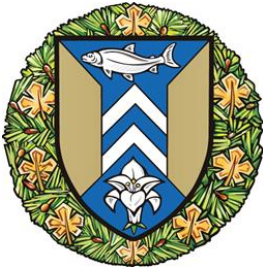
It is therefore recommended that Council take the following action:

Resolved that the report of the Deputy CAO / City Clerk dated 2019 05 01 concerning 2018 Municipal Election – Candidate Financial Filing Default be received as information.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be 'M. White', with a horizontal line extending to the right.

Malcolm White
Deputy CAO / City Clerk
Corporate Services
705.759.5391
m.white@cityssm.on.ca



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

C O U N C I L R E P O R T

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Brent Lamming, Director of Community Services

DEPARTMENT: Community Development and Enterprise Services

RE: Parking By-Law Enforcement By Private Firm

PURPOSE

The following report provides information related to a proposed change to the enforcement of parking by-laws in the community and seeks approval for a one (1) year pilot for third party enforcement.

BACKGROUND

Under the current model the Sault Ste. Marie Police Service (Police Services) is the primary provider of parking related by-law enforcement (outside of the downtown core and City monitored lots). In many instances, the responding unit may contain two sworn police officers. Police Services completed a preliminary review of the current model, the workload placed on officers and the inability to improve response time due to higher priority calls. It indicates the necessity for an alternative response and the recommendation being made from Police Services is to contract a third party vendor to provide the City of Sault Ste. Marie with parking by-law enforcement.

This approach was recommended by KPMG in a review of police operations and addressed police involvement in non-core police work, specifically parking by-law enforcement. The rationale behind this recommendation is that under the current model it is not cost effective for police officers to enforce certain by-laws within the community. As stated in their report, with an increased work load placed on the Service there have been many instances where these calls could not or were not answered in a timely fashion (or in time to observe and deal with the alleged infraction). As a result, the community experiences frustration and a lack of satisfaction in the ability of their police service to respond to their complaints.

With respect to downtown City lots and on street parking, enforcement will continue to be provided by Commissionaires until the contract is expired on December 31, 2019. At expiry, it is recommended that an RFP process be commenced. Commissionaires will be encouraged to participate as part of the

process. Commissionaires also provide internal mail service as part of the existing contract which will require consideration if any changes are made.

ANALYSIS

Police Services has provided information to examine the data related to the number of calls for service the police currently receive from the public. When reviewing the calls there are several call classifications that are generated that could be parking related. The call classifications include:

1. Municipal By-law
2. Traffic complaint (this can include parking complaints)
3. Motor Vehicle-abandoned
4. Other Provincial Statutes
5. Towed Vehicles

Current By-law enforcement

The statistics for 2018 show these types of calls for service accounted for 3,828 calls. This is not to say that all of these calls resulted in some form of enforcement, however the possibility for enforcement did exist. In terms of calls for service in 2018, the City Police wrote 1,400 parking tickets (2017: 2,000; 2016: 2,664) in the community. The average parking ticket costs \$15.00, resulting in parking enforcement generating approximately \$21,000 for 2018 (2017 \$30,000; 2016 \$39,960). Police Services believed that a third party vendor could be in a position to enforce a number of parking bylaws including 77-200, 81-404, 2008-26, and even 4001.

During 2018 10,886 tickets in total were written (Appendix A) generating \$116,902 for the Municipality.

Proposed Model

The model being proposed would employ a third party firm to be selected through a RFP process. The RFP process will determine the budget dollar amount required to provide the service and the amount will be brought back to Council as part of 2020 budget deliberations in the fall.

This model operates on the belief that when a for-profit approach is taken with this form of enforcement, the result will be an increase in the number of tickets issued and improved service delivery to the Municipality. In addition, a call for service approach would also be utilized by the successful vendor. With appropriate legal designation in place, the vendor could take parking complaints forwarded to them from Police and respond on request to issue the appropriate by-law ticket. Depending on the time of day, it is currently difficult and sometimes impossible for Police to respond to these types of calls within the current call priority system being utilized. The community at large deserves a reasonable

response to parking issues and complaints, some of which are of significant importance such as accessible parking infractions and school zone parking infractions.

With all of these factors in mind, Police Services will still receive calls directly for service from the public. Under the new model, the police would perform the proper background review on the call and would simply notify the vendor responsible for the enforcement, providing them with the information to attend and issue the appropriate enforcement or tow. The vendor would then report back to the Police so the action could be documented in the call for service.

In order to properly assess this initiative, a one (1) year pilot project is being proposed by the City and an RFP will be put out to qualified firms. The content of the RFP would include a well-defined reporting clause in order for the Police Service and the Municipality to properly assess and measure the pilot. The City will issue the RFP with input from City Staff and Police Services. The RFP will not commence until the new parking fee structure is approved by the Ministry of the Attorney General's office (up to six months as confirmed by legal in March 2019) and supporting budget amount approved.

Other considerations

The Legal department's primary concern in rolling out this project from Provincial Offences Act (POA) viewpoint will be supporting the influx of tickets on the back end. The current trend in POA is more enforcement from all agencies. Police Services alone has just doubled all previous ticket years. The effects of this pilot project will yield no different. Proactive third party parking enforcement with a view of generating revenue will cause POA to experience more re-openings, more appeals, more prosecutor time, more court time. Costs will also rise, from a Justice of the Peace standpoint; they are currently in excess of \$300/hr. These costs will need to be factored into any amendment to the operating model. The same can be said once you elevate the cost of the ticket. More people may challenge tickets that are issued. That being said the new fine structure does offer a reduced rate for early payment, which may offset the perceived increase and provide incentive to pay fines in a timely manner. Administrative Monetary Penalty System (AMPS) may be an important tool to alleviate some concerns, but likely not all. We may wish to explore the same once we start seeing the statistics return from the pilot. The early payment principle is often well received.

Furthermore, the initial hope was that funds will ultimately be collected once license plates require renewal. This is the process now, but Legal is seeing issues with the municipal portion of the amount collected and the return of the same from MTO. The rectification of the same will be important to monitor.

From staff consultation with the Municipalities of Sudbury, North Bay, Thunder Bay and Timmins, we have identified that there are various models in place for parking bylaw enforcement. Sudbury utilizes a Third Party to provide enforcement. This entails the City contracting a security firm who has licensed Parking Control Officers (licensed with the municipality) to provide enforcement for Parking lots, on street meters and other By-Laws for street snow removal and fire lanes. They patrol the downtown core daily, respond to requests from the City to attend complaints, and work overnight shifts throughout the city to enforce their winter control By-Law for no overnight parking from Dec 1 to Mar 31. Sudbury has a team of By-Law Officers that deal with a number of parking issues outside of the downtown core, on a daily basis. These parking enforcement requests come in via 311 calls (the City). Also, during winter parking control months, the winter parking control officer handles several calls (regarding people parked overnight on the street) from both the City (311 calls) and from road crew forepersons, who have direct, two-way radio communication with the Winter Parking Control Officer.

North Bay parking lots are enforced under Municipal Parking Lots By-law utilizing contracted Commissionaires on foot patrol. Mobile patrols are done by a Parking Bylaw Officer as well as one Commissionaire in two (2) marked patrol vehicles. Commissionaires that patrol mainly provide parking enforcement including fire routes, accessible parking, on-street parking, and private property parking. Mobile overnight patrols are used to enforce the overnight winter parking ban. North Bay Police Service enforces a very small amount of the overnight winter parking ban (mostly from officers that used to be parking enforcement at one time). Currently they use contract Commissionaires for those patrols. It is all part of their contract for all of those services.

In Thunder Bay, their mobile by-law officers enforce other parking by-laws around the city, mainly based on calls of complaint but they also patrol known problem areas and special restriction areas (2-hour limit). In the winter months, they have an additional overnight mobile officer to enforce priority routes.

In Timmins, they utilize a Parking Control Officers (1 FT, 1 Inside/Outside) for lot enforcement and on-street enforcement. For Accessibility, Fire lane, By-Law enforcement they utilize four (4) By-Law officers. In winter months, three (3) are on a rotation of day and nights shifts and take care of all snow related issues.

In preparation for the possible implementation of this model, Police Services have held meetings with City staff and the necessary individuals have been consulted in order to secure support for the proposal (Appendix B – Police Services Board Report). Upon completion of at least a one (1) year trial period, an evaluation will be completed to measure the success of the project and identify any problems or deficiencies. The purpose would be to minimize Police Services involvement in the enforcement of parking related complaints and illustrate to the City that enforcement could be accomplished in this manner.

Success Criteria for the pilot will be centered on these items:

1. Customer satisfaction
2. Enforcement statistics
3. Revenue generation and cost recovery
4. Percent of disputed tickets

The City will track the pilot with special ticket numbers. In conclusion, both City Staff and Police Services recommend issuing a RFP for Third Party By-Law enforcement and bring the Fee for Service back to Council as part of our normal budget process.

FINANCIAL IMPLICATIONS

The RFP process will determine the cost to deliver the service for the Municipality and will be referred to the 2020 budget process. This would be an incremental item and would be an increase to the tax levy. It may be somewhat offset by the increase in fees but would not be proven until the one (1) year pilot is complete.

STRATEGIC PLAN / POLICY IMPACT

This is related to the following items in the strategic plan:

- Service Delivery Pillar where the citizens of Sault Ste. Marie are the focus of our work and our existence. Providing outstanding service to citizens benefits the resilience of our community and our collective future as a society.
- Developing Partnerships with our Key Stakeholders and collaboration with community partners which is essential to our success.

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 2019 05 06 be approved.

Resolved that Council approve staff taking the next step to establish a one (1) year pilot for third party by-law enforcement and authorize City staff to issue a Request for Proposal and that the results be brought back to Council as part of the 2020 Budget decision process.

An agreement for the pilot and by-law authorizing signature of the agreement will appear on a future Council agenda for approval.

Respectfully submitted,



Brent Lamming, PFP, CPA, CMA
Director, Community Services

Parking By-Law Enforcement by Private Firm
2019 05 06
Page 6.

Community Development & Enterprise Services
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APPENDIX A - SUMMARY OF 2018 TICKETS ISSUED

DAYS	JAN	FEB	MARCH	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
1	3	37	56	6	47	31	1	26	1	53	41	6
2	36	54	33	14	32	2	4	43	0	51	23	13
3	31	2	15	68	47	7	45	56	0	32	1	49
4	27	26	2	30	19	28	31	3	44	38	0	40
5	24	41	46	84	3	31	43	1	33	30	34	39
6	2	60	77	27	4	29	24	1	51	0	28	52
7	8	51	48	0	45	33	0	53	31	0	24	38
8	28	47	70	8	24	26	2	23	4	0	32	10
9	45	43	41	37	63	0	28	37	0	35	19	14
10	50	2	1	71	26	1	47	30	35	47	6	36
11	44	16	8	47	46	37	41	1	54	50	35	53
12	31	28	37	53	3	32	37	3	36	31	32	46
13	6	59	45	38	1	44	31	20	57	1	38	40
14	28	69	44	1	53	41	2	32	33	2	48	40
15	31	60	58	1	45	34	1	42	3	46	67	1
16	77	56	30	25	39	1	24	21	0	16	65	11
17	51	0	5	34	44	2	21	47	28	61	27	22
18	49	12	4	53	33	30	48	0	89	47	6	31
19	37	9	65	96	1	43	33	0	86	16	56	23
20	2	46	48	27	1	43	38	60	67	2	32	12
21	2	57	27	2	2	35	2	32	64	1	43	10
22	29	77	66	0	48	39	0	30	1	35	54	0
23	44	49	43	25	45	0	31	37	0	46	47	2
24	66	9	1	47	45	0	28	42	86	25	7	14
25	42	7	0	47	28	42	46	0	54	52	0	0
26	27	49	64	53	0	37	49	0	56	28	47	2
27	2	70	19	26	1	32	37	50	83	1	26	8
28	23	47	54	0	51	32	2	33	26	3	30	9
29	46		56	2	43	35	0	51	0	36	42	0
30	69		3	41	40	3	10	29	0	37	71	4
31	41		7		27		62	33		55		1
TOTALS:	1001	1083	1073	963	906	750	768	836	1022	877	981	626

TOTAL TICKETS ISSUED: 10,886

Appendix B



SAULT STE. MARIE POLICE SERVICE BOARD REPORT

ACTION: FOR ACTION	DATE: September 25, 2017
CAUCUS AGENDA	
SUBJECT: Parking By-Law Enforcement by Private Firm	
Recommended by: S/Sgt. Norm Chartrand Executive Support	Approved by: Robert A. Keetch Chief of Police

The following report deals with the recommendation from KPMG that addresses police involvement in non-core police work, specifically parking by-law enforcement. The rationale behind this recommendation is that under the current model it is not cost effective for police officers to enforce certain by-laws within the community. In addition, with an increased work load placed on the Service there have been many instances where these calls could not or were not answered in a timely fashion or in time to observe and deal with the infractions. As a result, the community experiences frustration and a lack of satisfaction in the ability of their police service to respond to their complaints.

Under the current model the Sault Ste. Marie Police Service is the primary provider of parking related by-law enforcement. In many instances the responding unit may contain two sworn police officers. Through a preliminary review of the current model, the work load placed on officers and the inability to improve response time due to higher priority calls, dictates the necessity for an alternative response. The recommendation being made is to contract a third party vendor to provide the City of Sault Ste. Marie with parking by-law enforcement. Foremost in this recommendation is the sense of accountability it would place on municipalities to provide a cost effective service to the communities they serve.

When looking at this initiative it becomes important to look at how many calls for service the police currently receive from the public. When reviewing the calls there are several call classifications that are generated and could be parking related. The call classifications include:

1. Municipal By-law
2. Traffic complaint (this can include parking complaints)
3. Motor Vehicle-abandoned
4. Other Provincial Statutes
5. Towed Vehicles

The statistics for 2014 show these types of calls for service accounted for 1840 calls. This is not to say that all of these calls resulted in some form of enforcement, however the possibility for enforcement did exist.

Current By-law enforcement

In 2016 the City Police wrote 2664 parking tickets in the community. The average parking ticket costs \$15.00, resulting in parking enforcement generating approximately \$39,960.00. As previously mentioned, some of these tickets were as a result of calls for service but the vast majority was self-generated by the officers during the course of their duties and by patrolling the community during the winter months when parking restrictions exist.

Proposed Model

The model being proposed would employ a third party firm that would be paid based on the number of tickets issued. This model operates on the belief that when a for-profit approach is taken with this form of enforcement, the result will be a significant increase in the number of tickets issued. In addition, a call for service approach would also be utilized by the successful vendor. With appropriate legal designation in place, the vendor could take parking complaints forwarded to them from Police and respond on request to issue the appropriate by-law ticket. This process would result in better customer service to members of the public that encounter parking issues from time to time. Depending on the time of day, it is currently difficult and sometimes impossible for police to respond to these types of calls within the current call priority system being utilized. The community at large deserves a reasonable response to parking issues and complaints, some of which are of significant importance such as accessible parking infractions and school zone parking infractions.

With all of these factors in mind, the Sault Ste. Marie Police Service may still receive a call for service from the public or an institution. Under the new model, the police would perform the proper background review on the call and would simply notify the vendor responsible for the enforcement, providing them with the information to attend and issue the appropriate enforcement or tow. The vendor would then report back to the police so the action could be documented in the call for service.

In order to properly assess this initiative, a six month pilot project would be developed and a tender put out to qualified firms. The content of the tender would include a well-defined reporting clause in order for the Police Service and the Municipality to properly assess and measure the plan.

Other considerations

Based upon the review conducted by KMPG and current observations with the Sault Ste. Marie Police Service practices, it is also recommended the City of Sault Ste. Marie address the current fine structure implemented for parking enforcement. In a quick review of fines across the province, the current fines levied are lower than the average. When compared with the City of Peterborough, the fines levied are only half of what is being collected by their municipality. If possible, it would be beneficial for Council to review the fine schedule and make the necessary adjustments prior to the six month pilot project, or at the very least, prior to a full roll-out. This simple adjustment would double the revenues generated.

In preparation for the possible implementation of this model, meetings have been held with City Managers and the necessary individuals have been consulted in order to secure support for the proposal. Deputy CAO, Tom Vair, has agreed to complete a report outlining the proposal. In October it is expected this report will then go before City Council for endorsement.

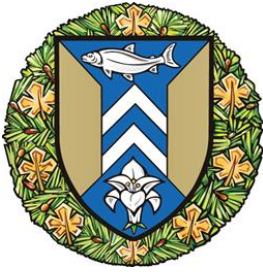
This current proposal before the Board is not meant to replace or impact on the current arrangement that the Municipality has with a local vendor on its enforcement initiative in the downtown core on City owned parking lots or metered parking.

Recommendation

It is recommended that a Request for Quote (RFQ) be prepared and sent out for tender and that this initiative be utilized for a minimum period of 6 months. Upon completion of at least 6 months period, it is recommended an evaluation be completed to measure the success of the project and identify any problems or deficiencies. The purpose would be to minimize the Police Services' involvement in the enforcement of parking related complaints and illustrate to City Hall that enforcement could be accomplished in this manner and at the very least, be revenue neutral.

At this time the Sault Ste. Marie Police Service requests approval from the Board with regards to the proposed model, as outlined. It is also requested that the Board provide a letter of support to the City so as to assist with the endorsement of the model.

If approved, the resolution will be presented to Tom Vair, Deputy CAO for the City of Sault Ste. Marie for presentation to City Council in October.



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

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Brent Lamming, Director of Community Services

DEPARTMENT: Community Development and Enterprise Services

RE: Superior Sports Training Inc. – Lease Extension

PURPOSE

The purpose of this report is to seek Council's approval to renew the lease agreement between Superior Sports Training Inc. (SSTI) at the John Rhodes Community Centre (JRCC) 260-280 Elizabeth Street in Sault Ste. Marie, and the Corporation of the City of Sault Ste. Marie (City) for another three (3) year term. There is also an option at the end of the term to renew the agreement on a year to year basis for agreed upon rental amounts.

BACKGROUND

On May 1 of 2017, The City entered into a one-year Lease Agreement with SSTI. There was an option to extend the lease for one (1) additional year which occurred on May 1, 2018. The current agreement expires on April 30, 2019. The parties remain in good standing with each other. This Lease Agreement allows SSTI to utilize a multipurpose room at the JRCC as athletic training space. SSTI is owned and operated by Mr. John Parco and focuses on dedicated training for various athletic programs.

ANALYSIS

Discussions have taken place between the current owner and Community Development and Enterprise Services staff.

Payments have been made as agreed and the business nature is a complementary fit for the programming at the facility. A new three (3) year term is recommended with ability to extend on a year-to-year basis subject to successful negotiations and agreed upon rent at the end of the original term.

City staff recommends as presented.

FINANCIAL IMPLICATIONS

The current Lease Agreement guarantees annual revenue of \$6,189.69.

SSTI would like to secure an additional adjoining room (small office – 80 Sq. Ft.) for additional use for their operation, which is available. SSTI are agreeable to extending their lease for three (3) additional years with incremental footage prorated on their Lease Agreement to guarantee annual revenue of \$6,803.29.

The incremental positive impact will be an additional \$613.60 annually to the Municipality.

Under the agreement, SSTI is responsible to pay property tax billed on a monthly basis. For the year 2018, property tax amounted to \$3,414.53.

STRATEGIC PLAN / POLICY IMPACT

The extension is mainly Operational in nature but can be tied to the Quality of Life and or Community Development and Partnership Strategic Pillars.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Director of Community Services dated 2018 05 06 regarding Superior Sports Training Inc. – Lease Renewal received and that Council approve the Lease Renewal for a further three (3) year term with the ability to extend on a year-to-year basis subject to successful negotiations and agreed upon rent.

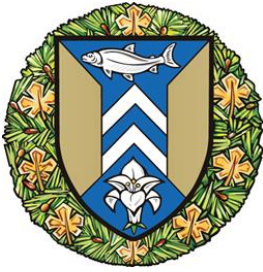
The relevant By-law 2019-102 and agreement appears elsewhere on the agenda and is recommended for approval.

Respectfully submitted,



Brent Lamming
Director of Community Services
705.759.5314
b.lamming@cityssm.on.ca

cc: K. Fields, City Solicitor
T. Vair, Deputy CAO, Community Development & Enterprise Services



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

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Brent Lamming, Director of Community Services

DEPARTMENT: Community Development and Enterprise Services

RE: Gore St. Parking Lot Proposal

PURPOSE

This report has been prepared for Council's information regarding the resolution to review options for a parking lot in the Gore St. area.

BACKGROUND

At the May 14, 2018 Council Meeting the following resolution was passed to bring forward a report to address parking concerns on Gore Street.

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.

Gore St. currently has 32 spaces serviced by four (4) pay and displays and 7 meters. There is also nearby parking on Queen St. E between Tancred St. and Gore St. providing an additional 29 spaces (see Appendix A).

The nearest City Parking lots to this area are the Dennis St. (75 Spaces) and GFL Memorial Gardens Lots (224 Spaces). In addition to nearby parking, there is a double meter on Queen St. in front of Wendy's Restaurant.

ANALYSIS

City staff have performed a field test of usage and have confirmed that 32 parking spaces is more than ample parking available for customer parking on Gore Street.

Revenue collected in 2018 for the Gore Street pay and displays amounted to \$2,600. This is a good indicator that there is excess capacity when comparing to other areas of the City where \$17,681 (Queen Street from Spring to Elgin) was averaged for the same timeframe.

There are opportunities in the immediate area should a private business wish to purchase land in order to provide parking to service staff and or tenants.

From a historical perspective, all downtown lots were constructed in partnership with the downtown businesses. The businesses funded the construction with the City being responsible for ongoing maintenance and enforcement.

From consultation with Engineering, the costs to construct a new parking lot on vacant land amounts to approximately \$90,505 (detailed below) from a Capital perspective (Grading, Asphalt, Site Prep etc.). This figure would increase if a piece of property needs to be acquired, demolished and converted to a parking lot when comparing to vacant cleared land.

Estimated Capital Costs to construct a parking lot:

Category	Amount
Drawings	\$ 3,000
Site-Land Preparation	\$22,175
Drainage	\$11,500
Asphalt	\$24,750
Line Painting	\$ 1,080
Lighting	\$15,000
Signage	\$ 1,000
Pay and Display Purchase	\$ 8,000
Pay and Display Installation	\$ 4,000
Total	\$90,505

In addition, if a new parking lot were created in this area, there would be increased costs from a monitoring and enforcement perspective.

Incremental Operating Costs:

Category	Annual Amount*
Monitoring & Enforcement	\$3,000

City Owned Equipment	\$900
Annual Maintenance	\$100
Snow Removal	\$4,000
Water & Electric (heat for booth if applicable)	\$700
Line Painting	\$1,000
Maintenance Pay and Display	\$300
Total	\$10,000

*Based on Bruce St. Lot 5-year average (22 spaces)

Estimated Annual Revenue:

Category	Annual Amount*
Space Rental	\$860*
Infractions	\$230*
Monthly Permits (estimated 5 space, remaining 15 for public)	\$2,760
Total	\$3,850

*Based on Bruce St. Lot 5-year average (22 spaces)

The estimated annual shortfall is projected to be \$6,150.

The City does own vacant land encompassing lots 125/127/129/143 on Gore Street (two serviced sanitary lots). They are currently utilized in the following manner:

- Snow storage for Public Works as space is at a premium for winter control in which there is a shortage in the downtown core.
- The Neighbourhood Resource Centre have been provided permission and are using the property as an “unofficial parking area”.
- Other individuals are now using the property as a “parking lot”, which is not the intention of the property.

The City purchased the indicated property for the following amounts:

- 127 and 129 Gore Street for \$99,000.00
- 143 Gore Street for the sum of \$73,000.00 (to improve sightlines as recommended by Engineering and Planning)
- 125 Gore Street for the sum of \$110,000.00

Funds were taken from the Property Purchase Reserve Fund. All properties were demolished, therefore in addition to the costs to purchase, there were demolition costs.

As part of the Downtown Development Initiative, the City was to reconstruct Gore Street roadway. Planning identified that given the extent of the required work; existing on-street parking would not be available during construction. The team recommended off street parking be provided to minimize impact. As such, Planning supported the acquisition of 127 and 129 Gore Street to assist with the Gore Street reconstruction project. A portion of the property was also required for the contractor's site office during construction. Similarly, it was thought that 125 Gore Street which abutted 127 and 129 Gore Street should be acquired. It was thought that the three properties could be used in combination of landscaping and parking or other municipal purpose in the future. If not needed in that manner, the property could be sold.

With consultation with the Planning Department, this area is more suited for future business development and or a greenspace area.

In summary, Staff do not recommend the construction of a City maintained lot in this area at this point in time based the costs and availability of parking for the general public as backed by the parking statistics provided.

FINANCIAL IMPLICATIONS

There is no impact to the budget based on the recommendation.

If an alternative decision is desired it would be outside the budget approved for 2019 and thus would need to be referred to 2020 budget deliberations. Estimated costing has been provided above for consideration. Council would need to approve funding for the construction of the parking lot as well as an increase to the tax levy for the incremental operating cost.

STRATEGIC PLAN / POLICY IMPACT

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

- It supports being fiscally responsible. We will manage municipal finances in a responsible and prudent manner. We will implement best practices to ensure best value in service delivery.
- 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:

Gore St. Parking Lot Proposal

2019 05 06

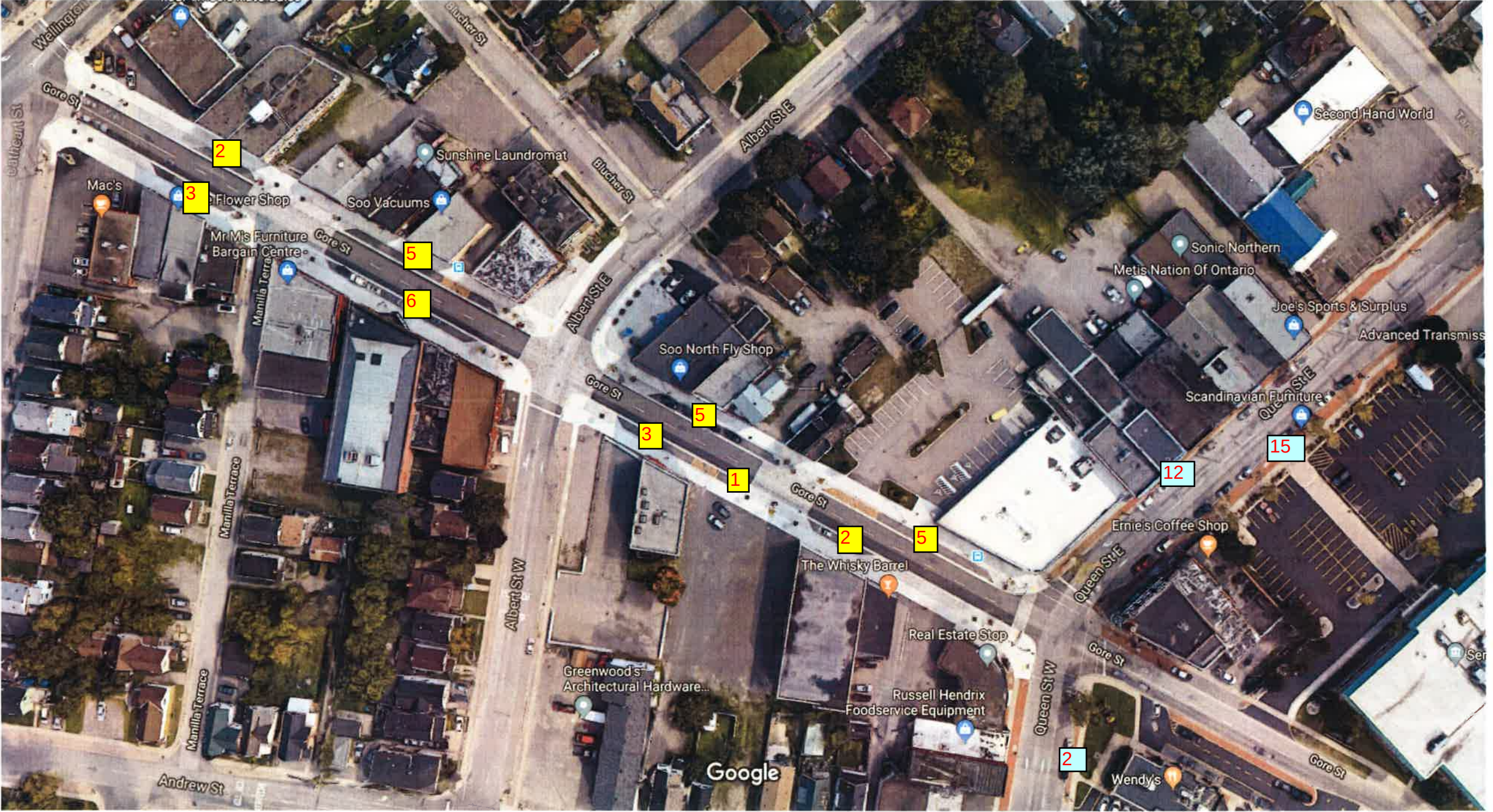
Page 5.

Resolved that the report of the Director, Community Services – Community Development & Enterprise Services dated 2019 05 06 be received as information.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'B. Lamming', with a long horizontal stroke extending to the right.

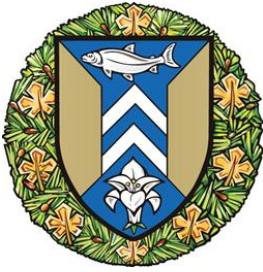
Brent Lamming, PFP, CPA, CMA
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Imagery ©2019 Google, Map data ©2019 Google 20 m

Street Parking on Gore St. - 32

Street Parking on Queen St. - 29 Spots near Gore St.



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

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Carl Rumiel, Design & Construction Engineer

DEPARTMENT: Public Works and Engineering Services

RE: St. Georges Avenue East and McNabb Street Improvements

PURPOSE

The purpose of this report is to obtain approval to award Contract 2019-3E. The resurfacing of St. Georges Avenue from Grand Boulevard to Gladstone Avenue and reconstruction of McNabb Street from Gladstone Avenue to Great Northern Road, including storm and sanitary sewers, water mains and appurtenances.

BACKGROUND

Tenders received for Contract 2019-3E were opened at a public meeting Wednesday, April 17, 2019 in the Steelton Room of the Civic Centre. Present at the opening was Deputy Clerk Rachel Tyczinski as well as City staff and contractor representatives.

ANALYSIS

A total of four (4) tenders were received. All tenders submitted were found to be complete, checked for errors and are summarized on the attached summary. The low tender of \$3,195,203.26 (excluding HST) was received from Trimount Construction Group Incorporated.

FINANCIAL IMPLICATIONS

When recoverable PUC costs are removed and non-recoverable HST is added, the City's cost to complete this project is projected to be \$2,594,583. This is above the allocation in the 2019 capital budget of \$2,070,000.

Unfortunately, overruns on this project cannot be absorbed within the overall construction program for 2019. When the Leo Avenue, St. Georges/McNabb and Ruth Street/Second Avenue projects are totalled, they are tracking over budget on the 2019 reconstruction program at this time. They are over budget by \$528,079 on the Overall Capital, over budget by \$357,021 on the Urban Only, and over budget by \$254,785 on the Sanitary Sewer Surcharge at this time. Elsewhere on the agenda tonight is the award of the reconstruction of Ruth Street and one block of Second Avenue between Connaught Avenue and Second Line. Staff recommends that the Second Avenue portion of that project be cancelled for 2019 and deferred to a future capital program. This will bring the

work awarded to date within the approved the 2019 road construction budget. The Bay Street improvements, miscellaneous paving and aqueduct repairs have yet to be tendered and will be brought to Council for award at a future meeting.

STRATEGIC PLAN / POLICY IMPACT

This report is linked to the new infrastructure focus area of the strategic plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Design and Transportation Engineering, dated 2019 05 06, concerning the St. Georges Avenue East and McNabb Street Improvements, be received and the recommendation that Contract 2019-3E be awarded to Trimount Construction Group Incorporated, be approved.

By-law 2019-108 authorizing execution of Contract 2019-3E and By-law 2019-109 authorizing the road closure of McNabb Street between Gladstone Avenue and Great Northern Road from May 30, 2019 until October 31, 2019 appear elsewhere on the Agenda and are recommended for approval.

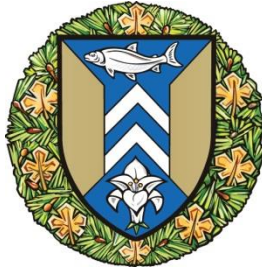
Respectfully submitted,



Carl Rumiel, P. Eng.
Manager, Design & Transportation
Engineering
705.759.5379
c.rumiel@cityssm.on.ca

Attach.

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



**Public Works & Engineering
Services**

2019 04 23

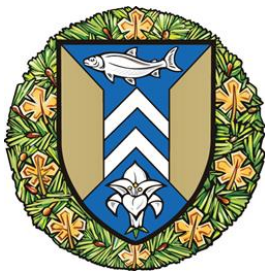
Our File: Contract 2019-3E

CONTRACT 2019-3E

RESURFACING/RECONSTRUCTION OF ST. GEORGES AVE AND MCNABB ST

SUMMARY OF BIDS

CONTRACTOR	TOTAL BID PRICE
Trimount Construction Group	\$3,195,203.26
Avery Construction	\$3,229,428.85
Palmer Construction Group	\$3,245,350.20
Boyer Construction	\$3,892,287.60
Pre-Tender City Estimate	\$3,000,000.00



The Corporation of the City of Sault Ste. Marie

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Carl Rumiel, Design & Construction Engineer
DEPARTMENT: Public Works and Engineering Services
RE: Ruth Street and Second Avenue Reconstruction

PURPOSE

The purpose of this report is to obtain approval to award Contract 2019-4E. The reconstruction of Ruth Street from Franklin Street to the east limit.

BACKGROUND

In the current five year capital plan the reconstruction of Ruth Street and Second Avenue were planned for 2019.

Tenders received for Contract 2019-4E were opened at a public meeting Wednesday, April 24, 2019 in the Steelton Room of the Civic Centre. Present at the opening was Deputy Clerk Rachel Tyczinski as well as City staff and contractor representatives.

ANALYSIS

A total of three (3) tenders were received. All tenders submitted were found to be complete, checked for errors and are summarized on the attached summary. The low tender of \$3,236,931.50 (excluding HST) was received from Avery Construction Limited.

FINANCIAL IMPLICATIONS

When recoverable PUC costs are removed and non-recoverable HST is added, the City's cost to complete this project is projected to be \$2,588,786. This is above the allocation in the 2019 capital budget of \$2,122,000.

Unfortunately, overruns on this project cannot be absorbed within the overall construction program for 2019. When the Leo Avenue, St. Georges/McNabb and Ruth Street/Second Avenue projects are totalled, they are tracking over budget on the 2019 reconstruction program at this time. They are over budget by \$528,079 on the Overall Capital, over budget by \$357,021 on the Urban Only, and over budget by \$254,785 on the Sanitary Sewer Surcharge at this time. Staff recommends that the Second Avenue portion of this project be cancelled for 2019 and deferred to a future capital program. This will bring the work awarded to date within the approved 2019 road construction budget. The Bay Street improvements, miscellaneous paving and aqueduct repairs have yet to be tendered and will be brought to Council for award at a future meeting.

STRATEGIC PLAN / POLICY IMPACT

This report is linked to the new infrastructure focus area of the strategic plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Design and Transportation Engineering dated 2019 05 06 concerning the Ruth Street and Second Avenue Reconstruction, be received and the recommendation that Contract 2019-4E be awarded to Avery Construction Limited and that the Second Avenue portion of the contract be removed in order to stay within the 2019 road reconstruction budget, be approved.

By-law 2019-110 authorizing execution of Contract 2019-4E and By-law 2019-111 authorizing the road closure of Ruth Street from Franklin Street to the east limit appear elsewhere on the Agenda and are recommended for approval.

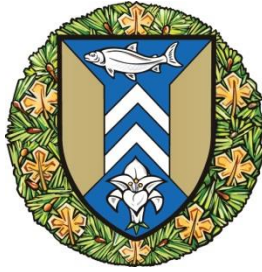
Respectfully submitted,



Carl Rumiel, P. Eng.
Manager, Design & Transportation
Engineering
705.759.5379
c.rumiel@cityssm.on.ca

Attach.

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



**Public Works & Engineering
Services**

2019 04 25

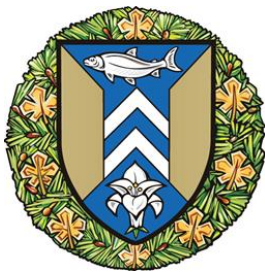
Our File: Contract 2019-4E

CONTRACT 2019-4E

RECONSTRUCTION OF RUTH STREET AND SECOND AVENUE

SUMMARY OF BIDS

CONTRACTOR	TOTAL BID PRICE
Avery Construction	\$3,236,931.50
Boyer Construction	\$3,646,681.05
Palmer Construction Group	\$3,968,231.40
Pre-Tender City Estimate	\$3,100,000.00



The Corporation of the City of Sault Ste. Marie

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

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

DEPARTMENT: Legal Department

RE: Lease Amending Agreement for 540 Albert Street East

PURPOSE

The purpose of this report is to seek Council's approval of a Lease Amending Agreement ("LAA") between the City and Her Majesty The Queen in Right of Ontario as Represented by the Minister of Government and Consumer Services ("MGCS") regarding a portion of 540 Albert Street, Sault Ste. Marie.

ATTACHMENT

Attached as Schedule "A" to this Report is a copy of the Third Lease Extension and Amending Agreement relevant to the matter before Council.

BACKGROUND

The City and Her Majesty The Queen, in Right of Ontario, As Represented by the Chair of the Management Board of Cabinet entered into the Original Lease dated July 16, 1999 for a portion of 540 Albert Street, Sault Ste. Marie Ontario ("Leased Premises") for a period of five (5) years commencing July 16, 1999 and expiring on July 15, 2004. The Original Lease was extended on three separate occasions, as permitted thereunder, the most recently being the Third Lease Extension and Amending Agreement dated July 16, 2014 for the period commencing on July 16, 2014 and expiring on July 15, 2019. Throughout this time, the Province passed various Orders in Council, the particulars of which are set out in the recitals to the "LAA", which transferred the responsibility of the Original Lease to various government branches. Currently, the "MGCS" is the Provincial Ministry responsible for the matters set out in the Original Lease and extension agreements. That said, Public Health Ontario ("PHO") as governed by the Ontario Agency for Health Protection and Promotion ("Agency") is the Provincial Agency under "MGCS" actually occupying the Leased Premises. At the City Council meeting held December 10, 2018, Council passed By-law 2018-211, authorizing the execution of an Assignment Agreement ("AA") as requested by the Province related to this Original Lease. The "AA" essentially

Lease Amending Agreement for 540 Albert Street East

2019 05 06

Page 2.

permits the Original Lease to be assigned to the Agency responsible for the actual tenant occupying the Leased Premises and, pursuant to Section 2.1 of the “AA”, is conditional on the Agency obtaining the necessary Provincial Government Approvals. This condition must be achieved by August 21, 2019, otherwise the “AA” is null and void, and the Original Lease together with the Third Amending Agreement will remain in effect. The Province explained the rationale for the “AA” as being its mandate to reorganize and align the Agency across the Province so as to manage and operate its own real estate authority rather than having “MGCS” do so. Now however, “MGCS” has learned that there may be a change in direction such that the Provincial Ministry may remain responsible for property matters, and if so, the “AA” would not be necessary. Given this potential change in direction, the Province has requested approval of the “LAA” which seeks to amend Section 4(b) of the Third Lease Extension and Amending Agreement.

ANALYSIS

Section 4(b) of the Third Lease Extension and Amending Agreement currently provides the Tenant with one (1) further option to extend the term of the Lease for five (5) years provided that the Tenant gives written notice of its intention to extend the Lease “at least six (6) months prior to the end of the Third Extension Term”. The time to give notice unfortunately has now expired. “MGCS” and the Agency was not aware of this possible change in direction. The “LAA” proposes deleting the requirement to provide six months’ notice and replacing same with the requirement to provide such notice “prior to June 1, 2019”. As such, in the event that the “AA” does not receive Government Approval, and the Original Lease together with the Third Lease Extension and Amending Agreement remains in effect, the Tenant may still exercise its option to extend the Lease as the parties intended.

It is desirable for the City to maintain this tenancy. Rent will have to be calculated in accordance with the formula provided in Section 4(b) of the Third Lease Extension and Amending Agreement, and a Fourth Lease Extension and Amending Agreement detailing such terms will be before Council for consideration at a future Council date.

FINANCIAL IMPLICATIONS

The “LAA” will ensure that the Tenant may still exercise its option to extend the Lease in the likely event that the “AA” does not receive Government Approval. This ensures the parties can continue their lease relationship as intended.

STRATEGIC PLAN / POLICY IMPACT

Not applicable.

Lease Amending Agreement for 540 Albert Street East

2019 05 06

Page 3.

RECOMMENDATION

It is therefore recommended that Council take the following action:

By-law 2019-104 is located elsewhere on your agenda and authorizes the Lease Amending Agreement between the City and Her Majesty The Queen in Right of Ontario as Represented by the Minister of Government and Consumer Relations and is recommended for approval.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "M. Borowicz-Sibenik".

Melanie Borowicz-Sibenik
Assistant City Solicitor/Senior Litigation
Counsel

MBS/lv

\\citydata\LegalDept\Legal\Staff\COUNCIL\REPORTS\2019\Lease Amending Agreement for 540 Albert Street East.docx

THIRD LEASE EXTENSION AND AMENDING AGREEMENT

THIS AGREEMENT made in triplicate as of July 16, 2014,

B E T W E E N:

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

(the "Landlord")

OF THE FIRST PART

- and -

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS
REPRESENTED BY THE MINISTER OF
INFRASTRUCTURE**

(the "Tenant")

OF THE SECOND PART

WHEREAS:

- A. By a lease dated July 16, 1999 (the "Original Lease"), the Landlord leased to Her Majesty the Queen, in right of Ontario, as represented by the Chair of the Management Board of Cabinet (the "Chair") the premises more particularly described as a portion of the third (3rd) floor and a portion of the fourth (4th) floor, comprising a rentable area of approximately six thousand, one hundred and eight square feet (the "Rentable Area of the Premises"), in the building municipally known as 540 Albert Street East, in the City of Sault Ste. Marie, in the Province of Ontario, as outlined on the plan attached to the Original Lease as Schedule "B" thereto (the "Premises") for a term of five (5) years, commencing on July 16, 1999 and expiring on July 15, 2004 (the "Original Term"), in addition to other terms and conditions as set out therein.
- B. Pursuant to the terms of the Original Lease, the Chair was entitled to extend the Original Term for one (1) additional term of five (5) years.
- C. The Chair exercised its right to extend the Original Term by a lease extension agreement dated July 16, 2004 (the "First Lease Extension Agreement") with an extension term commencing on July 16, 2004 and expiring on July 15, 2009 (the "First Extension Term"), in addition to other terms and conditions as set out therein.
- D. Pursuant to the terms of the First Lease Extension Agreement, the Chair was entitled to extend the First Extension Term for one (1) additional term of five (5) years.
- E. By Order-in-Council No. 1487/2005, approved and ordered September 21, 2005, all of the powers and duties of the Chair relating to real property matters of the Government of Ontario pursuant to the *Ministry of Government Services Act*, R.S.O. 1990, c.M.25, as amended, were transferred and assigned to the Minister of Public Infrastructure Renewal (the "MPIR").
- F. By Order-in-Council No. 1617/2008, approved and ordered September 17, 2008, all the powers and duties of the MPIR relating to real property matters of the Government of Ontario pursuant to the *Ministry of Government Services Act*, R.S.O. 1990, c.M.25, as amended, were transferred and assigned to the Minister of Energy and Infrastructure ("MEI").
- G. MEI exercised its right to extend the First Extension Term by a lease extension and amending agreement dated July 16, 2009 (the "Second Lease Extension and Amending Agreement") with an extension term commencing on July 16, 2009 and expiring on July

15, 2014 (the "Second Extension Term"), in addition to other terms and conditions as set out therein.

- H. Pursuant to the terms of the Second Lease Extension and Amending Agreement, MEI was entitled to extend the Second Extension Term for one (1) additional term of five (5) years.
- I. By Order-in-Council No. 1320/2010, approved and ordered September 15, 2010, all the powers and duties of MEI relating to real property matters of the Government of Ontario pursuant to the Ministry of Government Services Act, R.S.O. 1990, c.M.25, as amended, were transferred and assigned to the Minister of Infrastructure (the "Minister").
- J. Ontario Infrastructure and Lands Corporation ("OILC") has been delegated the Minister's authorities and responsibilities with respect to real property in the name of the Minister subject to certain conditions by Delegation of Authority of Ontario Infrastructure and Lands Corporation under the Ministry of Infrastructure Act, 2011 dated June 6, 2011.
- K. The Tenant has now exercised its second right to extend the Second Extension Term in accordance with the terms of the Original Lease, as amended and extended, with a third extension term commencing on July 16, 2014 and expiring on July 15, 2019 (the "Third Extension Term"), in addition to other terms and conditions contained herein.
- L. The Original Lease, as amended and extended, provides that any extensions shall be upon the same terms and conditions of the Original Lease, as amended and extended, except for the amount of the Annual Rent, which shall be determined by mutual agreement.
- M. The Landlord and the Tenant have agreed on the amount of the Annual Rent for the Second Extension Term.
- N. The Original Lease, the First Lease Extension Agreement, the Second Lease Extension and Amending Agreement and this third lease extension and amending agreement (the "Third Lease Extension and Amending Agreement") are hereinafter collectively referred to as the "Lease", except as specifically set out herein.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual promises hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties hereto agree as follows:

1. CONFIRMATION OF RECITALS

The parties hereto confirm that the foregoing recitals are true in substance and in fact.

2. EXTENSION OF LEASE

The parties hereto agree that:

- (a) The Lease is hereby extended for the Third Extension Term.
- (b) The Third Extension Term shall commence on July 16, 2014 and expire on July 15, 2019.

3. RENT FOR THE THIRD EXTENSION TERM

- (a) The Annual Rent payable for the period from July 16, 2014 up to and including July 15, 2015 shall be One Hundred and Nine Thousand, Nine Hundred and Forty-Four Dollars (\$109,944.00) per annum (based on a rate of Eighteen Dollars (\$18.00) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of Nine Thousand, One Hundred and Sixty-Two Dollars (\$9,162.00) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on July 16, 2014.
- (b) The Annual Rent payable for the period from July 16, 2015 up to and including July 15, 2016 shall be One Hundred and Twelve Thousand, One Hundred and Forty-Two Dollars and Eighty-Eight Cents (\$112,142.88) per annum (based on a

rate of Eighteen Dollars and Thirty-Six Cents (\$18.36) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of Nine Thousand, Three Hundred and Forty-Five Dollars and Twenty-Four Cents (\$9,345.24) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on July 16, 2015.

- (c) The Annual Rent payable for the period from July 16, 2016 up to and including July 15, 2017 shall be One Hundred and Fourteen Thousand, Four Hundred and Two Dollars and Eighty-Four Cents (\$114,402.84) per annum (based on a rate of Eighteen Dollars and Seventy-Three Cents (\$18.73) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of Nine Thousand, Five Hundred and Thirty-Three Dollars and Fifty-Seven Cents (\$9,533.57) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on July 16, 2016.
- (d) The Annual Rent payable for the period from July 16, 2017 up to and including July 15, 2018 shall be One Hundred and Sixteen Thousand, Six Hundred and Sixty-Two Dollars and Eighty Cents (\$116,662.80) per annum (based on a rate of Nineteen Dollars and Ten Cents (\$19.10) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of Nine Thousand, Seven Hundred and Twenty-One Dollars and Ninety Cents (\$9,721.90) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on July 16, 2017.
- (e) The Annual Rent payable for the period from July 16, 2018 up to and including July 15, 2019 shall be One Hundred and Eighteen Thousand, Nine Hundred and Eighty-Three Dollars and Eighty-Four Cents (\$118,983.84) per annum (based on a rate of Nineteen Dollars and Forty-Eight Cents (\$19.48) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of Nine Thousand, Nine Hundred and Fifteen Dollars and Thirty-Two Cents (\$9,915.32) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on July 16, 2018.

4. AMENDMENT OF LEASE

The extension contemplated in Section 2 of this Third Lease Extension and Amending Agreement is subject to all the covenants and conditions contained in the Original Lease, as amended, renewed and extended from time to time, save and except that:

- (a) The Tenant shall pay to the Landlord all applicable Sales Taxes assessed on the Rent payable by the Tenant to the Landlord under this Lease. The Sales Taxes shall not be deemed to be Additional Rent under this Lease, but may be recovered by the Landlord as though they were Additional Rent.

In the Definitions section of the Original Lease, the definitions of "Landlord's Taxes" and "Sales Taxes" shall be deleted in their entirety and replaced with the following:

"Landlord's Taxes" means all taxes, rates, duties, levies and assessments whatsoever whether municipal, provincial, federal or harmonized, charged upon the Building and the Lands, or upon the Landlord on account thereof, including all taxes, rates, duties, levies, impost charges and assessments for local improvements, education and schools and all taxes, grants or assessments which may in future be levied in lieu of "Landlord's Taxes" as hereinbefore defined, and including any local improvement charges or levies directly or indirectly related to the development of the Building. Landlord's Taxes include, without limitation, Realty Taxes, business taxes of the Landlord, corporation taxes, capital taxes, excise taxes, Sales Taxes, income taxes, Commercial Concentration Tax, or any other taxes or assessments levied against the Landlord, the Building, the Lands, or the Rent.

"Sales Taxes" means all business transfer, multi-usage sales, sales, goods and services, harmonized sales, use, consumption, value-added or other similar taxes imposed by the Government of Canada and/or Ontario upon the Landlord, or the Tenant, or in respect of this Lease, or the payments made by the Tenant hereunder or the goods and services

provided by the Landlord hereunder including, without limitation, the rental of the Premises and the provision of administrative services to the Tenant hereunder.”

- (b) The Landlord and the Tenant agree that the Tenant shall be granted one (1) further option to extend the term of the Lease for five (5) years each (each a "Further Extension Term"). Each Further Extension Term shall be upon the same terms and conditions of the Original Lease, as extended, renewed or amended, as the case may be, except that there shall be no further right of extension beyond the last Further Extension Term and except for the Annual Rent, which shall for each Further Extension Term be based upon: (1) the Rentable Area of the Premises, and (2) the Market Rental as of the date which is six (6) months prior to the commencement of the respective Further Extension Term. The Annual Rent for each Further Extension Term shall be determined by mutual agreement as of the date which is six (6) months prior to the expiry of the Third Extension Term, or failing such agreement, by arbitration in accordance with Section 6.14 of the Lease.

The Tenant shall give written notice to the Landlord of its extension of the Lease at least six (6) months prior to the end of the Third Extension Term.

- (c) The Original Lease is amended as follows:

- (i) Subsection (g) of the Summary is deleted in its entirety and replaced with the following address for the Tenant for the purposes of delivering notices in accordance with Section 6.17 of the Original Lease:

Ontario Infrastructure and Lands Corporation
3767 Highway 69 South, Suite 9
Sudbury, Ontario P3G 0A7
Attention: Vice President, Asset Management
Fax: (705) 564-7570

With a copy to:

Ontario Infrastructure and Lands Corporation
777 Bay Street, Suite 900
Toronto, Ontario M5G 2C8
Attention: Director, Legal Services (Real Estate and Leasing)
Fax: 416-326-2854

And an additional copy to:

CBRE Limited
Global Corporate Services
18 King Street East, Suite 1100
Toronto, Ontario M5C 1C4
Attention: Director, Lease Administration – Ontario Infrastructure and Lands Corporation
Fax: (416) 775-3989

- (ii) In the first full paragraph of Section 5.16, Warranty, the definition of "Environmental Contaminant" is amended to include "mould".
- (iii) Section 6.17, Notices, shall be deleted in its entirety and replaced with the following:

**"Section 6.17
Notices**

Any notice required or contemplated by any provision of this Lease shall be given in writing addressed in the case of notice to the Landlord to the address set out in Paragraph (f) of the Summary and in the case of notice to the Tenant to the address set out in Paragraph (g) of the Summary, and delivered personally or by facsimile or mailed by either registered or signature mail and postage prepaid enclosed in a sealed envelope. The time of giving of notice by either registered or signature mail shall be conclusively deemed to be the fifth Business Day after the

day of such mailing. Such notice, if personally delivered or if delivered by facsimile, shall be conclusively deemed to have been given and received at the time of such delivery. The parties hereto acknowledge and agree that notwithstanding anything to the contrary in the *Electronic Commerce Act, 2000*, S.O. 2000, c.17, as amended from time to time, any notice, statement, demand, request or other instrument which may be or is required to be given under this Lease or at law may not be validly delivered by way of electronic communication, save as specifically provided in this Section 6.17.

Either party may at any time during the Term by giving notice to the other party (in the manner provided above) change the address of the party giving such notice, and thereafter the address as set out in Paragraph (f) or (g) of the Summary, as the case may be, shall be deemed to be the address so changed."

5. GENERAL

- (a) The Landlord and the Tenant hereby mutually covenant and agree that during the Third Extension Term they shall perform and observe all of the covenants, provisos and obligations on their respective parts to be performed pursuant to the terms of the Original Lease, as amended and extended hereby.
- (b) The Tenant shall have the continuing right throughout the Third Extension Term and any extensions thereto, to terminate the Lease by providing the Landlord with not less than sixty (60) days written notice of such termination.
- (c) The Landlord and any of its successors, administrators, permitted assigns, directors, officers, employees, agents, servants, and representatives shall not engage in any activity where such activity creates a conflict of interest, actual or potential, in the sole opinion of the Tenant, with the Lease or the exercise of any of the rights or obligations of the Landlord hereunder. The Landlord shall disclose to the Tenant in writing and without delay any actual or potential situation that may be reasonably interpreted as either a conflict of interest or a potential conflict of interest.

For clarification, a "conflict of interest" means, in relation to the performance of its contractual obligations pursuant to the Lease, the Landlord's other commitments, relationships or financial interests (a) could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgement, or (b) could or could be seen to compromise, impair or be incompatible with the effective performance of its contractual obligations pursuant to the Lease.

- (d) The Lease shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns, subject to the express restrictions contained therein.
- (e) Capitalized expressions used herein, unless separately defined herein, have the same meaning as defined in the Original Lease, the First Lease Extension Agreement and the Second Lease Extension and Amending Agreement.
- (f) The provisions of this Third Lease Extension and Amending Agreement shall be interpreted and governed by the laws of the Province of Ontario.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

- (g) The Landlord acknowledges and agrees that the commercial and financial information in this Third Lease Extension and Amending Agreement is subject to the Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.F.31, as amended.

EXECUTED by each of the parties hereto under seal on the date written below.

**SIGNED, SEALED AND
DELIVERED**

Dated this 26th day of MAY, 2014.

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

Per: 
Name:

Title:

Authorized Signing Officer

**APPROVED BY
CITY OF SAULT STE. MARIE**

BY-LAW# 2014-123

Per: 
Name:

Title:

Authorized Signing Officer

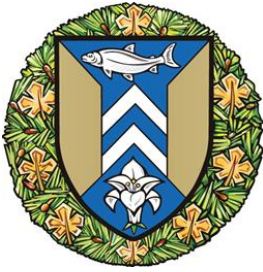
Dated this 21st day of July, 2014.

**HER MAJESTY THE QUEEN IN
RIGHT OF ONTARIO AS
REPRESENTED BY THE MINISTER
OF INFRASTRUCTURE, AS
REPRESENTED BY ONTARIO
INFRASTRUCTURE AND LANDS
CORPORATION**

Per: 
Name:

Title: **John Cimino**
Vice President, Leasing & Valuation Services

Authorized Signing Officer



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

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

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

DEPARTMENT: Legal Department

RE: Second Amending Agreement – The Federal Bridge Corporation Limited

PURPOSE

The purpose of this report is to request Council's approval to amend the Licence Agreement dated December 11, 2017, between the City and The Federal Bridge Corporation Limited ("FBCL") to permit the occupation and use of the City lands designated to be transferred to the FBCL until such time as the land transfers are complete.

BACKGROUND

On December 11, 2017 City Council passed By-law 2017-252 which authorized the execution of a Licence Agreement between the City and the FBCL for use of the City lands designated to be transferred to the FBCL until such time as the land transfers are complete. This Agreement expired on December 31, 2018. On December 10, 2018 City Council passed By-law 2018-223 which authorized the execution of an Amending Agreement which extended the expiry date of this Agreement to May 31, 2019.

ANALYSIS

The lawyer for FBCL has recently advised that he continues to work with the relevant utility companies to finalize and register the various easements. FBCL has requested an extension to the expiry date in the Agreement to December 31, 2019. This would allow the easements to be registered which is necessary prior to the completion of the transfers of the properties.

FINANCIAL IMPLICATIONS

Not applicable.

STRATEGIC PLAN / POLICY IMPACT

This is an operation matter not articulated in the corporate Strategic Plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

By-law 2019- 105 authorizing the execution of a Second Amending Agreement between the City and The Federal Bridge Corporation Limited appears elsewhere on the Agenda and is recommended for approval.

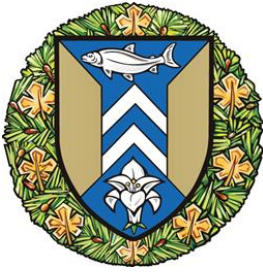
Respectfully Submitted,



Melanie Borowicz-Sibenik

MBS/da

LEGAL\STAFF\COUNCIL\REPORTS\2019\SECOND AMENDING AGREEMENT - FEDERAL BRIDGE CORPORATION LIMITED.DOCX



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

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Jeffrey King, Solicitor/Prosecutor

DEPARTMENT: Legal Department

RE: Passport Agreement

PURPOSE

The purpose of this report is to inform Council of material changes to the above referenced agreement that are to the City's benefit and to recommend execution of the agreement.

ATTACHMENT

Attached hereto as Schedule "A" is a copy of the previously agreed to Agreement highlighting changes from the original Agreement provided by Passport Inc. (hereinafter: "Agreement").

BACKGROUND

In January of 2019, Council approved Passport as the provider for a Mobile Parking Payment Solution and agreed to enter into an agreement to Passport's proposal. A review of the agreement revealed concerns regarding legislation the City must adhere to, as well as potential exposure to the City should a data breach occur. For said reasons, execution of the Agreement was postponed to allow for negotiations between the Legal Department and Passport Inc.

Legal negotiated over several months in good faith, with Passport to balance the City's exposure.

ANALYSIS

Technology, software, programming, and cloud-based agreements pose a particular challenge due to the ever-growing risk of cyber attacks, ransom ware, and the resulting privacy breaches. Legal turned its attention to reducing the potential costs to the City should the Mobile Parking Payment Solution be targeted.

Legal focused on the inclusion of appropriate indemnity and insurance language absent in the original agreement tendered to the City by Passport Inc.

Passport Agreement

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The indemnity provision is mutual and benefits both parties by putting the responsibility on Passport Inc. for any cause of action resulting by them under the Agreement, and the same to the City.

The insurance requirements set out the specific requirement for cyber coverage in the amount of \$5,000,000.00, that the City be deemed as an additional insured, and that the City receive notice of any changes in Passport Inc. Policy coverage within 30 days. This ensures insurance coverage is in place to assist with any costs resulting from a breach.

Other changes include:

- Aligning the duration of the Agreement with that approved by Council under the RFP;
- Stipulating compliance with the applicable privacy legislation;
- Developing a clause that specifically addresses what constitutes a breach;
- Ensuring the City's IT Manager receives notice of any breach in order to quickly take action. Further ensuring that the City will be able to properly notify its provider as required; and,
- Balancing the limited liability clause to ensure that an insurable loss receives the full extent of the funds available.

FINANCIAL IMPLICATIONS

Not applicable. All negotiations completed by staff.

STRATEGIC PLAN / POLICY IMPACT

Not applicable.

RECOMMENDATION

It is therefore recommended that Council take the following action:

By-law 2019-107 authorizing the execution of the Agreement appears elsewhere on the agenda and is recommended for approval.

Respectfully submitted,



Jeffrey King
Solicitor/Prosecutor

JK/tj

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SOFTWARE LICENSE AND SERVICE AGREEMENT

This Software License and Service Agreement (the "Agreement") is entered into as of the Effective Date set forth below by and between Passport Labs, Inc. ("Passport") and the party named below ("Provider"). This Agreement includes and incorporates the terms and conditions found in this document, the Terms and Conditions found in Exhibit A, and the terms and conditions found in all other Exhibits hereto, which represent the full and complete understanding and agreement of Passport and Provider with respect to the subject matter hereof. In exchange for the mutual covenants herein and other good and valuable consideration, the Parties agree and intend to be bound as follows:

I. GENERAL TERMS

Provider Legal Name: The Corporation of the City of Sault Ste. Marie		Contact: Frank Coccimiglio
Email: frank.coccimiglio@cityssm.on.ca		Phone: 705-759-5303
Provider Contact Address 99 Foster Drive Sault Ste. Marie, ON P6A 5X6		Provider Billing Contact Address 99 Foster Drive Sault Ste. Marie, ON P6A 5X6
Effective Date:		
Services: Passport will provide services (the "Services") and license all software, including all web and mobile applications and related documentation, (the "Software") necessary for Provider to operate a mobile payment for parking program ("MPP") which allows all parking customers in any parking facilities owned or managed by Provider (the "Premises") the ability to pay for parking using a smartphone application or mobile web application. Passport, at no additional cost to the client, will provide six (6) Samsung S7 (or equivalent) devices for the purpose of monitoring mobile pay sessions. Passport, at no additional cost to the client, will provide six (6) Zebra ZQ320 (or equivalent) to Provider if and when Provider elects to implement Passport's citation management platform ("CMP"), with such CMP terms and conditions as mutually agreed upon by the parties.		
Governing Law	Ontario, Canada	
Term: This Agreement shall commence on the Effective Date and continue for one (1) year. Thereafter, the Provider may elect to renew, with such election accomplished by written notice from Provider to Passport (e-mail notice is sufficient), the Agreement for up to four (4) additional one (1) year terms.		

(continued on next page)

II. MOBILE PAYMENT FOR PARKING TERMS

Equipment Provided by Passport:	Initial Signs One (1) sign per block face for on-street parking; one (1) sign per fifty (50) off-street spaces	Initial Decals One (1) decal per hardware unit)
Installation: Provider will be solely responsible for installing all signs and decals in the Premises. This obligation includes the responsibility to provide all hardware necessary to affix and display signs and decals, including without limitation, all hooks, poles, posts, brackets, screws, bolts, and nuts		
Ancillary Fees: a) Zone setup fees of three dollars (\$3.00) per space - WAIVED b) Initial Signs and Stickers – WAIVED (unit prices of twenty dollars (\$20.00) per sign and three dollars (\$3.00) per decal will apply to additional or replacement orders) c) Provider will pay a ten dollar (\$10.00) administrative fee in addition to sign and shipping costs per sign for any additional or replacement signs purchased through Passport d) Provider will pay a one dollar (\$1.00) administrative fee in addition to decal and shipping costs per decal for any additional or replacement decals purchased through Passport e) Passport will provide a design file to allow Provider to print replacement signs and decals f) Provider will reimburse Passport for any and all reasonable travel, lodging, and food expenses incurred by Passport employees while traveling at Provider's request.		

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III. FEES

Per Transaction MPP Service and License Fee*		\$0.15
Maximum Convenience Fee Passed through to Parking Customers		\$0.15
Merchant Processing Costs: Provider will be responsible for paying all merchant processing costs, including, without limitation, settlement fees, payment gateway fees, chargeback fees, and interchange reimbursement fees.		
Merchant of Record for Transactions:	Passport	X Provider
Passport Merchant Processing Rate Per Transaction:		N/A
Payment Gateway Provider:	Passport	X Other
Passport Gateway Fee Per Transaction:	N/A	

*An MPP “transaction” is a single session lasting less than twenty-four (24) hours in duration.

Passport Labs, Inc:

Provider: The Corporation of the

City of Sault Ste. Marie

By: _____

By: _____

Name: Khristian Gutierrez

Name: Christian Provenzano

Title: Chief Revenue Officer

Title: Mayor

By: _____

Name: Malcolm White

Title: City Clerk

I have authority to bind the Corporation

We have authority to bind the Corporation

Exhibit A
Terms and Conditions

1. Services

Passport shall perform the services in a competent, professional, and workmanlike manner consistent with industry practices. Passport will maintain all permits, certificates and licenses required by applicable governing law and Passport's employees performing the services will be fully qualified, licensed as required, and skilled to perform the services. Passport warrants that it has the power to enter into and perform this Agreement and that it will at all times during the term of this Agreement be, duly organized, validly existing and in good standing under the laws of the state of Delaware.

2. Compliance with Laws and Codes

In providing the services under this Agreement, Passport will comply at its sole cost and expense with all applicable governing federal, provincial, county, and municipal laws, statutes, rules, regulations and ordinances. If requested by Provider while performing services at Provider's place of business, Passport will comply with Provider's dress and conduct codes and security protocols.

3. PCI Certification

For the duration of the term of this Agreement, Passport will maintain Payment Card Industry – Data Security Standard certification.

4. Product Updates

Any system-wide improvements or modifications made by Passport to the Software will, when available, be provided to Provider at no charge to Provider and will automatically be subject to the terms of this Agreement.

Provider may request new features or functionality to be built into the system, and, to the extent that Passport plans to incorporate such requested new features or functionality into the Software, Passport will develop such features and functionality at no cost to the Provider pursuant to Passport's development timeline. If the Provider desires to expedite such development, Passport may, in its sole discretion, charge Provider an expedite fee of two hundred dollars (\$200.00) per development hour necessary to develop the requested features or functionality, provided, however, that Passport shall first notify Provider and receive written approval from Provider to proceed. If the Provider's requested features or functionality are created for the Provider's use and Passport does not plan to incorporate such requested features into the Software, Passport may, in its sole discretion, charge Provider a custom development fee of two hundred and fifty dollars (\$250.00) per hour for the development of such features or functionality, provided, however, that Passport shall first notify Provider, including a cost estimate, and receive written approval from Provider to proceed and the parties shall mutually agree upon the payment schedule.

In addition to or in lieu of the fees set forth in this section, the parties may establish a monthly software license or maintenance fee that will be mutually agreed between the parties in a separate written addendum to this Agreement.

5. Changes

Any changes to the scope of services provided under this Agreement shall be set forth in a written change

order or amendment signed by both parties setting forth the scope of the change(s) and any applicable fees.

6. Additional Passport Services

Passport provides all of the following software platforms as part of its overall technology portfolio: mobile payments for parking, citation management, digital permits, and mobile payments for transit. Provider may request the addition of any of these platforms to the extent not provided by Passport to Provider as of the Effective Date, and any additional platforms developed by Passport from and after the Effective Date, which shall be memorialized in an addendum to this Agreement including the fees applicable to such platform(s) and any additional applicable service or legal terms.

7. Scheduled Maintenance

If Passport plans to perform any scheduled maintenance during business hours, Passport will provide notice to Provider at least twenty-four (24) hours in advance of the commencement of such scheduled maintenance. For the purpose of this section, "business hours" means Monday through Friday between 9 am 5 pm EDT. In the event that Passport determines that unscheduled maintenance is necessary, Passport will give Provider as much advance notice as is reasonably practicable, unless such unscheduled maintenance is necessitated by emergency circumstances for which it would be unfeasible or impossible to notify Provider in advance.

8. System Uptime; Billing Credits

Passport will provide the Software with uptime of at least ninety-nine percent (99.0%) calculated over a rolling six-month period ("Uptime Guarantee"). For any month during which system uptime drops below the Uptime Guarantee, Passport will provide a billing credit in an amount equal to the percentage difference between a) the lowest uptime reached at any point during the month (calculated on a rolling six month period) and b) the Uptime Guarantee, multiplied by the total fees payable to Passport for such month. For example, if during a given month the software uptime falls to ninety-five percent (95.0%) and if during that month the fees payable to Passport were one hundred dollars (\$100.00), Passport will issue a billing credit of four dollars (\$4.00). For the purposes of this agreement, uptime is defined as any period of time during which end users of the Software can use the Software.

9. Service Levels

Subject to the uptime guarantee set forth in Section 8, Passport's sole and exclusive obligation in the event of an error or interruption of the Software is to use its best efforts to restore or repair the Software as quickly as practicable.

10. Technical Support

A. Passport will provide telephone and email support to Provider's staff from Monday to Friday between the hours of 8:00 a.m to 7:00 p.m. EST to address technical and operating setting issues. Passport will provide "after-hours emergency telephone support" available 24/7.

- Monday-Friday 8AM - 7PM EST
 - (US) 980-939-0990
 - Help@passportinc.com
- After-Hours Emergency Support
 - 866.815.3043

B. Provider will provide initial support, including inquiries via telephone and email, for end-users ("parkers"). If the Provider is unable to address the parkers' technical questions, Provider may escalate end-users to Passport's End-User Support Team for technical issues from Monday to Saturday between the hours of 8:00 a.m. to 9:00 p.m. EST at (US) 704-817-2500 or Support@passportinc.com. Provider may not display Passport's phone number (or other direct contact information for Passport) on any marketing or signage visible by parkers.

11. Data Rights

This Section shall govern the rights of Passport and Provider, as the case may be, with respect to the data that is subject to this Agreement. Passport will, by provisions in its Privacy Policy or otherwise, procure from such end users all such lawful consents and rights necessary to grant to Provider the rights in such data as stated in this Section. Passport's Privacy Policy, as it may be amended from time to time in Passport's sole discretion, can be viewed at <https://passportinc.com/privacy-policy/>.

A. Operational data is data specific to the Provider's operation that is provided by Provider to Passport to be used in the providing of services. Operational data is specific to the Provider's operation, which is not available to Passport publicly or by other means. Operational data may include, but is not limited to, zone information, rate information, operational schedules, business metrics, relevant details of partner agreements. In each case, Operational data may refer to past, present, or future states of such items.

Operational data is the sole and exclusive property of the Provider. The Provider grants Passport a perpetual, irrevocable, royalty-free, non-exclusive, non-assignable, and non-transferrable license to Operational data collected during this Agreement being in force and effect. Passport may, with written notice to Provider, assign or transfer such license to a successor in connection with the transfer or sale of all or substantially all of its assets or business related to this Agreement, or in the event of its merger, consolidation, change in control or similar transaction.

B. Payment Card Industry-Data Security Standard Information ("PCI-DSS Information") consists of the following items, each as defined by the then-current Payment Card Industry Data Security Standards ("PCI-DSS"): Account Data; Cardholder Data; Primary Account Number; and Sensitive Authentication Data.

Passport acquires a license or sublicense to the PCI-DSS Information from end users who share such data with Passport in connection with their use of the Software. Passport must secure such data in accordance with PCI-DSS. As such, Passport may not grant Provider derivative rights to such PCI-DSS Information and Passport shall not be required to disclose such PCI-DSS Information to Provider.

Personal identifiable information ("PII") is any representation of information that permits the identity of an individual to whom the information applies to be reasonably determined or inferred by either direct or indirect means. Name, address, social security number or other identifying number or code, telephone number, or email address directly identify individuals. Certain data elements—including gender, race, birth date, geographic indicator (such as zip code or postal code), and other descriptors—can be used in conjunction or with other data elements to indirectly identify individuals. Information permitting the physical or online contacting of a specific individual (e.g., IP address) is also personally identifiable information. End users of Passport's Software own PII and license it to Passport pursuant to Passport's Privacy Policy, as it may be amended from time to time in Passport's sole discretion. Passport may sublicense PII to the Provider under certain conditions (including but not limited to the Provider's compliance with information security controls and applicable regulations, including but not limited to the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M.56 (MFIPPA) that shall be memorialized separately if and when applicable.

C. Activity data is any data generated in the providing of services under this agreement by Passport to Provider and by end users' interactions with the services or with Passport directly that is not otherwise PCI-DSS information or PII as defined above. Activity data may include, but is not limited to, user interaction data, geolocation data, opt-in/opt-out status (including compliance logs), purchase and session data, application diagnostic data, service performance data, and support data. Data that is derived from Activity data is also Activity data.

Activity data is the sole and exclusive property of Passport. Passport grants the Provider an irrevocable, royalty-free, non-exclusive, non-assignable, and non-transferrable license to Activity data for the duration of the term of this Agreement and only to the extent and in the format that Passport chooses in its sole discretion to expose such data through its administrative portal or as otherwise agreed upon with the Provider and only for the Provider's internal use in connection with the services provided under this agreement.

12. Privacy Policy; Terms of Use

End users' use of the Services shall at all times be governed by (a) Passport's Privacy Policy, as it may be amended from time to time in Passport's sole discretion, which can be viewed at <https://passportinc.com/privacy-policy/>, and (b) Passport's Terms and Conditions, as they may be amended from time to time in Passport's sole discretion, which can be viewed at <https://passportinc.com/terms-and-conditions/>.

13. Intellectual Property

A. Passport grants Provider a revocable, non-exclusive, non-assignable, non-transferrable, and non-subleaseable right and license to use and access the Software only for its internal business purposes for the duration of the Term. All intellectual property rights including, without limitation, trade names, source code, trademarks, copyrights, patents, and trade secrets, not explicitly granted to Provider in this agreement are reserved to Passport.

B. Provider will not, directly, indirectly, alone, or with another party, (i) copy, disassemble, reverse engineer, or decompile the software or any subpart thereof; (ii) modify, create derivative works based upon, or translate the software or source code; (iii) transfer or otherwise grant any rights in the software or source code in any form to any other party; (iv) attempt to do any of the foregoing or cause or permit any third party to do or attempt to do any of the foregoing, except as expressly permitted hereunder.

14. Publicity; Use of Names and Marks

Subject to the provisions of Section 19 (Confidentiality) below, the parties will have the right to publicly disclose that Passport is Provider's provider of the Software as set forth herein by means of, by way of illustration and not limitation, news releases, public announcements, or other forms of publicity. Passport may use the name or marks of Provider, or reference the fact that Provider is a client of Passport, for business development purposes, as part of a portfolio or work, or in an illustrative list of clients.

15. Payment Gateway

Provider must supply a payment gateway for the payment of all fees by end users. Passport can provide payment gateway services and Exhibit B contains a list of other payment gateways supported by Passport. For any unsupported payment gateway selected by Provider, Passport will charge a two hundred and fifty dollar (\$250.00) per development hour necessary to perform necessary integrations. Provider will bear all costs associated with payment gateway services, including all per transaction costs. Provider may elect to

use Passport's payment gateway at any time (which shall be reflected in a written amendment to this Agreement) at the rate of \$0.05 per transaction.

16. Payment Terms

Provider is the MOR, Passport will send monthly invoices to Provider for all fees payable to Passport that accrued during the preceding month. If Provider fails to remit payment according to such invoices within thirty (30) days after the date on the invoice, Passport will have the right to suspend Provider's access to the software and/or assess interest at the rate of 18% per annum on the delinquent balance, or the maximum rate permitted by provincial law, if lower, until such delinquent balance is paid.

17. Refunds

Passport agrees to forgo or return, as applicable, its per transaction fees for any refund granted by Provider. Provider will be responsible for reimbursing Passport for all merchant processing fees, including without limitation payment gateway fees, settlement fees, and interchange reimbursement fees, if any, incurred by Passport for all transactions, including refunded transactions.

18. Capacity

Provider represents and warrants that it has obtained or will obtain all applicable governmental approvals, authorizations, or licenses necessary to enter into this Agreement. **Passport and the** Provider represent and warrant its signatory is duly authorized to bind **Passport and the** Provider to the terms herein.

19. Confidentiality

A. Provider and Passport agree to treat this Agreement and all information furnished, or to be furnished, by or on behalf of the other party and information analyses, summaries and other work product derived from such information (collectively, the "Confidential Information") in accordance with the provisions of this section and to take, or abstain from taking, all actions set forth herein. Each party, as a receiving party, will do the following things with regard to the Confidential Information of the other party:

- i. Prevent the disclosure of the Confidential Information by the receiving party and each of the receiving party's employees, agents, and/or professionals to any third party other than as permitted under this Agreement;
- ii. Use, and permit the use of, the Confidential Information only for the purposes of providing, or enjoying the benefit of, the goods, services, and/or software provided for in this Agreement (the "Purpose");
- iii. Disclose the Confidential Information only to such of the receiving party's employees, agents, and professionals as have a bona fide need to possess or know the Confidential Information in the course of accomplishing, or advising the disclosing party with regard to, the Purpose;
- iv. Cause each employee, agent, or professional to whom the receiving party discloses the Confidential Information to be bound by an obligation of confidentiality that is at least as rigorous as the obligations contained in this Agreement; and
- v. Return or destroy all written or other tangible copies of Confidential Information in the receiving party's possession or direct or indirect control, including all extracts and copies thereof, within a reasonable time after, and in accordance with, the disclosing party's request.

B. Nothing in this Agreement will prevent the receiving party from disclosing or using Confidential Information to the extent that:

- i. It is or becomes readily ascertainable by proper means by the public without any breach of a confidentiality obligation of the receiving party;
- ii. It is received from a third party that is not under an obligation of confidentiality of which the receiving party knew or had reason to know;
- iii. It was independently developed by the receiving party without use of the Confidential Information; or
- iv. It is required by law to be disclosed, provided that the receiving party provides to the disclosing party as much notice as is practicable under the circumstances of such requirement prior to disclosure and provides to the disclosing party, at the disclosing party's expense, such reasonable assistance as the disclosing party requests in seeking confidential treatment, protective orders, nondisclosure, and/or similar measures.

For the avoidance of doubt, none of the requirements of this Section shall prohibit Provider from disclosing Confidential Information to the extent that such information is required to be disclosed pursuant to any open records law, open meetings law, or any other local public disclosure law applicable to Provider, including but not limited to MFIPPA.

20. Wallet Services

Provider may elect to provide parking customers with a virtual wallet (a "wallet program"). With a wallet program, parking customers would be required to prepay funds into a wallet account for the payment of future parking fees and/or transit ticket fares. Provider and Passport shall agree in advance on the minimum amount required to fund the wallet.

21. Marketing and Design Services

At Provider's request, Passport may provide marketing and design services to Provider as value-added services to Provider in connection with the services provided under this Agreement. Provider should contact its Passport sales associate for additional details pertaining to these services. Any services selected and any applicable fees and terms will be memorialized in a written addendum to this Agreement and shall be incorporated herein by reference.

22. Cooperative Purchasing

Provider will allow any public agency located in the United States to purchase, and Passport to offer to such public agency or agencies, the Software at the same price and under the same conditions agreed upon in this Agreement without any competitive bidding on the part of such public agency or agencies, to the extent permitted by law. Each such public agency will execute its own contract directly with Passport and Provider shall not incur any responsibility—financial or otherwise—in connection therewith.

23. Force Majeure

Neither Passport nor Provider will be held liable for any delay or omission in performance of their duties under this Agreement resulting from causes beyond their reasonable control, including, for the sake of illustration and not limitation, delays or omissions attributable to third-party vendors, suppliers, or integration partners, labor strikes, acts of god, acts of the public enemy, fires, natural disasters, wars, or riots.

24. Disclaimer of Warranties

The Software is provided to Provider by Passport “as is” and with all faults. Provider acknowledges and agrees that Passport bears no liability for any error, omission, defect, deficiency, or nonconformity within the Software except as expressly provided in this Agreement. Other than as specifically set forth herein, Passport does not make any representations, warranties, or guarantees, express or implied, directly or indirectly, including, without limitation, any warranty of condition, merchantability, or fitness for a particular purpose or use, with respect to, arising out of, or in connection with the Software and related services to be performed pursuant to this Agreement.

25. Indemnity

a. Indemnification by Provider

Provider agrees that it shall at all times promptly indemnify and hold Passport safe and harmless from and against any and all actions, manner of actions, causes of actions, liabilities, claims, demands, suits, damages, losses, injuries, expenses (including, without limitation, legal fees on a solicitor and own client basis) or otherwise which may be brought against or suffered by Passport for, arising from or in any way connected with a breach by Provider of this Agreement.

b. Indemnification by Passport

Passport shall at all times promptly indemnify and hold Provider safe and harmless from and against any and all other actions, manner of actions, causes of actions, liabilities, claims, demands, suits, damages, losses, injuries, expenses (including, without limitation, legal fees on a solicitor and own client basis) or otherwise which may be brought against or suffered by Provider for, arising from or directly connected with a breach by Passport of this Agreement.

c. Indemnification of Third Party Claims - Provider

Provider agrees that it shall at all times promptly indemnify and hold Passport safe and harmless from and against any and all actions, manner of actions, causes of actions, liabilities, claims, demands, suits, damages, losses, injuries, expenses (including, without limitation, legal fees on a solicitor and own client basis) or otherwise which may be brought against or suffered by Passport for, arising from or in any way connected with Provider’s use of Passport products or breach of this Agreement.

d. Indemnification of Third Party Claims – Passport

Passport agrees that it shall at all times promptly indemnify and hold Provider safe and harmless from and against any and all actions, manner of actions, causes of actions, liabilities, claims, demands, suits, damages, losses, injuries, expenses (including, without limitation, legal fees on a solicitor and own client basis) or otherwise which may be brought against or suffered by Provider for, arising from or directly connected with a breach by Passport of this Agreement.

26. Insurance

Passport agrees:

- a That the property, assets, undertakings, activities and liability of Passport are insured against risks, loss and/or damages under a policy of insurance (the “Policy”) with insurers who are satisfactory to Provider in amounts, for risks and otherwise on terms which are reasonable in

relation to such assets and activities of Passport and as is prudent having regard to the business conducted by Passport.

- b That the General Liability Insurance Policy will, at a minimum, carry per occurrence limits of not less than two million dollars (\$1,000,000.00) per occurrence.
- c That the Cyber Liability Insurance Policy will, at a minimum, carry per occurrence limits of not less than five million dollars (\$5,000,000.00).
- d That Provider is named as an additional insured under the general liability insurance provisions of the Policy with respect to liability arising from or out of the operations of Passport.
- e That the Policy shall apply as primary insurance and contain an undertaking by the insurers to notify Provider in writing not less than thirty (30) days prior to any material change, cancellation or termination and that Passport itself will notify Provider within 48 hours of receipt of notification by insurers of any cancellation or termination of the Policy.
- f That certificates of insurance, together with copies of the coverage sheet, policy and any amending endorsements, in a form acceptable to Provider, will be delivered to Provider and Passport upon execution of this Agreement, and upon every renewal of the Policy for so long as this Agreement remains in effect.
- g That there has been no default or failure by the party or parties insured under the provisions of such Policy which would prevent the recovery by the Party or Parties insured there under of the full amount of any insured loss.

27. Severability

If any provision of the agreement is found to violate applicable law, the violating provision will be ineffective only to the extent that it violates the law, without invalidating the remainder of the section containing the violating provision or any other provisions or sections of this Agreement. Any court or arbitrator adjudicating the matter of the invalidity of a provision shall, to the extent permitted by law, reform any such illegal or unenforceable provision such as to give it the maximum effect.

28. Assignment

This Agreement and all of its provisions will be binding upon and inure to the benefit of the parties and their respective permitted successors and assignees. Neither Passport nor Provider may assign any rights, interests, or obligations hereunder without prior written consent of the other party, provided, however, that Passport may, with such written consent, assign this agreement and its rights and delegate its obligations hereunder in connection with the transfer or sale of all or substantially all of its assets or business related to this agreement, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all assigned obligations of its assignor under this agreement. Any purported assignment in violation of this section shall be void and of no effect.

29. Contractual Silence

To the extent this Agreement fails to address a condition, obligation, benefit, or other term necessary to sufficiently define the relationship between the parties or a disagreement or conflict regarding the interpretation or construction of this Agreement arises, the parties agree to reasonably cooperate to draft a mutually agreeable amendment that clarifies the duties, rights, and obligations of the parties under this Passport SLSA (November 2017)

Confidential

Agreement. This provision does not remove any right the Provider has reserved under section 25 and 30 of this Agreement.

30. Amendments

The parties may not amend or modify this agreement except by a written instrument signed by an authorized signatory of each party.

31. Currency

Unless otherwise specified in the Agreement, all fees and other monetary amounts are in Canadian Dollars.

32. Cooperate

If either Provider or Passport has a claim, dispute, or other matter in question for breach of duty, obligations, services rendered or any warranty that arises under this agreement, the parties agree to cooperate in good faith to achieve a satisfactory resolution of such matter. If after sixty (60) days the dispute remains unresolved, the parties may pursue other remedies available at law or in equity. Notwithstanding the foregoing, either party shall have the right to immediately seek any applicable remedies available at law or in equity for a breach or threatened breach of the confidentiality obligations as set forth in Section 19. Any and all disputes, altercation, litigation, collections, or other matter, arising from this Agreement, and the mutual and independent obligations created shall be issued to a court having jurisdiction over the governing law (being Ontario, Canada).

33. Independent Contractor

Passport is an independent contractor and not an agent or employee of Provider. No agency, partnership, franchise, joint venture, or employment relationship exists between Passport and Provider. Passport's employees and agents will not be employees or agents of Provider. Passport shall be fully and solely responsible for the supervision, control, performance, compensation, benefits (including, without limitation, all forms of insurance) withholdings, health and safety of all of its employees and agents. Provider will not be responsible or liable for any withholding taxes or contributions to state worker's compensation, unemployment or other funds or programs.

33. Limitation of Liability

IN NO EVENT WILL EITHER PASSPORT OR THE PROVIDER OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS, BE LIABLE TO THE OTHER PARTY FOR AN AMOUNT GREATER THAN THE LIMITS OF ANY AVAILABLE INSURANCE COVERAGE TO EITHER PASSPORT OR THE PROVIDER. THE FOREGOING DISCLAIMER SHALL NOT APPLY TO THE EXTEN PROHIBITED BY APPLICABLE LAW.

34. Notices

All notices, consents, and communications required hereunder shall be given in writing and delivered via electronic mail or mail, shall be deemed to be given upon receipt thereof, and shall be sent to the address below:

If to Passport:

Passport Labs, Inc.

Passport SLSA (November 2017)

Confidential

Attn: Khristian Gutierrez
128 S. Tryon St., Suite 2200
Charlotte, NC 28202
Fax: (888) 804-1783
khristian.gutierrez@passportinc.com

With a hard copy to General Counsel and by email to jason.Idilbi@Passportinc.com

If to Provider at the contact information provided on the “General Terms” page.

35. Notice of information breach

Passport acknowledges that the Provider is a municipality in the Province of Ontario agrees to comply with MFFIPA and The Personal Information Protection and Electronic Documents Act (S.C 200, c.5), as amended, as applicable. To the extent no such law applies to a Security Breach, Passport will notify Provider of a security breach, following the discovery or notification of such Security Breach, in the most expedient time possible under the circumstances, without unreasonable delay, and after taking any measures necessary to determine the scope of the Security Breach and restore the reasonable integrity of the system. Passport will send any applicable notifications regarding a Security Breach to the notification email address at the contact information provided on the “General Terms” page. For purpose of this Section, “Security Breach” means an unauthorized disclosure by Passport of PII to any unauthorized person or entity.

36. Waiver

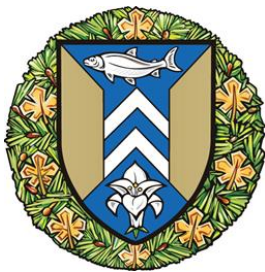
Any failure or delay by Passport to enforce the provisions of this Agreement shall in no way constitute a waiver by Passport of any contractual right hereunder, unless such waiver is in writing and signed by Passport.

37. Entire Agreement

This Agreement contains the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior or contemporaneous communications, representations or agreements between the parties, whether verbal or written, including any printed terms and conditions which may appear on either Party’s purchase orders, releases, invoices or other forms to the extent such terms are different from or inconsistent with this Agreement.

Exhibit B
Supported Payment Gateways

1. Authorize.net
2. Cash Net
3. Chase Paymentech (Orbital) - US / Canada
4. Converge (Elavon)
5. DataCash - United Kingdom
6. Desjardins - Canada
7. FirstData Rapid Connect
8. FIS Pay
9. Heartland
10. Internet Secure
11. Moneris - US / Canada
12. Point and Pay
13. TD Beanstream/Bambora
14. Vantiv
15. WorldPay (Securenet)



The Corporation of the
City of Sault Ste. Marie
COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Travis Reid, Area Co-ordinator, Parks
DEPARTMENT: Public Works and Transportation Department
RE: Appointment of Chief Weed Inspector

PURPOSE

The purpose of this report is to have a Chief Weed Inspector appointed.

BACKGROUND

The *Weed Control Act*, which regulates noxious weeds, provides that every upper tier and single tier municipality shall appoint one or more persons as area weed inspectors to enforce the Act.

The statute prescribes that the weed inspector be specifically named (as opposed to naming the job title of the individual). Dan Ballstadt, Maintenance Supervisor, Forestry and Horticulture is the current weed inspector and will be replaced by Justen Joseph upon Mr. Ballstadt's retirement.

ANALYSIS

Not applicable.

FINANCIAL IMPLICATIONS

There are no financial implications.

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:

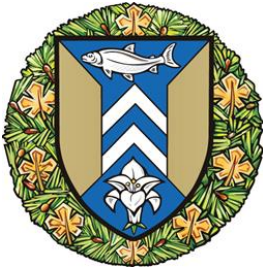
By-law 2019-106 is listed under item 11 of the Agenda.

Appointment of Chief Weed Inspector
2019 05 06
Page 2.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Travis Reid". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Travis Reid
Area Co-ordinator, Parks
t.reid@cityssm.on.ca



The Corporation of the City of Sault Ste. Marie

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Peter Niro, Director of Human Resources
DEPARTMENT: Corporate Services
RE: Construction Employer

PURPOSE

This report provides an update to the status of the Corporation as it relates to the new definition of a “Construction Employer” as per planned amendments to the Ontario Labour Relations Act.

BACKGROUND

For more than thirty (30) years the Corporation of the City of Sault Ste. Marie has been bound to provincial union agreements for the United Brotherhood of Carpenters and Joiners and the Labourers International Union of North America.

The City has initiated two (2) unsuccessful challenges at being deemed a “Non Construction Employer” pursuant to Section 127.2 provisions of the Ontario Labour Relations Act.

Recent changes proposed in Bill 66 would automatically eliminate the City from being designated a “Construction Employer”.

ANALYSIS

The recently passed Restoring Ontario’s Competiveness Act, 2018 contains provisions that automatically deem municipalities (and certain other entities) to be “Non Construction Employers”. These provisions have not yet been proclaimed into law, however a related provision has been proclaimed, which allows a municipality or other entity to ‘opt out’ of the provisions. There is a 90 day window for this provision to be acted on, which will expire on or about July 6th. It is expected that the deeming provisions will be proclaimed once the opt out provision has expired.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

Construction Employer

2019 05 06

Page 2.

STRATEGIC PLAN / POLICY IMPACT

This initiative ties directly to one of our Corporate Core values pertaining to “Fiscal Responsibility”.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Director of Human Resources dated 2019 05 06 be received as information.

Respectfully submitted,

Peter Niro

Director of Human Resources

705.759.5366

p.niro@cityssm.on.ca



1100 Fifth Line East
Sault Ste. Marie, ON P6A 6J8
Tel: (705) 946-8530
Fax: (705) 946-8533
Email: nature@ssmrca.ca
www.ssmrca.ca

Sault Ste. Marie Region Conservation Authority
1100 Fifth Line East
Sault Ste. Marie, ON P6A 6J8

May 3, 2019

Mayor Christian Provenzano
City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, ON P6A 5X6

Re: Provincial Cuts to Conservation Authority Flood Control Funding

Dear Mayor Provenzano,

The health and safety of the residents of Sault Ste. Marie and Prince Township is one of the primary mandates of the Sault Ste. Marie Region Conservation Authority (SSMRCA). The protection from the loss of life and property from flooding through flood forecasting and warning and the operation and maintenance of existing flood control infrastructure is a major operational program for the SSMRCA. This responsibility is found under Section 39 of the Conservation Authorities Act.

The SSMRCA received notice from the Province of Ontario that the funding for the Flood Control program has been decreased for the current fiscal year.

The letter received from the Ministry of Natural Resources and Forestry indicated the following:

"The government conducted a thorough review of all government programs in order to ensure investments are sustainable and modernized. The review is also meant to ensure that duplication is eliminated, and valuable programs and services are sustainable and delivering outcomes for the people of Ontario."

In addition to this review, all ministries were required to identify administrative savings. This was to be done by identifying opportunities to modernize services in order to reduce administrative costs and burden, while improving services across ministries, agencies and transfer-payment partners.

I am writing to let you know that Sault Ste. Marie Region Conservation Authority will receive \$68,113.49 in funding for the 2019-20 fiscal year, for Section 39 Eligible Natural Hazard Management Grant.”

The result of this announcement is a decrease of 48% (a loss of \$63,826.51) to the normal allocation for flood forecasting and warning and flood control and maintenance of \$131,940.

The SSMRCA flood control program for the fiscal year 2018/19 totalled \$445,442 with the province paying 29.6% and the remainder of the program funded by the City of Sault Ste. Marie at 69.2% (\$313,502) and the Township of Prince funding 1.2% (\$5,374).

The management and Board of the SSMRCA are looking to find efficiencies in other program areas to assist in the budget shortfall being faced for this fiscal year. Reallocation from other areas will be difficult as the SSMRCA does not operate many other programs above those provincially mandated. As well, the SSMRCA has always been fiscally responsible with allocated funding from the province and our partner municipalities.

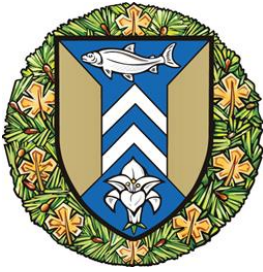
As the flood program is essential to the health and safety of the residents within the entire watershed, the SSMRCA will not, despite the cuts from the MNRF, cut services from this program. We will strive to maintain our present level of service to the community, however realise that restraints may be necessary.

Sincerely,

Rhonda T. Bateman

Rhonda Bateman,
General Manager/Secretary-Treasurer
Sault Ste. Marie Region Conservation Authority

c.c. SSMRCA Board Members
City Councillors
Ross Romano, MPP, Sault Ste. Marie



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

COUNCIL REPORT

May 6, 2019

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Al Horsman, CAO

DEPARTMENT: Chief Administrative Officer

RE: Sault Ste. Marie PUC Inc. Share Capital

PURPOSE

Seeking Council approval as Shareholder for Sault Ste. Marie PUC Inc. (SSMPUC) to purchase or acquire shares in capital of a non-subsidary corporation as provided under Article “k” of Schedule A of the Shareholder Agreement (By-law 2000-185).

BACKGROUND

By-Law 2000-185 authorizes the current Shareholder agreement established between the City as Shareholder and PUC Inc. under section 108 of the *Business Corporations Act (Ontario)*. As found in Article “k” of Schedule A to the agreement which defines matters requiring approval of the SSMPUC Shareholder, PUC Inc. is seeking approval for the purchase or acquisition of shares in capital of a body corporate other than the Subsidiary Corporations of SSMPUC defined under the By-law Shareholder Agreement.

ANALYSIS

SSMPUC has been pursuing various opportunities. Such negotiations are being undertaken within the umbrella of Non Disclosure Agreements (NDA’s) that restrict what parties can divulge. At its Caucus Meetings of April 1, 2019 Council as Shareholder was presented with an overview of PUC Inc.’s business activities. The current request for shareholder approval to purchase or acquire shares in a corporation outside of PUC Inc.’s subsidiaries allows the organization to finalize negotiations with potential business entities consistent with the overview presented April 1, 2019 and also described at Council’s May 6, 2019 Caucus Meeting.

FINANCIAL IMPLICATIONS

PUC Inc. has responsibility for hydro/electric and water/wastewater services. As the City is the sole shareholder it receives dividends from PUC Inc. on an annual basis as well as interest payments on a shareholder loan.

Sault Ste. Marie PUC Inc. Share Capital

April 15, 2019

Page 2.

STRATEGIC PLAN / POLICY IMPACT

This initiative aligns with a number of key strategic directions identified in the 2016-2020 Corporate Strategic Plan. The strongest link is made to the “Maximize Economic Development & Investment” under the Community Development and Partnerships strategic focus area.

RECOMMENDATION

It is therefore recommended that Council take the following action:

“Resolved that the report of May 6, 2019 concerning Sault Ste. Marie PUC Inc. Share Capital be received and that Council as Shareholder approve Sault Ste. Marie PUC Inc.’s request to purchase or acquire shares in capital of a non-subsidary corporation as provided under Article “k” of Schedule A of the Shareholder Agreement (By-law 2000-185).”

Respectfully submitted,



Al Horsman

Chief Administrative Officer

705.759.5347

cao.horsman@cityssm.on.ca

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2000-185

AGREEMENTS: (L.5.9.) A by-law to authorize a Shareholders agreement between the City and PUC Inc.

THE COUNCIL of the Corporation of the City of Sault Ste. Marie, **ENACTS** as follows:

1. **EXECUTION OF DOCUMENTS**

The Mayor and the Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to an agreement in the form of Schedule "A" hereto dated the 24th day of July, 2000 to authorize a Shareholders agreement between the City and PUC Inc.

2. **SCHEDULE "A"**

Schedule "A" hereto forms part of this by-law.

3. **EFFECTIVE DATE**

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

READ THREE TIMES and **PASSED** in open Council this 24th day of July, 2000.



MAYOR - STEPHEN E. BUTLAND

CLERK - DONNA P. IRVING

(Ontario)

SHAREHOLDER AGREEMENT (FOR HOLDING COMPANY)

THIS AGREEMENT is made as of July 25, 2000,

BETWEEN :

THE CITY OF SAULT STE. MARIE, a corporation
incorporated under the laws of Ontario,

OF THE FIRST PART,

- and -

PUC INC., a corporation incorporated under the laws of
Ontario,

OF THE SECOND PART.

WHEREAS the *Electricity Act*, 1998 (the "Electricity Act") was passed by the
Legislature of Ontario and given Royal Assent on October 30, 1998;

AND WHEREAS section 144 of the *Electricity Act* provides that after November 7,
2000, no municipal corporation shall generate, transmit, distribute or retail electricity (as such
terms are defined in the *Electricity Act*) except through one or more corporations incorporated
under the Ontario *Business Corporations Act* (the "OBCA");

AND WHEREAS pursuant to Section 142(1) of the *Electricity Act*, a municipal
corporation may cause one or more corporations to be incorporated under the OBCA in order
to generate, transmit, distribute or retail electricity;

AND WHEREAS the City of Sault Ste. Marie has caused corporations to be incorporated
under the OBCA, such corporations comprising a corporation known as PUC Distribution Inc.
to distribute electricity to the customers presently served by the Public Utilities Commission of
Sault Ste. Marie, a corporation known as PUC Energies Inc. to retail electricity and to engage
in competitive business activities, a corporation known as PUC Services Inc. to provide
management, operations and maintenance services to PUC Distribution Inc. as well as to the City
of Sault Ste. Marie in respect of its water utility and a corporation known as PUC Telecom Inc.

McCarthy Tétrault TDO-CORP #6760869 / v. 5

to engage in the provision of telecommunications services (such corporations hereinafter referred to as ASubsidiary Corporations@); the City of Sault Ste. Marie had also caused PUC Inc. to be incorporated to hold shares of the Subsidiary Corporations (holding shares in the Subsidiary Corporations being the business of PUC Inc. (the "Business")) and, in turn, have all its shares held by the City;

AND WHEREAS the City of Sault Ste. Marie is the sole shareholder of PUC Inc.;

AND WHEREAS the City of Sault Ste. Marie and PUC Inc. have agreed to enter into this Agreement as being in their respective best interests and for the purpose of providing for the operation of PUC Inc. and the Subsidiary Corporations;

AND WHEREAS, pursuant to Section 108 of the *Business Corporations Act* (Ontario), the City of Sault Ste. Marie wishes to restrict in part the powers of the directors to manage or supervise the management of the business and affairs of PUC Inc.;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants and agreements herein contained the parties hereto agree as follows:

1. To the extent that this Agreement specifies that any matters may only be or shall be dealt with or approved by or shall require action by the City of Sault Ste. Marie, the discretion and powers of the directors of PUC Inc. to manage or supervise the management of the business and affairs of PUC Inc. with respect to such matters are correspondingly restricted.

2. PUC Inc. confirms its knowledge of this Agreement and will carry out and be bound by the provisions of this Agreement to the full extent that it has the capacity and power at law to do so.

3. None of the matters described in Schedule "A" hereto shall be taken by PUC Inc. unless approved by:

- (1) a resolution of the City of Sault Ste. Marie passed at a duly called and convened meeting of shareholders; or
- (2) a resolution in writing signed by the City of Sault Ste. Marie.

A resolution of the City of Sault Ste. Marie shall, in turn, not be passed or signed unless approved by the Council of the City of Sault Ste. Marie by a resolution or by-law passed at a meeting of Council.

4. This Agreement may be terminated at any time by the City of Sault Ste. Marie.

5. No modification of or amendment to this Agreement is valid or binding unless set forth in writing and duly executed by the parties hereto.

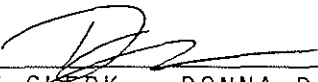
6. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto.

7. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF the parties have executed this Agreement.

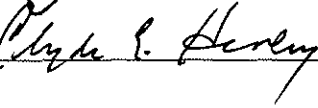
THE CITY OF SAULT STE. MARIE

Per: 
MAYOR - STEPHEN E. BUTLAND

Per: 
CITY CLERK - DONNA P. IRVING

PUC INC.

Per: 

Per: 

Schedule "A"

Matters Requiring the Approval of the Shareholder of PUC Inc.

- (a) any change in the articles or by-laws of PUC Inc.;
- (b) any change in the authorized or issued capital of PUC Inc.;
- (c) the appointment of directors from time to time for PUC Inc.;
- (d) the entering into of any agreement or the making of any offer or the granting of any right capable of becoming an agreement to allot or issue any shares of PUC Inc.;
- (e) any action which may lead to or result in a material change in the nature of the Business of PUC Inc.;
- (f) the entering into of any agreement other than in the ordinary course of PUC Inc.'s Business;
- (g) the borrowing of any money, the issuance of any debt, the giving of any security or the making or incurring of any single capital expenditure or acquisition in excess of \$3,000,000 or any capital expenditures which, in the aggregate, are in excess of \$6,000,000 in any financial year of PUC Inc. by PUC Inc. and the Subsidiary Corporations on a consolidated basis;
- (h) the taking of any steps to wind-up or terminate the corporate existence of PUC Inc. or any Subsidiary Corporation;
- (i) the sale, lease, exchange or disposition of assets of PUC Inc. or any Subsidiary Corporation having a value in excess of \$3,000,000;
- (j) the sale, lease, exchange or disposition of any shares of any Subsidiary Corporation;
- (k) the taking, holding, subscribing for or agreeing to purchase or acquire shares in the capital of any body corporate other than the Subsidiary Corporations by PUC Inc.;
- (l) the entering into of a partnership, strategic alliance, joint venture or of any other arrangement for the sharing of profits, union of interests, or reciprocal concession with any person by PUC Inc.;
- (m) the entering into of an amalgamation, merger or consolidation with any other body corporate by PUC Inc.;

- (n) the initial capital structure of each Subsidiary Corporation, and any changes thereto prior to December 31, 2001;
- (o) the initial capital structure of each Subsidiary Corporation by PUC Inc., and any changes thereto, prior to December 31, 2001; or
- (p) a change in the auditors of PUC Inc. and the Subsidiary Corporations.

BY-LAW NUMBER 2019-101

- of -

THE CORPORATION OF THE CITY OF SAULT STE MARIE

To Adopt Optional Tools for the Purposes of Administering Limits for the Commercial, Industrial and Multi-Residential Property Classes.

WHEREAS the Corporation of The City of Sault Ste Marie (hereinafter referred to as “The Municipality”) may, in accordance with section 329.1 of the Municipal Act, 2001, S.O. 2001, c.25 as amended (hereinafter referred to as “The Act”), and Ontario Regulation 73/03, as made and amended under the Act, modify the provisions and limits set out in part IX The Act, with respect to the calculation of taxes for municipal and school purposes payable in respect of property in the Commercial, Industrial and Multi-Residential property classes;

AND WHEREAS this by-law shall only apply to properties in any of the Commercial, Industrial and Multi-Residential property classes to which Part IX of the Act applies;

AND WHEREAS for the purpose of this by-law the commercial classes shall be considered a single property class, the industrial classes shall be considered to be a single property class and the multi-residential classes shall be considered to be a single property class;

AND WHEREAS “uncapped taxes” means, the taxes for the municipal and school purposes that shall be levied for the taxation year but for the application of Part IX of the Act;

AND WHEREAS “capped taxes” means, the taxes for the municipal and school purposes that shall be levied for the taxation year as a result of the application of Part IX of the Act;

AND WHEREAS Section 8.2 of Ontario Regulation 73/03 as amended provides that a municipality may pass a by-law providing that Part IX of the Municipal Act, 2001 (limitation on taxes for certain property classes), does not apply to any property in the commercial classes, to any property in the industrial classes, or to any property in the multi-residential property classes if, in the previous taxation year in the municipality, the taxes for each property in the commercial classes, industrial classes or multi-residential property classes, as the case may be, were equal to the uncapped taxes for the property for the taxation year, as shown on the final tax bill for the taxation year for the property, and a by-law under this section applies to the taxation year in which it is passed and to subsequent taxation years;

AND WHEREAS municipalities may pass a by-law to limit capping protection to only reassessment related changes prior to 2019 and exclude 2019 changes from the application of Part IX of the Act;

AND WHEREAS the Council may pass a by-law to apply any one or any combination of the following options:

- i. Increase the annual cap to a maximum of 10% of last year’s capped taxes; and/or
- ii. Set an upper limit on annual increases at the greater of the amount calculated under (i) and up to 10% of the previous year’s annualized CVA tax; and/or
- iii. Up to a maximum \$500 threshold may be set for increasing properties, decreasing properties or both; and/or
- iv. Exempt properties from the capping calculation where the previous year’s capped taxes for the property were equal to the uncapped taxes for that year;

- v. Exempt properties from the capping calculation where the previous year's capped taxes were less than the previous year's CVA taxes, and the current year's capped taxes would otherwise be greater than the current year's CVA taxes, or vice-versa; and
- vi. Remove classes from the application of Part IX of the Act where all properties within a class were taxed at the uncapped tax level last year.

AND WHEREAS the Council has reviewed the provisions of subsection 329.1 of the Act and the provisions of Ontario Regulation 73/03, and hereby deems it necessary and appropriate to adopt optional tools for the purpose of administering limits for the Commercial, Industrial and Multi-Residential property classes;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF SAULT STE MARIE HEREBY ENACTS as follows:

1. **THAT** paragraphs 1, 2, and 3, of subsection 329.1 (1) of the Act shall apply to the Commercial, Industrial and Multi-Residential property classes for 2019.
2. **THAT**
 - a) In determining the amount of taxes for municipal and school purposes for the year under subsection 329 (1) and the amount of the tenant's cap under subsection 332 (5), the greater of the amounts determined under paragraphs a) and b) as set out below shall apply in determining the amount to be added under paragraph 2 of subsection 329 (1), and the increasing amount under paragraph 2 of subsection 332 (5),
 - i. The percentage set out in Subsection 329 (1) paragraph 2 and in subsection 332 (5) paragraph 2 shall be ten per cent (10%) for Multi-Residential and five percent (5%) for Commercial and Industrial, and
 - ii. The amount of the taxes uncapped for the previous year multiplied by ten per cent (10%) for Multi-Residential and five per cent (5%) for Commercial and Industrial;
 - b) The amount of the taxes for municipal and school purposes for a property for a taxation year shall be the amount of the uncapped taxes for the property for the year if the amount of the uncapped taxes exceeds the amount of the taxes for municipal and school purposes for the property for the taxation year as determined under section 329, as modified under section 329.1 of the Act and this by-law by five hundred dollars (\$500.00) or less for Multi-Residential and by two hundred and fifty dollars (\$250) or less for Commercial and Industrial;
 - c) The amount of the taxes for municipal and school purposes for a property for a taxation year shall be the amount of the uncapped taxes for the property for the year if the amount of the taxes for municipal and school purposes for the property for the taxation year as determined under section 330, as modified under section 329.1 of the Act and this by-law exceed the uncapped taxes by five hundred (\$500.00) or less for Multi-Residential and by two hundred and fifty dollars (\$250) or less for Commercial and Industrial.
3. **THAT** paragraphs 1, 2, and 3, of subsection 8.0.2 (2) of Ontario Regulation 73/03 shall apply to the Commercial, Industrial and Multi-Residential property classes for 2019;

4. **THAT** Part IX of the Municipal Act, 2001 (limitation on taxes for certain property classes) does not now and hereafter does not apply to valuation changes for any property in the Commercial, Industrial or Multi-Residential classes that could be subject to capping as a result of the increase or decrease in value effective January 1, 2018 for 2019 taxation.
5. **THAT** properties in the Commercial and Multi-Residential Classes that meet any of the following conditions shall be exempt from the capping calculations set out under Part IX of the Act for the 2019 taxation year;
 - i. The capped taxes for the property in the previous year were equal to its uncapped taxes for that year;
 - ii. The capped taxes for the property in the previous year were lower than the property's uncapped taxes for that year, and the current year's capped taxes would be higher than the current year's uncapped taxes if Part IX were applied;
 - iii. The capped taxes for the property in the previous year were higher than the property's uncapped taxes for that year, and the current year's capped taxes would be lower than the current year's uncapped taxes if Part IX were applied.
6. **THAT** By-law 2018-84 is hereby repealed.
7. **THAT** this by-law shall be effective as of January 1, 2019.

PASSED in open Council this 6th day of May, 2019.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-102

AGREEMENT: (C3.42) A by-law to authorize the execution of the Agreement between the City and Superior Sports Training Inc. for the use of a portion of the John Rhodes Community Centre, 260-280 Elizabeth Street. The term of the Agreement will be for three (3) years with the option to extend on a year-to-year basis at the agreed upon rent.

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 6, 2019 between the City and Superior Sports Training Inc., a copy of which is attached as Schedule "A" hereto. This Agreement is for the use of a portion of the John Rhodes Community Centre, 260-280 Elizabeth Street. The term of the Agreement will be for three (3) years with the option to extend on a year-to-year basis at the agreed upon rent.

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 6th day of May, 2019.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

SCHEDULE "A"

LEASE AGREEMENT

THIS AGREEMENT made in triplicate this 6th day of May, 2019.

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "Landlord")

OF THE FIRST PART;

-and-

SUPERIOR SPORTS TRAINING INC.

(the "Tenant")

OF THE SECOND PART;

Re: John Rhodes Community Centre, 260-280 Elizabeth Street

OFFICE LEASE

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	That the Landlord and each person acting for on or behalf of the Landlord making a determination, designation, calculation, estimate, conversion or allocation or in giving an approval or consent under this Lease, will act reasonably, promptly and in good faith and each accountant, architect, engineer or surveyor, or other professional person employed or retained by the Landlord will act in accordance with the applicable principles and standards of that person's profession.	10
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THIS LEASE made in triplicate as of the 6th day of May, 2019

IN PURSUANCE OF THE SHORT FORMS OF LEASES ACT

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "Landlord")

OF THE FIRST PART;

-and-

SUPERIOR SPORTS TRAINING INCORPORATED

(the "Tenant")

OF THE SECOND PART;

WHEREAS the Landlord is the owner of the land and premises at 260-280 Elizabeth Street in Sault Ste. Marie, Ontario, which is the John Rhodes Community Centre (the "John Rhodes Centre").

AND WHEREAS the Tenant desires to continue to utilize space in the John Rhodes Centre to fulfill its mandate and the Landlord is prepared to grant permission for same;

NOW THEREFORE IN CONSIDERATION of the rents and the terms and conditions contained herein the parties agree as follows:

1. LEASED PREMISES

In consideration of the rents reserved and the covenants and agreements herein, the Landlord leases to the Tenant the Premises at 260-280 Elizabeth Street in Sault Ste. Marie, Ontario and consisting of one multi-purpose room measuring 807 square feet and an additional space measuring 80 square feet (the "Premises") as marked and identified on Schedule "A". The Tenant acknowledges and agrees that the room numbers in Schedule "A" are not consequential to this Lease.

2. TERM OF LEASE

The Term of this Lease shall commence on May 6, 2019 and shall be for a period of three (3) years, terminating May 5, 2022 with the option to extend as contained herein.

The Parties hereto agree that the Landlord may, at its sole discretion, permit occupancy of the Premises by the Tenant prior to May 6, 2019. If the Landlord permits early occupancy of the Premises in accordance with this section the Tenant agrees to be subject to the terms and conditions contained herein as though the days of occupancy prior to May 6, 2019 formed part of the Term.

3. RENT

3.1 When Payable The Tenant agrees to pay to the Landlord Rent during the Term of this Lease the amounts as designated below, in equal monthly installments, by the 1st day of each and every month, commencing May 1, 2019.

3.2 Rent Annual Rent shall be calculated at a rate of \$7.67 per square foot plus HST, as follows:

$$887 \text{ square feet} \times \$7.67 = \$6,803.29 + \$884.43 = \$7,687.72$$

Rent shall be payable in equal monthly installments in the amount of **\$566.94** plus HST on or before the first day of each month in the term.

3.3 Security Deposit Due The Tenant has paid to the Landlord, in addition to Rent, a one-time security deposit in the amount of **\$2,500.00** in the form of a certified cheque payable to The Corporation of the City of Sault Ste. Marie.

The Landlord represents and warrants that the full amount of the Deposit shall be returned to the Tenant upon expiration of the Lease provided that the Premises and the John Rhodes Centre were not damaged by the Tenant and the Premises and the John Rhodes Centre were left in condition satisfactory to the Landlord at its sole discretion.

4. TENANT'S COVENANTS

The Tenant covenants with the Landlord:

4.1 Permitted Use To use the Premises to fulfill the Tenant's mandate only; specifically, to use the Premises as athletic training space for Superior Sports Training Inc. and all other uses ancillary thereto.

4.2 Property Taxes To pay any property taxes that may arise as a result of the Tenant's occupancy and use of the Premises, which can be billed monthly to the Tenant by the Landlord.

4.3 Rules and Regulations To abide by the following rules and regulations:

1. No one shall use the Premises for sleeping apartments or residential purposes, or for the storage of personal effects or articles not required to carry out the Permitted Use.
2. The Landlord, its employees, agents and servants shall uphold and respect the Tenant's privacy and professional confidentiality requirements to the satisfaction of the Tenant.
3. The sidewalks, entries, passages, hallways, elevators and staircases shall not be obstructed or used by the Tenant, its agents, servants, contractors, invitees or employees for any purpose other than an ingress to and egress from the Premises. The Landlord reserves entire control of all parts of the John Rhodes Centre used for the common benefit of all tenants and of the sidewalks, entries, corridors and passages not within the Premises.
4. The Tenant shall not permit any cooking in the Premises without the prior consent of the Landlord.

5. The Tenant shall only use the Premises during the operating hours of the John Rhodes Centre and at no other time.
6. Canvassing, soliciting and peddling in the John Rhodes Centre are prohibited.
7. No animals other than service animals shall be brought into the Building.

4.4 Repair

To permit the Landlord to enter and view the state of repair at reasonable times and upon reasonable notice to the Tenant; to repair according to notice in writing and to leave the Premises in good repair subject to ordinary wear and tear.

4.5 Repairs Where Tenant at Fault

If the Premises or any part of the John Rhodes Centre, internal or external, needs repairing or become damaged through negligence, carelessness or misuse by the Tenant, its servants, agents, employees or anyone permitted by it to be on the Premises, the expense of the necessary repairs, replacements or alterations shall be borne by the Tenant and paid forthwith on demand.

4.6 Notice of Defect

To give the Landlord notice, as soon as reasonably possible, of any accident to or defect in the mechanical and electrical services, or any other system or part of the Premises which the Landlord is obligated to repair.

4.7 Assign or Sublet

To not assign or sublet the Premises.

4.8 Not to Affect Insurance

To not do or omit or permit to be done or omitted upon the Premises anything which causes the rate of insurance for the John Rhodes Centre to be increased and if the rate of insurance for the John Rhodes Centre is to be increased by reason of anything done or omitted or permitted to be done or omitted by the Tenant or anyone permitted by the Tenant to be upon the Premises, the Tenant shall pay to the Landlord the amount of such increase.

4.9 Tenant's Compliance with Laws

To comply with all provisions of law including federal and provincial legislative enactments, building by-laws, and all other governmental or municipal regulations which relate to the partitioning, equipment, operation and use of the Premises, and to comply with all police, fire and sanitary regulations imposed by any federal, provincial or municipal authority or made by fire insurance underwriters, and to obey all governmental and municipal regulations and other requirements governing the conduct of any business conducted in the Premises.

4.10 Services and Facilities

- a) **Waste** - To not do or permit any waste or damage, disfiguration or injury to the Premises or the fixtures and equipment thereof or permit any overloading of the floors thereof, and to not place therein any safe, heavy business machine or other heavy thing, without first obtaining the consent in writing of the Landlord.
- b) **Keep Tidy** - To maintain the Premises in a reasonably tidy state at the Tenant's sole cost, liability and expense.
- c) **Exterior Cosmetics** – To not undertake cosmetic changes to the exterior of the John Rhodes Centre.
- d) **Glass** - To pay the cost of replacement with as good quality and size of any glass broken on the Premises during this Lease, unless the breakage is not the result of any act of the Tenant, its employees, servants, agents, contractors, licensees or invitees.

- e) **Interior Cosmetics** – To not undertake any interior cosmetic work on the Premises including without limitation painting, affixing items to the wall, ceiling or floor, without prior consent of the Landlord.

4.11 Telephone, Cable and Internet Systems

To cover the cost of all telephone, cable and internet usage, set-up, and installation fees.

4.12 Nuisance

To not use or permit the use of the Premises for any dangerous, noxious or offensive trade or business or cause or permit any nuisance in, at or on the Premises. The Landlord acknowledges and agrees that the permitted use does not contravene this section.

4.13 Tenant's Indemnity

To indemnify the Landlord against any claims, including all claims for personal injury or property damage, arising out of the negligence associated with the conduct of work by or through any act or omission of the Tenant or any assignee, agent, contractor, servant, employee, invitee or licensee of the Tenant, and against all costs, counsel fees, expenses and liabilities incurred from any claim or any action or proceeding brought thereon, on the Premises.

4.14 Insurance

To carry Commercial General Liability insurance in an amount not less than \$5,000,000 (five million).

Each policy shall name the Landlord as an additional insured and the Tenant shall provide Certificates of Insurance for same.

The cost or premium for each and every such policy will be paid by the Tenant. The Tenant will obtain from the insurers under such policies undertakings to notify the Landlord in writing at least 30 days prior to any cancellation thereof. The Tenant will provide the Landlord with written evidence satisfactory to the Landlord of the existence of the insurance policies described in this clause.

4.15 Entry by Landlord

To permit the Landlord or its servants or agents to enter the Premises at all reasonable and upon reasonable notice to the Tenant, except:

- a) in the event of an emergency from time to time for the purpose of inspecting and of making repairs, alterations or improvements to the Premises or to the Building, and the Tenant is not entitled to compensation for any inconvenience, nuisance or discomfort occasioned thereby; or
- b) as required by emergency personnel at their sole discretion, and the Tenant is not entitled to compensation for any inconvenience, nuisance or discomfort occasioned thereby.

The Landlord, its servants or agents may at any time after written notice to Tenant enter upon the Premises to remove any article or remedy any condition which in the opinion of the Landlord would be likely to lead to cancellation of any policy of insurance on the Building or any part thereof.

The Landlord, its employees, agents and servants shall, when entering the Premises for any reason, uphold and respect the Tenant's privacy and professional confidentiality requirements to the satisfaction of the Tenant.

4.16 Showing Premises

To permit the Landlord or its agents to show the Premises to prospective Tenants during normal business hours of the last six (6) months of the Term upon giving 24 hours' notice.

4.17 Alterations To not make or erect in the Premises any installations, alterations, additions or partitions without the express consent of the Landlord.

4.18 Warranty The Tenant represents and warrants that it will not cause or permit the storage of any hazardous materials upon the Premises.

5 LANDLORD'S COVENANTS

The Landlord covenants with the Tenant as follows:

5.1 Quiet Enjoyment That provided the Tenant pays the rent hereby reserved when due and performs the Tenant's responsibilities herein, it shall peaceably hold the Premises during the Term of this lease without interruption by the Landlord or any person rightfully claiming through or in trust for it.

5.2 Services and Facilities To provide and operate the following services and facilities for the Premises as expressed below, at the Landlord's expense, and maintain at the Landlord's expense, such services and facilities in good repair (and, if necessary, replace same) during the Term:

- a) **Structure and glass** – To keep in good repair and condition the foundations, outer walls, roof, spouts and gutters of the building, and the plumbing sewage and electrical systems therein except to the extent that they are located on the Premises or occupied by other lessees of the building, and to promptly replace plate glass and other glazing materials for the Building in case of breakage unless the breakage is the result of any act of the Tenant, its employees, servants, agents, contractors, licensees or invitees.
- b) **Utility Systems** - To cover the cost of usage of utility systems including water and electricity.
- c) **Heating and Air-Conditioning** - To provide heating equipment of the Premises to an extent sufficient to maintain a reasonable temperature therein at all times during normal business hours, except during the making of repairs; but should the Landlord make default in doing so, for reasons beyond the Landlord's control it is not liable for indirect or consequential damages or damages for personal discomfort or illness; unless such default is due to the negligence of Landlord.

To provide air-conditioning for the Premises during normal business hours, for which purpose the Landlord has installed in the building a system for ventilating and air-conditioning in summer and ventilating and heating in winter, which is designed for normal occupancy of the Premises.

The Landlord reserves the right, should heating or air-conditioning equipment develop faults or in the opinion of the Landlord require repairs, alterations or improvements to terminate the supply of heating or air-conditioning to the Premises until any necessary repairs, alterations or improvements have been completed. The Landlord undertakes no responsibility or liability for failure to supply the heating or air-conditioning service when stopped or when prevented from doing

so by strikes or by any cause beyond the Landlord's reasonable control, or by orders or regulations of any authority or failure of electric current, steam, or water or other suitable power supply or inability upon the exercise of reasonable diligence to obtain such electric current, steam, or water or other suitable power supply for the operation of the equipment.

- d) **Elevator** – To furnish, except when repairs are being made, passenger elevator service to the Premises; and to permit the Tenant, its employees, and all persons having business with the Tenant to have the free and exclusive use of the elevators service, but the Tenant and all other persons using the service do so at their sole risk and under no circumstances is the Landlord responsible for damage or injury happening to any person while using the elevator or occasioned to any person by any elevator or any of its appurtenances.
- e) **Washrooms** – To provide fully equipped washroom facilities in accordance with the requirements established by the *Occupational Health and Safety Act*, RSO 1990 c 0.1 as amended, and the regulations made thereunder, or any successor Act, a barrier-free washroom in accordance with the requirements established by the Ontario Building Code, and the provision of all washroom equipment and supplies reasonably necessary, in the opinion of the Tenant, for the use and operation of such washroom facilities.
- f) **Exterior, Common Areas** - To maintain the exterior of the Building, the parking areas and walkways in good repair.
- g) **Life Safety** – To provide a copy of an emergency evacuation program to the Tenant.

5.3 Access

To permit the Tenant and all persons lawfully requiring communication or dealings with it to have the use during the Tenant's normal business hours in common with others of the main entrance and the stairways, corridors and elevators leading to the Premises.

5.4 Telephone, Cable and Internet Systems

To permit the Tenant to effect the installation of telephone, cable and internet systems in the Premises at the sole expense of the Tenant.

5.5 Landlord Improvements

To not, at any time during the Term, commence construction or alterations to the John Rhodes Centre which will have the effect of altering any part of the structure, interfering with the operations of the Tenant, interfering with entry or exit from the Premises, or causing noise or other nuisances which might interfere with the Tenant's operations.

In the event that the Landlord intends to commence any construction or alterations to the John Rhodes Centre during the Term, such construction shall be subject to the following terms and conditions:

- a) The Landlord shall deliver reasonable notice to the Tenant, including complete and detailed plans and specifications of the planned construction prior to the commencement of construction;

5.6 Landlord's Compliance with Laws

To comply with all codes and regulations and any federal, provincial or municipal laws, regulations, by-laws and codes or any relevant Authority which relate to the Premises or to the use or occupation of the Premises or to the making of any repairs, replacements, additions, changes, substitutions or improvements to the Premises.

5.7 Insurance

The Landlord shall maintain insurance in respect of the John Rhodes Centre against loss, damage or destruction caused by fire and extended perils for the full replacement cost basis of the building.

5.8 Consent and Approval

That the Landlord and each person acting for on or behalf of the Landlord making a determination, designation, calculation, estimate, conversion or allocation or in giving an approval or consent under this Lease, will act reasonably, promptly and in good faith and each accountant, architect, engineer or surveyor, or other professional person employed or retained by the Landlord will act in accordance with the applicable principles and standards of that person's profession.

6 PROVISOS

Provided always and it is agreed:

6.1 Alterations and additions

- a) All installations, alterations, additions, partitions and fixtures, whether placed there by the Tenant or the Landlord are, immediately upon placement, the Landlord's property without compensation therefore to the Tenant and, except as hereinafter mentioned in this proviso, shall not be removed from the Premises by the Tenant at any time either during or after the Term.
- b) The Landlord is under no obligation to repair or maintain the Tenant's installations, alterations, additions, partitions and fixtures or anything in the nature of a leasehold improvement made or installed by the Tenant.
- c) The Tenant may remove any fixtures they install, but must repair any holes or other damage in the walls, ceiling or floor to original condition at the Tenant's sole expense. The Tenant shall have the continuous right during the Term or any extension thereof to move in or out of the Premises any of its furniture, personal effects, chattels and any business equipment.

6.2 Damage to John Rhodes Centre

If, at any time during the Term, the John Rhodes Centre shall be damaged or destroyed, either in whole or in part, by fire or other peril insured against by the Landlord, then, and in every such event:

- a) If the damage or destruction to the John Rhodes Centre is such that, in the opinion of the Tenant's architect to be given to the Landlord within twenty (20) days of the date of occurrence of such damage (the "Date of Damage"), the Premises are rendered partially unfit for occupancy or impossible or unsafe for use of occupancy, then the Rent shall abate as of the Date of Damage in proportion to the part of the Premises which is rendered unfit, and Rent will not be payable again

until such time as the Premises have been fully restored by the Landlord to their condition as of May 6, 2019.

- b) If the damage or destruction to the John Rhodes Centre is such that, in the opinion of the Tenant's architect to be given to the Landlord within twenty (20) days of the Date of Damage, the Premises are rendered wholly unfit for occupancy or impossible or unsafe for use or occupancy, or that reasonable or convenient access is prevented thereto, and if the damage, in the opinion of the Tenant's architect to be given to the Landlord within twenty (20) days of the Date of Damage cannot be repaired with reasonable diligence within 120 days of the Date of Damage, then either the Landlord or the Tenant may terminate this Lease within twenty (20) days following the date of the architect's opinion by written notice to the other party, in which event this Lease will be at an end as of the Date of Damage and the Rent shall be apportioned and paid in full to same.
- c) In the event that this Lease is terminated in accordance with the previous section, then the Landlord shall repair the Premises with all reasonable speed and the Rent hereby reserved shall abate from the Date of Damage until the date that the either the Premises are responded to their condition as of the Commencement Date or reasonable and convenient access is restored hereto.
- d) If the damage or destruction to the John Rhodes Centre is such that, in the opinion of the Tenant's architect to be given to the Landlord within twenty (20) days of the Date of Damage, the Premises are rendered wholly unfit for occupancy or impossible or unsafe for use or occupancy, or that reasonable or convenient access is prevented thereto, and if the damage, in the opinion of the Tenant's architect to be given to the Landlord within twenty (20) days of the Date of Damage can be repaired with reasonable diligence within 120 days of the Date of Damage, then the Rent shall abate from the Date of Damage until the date the Premises are restored to their condition as of May 6, 2019 or reasonable and convenient access is restored hereto.
- e) The decision of the Tenant's architect as to the time within with damage cannot be repaired, the extent of the damage, or the state of rentability of the Premises, shall be final and binding upon the Parties.
- f) If the Landlord does not commence to repair or restore the Premises within fifteen (15) days of the date of the Tenant's architect's opinion, the Tenant may terminate this Lease upon fifteen (15) days' prior notice to the Landlord, in which event this Lease will be at an end as of the Date of Damage and the Rent shall be apportioned and paid in full to same.

If, at any time during the Term, the Tenant damages the John Rhodes Centre, the Landlord shall undertake to make the necessary repairs which shall be paid for by the Tenant.

6.3 Damage to Tenant's Property

The Landlord is not liable or responsible in any way for any loss of or damage or injury to any property belonging to the Tenant or to any other person while the property is on the Premises or in the John Rhodes Centre whether the property has been entrusted to employees of the Landlord or not.

6.4 Impossibility of Performance	Whenever and to the extent that the Landlord is unable to fulfill, or is delayed or restricted in fulfilling any obligation hereunder, the Landlord is entitled to extend the time for fulfillment and the Tenant is not entitled to compensation for any inconvenience, nuisance or discomfort thereby occasioned.
6.5 Default of Tenant	If the Rent or any part thereof is not paid within ten (10) days of the due date, or if the Tenant shall make default in the observance or performance of any of the Tenant's covenants or agreements contained in this Lease and such arrears or default continue for a period of ten (10) days, then the Landlord may give the Tenant notice requiring the Tenant to pay the arrears or remedy the default within thirty (30) days of receipt of notice or such longer period as is reasonably required under the circumstances. If the Tenant fails to pay the arrears or commence to remedy the default within such period, the Landlord may, in addition to any other remedies the Landlord may have either in this Lease or at law, re-enter the Premises and the Term here by granted shall be terminated.
6.6 Default of Landlord	If the Landlord defaults in the observance or performance of any of its covenants or agreements contained in this Lease, the Tenant will give the Landlord a reasonable opportunity to remedy the default.
6.7 Non-waiver	No condoning, excusing or overlooking by the Landlord of any default, breach or non-observance by the Tenant at any time or times of any covenant, proviso or condition herein operates as a waiver of the Landlord's rights hereunder in respect of any continuing or subsequent default, breach or non-observance, or so as to defeat or affect in any way the rights of the Landlord herein in respect of any continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Landlord except an express waiver in writing. All rights and remedies of the Landlord contained in this lease are cumulative and not alternative.
6.8 Termination of Agreement	The Tenant or Landlord may terminate this Lease upon providing at least two (2) months' written notice to the other Party.
6.9 Option to Extend Lease	Provided the Tenant is not in material default in the performance of any obligations contained in the Lease, the Tenant shall have the option of extending the Term, on a year-to-year basis at the agreed upon rent, as is negotiated between the Parties (the "Extended Term"). Such option shall be exercised by notice in writing given to the Landlord no later than two (2) months prior to the expiration of the Term. The Extended Term, unless the parties otherwise agree in writing, shall be on the same terms as in the Lease, except as to any further right of extension.
6.10 Notice	Any notice required by any provision of this lease shall be given in writing by registered mail or facsimile addressed to: In the case of notice to the Landlord: The Corporation of the City Of Sault Ste. Marie 99 Foster Drive Sault Ste. Marie, Ontario P6A 5X6 Fax: 705-759-6605 Attention: Tom Vair, Deputy CAO - Community Development and Enterprise Services

In the case of the Tenant:

Superior Sports Training Inc.
A-150 McFadden Avenue
Sault Ste. Marie, Ontario P6C 4T2
Fax: 705-759-4816
Tel: 705-257-7690
Attention: John Parco

6.11 Lease Entire Relationship

The Tenant 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 lease except as expressly set out in this lease and that this lease constitutes the entire agreement between the Landlord and the Tenant and may not be modified except as herein explicitly provided or except by subsequent agreement in writing of equal formality executed by the Landlord and the Tenant.

6.12 Right of Re-entry

On the Landlord's becoming entitled to re-enter upon the Premises under any of the provisions of this lease, upon due process of the law, the Landlord may enter the Premises either by force or otherwise, without being liable therefore.

6.13 Dispute Resolution

If a dispute arises out of, or in connection to, this Lease Agreement, the Parties agree to meet to pursue resolution through negotiation or other appropriate dispute resolution process before resorting to litigation.

7 INTERPRETATION

7.1 Definitions

In this lease:

- (a) "normal business hours" means the hours of operation of the John Rhodes Centre as may be determined by the Landlord.
- (b) "Environmental Containment" includes any hazardous or toxic substances or materials, including without limitation, products of waste, contaminants, pollutants, dangerous substances, noxious substances, toxic substances, hazardous wastes, flammable, explosive or improperly handler friable materials including asbestos, PCBs and substances or any other materials declared or defined to be hazardous, toxic, contaminant or pollutant in or pursuant to any law or any Authority.

7.2 Severance

In the event that any provision of this Lease is deemed to be invalid or unenforceable, it is understood between the Parties that such provision shall, whenever possible, be interpreted, construed, limited or it necessary severed to the extent necessary to eliminate such invalidity or unenforceability. All the remaining provisions of the Lease shall remain valid and continue to bind the parties.

If required, the parties agree to negotiate in good faith a valid enforceable substitute provision which most nearly reflects the parties' original intent in entering into the Lease or to provide an equitable adjustment in the event so much provision can be added.

7.3 Headings and Captions

The headings in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope of meaning of this Lease nor any of the provisions hereof.

7.4 Effect of Lease

This Lease and everything herein contained shall operate to the benefit of any and by binding upon the respective successors, assigns and other legal representatives, as the case may be, of each of the parties hereto subject to the granting of consent by the Landlord as provided herein to any assignment or sublease, and every reference herein to any party hereto shall include the successors, assigns and other legal representatives of such party.

7.5 Governing Law

This Lease shall be governed by and construed in accordance with the laws of Ontario.

7.6 Time of the Essence

Time shall be of the essence hereof.

7.7 Freedom of Information

The Tenant acknowledges, agrees and consents to the release by the Landlord of this Lease and any information contained herein.

IN WITNESS WHEREOF the parties hereto have executed this Lease.

SIGNED, SEALED & DELIVERED

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

Per: _____
MAYOR – CHRISTIAN PROVENZANO

Per: _____
CITY CLERK – MALCOLM WHITE

Authorized Signing Officer

**SUPERIOR SPORTS TRAINING
INCORPORATED**

Per: _____

Name:
Title: Owner

I have the authority to bind the corporation.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-104

AGREEMENT: (AG41) A by-law to authorize the execution of the Lease Amending Agreement between the City and Her Majesty the Queen in Right of Ontario as Represented by the Minister of Government and Consumer Services for the lease of a portion of 540 Albert Street East.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 9 of the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. **EXECUTION OF DOCUMENT**

The Mayor and 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 6, 2019 between the City and Her Majesty the Queen in Right of Ontario as Represented by the Minister of Government and Consumer Services, a copy of which is attached as Schedule "A" hereto. This Agreement is for the lease of a portion of 540 Albert Street East.

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 6th day of May, 2019.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

Schedule "A"

LEASE AMENDING AGREEMENT

THIS AGREEMENT made in duplicate as of May 6, 2019.

B E T W E E N:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "Landlord")

- and -

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE
MINISTER OF GOVERNMENT AND CONSUMER SERVICES**

(the "Tenant")

WHEREAS:

- A. By a lease dated July 16, 1999 (the "Original Lease"), the Landlord leased to Her Majesty, the Queen in right of Ontario as represented by the Chair of the Management Board of Cabinet (the "Chair") the premises more particularly described as a portion of the third (3rd) floor and a portion of the fourth (4th) floor, comprising a rentable area of approximately six thousand, one hundred and eight (6,108) square feet (the "Rentable Area of the Premises"), in the building municipally known as 540 Albert Street East (the "Building"), in the City of Sault Ste. Marie, in the Province of Ontario, as outlined on the plan attached to the Original Lease as Schedule "B" thereto (the "Premises") for a term of five (5) years, commencing on July 16, 1999 and expiring on July 15, 2004 (the "Original Term"), in addition to other terms and conditions as set out therein.
- B. Pursuant to the terms of the Original Lease, the Chair was entitled to extend the Original Term for one (1) additional term of five (5) years.
- C. The Chair exercised its right to extend the Original Term by a lease extension agreement dated July 16, 2004 (the "First Lease Extension Agreement") with an extension term commencing on July 16, 2004 and expiring on July 15, 2009 (the "First Extension Term"), in addition to other terms and conditions as set out therein.
- D. Pursuant to the terms of the First Extension Agreement, the Chair was entitled to extend the First Extension Term for one (1) additional term of five (5) years.
- E. By Order in Council No. 1487/2005, approved and ordered September 21, 2005, all of the powers and duties assigned by law to the Chair in respect of the acquisition and disposition of real property, or interests therein, by any means and the holding and management of real property, or interests therein, were assigned to the Minister of Public Infrastructure Renewal ("MPIR").
- F. By Order in Council No. 1617/2008, approved and ordered September 17, 2008, all of the powers and duties assigned by law to the MPIR in respect of infrastructure and any other matters were transferred and assigned to Minister of Energy and Infrastructure ("MEI").
- G. MEI exercised its right to extend the First Extension Term by a lease extension and amending agreement dated July 16, 2009 (the "Second Lease Extension and Amending Agreement") with an extension term commencing on July 16, 2009 and expiring on July 15, 2014 (the "Second Extension Term"), in addition to other terms and conditions as set out therein.
- H. Pursuant to the terms of the Second Lease Extension and Amending Agreement, MEI was entitled to extend the Second Extension Term for one (1) additional term of five (5) years.

- I. By Order in Council No. 1320/2010, approved and ordered September 15, 2010, all of the powers and duties assigned by law to the MEI under Order in Council No. 1617/2008 in respect of infrastructure matters, including but not limited to the powers, duties, functions and responsibilities of the MEI in respect of the Ministry of Government Services Act, R.S.O. 1990, c.M.25 in respect of real property matters, were transferred and assigned to the Minister of Infrastructure ("MOI").
- J. Ontario Infrastructure and Lands Corporation ("OILC") has been delegated MOI's authorities and responsibilities with respect to real property in the name of MOI subject to certain conditions by Delegation of Authority of Ontario Infrastructure and Lands Corporation under the Ministry of Infrastructure Act, 2011, S.O. 2011, c. 9, Sched. 27.
- K. By Order in Council No. 1376/2011, approved and ordered July 19, 2011, the MOI shall exercise the powers and duties assigned by law to the MOI or that may otherwise be assigned to or undertaken by the MOI in respect of infrastructure and any other matters related to the MOI's portfolio.
- L. MOI exercised its right to extend the Second Extension Term by a lease extension and amending agreement dated July 16, 2014 (the "Third Lease Extension and Amending Agreement") with an extension term commencing on July 16, 2014 and expiring on July 15, 2019 (the "Third Extension Term"), in addition to other terms and conditions as set out therein.
- M. Pursuant to the terms of the Third Lease Extension and Amending Agreement, MOI was entitled to extend the Third Extension Term for one (1) additional term of five (5) years upon the Tenant giving written notice to the Landlord of such extension at least six (6) months prior to the end of the Third Extension Term.
- N. By Order in Council No. 219/2015, approved and ordered February 18, 2015, all of the powers and duties previously assigned and transferred to the MOI under Order in Council No. 1376/2011, save and except as set out in Order in Council No. 219/2015, were assigned and transferred to the Minister of Economic Development, Employment and Infrastructure ("MEDEI").
- O. By Order in Council No. 1342/2016, approved and ordered September 14, 2016, all of the powers and duties previously assigned and transferred to the MEDEI under Order in Council No. 219/2015 in respect of infrastructure and other matters are assigned and transferred to the MOI.
- P. By Order in Council No. 1152/2018, approved and ordered October 22, 2018, certain responsibilities in respect of government property under the Ministry of Infrastructure Act, 2011, S.O. 2011, c. 9, Sched. 27 and other responsibilities were assigned and transferred from the MOI to the Minister of Government and Consumer Services.
- Q. The Landlord and the Tenant have agreed to amend the notice period required under the Third Lease Extension and Amending Agreement, as more specifically set out herein.
- R. The Original Lease and this lease extension and amending agreement (the "Lease Extension and Amending Agreement") are hereinafter collectively referred to as the "Lease", except as specifically set out herein.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual promises hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto agree as follows:

1. CONFIRMATION OF RECITALS

The parties hereto confirm that the foregoing recitals are true in substance and in fact.

2. AMENDMENT OF LEASE

- (a) The Third Lease Extension and Amending Agreement is amended as follows:

- (i) Section 4(b) is deleted in its entirety and replace it with the following:

“The Landlord and the Tenant agree that the Tenant shall be granted one (1) further option to extend the Term of the Lease for five (5) years (a “Further Extension Term”). The Further Extension Term shall be upon the same terms and conditions of the Original Lease, as extended, renewed or amended, as the case may be, except that there shall be no further right of extension beyond the Further Extension Term and except for the Annual Rent, which shall for the Further Extension Term be based upon: (1) the Rentable Area of the Premises, and (2) the Market Rental. The Annual Rent for the Further Extension Term shall be determined by mutual agreement after the Tenant provides written notice of its extension of the Lease, but before expiry of the Third Extension Term, or failing such agreement, by arbitration in accordance with Section 6.14 of the Lease.

The Tenant shall give written notice to the Landlord of its extension of the Lease no later than June 1, 2019.”

3. GENERAL

- (a) The Lease shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns, subject to the express restrictions contained therein.
- (b) Capitalized expressions used herein, unless separately defined herein, have the same meaning as defined in the Original Lease.
- (c) The provisions of this Lease Amending Agreement shall be interpreted and governed by the laws of the Province of Ontario.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

- (d) The Landlord acknowledges that this Lease and any information contained herein, may be required to be released pursuant to the provisions of the Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.F.31 and the Open Data Directive as amended. This acknowledgement shall not be construed as a waiver of any right to object to the release of this Lease or of any information or documents.

EXECUTED by each of the parties hereto under seal on the date written below.

SIGNED, SEALED AND DELIVERED

Dated this ____ day of _____, 20__.

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

By: _____
Name:
Title:

Authorized Signing Officer

By: _____
Name:
Title:

Authorized Signing Officer

Dated this ____ day of _____, 20__.

**HER MAJESTY THE QUEEN IN RIGHT
OF ONTARIO AS REPRESENTED BY
THE MINISTER OF GOVERNMENT
AND CONSUMER SERVICES, AS
REPRESENTED BY ONTARIO
INFRASTRUCTURE AND LANDS
CORPORATION**

By: _____
Name:
Title:

Authorized Signing Officer

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-105

AGREEMENT: (AG168) A by-law to authorize the execution of the Second Amending Agreement dated May 6, 2019 between the City and The Federal Bridge Corporation Limited to amend the Licence Agreement dated December 11, 2017, as amended by an Amending Agreement dated December 10, 2018 to extend the expiry date of this Licence Agreement to permit the occupation and use of the City lands designated to be transferred to The Federal Bridge Corporation Limited.

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 Second Amending Agreement dated May 6, 2019 between the City and The Federal Bridge Corporation Limited, a copy of which is attached as Schedule "A" hereto. This Agreement is to extend the expiry date of the Licence Agreement dated December 11, 2017, as amended by an Amending Agreement dated December 10, 2018.

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 6th day of May, 2019.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

Schedule "A",

This Second Amending Agreement is made effective the 6th day of May, 2019 (the "Second Amending Agreement").

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(hereinafter the "City")

– and –

THE FEDERAL BRIDGE CORPORATION LIMITED

(hereinafter the "FBCL")

WHEREAS the City is the registered owner in fee simple in possession of lands legally described in *Schedule "A"* to this Agreement (collectively referred to as the "Subject Property") and illustrated on the map attached as *Schedule "B"* to this Agreement;

AND WHEREAS the FBCL expressed to the City its desire to acquire the Subject Property to facilitate the construction and ongoing maintenance, occupation and use of a new International Bridge Plaza and accompanying infrastructure (the "Project") and the City is agreeable to same;

AND WHEREAS matters related to the conveyance of the Subject Property are in the process of being finalized;

AND WHEREAS the City and the FBCL entered into a Licence Agreement dated December 13, 2017, with an expiry date of December 31, 2018, regarding the Subject Property;

AND WHEREAS the City and FBCL entered into an Amending Agreement dated December 10, 2018, which amended the expiry date of the Licence Agreement to May 31, 2019, regarding the Subject Property;

AND WHEREAS the FBCL has requested that the expiry date in the said Licence Agreement be extended to December 31, 2019;

AND WHEREAS the City agrees to amend the said Licence Agreement to extend the expiry date in the Agreement to December 31, 2019;

NOW THEREFORE the parties agree as follows:

1. That paragraph 2 of the Licence Agreement be amended to read as follows:

"The Licence created in Section 1 of this Agreement shall continue until December 31, 2019 or ending at such time as the lands comprising all of the Subject Property are transferred from the City to the FBCL, whichever occurs first."

The remaining paragraphs, Schedules, terms and conditions of the said Licence Agreement remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amending Agreement effective as of the date written above.

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

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – MALCOLM WHITE

THE FEDERAL BRIDGE CORPORATION LIMITED

NAME: Micheline Dubé
TITLE: President and Chief Executive officer

NAME: Anthony (Tony) Pickett
TITLE: Chief Corporate Services Officer

We have the authority to bind the corporation

SCHEDULE "A"

The parties hereto acknowledge and agree that the City is the registered owner of the lands legally described as follows:

GEORGE ST PL TOWN PLOT OF ST. MARY'S CLOSED BY T127029 BTN QUEEN ST AKA SUPERIOR ST TOWN PLOT OF ST. MARY'S & ALBERT ST AKA MURRAY ST TOWN PLOT OF ST. MARY'S; LT 12 N/S SUPERIOR ST PL TOWN PLOT OF ST. MARY'S EXCEPT PT 2 1R1177 MRO; PT LT 11 N/S SUPERIOR ST, 11 S/S MURRAY ST, 12 S/S MURRAY STREET, 13 S/S MURRAY ST PL TOWN PLOT OF ST. MARY'S PT 1, 3 & 4 1R1177, PT 1 1R10605 SRO; SAULT STE. MARIE, PIN 31578-0170 (LT);

PT LT 15 S/S MURRAY ST, 16 S/S MURRAY ST, 15 N/S SUPERIOR ST, 16 N/S SUPERIOR ST PL TOWN PLOT OF ST. MARY'S AS IN RY22821 (SECONDLY, THIRDLY & FOURTHLY) & AS IN T113494 EXCEPT T149152, T339457 & PT 7 1R2137, CLOSED BY BYLAW AL158973; S/T RY48557, T360047, T361971, T84473, T386646 & T113565, T129342; SAULT STE. MARIE, PIN 31578-0173 (LT);

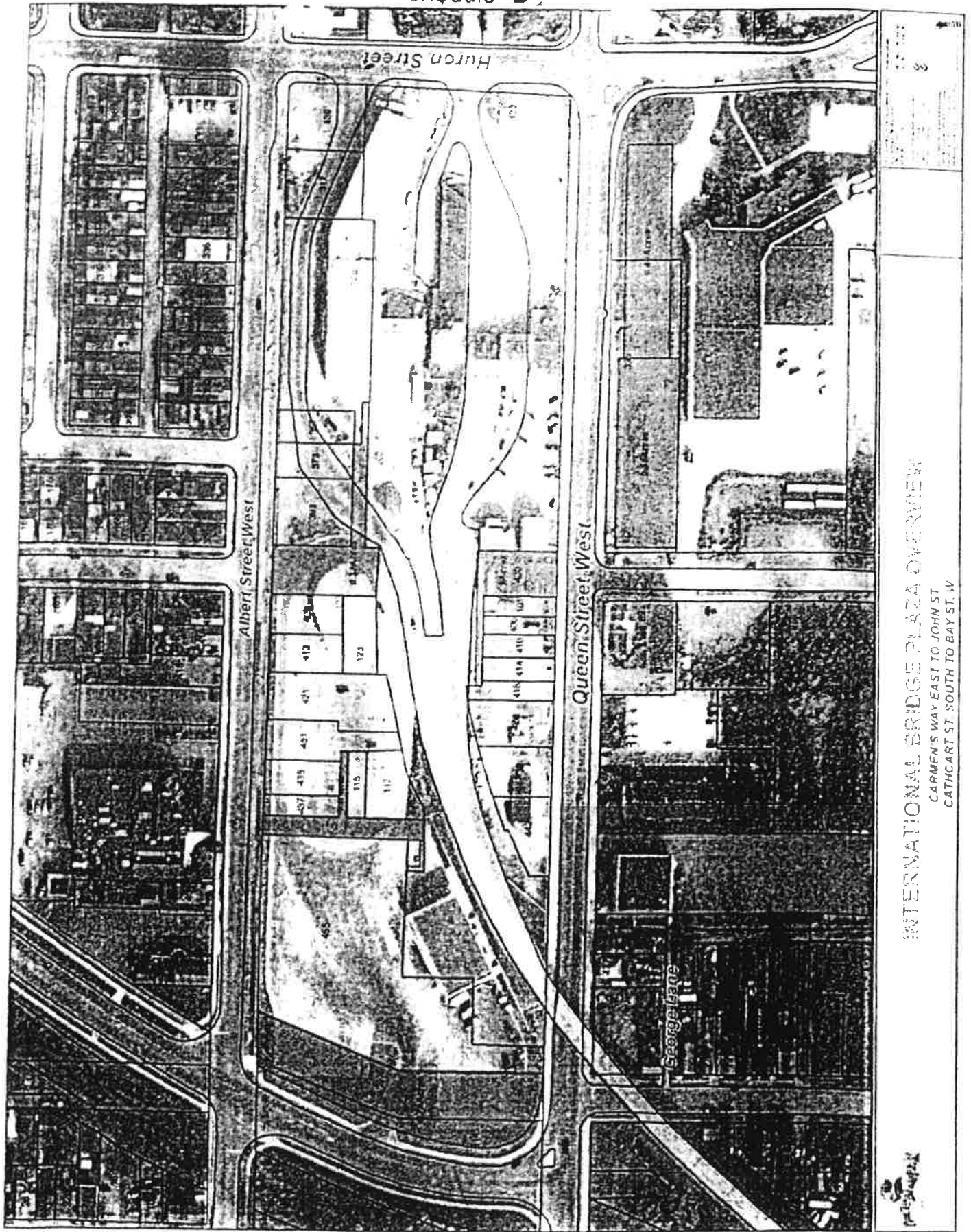
PT LANE PL 4175 ST. MARY'S E OF HUDSON ST & W OF PT 1 & 2 1R10648; PT LANE PL 4175 ST. MARY'S CLOSED BY T441832, PT 1 1R10648; SAULT STE. MARIE, PIN 31576-0010 (LT);

PART HUDSON ST PL TOWN PLOT OF ST. MARY'S N OF PT 4 & 5 1R10149; SAULT STE. MARIE, PART OF PIN 31576-0329 (LT);

PART OF THE FOLLOWING PROPERTIES: LT 19 S/S SUPERIOR ST, 20 S/S SUPERIOR ST, 21 S/S SUPERIOR ST, 22 S/S SUPERIOR ST, 23 S/S SUPERIOR ST, 24 S/S SUPERIOR ST, 23 PORTAGE ST, 24 PORTAGE ST PL TOWN PLOT OF ST. MARY'S; PT LT 19 PORTAGE ST, 20 PORTAGE ST, 21 PORTAGE ST, 22 PORTAGE ST PL TOWN PLOT OF ST. MARY'S; PT PORTAGE ST PL TOWN PLOT OF ST. MARY'S CLOSED BY RY5684, PT 1 TO 8, 1R4514; S/T T433158, T217657, T242063; S/T T241680, T242587, T278276, T456523; SAULT STE. MARIE, PART OF PIN 31576-0024 (LT); AND

PT LT 16 N/S SUPERIOR ST PL TOWN PLOT OF ST. MARY'S PT 7 1R2137; SAULT STE. MARIE, PIN 31578-0196.

The parties further acknowledge and agree that these lands are collectively referred to as the "Subject Property" in this Licence Agreement.



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-106

APPOINTMENT: (R1.23) A by-law to appoint a Weed Inspector for the administration of the *Weed Control Act*.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 6, subsection 1 of the *Weed Control Act*, R.S.O., 1990, chapter W.5 and amendments thereto **ENACTS** as follows:

1. APPOINTMENT

Justen Joseph is hereby appointed a Weed Inspector for the City of Sault Ste. Marie to enforce the *Weed Control Act* until the appointment of a successor.

2. EFFECTIVE DATE

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

PASSED in Open Council this 6th day of May, 2019.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-107

AGREEMENT: (C3.26) A by-law to authorize the execution of the Agreement between the City and Passport Labs, Inc. for the Mobile Payment Parking Solution one (1) year Pilot Program.

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 between the City and Passport Labs, Inc., a copy of which is attached as Schedule "A" hereto. This Agreement is for the Mobile Payment Parking Solution one (1) year Pilot Program.

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 6th day of May, 2019.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

Schedule "A"

SOFTWARE LICENSE AND SERVICE AGREEMENT

This Software License and Service Agreement (the "Agreement") is entered into as of the Effective Date set forth below by and between Passport Labs, Inc. ("Passport") and the party named below ("Provider"). This Agreement includes and incorporates the terms and conditions found in this document, the Terms and Conditions found in Exhibit A, and the terms and conditions found in all other Exhibits hereto, which represent the full and complete understanding and agreement of Passport and Provider with respect to the subject matter hereof. In exchange for the mutual covenants herein and other good and valuable consideration, the Parties agree and intend to be bound as follows:

I. GENERAL TERMS

Provider Legal Name: The Corporation of the City of Sault Ste. Marie		Contact: Frank Coccimiglio
Email: frank.coccimiglio@cityssm.on.ca		Phone: 705-759-5303
Provider Contact Address 99 Foster Drive Sault Ste. Marie, ON P6A 5X6		Provider Billing Contact Address 99 Foster Drive Sault Ste. Marie, ON P6A 5X6
Effective Date:		
Services: Passport will provide services (the “Services”) and license all software, including all web and mobile applications and related documentation, (the “Software”) necessary for Provider to operate a mobile payment for parking program (“MPP”) which allows all parking customers in any parking facilities owned or managed by Provider (the “Premises”) the ability to pay for parking using a smartphone application or mobile web application. Passport, at no additional cost to the client, will provide six (6) Samsung S7 (or equivalent) devices for the purpose of monitoring mobile pay sessions. Passport, at no additional cost to the client, will provide six (6) Zebra ZQ320 (or equivalent) to Provider if and when Provider elects to implement Passport’s citation management platform (“CMP”), with such CMP terms and conditions as mutually agreed upon by the parties.		
Governing Law		Ontario, Canada
Term: This Agreement shall commence on the Effective Date and continue for one (1) year. Thereafter, the Provider may elect to renew, with such election accomplished by written notice from Provider to Passport (e-mail notice is sufficient), the Agreement for up to four (4) additional one (1) year terms.		

(continued on next page)

II. MOBILE PAYMENT FOR PARKING TERMS

Equipment Provided by Passport:	Initial Signs One (1) sign per block face for on-street parking; one (1) sign per fifty (50) off-street spaces	Initial Decals One (1) decal per hardware unit)
Installation: Provider will be solely responsible for installing all signs and decals in the Premises. This obligation includes the responsibility to provide all hardware necessary to affix and display signs and decals, including without limitation, all hooks, poles, posts, brackets, screws, bolts, and nuts		
Ancillary Fees: a) Zone setup fees of three dollars (\$3.00) per space - WAIVED b) Initial Signs and Stickers – WAIVED (unit prices of twenty dollars (\$20.00) per sign and three dollars (\$3.00) per decal will apply to additional or replacement orders) c) Provider will pay a ten dollar (\$10.00) administrative fee in addition to sign and shipping costs per sign for any additional or replacement signs purchased through Passport d) Provider will pay a one dollar (\$1.00) administrative fee in addition to decal and shipping costs per decal for any additional or replacement decals purchased through Passport e) Passport will provide a design file to allow Provider to print replacement signs and decals f) Provider will reimburse Passport for any and all reasonable travel, lodging, and food expenses incurred by Passport employees while traveling at Provider's request.		

(continued on next page)

III. FEES

Per Transaction MPP Service and License Fee*		\$0.15
Maximum Convenience Fee Passed through to Parking Customers		\$0.15
Merchant Processing Costs: Provider will be responsible for paying all merchant processing costs, including, without limitation, settlement fees, payment gateway fees, chargeback fees, and interchange reimbursement fees.		
Merchant of Record for Transactions:	Passport	X Provider
Passport Merchant Processing Rate Per Transaction:		N/A
Payment Gateway Provider:	Passport	X Other
Passport Gateway Fee Per Transaction:	N/A	

*An MPP “transaction” is a single session lasting less than twenty-four (24) hours in duration.

Passport Labs, Inc:

Provider: The Corporation of the

City of Sault Ste. Marie

By: _____

By: _____

Name: Khristian Gutierrez

Name: Christian Provenzano

Title: Chief Revenue Officer

Title: Mayor

By: _____

Name: Malcolm White

Title: City Clerk

I have authority to bind the Corporation

We have authority to bind the Corporation

Exhibit A
Terms and Conditions

1. Services

Passport shall perform the services in a competent, professional, and workmanlike manner consistent with industry practices. Passport will maintain all permits, certificates and licenses required by applicable governing law and Passport's employees performing the services will be fully qualified, licensed as required, and skilled to perform the services. Passport warrants that it has the power to enter into and perform this Agreement and that it will at all times during the term of this Agreement be, duly organized, validly existing and in good standing under the laws of the state of Delaware.

2. Compliance with Laws and Codes

In providing the services under this Agreement, Passport will comply at its sole cost and expense with all applicable governing federal, provincial, county, and municipal laws, statutes, rules, regulations and ordinances. If requested by Provider while performing services at Provider's place of business, Passport will comply with Provider's dress and conduct codes and security protocols.

3. PCI Certification

For the duration of the term of this Agreement, Passport will maintain Payment Card Industry – Data Security Standard certification.

4. Product Updates

Any system-wide improvements or modifications made by Passport to the Software will, when available, be provided to Provider at no charge to Provider and will automatically be subject to the terms of this Agreement.

Provider may request new features or functionality to be built into the system, and, to the extent that Passport plans to incorporate such requested new features or functionality into the Software, Passport will develop such features and functionality at no cost to the Provider pursuant to Passport's development timeline. If the Provider desires to expedite such development, Passport may, in its sole discretion, charge Provider an expedite fee of two hundred dollars (\$200.00) per development hour necessary to develop the requested features or functionality, provided, however, that Passport shall first notify Provider and receive written approval from Provider to proceed. If the Provider's requested features or functionality are created for the Provider's use and Passport does not plan to incorporate such requested features into the Software, Passport may, in its sole discretion, charge Provider a custom development fee of two hundred and fifty dollars (\$250.00) per hour for the development of such features or functionality, provided, however, that Passport shall first notify Provider, including a cost estimate, and receive written approval from Provider to proceed and the parties shall mutually agree upon the payment schedule.

In addition to or in lieu of the fees set forth in this section, the parties may establish a monthly software license or maintenance fee that will be mutually agreed between the parties in a separate written addendum to this Agreement.

5. Changes

Any changes to the scope of services provided under this Agreement shall be set forth in a written change

order or amendment signed by both parties setting forth the scope of the change(s) and any applicable fees.

6. Additional Passport Services

Passport provides all of the following software platforms as part of its overall technology portfolio: mobile payments for parking, citation management, digital permits, and mobile payments for transit. Provider may request the addition of any of these platforms to the extent not provided by Passport to Provider as of the Effective Date, and any additional platforms developed by Passport from and after the Effective Date, which shall be memorialized in an addendum to this Agreement including the fees applicable to such platform(s) and any additional applicable service or legal terms.

7. Scheduled Maintenance

If Passport plans to perform any scheduled maintenance during business hours, Passport will provide notice to Provider at least twenty-four (24) hours in advance of the commencement of such scheduled maintenance. For the purpose of this section, "business hours" means Monday through Friday between 9 am 5 pm EDT. In the event that Passport determines that unscheduled maintenance is necessary, Passport will give Provider as much advance notice as is reasonably practicable, unless such unscheduled maintenance is necessitated by emergency circumstances for which it would be unfeasible or impossible to notify Provider in advance.

8. System Uptime; Billing Credits

Passport will provide the Software with uptime of at least ninety-nine percent (99.0%) calculated over a rolling six-month period ("Uptime Guarantee"). For any month during which system uptime drops below the Uptime Guarantee, Passport will provide a billing credit in an amount equal to the percentage difference between a) the lowest uptime reached at any point during the month (calculated on a rolling six month period) and b) the Uptime Guarantee, multiplied by the total fees payable to Passport for such month. For example, if during a given month the software uptime falls to ninety-five percent (95.0%) and if during that month the fees payable to Passport were one hundred dollars (\$100.00), Passport will issue a billing credit of four dollars (\$4.00). For the purposes of this agreement, uptime is defined as any period of time during which end users of the Software can use the Software.

9. Service Levels

Subject to the uptime guarantee set forth in Section 8, Passport's sole and exclusive obligation in the event of an error or interruption of the Software is to use its best efforts to restore or repair the Software as quickly as practicable.

10. Technical Support

A. Passport will provide telephone and email support to Provider's staff from Monday to Friday between the hours of 8:00 a.m to 7:00 p.m. EST to address technical and operating setting issues. Passport will provide "after-hours emergency telephone support" available 24/7.

- Monday-Friday 8AM - 7PM EST
 - (US) 980-939-0990
 - Help@passportinc.com
- After-Hours Emergency Support
 - 866.815.3043

B. Provider will provide initial support, including inquires via telephone and email, for end-users ("parkers"). If the Provider is unable to address the parkers technical questions, Provider may escalate end-users to Passport's End-User Support Team for technical issues from Monday to Saturday between the hours of 8:00 a.m to 9:00 p.m. EST at (US) 704-817-2500 or Support@passportinc.com. Provider may not display Passport's phone number (or other direct contact information for Passport) on any marketing or signage visible by parkers.

11. Data Rights

This Section shall govern the rights of Passport and Provider, as the case may be, with respect to the data that is subject to this Agreement. Passport will, by provisions in its Privacy Policy or otherwise, procure from such end users all such lawful consents and rights necessary to grant to Provider the rights in such data as stated in this Section. Passport's Privacy Policy, as it may be amended from time to time in Passport's sole discretion, can be viewed at <https://passportinc.com/privacy-policy/>.

A. Operational data is data specific to the Provider's operation that is provided by Provider to Passport to be used in the providing of services. Operational data is specific to the Provider's operation, which is not available to Passport publicly or by other means. Operational data may include, but is not limited to, zone information, rate information, operational schedules, business metrics, relevant details of partner agreements. In each case, Operational data may refer to past, present, or future states of such items.

Operational data is the sole and exclusive property of the Provider. The Provider grants Passport a perpetual, irrevocable, royalty-free, non-exclusive, non-assignable, and non-transferrable license to Operational data collected during this Agreement being in force and effect. Passport may, with written notice to Provider, assign or transfer such license to a successor in connection with the transfer or sale of all or substantially all of its assets or business related to this Agreement, or in the event of its merger, consolidation, change in control or similar transaction.

B. Payment Card Industry-Data Security Standard Information ("PCI-DSS Information") consists of the following items, each as defined by the then-current Payment Card Industry Data Security Standards ("PCI-DSS"): Account Data; Cardholder Data; Primary Account Number; and Sensitive Authentication Data.

Passport acquires a license or sublicense to the PCI-DSS Information from end users who share such data with Passport in connection with their use of the Software. Passport must secure such data in accordance with PCI-DSS. As such, Passport may not grant Provider derivative rights to such PCI-DSS Information and Passport shall not be required to disclose such PCI-DSS Information to Provider.

Personal identifiable information ("PII") is any representation of information that permits the identity of an individual to whom the information applies to be reasonably determined or inferred by either direct or indirect means. Name, address, social security number or other identifying number or code, telephone number, or email address directly identify individuals. Certain data elements—including gender, race, birth date, geographic indicator (such as zip code or postal code), and other descriptors—can be used in conjunction or with other data elements to indirectly identify individuals. Information permitting the physical or online contacting of a specific individual (e.g., IP address) is also personally identifiable information. End users of Passport's Software own PII and license it to Passport pursuant to Passport's Privacy Policy, as it may be amended from time to time in Passport's sole discretion. Passport may sublicense PII to the Provider under certain conditions (including but not limited to the Provider's compliance with information security controls and applicable regulations, including but not limited to the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56 (MFIPPA) that shall be memorialized separately if and when applicable.

C. Activity data is any data generated in the providing of services under this agreement by Passport to Provider and by end users' interactions with the services or with Passport directly that is not otherwise PCI-DSS information or PII as defined above. Activity data may include, but is not limited to, user interaction data, geolocation data, opt-in/opt-out status (including compliance logs), purchase and session data, application diagnostic data, service performance data, and support data. Data that is derived from Activity data is also Activity data.

Activity data is the sole and exclusive property of Passport. Passport grants the Provider an irrevocable, royalty-free, non-exclusive, non-assignable, and non-transferrable license to Activity data for the duration of the term of this Agreement and only to the extent and in the format that Passport chooses in its sole discretion to expose such data through its administrative portal or as otherwise agreed upon with the Provider and only for the Provider's internal use in connection with the services provided under this agreement.

12. Privacy Policy; Terms of Use

End users' use of the Services shall at all times be governed by (a) Passport's Privacy Policy, as it may be amended from time to time in Passport's sole discretion, which can be viewed at <https://passportinc.com/privacy-policy/>, and (b) Passport's Terms and Conditions, as they may be amended from time to time in Passport's sole discretion, which can be viewed at <https://passportinc.com/terms-and-conditions/>.

13. Intellectual Property

A. Passport grants Provider a revocable, non-exclusive, non-assignable, non-transferrable, and non-subleaseable right and license to use and access the Software only for its internal business purposes for the duration of the Term. All intellectual property rights including, without limitation, trade names, source code, trademarks, copyrights, patents, and trade secrets, not explicitly granted to Provider in this agreement are reserved to Passport.

B. Provider will not, directly, indirectly, alone, or with another party, (i) copy, disassemble, reverse engineer, or decompile the software or any subpart thereof; (ii) modify, create derivative works based upon, or translate the software or source code; (iii) transfer or otherwise grant any rights in the software or source code in any form to any other party; (iv) attempt to do any of the foregoing or cause or permit any third party to do or attempt to do any of the foregoing, except as expressly permitted hereunder.

14. Publicity; Use of Names and Marks

Subject to the provisions of Section 19 (Confidentiality) below, the parties will have the right to publicly disclose that Passport is Provider's provider of the Software as set forth herein by means of, by way of illustration and not limitation, news releases, public announcements, or other forms of publicity.

Passport may use the name or marks of Provider, or reference the fact that Provider is a client of Passport, for business development purposes, as part of a portfolio or work, or in an illustrative list of clients.

15. Payment Gateway

Provider must supply a payment gateway for the payment of all fees by end users. Passport can provide payment gateway services and Exhibit B contains a list of other payment gateways supported by Passport. For any unsupported payment gateway selected by Provider, Passport will charge a two hundred and fifty dollar (\$250.00) per development hour necessary to perform necessary integrations. Provider will bear all costs associated with payment gateway services, including all per transaction costs. Provider may elect to

use Passport's payment gateway at any time (which shall be reflected in a written amendment to this Agreement) at the rate of \$0.05 per transaction.

16. Payment Terms

Provider is the MOR, Passport will send monthly invoices to Provider for all fees payable to Passport that accrued during the preceding month. If Provider fails to remit payment according to such invoices within thirty (30) days after the date on the invoice, Passport will have the right to suspend Provider's access to the software and/or assess interest at the rate of 18% per annum on the delinquent balance, or the maximum rate permitted by provincial law, if lower, until such delinquent balance is paid.

17. Refunds

Passport agrees to forgo or return, as applicable, its per transaction fees for any refund granted by Provider. Provider will be responsible for reimbursing Passport for all merchant processing fees, including without limitation payment gateway fees, settlement fees, and interchange reimbursement fees, if any, incurred by Passport for all transactions, including refunded transactions.

18. Capacity

Provider represents and warrants that it has obtained or will obtain all applicable governmental approvals, authorizations, or licenses necessary to enter into this Agreement. Passport and the Provider further represents and warrants its signatory is duly authorized to bind Passport and the Provider to the terms herein.

19. Confidentiality

A. Provider and Passport agree to treat this Agreement and all information furnished, or to be furnished, by or on behalf of the other party and information analyses, summaries and other work product derived from such information (collectively, the "Confidential Information") in accordance with the provisions of this section and to take, or abstain from taking, all actions set forth herein. Each party, as a receiving party, will do the following things with regard to the Confidential Information of the other party:

- i. Prevent the disclosure of the Confidential Information by the receiving party and each of the receiving party's employees, agents, and/or professionals to any third party other than as permitted under this Agreement;
- ii. Use, and permit the use of, the Confidential Information only for the purposes of providing, or enjoying the benefit of, the goods, services, and/or software provided for in this Agreement (the "Purpose");
- iii. Disclose the Confidential Information only to such of the receiving party's employees, agents, and professionals as have a bona fide need to possess or know the Confidential Information in the course of accomplishing, or advising the disclosing party with regard to, the Purpose;
- iv. Cause each employee, agent, or professional to whom the receiving party discloses the Confidential Information to be bound by an obligation of confidentiality that is at least as rigorous as the obligations contained in this Agreement; and
- v. Return or destroy all written or other tangible copies of Confidential Information in the receiving party's possession or direct or indirect control, including all extracts and copies thereof, within a reasonable time after, and in accordance with, the disclosing party's request.

B. Nothing in this Agreement will prevent the receiving party from disclosing or using Confidential Information to the extent that:

- i. It is or becomes readily ascertainable by proper means by the public without any breach of a confidentiality obligation of the receiving party;
- ii. It is received from a third party that is not under an obligation of confidentiality of which the receiving party knew or had reason to know;
- iii. It was independently developed by the receiving party without use of the Confidential Information; or
- iv. It is required by law to be disclosed, provided that the receiving party provides to the disclosing party as much notice as is practicable under the circumstances of such requirement prior to disclosure and provides to the disclosing party, at the disclosing party's expense, such reasonable assistance as the disclosing party requests in seeking confidential treatment, protective orders, nondisclosure, and/or similar measures.

For the avoidance of doubt, none of the requirements of this Section shall prohibit Provider from disclosing Confidential Information to the extent that such information is required to be disclosed pursuant to any open records law, open meetings law, or any other local public disclosure law applicable to Provider, including but not limited to MFIPPA.

20. Wallet Services

Provider may elect to provide parking customers with a virtual wallet (a "wallet program"). With a wallet program, parking customers would be required to prepay funds into a wallet account for the payment of future parking fees and/or transit ticket fares. Provider and Passport shall agree in advance on the minimum amount required to fund the wallet.

21. Marketing and Design Services

At Provider's request, Passport may provide marketing and design services to Provider as value-added services to Provider in connection with the services provided under this Agreement. Provider should contact its Passport sales associate for additional details pertaining to these services. Any services selected and any applicable fees and terms will be memorialized in a written addendum to this Agreement and shall be incorporated herein by reference.

22. Cooperative Purchasing

Provider will allow any public agency located in the United States to purchase, and Passport to offer to such public agency or agencies, the Software at the same price and under the same conditions agreed upon in this Agreement without any competitive bidding on the part of such public agency or agencies, to the extent permitted by law. Each such public agency will execute its own contract directly with Passport and Provider shall not incur any responsibility—financial or otherwise—in connection therewith.

23. Force Majeure

Neither Passport nor Provider will be held liable for any delay or omission in performance of their duties under this Agreement resulting from causes beyond their reasonable control, including, for the sake of illustration and not limitation, delays or omissions attributable to third-party vendors, suppliers, or integration partners, labor strikes, acts of god, acts of the public enemy, fires, natural disasters, wars, or riots.

24. Disclaimer of Warranties

The Software is provided to Provider by Passport “as is” and with all faults. Provider acknowledges and agrees that Passport bears no liability for any error, omission, defect, deficiency, or nonconformity within the Software except as expressly provided in this Agreement. Other than as specifically set forth herein, Passport does not make any representations, warranties, or guarantees, express or implied, directly or indirectly, including, without limitation, any warranty of condition, merchantability, or fitness for a particular purpose or use, with respect to, arising out of, or in connection with the Software and related services to be performed pursuant to this Agreement.

25. Indemnity

a. Indemnification by Provider

Provider agrees that it shall at all times promptly indemnify and hold Passport safe and harmless from and against any and all actions, manner of actions, causes of actions, liabilities, claims, demands, suits, damages, losses, injuries, expenses (including, without limitation, legal fees on a solicitor and own client basis) or otherwise which may be brought against or suffered by Passport for, arising from or in any way connected with a breach by Provider of this Agreement.

b. Indemnification by Passport

Passport shall at all times promptly indemnify and hold Provider safe and harmless from and against any and all other actions, manner of actions, causes of actions, liabilities, claims, demands, suits, damages, losses, injuries, expenses (including, without limitation, legal fees on a solicitor and own client basis) or otherwise which may be brought against or suffered by Provider for, arising from or directly connected with a breach by Passport of this Agreement.

c. Indemnification of Third Party Claims - Provider

Provider agrees that it shall at all times promptly indemnify and hold Passport safe and harmless from and against any and all actions, manner of actions, causes of actions, liabilities, claims, demands, suits, damages, losses, injuries, expenses (including, without limitation, legal fees on a solicitor and own client basis) or otherwise which may be brought against or suffered by Passport for, arising from or in any way connected with Provider’s use of Passport products or breach of this Agreement.

d. Indemnification of Third Party Claims – Passport

Passport agrees that it shall at all times promptly indemnify and hold Provider safe and harmless from and against any and all actions, manner of actions, causes of actions, liabilities, claims, demands, suits, damages, losses, injuries, expenses (including, without limitation, legal fees on a solicitor and own client basis) or otherwise which may be brought against or suffered by Provider for, arising from or directly connected with a breach by Passport of this Agreement.

26. Insurance

Passport agrees:

- a. That the property, assets, undertakings, activities and liability of Passport are insured against risks, loss and/or damages under a policy of insurance (the “Policy”) with insurers who are satisfactory to Provider in amounts, for risks and otherwise on terms which are reasonable in

relation to such assets and activities of Passport and as is prudent having regard to the business conducted by Passport.

- b That the General Liability Insurance Policy will, at a minimum, carry per occurrence limits of not less than one million dollars (\$1,000,000.00) per occurrence.
- c That the Cyber Liability Insurance Policy will, at a minimum, carry per occurrence limits of not less than five million dollars (\$5,000,000.00).
- d That Provider is named as an additional insured under the general liability insurance provisions of the Policy with respect to liability arising from or out of the operations of Passport.
- e That the Policy shall apply as primary insurance and contain an undertaking by the insurers to notify Provider in writing not less than thirty (30) days prior to any material change, cancellation or termination and that Passport itself will notify Provider within 48 hours of receipt of notification by insurers of any cancellation or termination of the Policy.
- f That certificates of insurance, together with copies of the coverage sheet, policy and any amending endorsements, in a form acceptable to Provider, will be delivered to Provider and Passport upon execution of this Agreement, and upon every renewal of the Policy for so long as this Agreement remains in effect.
- g That there has been no default or failure by the party or parties insured under the provisions of such Policy which would prevent the recovery by the Party or Parties insured there under of the full amount of any insured loss.

27. Severability

If any provision of the agreement is found to violate applicable law, the violating provision will be ineffective only to the extent that it violates the law, without invalidating the remainder of the section containing the violating provision or any other provisions or sections of this Agreement. Any court or arbitrator adjudicating the matter of the invalidity of a provision shall, to the extent permitted by law, reform any such illegal or unenforceable provision such as to give it the maximum effect.

28. Assignment

This Agreement and all of its provisions will be binding upon and inure to the benefit of the parties and their respective permitted successors and assignees. Neither Passport nor Provider may assign any rights, interests, or obligations hereunder without prior written consent of the other party, provided, however, that Passport may, with such written consent, assign this agreement and its rights and delegate its obligations hereunder in connection with the transfer or sale of all or substantially all of its assets or business related to this agreement, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all assigned obligations of its assignor under this agreement. Any purported assignment in violation of this section shall be void and of no effect.

29. Contractual Silence

To the extent this Agreement fails to address a condition, obligation, benefit, or other term necessary to sufficiently define the relationship between the parties or a disagreement or conflict regarding the interpretation or construction of this Agreement arises, the parties agree to reasonably cooperate to draft a mutually agreeable amendment that clarifies the duties, rights, and obligations of the parties under this Passport SLSA (November 2017)

Agreement. This provision does not remove any right the Provider has reserved under section 25 and 30 of this Agreement.

30. Amendments

The parties may not amend or modify this agreement except by a written instrument signed by an authorized signatory of each party.

31. Currency

Unless otherwise specified in the Agreement, all fees and other monetary amounts are in Canadian Dollars.

32. Cooperate

If either Provider or Passport has a claim, dispute, or other matter in question for breach of duty, obligations, services rendered or any warranty that arises under this agreement, the parties agree to cooperate in good faith to achieve a satisfactory resolution of such matter. If after sixty (60) days the dispute remains unresolved, the parties may pursue other remedies available at law or in equity. Notwithstanding the foregoing, either party shall have the right to immediately seek any applicable remedies available at law or in equity for a breach or threatened breach of the confidentiality obligations as set forth in Section 19. Any and all disputes, altercation, litigation, collections, or other matter, arising from this Agreement, and the mutual and independent obligations created shall be issued to a court having jurisdiction over the governing law (being Ontario, Canada).

33. Independent Contractor

Passport is an independent contractor and not an agent or employee of Provider. No agency, partnership, franchise, joint venture, or employment relationship exists between Passport and Provider. Passport's employees and agents will not be employees or agents of Provider. Passport shall be fully and solely responsible for the supervision, control, performance, compensation, benefits (including, without limitation, all forms of insurance) withholdings, health and safety of all of its employees and agents. Provider will not be responsible or liable for any withholding taxes or contributions to state worker's compensation, unemployment or other funds or programs.

33. Limitation of Liability

IN NO EVENT WILL EITHER PASSPORT OR THE PROVIDER OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS, BE LIABLE TO THE OTHER PARTY FOR AN AMOUNT GREATER THAN THE LIMITS OF ANY AVAILABLE INSURANCE COVERAGE TO EITHER PASSPORT OR THE PROVIDER. THE FOREGOING DISCLAIMER SHALL NOT APPLY TO THE EXTEN PROHIBITED BY APPLICABLE LAW.

34. Notices

All notices, consents, and communications required hereunder shall be given in writing and delivered via electronic mail or mail, shall be deemed to be given upon receipt thereof, and shall be sent to the address below:

If to Passport:

Passport Labs, Inc.

Passport SLSA (November 2017)

Confidential

Attn: Khristian Gutierrez
128 S. Tryon St., Suite 2200
Charlotte, NC 28202
Fax: (888) 804-1783
khristian.gutierrez@passportinc.com

With a hard copy to General Counsel and by email to jason.Idilbi@Passportinc.com

If to Provider at the contact information provided on the “General Terms” page.

35. Notice of information breach

Passport acknowledges that the Provider is a municipality in the Province of Ontario agrees to comply with MFFIPA and The Personal Information Protection and Electronic Documents Act (S.C 200, c.5), as amended, as applicable. To the extent no such law applies to a Security Breach, Passport will notify Provider of a security breach, following the discovery or notification of such Security Breach, in the most expedient time possible under the circumstances, without unreasonable delay, and after taking any measures necessary to determine the scope of the Security Breach and restore the reasonable integrity of the system. Passport will send any applicable notifications regarding a Security Breach to the notification email address at the contact information provided on the “General Terms” page. For purpose of this Section, “Security Breach” means an unauthorized disclosure by Passport of PII to any unauthorized person or entity.

36. Waiver

Any failure or delay by Passport to enforce the provisions of this Agreement shall in no way constitute a waiver by Passport of any contractual right hereunder, unless such waiver is in writing and signed by Passport.

37. Entire Agreement

This Agreement contains the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior or contemporaneous communications, representations or agreements between the parties, whether verbal or written, including any printed terms and conditions which may appear on either Party’s purchase orders, releases, invoices or other forms to the extent such terms are different from or inconsistent with this Agreement.

Exhibit B
Supported Payment Gateways

1. Authorize.net
2. Cash Net
3. Chase Paymentech (Orbital) - US / Canada
4. Converge (Elavon)
5. DataCash - United Kingdom
6. Desjardins - Canada
7. FirstData Rapid Connect
8. FIS Pay
9. Heartland
10. Internet Secure
11. Moneris - US / Canada
12. Point and Pay
13. TD Beanstream/Bambora
14. Vantiv
15. WorldPay (Securenet)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-108

AGREEMENT: (E2.2) A by-law to authorize the execution of the Contract between the City and Trimount Construction Group Incorporated for the reconstruction of St. Georges Avenue from Grand Boulevard to Gladstone Avenue and reconstruction of McNabb Street from Gladstone Avenue to Great Northern Road (Contract 2019-3E).

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 Contract between the City and Trimount Construction Group Incorporated, a copy of which is attached as Schedule "A" hereto. This Contract is for the reconstruction of St. Georges Avenue from Grand Boulevard to Gladstone Avenue and reconstruction of McNabb Street from Gladstone Avenue to Great Northern Road (Contract 2019-3E).

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 6th day of May, 2019

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

Schedule "A"
CORPORATION OF THE CITY OF SAULT STE. MARIE
CONTRACT 2019-3E
FORM OF AGREEMENT

This Agreement made (in triplicate) this 6th day of May in the year 2019 by and between
Trimount Construction Group Inc. hereinafter called the "Contractor"

AND

The Municipal Corporation of the City of Sault Ste. Marie, Ontario hereinafter called the "Corporation".

WITNESSETH: That the Contractor and the Corporation undertake and agree as follows:

1. The Contractor will provide all the materials and all the works shown and described in the contract documents entitled:

RESURFACING/RECONSTRUCTION OF ST. GEORGES AVENUE EAST AND MCNABB STREET
CONTRACT 2019-3E

- Which have been signed in triplicate by both parties and which were prepared under the supervision of Don Elliott, P. Eng, Director of Engineering acting as and herein entitled, the Owner.
2. The Contractor will do and fulfill everything indicated by the Agreement, the General Conditions, the Specifications, the Special Provisions and the Drawings.
 3. The Contractor will complete all the work to the entire satisfaction of the Owner within the period of time specified.
 4. The Corporation shall pay to the Contractor the contract price as set forth in the Form of Tender in accordance with the provisions as set forth in the General Conditions and the Special Provisions. The quantities contained in the Form of Tender are approximate only and the final payment shall be made for the actual quantities that are incorporated in or made necessary by the work covered by the contract.
 5. The Corporation shall pay the Contractor for work that is ordered in writing by the Owner and that cannot be classified as coming under any of the contract units and for which no unit price, lump sum, or other basis can be agreed upon, on a time and material basis as set out in the General Conditions.
 6. The Contractor shall completely indemnify and save harmless the Owner, its employees, officers and agents from any and all claims, demands, actions, losses, expenses, costs or damages of every kind and nature whatsoever and howsoever caused that the Client, its employees, officers or agents may sustain or suffer as a consequence of the actions, inactions or omissions of the Contractor, its employees, agents or officers or as a result of the performance of this Agreement by the Contractor, its employees, agents or officers or as a consequence of the negligent actions or inactions of the Contractor, its employees, agents or officers whether or not the Client is partially or wholly responsible for such claims, demands, actions, losses, expenses, costs or damages.
 7. The Contractor shall also indemnify The Public Utilities Commission of the City of Sault Ste. Marie, PUC Distribution Inc. and PUC Services Inc., its officers, employees, agents and affiliates, from all loss, damages, costs, charges and expenses of every nature and kind whatsoever which may be made or brought against The Public Utilities Commission of the City of Sault Ste. Marie, PUC Distribution Inc. and/or PUC Services Inc., its officers, employees, agents and affiliates, by reason or in consequent of the execution and performance or maintenance of the work by the Contractor, its employees, agents, officers, or those for whom at law the Contractor is responsible.

8. All communications in writing between the Corporation, the Contractor and the Owner shall be deemed to have been received by the Addressee if delivered to the individual, a member of the firm or an officer of the Corporation for whom they are intended or if sent by post or by facsimile as follows:

THE CORPORATION: The Corporation of the City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, Ontario P6A 5X6

THE CONTRACTOR: Trimount Construction Group Inc.
2 – 1092 Great Northern Road
Sault Ste. Marie, Ontario P6B 0B6

THE OWNER: Mr. Don Elliott, P. Eng
Director of Engineering
99 Foster Drive, 5th Floor
Sault Ste. Marie, Ontario P6A 5X6

IN WITNESS WHEREOF the parties hereto have executed this Agreement by the day and year first above written.

Signed, Sealed and Delivered
in the presence of

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

MAYOR - CHRISTIAN PROVENZANO

(seal)

CITY CLERK – MALCOLM WHITE

THE CONTRACTOR

TRIMOUNT CONSTRUCTION GROUP INC.

COMPANY NAME

(seal)

SIGNATURE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-109

TEMPORARY STREET CLOSING: (S4.1) A by-law to permit the temporary closing of McNabb Street between Gladstone Avenue and Great Northern Road from May 30, 2019 until October 31, 2019 for the reconstruction of McNabb Street.

THE COUNCIL of the Corporation of the City of Sault Ste. Marie pursuant to section 10 of the *Municipal Act, 2001*, S.O. 2001, c. 25 and amendments thereto **ENACTS** as follows:

1. **TEMPORARY STREET CLOSING OF MCNABB STREET**

The Council of the Corporation of the City of Sault Ste. Marie hereby authorizes the closing to vehicular traffic of McNabb Street between Gladstone Avenue and Great Northern Road from May 30, 2019 until October 31, 2019 for the reconstruction of McNabb Street.

2. **EFFECTIVE DATE**

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

PASSED in open Council this 6th day of May, 2019.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-110

AGREEMENT: (E2.2) A by-law to authorize the execution of the Contract between the City and Avery Construction Limited for the reconstruction of Ruth Street from Franklin Street to the east limit (Contract 2019-4E).

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 Contract dated May 6, 2019 between the City and Avery Construction Limited, a copy of which is attached as Schedule "A" hereto. This Contract is for the reconstruction of Ruth Street from Franklin to the east limit (Contract 2019-4E).

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 6th day of May, 2019.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

Schedule "A"
CORPORATION OF THE CITY OF SAULT STE. MARIE
CONTRACT 2019-4E
FORM OF AGREEMENT

This Agreement made (in triplicate) this 6th day of May in the year 2019 by and between **Avery Construction Limited** hereinafter called the "Contractor"

AND

The Municipal Corporation of the City of Sault Ste. Marie, Ontario hereinafter called the "Corporation".

WITNESSETH: That the Contractor and the Corporation undertake and agree as follows:

1. The Contractor will provide all the materials and all the works shown and described in the contract documents entitled:

RECONSTRUCTION OF RUTH STREET
CONTRACT 2019-4E

Which have been signed in triplicate by both parties and which were prepared under the supervision of Don Elliott, P. Eng., Director of Engineering acting as, and herein entitled, the Owner.

2. The Contractor will do and fulfill everything indicated by the Contract Documents, including this Agreement, the General Conditions, Supplementary General Conditions, the Specifications, the Special Provisions, PUC Services Inc. Special Provisions, Instructions to Tenderers, Form of Tender, Addenda, if any, and the Drawings.
3. The Contractor will complete all the work to the entire satisfaction of the Owner within the period of time specified.
4. The Corporation shall pay to the Contractor the contract price as set forth in the Form of Tender in accordance with the provisions as set forth in the General Conditions and the Special Provisions. The quantities contained in the Form of Tender are approximate only and the final payment shall be made for the actual quantities that are incorporated in or made necessary by the work covered by the contract.
5. The Corporation shall pay the Contractor for work that is ordered in writing by the Owner and that cannot be classified as coming under any of the contract units and for which no unit price, lump sum, or other basis can be agreed upon, on a time and material basis as set out in the General Conditions.
6. The Contractor shall completely indemnify and save harmless the Owner, its employees, officers and agents from any and all claims, demands, actions, losses, expenses, costs or damages of every kind and nature whatsoever and howsoever caused that the Client, its employees, officers or agents may sustain or suffer as a consequence of the actions, inactions or omissions of the Contractor, its employees, agents or officers or as a result of the performance of this Agreement by the Contractor, its employees, agents or officers or as a consequence of the negligent actions or inactions of the Contractor, its employees, agents or officers whether or not the Client is partially or wholly responsible for such claims, demands, actions, losses, expenses, costs or damages.
7. The Contractor shall also indemnify The Public Utilities Commission of the City of Sault Ste. Marie, PUC Distribution Inc. and PUC Services Inc., its officers, employees, agents and affiliates, from all loss, damages, costs, charges and expenses of every nature and kind whatsoever which may be

made or brought against The Public Utilities Commission of the City of Sault Ste. Marie, PUC Distribution Inc. and/or PUC Services Inc., its officers, employees, agents and affiliates, by reason or in consequent of the execution and performance or maintenance of the work by the Contractor, its employees, agents, officers, or those for whom at law the Contractor is responsible.

8. All communications in writing between the Corporation, the Contractor and the Owner shall be deemed to have been received by the Addressee if delivered to the individual, a member of the firm or an officer of the Corporation for whom they are intended or if sent by post as follows:

THE CORPORATION: The Corporation of the City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, Ontario P6A 5X6

THE CONTRACTOR: Avery Construction Limited
940 Second Line W
Sault Ste. Marie, Ontario P6C 2L3

THE OWNER: Mr. Don Elliott, P. Eng.
Director of Engineering
99 Foster Drive, 5th Floor
Sault Ste. Marie, Ontario P6A 5X6

IN WITNESS WHEREOF the parties hereto have executed this Agreement by the day and year first above written.

Signed, Sealed and Delivered
in the presence of

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

MAYOR - CHRISTIAN PROVENZANO

(seal)

CITY CLERK – MALCOLM WHITE

THE CONTRACTOR

AVERY CONSTRUCTION LIMITED

COMPANY NAME

(seal)

SIGNATURE

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2019-111

TEMPORARY STREET CLOSING: (S4.1) A by-law to permit the temporary closing of Ruth Street from Franklin Street to the east limit.

THE COUNCIL of the Corporation of the City of Sault Ste. Marie pursuant to section 10 of the *Municipal Act, 2001*, S.O. 2001, c. 25 and amendments thereto **ENACTS** as follows:

1. **TEMPORARY STREET CLOSING OF RUTH STREET**

The Council of the Corporation of the City of Sault Ste. Marie hereby authorizes the closing to vehicular traffic of Ruth Street from Franklin Street to the east limit.

2. **EFFECTIVE DATE**

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

PASSED in open Council this 6th day of May, 2019.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - MALCOLM WHITE

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