



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

Monday, August 29, 2022

4:30 pm

Council Chambers and Video Conference

Meetings may be viewed live on the City's YouTube channel
<https://www.youtube.com/user/SaultSteMarieOntario>

Pages

1. Land Acknowledgement

I acknowledge, with respect, that we are in Robinson-Huron Treaty territory, that the land on which we are gathered is the traditional territory of the Anishinaabe and known as Bawating. Bawating is the home of Garden River First Nation, Batchewana First Nation, the Historic Sault Ste. Marie Metis Council.

2. Adoption of Minutes

10 - 33

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that the Minutes of the Regular Council meeting of August 8, 2022 and Special Council meeting of August 18, 2022 be approved.

3. Questions and Information Arising Out of the Minutes and not Otherwise on the Agenda

4. Declaration of Pecuniary Interest

5. Approve Agenda as Presented

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that the Agenda for August 29, 2022 City Council Meeting as presented be approved.

- 6. Proclamations/Delegations**
- 6.1. Recovery Month** 34 - 34
- 6.2. Asset Management Plan – Core Assets** 35 - 42
Carl Rumiel, Director of Engineering
- 7. Communications and Routine Reports of City Departments, Boards and Committees – Consent Agenda**
- Mover Councillor D. Hilsinger
Seconder Councillor P. Christian
Resolved that all the items listed under date August 29, 2022 – Agenda item 7 – Consent Agenda be approved as recommended.
- 7.1. Streamline Development Projects – Delegation of Authority** 43 - 44
A report of the Chief Administrative Officer is attached for the consideration of Council.

The relevant by-law 2022-158 is listed under item 12 of the Agenda and will be read with all by-laws under that item.
- 7.2. 2021 Audited Financial Statements** 45 - 87
A report of the Chief Financial Officer and Treasurer is attached for the consideration of Council.

Mover Councillor M. Shoemaker
Seconder Councillor P. Christian
Resolved that the report of the Chief Financial Officer and Treasurer dated August 29, 2022 concerning the 2021 Audited Financial Statements be received and that the audited consolidated Financial Statements and Trust Fund Statements for 2021 be approved.
- 7.3. 2023 Council Meeting Schedule** 88 - 89
A report of the City Clerk is attached for the consideration of Council.

Mover Councillor D. Hilsinger
Seconder Councillor P. Christian
Resolved that the report of the City Clerk dated August 29, 2022 regarding 2023 Council meeting schedule be received and that the proposed schedule be approved.
- 7.4. Tourism Development Fund Applications August 2022** 90 - 92

A report of the Director of Tourism and Community Development is attached for the consideration of Council.

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that the report of the Director of Tourism and Community Development dated August 18, 2022 concerning August 2022 Tourism Development Fund Applications be received and that the recommendation of the Tourism Sault Ste. Marie Board of Directors to allocate \$8,500 for the following projects be approved:

- Oktoberfest – \$5,000
- Ontario Baseball Association (U13 Boys) – \$3,500

7.5. Municipal Law Enforcement Officers 93 - 93

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

The relevant By-law 2022-157 is listed under Agenda item 12 and will be read with all by-laws under that item.

7.6. Community Development Fund – Green Initiatives Program Applications August 2022 94 - 98

A report of the Sustainability Coordinator is attached for the consideration of Council.

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that the report of the Sustainability Coordinator dated August 29, 2022 concerning Community Development Fund Green Initiatives Program Applications (August 2022) be received and that the recommendation to support the following three projects be approved:

1. Clean North Soil and RX Bottle Project – \$3,662.44;
2. RAIN Hydroponic Project – \$7,381.08; and
3. City of Sault Ste. Marie Greco Pool LED Lighting Project – \$2,938

7.7. 2022 Connecting Link Funding Agreement 99 - 100

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

The relevant By-law 2022-159 is listed under Agenda item 12 and will be read with all by-laws under that item.

7.8. Brock Street Road Closure – Extension 101 - 102

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

The relevant By-law 2022-162 is listed under Agenda item 12 and will be read with all by-laws under that item.

7.9. Traffic By-law Updates 2022 103 - 106

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

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that the report of the Municipal Services and Design Engineer dated August 29, 2022 concerning the Traffic By-law update be received and the recommended amendments be approved.

Staff will revise the appropriate schedule in the Traffic By-Law, which will be brought to a future Council meeting for approval.

7.10. Strand Avenue and Wilson Street Intersection 107 - 108

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

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that the report of the Municipal Services and Design Engineer dated August 29, 2022 concerning Strand Avenue and Wilson Street Intersection be received as information.

7.11. Active Transportation Master Plan and Complete Streets Update 109 - 112

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

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that the report of the Senior Planner dated August 29, 2022 concerning Active Transportation Master Plan and Complete Streets Update be received as information.

7.12. MPAC Real Property Assessment – Follow-up Report 113 - 114

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

Mover Councillor P. Christian

Seconder Councillor S. Hollingsworth

Resolved that the Report of the Director of Planning dated August 29, 2022

concerning MPAC Real Property Assessment follow-up report be received as information.

8. Reports of City Departments, Boards and Committees

8.1. Administration

8.2. Corporate Services

8.3. Community Development and Enterprise Services

8.4. Public Works and Engineering Services

8.4.1. Asset Management Plan – Core Assets

115 - 255

A report of the Manager of Development and Environmental Engineering is attached for the consideration of Council.

Mover Councillor D. Hilsinger

Seconder Councillor S. Hollingsworth

Resolved that the report of the Manager of Development and Environmental Engineering dated August 29, 2022 concerning Asset Management Plan – Core Assets be received and that the asset management plan reports be approved;

Further that the reports be referred to staff for review and report back to Council regarding implementation and continuous improvement.

8.5. Fire Services

8.6. Legal

8.7. Planning

8.7.1. A-10-22-Z 207 Dacey Road

256 - 275

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

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that the report of the Planner dated August 29, 2022 concerning application A-10-22-Z be received and that Council approve this application in the following manner:

Rezone the portion of the property that is zoned as Single-Detached Residential Zone (R2) to Low Density Residential Zone (R3.S) with the following special exception:

Permit more than one permitted use on the property;
And that the portion of the property that is zoned as Single-Detached Residential Zone (R2) be deemed subject to site plan control as per Section 41 of the Planning Act.

And that the Legal Department be requested to prepare the necessary by-law(s) to effect the same.

8.7.2. A-9-22-Z.OP 130 Wellington Street East 276 - 276

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

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that the report of the Planner dated August 29, 2022 concerning Official Plan and Rezoning Application A-9-22-Z.OP be received and that Council postpone this application to September 19, 2022:

8.8. Boards and Committees

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

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

11. Adoption of Report of the Committee of the Whole

12. Consideration and Passing of By-laws

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that all By-laws under item 12 of the Agenda under date August 29, 2022 be approved.

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

12.1.1. By-law 2022-151 (Zoning) 625 Black Road and 1135 Second Line E (Cairns Silver Lining Engineers - Simek) 277 - 279

Council Report was passed by Council resolution on August 8, 2022.

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that By-law 2022-151 being a by-law to amend Sault Ste. Marie Zoning By-law 2005-150 and 2005-151 concerning lands located at 625 Black Road and 1135 Second Line East (Cairns Silver Lining Engineers –

Simek) be passed in open Council this 29th day of August, 2022.

- 12.1.2. By-law 2022-152 (Development Control) 625 Black Road and 1135 Second Line East (Cairns Silver Lining Engineers – Simek) 280 - 282**

Council Report was passed by Council Resolution on August 8, 2022.

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that By-law 2022-152 being a by-law to designate the lands located at 625 Black Road and 1135 Second Line East an area of site plan control (Cairns Silver Lining Engineers – Simek) be passed in open Council this 29th day of August, 2022.

- 12.1.3. By-law 2022-153 (Agreement) Pro Shop at Northern Community Centre 283 - 290**

Council Report was passed by Council resolution on July 11, 2022.

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that By-law 2022-135 being a by-law to authorize the execution of the Agreement between the City and 2872519 Ontario Inc. (Amanda Stocco) for the leasing and operation of a Pro Shop in the Northern Community Centre be passed in open Council this 29th day of August, 2022.

- 12.1.4. By-law 2022-154 (Official Plan Amendment) 204 South Market (ESC Land Development Corporation c/o Todd Lisso) 291 - 293**

Council report was passed by Council resolution on August 8, 2022.

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that By-law 2022-154 being a by-law to adopt Amendment No. 241 to the Official Plan for the City of Sault Ste. Marie (ESC Land Development Corporation c/o Todd Lisso, 204 South Market Street) be passed in open Council this 29th day of August, 2022.

- 12.1.5. By-law 2022-155 (Zoning) 204 South Market (ESC Land Development Corporation c/o Todd Lisso) 294 - 296**

Council report was passed by Council resolution on August 8th, 2022.

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that By-law 2022-155 being a by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 204 South Market Street (ESC Land Development Corporation c/o Todd Lisso) be passed in open Council this 29th day of August, 2022.

- 12.1.6. By-law 2022-157 (Parking) Municipal Law Enforcement Officers** 297 - 297
- A report from the Manager of Transit & Parking is on the Agenda.
- Mover Councillor D. Hilsinger
Seconded Councillor P. Christian
Resolved that By-law 2022-157 being a by-law to appoint Municipal Law Enforcement Officers to enforce the by-laws on various private properties and to amend Schedule "A" to By-law 90-305 be passed in open Council this 29th day of August, 2022.
- 12.1.7. By-law 2022-158 (Delegation) CAO Streamline Development Approval Funding Projects** 298 - 298
- A report from the Chief Administrative Officer is on the Agenda.
- Mover Councillor D. Hilsinger
Seconded Councillor P. Christian
Resolved that By-law 2022-158 being a by-law to authorize the Chief Administrative Officer to execute and bind the Corporation to Agreements which will have monetary amounts that are greater than the current delegated authority of \$125,000, which pertain to the Streamline Development Approval Funding projects that were approved by Council on August 8, 2022. The projects will be fully funded from the Provincial allocation. The delegation would ensure no loss of the funding from the Province and will allow staff to proceed on projects and activities within the allocation timeframe. The CAO would execute the time sensitive agreements after they have been reviewed by the Legal and Finance Departments be passed in open Council this 29th day of August, 2022.
- 12.1.8. By-law 2022-159 (Engineering) Connecting Links Program Resurfacing Trunk/Black Road** 299 - 343
- A report from the Director of Engineering is on the Agenda.
- Mover Councillor M. Shoemaker
Seconded Councillor S. Hollingsworth
Resolved that By-law 2022-159 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 Transportation for the Connecting Links Program to provide funding for the resurfacing of Trunk/Black Road from South Market Street to Black Road at Railway Crossing be passed in open Council this 29th day of August, 2022.
- 12.1.9. By-law 2022-162 (Temporary Street Closing) Amendment to Closing of Brock Street** 344 - 344
- A report from the Director of Engineering is on the Agenda.

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that By-law 2022-162 being a by-law to amend By-law 2022-31 being a by-law to permit the temporary closing of Brock Street between Albert Street East and the northerly laneway adjacent to Civic #181 is amended by extending the street closure to September 30, 2022 be passed in open Council this 29th day of August, 2022.

12.1.10. By-law 2022-163 (Agreement) Algoma Family Services Youth Hub

345 - 356

Council Report was passed by Council resolution on July 11, 2022.

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that By-law 2022-163 being a by-law to authorize the execution of the Agreement between the City and Algoma Family Services, for a contribution of \$100,000 towards the leasehold improvements for a building to host the youth hub be passed in open Council this 29th day of August, 2022.

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

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

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

14. Closed Session

Mover Councillor D. Hilsinger

Seconder Councillor P. Christian

Resolved that this Council move into closed session to consider an item concerning the proposed disposition of property;

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

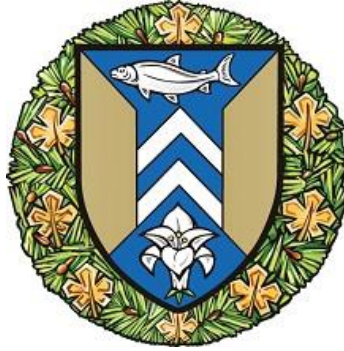
(Municipal Act section 239(2)(c) a proposed or pending acquisition or disposition of land by the municipality or local board)

15. Adjournment

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that this Council now adjourn.



REGULAR MEETING OF CITY COUNCIL MINUTES

Monday, August 8, 2022

4:30 pm

Council Chambers and Video Conference

Present: Mayor C. Provenzano, Councillor P. Christian, Councillor S. Hollingsworth, 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

Officials: R. Tyczinski, L. Girardi, T. Vair, K. Fields, S. Schell, P. Johnson, S. Hamilton Beach, B. Lamming, C. Rumiel, P. Tonazzo, T. Anderson, F. Coccimiglio, S. Facey, T. Vecchio, M. Zuppa, M. Borowicz-Sibenik, G. Nicholson, N. Edwards, A. Marsh

1. Land Acknowledgement

2. Adoption of Minutes

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that the Minutes of the Regular Council Meeting of July 11, 2022 be approved.

Carried

3. Questions and Information Arising Out of the Minutes and not Otherwise on the Agenda

4. Declaration of Pecuniary Interest

4.1 Councillor D. Hilsinger – Sault College Long Term Lease

Employee of Sault College.

4.2 Councillor D. Hilsinger — Short Term Rental Information Report

Employee of The Water Tower Inn

5. Approve Agenda as Presented

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that the Agenda and Addendum #1 for August 8, 2022 City Council Meeting as presented be approved.

Carried

6. Proclamations/Delegations

6.1 Voter Engagement

Gabrielle Nicholson, Election Coordinator; Noah Edwards and Avery Marsh, Summer Students were in attendance.

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

Moved by: Councillor L. Vezeau-Allen

Seconded by: Councillor D. Hilsinger

Resolved that all the items listed under date August 8, 2022 – Agenda item 7 – Consent Agenda be approved as recommended.

Carried

7.1 Streamline Development Approval Funding

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

Moved by: Councillor D. Hilsinger

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the CAO dated August 8, 2022 concerning Streamline Development Approval Funding be received and that the list of proposed activities and projects as confirmed by the Province be approved; and

Further that the Innovation Centre be engaged for the Building Application Software Expansion and GIS Enhancement/Integration projects on a sole source basis.

Carried

7.2 Taxi Licensing Update

The report of the City Clerk was received by Council.

Moved by: Councillor M. Shoemaker
Seconded by: Councillor P. Christian

Resolved that the report of the City Clerk dated August 8, 2022 concerning Taxi Licensing Update be received and that staff be requested to draft a new taxi licensing by-law for Council's consideration; further that a request for additional by-law enforcement resources be referred to 2023 budget.

Carried

7.3 RFP for One Rescue Truck – Fire

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

Moved by: Councillor M. Shoemaker
Seconded by: Councillor P. Christian

Resolved that the report of the Manager of Purchasing dated August 8, 2022 be received and that the proposal submitted by Dependable Emergency Vehicles for the supply and delivery of a Rescue Truck for \$386,559 plus HST as outlined in their proposal submitted (as required by Fire Services) be approved.

Carried

7.4 Rental of Four Loader/Backhoes

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

Moved by: Councillor D. Hilsinger
Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Manager of Purchasing dated August 8, 2022 be received and that the quotation for seasonal 26-week rental of four (4) loader/backhoes for an additional two (2) years from Toromont CAT at their weekly rate of \$965 plus HST per machine (as required by Public Works) be approved.

Carried

7.5 Tender for Screened Street Sand

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

Moved by: Councillor D. Hilsinger
Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Manager of Purchasing dated August 8, 2022 be received and that the bid submitted by Pioneer Construction Inc. for the supply of screened street sand at the tendered pricing of \$7.43 per tonne (HST extra) for the 2022-2023 winter season, and \$7.85 per tonne (HST extra) for the 2023-2024 winter season be approved.

Carried

7.6 Second Quarter Financial Report – June 30, 2022

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

Moved by: Councillor D. Hilsinger

Seconded by: Councillor S. Hollingsworth

That the report of the Manager of Finance dated August 8, 2022 concerning Second Quarter Financial Report to June 30, 2022 be received as information.

Carried

7.7 Twin Pad Expansion Update

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

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that the report of the Deputy CAO Community Development and Enterprise Services dated August 8, 2022 concerning Twin Pad Expansion Update be received and that the recommendation of the Twin Pad Task Force for a change order in the amount of \$142,383 for rubberized surfacing of the walking track be approved from contingency funding.

Carried

7.8 Sault College Long Term Lease

Councillor D. Hilsinger declared a conflict on this item. (Employee of Sault College.)

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

The relevant By-law 2022-147 is listed under item 12 of the Minutes.

7.9 Vending Machine Rights – Community Centres

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

The relevant By-law 2022-149 is listed under item 12 of the Minutes.

7.10 Additional Rosedale Park Donation – Kiwanis Club of Lakeshore Foundation

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

The relevant By-law 2022-139 is listed under item 12 of the Minutes.

7.11 Pouring Rights Agreement Extension – GFL Memorial Gardens

The report of the Manager of Community Arenas was received by Council.

The relevant By-law 2022-146 is listed under item 12 of the Minutes.

7.12 Tourism Development Fund Applications – July 2022

The report of the Director of Tourism and Community Development was received by Council.

Moved by: Councillor D. Hilsinger

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Director of Tourism and Community Development dated August 8 2022 concerning July 2022 Tourism Development Fund Applications be received and that the recommendation of the Tourism Sault Ste. Marie Board of Directors to allocate \$15,000 be approved for the following projects:

- Crank the Shield (\$5,000);
- Skin and Wound Conference (\$5,000); and
- The Plane, The Myth, The Legend: De Havilland Beaver Birthday Bash (\$5,000).

Carried

7.13 Skilled Labour Recruitment

The report of the Director of Tourism and Community Development was received by Council.

Moved by: Councillor D. Hilsinger

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Director of Tourism and Community Development dated August 8, 2022 concerning Skilled Labour Recruitment be received as information.

Carried

7.14 Municipal Law Enforcement Officers

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

7.15 Two Year Capital Transportation Program (2023-2024)

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

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that the report of the Director of Engineering dated August 8, 2022, concerning 2023-2024 capital transportation program be received and that:

- Council approve the 2023-2024 programs in principle;
- The Engineering Division proceed with any local improvement notices for 2023 works; and

- Staff procure consulting engineering services for projects not being completed by in-house staff.

Carried

7.16 Pim Street Pump Station

The report of the Manager of Development and Environmental Engineering was received by Council.

The relevant By-law 2022-140 is listed under item 12 of the Minutes.

7.17 Firefighter Recruitment Process

The report of the Fire Chief was received by Council.

The relevant By-law 2022-150 is listed under item 12 of the Minutes.

7.18 Community Risk Assessment Update

The report of the Fire Chief was received by Council.

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that the report of the Fire Chief dated August 8, 2022 concerning Community Risk Assessment Update be received and that Council approve the utilization of funds of up to \$110,000 from the Asset Management Reserve to complete the Community Risk Assessment update as per Regulation 378/18 and subsequently update the Fire Master Plan.

Carried

7.19 Procedure for Sale of City Owned Surplus Property, Closing, Sale of a Lane, Street or Public Thoroughfare

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

The relevant By-law 2022-142 is listed under item 12 of the Minutes.

7.20 Salvage Yard Licensing By-law

The report of the Solicitor was received by Council.

Moved by: Councillor D. Hilsinger

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Solicitor dated August 8, 2022 concerning Salvage Yard Licensing By-law be received, and staff from Legal, Clerk's, Building, and Planning be directed to develop a salvage yard licensing by-law for City Council's consideration.

Carried

7.21 Short Term Rental Information Report

Councillor D. Hilsinger declared a conflict on this item. (Employee of The Water Tower Inn)

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

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Director of Planning dated August 8, 2022 concerning Short Term Rental Accommodations be received and that staff be directed to provide formal public notice to amend Zoning By-law 2005-150 and establish a new licensing by-law for the purposes of regulating short term rental accommodations.

Carried

7.22 John Rowswell Hub Trail Realignment Project

The report of the Senior Planner was received by Council.

The relevant By-law 2022-135 is listed under item 12 of the Minutes.

8. Reports of City Departments, Boards and Committees

8.1 Administration

8.2 Corporate Services

8.3 Community Development and Enterprise Services

8.4 Public Works and Engineering Services

8.5 Fire Services

8.6 Legal

8.6.1 By-law 2022-143 Single-Use Plastic Ban

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-134 being a by-law to prohibit the use of Single-Use Plastics be passed in open Council this 8th day of August, 2022.

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

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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	11	0	0	0
				Carried

8.6.1.1 Amending Motion

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that section 7.1 of the By-Law be amended to come into effect on **November 15, 2022** rather than the current proposed date of **October 8, 2022**.

	For	Against	Conflict	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	3	0	0
				Carried

8.7 Planning

8.7.1 A-7-22-Z 625 Black Road and 1135 Second Line East

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

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that the report of the Director of Planning dated August 8, 2022 concerning Rezoning Application A-7-22-Z be received and that Council rezone the subject properties from Light Industrial Zone (M1) to Medium Industrial Zone (M2) with the following special exceptions:

- That the required exterior side yard along Second Line be reduced from 15m to 5m; and
- That the applicant be required to landscape 5m of the city boulevard adjacent to the exterior side lot line, the details of such landscaping to be determined through the site plan control process.

Further that Council deem the properties subject to Site Plan Control.

And that the Legal Department be requested to prepare the necessary by-law(s) to effect the same.

	For	Against	Conflict	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	11	0	0	0
				Carried

8.7.2 A-8-22-Z.OP 204 South Market Street

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

Todd Lisso, Applicant was in attendance virtually.

Don Mitchell spoke to traffic concerns, etc. and requested a greenbelt barrier between the development and neighbouring properties.

Bruce McLeish and Katie Blunt, Executive Director of Habitat for Humanity spoke against waiving the requirement for 30% affordable housing units.

Sandra Houston, Mark Brown and Brenda Brandow spoke against the application.

Moved by: Councillor D. Hilsinger

Seconded by: Councillor S. Hollingsworth

Resolved that the report of the Director of Planning dated August 8, 2022 concerning Application A-8-22-Z.OP be received and that the application be approved in the following manner:

1. That Council approve Official Plan Amendment 241 by way of the following notwithstanding clauses:
 - a. Notwithstanding the Residential Policies of the Official Plan, to permit a personal storage (self-storage) facility, in addition to the uses permitted within the Residential Land Use Designation.
 - b. Notwithstanding Housing Policy HO.6, to waive the requirement that in all urban residential developments greater than 50 units, at least 30% of those units shall be affordable.
2. That Council rezone the subject property from Low Density Residential Zone (R3) and Medium Density Residential Zone (R4) to Medium Density Residential (R4), subject to the following special exception:
 - a. That a personal storage (self-storage) facility be permitted, in addition to the uses currently permitted in the R4 Zone.
 - b. That a 1.8m fence in association with the proposed daycare facility be permitted to locate in a front yard.
 - c. That the total number of dwelling units be limited to 376 units or equivalent flow.

And that the Legal Department be requested to prepare the necessary by-law(s) to effect the same.

	For	Against	Conflict	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	11	0	0	0

Carried

8.7.3 A-6-22-OP – Affordable Housing Official Plan Amendment

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

Moved by: Councillor M. Shoemaker

Seconded by: Councillor P. Christian

Resolved that the Report of the Director of Planning dated August 8th, 2022 be received and that Official Plan Amendment No. 242 repealing the existing Housing Policies within the Official Plan and replacing them with the affordable housing policies outlined in Appendix A to this report be approved;

And that the Legal Department be requested to prepare the necessary by-law(s) to effect the same;

Further that Council establishes a local housing task force, consisting of relevant City Staff (Planning, Finance and Building), DSSAB staff, other non-profit housing providers and two members of Council. This task force would be responsible for:

1. Developing a local comprehensive housing plan, with special regard for affordable housing and the ‘missing middle’;
2. Developing and recommending a Community Improvement Plan (CIP) to incentivize the creation of affordable housing units; and

3. Overseeing the ongoing monitoring and annual communication of important local housing indicators.

Amendment:

Moved by: Councillor R. Niro

Seconded by: Councillor L. Vezeau-Allen

Resolved that this motion be postponed to December 12, 2022 City Council meeting.

	For	Against	Conflict	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	11	0	0	0
				Carried

8.8 Boards and Committees

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

9.1 Sault Transit Terminal

Moved by: Councillor M. Shoemaker

Seconded by: Councillor R. Niro

Now Therefore Be It Resolved that staff be requested to investigate the following options for renewal of the Sault Transit terminal and report back prior to reporting regarding the 2023 budget request referred to in the July 11, 2022 resolution:

1. The reconstruction or renovation of the Dennis Street terminal at its existing location to meet both the needs of Sault Transit users and the Sault Transit division; and
2. The willingness of the new Station Mall owners locating the transit terminal at the old Agawa Canyon Tour Train building and report to Council on the outcome of those discussions/negotiations.

	For	Against	Conflict	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	4	7	0	0
				Defeated

9.2 Downtown Ambassadors

Moved by: Councillor L. Dufour

Seconded by: Councillor L. Vezeau-Allen

Whereas the Downtown Ambassador Pilot program, run in partnership between the City of Sault Ste. Marie, the Sault Ste. Marie Downtown Association and the Canadian Mental Health Association, has already shown signs of success; and

Whereas Sault Ste. Marie does not have dedicated street outreach for citizens who are homeless, mentally ill or struggling with addiction; and

Whereas this population of people extends beyond the traditional boundaries of the Downtown Association Business Improvement Area

Now Therefore Be It Resolved that staff be requested to prepare a report on the cost to expand coverage of the Downtown Ambassador Pilot to include the area from the Business

Improvement Area through Jamestown, bordered on the north by the railroad tracks and that the cost be referred to 2023 budget deliberations.

	For	Against	Conflict	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	11	0	0	0
				Carried

9.3 Entomica

Moved by: Councillor C. Gardi

Seconded by: Councillor L. Dufour

Whereas Entomica has become a valued community partner, educational activity and tourism asset; and

Whereas Entomica is active within the community through school events, virtual teaching, partnerships and outreach; and

Whereas many families, community members and tourists enjoy visiting Entomica; and

Whereas Entomica needs consistent and stable funding on an annualized basis to continue its operation;

Now Therefore Be It Resolved that staff be directed to work with Entomica to determine the level of funding it requires and then to assess how the municipality can contribute to ensuring Entomica has a stable and long-term future in our community and to return funding options

back to Council for its 2023 budget deliberations which funding options shall specifically include both levy and non-levy impacts.

	For	Against	Conflict	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	11	0	0	0
Carried				

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

11. Adoption of Report of the Committee of the Whole

12. Consideration and Passing of By-laws

Moved by: Councillor D. Hilsinger

Seconded by: Councillor R. Niro

Resolved that all By-laws under item 12 of the Agenda under date August 8, 2022 save and except By-law 2022-143 be approved.

Carried

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

12.1.1 By-law 2022-135 (Hub Trail) John Rowsell Hub Trail Realignment Contract

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-135 being a by-law to authorize the execution of the Contract between the City and Ellis Don Industrial Inc. for the John Rowsell Hub Trail realignment (Contract 2022-12E) be passed in open Council this 8th day of August, 2022.

Carried

12.1.2 By-law 2022-139 (Agreement) Rosedale Park Additional Funding

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-139 being a by-law to authorize the execution of the additional Donation Agreement between the City and The Kiwanis Club of Lakeshore Foundation to support the purchase of playground equipment and/or park amenities at Rosedale Park be passed in open Council this 8th day of August, 2022.

Carried

12.1.3 By-law 2022-140 (Engineering) Pim Street Sewage Pump Station Repairs

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-140 being a by-law to authorize the execution of the Contract between the City and Cecchetto and Sons Ltd. for the Pim Street Sewage Pump Station Repairs (Contract 2021-5E) be passed in open Council this 8th day of August, 2022.

Carried

12.1.4 By-law 2022-141 (Delegation) Waste, Hazardous and Special Products (HSP, and Recycling Blue Box)

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-141 being a by-law to delegate to the Director of Public Works, or her/his designate, the authority to enter into various agreements on behalf of the City of Sault Ste. Marie to complete the transition of waste, HSP, and Blue Box services to the new provincial system be passed in open Council this 8th day of August, 2022.

Carried

12.1.5 By-law 2022-142 (Property Procedure) Amend By-law 2018-148

Moved by: Councillor D. Hilsinger

Seconded by: Councillor P. Christian

Resolved that By-law 2022-142 being a by-law to amend By-law 2018-148 being a by-law to set out procedures governing the sale of City owned surplus property, closing/sale of a lane/street or public thoroughfare be passed in open Council this 8th day of August, 2022.

Carried

12.1.7 By-law 2022-144 (Agreement) Transit Fare Collection System – Cubic

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-144 being a by-law to authorize the execution of the Agreement between the City and Cubic Transportation Services, Inc. for the Transit Fare Collection System be passed in open Council this 8th day of August, 2022.

Carried

12.1.8 By-law 2022-145 (Agreement) Transit Fare Collection System – Global Payments Direct

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-145 being a by-law to authorize the execution of the Agreement between the City and Global Payments Direct, Inc. for the Transit Fare Collection System be passed in open Council this 8th day of August, 2022.

Carried

12.1.9 By-law 2022-146 (Agreement) Pouring Agreement Extension

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-146 being a by-law to authorize the execution of the Amending Agreement between the City and Molson Canada 2005 for the Pouring Rights of the GFL Memorial Gardens be passed in open Council this 8th day of August, 2022.

Carried

12.1.10 By-law 2022-147 (Agreement) Sault College Rink Lease

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-147 being a by-law to authorize the execution of the Agreement between the City and Sault College of Applied Arts and Technology for a new five (5) year lease agreement that would establish Sault College as a long-term tenant at rink 1 in the new twin pad arena be passed in open Council this 8th day of August, 2022.

Carried

12.1.11 By-law 2022-148 (Parking) Municipal By-law Officers 93-165

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-148 being a by-law to appoint by-law enforcement officers to enforce the by-laws of The Corporation of the City of Sault Ste. Marie be passed in open Council this 8th day of August, 2022.

Carried

12.1.12 By-law 2022-149 (Agreement) Meyers Munchies

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-149 being a by-law to authorize the execution of the Agreement between the City and Meyers Munchies for the vending commission from vending equipment for a period of three (3) years be passed in open Council this 8th day of August, 2022.

Carried

12.1.13 By-law 2022-150 (Employees) Hiring Policies Firefighter

Moved by: Councillor M. Shoemaker

Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2022-150 being a by-law to amend By-Law 2004-234 (being a by-law to adopt hiring policies) be passed in open Council this 8th day of August, 2022.

Carried

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

14. Closed Session

Moved by: Councillor D. Hilsinger

Seconded by: Councillor P. Christian

Resolved that this Council move into closed session to consider an item concerning the proposed acquisition of two properties; and one item concerning labour relations or employee negotiations;

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

(Municipal Act section 239(2)(c) a proposed or pending acquisition or disposition of land by the municipality or local board and section 239(2)(d) labour relations or employee negotiations)

Carried

15. Adjournment

Moved by: Councillor L. Dufour

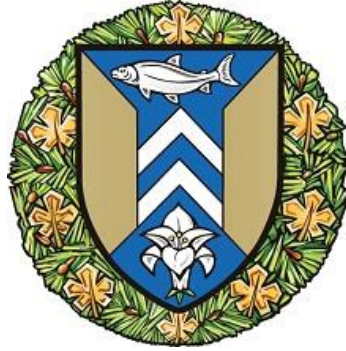
Seconded by: Councillor M. Bruni

Resolved that this Council now adjourn.

Carried

Mayor

City Clerk



The Corporation of the City of Sault Ste. Marie
Special Meeting of City Council
Minutes

Thursday, August 18, 2022

4:30 pm

Council Chambers

Civic Centre

Present: Mayor C. Provenzano, Councillor P. Christian (electronically),
Councillor S. Hollingsworth, 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 (electronically)

Officials: M. White, R. Tyczinski, L. Girardi, T. Vair, K. Fields, S. Schell, B.
Lamming, F. Coccimiglio, T. Vecchio, M. Zuppa, P. Tonazzo, B.
Lamming, M. McAuley

1. Approve Agenda as Presented

Moved By Councillor M. Shoemaker

Seconded By Councillor S. Hollingsworth

That the Agenda for the August 18, 2022 Special City Council Meeting as presented be approved.

Carried

2. Declaration of Pecuniary Interest

3. Mill Market Relocation

3.1 Tender – Relocation of Mill Market

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

Moved By Councillor D. Hilsinger

Seconded By Councillor S. Hollingsworth

Resolved that the report of the Manager of Purchasing dated August 18, 2022 be received and (subject to funding approval per CDES report elsewhere on the agenda) that the tender submitted by Ruscio General Contracting for the Relocation of Mill Market 73 Brock Street at the negotiated tendered price of \$2,994,000 plus HST as requested by Community Development and Enterprise Services be approved;

Further that the City's Consultant (MGP Architects & Engineering Inc.) be authorized to issue a Letter of Intent to Ruscio General Contracting to commence mobilization for the Project.

A By-law authorizing signature of the Contract for this project will appear on a future Council Agenda.

	For	Against	Conflict	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	3	0	0
				Carried

3.2 Mill Market Relocation Tender Results

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

Moved By Councillor D. Hilsinger

Seconded By Councillor P. Christian

Resolved that the report of the Deputy CAO, Community Development and Enterprise Services dated August 18, 2022 be received and City Council authorize an additional contribution of \$946,694 to the project;

Further that the shortfall amount be funded utilizing the \$200,000 previously committed to the promenade project and a contribution of \$746,694 from prior years uncommitted capital transportation funds;

Further that staff request FedNor provide an extension of the \$500,000 in funding awarded to the promenade project so that the City may be able to re-tender the project in the spring of 2023.

	For	Against	Conflict	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	2	0	0
				Carried

3.3 Supplementary Report

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

Moved By Councillor M. Shoemaker

Seconded By Councillor S. Hollingsworth

Resolved that the report of the Deputy CAO, Community Development and Enterprise Services dated August 18, 2022 concerning the Mill Market tender be received as information.

	For	Against	Conflict	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	11	0	0	0
				Carried

4. Tender – Promenade Boardwalk Extension at Bondar Marina

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

Moved By Councillor M. Shoemaker

Seconded By Councillor P. Christian

Resolved that the report of the Manager of Purchasing dated August 18, 2022 be received and that the bid solicitation as requested by Community Development and Enterprise Services be closed with no award as the single source bid exceeds the approved budget.

	For	Against	Conflict	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	11	0	0	0

Carried

5. Adjournment

Moved By Councillor D. Hilsinger
Seconded By Councillor S. Hollingsworth
That this Council shall now adjourn.

Carried

Mayor

City Clerk



OFFICE OF THE MAYOR

PROCLAMATION

WHEREAS Many of our community members and their families have been and continue to be affected by addiction; and

WHEREAS Steadfast and courageous individuals who have acknowledged their dependencies and have made the decision to move to a life of recovery should be celebrated and supported by the community; and

WHEREAS A community inspires sustainable recovery by providing support founded in the principles of compassion, trust, and unity along with developing an environment in which individuals and families are assisted in developing the skills necessary to live freely in recovery; and

WHEREAS Those in recovery, with the guidance and assistance of recovery service providers, are working to overcome addiction and tangibly improve the health of the community; and

WHEREAS Recovery Month provides us with an opportunity to recognize the need to end stigmas around addiction, educate our community and celebrate the recovery of those who fought hard and overcame their addiction:

NOW THEREFORE, I, Christian Provenzano, as Mayor of the City of Sault Ste. Marie, do hereby proclaim the month of **September 2022** as “**Recovery Month**” and encourage all citizens to recognize and support individuals in our community recovering from addiction.

Signed,

Christian Provenzano
MAYOR



**SAULT
STE. MARIE**

City of Sault Ste Marie Asset Management Plan – Core Assets

Stormwater, Wastewater, and Roads & Bridges

August 29, 2022

Agenda

1. Regulatory Requirements on Asset Management
2. Asset Management Steps
3. Stormwater
4. Wastewater
5. Roads & Bridges

Ontario Regulation 588/17

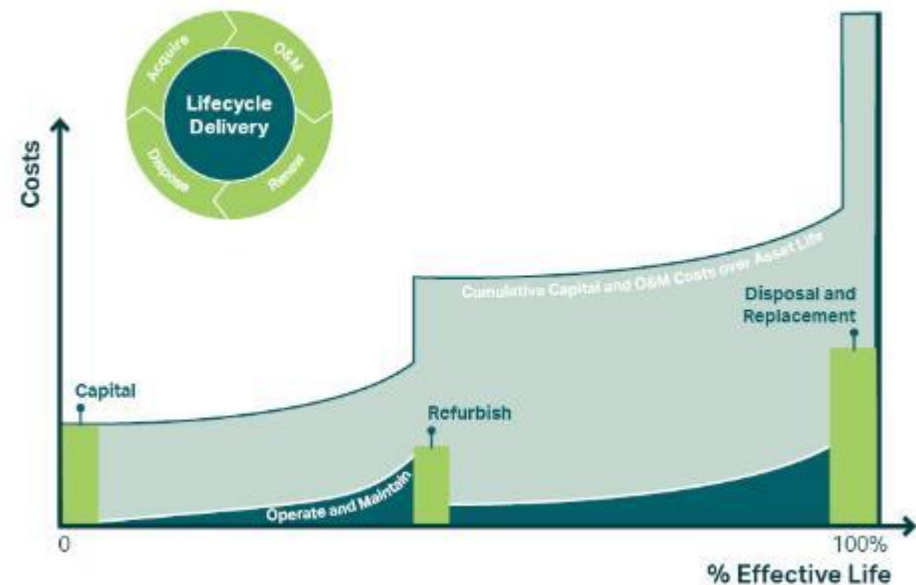
Activity Completed:



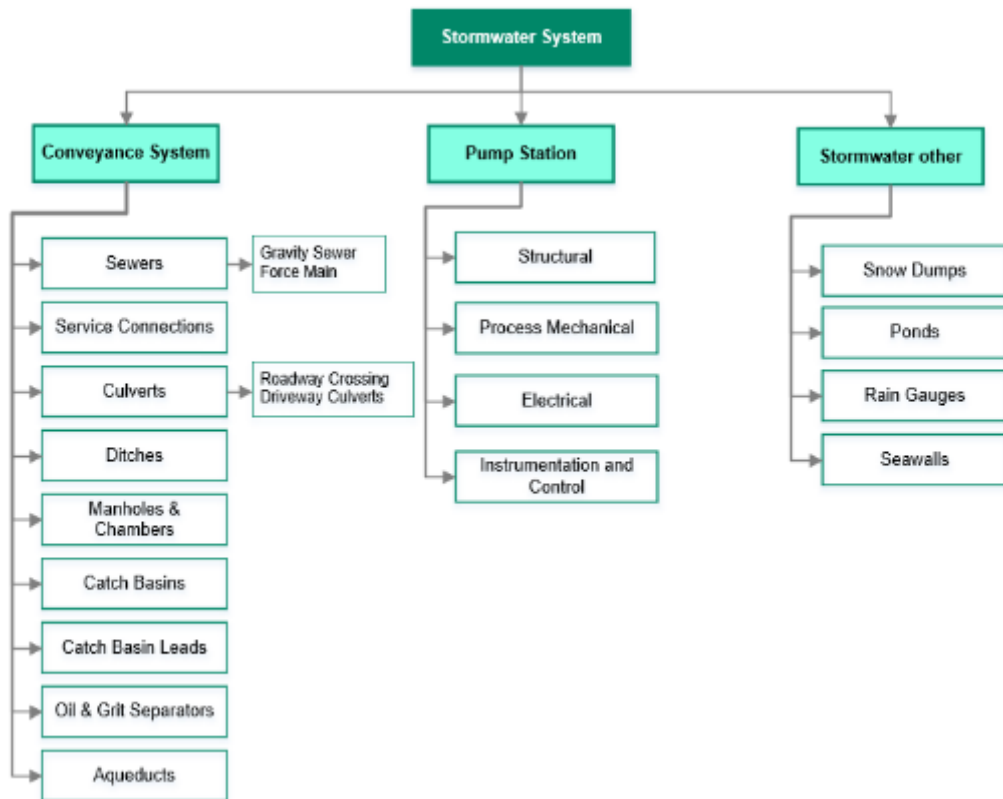
Deadline Date	Regulatory Requirements
July 1 st 2019	All Municipalities are required to prepare their first Strategic Asset Management Policy
July 1 st 2022	All municipalities are required to have an Asset Management Plan for its entire core municipal infrastructure (Wastewater, Stormwater, Roads, and Bridges) .
July 1 st 2024	All municipalities are required to have an asset management plan for infrastructure assets not included under their core assets (e.g., Sidewalks, Landfill, Fleets, Buildings, Parks , etc.)
July 1 st 2025	All Asset Management Plans must include information about the levels of service that the municipality proposes to provide, the activities required to meet those levels of service, and a strategy to fund activities



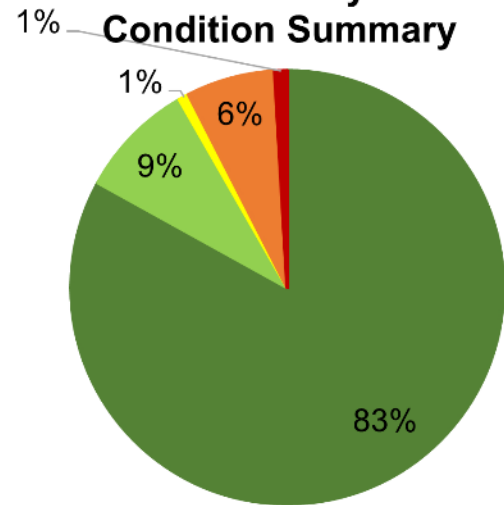
Asset Management Steps



Stormwater

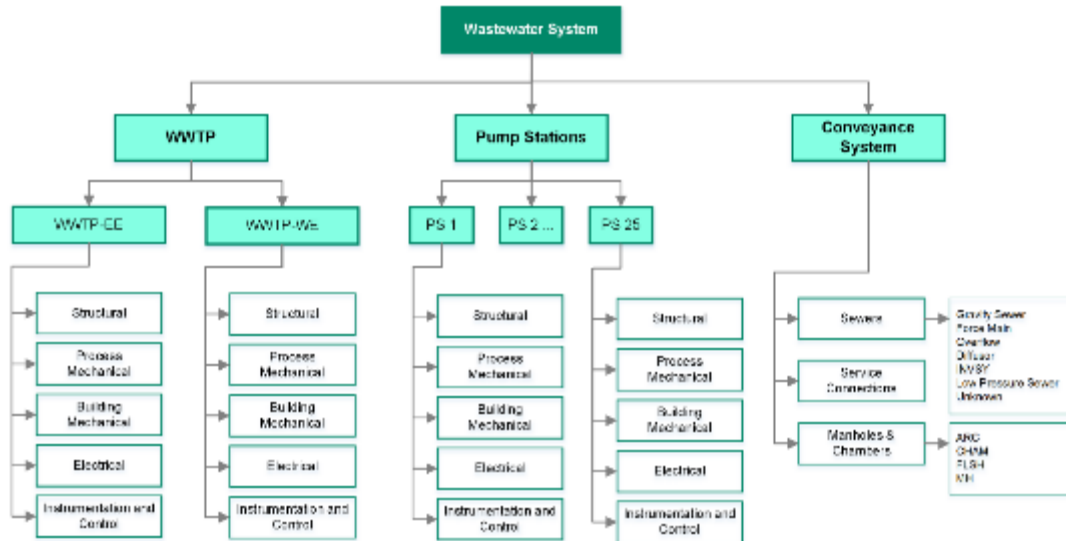


Stormwater System Condition Summary

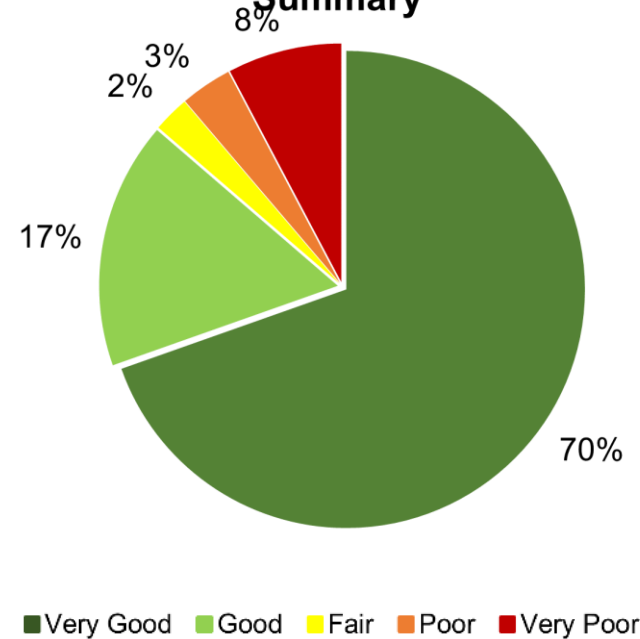


■ Very Good
 ■ Good
 ■ Fair
 ■ Poor
 ■ Very Poor

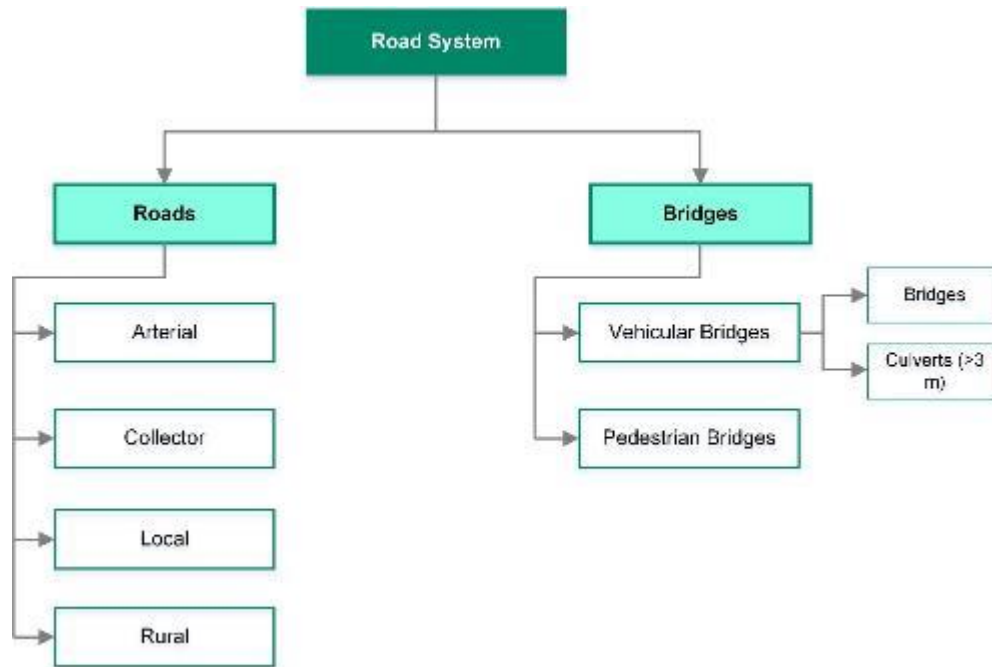
Wastewater



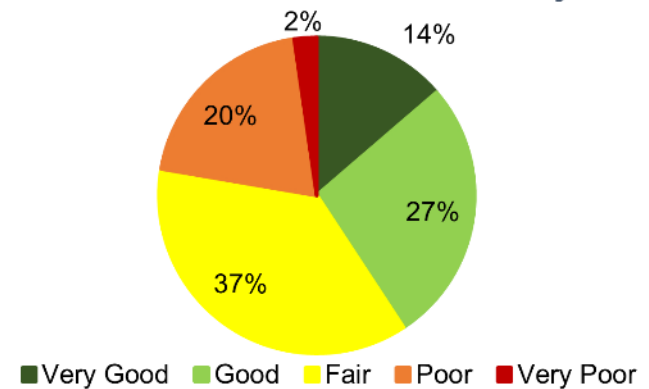
Wastewater System Condition Summary



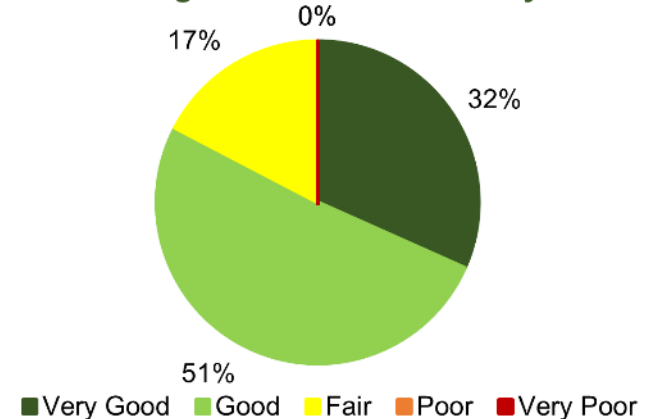
Roads & Bridges



Roads Condition Summary



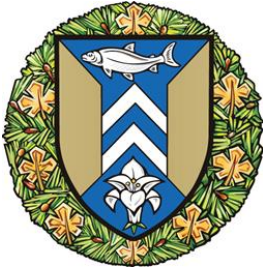
Bridges Condition Summary





**SAULT
STE. MARIE**

Questions?



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

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Malcolm White, CAO

DEPARTMENT: Chief Administrative Officer

RE: Streamline Development Projects – Delegation of Authority

Purpose

To obtain Council approval to delegate authority to the CAO to execute project agreements/contracts that would normally be submitted to Council.

Background

At the 2022 08 08 Council meeting, Council approved a number of projects that will be completed utilizing funding provided by the Province. The value of some projects exceeds the threshold under the CAO by-law approval limit (\$125,000). These projects are listed below:

- Expand Building Permit application to include Planning Act Applications (\$410,000)
- GIS Enhancement/Integration (\$195,000)
- Sewer flow modeling of the City to streamline efforts of developers and City staff with respect to capacities (and potentially flow monitoring) (\$340,000)
- Capacity study of wastewater plant(s) – broken down by priority sewershed, for completion within the allotted timeframe (\$240,000)

Analysis

As there is only one remaining regular Council meeting prior to the Municipal Election, and as the Provincial timeline to complete the projects ends in February, 2023, there is a need to have an expedient process to execute the agreements/contracts with third party providers to complete the projects on time. A delegation of authority from Council to the CAO to execute the specified agreements/contracts is therefore requested.

Financial Implications

There is no financial impact to the municipality associated with 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:

The relevant by-law 2022-158 is listed under item 12 of the Agenda and will be read with all other by-laws under that item.

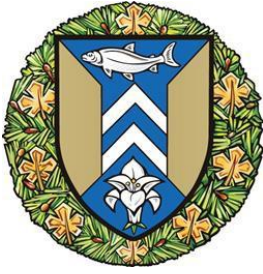
Respectfully submitted,

Malcolm White

CAO

705.759.5347

cao.white@cityssm.on.ca



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

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Shelley J Schell, CPA, CA Chief Financial Officer & Treasurer

DEPARTMENT: Corporate Services

RE: 2021 Audited Financial Statements

PURPOSE

The purpose of this report is to approve the attached draft Audited Consolidated Financial Statements and Trust Fund Statements for the year ended December 31, 2021.

BACKGROUND

The Finance Committee met on August 24, 2022 with the City's auditor KPMG LLP, Chartered Professional Accountants, to review the 2021 City financial audit and the following resolution was approved:

Moved by: R. Niro

Seconded by: M. Bruni

Resolved that the Finance Committee receive the 2021 Audited Financial Statements and recommend to City Council for approval.

ANALYSIS

Not applicable.

FINANCIAL IMPLICATIONS

Not applicable.

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 Chief Financial Officer & Treasurer dated August 29, 2022 concerning the 2021 Audited Financial Statements be received and the recommendation that the Audited Consolidated Financial Statements and Trust Fund Statements for 2021 be approved.

2021 Audited Financial Statements

2022 08 29

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Respectfully submitted,

Shelley J Schell, CPA, CA

Chief Financial Officer &

Treasure

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Consolidated Financial Statements of

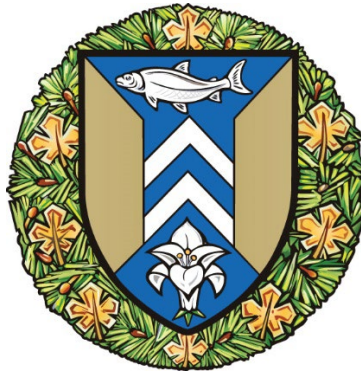
**THE CORPORATION OF THE
CITY OF SAULT STE. MARIE**

Year ended December 31, 2021

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
Consolidated Financial Statements

Year ended December 31, 2021

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of The Corporation of The City of Sault Ste. Marie (the "City") are the responsibility of the City's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The City's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The finance committee meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the City. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the City's consolidated financial statements.

Chief Administrative Officer

Chief Financial Officer / City Treasurer

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of The City of Sault Ste. Marie

Opinion

We have audited the consolidated financial statements of The Corporation of The City of Sault Ste. Marie (the "City"), which comprise:

- the consolidated statement of financial position as at December 31, 2021
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2021 and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Canada

August 29, 2022

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Financial assets		
Cash and cash equivalents	\$ 57,286,630	\$ 60,031,403
Temporary investments (note 2)	20,626,012	25,186,777
Taxes receivable (note 3)	2,912,216	2,636,611
Accounts receivable	35,899,585	25,935,964
Investment in government business enterprises (note 8)	83,206,071	80,515,168
	199,930,514	194,305,923
Financial liabilities		
Accounts payable and accrued liabilities	28,562,380	26,653,657
Temporary advances from trust funds	343,025	223,838
Deferred revenue (note 4)	9,103,228	4,763,540
Net long-term liabilities (note 5):		
The Corporation of the City of Sault Ste. Marie	1,071,857	1,707,170
Net long-term liabilities (note 6):		
Public Utilities Commission of the City of Sault Ste. Marie	3,569,084	4,376,289
Net long-term liabilities (note 7):		
Sault Ste. Marie Public Library:	2,040,632	2,144,653
Landfill closure and post closure liability (note 15)	36,861,764	25,258,760
Future employee benefit obligations (note 14)	39,565,001	39,691,607
	121,116,971	104,819,514
Net financial assets	78,813,543	89,486,409
Non-financial assets:		
Tangible capital assets (note 16)	556,892,634	519,938,224
Prepaid expenses	433,130	326,913
Inventories	3,239,177	2,899,449
	560,564,941	523,164,586
Contingent liabilities (note 13)		
Accumulated surplus (note 17)	\$ 639,378,484	\$ 612,650,995

The accompanying notes are an integral part of these consolidated financial statements.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2021, with comparative information for 2020

	Budget (note 9)	2021	2020
Revenue:			
Property taxation	\$ 125,248,213	\$ 126,085,281	\$ 121,365,878
Taxation from other governments	4,480,756	4,490,232	4,480,451
Fees and user charges	50,200,228	47,315,725	42,953,873
Government grants (note 18)	34,012,531	45,987,373	43,125,586
Interest income	5,235,000	3,545,374	3,401,645
Other	1,522,245	4,220,066	3,017,780
Developer contributions (note 16)	-	1,971,335	1,389,249
Net income of government business enterprises (note 8)	-	3,525,983	3,960,795
Total revenue	220,698,973	237,141,369	223,695,257
Expenses:			
General government	17,397,758	17,204,173	16,156,349
Protection services	47,834,024	49,726,811	47,320,448
Transportation services	35,616,416	38,656,995	37,804,655
Environmental services	27,569,728	26,600,446	24,918,883
Health services	3,968,620	4,216,289	4,086,699
Social and family services	19,519,543	19,340,729	19,014,559
Recreation and cultural services	19,777,249	17,578,304	15,792,016
Planning and development	3,028,266	4,142,778	3,097,440
Amortization of tangible capital assets	21,110,429	21,143,830	20,371,044
Loss on disposal of tangible capital assets	-	200,521	548,110
Total expenses	195,822,033	198,810,876	189,110,203
Annual surplus before the undernoted	24,876,940	38,330,493	34,585,054
Landfill closure and post closure liability expense	-	11,603,004	389,494
Annual surplus	24,876,940	26,727,489	34,195,560
Accumulated surplus, beginning of year	612,650,995	612,650,995	578,455,435
Accumulated surplus, end of year	\$ 637,527,935	\$ 639,378,484	\$ 612,650,995

The accompanying notes are an integral part of these consolidated financial statements.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2021, with comparative information for 2020

	Budget (note 9)	2021	2020
Annual surplus	\$ 24,876,940	\$ 26,727,489	\$ 34,195,560
Acquisition of tangible capital assets	(46,527,876)	(58,450,018)	(55,049,049)
Amortization of tangible capital assets	21,110,429	21,143,830	20,371,044
Loss on sale of tangible capital assets	-	200,521	548,110
Proceeds on sale of tangible capital assets	-	151,257	637,508
	(540,507)	(10,226,921)	703,173
Change in prepaid expenses	-	(106,217)	380,157
Change in inventories	-	(339,728)	(138,892)
Change in net financial assets	(540,507)	(10,672,866)	944,438
Net financial assets, beginning of year	89,486,409	89,486,409	88,541,971
Net financial assets, end of year	\$ 88,945,902	\$ 78,813,543	\$ 89,486,409

The accompanying notes are an integral part of these consolidated financial statements.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 26,727,489	\$ 34,195,560
Items not involving cash:		
Amortization of tangible capital assets	21,143,830	20,371,044
Loss on sale of tangible capital assets	200,521	548,110
Developer contributions	(1,971,335)	(1,389,249)
Change in future employee benefit obligations	(126,606)	(329,861)
Change in landfill closure and post-closure liability	11,603,004	389,494
Net income of government business enterprise (note 8)	(3,525,983)	(3,960,795)
	54,050,920	49,824,303
Change in non-cash assets and liabilities:		
Taxes receivable	(275,605)	(204,288)
Accounts receivable	(7,380,048)	(3,489,153)
Other current assets	-	-
Prepaid expenses	(106,217)	380,157
Inventories	(339,728)	(138,892)
Accounts payable and accrued liabilities	(674,851)	(43,705)
Deferred revenue	4,339,688	(1,122,038)
Temporary advances from trust funds	119,186	223,839
	49,733,345	45,430,223
Capital activities:		
Proceeds on sale of tangible capital assets	151,257	637,508
Cash used to acquire tangible capital assets	(56,466,319)	(51,403,906)
	(56,315,062)	(50,766,398)
Investing activities:		
Dividends received from Government Business Enterprises	835,080	610,080
Financing activities:		
Repayment of long-term liabilities	(1,558,901)	(2,472,517)
Net change in cash	(7,305,538)	(7,198,612)
Cash and cash equivalents, beginning of year	85,218,180	92,416,792
Cash and cash equivalents, end of year	\$ 77,912,642	\$ 85,218,180
Cash position consists of:		
Cash and cash equivalents	\$ 57,286,630	\$ 60,031,403
Temporary investments (note 2)	20,626,012	25,186,777
	\$ 77,912,642	\$ 85,218,180

The accompanying notes are an integral part of these consolidated financial statements.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

The City of Sault Ste. Marie (the "City") is a municipality that was created on April 16, 1912 pursuant to the Municipal Act. The City provides municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations.

1. Significant accounting policies:

The consolidated financial statements of the City are prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the City are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City except for the City's government business enterprises which are accounted for on the modified equity basis of accounting.

These entities and organizations include:

Sault Ste. Marie Police Services Board
Public Utilities Commission of the City of Sault Ste. Marie ("Commission")
Sault Ste. Marie Public Library
Tourism Sault Ste. Marie

Interdepartmental and inter-organizational transactions and balances between these entities and organizations have been eliminated.

(ii) Investment in Government Business Enterprises:

The City's investment in PUC Inc. and PUC Services Inc. is accounted for on a modified equity basis, consistent with Canadian generally accounting principles as recommended by PSAB for investments in government business enterprises. Under the modified equity basis, PUC Inc.'s and PUC Services Inc.'s accounting policies are not adjusted to conform with those of the municipality and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income or loss of PUC Inc. and PUC Services Inc. in its consolidated statement of operations and accumulated surplus with a corresponding increase or decrease in its investment asset account. Any dividends that the City may receive from PUC Inc. and PUC Services Inc. will be reflected as reductions in the investment asset account.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(a) Basis of consolidation (continued):

(iii) Related entities:

The consolidated financial statements do not reflect the assets, liabilities, sources of financing, expenses and the activities of the following Boards and enterprises which are not under the control of Council.

Algoma Public Health
District of Sault Ste. Marie Social Services Administration Board
Board of Management of Queenstown
Sault Ste. Marie Public Region Conservation Authority

(iv) Trust funds:

Trust funds and their related operations administered by the City are not included in the consolidated financial statements.

(b) Basis of accounting:

The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Revenue recognition:

The City prepared tax billings based on assessment rolls issued by the Municipal Property Assessment Corporation, in accordance with rates established and approved annually by Council and the Province of Ontario. Taxation revenue is recognized in the period in which the taxes are levied.

Government transfers are recognized in the period in which the events giving rise to the transfer occurred, provided that the transfer is authorized and the amount can be reasonably estimated. Government grants are recognized when approved to the extent the related expenditures have been incurred and collection can be reasonably assured.

User fees and other revenues are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided.

(d) Temporary investments:

Temporary investments are recorded at the lower of cost and market value.

(e) Inventories:

Inventories held for resale are stated at the lower of cost and net realizable value, while inventories of supplies are stated at lower of cost and replacement value.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(f) Deferred revenue:

Deferred revenues represent licenses, permits and other fees which have been collected, but for which the related services or inspections have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

A requirement for local governments is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation and other agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. Given the restriction in use until spent on qualifying projects or expenses these amounts are deferred.

(g) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

i. Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less (if applicable) residual value of the tangible capital assets excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Landfill and land improvements	10 - 30 years
Buildings and building improvements	10 - 60 years
Vehicles	3 - 15 years
Machinery and equipment	5 - 25 years
Infrastructure	15 - 100 years

Half year amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

ii. Contributions for tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also recorded as revenue.

iii. Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets and amortized over the term of the lease. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(h) Use of estimates:

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, landfill liability and in performing actuarial valuations of employee future benefits.

In addition, the City's implementation of the Public Sector Accounting Handbook PS3150 has required management to make estimates of historical cost and useful lives of tangible capital assets.

Actual results could differ from these estimates.

(i) Employee future benefits:

- i. The City provides certain benefits which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board ("WSIB") Act, and life insurance, extended health and dental benefits for early retirees.

The costs of sick leave, benefits under the Workplace Safety and Insurance Board Act and life insurance, extended health and dental benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, long-term inflation rates and discount rates.

For self-insured retirement and other employee future benefits that vest or accumulated over the periods of service provided by employees, such as retirement gratuities, compensated absences and health, dental and life insurance benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for workers' compensation and life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

- ii. The costs of multi-employer defined contribution pension plan benefits, such as the Ontario Municipal Employees Retirement System pensions ("OMERS"), are the employer's contributions due to the plan in the period.

(j) Landfill liability:

The liability for closure of operational sites and post-closure care has been recognized based on estimated future expenses, estimated inflation and the usage of the site's capacity during the year.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

2. Temporary investments:

Temporary investments consist of GIC's with interest rates between 0.8% to 1.6% with maturity dates ranging from June 2022 to September 2022.

3. Tax revenues:

Property tax billings are prepared by the City based on an assessment roll prepared by the Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government. All assessed property values in the City were reviewed and new values established based on a common valuation date which was used by the City in computing the property tax bills for 2021. However, the property tax revenue and tax receivables of the City are subject to measurement uncertainty as a number of significant appeals submitted by ratepayers have yet to be heard.

The City has established an allowance for tax appeals and other items in the amount of \$2,210,000 (2020 - \$2,210,000). Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined.

4. Deferred revenue:

The balances in the deferred revenue of the City consist of:

	2021	2020
Federal Gas Tax	\$ 7,562,035	\$ 3,166,352
Other programs	62,897	905,889
Parkland	391,553	347,319
Building permits Bill 124	1,086,743	265,612
Provincial Gas Tax	—	78,368
	\$ 9,103,228	\$ 4,763,540

Continuity of deferred revenue is as follows:

	2021	2020
Balance, beginning of year:		
Federal Gas Tax	\$ 3,166,352	\$ 4,629,070
Other programs	905,889	601,238
Parkland	347,319	391,141
Building permits Bill 124	265,612	256,625
Provincial Gas Tax	78,368	7,504
	4,673,540	5,885,578
Other revenue	66,370	16,380
Interest earned	64,238	64,486
Total revenue	130,608	80,866
Contributions deferred	5,159,454	852,478
Contributions taken into revenue	(950,374)	(2,055,382)
Balance, end of year	\$ 9,103,228	\$ 4,763,540

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

5. Net long-term liabilities:

	2021	2020
Net long-term liabilities incurred by:		
The Corporation of the City of Sault Ste. Marie	\$ 1,071,857	\$ 1,707,170

Principal repayments recoverable over the next year is as follows:

2022	\$ 58,770
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The annual principal and interest payments required to service the long-term obligations of the City are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

The long-term obligations issued in the name of the City have received approval of the Ontario Municipal board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law.

The above long-term debt has various maturity dates and interest rates ranging from due on demand to 2024 and 0% to 5.15% respectively. Interest paid in the year and included in current expenses is \$17,629 (2020 - \$112,651).

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

6. Net long-term liabilities:

	2021	2020
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Net long-term liabilities incurred by:

Public Utilities Commission of the City of Sault Ste. Marie	\$ 3,569,084	\$ 4,736,289
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Principal repayments recoverable over the next five years are as follows:

2021	\$ 832,670
2022	858,938
2023	886,035
2024	913,987
2025	77,454

The loan is repayable \$77,660 monthly including interest at 3.11% and matures on January 12, 2026.

The Corporation of the City of Sault Ste. Marie (the "Guarantor") guarantees payment to the Bank of all present and future debts and liabilities, including interest due at any time by the Commission to the Bank. The Guarantor shall be limited to the sum of \$8,000,000 together with interest from the date of demand for repayment.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

7. Net long-term liabilities:

	2021	2020
Net long-term liabilities incurred by:		
Sault Ste. Marie Public Library	\$ 2,040,632	\$ 2,144,653

The Sault Ste. Marie Public Library has entered into a 20-year lease for a branch location. Capital lease repayments are due as follows:

2022	\$	204,274
2023		204,898
2024		204,898
2025		204,898
2026		204,898
2027 – 2039		1,673,023
Total minimum lease payments		2,696,889
Less amount representing interest at 4%		(656,257)
Present value of net minimum capital lease payments	\$	2,040,632

The current minimum monthly lease payments are \$16,764 plus harmonized sales tax for the first 10 years and \$10,100 plus harmonized sales tax for the final 10 years, expiring in March 2039 with options for renewal. Minimum monthly payments are subject to annual inflationary increases not to exceed 2% in any year.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

8. Investment in government business enterprises:

PUC Inc. is incorporated under the laws of the Province of Ontario and provides municipal electrical distribution and other services to the residents of Sault Ste. Marie as well as other communities in Northern Ontario. The City owns 100% of the outstanding shares of PUC Inc. PUC Services Inc. is incorporated under the laws of the Province of Ontario and provides management, operations and maintenance services related to water, wastewater and electrical services to its related entities and other organizations. The City owns 100% of the outstanding shares of PUC Services Inc.

The following schedule reflects the combined financial information of PUC Inc. and PUC Services Inc. as at December 31:

	2021	2020
Financial Position:		
Current assets	\$ 36,592,411	\$ 34,649,121
Notes receivable	8,524,329	8,515,331
Future income tax assets	2,488,000	2,164,000
Capital assets	129,422,285	122,312,882
Goodwill	3,596,271	3,627,340
Regulatory assets	6,949,146	2,684,573
Total assets	\$ 187,572,442	\$ 173,953,247
Current liabilities	\$ 30,225,707	\$ 24,486,932
Deferred revenue	10,578,508	10,820,871
Deferred tax liability	1,989,000	—
Employee future benefit obligation	1,786,769	2,349,497
Long-term debt	1,429,547	1,763,360
Deferred revenue	82,237,943	80,051,019
Lease liabilities	68,968	—
Regulatory liabilities	7,769,929	5,686,400
Total liabilities	136,086,371	125,158,079
Shareholder's equity	51,486,071	48,795,168
Total liabilities and equity	\$ 187,572,442	\$ 173,953,247

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

8. Investment in government business enterprises (continued):

	2021	2020
Results of operations:		
Revenues	\$ 130,775,222	\$ 144,601,826
Expenses	(127,502,045)	(140,062,029)
Provision for payment in lieu of taxes	(239,209)	(490,735)
Other comprehensive gain (loss)	492,015	(88,267)
Net income for the year	\$ 3,525,983	\$ 3,960,795

The City's investment in government business enterprises is comprised of:

Common shares	\$ 15,668,248	\$ 15,668,248
Special shares	15,513,300	15,513,300
Accumulated other comprehensive income	654,773	162,758
Retained earnings	19,649,750	17,450,862
Equity, end of year	51,486,071	48,795,168
Notes receivable	31,720,000	31,720,000
Investment in government business enterprises	\$ 83,206,071	\$ 80,515,168

The notes receivable include an unsecured note for \$6,720,000 bearing interest at 6.1% per annum, payable one year after demand and an unsecured note for \$25,000,000 bearing interest at rates negotiated periodically, currently 6.1%, payable one year after demand.

Related Party Transactions

Related party transactions between the City and government business enterprises are as follows:

- (i) At December 31, 2021, the City has the following amounts included in the consolidated statement of financial position:

A receivable of \$2,606,688 (2020 - \$3,225,975) for sewer surcharges, interest and dividends.

A payable of \$987,040 (2020- \$1,144,033) for street lighting and various electricity and water invoices

- (ii) Revenues included in the Consolidated Statement of Operations and Accumulated Surplus of the City are:

	2021	2020
Interest on note receivable	\$ 1,934,920	\$ 1,935,000
Other interest	114,547	103,412
Dividends	1,035,080	610,080
Property taxes	315,231	313,089
	\$ 3,399,778	\$ 2,961,581

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

8. Investment in government business enterprises (continued):

Related Party Transactions (continued)

- (iii) Expenses included in the Consolidated Statement of Operations and Accumulated Surplus of the City are:

	2021	2020
Management fees charged to Commission	\$ 5,517,231	\$ 5,704,523
Electricity and electricity services	3,562,342	3,915,844
Water and wastewater services	3,391,484	3,404,530
Electricity charged for streetlights	614,160	631,183
Streetlight maintenance	509,231	422,505
	\$ 13,594,448	\$ 14,078,585

Transactions with related parties are in the normal course of operations and are recorded at the exchange amount, which is the amount agreed to by the related parties. It is management's opinion that the exchange amount represents fair market value for these services.

9. Budget figures:

The Budget By-law adopted by Council for the 2021 year was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of reserves to reduce current year expenses in excess of current year revenues to \$Nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the consolidated statements of operations and accumulated surplus and change in net financial assets represent the financial plan adopted by Council with adjustments as follows:

	2021	2020
Adopted budget by-law for the year	\$ —	\$ —
Adjustments to adopted budget:		
Debt principal repayments	1,894,065	2,865,964
Investment in tangible capital assets	46,527,876	75,600,650
Amortization of tangible capital assets	(21,110,429)	(20,327,698)
Net transfer to/from reserves and other	(2,434,572)	(30,158,847)
Budget surplus per consolidated statement of operations and accumulated surplus	\$ 24,876,940	\$ 27,980,069

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

10. Pension agreements:

The City makes contributions to the Ontario Municipal Employees Retirement System pension fund ("OMERS"), which is a multi-employer plan, on behalf of all permanent, full-time members of its staff. This plan is a defined benefit plan which specifies the amount of the retirement to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2021 was \$6,487,595 (2020 - \$6,365,697 is included as an expense on the consolidated statement of operations and accumulated surplus).

11. Operations of school boards:

During 2021, the City collected and transferred property taxes totaling \$18,234,640 (2020 - \$19,261,555) on behalf of area school boards.

12. Trust funds:

The trust funds administered by the City amounting to \$9,116,737 (2020 - \$8,893,843) are presented in a separate financial statement of trust fund balances and operations. As such balances are held in trust by the City for the benefit of others; they are not presented as part of the City's financial position or financial activities. At December 31, 2021, the trust fund balances are comprised of:

	2021	2020
Cemetery Care and Maintenance funds	\$ 6,277,366	\$ 6,117,708
Pre-need assurance	2,604,562	2,535,513
Transit employees' pension	80,941	80,417
Historic Sites	106,816	113,178
Heritage Sault Ste. Marie	30,009	29,815
Ontario Home Renewal Program	2,628	2,916
Cultural Endowment	14,415	14,296
	<u>\$ 9,116,737</u>	<u>\$ 8,893,843</u>

13. Contingent liabilities:

The City has been named in litigation matters, the outcome of which is not determinable and accordingly, no provision has been made for them in these consolidated financial statements. Should any loss result from these claims, such loss would be charged to operations in the year of resolution.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

14. Employee future benefit obligations:

Employee future benefits are liabilities of the City to its employees and early retirees for the following benefits earned but not taken as at December 31, 2021 are as follows:

	2021	2020
Future payments required to W.S.I.B.	\$ 12,361,060	\$ 12,958,586
Post-employment and post-retirement benefits	16,299,033	16,395,752
Vacation pay	8,253,250	7,800,677
Non-vesting sick leave benefits	2,651,658	2,536,592
Employee future benefit obligations	\$ 39,565,001	\$ 39,691,607

Post employment and post retirement benefits

The City provides non-pension benefits to employees and retirees until they reach 65 years of age. The values that follow have been estimated based upon employee data available during the actuarial review which was completed as at December 31, 2021.

The benefit liability continuity is as follows:

	2021	2020
Accrued benefit liability, January 1	\$ 16,395,752	\$ 16,702,240
Expense	1,505,891	1,623,918
Payments	(1,602,610)	(1,648,535)
Transfer payments	—	(281,871)
Accrued benefit liability, December 31	\$ 16,299,033	\$ 16,395,752

Significant assumptions

Discount rate	2.75%
Health cost increase	4.0% - 6.50%

Non-vesting sick leave benefits

Sick leave benefits accrue to City employees at a rate of one and a half days per month. Unused sick days are banked and may be used in the future if sick leave is beyond yearly allocation. No cash payments are made for unused sick time upon termination or retirement.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

14. Employee future benefit obligations (continued):

Accrued vacation pay

Accrued vacation pay represents the liability for vacation entitlements earned by employees but not taken as at December 31, 2021.

Future payments for Worker's Safety and Insurance Board (WSIB)

Under the provisions of the Workplace Safety and Insurance Board Act, the City has elected to be treated as a Schedule 2 employer and remits payments to the WSIB as required, to fund current disability payments. An actuarial estimate of future liabilities has been completed and forms the basis for the estimated liability.

15. Landfill closure and post-closure liability:

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated life of the landfill site based on usage.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a sixty year period using the best information available to management. Future events may result in significant changes to the estimated total expenditures capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The City operates one primary landfill site, the 5th Line Landfill. The site has capacity of approximately 3,000,000 metric tons with approximately 318,000 metric tons of remaining capacity. At current average fill rates, the site has a remaining operating life of approximately 5.3 years.

It is estimated that the total net present value of the cost to close and maintain the 5th Line Landfill site is approximately \$41,232,399 (2020 - \$28,678,519). At December 31, 2021, an amount of \$36,861,764 (2020 - \$25,258,760) with respect to landfill closure and post-closure liability has been accrued and will be funded from future taxation revenues. The City has established a reserve to contribute to the cost of closing and maintaining the landfill site of \$11,619,464 (2020 - \$10,569,840).

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

16. Tangible capital assets:

									2021
	Land	Landfill and Land Improvements	Buildings and Building Improvements	Infrastructure	Machinery and Equipment	Vehicles	Assets under Capital Lease	Assets under Construction	Total
Cost									
Balance, beginning of the year	\$ 27,883,598	\$ 13,584,278	\$ 97,243,358	\$ 611,059,455	\$ 34,835,364	\$ 36,878,533	\$ 2,494,956	\$ 49,150,195	\$ 873,129,737
Additions	22,109	-	269,501	43,253,368	2,206,882	8,749,415	12,363	36,065,954	90,579,592
Disposals	(15,940)	-	-	(4,669,704)	(913,040)	(2,204,675)	-	(32,129,573)	(39,932,932)
Balance, end of year	27,889,767	13,584,278	97,512,859	649,643,119	36,129,206	43,423,273	2,507,319	53,086,576	923,776,397
Accumulated Amortization									
Balance, beginning of the year	-	(10,069,228)	(43,231,260)	(258,304,077)	(19,999,889)	(21,369,623)	(217,436)	-	(353,191,513)
Disposals/transfers	-	-	-	4,621,059	821,580	2,008,941	-	-	7,451,580
Amortization expense	-	(250,175)	(2,131,753)	(13,613,363)	(2,198,045)	(2,825,221)	(125,273)	-	(21,143,830)
Balance, end of year	-	(10,319,403)	(45,363,013)	(267,296,381)	(21,376,354)	(22,185,903)	(342,709)	-	(366,883,763)
Net book value, end of year	\$ 27,889,767	\$ 3,264,875	\$ 52,149,846	\$ 382,346,738	\$ 14,752,852	\$ 21,237,370	\$ 2,164,610	\$ 53,086,576	\$ 556,892,634
Net book value, beginning of year	\$ 27,883,598	\$ 3,515,050	\$ 54,012,098	\$ 352,755,378	\$ 14,835,475	\$ 15,508,910	\$ 2,277,520	\$ 49,150,195	\$ 519,938,224

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

16. Tangible capital assets:

										2020
	Land	Landfill and Land Improvements	Buildings and Building Improvements	Infrastructure	Machinery and Equipment	Vehicles	Assets under Capital Lease	Assets under Construction	Total	
Cost										
Balance, beginning of the year	\$ 26,409,258	\$ 13,584,278	\$ 97,904,541	\$ 583,009,654	\$ 32,472,223	\$ 34,035,692	\$ -	\$ 40,318,917	\$ 827,734,563	
Additions	1,606,435	-	1,307,330	32,437,886	3,730,417	4,640,747	2,494,956	18,621,719	64,839,490	
Disposals	(132,095)	-	(1,968,513)	(4,388,085)	(1,367,276)	(1,797,906)	-	(9,790,441)	(19,444,316)	
Balance, end of year	27,883,598	13,584,278	97,243,358	611,059,455	34,835,364	36,878,533	2,494,956	49,150,195	873,129,737	
Accumulated Amortization										
Balance, beginning of the year	-	(9,675,307)	(42,444,771)	(249,586,259)	(19,009,683)	(20,572,706)	-	-	(341,288,726)	
Disposals/transfers	-	-	1,390,781	4,307,440	1,127,911	1,642,125	-	-	8,468,257	
Amortization expense	-	(393,921)	(2,177,270)	(13,025,258)	(2,118,117)	(2,439,042)	(217,436)	-	(20,371,044)	
Balance, end of year	-	(10,069,228)	(43,231,260)	(258,304,077)	(19,999,889)	(21,369,623)	(217,436)	-	(353,191,513)	
Net book value, end of year	\$ 27,883,598	\$ 3,515,050	\$ 54,012,098	\$ 352,755,378	\$ 14,835,475	\$ 15,508,910	\$ 2,277,520	\$ 49,150,195	\$ 519,938,224	
Net book value, beginning of year	\$ 26,409,258	\$ 3,908,971	\$ 55,459,770	\$ 333,423,395	\$ 13,462,540	\$ 13,462,986	\$ -	\$ 40,318,917	\$ 486,445,837	

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

16. Tangible capital assets (continued):

a) Assets under construction:

Assets under construction having a value of \$53,086,578 (2020 - \$49,150,195) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Developer contributions:

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year was \$1,971,335 (2020 - \$1,389,249) comprised of water infrastructure, land and roads infrastructure.

c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

d) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

17. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2021	2020
Surplus:		
Invested in tangible capital assets	\$ 556,892,634	\$ 519,938,224
Invested in government business enterprises	83,206,071	80,515,168
Sanitary sewer	23,615,664	37,470,135
Operating fund	15,913,326	12,099,350
Unfunded		
Net long-term liabilities	(6,681,573)	(8,228,112)
Landfill closure costs	(36,861,764)	(25,258,760)
Employee benefits	(39,565,001)	(39,691,607)
Total surplus	596,519,357	567,844,398
Reserves set aside for specific purpose by Council:		
Acquisition of tangible capital assets	3,873,570	3,388,783
Planning and development	644,880	564,880
Other programs	23,917,417	18,924,525
Waste disposal site	11,619,464	10,569,840
Total reserves	40,055,331	33,448,028
Reserve funds set aside for specific purpose by Council:		
Senior's Advisory Council	524,329	—
Cemetery development	951,416	818,764
Industrial land	319,197	314,907
Property purchases	898,370	1,118,060
Hospital development	110,484	106,838
Total reserve funds	2,803,796	2,358,569
	\$ 639,378,484	\$ 612,650,995

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

18. Government grants:

The City recognizes the transfer of government funding as expenses or revenues in the period that the events giving rise to the transfer occurred. The transfers reported on the consolidated statement of operations and accumulated surplus are:

	2021	2020
Provincial grants	\$ 32,681,944	\$ 35,650,757
Federal grants	13,287,842	7,434,210
Other grants	17,587	40,619
Total	\$ 45,987,373	\$ 43,125,586

19. Comparative information:

Certain 2020 comparative information have been reclassified to conform to the financial statement presentation of 2021.

20. Impacts of COVID-19:

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus ("COVID-19") a global pandemic. This resulted in the Province mandating various social distancing protocols, resulting in the temporary shutdown of various programs and services.

During the year, the City received funding from the Province of Ontario to offset the financial impacts of COVID-19, which has been recognized as revenue in the current year. Consistent with direction received from the Province of Ontario, unexpended funding at December 31, 2021 has been placed in a reserve to offset future financial impacts of COVID-19.

As at December 31, 2021, the City did not have significant adjustments to reflect the possible future impact of COVID-19. Management assessed the impact on the City and believes there are no significant financial issues as the City has strong working capital available and access to sufficient liquid resources to sustain operations in the coming year.

The outcome and timeframe to a recovery from the current pandemic is highly unpredictable, thus it is not practicable to estimate and disclose its financial effect on future operations at this time.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

21. Segmented information:

The City is a diversified municipal government institution that provides a wide range of services to its citizens. City services are provided by departments and certain departments have been separately disclosed in the segmented information, along with the services they provide. These departments are:

General Government

General Government is comprised of City Council, the Mayor's Office, and the Chief Administrators' Office (CAO).

The Chief Administrators' Office is charged with the responsibility of coordinating the work of all municipal departments and ensuring that those departments carry out the policies and directions given by City Council.

Corporate Services

Corporate Services is comprised of the Clerks Department, Human Resources Department, the Finance Department and the Information Technology Department. Each of these departments provides program support to various other areas.

The Clerks Department's primary task is to function as the corporate secretary to City Council, ensuring that all Council Agendas, Minutes of proceedings, resolutions, decisions, voting, records, and accounts are recorded, documented and certified.

The Human Resources Department is charged with negotiation and administration of all collective agreements as well as all facets of employment and employee benefits.

The Finance Department is responsible for the City's general financial management and budget preparation. The department is comprised of financial administration, accounting, tax and licensing, and purchasing activities.

Legal Services

The Legal Department is responsible for the preparation of by-laws, deeds, leases, agreements and other legal documents, as well as property management for the City in regards to purchases, sales, leasing, easements and related agreements. Prosecutions and administration of Provincial Offences Act is also part of their responsibility.

Fire Services

Fire Services is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. It is also responsible, through its Emergency Medical Services, for pre-hospital emergency paramedical care and the transport of the sick and injured.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

21. Segmented information (continued):

Public Works and Engineering

The Public Works Department is responsible for maintenance of municipal infrastructure, such as streets, sewers, and parks. The department provides solid waste management through refuse collection, recycling programs, and sanitary landfill management. The department is also responsible for traffic control, including signage, signals and pavement markings.

The Engineering Department is comprised of Building Services and Engineering and Construction. Building Services provides maintenance, janitorial services and security for the Civic Centre and Ontario Works. The Engineering and Construction Division provides services associated with engineering design, construction, technical services, and special project initiatives.

Community Development and Enterprise Services

The Community Services Department provides public services for Cemeteries & Crematorium, Central Administration, Community Centres, Recreation and Culture, Transit, and Parking. The Tourism and Community Development Department is responsible for tourism sector development and advancing the Future SSM community development strategy. The Economic Development Department is responsible for business support, attraction, and entrepreneur services. The Planning & Enterprise Services Department facilitates economic development by providing services for the approval of all land development plans and the application of enforcement of zoning by-laws.

Outside Agencies

These agencies are approved by Council through grant agreements or Memorandums of Agreement. This segment includes grants to the Art Gallery of Algoma, Sault Ste. Marie Museum, Canadian Bushplane Heritage Museum, Algoma University, Pee Wee Arena, and Sault Ste. Marie Innovation Centre. The Sault Ste. Marie Police Service and Sault Ste. Marie Public Library report to City Council through their Boards.

Levy Boards

These Boards provide the City amounts to be collected on their behalf. Levy Boards include Algoma Public Health, the Sault Ste. Marie Region Conservation Authority, and the Sault Ste. Marie District Social Services Administration Board (DSSAB).

For each reported segment, revenues and expenses include both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

21. Segmented disclosure (continued):

	2021									
	General Government	Corporate Services	Legal Services	Fire Services	Public Works and Engineering	Community Development and Enterprise Services	Outside Agencies	Levy Boards	Government Business Enterprises	Total
Revenue:										
Taxation	\$ 10,520,634	\$ 9,004,425	\$ 1,281,739	\$ 13,149,599	\$ 30,879,138	\$ 12,897,612	\$ 31,201,722	\$ 21,640,644	\$ -	\$ 130,575,513
Fees and user charges	-	101,934	1,378,847	292,605	38,127,879	6,869,838	544,622	-	-	47,315,725
Government grants	590,411	1,782,767	595,878	2,244,383	20,620,516	13,517,612	6,635,806	-	-	45,987,373
Interest income	3,289,155	-	2,160	-	182,527	71,532	-	-	-	3,545,374
Other	2,266,011	131,868	-	2,260	2,117,226	1,391,346	282,690	-	-	6,191,401
Net income of government business enterprise (note 6)	-	-	-	-	-	-	-	-	3,525,983	3,525,983
	16,666,211	11,020,994	3,258,624	15,688,847	91,927,286	34,747,940	38,664,840	21,640,644	3,525,983	237,141,369
Expenses:										
Salaries, wages and employee benefits	1,041,567	6,165,811	1,380,164	14,101,632	25,754,522	16,684,107	30,221,157	-	-	95,348,960
Materials	1,906,433	172,851	1,537,481	1,029,951	27,403,783	1,390,691	4,887,203	-	-	38,328,393
Contracted services	39,032	185,404	277,589	251,783	11,472,872	3,346,334	1,350,334	-	-	16,923,348
Rents and financial	276,024	2,673,262	63,390	5,172	13,301	174,491	183,860	-	-	3,389,500
Grants to others	5,327	808	-	-	-	225,457	1,604,088	21,640,644	-	23,476,324
Loss on disposal of tangible capital assets	-	-	(2,560)	-	170,754	7,317	25,010	-	-	200,521
Amortization of tangible capital assets	-	270,495	-	430,095	17,291,021	1,876,590	1,275,629	-	-	21,143,830
	3,268,383	9,468,631	3,256,064	15,818,633	82,106,253	23,704,987	39,547,281	21,640,644	-	198,810,876
Landfill closure and post closure liability expense	-	-	-	-	11,603,004	-	-	-	-	11,603,004
Annual surplus (deficit)	\$ 13,397,828	\$ 1,552,363	\$ 2,560	\$ (129,786)	\$ (1,781,971)	\$ 11,042,953	\$ (882,441)	\$ -	\$ 3,525,983	\$ 26,727,489

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

21. Segmented disclosure (continued):

	2020									
	General Government	Corporate Services	Legal Services	Fire Services	Public Works and Engineering	Community Development and Enterprise Services	Outside Agencies	Levy Boards	Government Business Enterprises	Total
Revenue:										
Taxation	\$ 6,591,742	\$ 9,020,918	\$ 1,108,069	\$ 12,748,898	\$ 33,376,208	\$ 12,055,218	\$ 29,787,598	\$ 21,157,678	\$ -	\$ 125,846,329
Fees and user charges	-	103,378	1,150,613	298,287	33,986,709	6,914,132	500,754	-	-	42,953,873
Government grants	869,059	1,878,444	660,502	1,855,183	24,669,041	6,395,377	6,797,980	-	-	43,125,586
Interest income	3,203,428	-	4,481	-	142,105	51,631	-	-	-	3,401,645
Other	1,960,257	118,643	-	8,078	1,938,292	284,990	96,769	-	-	4,407,029
Net income of government business enterprise (note 6)	-	-	-	-	-	-	-	-	3,960,795	3,960,795
	12,624,486	11,121,383	2,923,665	14,910,446	94,112,355	25,701,348	37,183,101	21,157,678	3,960,795	223,695,257
Expenses:										
Salaries, wages and employee benefits	845,913	6,012,128	1,328,738	14,265,898	24,735,378	16,371,934	28,069,875	-	-	91,629,864
Materials	1,849,727	258,892	1,376,098	878,733	20,136,720	7,090,144	3,323,252	-	-	34,913,566
Contracted services	30,867	1,243,337	73,778	231,977	11,119,267	2,160,685	324,838	-	-	15,184,749
Rents and financial	-	3,279,133	73,528	4,923	13,959	183,457	197,811	-	-	3,752,811
Grants to others	6,023	-	-	-	-	154,039	1,392,318	21,157,678	-	22,710,058
Loss on disposal of tangible capital assets	480,499	-	-	-	35,029	-	32,582	-	-	548,110
Amortization of tangible capital assets	344	292,973	-	430,737	16,454,697	1,860,866	1,331,427	-	-	20,371,044
	3,213,373	11,086,463	2,852,142	15,812,268	72,495,050	27,821,125	34,672,103	21,157,678	-	189,110,203
Landfill closure and post closure liability expense	-	-	-	-	389,494	-	-	-	-	389,494
Annual surplus (deficit)	\$ 9,411,113	\$ 34,920	\$ 71,523	\$ (901,822)	\$ 21,227,811	\$ (2,119,777)	\$ 2,510,998	\$ -	\$ 3,960,795	\$ 34,195,560

Financial Statements of

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

Trust Funds

And Independent Auditors' Report thereon

Year ended December 31, 2021

DRAFT

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of The City of Sault Ste. Marie

Opinion

We have audited the financial statements of the trust funds of The Corporation of The City of Sault Ste. Marie (the "Trust"), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of continuity for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2021 and the continuity of trust funds for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Canada

August 29, 2022

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Trust Funds

Statement of Financial Position

December 31, 2021, with comparative information for 2020.

								2021	2020
	Care and Maintenance	Pre-need Assurance	Ontario Home Renewal Plan	Historic Sites	Heritage SSM	Transit Employees Pension	Cultural Endowment	Total	Total
Assets									
Cash and investments (note 3)	\$ 6,111,509	2,445,939	15,903	64,587	30,009	80,948	14,425	\$ 8,763,320	\$ 8,653,849
Loans receivable (note 2)	-	-	10,682	-	-	-	-	10,682	16,446
Receivable from other funds	165,857	158,623	-	64,755	-	-	-	389,235	247,134
	\$ 6,277,366	2,604,562	26,585	129,342	30,009	80,948	14,425	\$ 9,163,237	\$ 8,917,429
Liabilities and Fund Balance									
Payable to other funds	\$ -	-	23,957	22,526	-	7	10	\$ 46,500	\$ 23,586
Fund balance	6,277,366	2,604,562	2,628	106,816	30,009	80,941	14,415	9,116,737	8,893,843
	\$ 6,277,366	2,604,562	26,585	129,342	30,009	80,948	14,425	\$ 9,163,237	\$ 8,917,429

The accompanying notes are an integral part of these financial statements.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Trust Funds

Statement of Continuity

Year ended December 31, 2021, with comparative information for 2020.

	2021								2020	
	Care and Maintenance	Pre-need Assurance	Ontario Home Renewal Plan	Historic Sites	Heritage SSM	Transit Employees Pension	Cultural Endowment	Total	Total	
Fund balance, beginning of the year	\$ 6,117,708	\$ 2,535,513	\$ 2,916	\$ 113,178	\$ 29,815	\$ 80,417	\$ 14,296	\$ 8,893,843	\$ 8,494,107	
Revenue:										
Capital receipts	159,658	234,597	-	3,520	-	-	25	397,800	515,801	
Interest earned	83,005	15,843	96	403	194	524	94	100,159	168,672	
Contributions from revenue fund	-	-	-	12,241	-	-	-	12,241	12,370	
	242,663	250,440	96	16,164	194	524	119	510,200	696,843	
Expenditures:										
Contributions to revenue fund	83,005	181,391	96	-	-	-	-	264,492	297,107	
Disbursement for capital project	-	-	-	22,526	-	-	-	22,526	-	
Administration charges	-	-	288	-	-	-	-	288	-	
	83,005	181,391	384	22,526	-	-	-	287,306	297,107	
Fund balance, end of year	\$ 6,277,366	\$ 2,604,562	\$ 2,628	\$ 106,816	\$ 30,009	\$ 80,941	\$ 14,415	\$ 9,116,737	\$ 8,893,843	

The accompanying notes are an integral part of these financial statements.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Trust Funds

Notes to Financial Statements

Year ended December 31, 2021

The Corporation of the City of Sault Ste. Marie Trust Funds (the "Trust") consist of various trust funds administered by the Corporation of the City of Sault Ste. Marie. The Funds are not subject to income taxes under Section 149(1) of the Income Tax Act (Canada).

1. Summary of significant accounting policies:

These financial statements are prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the Chartered Professional Accountants of Canada Handbook.

(a) Basis of accounting:

The financial statements are prepared by management and are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Trust has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Trust determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial assets is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Trust expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and assets and obligations related to employee future benefits. Actual results could differ from those estimates.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Trust Funds

Notes to Financial Statements

Year ended December 31, 2021

2. Ontario Home Renewal Program:

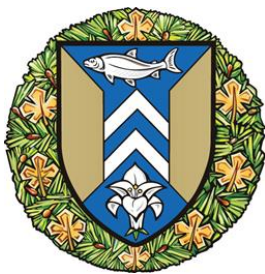
The Ontario Home Renewal Program ("OHRP") was established by the Ontario Ministry of Housing in 1973 to provide grants for municipalities to make loans to assist owner occupants to repair, rehabilitate and improve their homes to local property standards. Individual loans were limited to \$7,500, of which the maximum deferred portion was \$4,000.

Ontario Home Renewal Program loans receivable at December 31, 2021 comprise repayable loans of \$5,804 (2020 - \$8,827) and deferred loans of \$4,878 (2020 - \$7,619). Loan forgiveness is earned and recorded at a rate of up to \$600 per year of continuous ownership and occupancy. The deferred portion of the loan is deferred for a five year period. In the event of the sale or lease of the home or in the event of the homeowner ceasing to occupy the home, the balance of the loans immediately become due and payable by the homeowner.

The Province of Ontario legislated an end to the OHRP program in 1993. As of July 16, 1993, no new loans were issued. All funds collected on outstanding OHRP loans are remitted to the Province by March 1 of the following year. However, municipalities are provided an administration fee of five per cent of the balances collected after December 31, 1993 and are permitted to retain the interest earned on unremitted OHRP trust account balances.

3. Cash and investments:

Total investments by the trust funds of \$4,231,477 (2020 - \$4,094,926) included in cash and investments on the statement of financial position at cost, have a market value of \$4,340,582 (2020 - \$4,179,381).



The Corporation of the
City of Sault Ste. Marie

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Rachel Tyczinski, City Clerk

DEPARTMENT: Corporate Services

RE: 2023 Council Meeting Schedule

PURPOSE

The purpose of this report is to obtain Council approval of the 2023 Council meeting schedule.

BACKGROUND

Not applicable.

ANALYSIS

The proposed Council meeting schedule provides for the pattern of meeting dates as set out in the procedure by-law (approximately three week intervals). The schedule takes into account public holidays in 2023, March break and the AMO conference dates (August 21 – 23, 2023).

As the new Council will be deliberating the 2023 budget early in 2023, the meeting schedule includes 2023 and 2024 budget meetings.

In addition to regular meetings there will be special meetings of Council during the spring of 2023 regarding a new corporate Strategic Plan.

FINANCIAL IMPLICATIONS

There is no financial impact.

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 City Clerk dated August 29, 2022 regarding 2023 Council meeting schedule be received and that the proposed schedule be approved.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Rachel Tyczinski'.

Rachel Tyczinski

City Clerk

705.759.5391

r.tyczinski@cityssm.on.ca

2023 City Council Meeting Schedule

January						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

July						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

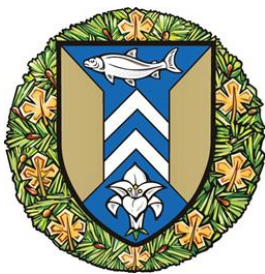
December						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

 Denotes regular meeting of Council
 Denotes budget meeting

January 23 budget meeting features outstanding agency presentations

March 13 to 17 - March Break

August 20 to 23 - AMO



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

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Travis Anderson, Director Tourism & Community Development

DEPARTMENT: Community Development and Enterprise Services

RE: Tourism Development Fund Applications August 2022

Purpose

This report provides recommendations to City Council from City staff and the Tourism Sault Ste. Marie Board of Directors for the distribution of Tourism Development Funds.

Background

The Tourism Development Fund (TDF) was implemented June 1, 2021 to provide financial support to the broader tourism sector in different two streams- Festivals & Special Events and Attractions & Product Development. The funds for both streams of the TDF are generated from revenue collected by the Municipal Accommodation Tax (MAT).

Consideration is given to support initiatives that produce positive results in at least one of the following criteria:

- Development quality tourism products & events;
- Increase in overnight stays and visitor spending in Sault Ste. Marie;
- Enhancement of the Sault's tourism product offerings;
- Support of the city's reputation and position as a first-rate visitor destination;
- Fulfill a gap in the tourism visitor experience landscape; and
- Encourage private sector tourism investment in SSM

Upon receipt of a TDF application, Tourism staff reviews the application for eligibility and assessment criteria and brings a recommendation forward to the Tourism Sault Ste. Marie Board of Directors. The Tourism Sault Ste. Marie Board of Directors further evaluates the applications and makes a recommendation to City Council for the distribution of the grant funds.

Analysis

Tourism Development Fund applications are permitted with ongoing intake and are reviewed monthly at the Tourism Sault Ste. Marie Board of Directors meetings. At the Tourism Sault Ste. Marie Board of Directors meeting August 18, 2022 two (2) applications were reviewed with the following recommendations:

1. Oktoberfest
2. The Ontario Baseball Association (U13 Boys)

Oktoberfest

Oktoberfest is a two day Volksfest/Bavarian cultural event spotlighting culinary tourism, music and interactive German based competitions. Now in its second year the event has pivoted from being a solely community based event to an emerging tourism product. With a sold out attendance of 300 for a one evening event in 2021 the organizers, Outspoken Brewery, have now expanded the event to be two evenings with a goal of 725 attendees. Marketing will target regional attendees versus the Southern Ontario market (to not compete with beer-focused events in that area). Traditionally Oktoberfest themed events occur in September, strategically this event will instead be held mid-October following the Agawa Canyon Tour season and aligning with one of Tourism Sault Ste. Marie's priority sectors – shoulder season tourist activation.

125 Out of town Visitors x 1 x \$150 = \$18,750

Ontario Baseball Association (U13 Boys)

The Ontario Baseball Association is a non-profit organization made of volunteers who have collaborated with Sault Ste. Marie's minor baseball Association to bring the U13 boys provincial championships to our community. This will be the first Ontario Baseball Association sanctioned sporting event in Sault Ste. Marie in thirty years. Sixteen team from across the province will participate in this competition hosted at the Strathclair Sports Complex.

680 Out of Town Visitors x 4 days x \$150 = \$408,000

The Tourism Sault Ste. Marie Board of Directors favourably supports the above TDF requests and the following resolutions were passed:

"Be it resolved that Tourism Sault Ste. Marie recommend a contribution up to \$5,000 through the Tourism Development Fund – Conferences and Special Events stream to support Oktoberfest and that a report be submitted to City Council for consideration and approval."

Mover: Lawrence Foster

Secunder: Kelly Walker

"Be it resolved that Tourism Sault Ste. Marie recommend a contribution up to

\$3,500 through the Tourism Development Fund – Conferences and Special Events stream to support the Ontario Baseball Association and that a report be submitted to City Council for consideration and approval.”

Mover: Kelly Walker

Seconder: Nick Brash

Financial Implications

No new funds would be required. The Tourism Development Fund currently has \$167,110 uncommitted for the purposes of financial assistance within the tourism sector.

Strategic Plan / Policy Impact

This item supports the Corporate Strategic Plans Focus Area:

Community Development and Partnership: Focus of maximizing economic development & investment with the commitment to maintain financial viability.

Community Development- Develop partnerships with key stakeholders and reconciliation.

Recommendation

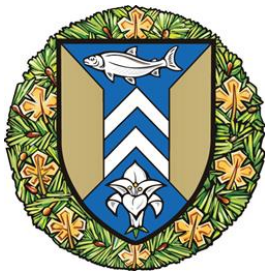
It is therefore recommended that Council take the following action:

Resolved that the report of the Director of Tourism and Community Development dated August 18 2022 concerning the August 2022 Tourism Development Fund Applications be received and that the recommendation of the Tourism Sault Ste. Marie Board of Directors to allocate \$8,500 be approved for the following projects:

1. Oktoberfest (\$5,000)
2. Ontario Baseball Association (U13 Boys) (\$3,500)

Respectfully submitted,

Travis Anderson
Director Tourism and Community
Development
705.989.7915
t.anderson@cityssm.on.ca



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

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Nicole Maione, Manager of Transit & Parking
DEPARTMENT: Community Development and Enterprise Services
RE: Municipal Law Enforcement Officers

PURPOSE

The purpose of this report is to update By-law 90-305, which appoints municipal law enforcement officers.

BACKGROUND

By-Law 90-305 is a By-law appointing municipal law enforcement officers and is amended from time to time.

ANALYSIS

Not applicable.

FINANCIAL IMPLICATIONS

There is no budgetary impact.

STRATEGIC PLAN / POLICY IMPACT

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

RECOMMENDATION

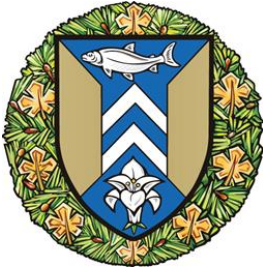
It is therefore recommended that Council take the following action:

By-law 2022-157 appears elsewhere on the Agenda and is recommended for approval.

Respectfully submitted,

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

Nicole Maione
Manager of Transit and Parking
705.759.5434
n.maione@cityssm.on.ca



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

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Emily Cormier, Sustainability Coordinator

DEPARTMENT: Community Development and Enterprise Services

RE: August 2022 Community Development Fund – Green Initiatives Program Applications

Purpose

The purpose of this report is to seek Council approval to allocate \$13,981.52 towards three (3) projects recommended by the Environmental Sustainability Committee for the distribution of Community Development Fund (CDF) – Green Initiatives Program funds.

Background

The Green Initiatives Program of the Community Development Fund (CDF) purpose is to support green initiatives that result in reduced greenhouse gas emissions (GHGs), improve water quality / rehabilitation or increase energy efficiency. The City of Sault Ste. Marie's (the City) Environmental Sustainability Committee (ESC) is responsible for making recommendations for the allocation of funds for eligible projects or programs that support the City's environment plans and practices. Funding applications are reviewed by the ESC in accordance with the CDF – Green Initiatives Program guidelines and are accepted on an rolling intake throughout the year. Total annual funds available for all projects under the CDF – Green Initiatives Program in 2021 is \$50,000. Eligible applicants include non-profit organizations and City departments.

Three projects were presented to the ESC on August 11, 2022. The committee passed the following resolutions:

Moved by: A. Riopel

Seconded by: P. Antunes

Resolved that the Environmental Sustainability Committee supports the request for funding from the CDF – Green Initiatives stream in the amount of \$3,662.44 for Clean Norths community garden soil and prescription (Rx) bottle project and recommends that Council approve the request.

Moved by: F. Post

Seconded by: M. Britton

Resolved that the Environmental Sustainability Committee supports the request for funding from the CDF – Green Initiatives stream in the amount of \$7,381.08 for the Sault Ste. Marie Innovation Centre Rural Agri-Innovation Network (RAIN) Hydroponics Installation and Research project at Harvest Algoma with accompanying workshop and recommends that Council approve the request.

Moved by: J. Graham

Seconded by: M. Britton

Resolved that the Environmental Sustainability Committee supports the request for funding from the CDF – Green Initiatives stream in the amount of \$2,938 for the City of Sault Ste. Marie's Greco Pool LED Lighting Upgrade project and recommends that Council approve the request.

Analysis

Clean North Soil & Rx Bottle Project Funding Request

The Clean North Soil & Rx Project funding request purpose is to reduce waste by diverting prescription pill bottles from the landfill and contribute to regreening by directly supporting several local community gardens. The Rx Bottle subproject is part of a multi-city collaborative effort to divert clean prescription bottles with lids from landfills for re-use in international disaster relief. Funds will be used for postage and shipping of collected Rx bottles which are sent to a non-profit in Ohio where they will be used to ship medical supplies overseas. Clean North collaborates with Earthhub¹, White Pines C&VS Life Skills Class (who clean bottles and prep for shipment), and Hearterra (acts as a collection hub) on this subproject, which seeks to divert thousands of Rx bottles from our landfill. Clean North hopes to add further items as part of their diversion efforts beyond Rx bottles in the future. The second subproject will support Clean North's extensive community garden initiative. Last year, Clean North was directly responsible for four (4) community garden sites across the city (Emmaus Community Garden, Étienne Brûlé Community Garden, St. Mary's College school garden, and Steel Worker's #2251 Community Garden with a total of 70 garden beds. The subproject focuses on purchasing and delivering composted garden soil from a local vendor to fill new and replenish existing beds at several community garden sites in the fall of 2022. Community gardens help individuals and families to grow their own pesticide-free produce; to grow and donate produce that supports our local food bank programs; engage families, new immigrants, youth, and people with physical and cognitive disabilities in gardening; and reduce fuel use and vehicle emissions from trucking produce in from southern Ontario. Using locally produced garden loam mix augmented with locally made compost uses organic material diverted from the landfill, reduces emissions from transporting soil in plastic bags from outside the

¹ <https://www.earthhub.ca/>

community, and supports a locally owned and operated soil composting business. The Clean North project supports the Green Initiatives Program fund pillars of greenhouse gas reduction, healthy and resilient ecosystems, and waste reduction.

RAIN Hydroponic Project Funding Request

The proposed project will apply horticultural research to investigate the effectiveness of combining organic hydroponic nutrient solutions with biologically active vermicompost 'tea' in place of commonly used inorganic fertilizer solutions. The projects will include the installation of a top fed irrigation hydroponics system on site at Harvest Algoma which will be used to conduct the horticultural research experiment on lettuce crops. To complement the research component of this project, a workshop which equips attendees with fundamental knowledge around the application of hydroponic grow systems and tips for success is also part of this project. The proposed hydroponic grow system is closed in nature, meaning the nutrients and water used to grow the plants is captured and recycled through the system rather than going into the ground. As such, the risk of local water sources being directly polluted by fertilizers used in these systems is eliminated, as well as increased water use efficiency.

Since the water is being supplied directly to the plants root system with any excess that isn't used being recycled back to the reservoir, this system results in significantly less evaporation in comparison to conventional soil-based growing system². Furthermore, the experimental research portion of the project aims to make use of upcycled organic waste products in the form of vermicompost tea; during the vermicompost process, organic waste that would otherwise end up in landfills to decompose anaerobically, releasing methane gas, is transformed into a nutrient rich soil amendment via the digestive system of worms with less production of harmful GHGs when compared with typical anaerobic digestion (i.e. landfill conditions) or aerobic composting methods³. The project will allow Harvest Algoma to continue growing produce beyond the research period and can also be expanded to other crops, further adding to their sustainable food supply for the community. This project supports the Green Initiatives Program fund pillars of GHG reduction, improves water quality, healthy and resilient ecosystems and waste reduction.

City of Sault Ste. Marie Greco Pool LED Lighting Project Funding Request

The City of Sault Ste. Marie is upgrading the lighting at the V.E. Greco Pool to LED. This is an energy efficiency project and is expected to reduce energy consumption by 7,411.01 kilowatt hours (kwh) which equates to a 37.8% reduction from current lighting usage, and will result in \$890 of annual energy savings.

² Putra, P. A., & Yuliando, H. (2015). Soilless culture system to support water use efficiency and product quality: a review. *Agriculture and Agricultural Science Procedia*, 3, 283-288.

³ Chan, Y. C., Sinha, R. K., & Wang, W. (2011). Emission of greenhouse gases from home aerobic composting, anaerobic digestion and vermicomposting of household wastes in Brisbane (Australia). *Waste Management & Research*, 29(5), 540-548.

Funding for part of the project is being covered by the Provincial Small Business Lighting Program and City building maintenance budget; however, additional costs were added to the project due to the building ceiling design. As such this project seeks to acquire funding from the Green Initiatives Fund to install forty-four (44) 1x4 surface kits to hold the 1x4 LED panels to the ceiling. This retrofit will contribute to the energy efficiency objective under the buildings and energy - corporate pillar of the Sault Ste. Marie Community Greenhouse Gas Reduction Plan 2020 – 2030, which encourages the completion of energy efficiency retrofits, as well as integrating sustainable energy technology and energy management practices across the municipality. The project also aligns with the City's Energy Conservation and Demand Management Plan 2019 - 2023. The project supports the Green Initiatives Program fund pillar of energy efficiency.

Financial Implications

The 2022 Community Development Fund – Green Initiatives Fund currently has an uncommitted balance of \$71,940.21 available to support the three projects in this report totalling \$13,981.52. By the end of the year, any remaining funds not used must go towards the purchase of trees for the subsequent year, which trees should be planted in City Parks or on City Property by Public Works Employees as per a resolution from the March 9, 2020 Council Meeting.

Strategic Plan / Policy Impact

The recommendations support the value and focus areas of the Community Strategic Plan for 2021 – 2024 through:

- Environmental Stewardship: We will use resources wisely to maintain and create a sustainable city for future generations

As well, the Environmental Sustainability Committee, a committee of council has as an objective to review and recommend funding applications to the Community Development Fund for Environmental Sustainability projects and support local initiatives that promote environmental sustainability.

Recommendation

It is therefore recommended that Council take the following action:

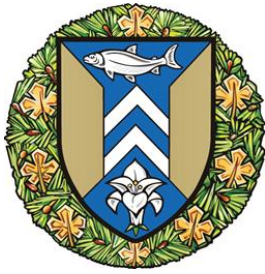
Resolved that the report of the Sustainability Coordinator dated August 29, 2022 concerning August 2022 Community Development Fund – Green Initiatives Program Applications be received and that the recommendation to support the three projects as follows be approved:

1. Clean North Soil & RX Bottle Project in the amount of \$3,662.44
2. RAIN Hydroponic Project in the amount of \$7,381.08
3. City of Sault Ste. Marie Greco Pool Led Lighting Project in the amount of \$2,938

August 2022 Community Development Fund - Green Initiatives Program
Applications
August 29, 2022
Page 5.

Respectfully submitted,

Emily Cormier
Sustainability Coordinator
705.989.8748
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**The Corporation of the
City of Sault Ste. Marie**

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Carl Rumiel, Director of Engineering

DEPARTMENT: Public Works and Engineering Services

RE: 2022 Connecting Link Funding Agreement

Purpose

The purpose of this report is to obtain Council approval to enter into a contribution agreement with the Province for a Connecting Link grant for the Resurfacing of Trunk/Black Road from South Market Street to Black Road at Railway Crossing.

Background

The Province recently announced that the City's 2022 Connecting Link application was approved. The City will be the recipient of the lesser of 90% of the project cost or \$2,261,059 grant funding for the resurfacing of Trunk/Black Road from South Market Street to Black Road at Railway Crossing. The Province has recognized the need to assist the City with the movement of provincial traffic through City streets in the absence of the ability to by-pass.

Analysis

In order to access the funds, it is necessary to enter into a contribution agreement with the Province. The Province election in the spring has delayed the receipt of the agreement from the Province. Provincial staff have advised that the City could proceed without delay in starting the project therefore construction is now underway and is scheduled to be completed within the 2022 construction season.

Financial Implications

The project is funded by the \$2.5M allocation in the 2022 capital roads budget: \$2.25M Connecting Link grant and \$250,000 City portion.

Strategic Plan / Policy Impact

Resurfacing is linked to the infrastructure focus area of the corporate strategic plan.

Recommendation

It is therefore recommended that Council take the following action:

By-law 2022-159 is listed elsewhere on the Agenda and is recommended for approval.

2022 Connecting Link Funding Agreement

August 29, 2022

Page 2

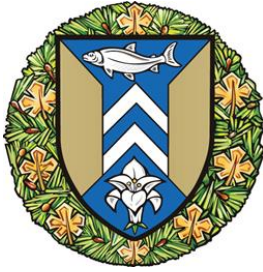
Respectfully submitted,

Carl Rumiel, P. Eng.

Director of Engineering

705.759.5379

c.rumiel@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

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Carl Rumiel, Director of Engineering

DEPARTMENT: Public Works and Engineering Services

RE: Brock Street Road Closure - Extension

Purpose

The purpose of this report is to obtain Council approval to extend the duration of the closure of Brock Street until the end of September.

Background

At the meeting of Council on February 22, 2022 Council approved the closure of Brock Street just north of Albert Street until June 1st to facilitate construction of a new Social Services (Ontario Works, Early Years and Housing) building. Due to delays on the project, this closure was extended to August 31 at the June 13, 2022 meeting of Council.

Analysis

The general contractor, Matheson Constructors, have requested that the road closure be further extended until September 30 in order to complete the project.

Financial Implications

There are no financial implications to this report.

Strategic Plan / Policy Impact

Closure of Brock Street is unrelated to a specific area of the strategic plan.

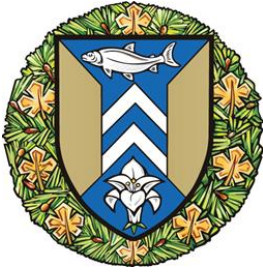
Recommendation

It is therefore recommended that Council take the following action:

By-law 2022-162 appears elsewhere on the agenda, which amends By-law 2022-31 by extending the street closure to September 30, 2022 and is recommended for approval.

Respectfully submitted,

Carl Rumiel, P. Eng.
Director of Engineering
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The Corporation of the
City of Sault Ste. Marie
COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Maggie McAuley, Municipal Services & Design Engineer

DEPARTMENT: Public Works and Engineering Services

RE: Traffic Bylaw Updates 2022

Purpose

The purpose of this report is to seek Council approval of amendments to the Traffic By-law No. 77-200.

Background

Upon review of the Traffic Bylaw, some amendments are required in order to accommodate changes due to construction and property uses.

Analysis

Schedule B, Section 9, 10, 11 – Parking Meter Zones, Times, Rates

Change:

- All rates from various rates to \$1.45/hr
- All Maximum Parking Period from various to 2 hours.

Schedule F Stop Signs and Intersections

Add:

Intersection	Direction of Traffic	Stopped Street
Bloor Street West and Patrick Street	Westerly	Bloor Street West
Ficmar Drive and Chatfield Drive	Westerly	Ficmar Drive
Ficmar Drive and Old Goulais Bay Road	Easterly	Ficmar Drive

White Pine Court and Fourth Line East	Southerly	White Pine Court
---------------------------------------	-----------	------------------

Schedule H (Section 23) Yield Signs and Intersections

Add:

Intersection	Direction of Traffic	Yield Street
Wilderness Court and Whitepine Court	Easterly	Wilderness Court
Lamvil Court and Sunset Drive	Southerly	Lamvil Court
Sunset Court and Anderson Road	Northerly	Sunset Court
Sunset Drive and Leigh's Bay Road	Westerly	Sunset Drive
Crestwood Avenue and Simon Avenue	Westerly	Crestwood Avenue

Schedule J Section 26 – One Way Streets

Delete:

Street	Between	Times & Days	Traffic Direction
Bloor Street	Patrick Street & Adelaide Street	Any time	Eastbound

Schedule M Section 40 – Half Loading Exemptions

Delete:

Street	From	To
Allen's Side Road	Base Line	Third Line West

Add:

Street	From	To
Allen's Side Road	Base Line	220m North of Avery Road

Schedule W Section 17c – School Bus Loading Zones

Delete:

Street	Side	Location	To
Estelle Street	North	70m East of Estelle Street	99m East of Estelle Street
Glen Avenue	South	West limit of driveway to Sister Mary Clare School	A distance of 15 m from previous point
White Oak Drive	South	East limit of St. Ann's School	A point 58 m west of east limit of St. Ann's School

New Schedule – Pedestrian Crossovers

Street	Location
Queen Street East	West side of Churchill Boulevard
St. George's Avenue East	100 m west of McNabb Street
Bay Street	West side of Spring Street
Bay Street	At intersection of Bay and Pim Streets
Wellington Street West	East side of Beverley Street

Financial Implications

The topic of this report results in no financial implications.

Strategic Plan / Policy Impact

The recommendations of this request are linked to the infrastructure focus area of the Corporate Strategic Plan.

Recommendation

It is therefore recommended that Council take the following action:

Resolved that the report of the Municipal Services and Design Engineer dated August 29, 2022 concerning the Traffic Bylaw update be received and the recommended amendments be approved.

Traffic Bylaw Updates 2022

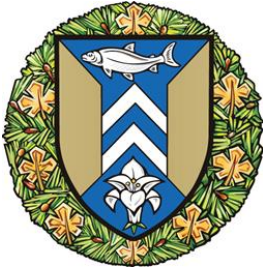
August 29, 2022

Page 4

Staff will revise the appropriate schedule in the Traffic By-Law, which will be brought to Council for approval at a later date.

Respectfully submitted,

Maggie McAuley, P. Eng.
Municipal Services & Design Engineer
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**The Corporation of the
City of Sault Ste. Marie**

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Dan Perri, Municipal Services & Design Engineer

DEPARTMENT: Public Works and Engineering Services

RE: Strand Avenue and Wilson Street Intersection

Purpose

The purpose of this report is to address the Council Resolution from November 15, 2021 which reads:

Whereas excessive speed on City streets has grown to be a City wide concern; and

Whereas the residents of Strand Avenue and Wilson Street have reported excessive speeds in the vicinity of the intersection of Strand Avenue and Wilson Street; and

Whereas this intersection has a history of accidents with the most recent being on October 31, 2021; and

Whereas City Council has already approved a motion requesting City staff report back on ways to address excessive speeds City-wide;

Now Therefore Be It Resolved that the Manager of Design and Transportation Engineering review the intersection of Strand Avenue and Wilson Street regarding any changes that should be made to the present traffic controls at that intersection and report back to Council.

Background

Public Works and Engineering Services understand that this Resolution was a result of complaints or comments received regarding the Strand Avenue and Wilson Street intersection.

Analysis

In order to determine which intersections are appropriate for all-way stop control, a warrant process is applied. An all-way stop control warrant was conducted on

this intersection as per Ontario Traffic Manual (OTM) Book 5 procedures. Field data was collected to quantify vehicular volumes, pedestrian volumes, and collision history. This data was compared against the minimum criteria to warrant all-way stop control at this intersection.

Based on the field data collected, none of the minimum criteria were met to warrant an all-way stop control at this intersection. Additionally, OTM Book 5 states that all-way stop control must not be used as a speed control device, or traffic calming tool.

Public Works and Engineering Services do not recommend any changes to the intersection at Strand Avenue and Wilson Street.

Financial Implications

There is no financial impact to this report.

Strategic Plan / Policy Impact

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

Recommendation

It is therefore recommended that Council take the following action:

Resolved that the report of the Municipal Services & Design Engineer dated August 29, 2022 concerning Strand Avenue and Wilson Street Intersection be received as information.

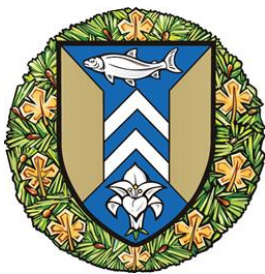
Respectfully submitted,

Dan Perri, P. Eng.

Municipal Services & Design Engineer

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

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Stephen Turco, RPP, Senior Planner

DEPARTMENT: Community Development and Enterprise Services

RE: Active Transportation Master Plan and Complete Streets Update

Purpose

The purpose of this report is to provide Council with an update on the development of a new Active Transportation Master Plan, and to respond to an outstanding Council resolution on “Complete Streets”, passed at the July 15, 2019 Council meeting.

Background

At the December 13, 2021 Council Meeting, staff authorized an agreement with WSP, to undertake the development of a comprehensive Active Transportation Master Plan (ATMP). The objective of this plan is to serve as a guiding document, to inform future capital expenditures into pedestrian, cycling and recreational trails infrastructure.

The development of this plan stems from the ongoing implementation of active transportation infrastructure, and to further improve and expand on this network – including the John Rowsell Hub Trail, as well as recently implemented cycling lanes.

During the public engagement sessions on cycling lanes, staff heard concerns about vehicular speeds on several roads where cycling lanes were being proposed, particularly on Willow Avenue and Pine Street. In response to this concern, City Council passed a resolution at the July 19, 2019, requesting that staff report to Council on a complete streets plan for the area bounded by Willow Avenue, Northern Avenue, Pine Street, and McNabb Street.

As part of its development, the ATMP will provide a series of guidelines on complete streets. Once the final ATMP is approved, staff will use these guidelines to develop and implement area specific complete street plans (starting with the area identified in Council’s resolution). At this time, however, staff is pleased to

provide an update on the initial stages of the ATMP, and to highlight staff's proposed engagement process.

Analysis

As the City of Sault Ste. Marie grows over the next 15-20 years, new residents and employment opportunities will also lead to an increase demand for reliable and equitable multi-modal mobility options (i.e. alternatives to personal automobile transportation). The ATMP will build upon the existing multi-use and recreational trails, cycling lanes and sidewalks, and will encourage more residents to use active transportation (AT) by providing a network that is accessible for people of all ages and abilities.

The ATMP seeks to identify opportunities to build upon our current AT infrastructure, by creating a community-led plan, focusing on increasing the uptake of AT, strengthening community support and working with local stakeholders to support implementation.

The Plan will also address policy and regulatory items, such as a complete streets guidelines, direction on regulatory considerations for bike share and other forms of micro-mobility (such as electric scooters), as well as possible community objectives, such as implementing the concept of Vision Zero. The development of the ATMP will be an iterative process, where a series of discussion papers will be drafted. These documents will serve as the foundation for ongoing public consultation. The discussion papers, and the input received through consultation, will help form the final ATMP. At this time, the following is a brief discussion of some of the concepts explored to date.

Route Selection Criteria: To help identify AT routes, a series of criteria have been drafted, which will assist with selecting and evaluating candidate routes. These criteria are based on established best practices and adapted for the local context. Generally, route selection will be based on: safety and accessibility; connection and continuity; feasibility; the ability to support multi-modal needs; and establishing connections to key destinations.

Complete Streets: The concept of complete streets will be the major underpinning of the new ATMP. Complete streets envision typical roads or streets accommodating more than just personal vehicles, but rather emphasizes moving people through a multi-modal approach. In shifting away from streets and roads that prioritize only motor traffic and movement, a complete streets approach ensures that the design of these streets balances the needs of all road users, including people who cycle, walk, take transit, or drive on that roadway.

The ATMP will be proposing a series of Complete Streets “typologies”, which refers to streets that have a particular function or set of objectives. Some streets may prioritize mobility, creating more separation between different road users, limiting access points to the roadway, and focusing on moving people along that street

efficiently. Other streets may prioritize placemaking, putting greater emphasis on the pedestrian realm, providing space for amenities such as patios, seating areas or parklets to create an attractive public space.

The ATMP will also be providing a Complete Streets Audit Tool, which can help evaluate existing and proposed streets, and whether they exceed or fail to provide complete street elements.

Policy Discussions:

Vision Zero: The concept of Vision Zero, first initiated by the Swedish government, is a strategy to eliminate all traffic fatalities and severe injuries, while increasing safe, healthy, equitable mobility for all. Throughout society, traffic deaths and severe injuries are considered to be inevitable side effects of modern life. While often referred to as “accidents,” the reality is that cities can prevent these tragedies by taking a proactive, preventative approach that prioritizes traffic safety as a public health issue.

Vision Zero recognizes that people (using all modes of travel) will sometimes make mistakes, so the road system and related policies should be designed to ensure those inevitable mistakes do not result in severe injuries or fatalities. This means that system designers and policymakers are expected to improve the roadway environment, policies (such as speed management), and other related systems to lessen the severity of crashes. Although drivers and humans make mistakes, this approach recognizes that road deaths and injuries can be prevented through education, enforcement, engineering, evaluation and engagement.

Transportation Equity: The mobility network of most cities have been designed in ways that neglect underprivileged and marginalized residents, by implicit or explicit biases in the transportation system. Transportation inequities can apply to a variety of populations, including: women; indigenous people and people of colour; low-income households; older adults; persons with disabilities; language challenged individuals; pedestrians and cyclists. The ATMP will seek to find strategies to embed the concept of equity into the transportation planning process, so that marginalized or under-represented community members are engaged in planning the City’s mobility network.

Micromobility: Micromobility is becoming a more prominent method of travel for many people. Micromobility devices, such as e-bikes or e-scooters, can be personally owned, or could be rented through a mobile app or kiosk for short trips (e.g. bike share). These electric devices can replace walking as well as other means of transportation and reduce congestion and carbon footprint. However, there are increased safety and space concerns when integrating these types of mobility devices within the overall transportation system (particularly, how these devices share space with pedestrians, cyclists, and persons with disabilities).

While not currently being considered, the City can position itself to formulate policies and regulations, should bike share or shared e-scooter services be proposed in the future. As well, as more people purchase e-bikes or e-scooters, the City will have to find ways (through both design and regulations) to ensure that these forms of mobility can co-exist with other forms of mobility, particularly with walking and (human powered) cycling.

Engagement: The ATMP engagement process will utilize a variety of consultation tools. The City's ShapetheSault.ca will serve as the main landing page for public engagement. The website will host general information about the development of the ATMP, and will host engagement tools, such as surveys and interactive maps.

As the development of the ATMP progresses, staff along with our consultants, will engage with a myriad of community stakeholders, including First Nation and Indigenous partners, local school boards and post-secondary institutions, community stakeholder groups (e.g. Sault Trails Advocacy Committee, Sault Naturalists, Downtown Association, etc.) as well as vulnerable population groups (e.g. DSSAB, Soup Kitchen, etc.)

Staff are planning to launch an ATMP page on ShapetheSault.ca at the beginning of September, with the larger community engagement scheduled to commence after the municipal election.

Financial Implications

As this report is for information purposes only, there are no financial implications.

Strategic Plan / Policy Impact

The Active Transportation Master Plan aligns with the City's Corporate Strategic Plan, which identifies both the promotion of "Quality of Life Advantages" and the "Environment" as key themes.

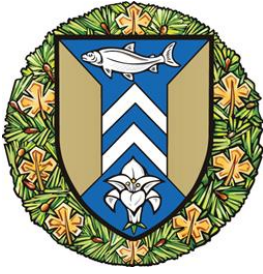
Recommendation

It is therefore recommended that Council take the following action:

Resolved that the report of the Senior Planner, dated August 29, 2022 concerning the Active Transportation Master Plan and Complete Streets Update be received as information.

Respectfully submitted,

Stephen Turco, RPP
Senior Planner
705.759.5279
s.turco@cityssm.on.ca



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

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Peter Tonazzo, RPP Director of Planning

DEPARTMENT: Community Development and Enterprise Services

RE: MPAC Real Property Assessment – Follow up Report

Purpose

The purpose of this report is to respond to a Council resolution regarding policies or procedures that can be implemented so that residential real estate developers are not assessed full realty taxes on unoccupied homes that are being marketed for sale.

Background

On December 10, 2018, Council passed the following resolution:

Whereas the Municipal Property Assessment Corporation (MPAC) completed a residential real property assessment when the occupancy permit was issued for the residential property; and

Whereas at the request of the municipality, MPAC now completes that assessment when the property is substantially complete; and

Whereas as a result of this policy change, residential properties owned by residential developers may be assessed at full value prior to the issuance of an occupancy permit or the occupation of the home or sale of the home by the developer; and

Whereas City Council wants to encourage residential development and remove any potential policy or financial barriers that it reasonably can;

Now Therefore Be It Resolved that Council directs City Staff to assess this issue and determine what policy or procedure can be implemented so that residential real estate developers are not assessed full realty taxes on unoccupied homes that are being marketed for sale.

On August 12, 2019, the Manager of Accounting and City Tax Collector provided Council with a report (attached) concluding that the City cannot '*direct MPAC with respect to assessing a property*' and that a Community Improvement Plan (CIP) is the mechanism to exempt residential developers from full assessment on completed, unoccupied homes being marketed for sale.

Analysis

The attached August 12, 2019 report contains information provided by Planning Staff with regards to the CIP mechanism, common CIP objectives and a general recommendation that utilizing a CIP to create a broad incentive for unsold 'spec homes' throughout the entire community does not achieve a broad public good or respond to a pressing public issue. While it is debatable as to whether such an incentive would result in additional development, it is likely that such an incentive could delay the completion, sale and/or occupancy of spec homes, which would not help the current housing situation.

Having said this, through a combination of Streamline Development Approval Funding projects and an anticipated Affordable Housing Task Force, Planning staff is undertaking further review of incentives (through a CIP or otherwise) for residential development that could:

- Revitalize specifically identified areas such as the Downtown or established neighbourhoods that have achieved relatively lower assessment growth.
- Result in the creation affordable dwellings units.

Therefore, going forward, a more scoped approach is recommended and may result in incentives for 'spec homes' constructed in certain parts of the community or those which are affordably priced (both rental and owned).

Financial Implications

This report is provided as information - accepting this report as information will not result in any incremental changes to municipal finances.

Strategic Plan / Policy Impact

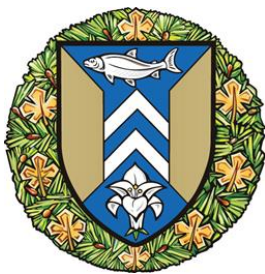
Accepting this report as information is not directly linked to any policies within the Corporate Strategic Plan.

Recommendation

Resolved that the Report of the Director of Planning dated August 29, 2022 be received as information.

Respectfully submitted,

Peter Tonazzo, RPP
Director of Planning
705.759.2780
p.tonazzo@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

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Catherine Taddo, P. Eng, Manager of Development and Environmental Engineering

DEPARTMENT: Public Works and Engineering Services

RE: Asset Management Plan – Core Assets

Purpose

The purpose of this report is to request approval of the asset management plan reports for core assets completed in accordance with Ontario Regulation 588/17 (as amended by Ontario Regulation 192/21) under the Infrastructure for Jobs and Prosperity Act.

Background

On July 12, 2021 Council approved an Agreement with AECOM Canada Ltd. for completion of the asset management plan for core assets.

Analysis

Municipalities in Ontario are required to prepare an asset management plan in accordance with Ontario Regulation 588/17 (as amended by Ontario Regulation 192/21) under the Infrastructure for Jobs and Prosperity Act. The asset management plan related to core municipal infrastructure including inventory of assets, current levels of service, and costs to maintain levels of service, has now been completed. The asset management plan reports have been attached as follows:

1. Stormwater;
2. Road and Bridges, and;
3. Wastewater.

The final asset management plans for core infrastructure assets will be posted on the City's website for the public to access.

Subsequent milestones under the Regulation are as follows:

- July 1, 2024 - Asset management plan related to all other municipal infrastructure, and;
- July 1, 2025 - Asset management plan related to all infrastructure including proposed levels of service, lifecycle management strategy and financial strategy.

Financial Implications

There are no immediate financial implications associated with this report. The asset management plan for core infrastructure includes a high level assessment of future funding needs required to manage the assets at the current level of service. The guidance provided in this plan will inform asset investment and renewal decisions, including capital and operating budgets.

Asset management plans for all assets will inform the development of the City's long range financial plan that will provide funding strategies to address the requirements for the renewal, maintenance, and future growth of City assets, while being cognizant of the City's risks and fiscal constraints. The financial strategy is also required under the Regulation by July 1, 2025.

The long-range financial plan is proposed to be developed in 2023 and will be included as an item for Council deliberation and approval.

Strategic Plan / Policy Impact

The report links to the Strategic Plan focus area of infrastructure, and specifically maintaining existing infrastructure.

Recommendation

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Development and Environmental Engineering dated August 29, 2022 concerning Asset Management Plan – Core Assets be received and that the asset management plan reports be approved, and further that the reports be referred to staff for review and report back to Council regarding implementation and continuous improvement.

Respectfully submitted,

Catherine Taddo, P. Eng.

Manager of Development and Environmental Engineering

705.759.5380

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City of Sault Ste. Marie Asset Management Plan Roads and Bridges

August 4th, 2022

Statement of Qualifications and Limitations

The attached Report (the "Report") has been prepared by AECOM Canada Ltd. ("AECOM") for the benefit of the Client ("Client") in accordance with the agreement between AECOM and Client, including the scope of work detailed therein (the "Agreement").

The information, data, recommendations and conclusions contained in the Report (collectively, the "Information"):

- is subject to the scope, schedule, and other constraints and limitations in the Agreement and the qualifications contained in the Report (the "Limitations");
- represents AECOM's professional judgement in light of the Limitations and industry standards for the preparation of similar reports;
- may be based on information provided to AECOM which has not been independently verified;
- has not been updated since the date of issuance of the Report and its accuracy is limited to the time period and circumstances in which it was collected, processed, made or issued;
- must be read as a whole and sections thereof should not be read out of such context;
- was prepared for the specific purposes described in the Report and the Agreement; and
- in the case of subsurface, environmental or geotechnical conditions, may be based on limited testing and on the assumption that such conditions are uniform and not variable either geographically or over time..

AECOM shall be entitled to rely upon the accuracy and completeness of information that was provided to it and has no obligation to update such information. AECOM accepts no responsibility for any events or circumstances that may have occurred since the date on which the Report was prepared and, in the case of subsurface, environmental or geotechnical conditions, is not responsible for any variability in such conditions, geographically or over time.

AECOM agrees that the Report represents its professional judgement as described above and that the Information has been prepared for the specific purpose and use described in the Report and the Agreement, but AECOM makes no other representations, or any guarantees or warranties whatsoever, whether express or implied, with respect to the Report, the Information or any part thereof.

Without in any way limiting the generality of the foregoing, any estimates or opinions regarding probable construction costs or construction schedule provided by AECOM represent AECOM's professional judgement in light of its experience and the knowledge and information available to it at the time of preparation. Since AECOM has no control over market or economic conditions, prices for construction labour, equipment or materials or bidding procedures, AECOM, its directors, officers and employees are not able to, nor do they, make any representations, warranties or guarantees whatsoever, whether express or implied, with respect to such estimates or opinions, or their variance from actual construction costs or schedules, and accept no responsibility for any loss or damage arising therefrom or in any way related thereto. Persons relying on such estimates or opinions do so at their own risk.

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This Statement of Qualifications and Limitations is attached to and forms part of the Report and any use of the Report is subject to the terms hereof.

AECOM: 2015-04-13

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Quality information

Prepared by



Donghui Lu, Ph.D., IAM
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Checked by



Shawn Lapain, P.Eng.,
Senior Pavement
Engineer

Checked by



Khalid Kaddoura, Ph.D.,
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Engineer

Checked by



Nikita Bhalla, MEL,
E.I.T., Asset
Management Consultant

Verified by



Jeff Atherton, AVP,
Project Advisor

Approved by



Chris Lombard, MBA
P.Eng., Asset
Management Leader,
Americas Water

Revision History

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List of Abbreviations

Abbreviation	Description
AADT	Average Annual Daily Traffic
AM	Asset Management
AMP	Asset Management Plan
BCI	Bridge Condition Index
CHBDC	Canadian Highway Bridge Design Code
CIBI	Canadian Infrastructure Benchmarking Initiative
CMMS	Computerized Maintenance Management System
ESL	Estimated Service Life
FIPPA	Freedom of Information and Protection of Privacy Act
GIS	Geographic Information System
LoS	Level of Service
MFIPPA	Municipal Freedom of Information and Protection of Privacy Act
MTO	Ministry of Transportation Ontario
N/A	Not applicable
O&M	Operations and Maintenance
O. Reg.	Ontario Regulation
OSIM	Ontario Structure Inspection Manual
PCI	Pavement Condition Index
PCR	Pavement Condition Rating
PN	Priority Number
PGN	Priority Guide Number
RCR	Ride Comfort Rating
RMS	Road Management System
RSL	Remaining Service Life
SSMIC	Sault Ste. Marie Innovation Centre

1. Introduction

AECOM Canada Ltd. (AECOM) was retained by The City of Sault Ste. Marie (the “City”) to develop an asset management plan to comply with the first phase of the Ontario Regulation 588/17 (O. Reg. 588/17) requirements in respect to its core municipal infrastructure assets. The scope of work for this investigation is outlined in AECOM’s proposal dated June 9th, 2021 and subsequent project correspondence.

1.1 Background

Sault Ste. Marie is a city located on the St. Mary’s River, North of the United States of America, bordering on two of the Great Lakes with an estimated population of 73,368 (2016). The City provides a wide range of public services to their constituents with the expectation from the public that these services are expected to function efficiently at a certain level of service. The provision of these services requires the management of the physical assets to meet desired service levels, manage risks, and to provide long term financial sustainability. These assets include, but aren’t limited to roads, bridges, sidewalks, wastewater assets, stormwater management assets, landfill, fleets, buildings, and parks.

In accordance with the terms of reference for this assignment, it is understood that the City is proceeding with an asset management plan to comply with the first phase of the regulatory requirements in respect to its core municipal infrastructure assets, in accordance with O. Reg. 588/17, by July 1, 2022. The core assets to be included in the scope, as defined by the regulation, include the City’s wastewater assets, stormwater management assets, roads, and bridges and culverts.

1.2 Scope and Objectives

In 2015, the City’s first Asset Management Plan (AMP) was published. In 2019, by City Council approval, the Strategic Asset Management (AM) Policy came into effect.

Organizations that implement good AM practices will benefit from improved business and financial performance, effective investment decisions, and better risk management. Stakeholders can expect lower total asset lifecycle costs, higher asset performance, and confidence in sustained future performance.

The objective of this AMP is to capture the core infrastructure assets and deliver a financial and technical roadmap for the management of the City’s roads, bridges and culverts, wastewater assets, and stormwater assets. The intent of this plan is to provide the means for the City to maximize value from its assets, at the lowest overall expense while, at the same time, maintaining the desired service levels for its residents. Furthermore, the objective of this AMP is to align with the guidelines laid out in the City’s Strategic AM Policy and Section 5 of O. Reg. 588/17.

As management of each core asset is not a consistent process due to maintenance and construction requirements, we have grouped the core assets as follows:

1. Roads, and Bridges and Culverts.
2. Stormwater Management Assets.
3. Wastewater Assets.

This AMP has been developed for the City’s Roads & Bridges, as shown in [Table 1-1](#). Wastewater, and Stormwater AMPs are presented under separate reports.

Table 1-1: In-Scope Roads, Bridges and Culverts

Asset Category	Sub-Assets
Roads	Arterial, Collector, Local, and Rural Roads.
Bridges and Culverts (>3m)	Vehicular Bridges, and Pedestrian Bridges.

The following elements are included within the scope of this AMP:

- Asset hierarchy, a summary of the asset inventory, including the replacement cost of the assets, the average age of the assets, pavement field condition assessment, and data gaps analysis (**Sections 2**).
- The City's level of service objectives, stakeholder identification, current levels of service (LoS) have been determined in accordance with the qualitative descriptions and technical metrics outlined in O. Reg. 588/17, and future demand drivers (**Section 3**).
- Asset lifecycle management strategies, lifecycle management decision trees and work prioritization model, and funding needs to maintain current LoS, minimize associated asset risks, and to optimize costs over the whole lifecycle of the asset (**Section 4** and **Section 5**).

1.3 Asset Management Provincial Requirements

O. Reg. 588/17 came into effect in 2018 and stipulates specific AM requirements to be in place within Ontario municipalities by certain key dates (**Table 1-2**). The development of this AMP addresses the July 1st, 2022 requirement and is one of the steps to guide the City towards meeting the July 1st, 2024 deadline.

Table 1-2: O. Reg. 588/17: AM Planning for Municipal Infrastructure

Description: A regulation made under the Infrastructure for Jobs and Prosperity Act, 2015, stating that every municipality shall prepare and update a Strategic AM Policy, and that every municipality shall prepare an AM Plan for its core infrastructure assets by July 1, 2022, and an AM Plan for all other infrastructure assets by July 1, 2024. The regulation outlines several requirements that each AM Plan must follow, such as including current and proposed level of service. Core municipal infrastructure assets include water, wastewater, stormwater, road, and bridge assets.	
Deadline Date	Regulatory Requirement
July 1 st , 2019	All municipalities are required to prepare their first Strategic AM Policy.
July 1 st , 2022	All municipalities are required to have an AM Plan for its entire core municipal infrastructure (i.e., water, wastewater, stormwater, roads, and bridges & culverts).
July 1 st , 2024	All municipalities are required to have an AM Plan for infrastructure assets not included under their core assets.
July 1 st , 2025	All AM Plans must include information about the level of service that the municipality proposes to provide, the activities required to meet those level of service, and a strategy to fund activities.

2. State of Infrastructure

Understanding the basic physical state of the complex systems that support an owner's network are key to proper asset management, safe use of said infrastructure and effective delivery of service to the public. If the current condition is not known, it poses a serious problem in determining how to maintain an effective service life. As part of AECOM's mandate, a review of available roads, bridges and culverts was completed. The following sections present the results of the assessment and the current state of these assets.

2.1 Asset Hierarchy

Roads are categorized by functional class including arterial roads, collector roads, local roads, and rural roads. Bridges and culverts are divided by vehicular bridges and pedestrian bridges. The in-scope culverts are structural culverts that have a span of 3 meters or more as defined in the Ontario Structure Inspection Manual (OSIM).

Approximately 36% (25 centreline kilometres) of the arterial roads are designated as Ministry of Transportation Provincial Connecting Link roads, which move provincial traffic through the City. There also exists a connection to the United States (US) Interstate System at the International Bridge to Michigan in the downtown core. The City continues to apply for annual funding to assist with the cost of moving provincial traffic within the municipal boundaries. The usual MTO Connecting Link grant is the lesser of 90% of the project cost or \$3 M, if the annual application is successful. **Figure 2-1** below presents the asset hierarchy for roads and bridges.

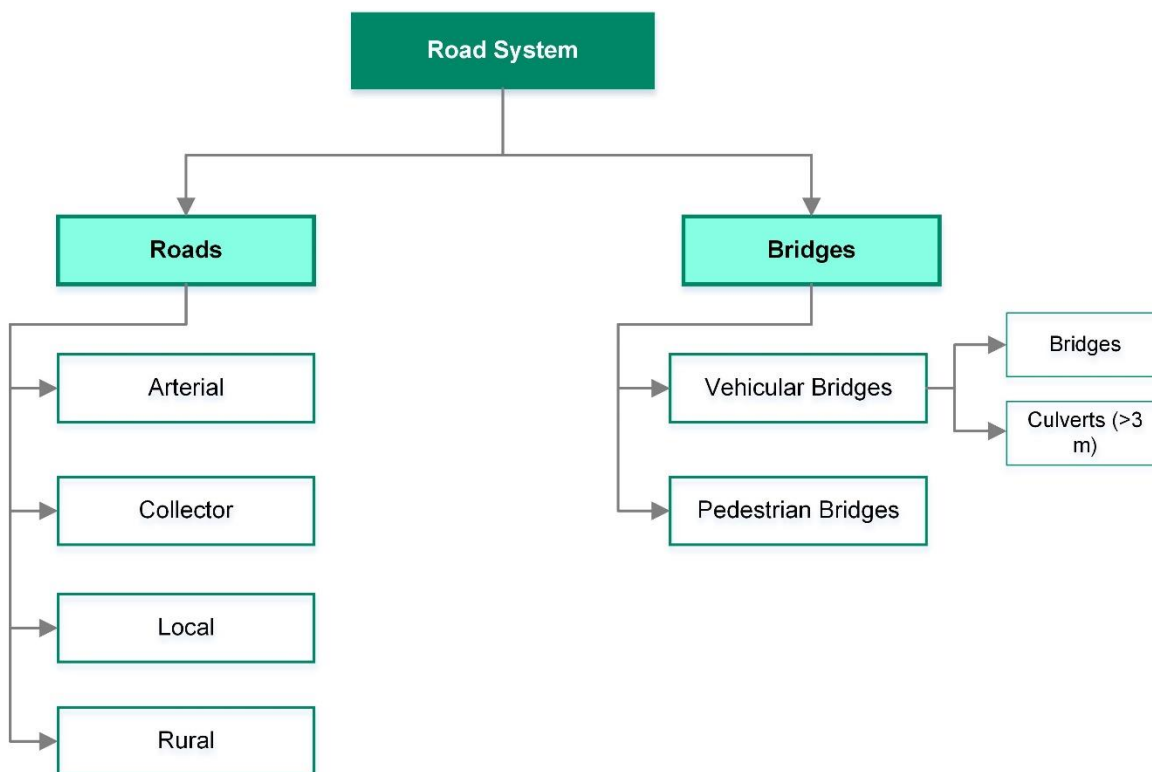


Figure 2-1: City of Sault Ste. Marie Roads, and Bridges and Culverts Asset Hierarchy

2.2 Current State of the Assets

2.2.1 Asset Inventory

The roads quantity is summarized by “*centreline kilometre*” and “*lane kilometre*”. Centreline kilometre refers to the linear distance of the road section measured at the center of the road from its starting point to its end point, while lane kilometre is used to measure the total length and lane count of a given road.

The City currently owns and maintains 531 centreline kilometres of roads, totalling 1,184 lane kilometres. Local roads account for approximately half of the road network. **Table 2-1** present the summary for the road inventory.

Table 2-1: Roads Asset Inventory

Asset Group	Asset Category	Quantity 1 (Centreline km)	Quantity 2 (Lane km)
Roads	Arterial Roads	73	244
	Collector Roads	73	166
	Local Roads	267	537
	Rural Roads	119	238
	Total	531	1,184

Please refer to **Appendix A** for the complete roads inventory.

Figure 2-2 summarizes the pavement surface types within the City limits. Approximately 98% of the road network is predominantly constructed as high class and low-class bituminous pavement (flexible / surface treatment) with 1.5% constructed as a gravel roadway, and the remaining 1% as rigid / composite pavement.

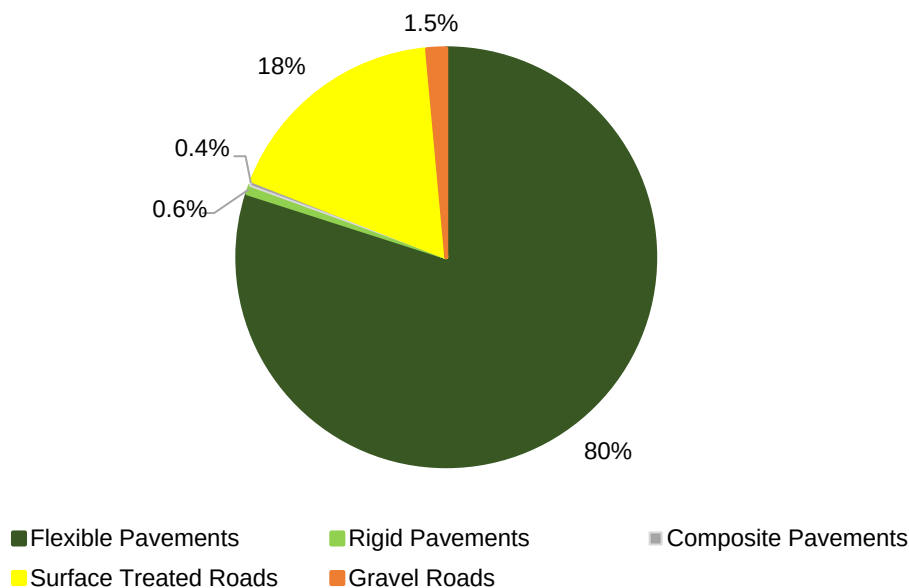


Figure 2-2: City's Pavement Surface Type by Lane kilometre

Table 2-2 summarizes the bridges and culverts inventory. The City has a total of forty-nine bridges and structural culverts including thirty-six vehicular bridges and thirteen pedestrian bridges. Pedestrian Bridges are structures supporting pedestrian movement. Refer to **Appendix B** for complete bridges and culverts inventory including a structural level inventory and an element level inventory.

Table 2-2: Bridges and Culverts Asset Inventory

Asset Group	Asset Category	Quantity	Unit
Bridges and Culverts	Bridges	24	Ea.
	Vehicular Bridges		
	Culverts (> 3m)	12	Ea.
	Pedestrian Bridges	13	Ea.
	Total	49	Ea.

2.2.2 Traffic Volume Impact

Average Annual Daily Traffic (AADT) is generally the representation of the average traffic loads experienced by a roadway daily, over the course of a year. This information is very important in assessing the current structural support capabilities of a roadway, asking the question if the subject road can support current traffic but also will a road be able to support future traffic growth.

Available traffic information was provided to AECOM by the City. This traffic data was used as one of the metrics to determine the current service level of the roadway asset, pavement lifecycle strategy, as traffic loads have a significant impact on the deterioration rate and service life of the pavements. **Figure 2-3** present the traffic distribution for each road functional class.

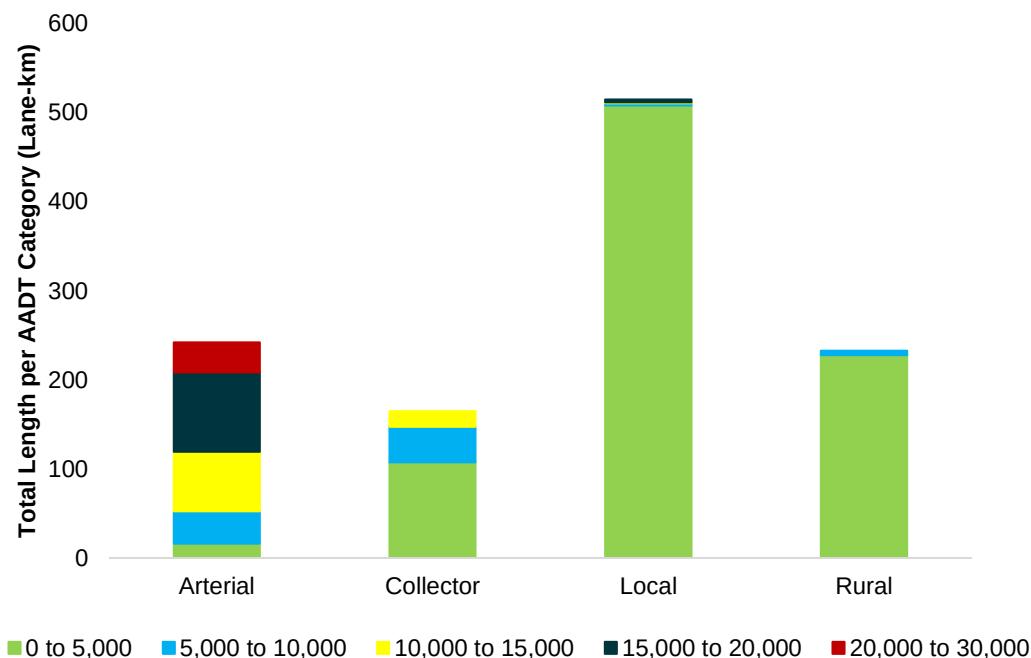


Figure 2-3: Current Traffic Volume Distribution by Functional Class

2.2.3 Current Replacement Value

Replacement value for roads was estimated using 2022 road construction costs that includes pavement removal and reinstatement. The estimate includes a contingency cost to address specific road related ancillary items such as curbs. The total cost does not include replacement costs for underground pipes, adjacent sidewalks, and other peripheral items.

The replacement value for bridges and culverts was estimated based on unit cost per deck areas from 2016 MTO Parametric Estimating Guide, with a project markup of 45% applied to account for the cost to remove existing structure, engineering costs, contingencies, and mobility.

The total estimated value of the City's roads, and bridges and culverts is \$730 Million. **Table 2-3** summarizes replacement values for roads and bridges. The total estimated replacement value of the City's roads is approximately \$649 Million. Local roads account for the majority value of the network value. The current replacement value for the City's bridges and culverts is estimated at \$82 Million.

Table 2-3: Roads and Bridges Current Replacement Value Summary

Asset Group	Asset Category	Unit Replacement Cost (\$ / Unit)	Total Replacement Value (2022)
Roads	Arterial Roads	\$1,264,000 - \$2,857,000 / Centreline-km	\$144,042,000
	Collector Roads	\$487,000 - \$2,857,000 / Centreline-km	\$101,410,000
	Local Roads	\$440,000 - \$2,374,000 / Centreline-km	\$299,031,000
	Rural Roads	\$440,000 - \$1,264,000 / Centreline-km	\$104,281,000
Bridges & Culverts	Vehicular Bridges	\$5,700 - \$ 9,300 / m ²	\$69,199,000
	Pedestrian Bridges	\$5,700 - \$ 9,300 / m ²	\$12,351,000
Roads Sub-Total			\$648,764,000
Bridges & Culverts Sub-Total			\$81,550,000
Total			\$730,314,000

2.2.4 Asset Age and Remaining Service Life

In practice, various assets will deteriorate at different rates and not necessarily linearly over time. However, it is pivotal to keep in mind the level of effort required to predict failure compared with the asset value. More sophisticated deterioration modelling may be warranted for very high value assets, whilst the cost of deterioration modeling for low-value assets may very well exceed the replacement cost of the asset. The actual service life can vary significantly from the estimated service life (ESL). The latter is defined as the period over which an asset is available for use and able to provide the required LoS at an acceptable risk and serviceability (i.e., without unforeseen costs of disruption for maintenance and repair). In some instances, a variation in expected vs. actual service life is evident due to the following factors:

- **Operating conditions and demands:** Some assets are operated intermittently or even infrequently or are being operated at a lower demand than its designed capacity. Thus, the actual operating "age" of the asset is reduced.
- **Environment:** Some assets are exposed to very aggressive environmental conditions (e.g., corrosive chemicals), while other assets are in relatively benign conditions; thus, the deterioration of assets is affected differently.
- **Maintenance:** Assets are maintained through refurbishment or replacement of components, which prolongs the service life of the asset.
- **Technological Obsolescence:** Some assets can theoretically be maintained indefinitely, although considerations such as cost to maintain the asset, its energy efficiency, and the cost to upgrade to an updated technology that would result in cost savings are likely to render this approach uneconomical.

As built construction information is currently not available for analyzing the age and remaining service life (RSL) for roads. Collecting construction date / rehabilitation date information will better represent the state of the roads assets and help inform future pavement AM decisions.

Figure 2-4 shows the average age weighted by replacement value as a proportion of the average useful life for bridges & culverts. Currently, the City's vehicular bridges are approximately more than 70% through the asset's expected service life, while pedestrian bridges are about 35% through the asset's expected service life.

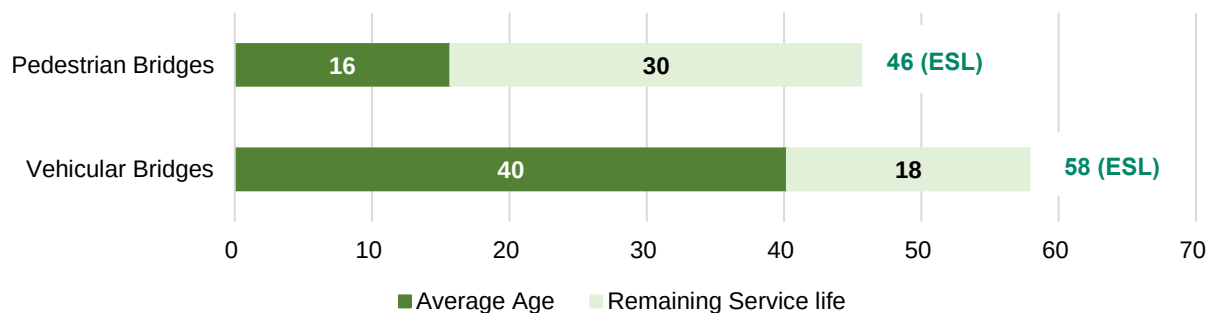


Figure 2-4: Weighted Average Age and Remaining Service Life

2.2.5 Pavement Condition Assessment

A visual field condition survey of the City's road network was performed in Summer 2021. The condition survey was completed in accordance with the Ministry of Transportation Ontario (MTO) guidelines including the "Manual for Condition Rating of Flexible Pavements (SP-024)", "Manual for the Condition Rating of Surface-Treated Pavements (SP-021)", and "Manual for Condition Rating of Gravel Surface Roads (SP-025)".

High resolution videos were collected for the full length of each road section in both directions of travel by driving a vehicle with two mounted cameras. The pavement condition index (PCI) was calculated by integrating Ride Comfort Rating (RCR) and Pavement Condition Rating (PCR) following the MTO guidelines and MTO Pavement Design and Rehabilitation Manual.

The PCI score (0 - worst to 100 - best) was used as an indicator for the pavement's condition. The PCI thresholds for different surface types for the condition states were adopted from the condition rating approach from MTO condition rating guidelines. **Table 2-4** shows the condition grading scale for different pavement surface types.

Table 2-4: Condition Grading Scale

Pavement Condition Rating	Flexible and Rigid Pavements		Surface Treated and Gravel Pavements	
	PCI Minimum	PCI Maximum	PCI Minimum	PCI Maximum
Very Poor	0	19	0	19
Poor	20	39	20	39
Fair	40	64	40	59
Good	65	89	60	79
Very Good	90	100	80	100

Results of AECOM's assessment indicate that in general, the City's road network is overall in Fair condition. Forty-one percent (41%) of the road network is currently in Good to Very Good Condition, which are likely not requiring rehabilitation interventions within the next 10 years. Roads in Poor to Very Poor condition (22%) may require attention in the short-term as they approach and pass the acceptable level of service criteria, especially for road sections carrying high traffic volumes and with high criticality. **Figure 2-5** presents the summary of current road network condition.

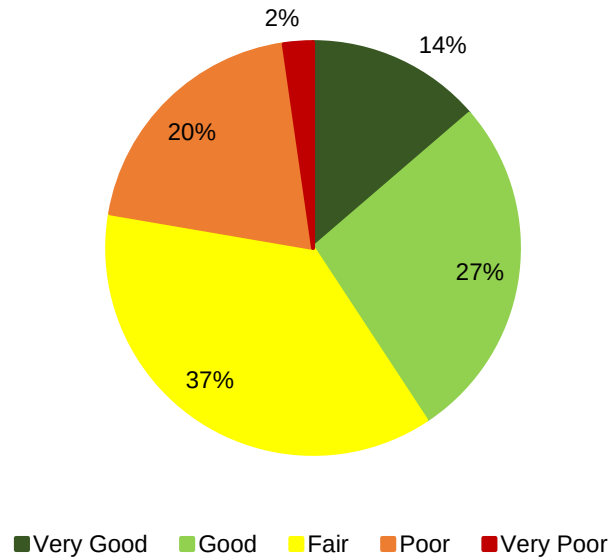


Figure 2-5: Roads Condition Summary

Figure 2-6 and **Figure 2-7** show the road condition distribution by lane kilometre and condition as a percentage of replacement value. Arterial roads are primarily in Very Good to Good condition with no sections in Very Poor condition. The City made great efforts in keeping this functional class at a relatively high level of condition among all the functional classes. Collector roads are overall in Fair to Good condition. Local roads and rural roads are overall in Fair condition.

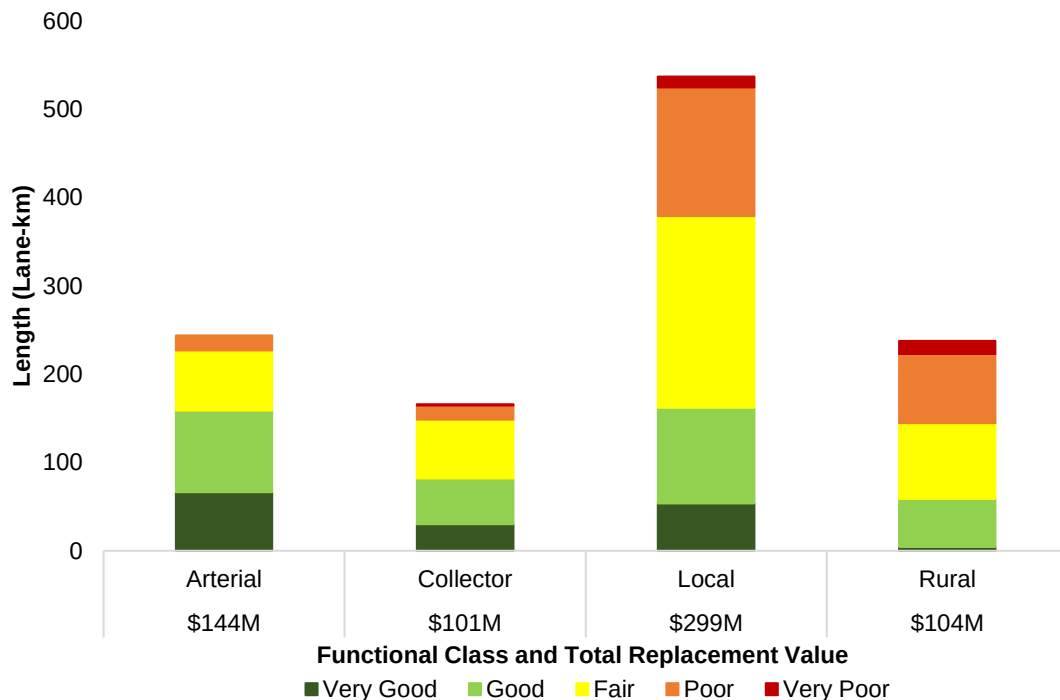


Figure 2-6: Roads Condition Distribution by Lane Kilometres

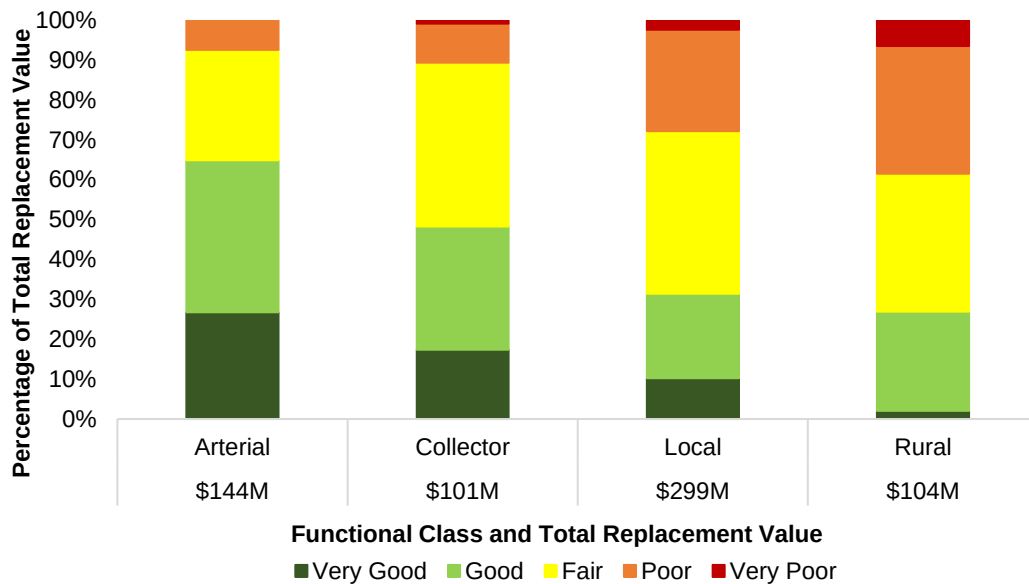


Figure 2-7: Roads Condition Distribution Weighted by Replacement Value

2.2.6 Bridges and Culverts Condition Summary

It is understood that the City retains a consultant every two years to perform a network level inspection of the bridges and culverts within the City limits. The objective of this inspection is to identify structural issues and concerns following the Ontario Structure Inspection Manual (OSIM) which is in compliance with O. Reg. 104/97. Inspection results are documented and prioritized 10-year capital needs are identified in the consultant report. The most recent inspections were completed in 2020, which provides an overall condition of each bridge and culverts (>3m in diameter), through the bridge condition index (BCI). BCI ranges from 0 to 100 where 100 represents a new structure with no deficiency. To have a consistent condition rating system across the City's asset groups, the bridge conditions are divided into five classes by BCI ranges: Very Good (80-100), Good (60-80), Fair (40-60), Poor (20-40), and Very Poor (0-20).

Figure 2-8 shows a summary of the City's bridges and culverts. Approximately, 83% of the bridges and culverts are in Good to Very Good condition with the remaining 17 percent in fair condition. Currently, there are no bridges or culverts in Poor to Very Poor condition.

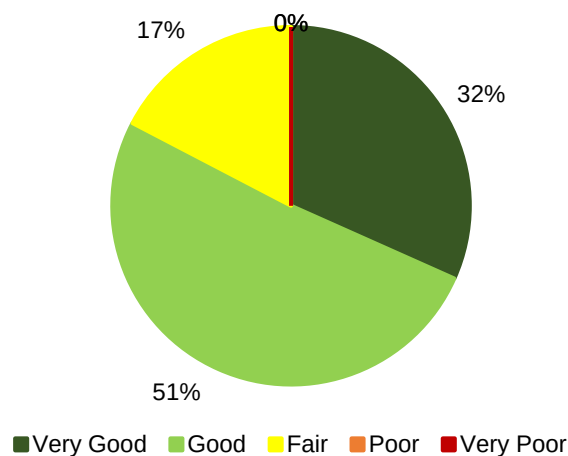


Figure 2-8: Bridges & Culverts Condition Summary

The detailed condition profile for bridges and culverts is shown in **Figure 2-9**. Both Vehicular Bridges and Pedestrian Bridges are predominantly in a Good or Very Good condition.

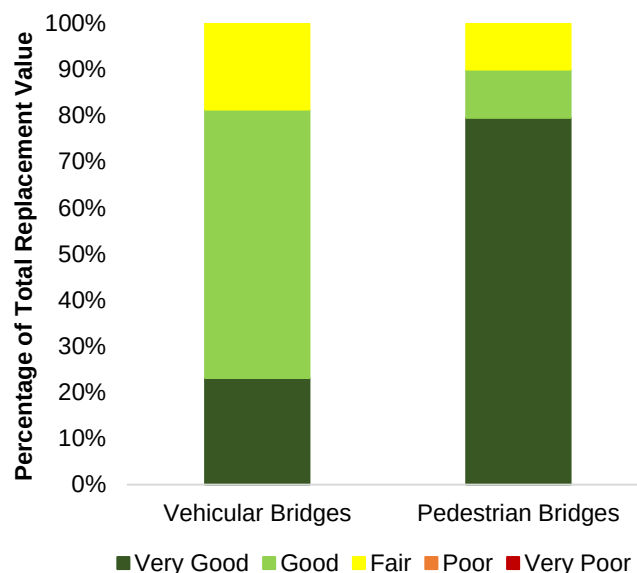


Figure 2-9: Bridges and Culverts Condition Distribution Details

2.3 Asset Data Gap Analysis

This section summarizes the current state of the City's asset data by assessing the quality of the asset inventory. To determine the overall confidence in the current asset data, identify existing data gaps, as well as to gather insight into the City's data management practices, AECOM facilitated a virtual State of Infrastructure and Data Gap Analysis Workshop on December 3rd, 2021 with key staff across the in-scope assets. An online Data Management Gap Assessment Survey was also distributed to the AM Working Group to elicit further insights on the City's current and desired future state, as well as key challenges, regarding the City's overall data management.

2.3.1 Data Gap Observations

Table 2-5 provides a summary of observed data gaps in the compiled roads, and bridges and culverts inventory across key data attributes that help to make informed decisions over the asset lifecycle for this AM plan.

Table 2-5: Observations on Asset Data Completeness

Asset Group	Inventory Completeness (%)						
	Asset ID	Street Name / Location	Install Date	Inspection Date	Condition	Expected Service Life	Replacement Cost
Roads	100%	100%	0%	100%	100%	100%	0%*
Bridges & Culverts	100%	100%	100%	100%	100%	0%*	0%*

* The gap is filled during the development of this AM plan.

2.3.2 Data Confidence

The quality of asset data is critical for effective AM, accurate financial forecasts, and informed decision-making. For this reason, it is important to know what the reliability of the information is for the State of Infrastructure analysis of the roads and bridges. **Table 2-6** provides a description for the data confidence grades used to classify the reliability of the asset data used in this data gap analysis. Through consultation with City staff during the Data Gap and State of Infrastructure Workshop, the asset attribute data for the roads, and bridges and culverts were assigned the grades outlined in **Table 2-7**.

Table 2-6: Data Confidence Grading Scale

Confidence Grades	Description
A - Highly reliable	Data is based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B - Reliable	Data is based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C - Uncertain	Data is based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D - Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E - Unknown	None or very little data held.

Table 2-7: High-Level Asset Data Confidence Grades

Asset Category	Data Confidence Average Grade		
	Inventory	Age	Condition
Roads	A	--	A
Bridges and Culverts	A	A	A

2.3.3 Data Management Practice

The asset data lifecycle is a sequence of stages that data goes through from its initial creation (i.e., data capture and entry) to its eventual archival and/or deletion at the end of its useful life¹. A clear definition and understanding of the organization's process for acquiring, storing, utilizing, assessing, improving, archiving, and deleting data (see **Figure 2-10**) will ensure good data management practices and help to sustain levels of data quality required to support AM activities.

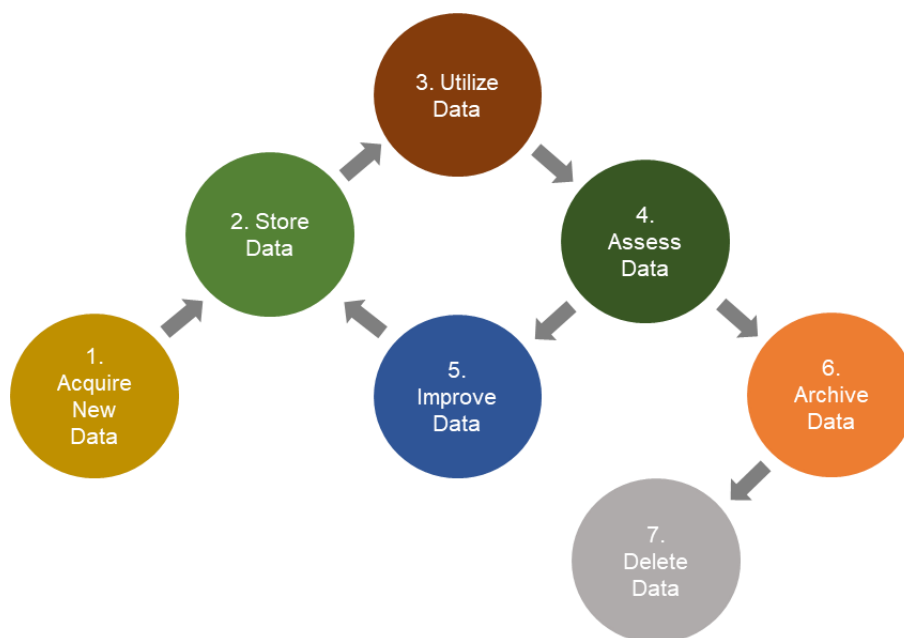


Figure 2-10: Asset Information Lifecycle

¹ TechTarget Network, Definition: Data Life Cycle, 2020.

The seven key stages of the asset data lifecycle are described in more detail below:

1. **Acquiring New Data:** The majority of new asset data arises from asset creation, refurbishment and overhaul activities. New data may also come by way of inheritance or transfers from other business units, organizations, or third parties. As such, it is important to have clearly defined processes in place not only to add or update asset data, but to migrate and merge data from other sources.
2. **Storing Data:** The way asset data is stored is an important consideration for overall data quality. Having a planned approach to data storage will inevitably reduce the likelihood of duplication and inconsistencies across datasets within the organization. Depending on the needs of the organization, this stage may involve procuring a new software to adequately house the data, along with a data backup and recovery plan to ensure that the necessary data protection and privacy standards are met.
3. **Utilizing / Analysing Data:** This aspect of the asset information lifecycle is where users encounter the data to support data-driven activities within the organization. Data can be viewed, processed, edited, and published to allow users to access the data outside the organization. Critical data that has been modified should be fully traceable to maintain the integrity of the data. As such, it is important to communicate to the users why asset data is so important, and how it is used to inform decisions within the organization.
4. **Assessing Data:** Assessing the data quality helps to determine the level of confidence in the information and ensures that decision-makers are making informed decisions based on the quality of data available to them. Moreover, it is important to fully understand the availability and quality of the asset data before issuing information publicly. Some of the results of data degradation, due to improper or lack of assessment, may include:
 - Poor asset performance due to lack of information and understanding of asset behaviour.
 - Non-compliance with statutory regulations or safety requirements.
 - Safety incidents due to risks not being identified or reported.
 - Asset failure due to gaps in maintenance planning.
5. **Improving Data:** Improving data quality involves establishing clear targets which are intended to be communicated widely across the organization. It is imperative that the organization understand the costs, benefits, and risks associated with any data improvements since the cost of the improvement may outweigh the overall benefit. It is also important to note that *more* data does not necessarily mean *better* data. It is very possible to collect data that does not add value to the organization. As such, it is critical that the organization aligns its data improvement targets with its AM objectives and considers the data-driven decisions staff need to make at the operational and strategic level, to ensure that the *right* data is being improved upon.
6. **Archiving Data:** Archiving data is the process of storing data that is no longer active or required but is able to be retrieved in case it is needed again. Data that is archived is stored in a location where no usage or maintenance occurs. It is recommended that a data archive strategy exists within an organization in order to lay out the data archival requirements, which considers the following:
 - What data should be archived and why?
 - Are there any legal obligations for retaining data records?
 - How long should data records be retained?
 - What is the risk associated with not being able to retrieve data records?
 - Who should be able to access archived data records?
 - What is the expected timeframe to retrieve archived data records?

Clearly communicating these requirements across the organization is key to ensuring staff are educated on why records are being archived, how they can access archived data records, and for how long archived data records can still be accessed.

7. **Deleting Data:** The deletion of data is the final component of the asset information lifecycle. Typically, within organizations there is a resistance to permanently delete data, otherwise known as data “squirrelling”, due to

the overall capacity of storing data increasing and the cost decreasing. However, within the organization's data archive strategy, a retention period should be specified to indicate when data should be deleted, along with any processes to follow, such as obtaining prior authorization.

2.3.3.1 Current Data Management State

The City's roads, bridges, and culverts asset data is currently stored in a Geographical Information System (GIS), Road Management System (RMS), Excel spreadsheets, reports, and as-built drawings. The City's roads and bridges data is more robust compared to other core service areas.

Currently, the City utilizes an RMS to store field assessment results for roads. The system was greatly enhanced by GIS integration and maintained by the GIS/Asset Management Technician in the Engineering Department. The RMS data can be linked to GIS with unique road segment IDs.

The bridges and culverts condition data is biennially updated based on OSIM inspection findings. The consolidated inventory for bridges & culverts includes a structural level and element level inventories along with a recommended 10-year capital plan.

The City is following the mandate in records retention procedures for municipalities as per the Freedom of Information and Protection of Privacy Act ("FIPPA") and the Municipal Freedom of Information and Protection of Privacy Act ("MFIPPA").

2.3.3.2 Future Data Management State

The City will develop and implement a software strategy that helps streamline data management following this AMP. Eventually, the City anticipates having a clear and efficient data management process and comprehensive asset inventory to support their asset management decision-making. The implementation plan for data improvement is presented in **Section 6**.

3. Level of Service

3.1 Purpose

Level of Service (LoS) supports every aspect of the overall AM System. The objective of establishing clearly defined service levels is to help the City meet stakeholder values, achieve its strategic goals, make informed decisions, and implement effective asset lifecycle activities.

Documenting LoS is a proven practice that will enable the City to:

- Link corporate strategic objectives to customer expectations and technical operations.
- Balance customer needs and expectations while evaluating the effectiveness of operations and whether the right LoS is being provided at the right cost.
- Transition from an “Asset Stewardship” approach that focuses on making decisions based on maintaining assets in an acceptable condition to a “Serviceability” approach that is geared towards making decisions based on balancing the costs, risks, and goals for the LoS being provided by the City’s assets.
- Communicate the physical nature of infrastructure that the City owns and is financially responsible for while promoting the use of LoS to enable effective consultation with stakeholders regarding alternative funding options according to desired LoS outcomes.
- Make recommendations on strategies that the City can take now to minimize future renewal costs while ensuring that adequate LoS can be delivered without burdening future generations.
- Assess internal (e.g., program changes) and external (e.g., climate change) factors that have the potential to impact the City’s ability to deliver services and how these factors may impact the LoS being provided.
- Implement a corporate continuous improvement program to further optimize AM across all service areas.

The O. Reg. 588/17 requires that all AMPs include the current Levels of Service (LOS) being provided, determined in accordance with the qualitative descriptions and technical metrics provided (see [Section 1.3](#)).

3.2 Objectives

Defining LoS objectives is important for drawing a line of sight between the City’s corporate objectives and the tangible asset performance outcomes. To do so, the LoS objectives must take into consideration stakeholder interests to develop asset performance measures that aim to meet the needs and expectations of the community. By doing this, the City will ensure that their assets are striving towards optimal performance, not only operationally, but economically, socially, and sustainably as well.

Every stakeholder has certain interests in the service being provided and in general. The City’s corporate objective is to lift up the community and build pride, and attract people (visitors, employers and employees). The City’s Comprehensive Background Report² for the New Official Plan outlined the overarching themes that reflect the City’s value, as shown in [Table 3-1](#). Each overarching theme is also assigned a corporate service objective.

The development of level of service targets should be aligned with these corporate objectives which will be addressed in the next iteration of the AMP.

Table 3-1: The City’s Overarching Themes and Objectives

Overarching Themes	Corporate Objective
Healthy Community	Supports healthy living, active transportation, access to passive and active recreation, social interaction and the creation of spaces that are comfortable, safe and accessible for all ages and abilities (the “8 to 80 Cities” concept).

² City of Sault Ste Marie. 2021. Comprehensive Background Report.

Overarching Themes	Corporate Objective
Environmental Sustainability	Supports energy conservation and efficiency, improved air quality, reduced greenhouse gas emissions and climate change adaptation.
Integrated Mobility	Supports accessibility and choice of a diversity of transportation modes.
Sense of Place	Fosters a welcoming place for all that establishes connection and provides a memorable experience to visitors.
Sustainable Growth	Stimulates reinvigoration of neighbourhoods to provide a complete range of housing, services, employment and recreation.
Economic Resiliency	Supports the growth and diversification of the city's economy.
Social Equity	Contributes to creating a welcoming and inclusive community, focusing on the removal of systemic barriers so that everyone has access to an acceptable standard of living and can fully participate in all aspects of community life.
Cultural Vitality	Celebrates the Sault's history, diverse communities and natural and cultural heritage, with the Downtown as the Sault's core destination for arts and culture.

3.3 Stakeholders Identification

A stakeholder is any person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or an activity. Stakeholder analysis is the process of understanding stakeholder needs, expectations, and perceptions relative to the stakeholder's level-of-interest and level-of-influence over the organization. The organization typically engages with their stakeholders to:

- Establish which activities or services matter most to them.
- Understand their risk appetite and risk threshold.
- Understand their willingness to pay for services.

Stakeholders can take many forms and may be internal (i.e., staff, Council) or external (i.e., the public, regulatory agencies, suppliers, neighbouring municipalities, etc.) to the organization. The following groups were identified as key stakeholders for roads, bridges and culverts at the LoS workshops. This is not intended to be an exhaustive list; however, the following groups provide a good starting point for the City to move forward to the next stage.

- Council.
- Residents.
- Regulatory Agencies (i.e., Ministry of Transportation Ontario (MTO) and Fisheries and Oceans Canada (DFO).
- Neighbouring Municipalities or Downstream Municipalities (i.e., First Nations, the international bridge connected to the US).
- Environmental groups (i.e., active transportation related groups).
- Developers.
- Contractors and suppliers.
- Other city departments (i.e., fire & police service, planning department, and stormwater).

3.4 O. Reg. 588/17 Levels of Service Metrics

Based on currently understanding, O. Reg. 588/17 requires legislated community levels of service for core assets. Community levels of service use qualitative descriptions to describe the scope or quality of service delivered by an asset category. O. Reg. 588/17 also requires legislated technical levels of service for core assets. Technical levels of service use metrics to measure the scope or quality of service being delivered by an asset category.

Table 3-2 and **Table 3-3** present summaries of the City's roads, and bridges and culverts service level for O. Reg. 588/17 Metrics. References are provided to show where O. Reg. 588/17 requirement has been attained.

Figure 3-1 presents a key map of the existing road condition. **Figure 3-2** presents a tabular breakdown of the bridge and culvert condition assessment metrics.

Table 3-2: O. Reg. 588/17 Levels of Service Metrics (Roads)

O. Reg 588/17 LoS Performance Measure	Unit	Community or Technical LoS	Current LoS Performance (2021)
Description, which may include maps, of the road network in the municipality and its level of connectivity.	Map	Community	Road network connectivity map and condition distribution (Refer to Figure 3-1).
Description or images that illustrate the different levels of road class pavement condition.	%	Technical	Roads condition distribution maps for different functional classes (Refer to Appendix C for arterial, collector, local, and rural road condition distribution maps).
Number of lane kilometres of arterial roads, collector roads and local roads as a proportion of square kilometres of land area of the municipality.	#	Community	- Arterial: 0.63 Lane-km / km² - Collector: 0.64 Lane-km / km² - Local: 2.32 Lane-km / km² - Rural: 1.04 Lane-km / km²
For paved roads in the municipality, the average pavement condition index value.	#	Technical	- Average PCI for Paved Roads is 59 - Average PCI for Arterial: 70 - Average PCI for Collector: 64 - Average PCI for Local: 55 - Average PCI for Rural: 47 These average PCI is weighted by replacement value.
For unpaved roads in the municipality, the average surface condition (e.g., excellent, good, fair or poor).	Text	Technical	Fair condition.

Table 3-3: O. Reg. 588/17 Levels of Service Metrics (Bridges and Culverts)

O. Reg. 588/17 LoS Performance Measure	Unit	Community or Technical LoS	Current LoS Performance (2021)
Description of the traffic that is supported by municipal bridges (e.g., heavy transport vehicles, motor vehicles, emergency vehicles, pedestrians, cyclists).	Text / Map	Community	The City's bridges and culverts have been designed in accordance with the standard and requirements of the Canadian Highway Bridge Design Code (CHBDC) at the time of construction. The bridges have been designed to carry heavy transport vehicles, motor vehicles, emergency vehicles, pedestrians, and cyclists.
% of bridges in the municipality with loading or dimensional restrictions.	%	Technical	- Two of the 49 bridges (i.e., 4% of bridges at the City) have loading or dimensional restrictions, as follows: 19 - Town Line Road, 0.5km south of Base Line, over Big Carp River, 10t load limit; and - P8 - Fort Creek Hub Trail, approximately 625 m south of Third Line, 1000 lb (Point Load)
Description or images of the condition of bridges and how this would affect use of the bridges.	Text	Community	- The City undertakes rehabilitation / replacement works according to OSIM recommended priorities. - Refer to Figure 3-2 for images of the condition of bridges.
Description or images of the condition of culverts and how this would affect use of the culverts.	Text / Image	Community	- The City undertakes rehabilitation / replacement works according to OSIM recommended priorities. - Refer to Figure 3-2 for images of the condition of several culverts.

O. Reg. 588/17 LoS Performance Measure	Unit	Community or Technical LoS	Current LoS Performance (2021)
For bridges in the municipality, the average bridge condition index value.	#	Technical	Average BCI for bridges is 72
For structural culverts in the municipality, the average bridge condition index value.	#	Technical	Average BCI for culverts is 72

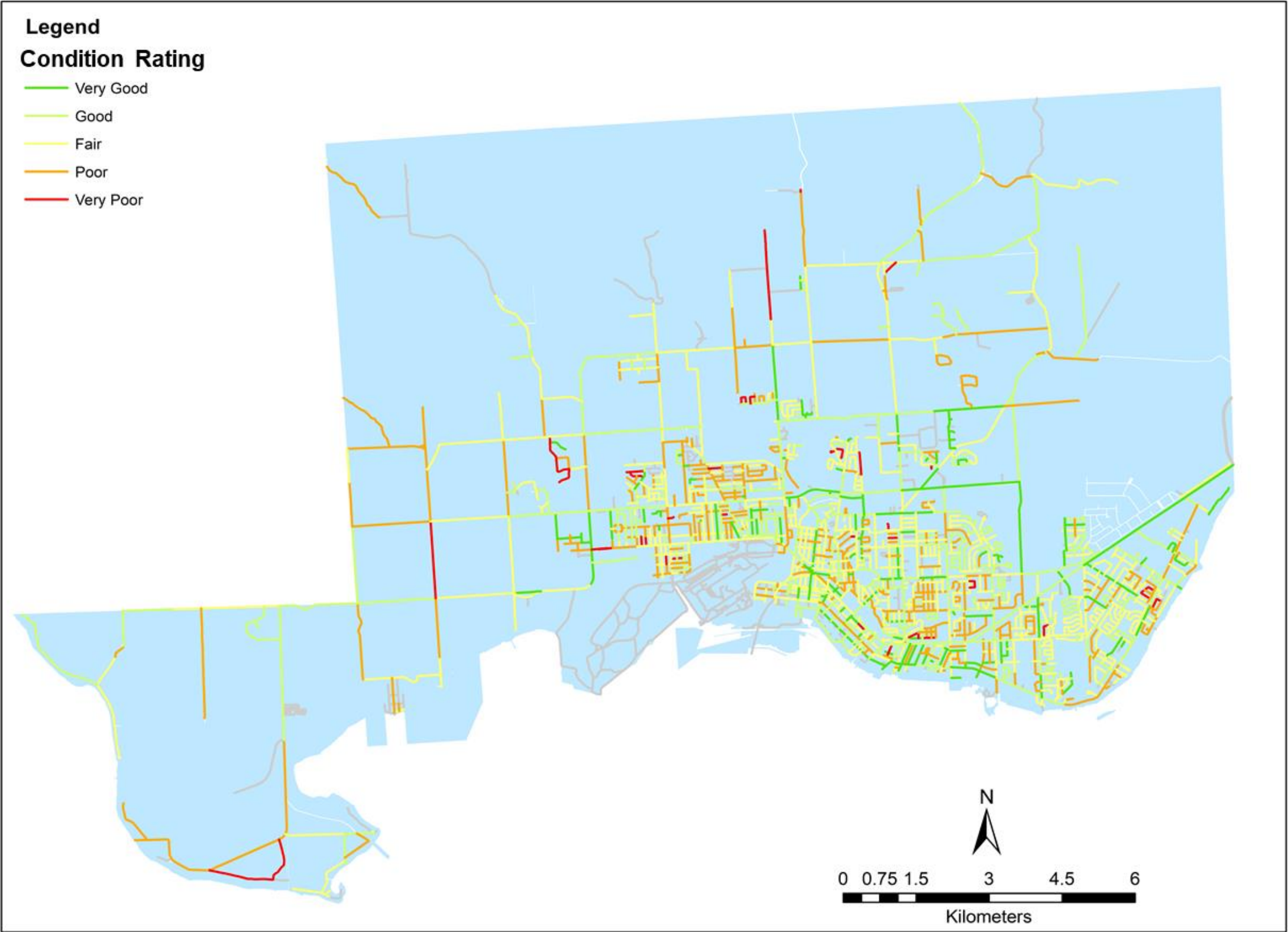


Figure 3-1: City of Sault Ste. Marie Roads Connectivity Map and Condition Distribution

	Bridges		Culverts	
Condition Ratings Bridge Condition Index (BCI)	Images of the condition of bridges and how this would affect use of the bridges.		Images of the condition of culverts and how this would affect use of the culverts.	
Very Good BCI Range 80-100	Bridge No. 14 BCI - 96		Bridge No. 10 BCI - 88	
Good BCI Range 60-79	Bridge No. 1 BCI - 72		Bridge No. 22 BCI - 66	
Fair BCI Range 40-59	Bridge No. 3 BCI - 52		Bridge No. 41 BCI - 50	
Poor BCI Range 20-39	N/A		N/A	
Very Poor BCI Range 0-19	N/A		N/A	

Figure 3-2: Bridges and Culverts Condition Images

3.5 Levels of Service Performance Targets

Establishing LoS targets is an important part of continual improvement and performance management. Without performance targets, it is difficult to ascertain whether goals are being met, or the extent of the gap if they are not. Incorporating targets into the City's LoS Framework helps to ensure that targets are reasonable, aligned with customer expectations, and evaluated on an objective basis by considering cost-benefit trade-offs.

One of the key challenges in setting infrastructure performance targets in a municipal environment is that they can often become biased and/or politically motivated. Therefore, it is important to review LoS targets with internal and external stakeholders, especially the customers who will be impacted the most by changes in service delivery. An important aspect of evaluating LoS targets is determining how the user is willing to pay for the service. Regulatory requirements are an exception; however, they only provide the minimum service standard. Cost is still an important parameter to consider when assessing the merits of service improvements. To deal with the financial realities, it is necessary to:

- Calculate how much the service costs based on current LoS.
- Determine the cost associated with varying the LoS.
- Assess the customers' willingness to pay.

It is important that any targets set be realistic and achievable. Therefore, it is not advisable that the City sets any firm targets until their current performance has been fully assessed. O. Reg. 588/17 requires AMPs to include proposed levels of service and a formalized financial strategy by July 1, 2025.

3.6 Future Demand Drivers

Demand management is a critical component of managing the desired LoS in a sustainable manner, now and into the future. Understanding demand drivers enables the City to proactively develop effective, long-term strategies that are suitable for the City's unique political, environmental, social and technological landscape.

A summary of factors identified from the LoS workshop that would impact roads, and bridges and culverts service levels include, but are not limited to, the following:

- Staff availability.
- Funding level.
- Contractor availability.
- Succession Management.
- Supply Chains.
- Climate Change.

On November 2, 2021, the City of Sault Ste. Marie's Planning Division released the Comprehensive Background Report for updating the Official Plan³. The City's Official Plan guides the local decision-making on land use, development and public infrastructure over the next 20 years. The City's population is expected to roughly reach to 80,000 (by 2031), and 83,300 people by 2036. Employment is projected to grow by about 6,000 jobs, from approximately 31,000 jobs in 2016 to 36,900 jobs in 2036.

In 2015, the City updated the Transportation Master Plan for advancing the implementation of the various transportation improvements while considering the current and future conditions of the community. The City estimates that residential, industrial / commercial and retail development will occur in various areas of the City within the next 20 years. This new development will be spurred by the increase in population and by shifts and reallocation of the existing City residents. The master plan also includes traffic forecasts for the City's road network. AECOM recommends the City obtains a digital format of the future travel demand AADT information from the master plan, and include the traffic data in the roads inventory to help better inform roads asset management plan.

When additional assets to accommodate this population and employment growth are introduced to the City's portfolio, additional human resources, training and funding are required to maintain and operate, and renew or replace those assets. O. Reg. 588/17 requires municipalities by July 1, 2025, to estimate capital expenditures and significant operating costs to achieve the proposed LoS and accommodate projected increases in demand caused by population and employment growth. This includes the estimated capital expenditures and significant operating costs related to new construction and / or to upgrade existing municipal infrastructure assets. The City will have to address these aspects during the later phases of the AM regulatory compliance process and before the July 1, 2025 deadline.

³ City of Sault Ste Marie. 1996. Official Plan

4. Asset Management Strategies

Asset lifecycle management focuses on the specific activities that should be undertaken during all phases of the asset lifecycle. Considering entire asset lifecycles can ensure that the City makes sound decisions that consider present and future service delivery needs.

The overarching goal of lifecycle management is to maximize the long-term benefits and services that our assets deliver while minimizing the associated costs and risks in the long run. Every asset has a lifecycle cost, which is the total cost of all the activities undertaken throughout its service life. Part of the purpose of the asset management planning process is to fully understand and predict the long-range financial requirements for the City's infrastructure to facilitate planning and resource management in the most cost-effective manner possible. **Figure 4-1** illustrates how costs typically accumulate over an asset's life. It is worth noting that the accumulation of the ongoing operations and maintenance, renewal & replacement and disposal costs is many multiples of the initial acquisition costs. As such, it is important to fully understand the entire lifecycle costs before proceeding with asset acquisition.

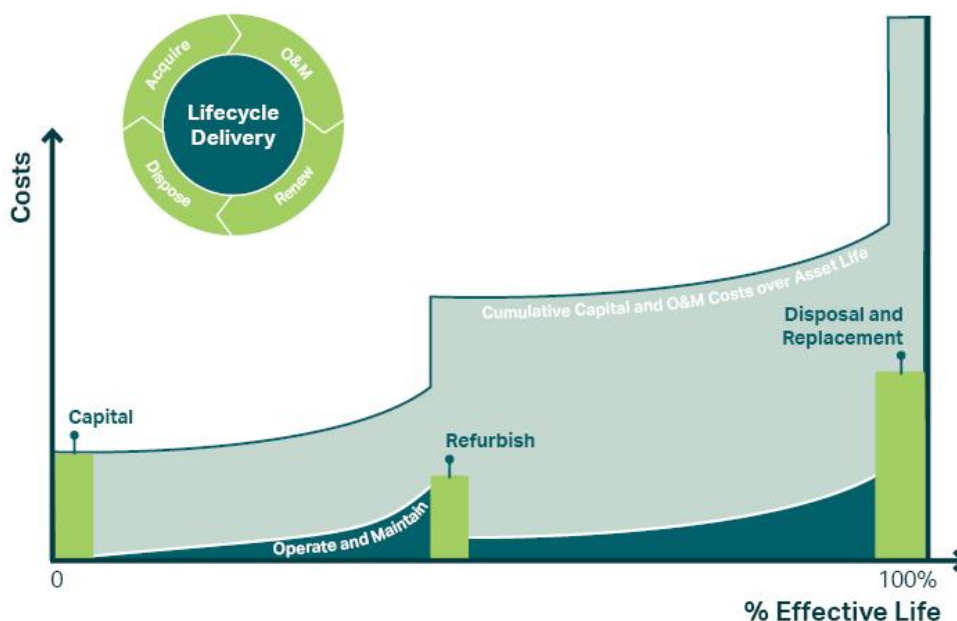


Figure 4-1: Lifecycle Cost Accumulation Over Asset Life

Asset lifecycle management strategies are typically organized into the following categories.

1. **Asset Acquisition / Procurement / Construction:** Acquisition includes expansion activities and upgrading activities to extend services to previously unserved areas or expand services to meet growth demands and to meet functional requirements. When acquiring new assets, the City should evaluate credible alternative design solutions that consider how the asset is to be managed at each of its lifecycle stages. Asset management and full lifecycle considerations for the acquisition of new assets include, but are not limited to the following:
 - The asset's operability and maintainability.
 - Availability and management of detours.
 - Staff skill and availability to manage the asset.
 - The manner of the asset's eventual disposal.



2. **Asset Operations and Maintenance (O&M):** As new infrastructure is commissioned, the City accepts the responsibility of operating and maintaining the infrastructure according to O&M standards to ensure that the infrastructure is safe and reliable. Operations staff provide the day-to-day support required to operate the roads, bridges and culverts. Maintenance expenses include periodic preventive maintenance to ensure that the infrastructure can provide reliable service throughout the life of the asset and corrective maintenance that is required to repair defective assets as and when needed. Inadequate funding for O&M will have an adverse impact on the lifespan of assets. The number of O&M resources required in any period is a function of the current inventory of infrastructure and total O&M needs required for each asset. As the inventory of infrastructure grows, total O&M requirements will also grow.
3. **Renewal and Replacement:** The third portion of full lifecycle costing relates to the renewal and replacement of roads, and bridges and culverts that have deteriorated to the point where they no longer provide the required service. Renewal or rehabilitation cost is sometimes incurred during the life of an asset where an investment is made to improve the condition and / or functionality of the asset e.g., resurfacing of a road section. Reconstruction activities are expected to occur once an asset has reached the end of its useful life and rehabilitation is no longer an option.
4. **Decommissioning and Disposal:** There will inevitably come a point in time when an asset must be removed from service and, depending on the type of asset, there may be significant costs associated with its decommissioning and disposal. Factors that may influence the decision to remove an asset from service include changes to legislation that cause the asset to be in non-compliance, the inability of the asset to cope with increased service levels, technology advances that render the asset obsolete, the cost of retaining the asset is greater than the benefit gained, the current risk associated with the asset's failure is not tolerable, assets that have a negative impact on service delivery, the environment (e.g., roads which have persistent erosion problems, often located in areas of extremely erodible soils), or assets which can no longer be used for the purpose originally intended (e.g., roads and bridges constructed for temporary access such as designated temporary roads).



Normally, major costs that may be incurred during disposal and decommissioning derive from the environmental impact of the disposal and, if required, the rehabilitation and decontamination of land. However, some cost savings may be achieved through the residual value of the asset or by exploring alternative uses for the asset. In all cases, it is important to consider disposal and decommissioning as the strategy employed has the potential to attract significant stakeholder attention. For that reason, the costs and risks associated with disposal and decommissioning should be equally considered in the City's capital investment decision-making process.

4.1 Current Asset Management Strategies

The asset management strategies that are currently employed by the City to manage the roads, and bridges and culverts throughout their lifecycle is summarized in [Table 4-1](#).

Table 4-1: Lifecycle Management Strategies for Roads and Bridges

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
Roads and Bridges	Acquisition	Roads and Bridges - Assumption of subdivisions, commercial and industrial extensions, local improvements, etc. - Council approved specific initiatives. - New roads through transportation planning.	- Extend services to previously unserved areas or expand services to accommodate asset enhancements. - Adequate planning and implementation of infrastructure projects help to manage existing and potential growth pressures and address other demand factors.
	Operations and Maintenance	Roads O&M - Road patrols. - Timely debris removal. - Annual retro-reflectivity assessment of signs and corrective action. - Bike lane summer maintenance. - Pavement paint markings. - Potholes repairs. - Pavement cracks. - Road illumination and visibility. - Street sweeping. - Curb and edge repairs. - Vegetation control. - Dust control. - Drainage improvement. - Traffic control signal systems.	Ensure assets are operated and maintained in compliance with O. Reg. 239/02 – Minimum Maintenance Standards, which provides municipalities with a defense against liability from actions arising with regard to levels of care on roads and bridges. These standards set a minimum level of care for how roads are operated and maintained.
		Winter Control - Winter control standby. - Ice and snow removal. - Bike lane winter maintenance. - Sand and salt purchase and application. - Snow plowing. - Snow fencing. - Winter equipment fueling.	
		Bridges and Culverts O&M - Bridge cleaning. - Animal/pest control. - Asphalt surface repair. - Vegetation and debris removal.	Ensure assets are operated and maintained in compliance with O. Reg. 239/02 – Minimum Maintenance Standards and O. Reg. 104/97: Standards for Bridges and amendments: O. Reg. 160/02, O. Reg. 278/06, and O. Reg. 472/10 – OSIM

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
		- Concrete sealing. - Painting steel structures. - Works for drainage system.	
	Renewal and Replacement	Roads - Reconstruction and resurfacing of roads to address critical needs. - Coordination of road reconstruction work with utility replacement.	- Renewal and reconstruction of roads with critical needs in a timely manner reduce the safety risk, avoid premature asset failure, and achieve cost effectiveness. - Coordination of road reconstruction with sewer works optimally manages a range of assets within a road right-of-way leading to reduced cost and limited disruption to businesses and residents.
		Bridges and Culverts Reconstruction and rehabilitation of bridges and culverts is determined based on the biennial OSIM inspection results.	The prioritized capital plans from the biennial OSIM inspections aim to address structural deficiencies and ensure safe service.
	Disposal	Roads, Bridges and Culverts Stop-up and close the road and bridges.	Ensure assets are disposed of in compliance with waste regulations in Ontario if applicable.
	Non-Infrastructure	Roads and Bridges - Regular road condition assessment. - Biennial bridge condition assessment program. - Road Management System (RMS). - Transportation Master Plans and Official Plan.	- Condition assessment programs help to identify and record asset conditions for a prioritized capital programs. - RMS is used to report the condition of roads, and inform the coordination of the roads' capital work with adjacent utilities. - Transportation Master Plans and Official Plan include strategic planning / budgeting and project prioritization to inform long-term decision making.

4.2 Road Lifecycle Management Model

Condition assessment information for pavement is one of the important indicators that helps determine the reliability and serviceability of assets in their lifecycle. **Figure 4-2** illustrates the typical deterioration curves for pavements with and without rehabilitation interventions, and the near optimum pavement intervention strategies for the various condition states. For example, the design life for most asphalt pavements is 15 - 20 years and its expected operational life can be extended significantly even to 50 – 60 years if treated with proper approach at the proper time window.

Regarding the general intervention strategies, when pavement is in Very Good to Good condition, the intervention approach could be maintenance and preservation. If a pavement is in Fair condition, the recommended intervention is typically rehabilitation such as resurfacing. As pavements approach the Poor and Very Poor condition, structural enhancement and reconstruction is most likely warranted.

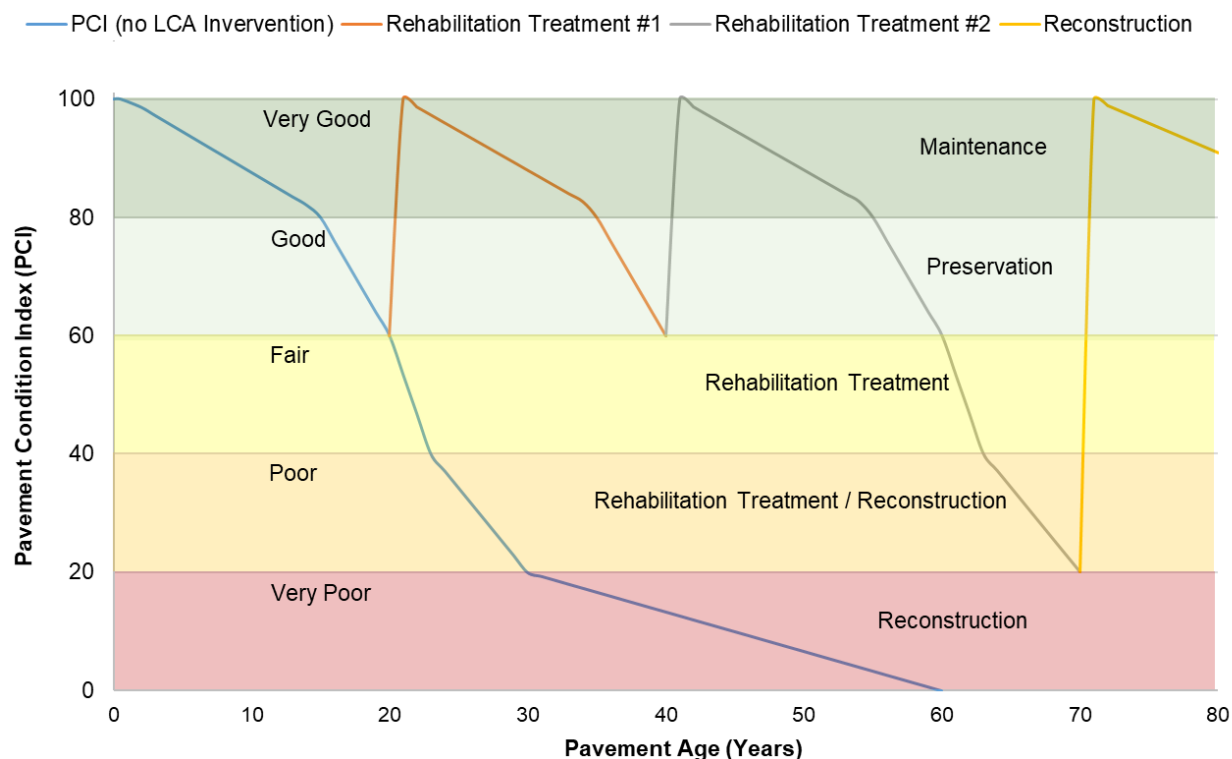


Figure 4-2: Sample of Pavement Deterioration Curves and Intervention Approaches

The proposed lifecycle management strategy for this AMP includes a pavement lifecycle interventions decision tree and a work prioritization model, which will be described in details in **Section 4.2.1** and **Section 4.2.2**, respectively.

4.2.1 Road Pavement Lifecycle Intervention Strategy

Intervention strategies for each road segment within the City's network were determined based on its condition state, which is one of the important indicators for the roads service level. Based on the current condition state, work categories are assigned to each road segment. Each work category / intervention approach includes several options of pavement treatment techniques, which the City could choose from when it comes to actual implementation. **Table 4-2** presents the pavement lifecycle intervention options and criteria.

Figure 4-3 presents the detailed pavement lifecycle decision tree and the potential treatment options. For this AMP, the capital pavement treatment approach for preservation, rehabilitation, rehabilitation / reconstruction, and reconstruction include rout and seal, variable depth resurfacing, and reconstruction with high level estimates of unit treatment cost per kilometre assigned to these treatments.

The intervention approaches for road sections that are determined to be in the treatment category of maintenance and preservation should be updated every two years based on the next condition assessment results. It is recommended that all roads should be re-prioritized when updated condition observations, updated traffic demand, and treatment costs are available.

Table 4-2: Pavement Lifecycle Intervention Strategy and Criteria

Treatment Category	Description	Pavement Condition State Criteria
Maintenance	Routine maintenance that typically consists of relatively inexpensive treatment to immediately address specific problems such as localized potholes that may affect rideability. Refer to Table 4-1 for the City's roads O&M activities.	Very Good
Preservation	Pavement preservations are proactive activities, consisting of regularly scheduled treatments to preserve or hold the pavement condition. Conducting pavement preservation mitigates the need for invasive corrective action leading to reduced lifecycle costs, and extended service life.	Good
Rehabilitation	Rehabilitation interventions are used for pavement with acceptable structural condition. It involves actions to restore pavement surface condition and extend the service life.	Fair
Rehabilitation / Reconstruction	Rehabilitation / Reconstruction involves structural and rideability enhancements that renew the service life and improve both operational condition and functional condition (load carrying capacity) of pavement structures.	Poor
Reconstruction	Reconstruction is the activity applied when the roadway has reached the end of it's expected service life and the above categories will not effectively restore the structural and rideability levels to provide sufficient functionality.	Very Poor

4.2.2 Capital Work Prioritization Strategy

The work prioritization and capital planning scenarios (highlighted by green dashed line) in [Figure 4-3](#) illustrates the logic to used to prioritize capital reinvestment work with defined funding level. The road capital reinvestment needs determined by the intervention decision tree (upper section highlighted by blue dashed line in [Figure 4-3](#)) for each pavement segment is an input for the work prioritization model. Two prioritization approaches were developed based on the general guidelines from the MTO inventory manual:

- **Worst first scenario:** pavement intervention activities are prioritized by priority number (PN), which is a function of pavement PCI and AADT, i.e., in this scenario, the driving factors for determining which segment should be a top priority are PCI and current AADT.
- **Cost effective scenario:** pavement intervention activities are prioritized by priority guide number (PGN), which is a function of pavement PCI, future AADT, and intervention / treatment costs.

All actions for the first year of the analysis are ranked according to priority scores, and needs are funded in this order until the budget constraint is reached for that year. Funded needs become actions for that year, but all unfunded needs are rolled over into the needs for the next year. This approach can be used to prioritize work considering various budget levels.

AECOM developed an MS Excel Road Lifecycle Model to implement the scenario analysis for any desired funding levels and visualize year-over-year required reinvestment activities & spending for each road segment for a 10-year period. The level of service section in the financial dashboard compares the current levels of service and the level of service achievements from various scenarios, in terms of the condition distribution across the City's road functional classes. Refer to [Section 5.1](#) for roads scenario analysis results.

4.3 Bridge Lifecycle Management

The City undertakes rehabilitation / replacement works according to OSIM recommended capital priorities.

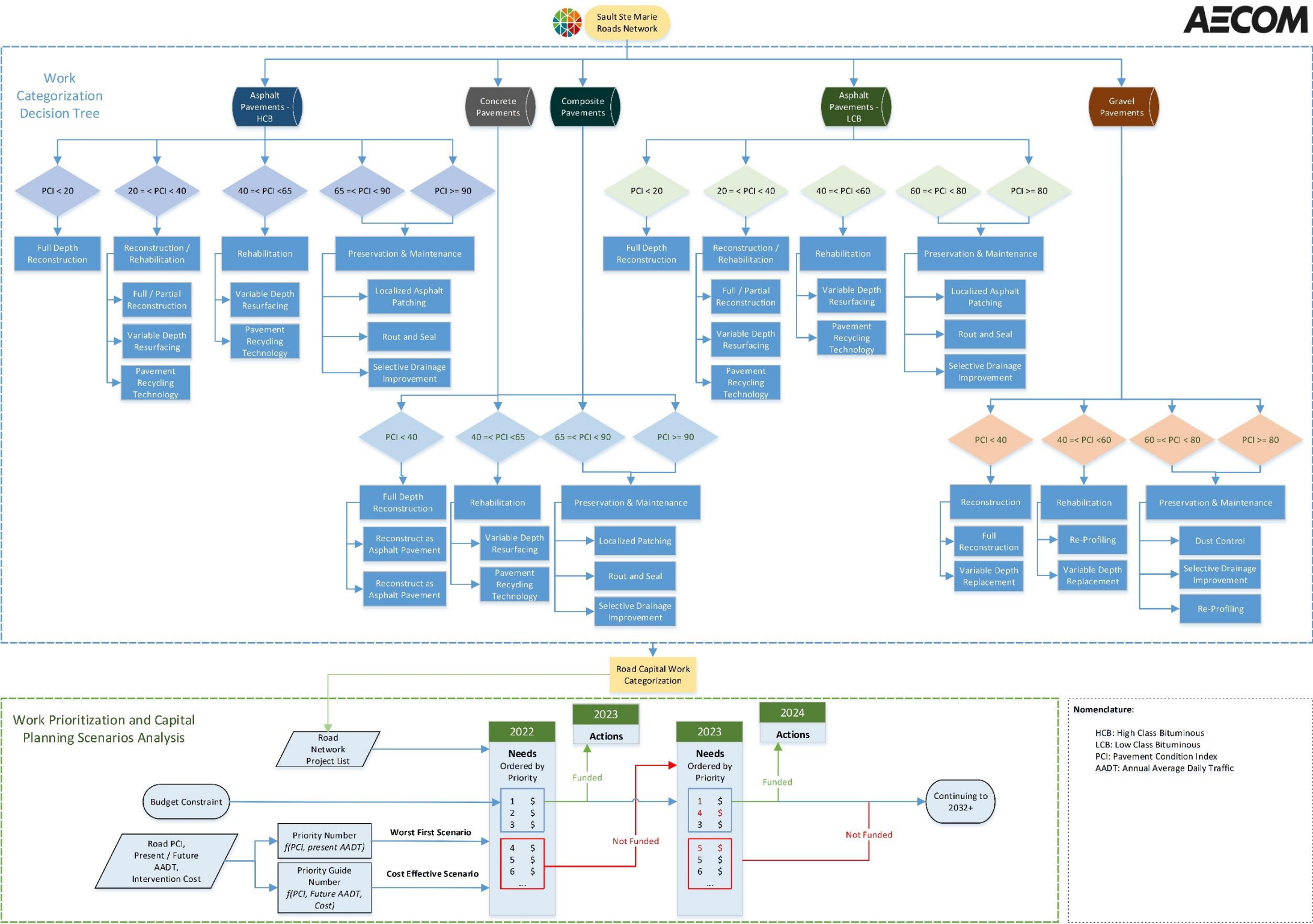


Figure 4-3: Pavement Lifecycle Management Decision Tree

5. Funding Need Analysis

5.1 Road Capital Reinvestment Scenario Analysis

Based on feedback from the City, it is understood that the forecasted annual average roads capital budget is approximately \$10 Million. This budget level was used to perform scenario analysis for capital reinvestment planning. The lifecycle analysis was implemented in the Roads Lifecycle Model, developed by AECOM. A financial dashboard was developed to present the lifecycle modeling results.

It is worth noting that the work categorizations were based on visual surface condition assessment which does not represent the subsurface condition. In addition, the roads capital reinvestment costs do not include underground utility replacement costs, which are already covered in the wastewater AM plan and stormwater AM plan. Project cost and rehabilitation / reconstruction design should be further refined in advance of the actual implementation by conducting geotechnical investigations.

5.1.1 Worst First Scenario

The average annual reinvestment cost for the City's roads is \$11.2 Million over the next 10 years in inflated dollar values based on the \$10 Million capital budget scenario. This is equivalent to a total of approximately \$112 Million over the next 10-year period, as presented in **Figure 5-1**.

The reinvestment budget allocation from the worst first scenario for each treatment category is illustrated in **Figure 5-1**. Reconstruction, reconstruction / rehabilitation (reconstruct / rehab), and rehabilitation (rehab) work were prioritized with reconstruct / rehab work accounting for the largest component throughout the next 10 years. A small amount of work was prioritized for preservation treatments in this worst first prioritization approach as the preservation treatments are assigned to roads in good condition.

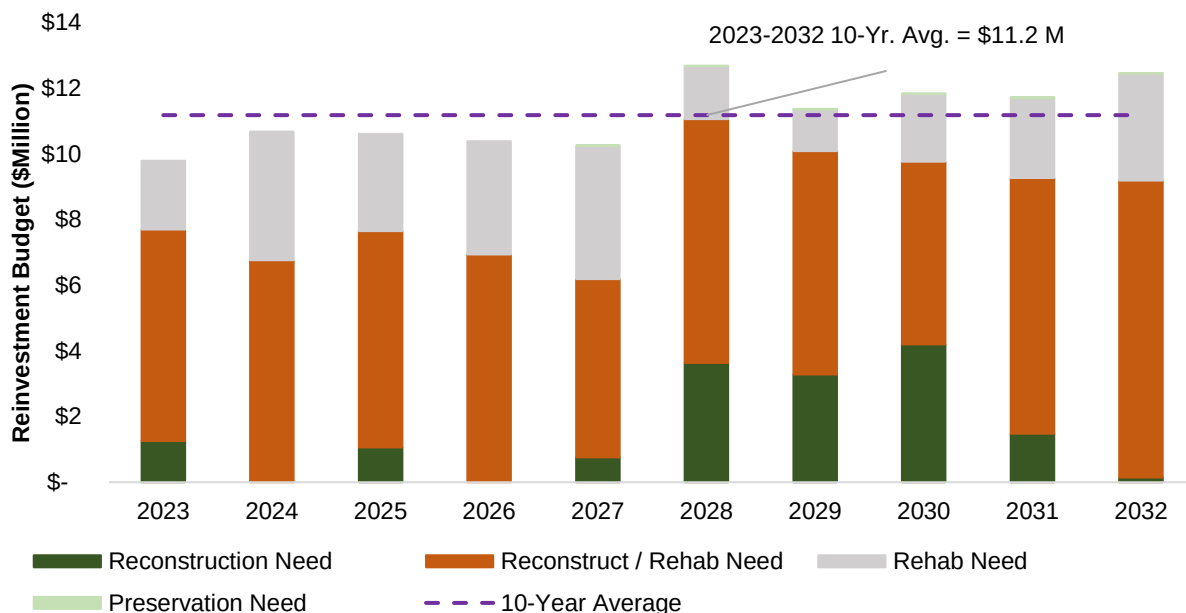


Figure 5-1: Roads 10-Year Reinvestment Needs - Worst First Scenario

The summary of reinvestment funding needs for reconstruction, reconstruction / rehabilitation, rehabilitation, and preservation under worst first scenario are presented in **Table 5-1** in inflated dollar values.

Table 5-1: Roads 10-Year Total and Annual Average Reinvestment Need for Worst First Scenario

	Reconstruction	Reconstruction / Rehabilitation	Rehabilitation	Preservation	Total
Annual Average	\$1,581,000	\$6,873,000	\$2,710,000	\$11,000	\$11,175,000
10-Year Total	\$15,810,000	\$68,730,000	\$27,100,000	\$110,000	\$111,750,000

The length in lane kilometre addressed by the \$10 Million budget worst first scenario is presented in **Figure 5-2**. Approximately 30 to 40 lane kilometres of roads are assigned with capital reinvestment work each year under this scenario. Road segments in need of reconstruction / rehabilitation appears to be prioritized the most (\$6.9 Million annually) to improve the service level considering their high traffic demand.

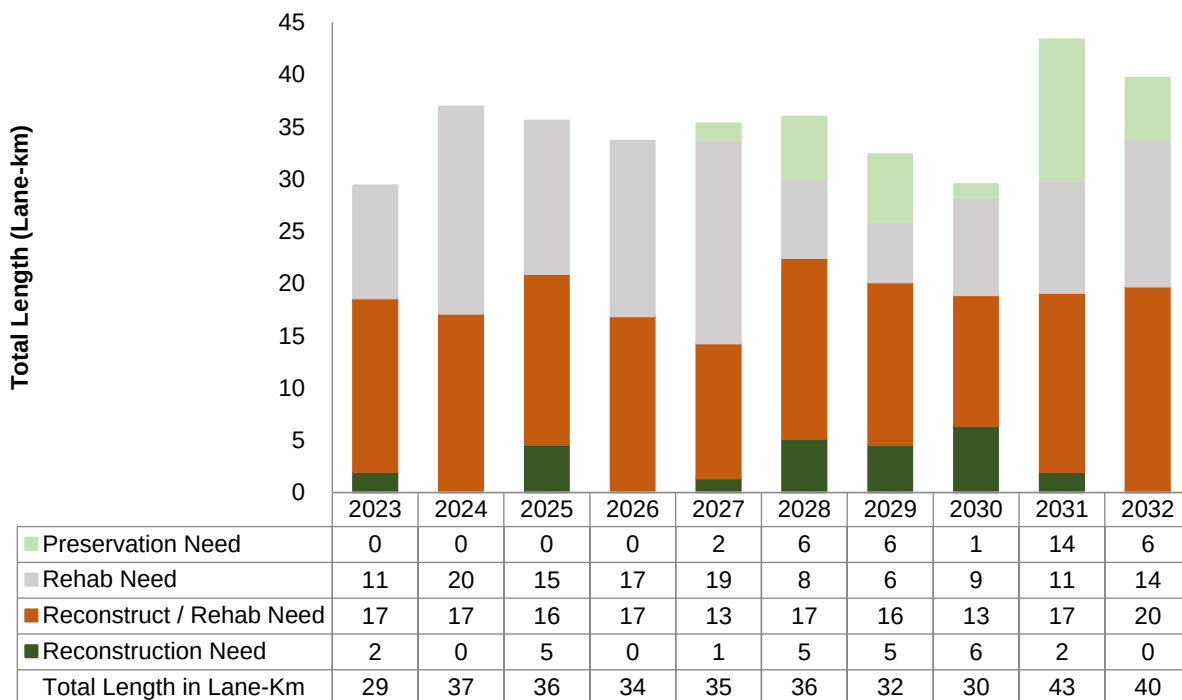


Figure 5-2: Roads 10-Year Prioritized Work Plan by Lane Kilometre – Worst First Scenario

Table 5-2 shows the service achievements for the \$10 Million budget worst first scenario from the perspective of percentage of Poor to Very Poor condition roads addressed.

Based on the methodology and decision tree, all arterials currently in Poor condition and collectors in Poor to Very Poor condition will be addressed and will therefore, be restored to a Very Good surface condition under the \$10 Million budget. Over 99% of Very Poor local and rural roads were addressed and approximately 0.02% of local roads remain in Very Poor condition by lane kilometre.

It should be noted that these outcomes reflect a high-level estimation of transition of road condition, as pavement age was not available to inform where the pavements currently are in their lifecycle. It is recommended to update the road condition scores within a maximum of five years and update the analysis to better inform the renewal needs.

Table 5-2: Level of Service Achievements from Worst First Scenario

% Lane Kilometre	Outcome
NA*	of Arterials that are in Very Poor Condition have been addressed
100%	of Arterials that are in Poor Condition have been addressed
100%	of Collectors that are in Very Poor Condition have been addressed
100%	of Collectors that are in Poor Condition have been addressed

% Lane Kilometre	Outcome
100%	of Locals that are in Very Poor Condition have been addressed
88%	of Locals that are in Poor Condition have been addressed
99%	of Rurals that are in Very Poor Condition have been addressed
87%	of Rurals that are in Poor Condition have been addressed

* Currently 0% of the City's Arterial roads are in Very Poor Condition

5.1.2 Cost Effective Scenario

The reinvestment budget allocation from the cost-effective scenario for each treatment category is presented in **Figure 5-3**. The detailed reinvestment needs for reconstruction, reconstruction / rehabilitation, rehabilitation, and preservation under the cost-effective scenario are presented in **Table 5-3** in inflated dollar values.

Annual average prioritized reconstruction needs for the cost-effective scenario is approximately \$0.4 Million compared to the worst first scenario where the reconstruction need is \$1.6 Million per year. A significant amount of rehabilitation work is prioritized (\$5.8 Million annually) compared to the \$2.7 Million annually from the worst first scenario.

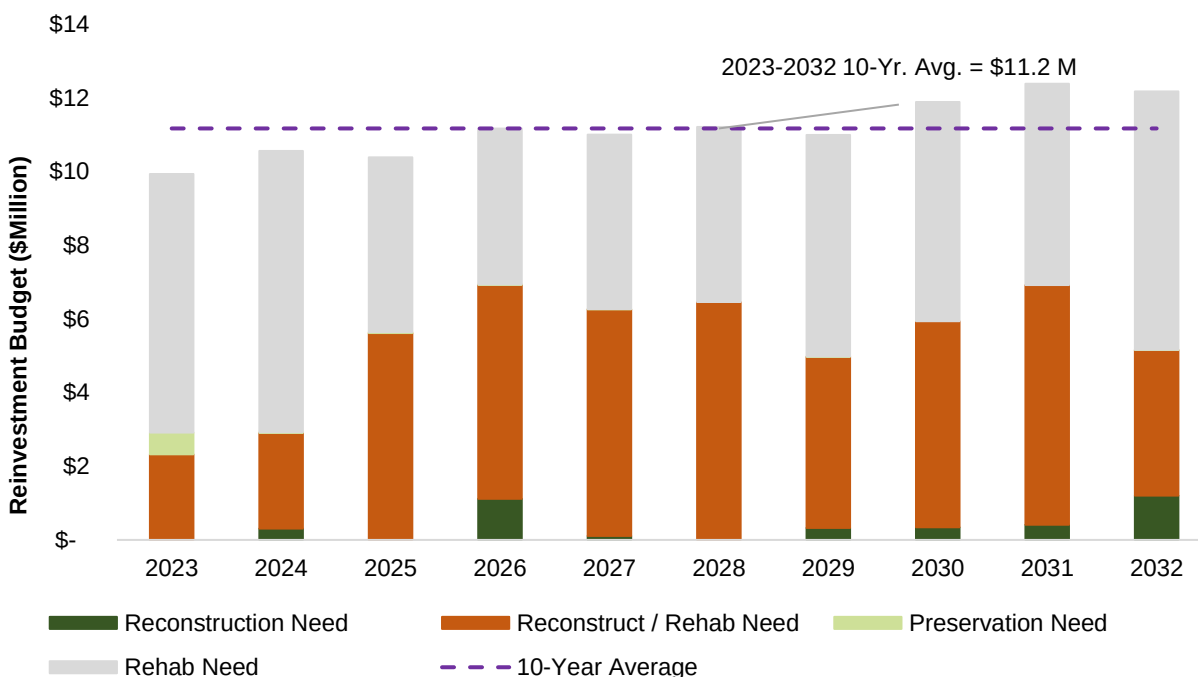


Figure 5-3: Roads 10-Year Reinvestment Needs – Cost Effective Scenario

Table 5-3: Roads 10-Year Total and Annual Average Reinvestment Need for Cost Effective Scenario

	Reconstruction Need	Reconstruct / Rehab Need	Rehab Need	Preservation Need	Total
Annual Average	\$381,000	\$4,966,000	\$5,757,000	\$68,000	\$11,172,000
10-Year Total	\$3,810,000	\$49,660,000	\$57,570,000	\$680,000	\$111,720,000

The annual average total length of roads addressed under the \$10 Million budget from the cost-effective scenario is approximately 66 lane kilometres (**Figure 5-4**), which is almost double the length compared to the result (35 lane-km) from the worst first scenario. A larger number of roads by lane kilometre are assigned with preservation treatments with a total of \$0.7 Million allocated in the next 10 years under the cost-effective scenario. Roads that need preservation and rehabilitation appears to be prioritized the most considering their higher return on investment in this scenario. The preservation activities will prevent further deterioration of the roads and extend the asset-life.

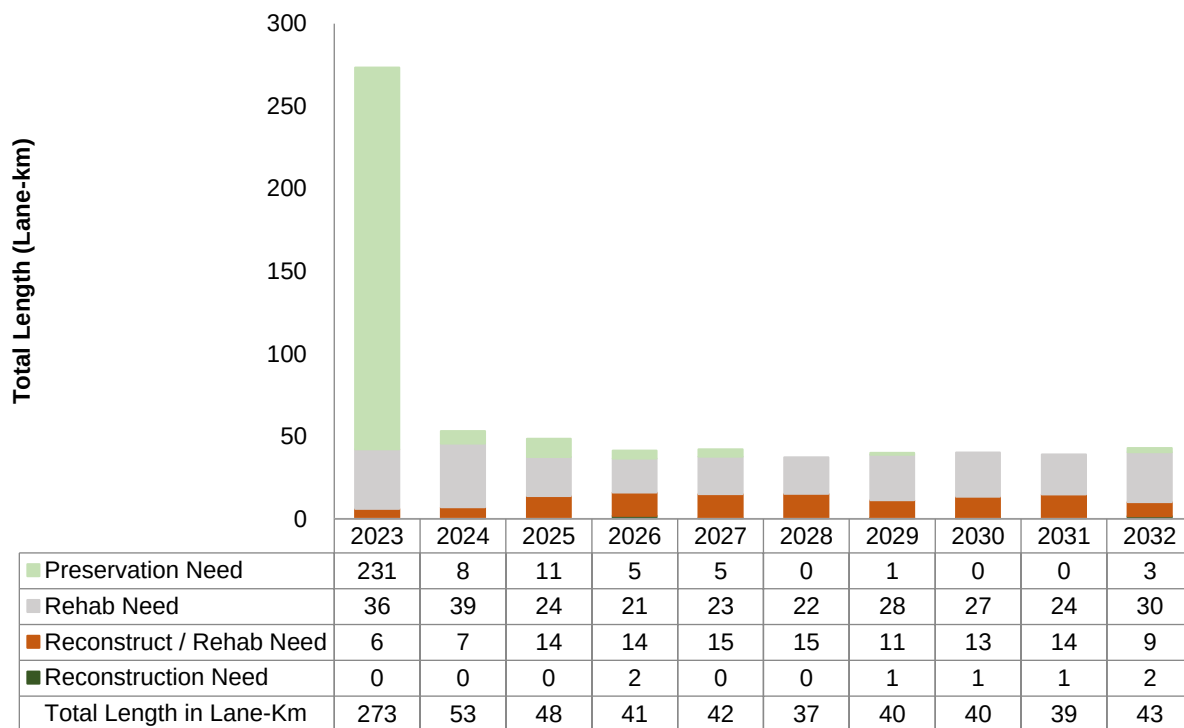


Figure 5-4: Roads 10-Year Prioritized Work Plan by Lane Kilometre – Cost Effective Scenario

Table 5-4 shows the service achievements using the cost-effective scenario while constraining the budget by \$10 Million. Similar to the worst first scenario, all arterials currently in Poor condition and collectors in Poor to Very Poor condition were addressed and will be recategorized to a Very Good surface condition. Approximately 99% of Very Poor local roads and 94% of rural roads are addressed, and only approximately 2.3% of local roads and 5.6% rural roads by lane kilometre remain untreated in Very Poor condition.

Table 5-4: Level of Service Achievements from Cost Effective Scenario

% Lane Km	Outcome
NA*	of Arterials that are in Very Poor Condition have been addressed
100%	of Arterials that are in Poor Condition have been addressed
100%	of Collectors that are in Very Poor Condition have been addressed
100%	of Collectors that are in Poor Condition have been addressed
99%	of Locals that are in Very Poor Condition have been addressed
87%	of Locals that are in Poor Condition have been addressed
94%	of Rurals that are in Very Poor Condition have been addressed
70%	of Rurals that are in Poor Condition have been addressed

* Currently 0% of the City's Arterial roads is Very Poor Condition

5.1.3 Benchmarking for Roads Capital Reinvestment Needs

AECOM's Canadian Infrastructure Benchmarking Initiative (CIBI, see <https://www.nationalbenchmarking.com/>) is a partnership of over 50 Canadian municipalities, stretching from coast-to-coast, that annually collects and reports on water, wastewater, stormwater, and transportation LoS across operational, financial, environmental, and social "bottom lines". The findings from the CIBI serve as key inputs into establishing what constitutes industry best practice for asset

management activities across Canadian municipalities. Capital reinvestment rates for roads from CIBI were reviewed and analyzed to provide the City with context and useful comparable information to make informed decisions

Table 5-5 shows the capital reinvestment benchmarking results. The City's forecasted capital reinvestment budget for roads is between the 25th percentile and 75th percentile indicating this capital reinvestment level is on par with 50% of the Canadian benchmarking municipalities' current roads capital reinvestment practice.

Table 5-5: Capital Reinvestment Benchmarking

Asset Category	Capital Reinvestment Cost	Proposed Reinvestment Rate	CIBI Capital Reinvestment Rate Benchmarking Median	CIBI Capital Reinvestment Rate Benchmarking 25th percentile to 75th percentile
Roads	\$10,000,000	1.54%	1.12%	0.91% - 1.63%

5.2 Bridges Capital Reinvestment Need

The capital reinvestment need for bridges & culverts was based on the City's 2020 OSIM inspection capital recommendations. The recommended capital cost was presented in inflated dollar values. The average annual reinvestment cost for the City's bridges & culverts is projected to be approximately \$0.3 Million over the next 10 years in inflated dollar values. This is equivalent to a total of approximately \$3.2 Million over the next 10-year period, as presented in **Figure 5-5**.

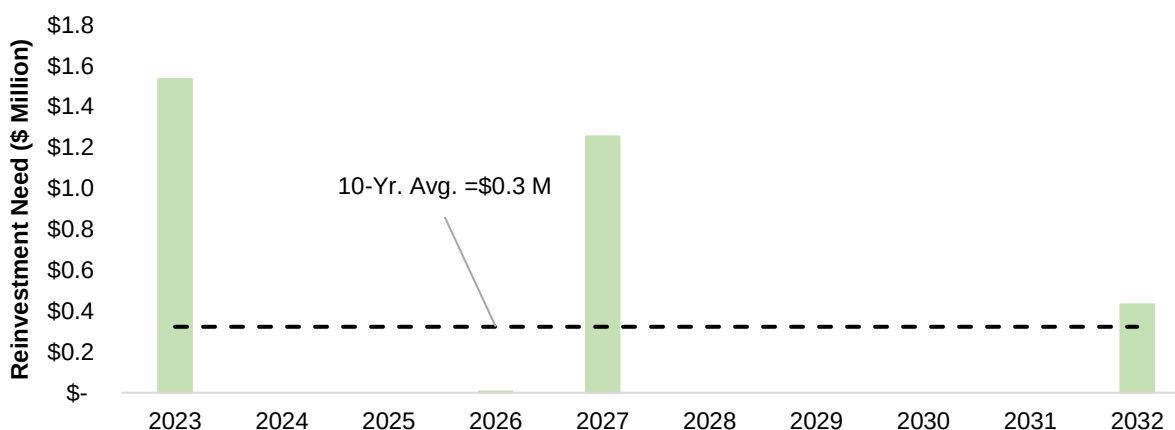


Figure 5-5: Bridges & Culverts 10-Year Reinvestment Need

5.3 Full Funding Need Profile

Figure 5-6 shows a full picture of the City's roads, bridges and culverts funding needs forecast over the next 10 years, which provides the City the full funding requirements to perform effective financial planning activities. The total annual capital reinvestment cost for roads and bridges has been overlaid with the City's annual average roadway O&M budget (on average is \$3.3 Million annually), and the annual average winter control budget (on average is \$6.8 Million annually).

The City's roads and bridges full funding requirement increases to approximately \$230 Million over the next 10 years with the addition of roadway O&M and winter control funding requirements, equivalent to \$23 Million per year in inflated dollar value.

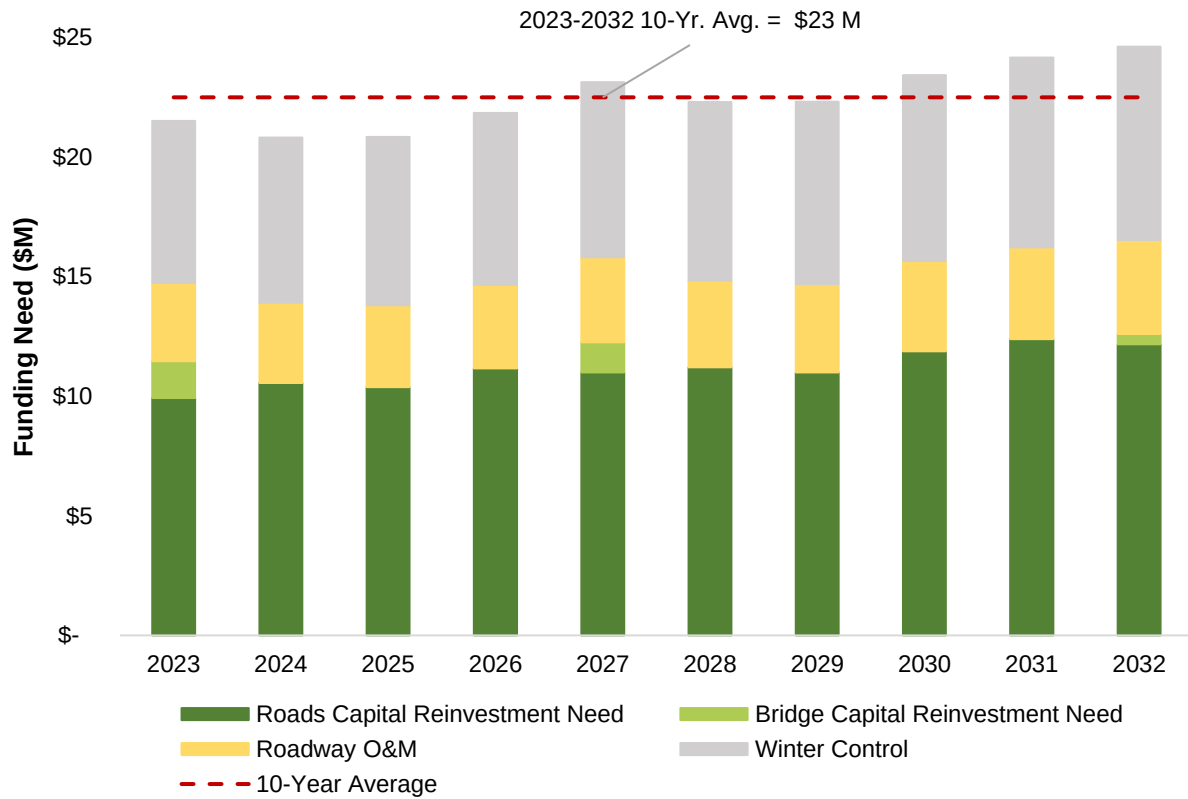


Figure 5-6: Roads, Bridges and Culverts Full Funding Need Profile

6. Implementation Plan and Continuous Improvement

Continuous improvement to management of owner assets is an important component of any AM program and is achieved through the implementation of recommended improvement initiatives which support sustainable service delivery.

Based on the results of AECOM's analysis, a suite of improvement initiatives has been identified for the next phase of AM planning for the City's roads, bridges and culverts, as outlined below:

- **Recommendation 1: Refine asset data and fill data gaps to make more informed and defensible decisions.**

Continue to collect data and fill gaps in the GIS inventory as identified in [Section 2.3](#) to have a more accurate representation of the current state of the roads and bridges. It is recommended that the City continues to merge asset data from various drawings, spreadsheets, and other databases through the process of digitizing, transforming, or georeferencing assets to capture the whole inventory.

- Continue to update dynamic inventory attributes including condition rating, traffic counts / studies, maintenance and rehabilitation activities, road classification from minimum maintenance standards, etc. by using the unique road asset ID.
- Collect construction and rehabilitation date information to assist in projecting future pavement deterioration, which is one of the important components for informing pavement asset management planning.
- Integrate future travel demand AADT into the road inventory. In the 2015 Transportation Master Plan, the projected AADT is in PDF format and should be digitized to help better inform roads asset management plans.

- **Recommendation 2: Develop a Data Governance Framework to provide a holistic and consistent approach to the City's roads and bridges data management practices.**

A Data Governance Framework includes developing an Asset Information and Data Standards Strategy to clearly define what asset data exists, who is accountable for managing it, methods of data collection, and safeguarding data quality. The successful deployment of a Data Governance Framework aims to achieve the following benefits:

- Enhanced data integrity to support reliable analysis.
- Improved data management workflows and processes.
- Improved AM reporting.
- Clearly defined data management roles & responsibilities.

- **Recommendation 3: Review business process for asset acquisition and design workflow diagrams to formally document AM processes.**

An opportunity exists for the City to continually reevaluate its business practices, including data management, to promote information sharing between roles, departments, and systems. The development of process maps is an excellent resource for visualizing the flow of information and formalizing procedures.

- **Recommendation 4: Create a data management plan for storing, reporting, and analyzing multiple years of pavement condition data.**

Condition assessment is one of the primary steps utilized prior to performing maintenance, rehabilitation, or reconstruction activities. Road condition assessment will also allow the City to develop and refine pavement deterioration models that fit the local circumstances to:

- Better forecast rehabilitation and reconstruction needs.
- Avoid infrastructure failures and the resulting economic, social, and environmental costs.
- Leverage cost-effective methods to extend the life of assets before the asset becomes too deteriorated and must be replaced.

- **Recommendation 5: Refine the Levels of Service Framework.**

Considering the LoS deadline of July 1st, 2025, stipulated within the O. Reg. 588/17 regulations, the steps to refining the LoS framework and quantifying the gaps between existing and target service levels can include:

- Collecting asset performance data for key performance indicators (KPIs) that are not currently being tracked, including associated costs.
- Reviewing the LoS performance measures on an annual basis and updating asset performance data as required.
- Analyzing and monitoring asset performance data to determine trends and to establish annual performance benchmarks.
- Engaging in a discussion with key stakeholders to establish service level targets and identify associated costs to meet those targets.
- Once LoS targets have been decided upon, the City should develop strategies on how to meet service level targets considering its existing operating environment (i.e., staff availability, current funding, resources, etc.).
- Developing a Customer Consultation Plan to engage the public and other stakeholders on the LoS framework and to better understand customers' willingness to pay for enhanced LoS.
- Documenting information workflows, and clearly defining roles and responsibilities in the LoS continual improvement planning process. A component of collecting LoS performance data is ensuring that the right processes are in place to enable efficient LoS reporting. It is recommended that the City review its existing business process and identify opportunities to support cross-functional teamwork. This includes developing process maps and documenting clear roles and responsibilities so that key staff understand their role in data collection, recording, analysing, and monitoring.

- **Recommendation 6: Develop a Risk Assessment Framework and use risk scores to drive financial needs forecasting.**

The use of a risk-based approach to inform financial needs provides a clear direction in maintenance, rehabilitation, and replacement work in terms of balancing priorities. It also provides transparency to the public and other stakeholders to demonstrate that decisions are made in an impartial and consistent manner, without unreasonable bias, and in accordance with agreed upon policy and priorities.

- **Recommendation 7: Implement a Computerized Maintenance Management System (CMMS) / Work Management System.**

Implementation of a CMMS will ensure managing and tracking asset operations and maintenance on a consistent basis across all asset classes. The City will conduct an AM Software Strategy following the completion of this AM plan to identify future system requirements that may include enhancing existing software, adding-on, or replacing.

- **Recommendation 8: Acquire a Decision Support System (DSS) to prioritize and coordinate road capital planning with wastewater sewers and stormwater sewers capital planning.**

Implementation of a DSS tool to coordinate utilities with roads programs allows to manage a range of assets within any road right-of-way to optimally coordinate leading to reduced cost and limited disruption to businesses and residents. DSS will also help prioritization and optimization of capital plans. The City will conduct an AM Software Strategy following the completion of this AM plan to identify future system requirements that may include enhancing existing software, adding-on, or replacing.

- **Recommendation 9: Refine the lifecycle model and update the model periodically as new information becomes available.**

The roads lifecycle model is based on a wide range of data inputs, currently available information, and a number of assumptions, and is therefore at best a high-level estimate of future needs.

- In light of the annual capital and O&M investments outlined in **Section 4.2**, the estimated funding requirement for capital reinvestment, O&M, and winter control is on average of \$23 Million per year over the next 10 years.
 - Review financial modeling assumptions on replacement values and update the financial model with latest information as it becomes available (e.g., updated traffic information).
 - When there is a new iteration of pavement asset condition information, it is recommended the City to use the updated pavement condition in the model and refresh the capital reinvestment forecast to better inform asset reinvestment needs.
- **Recommendation 10: Continue to monitor growth needs and integrate growth related roads, bridges and culverts funding needs into the financial forecast and update the roads and bridges AM Plan as appropriate.**

As referenced in **Section 3.6**, the City's roadway system is expected to grow in line with an increase in the City's population. AECOM recommends that the City:

- Performs traffic study every five years.
 - Includes growth-related capital needs as part of the capital budgeting.
 - Coordinates AM planning and development planning processes to ensure that the infrastructure systems that are built to serve new growth can be sustained over the long term.
 - Ensures that the roads and bridges asset inventory is kept current at all times as new assets are added and existing assets are refurbished or retired.
- **Recommendation 11: Continue to find ways to improve AM initiatives across the City by maintaining a high level of AM awareness through training, AM buy-in, communication, and knowledge sharing.**

ISO 55010⁴ identifies that the financial and non-financial functions of AM within organizations are generally inadequately aligned. The lack of alignment between financial and non-financial functions can be attributed to silos in an organization, including reporting structures, functional / operational business processes, and related technical data. Financial and non-financial alignment needs to work both "vertically" and "horizontally", as follows:

- Vertical Alignment: financial and non-financial asset-related directives by management are informed by accurate upward information flows, effectively implemented across the appropriate levels of the organization.
 - Horizontal alignment: financial and non-financial information that flows between departments conducting functions such as operations, engineering, maintenance, financial accounting, and management, etc. should use the same terminology and refer to the assets identified in the same way.
- **Recommendation 12: Develop a Knowledge Retention Strategy to document staff AM knowledge and experience for succession planning purposes.**

Communicate AM improvement initiatives and enhance AM awareness through internal communication.

- **Recommendation 13: Develop a Change Management & Communications Plan.**

AM buy-in and support are needed from all levels of the City to ensure that AM standards, practices, and tools are properly adopted and incorporated into day-to-day work activities. A successful Change Management & Communications Plan will depend on the following factors:

- AM buy-in from Council, senior management, staff, and departments.
- AM objectives are realistic and achievable.

⁴ International Organization for Standardization (2019): ISO 55010 - Asset management — Guidance on the alignment of financial and non-financial functions in asset management

- AM improvement initiatives are appropriately resourced.
- A network of AM champions is developed and empowered across the City.

Appendix A - Roads MS Excel Inventory

The City's roads inventory is presented as a separate MS Excel file.

Appendix B - Bridges and Culverts MS Excel Inventory

The City's bridges and culverts inventory is presented as a separate MS Excel file.

Appendix C - Road Condition Distribution by Functional Class

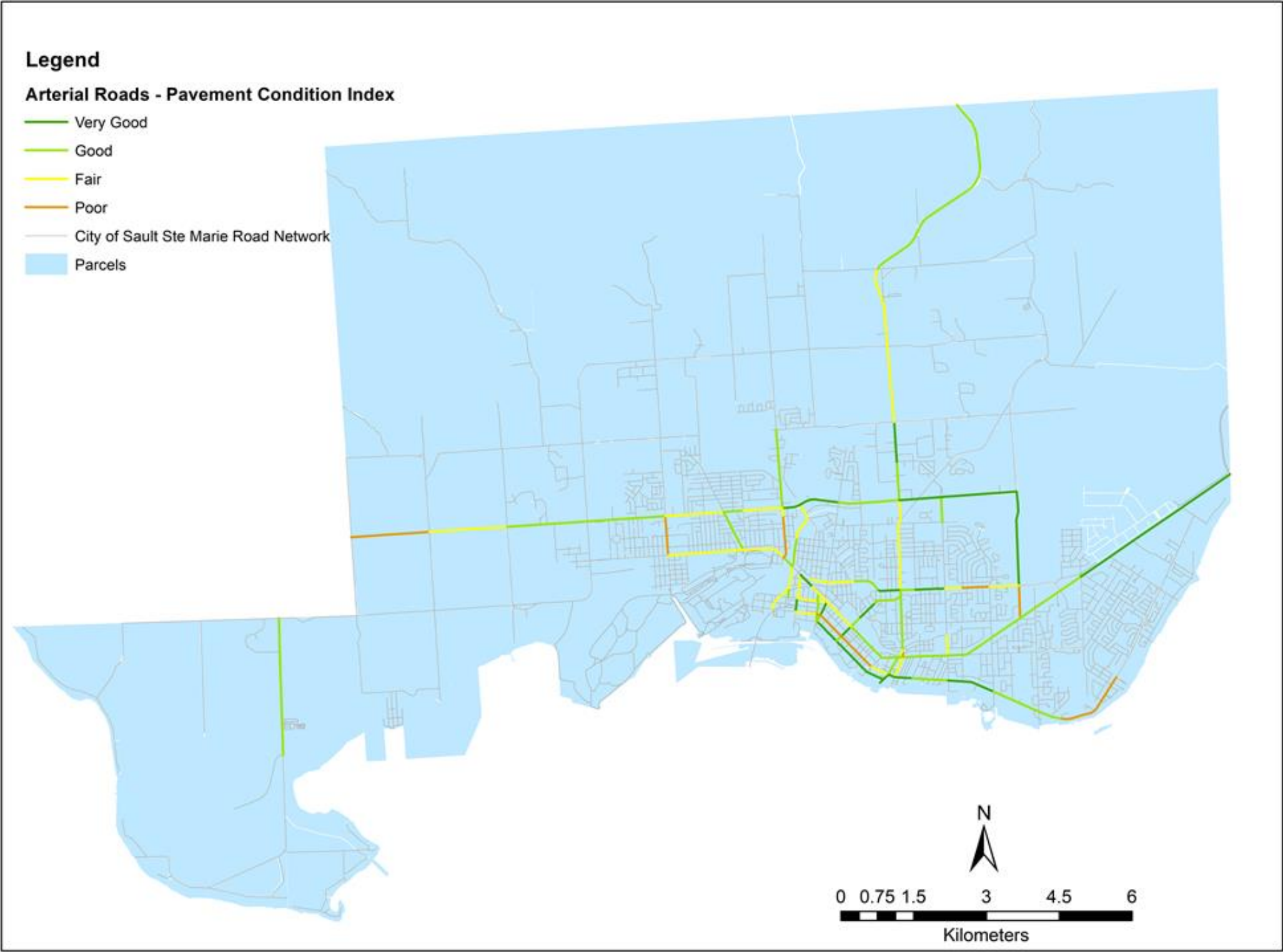


Figure A-1: Arterial Roads Condition Distribution

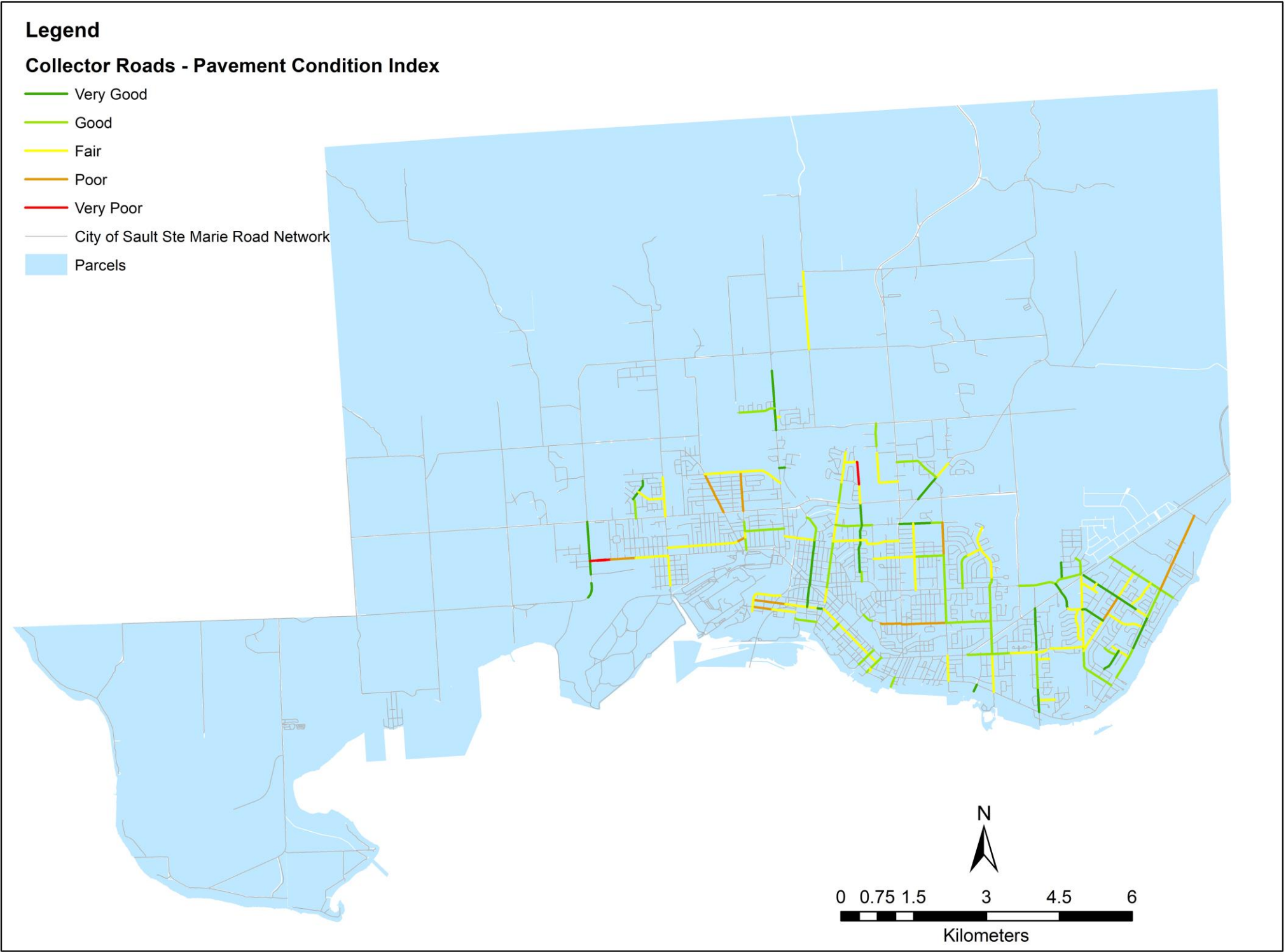


Figure A-2: Collector Roads Condition Distribution

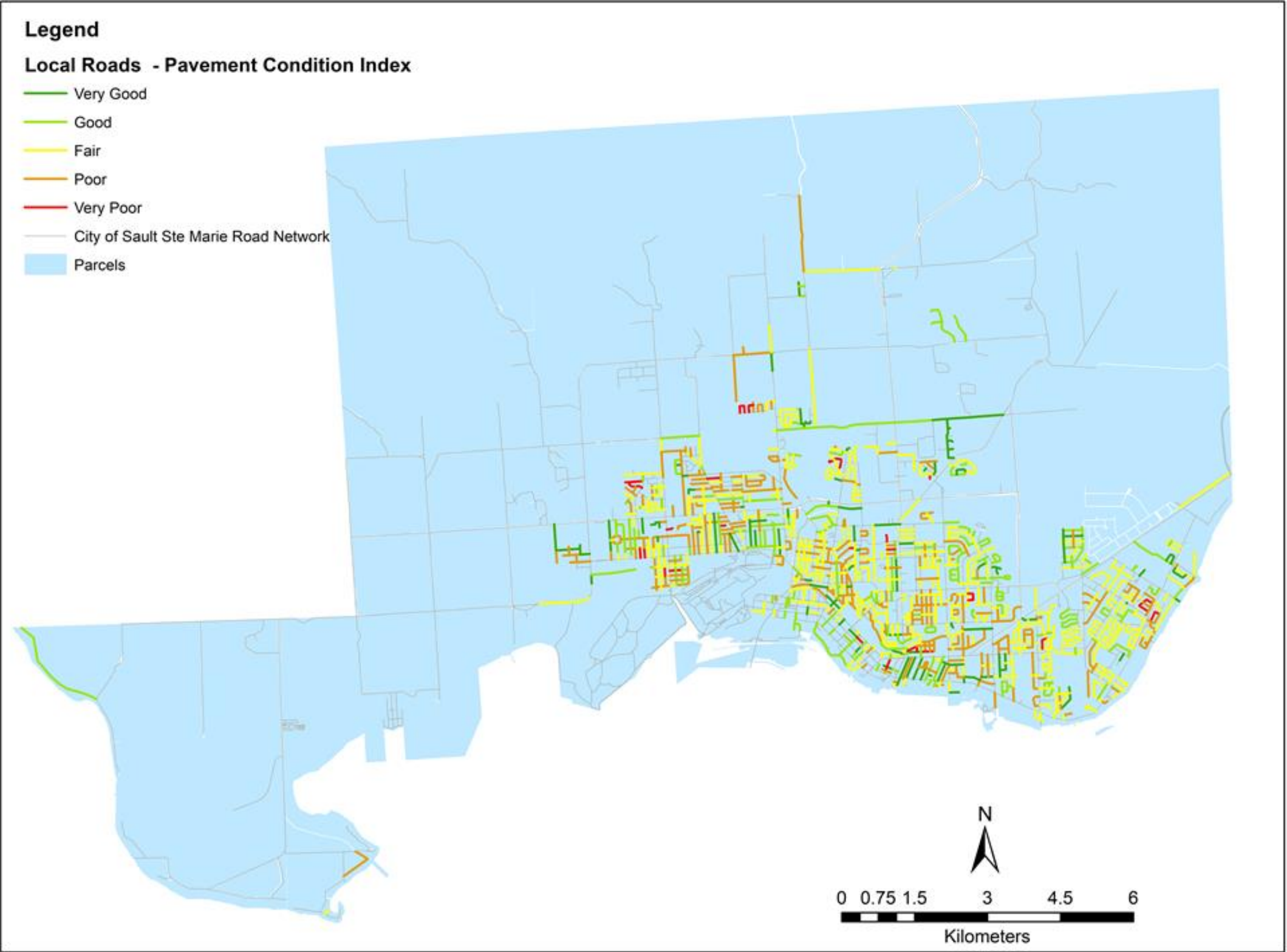


Figure A-3: Local Roads Condition Distribution

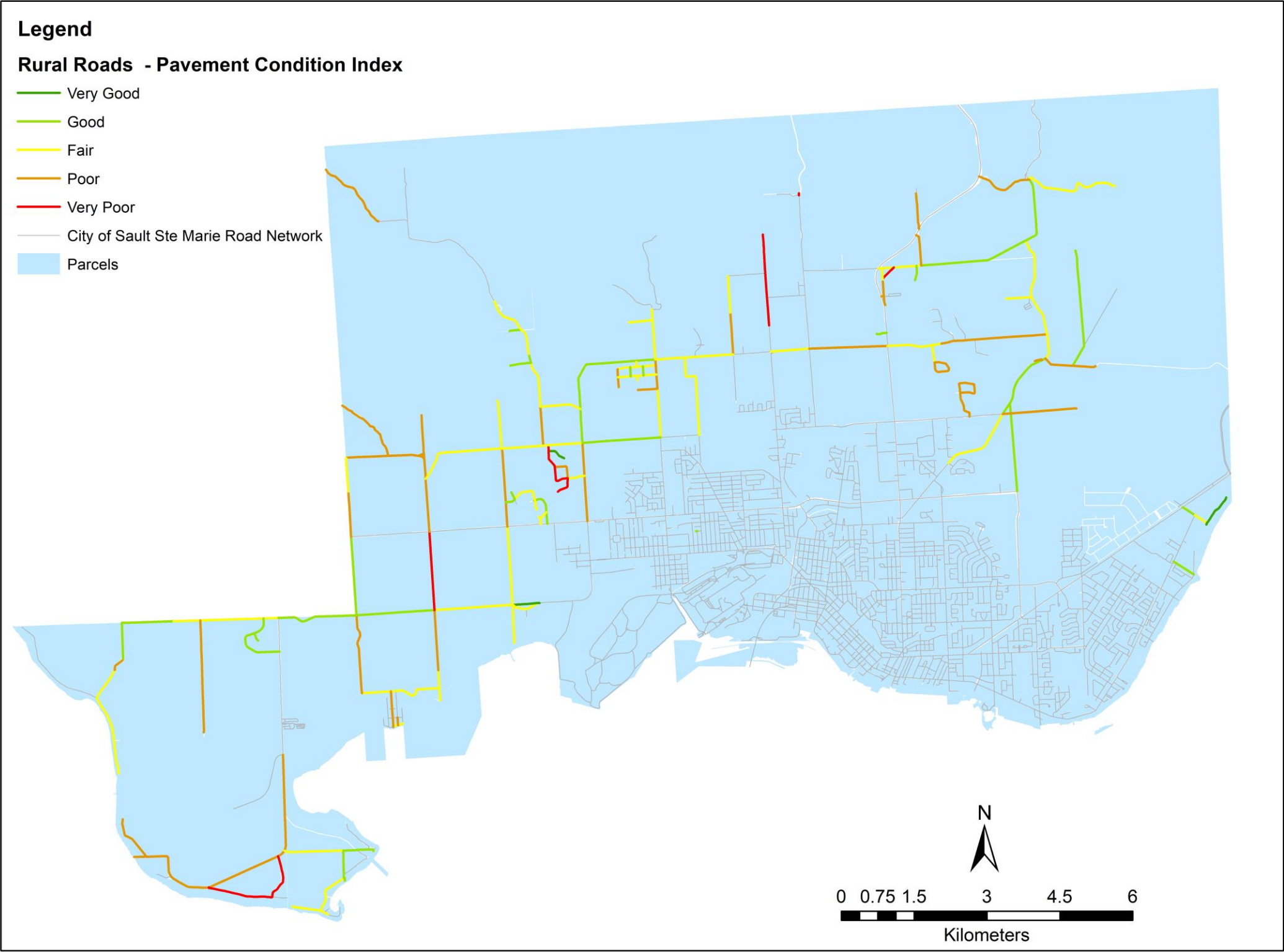


Figure A-4: Rural Roads Condition Distribution

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City of Sault Ste. Marie Asset Management Plan Stormwater

August 8th , 2022

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Appendix A - Stormwater Asset Inventory

Appendix B - Stormwater Approximate Regulated Area

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List of Abbreviations

Abbreviation	Description
AM	Asset Management
AMP	Asset Management Plan
CCTV	Closed Circuit Television Video
CIBI	Canadian Infrastructure Benchmarking Initiative
CMMS	Computerized Maintenance Management System
ESL	Estimated Service Life
FIPPA	Freedom of Information and Protection of Privacy Act
GIS	Geographic Information System
LoS	Level of Service
MFIPPA	Municipal Freedom of Information and Protection of Privacy Act
O&G	Oil and Grit
O&M	Operations and Maintenance
O. Reg.	Ontario Regulation
PUC	Public Utilities Commission
RSL	Remaining Service Life
TBD	To be determined

1. Introduction

AECOM Canada Ltd. (AECOM) was retained by The City of Sault Ste. Marie (the “City”) to develop an asset management plan to comply with the first phase of the Ontario Regulation 588/17 (O. Reg. 588/17) requirements in respect to its core municipal infrastructure assets. The scope of work for this investigation is outlined in AECOM’s proposal dated June 9th, 2021 and subsequent project correspondence.

1.1 Background

Sault Ste. Marie is a city located on the St. Mary’s River, North of the United States of America, bordering on two of the Great Lakes with an estimated population of 73,368 (2016). The City provides a wide range of public services to their constituents with the expectation from the public that these services are expected to function efficiently at a certain level. The provision of these services requires the management of the physical assets to meet desired service levels, manage risks, and to provide long term financial sustainability. These assets include, but are not limited to roads, bridges, sidewalks, wastewater assets, stormwater management assets, landfill, fleets, buildings, and parks.

In accordance with the terms of reference for this assignment, it is understood that the City is proceeding with an asset management plan to comply with the first phase of the regulatory requirements in respect to its core municipal infrastructure assets, in accordance with O. Reg. 588/17, by July 1, 2022. The core assets to be included in the scope, as defined by the regulation, include the City’s wastewater assets, stormwater management assets, roads, and bridges and culverts.

1.2 Scope and Objectives

In 2015, the City’s first Asset Management Plan (AMP) was published. In 2019, by the City Council approval, the Strategic Asset Management (AM) Policy for the City came into effect.

Organizations that implement good AM practices will benefit from improved business and financial performance, effective investment decisions, and better risk management. Stakeholders can expect lower total asset life cycle costs, higher asset performance, and confidence in sustained future performance.

The objective of this AMP is to capture the core infrastructure assets and deliver a financial and technical roadmap for the management of the City’s roads, bridges and culverts, wastewater assets, and stormwater assets. The intent of this plan is to provide the means for the City to maximize value from its assets, at the lowest overall expense while, at the same time, enhance service levels for its residents. Furthermore, the objective of this AMP is to align with the guidelines laid out in the City’s Strategic AM Policy and Section 5 of O. Reg. 588/17.

As management of each core asset is not a consistent process due to maintenance and construction requirements, we have grouped the core assets as follows:

1. Roads, and Bridges and Culverts.
2. Stormwater Management Assets.
3. Wastewater Assets.

This AMP has been developed for the City’s stormwater management system, as shown in [Table 1-1](#). Wastewater, and Road and Bridges & Culverts AMPs are presented under separate reports.

Table 1-1: In-Scope Stormwater Assets

Asset Category	Sub-Assets
Stormwater Conveyance System	Sewers, Service Connections, Manholes & Chambers, Aqueducts, Ditches, Catch Basins, Catch Basin Leads, Road Crossing Culverts, Driveway Culverts, and Oil and Grit Separators.
Pump Stations	Structural, Process Mechanical, Building Mechanical, Electrical, Instrumentation and Control Assets.
Stormwater Other	Stormwater Management Ponds, Rain Gauges, Snow Dumps, and Shoreline Seawalls.

The following elements are included within the scope of this AMP:

- Asset hierarchy, a summary of the asset inventory, including the replacement cost of the assets, the average age of the assets, the condition of the assets, and data gaps analysis (**Sections 1**).
- The City's level of service objectives, stakeholder identification, current levels of service (LoS) determined in accordance with the qualitative descriptions and technical metrics outlined in O. Reg. 588/17, and future demand drivers (**Section 3.6**).
- Asset lifecycle management strategies and funding needs to maintain current LoS, minimize associated asset risks, and to optimize costs over the whole lifecycle of the asset (**Section 4** and **Section 5**).

1.3 Asset Management Provincial Requirements

The O. Reg. 588/17 came into effect in 2018 and stipulates specific AM requirements to be in place within Ontario municipalities by certain key dates (**Table 1-2**). The development of this AMP is one of the steps to guide the City towards meeting the July 1st, 2024 deadline.

Table 1-2: O. Reg. 588/17: AM Planning for Municipal Infrastructure

Description: A regulation made under the Infrastructure for Jobs and Prosperity Act, 2015, stating that every municipality shall prepare and update a Strategic AM Policy, and that every municipality shall prepare an AM Plan for its core infrastructure assets by July 1, 2022, and an AM Plan for all other infrastructure assets by July 1, 2024. The regulation outlines several requirements that each AM Plan must follow, such as including current and proposed level of service. Core municipal infrastructure assets include water, wastewater, stormwater, road, and bridge assets.	
Deadline Date	Regulatory Requirement
July 1 st , 2019	All municipalities are required to prepare their first Strategic AM Policy.
July 1 st , 2022	All municipalities are required to have an AM Plan for its entire core municipal infrastructure (i.e., water, wastewater, stormwater, roads, and bridges & culverts).
July 1 st , 2024	All municipalities are required to have an AM Plan for infrastructure assets not included under their core assets.
July 1 st , 2025	All AM Plans must include information about the level of service that the municipality proposes to provide, the activities required to meet those level of service, and a strategy to fund activities.

2. State of Infrastructure

Typically, stormwater originates from melted snow and rain that flows across the land. The City's system is transferring this stormwater to streams, rivers and lakes with a combination of sewers, culverts, aqueducts, as well as other vital components such as catch basins, ditches, service connections, manholes & chambers, a pump station, ponds, rain gauges, and snow dumps. The City also owns and maintains shoreline stabilization assets (i.e., seawalls) to protect municipal infrastructure from erosion.

The stormwater system plays a pivotal role to protect the well-being and the safety of society, as well as protecting the environment. Accordingly, the City is responsible for managing the stormwater network to maintain the asset serviceability and reliability at a satisfactory level.

2.1 Asset Hierarchy

To fulfill the requirements of O. Reg. 588/17 and to pave the way for robust long range asset management planning, the City of Sault Ste. Marie requires a logically segmented asset break down structure (hierarchy) under the scope of this AMP. To do so, the core stormwater assets must be sufficiently granular to recognize which individual assets are due for renewal. However, it is important to balance the fine trade-off between adequate granularity to provide the essential information, and too much granularity that the effort of which to collect and manage the information eclipses the usefulness of the data itself.

There is a wide range of stormwater system assets organized hierarchically as presented in **Figure 2-1**. This break down of the infrastructure is derived from the way that assets are presented within the data sources, which indicates program area's responsibilities and parent-child relationships within each asset type.

Figure 2-1 categorizes the City's stormwater system into three main sections namely, the conveyance system, pump stations, and other. Pump stations is then stratified into structural, process mechanical, electrical, and instrumentation & control. The conveyance system is broken down into sewers, service connections, culverts, ditches, manholes & chambers, catch basins, oil and grit separators, and aqueducts. Snow dumps, ponds, rain gauges, and seawalls fall into the other category.

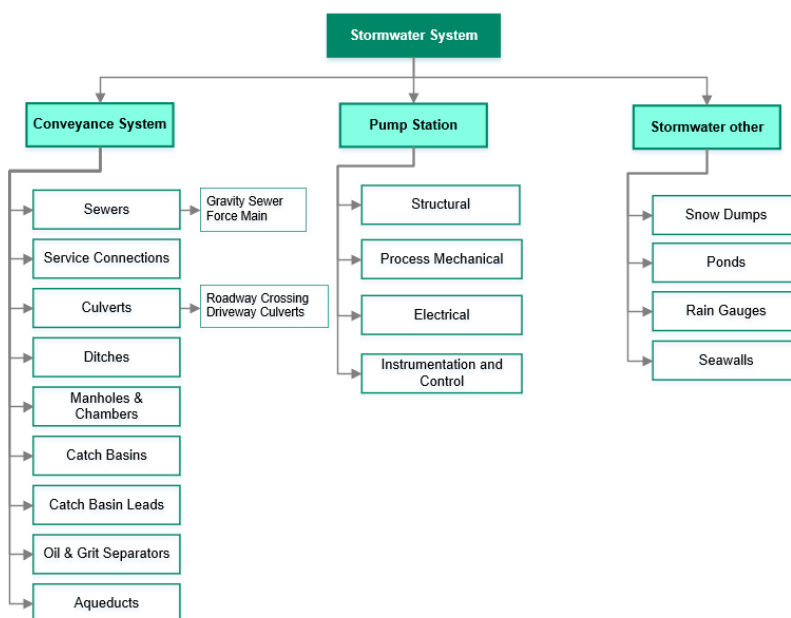


Figure 2-1: City of Sault Ste. Marie Stormwater Asset Hierarchy

2.2 Current State of the Assets

2.2.1 Asset Inventory

Table 2-1 summarizes the stormwater inventory for each asset category within the City's stormwater network.

Table 2-1: Stormwater Asset Inventory Summary

Asset Group	Asset Category	Asset Sub-Category	Quantity	Unit	Count of Assets
Stormwater Management System	Conveyance System	Sewers	287	km	4,976
		Road Crossing Culverts	10	km	553
		Driveway Culverts	79	km	8,987
		Aqueducts	14	km	56
		Catch Basin Leads	83	km	9,257
		Ditches	658	km	22,748
		Service Connections	78	km	7,714
		Catch Basins	9,243	Ea.	9,243
		Manholes & Chambers	4,299	Ea.	4,299
		O&G Separators	11	Ea.	11
	Pump Stations	Pump Stations	1	Ea.	8
	Stormwater Other*	Ponds	17	Ea.	17
		Rain Gauges	7	Ea.	7
		Snow Dumps	7	Ea.	7
		Seawalls	TBD*	TBD	TBD
Total					67,940

*Shoreline seawall assets inventory is currently not available. However, the capital needs for the seawalls are considered in the stormwater capital reinvestment planning.

2.2.2 Current Asset Replacement Value

The City's Stormwater system is valued at approximately \$1 Billion. **Table 2-2** presents current replacement value of each asset subcategory, as well as all subcategories. The total replacement value for the conveyance system is approximately \$1 Billion. Pump stations and other stormwater assets account for almost \$0.5 Million and \$2 Million, respectively. The Aqueducts account for the highest replacement value, which is approximately \$356 Million, followed by sewers, contributing to over \$304 Million. The values presented in **Table 2-2** include a 45% markup to allow for the removal of existing infrastructure, engineering (design and contract administration), contingencies, and mobility.

Table 2-2: Stormwater Current Replacement Value

Asset Group	Asset Category	Asset Sub-Category	Unit Replacement Cost (\$/Unit)	Total Replacement Value (2022)
Stormwater Management System	Conveyance System	Sewers	\$360 - \$2,100 / m	\$304,431,000
		Road Crossing Culverts (< 3 m)	\$250 - \$2,500 / m	\$10,076,000
		Driveway Culverts	\$250 - \$2,500 / m	\$68,862,000
		Aqueducts	\$13,000 - \$24,000 / m	\$355,778,000
		Catch Basin Leads	\$360 - \$800 / m	\$49,355,000
		Ditches	\$50 / m	\$47,692,000

Asset Group	Asset Category	Asset Sub-Category	Unit Replacement Cost (\$/Unit)	Total Replacement Value (2022)
		Service Connections	\$300 - \$730 / m	\$40,674,000
		Catch Basins	\$5,000 / Ea.	\$67,614,000
		Manholes & Chambers	\$10,000 - \$40,000 / Ea.	\$69,360,000
		O&G Separators	\$12,000 - \$76,000 / Ea.	\$910,000
Pump Stations		Pump Station	\$5,000 - \$200,000 / Ea. (per component)	\$479,000
Stormwater Other		Ponds	\$70,000 / Ea.	\$1,726,000
		Rain Gauges	\$5,000 / Ea.	\$51,000
		Snow Dumps	\$30,000 / Ea.	\$305,000
Conveyance System				\$1,014,752,000
Pump Stations				\$479,000
Stormwater Other				\$2,082,000
Total				\$1,017,313,000

2.2.3 Age and Remaining Service Life

In practice, various assets will deteriorate at different rates and not necessarily linearly over time. However, it is pivotal to keep in mind the level of effort required to predict failure compared with the asset value. More sophisticated deterioration modelling may be warranted for very high value assets, whilst the cost of deterioration modeling for low-value assets may very well exceed the replacement cost of the asset. The actual service life can vary significantly from the estimated service life (ESL). The latter is defined as the period over which an asset is available for use and able to provide the required LoS at an acceptable risk and serviceability (i.e., without unforeseen costs of disruption for maintenance and repair). In some instances, a variation in expected vs. actual service life is evident due to the following factors:

- **Operating conditions and demands:** Some assets are operated intermittently or even infrequently or are being operated at a lower demand than their designed capacity. Thus, the actual operating “age” of the asset is reduced.
- **Environment:** Some assets are exposed to very aggressive environmental conditions (e.g., corrosive chemicals), while other assets are in relatively benign conditions; thus, the deterioration of assets is affected differently.
- **Maintenance:** Assets are maintained through refurbishment or replacement of components, which prolongs the service life of the asset.
- **Technological Obsolescence:** Some assets can theoretically be maintained indefinitely, although considerations such as cost to maintain the asset, its energy efficiency, and the cost to upgrade to an updated technology that would result in cost savings are likely to render this approach uneconomical.

Table 2-3 and **Figure 2-2** present the weighted average age, weighted average ESL, and remaining service life (RSL) for various asset sub-categories within the City's stormwater system. The average age of assets ranges from 12 to 40 years for rain gauges and aqueducts, respectively, and the average ESLs vary from 20 (rain gauges) to 100 (snow dumps) years. Based on the table, ponds, snow dumps, and service connections have the highest remaining service life with 66, 64, and 51 years, respectively.

Table 2-3: Stormwater Average Age, ESL, and Remaining Service Life

Asset Group	Asset Category	Asset Sub-Category	Weighted Average Age	Weighted Average ESL	Remaining Service Life
Stormwater System	Conveyance System	Sewers	40	80	40
		Road Crossing Culverts	28	60	32
		Driveway Culverts	23	25	2
		Catch Basins	38	80	42
		Aqueducts	33	80	47
		Catch Basin Leads	39	72	33
		Ditches	36	80	44
		Service Connections	29	80	51
		Manholes & Chambers	39	80	41
		O&G Separators	16	50	34
	Pump Stations	Pump Stations	35	66	31
	Stormwater Other	Ponds	14	80	66
		Rain Gauges	12	20	8
		Snow Dumps	36	100	64

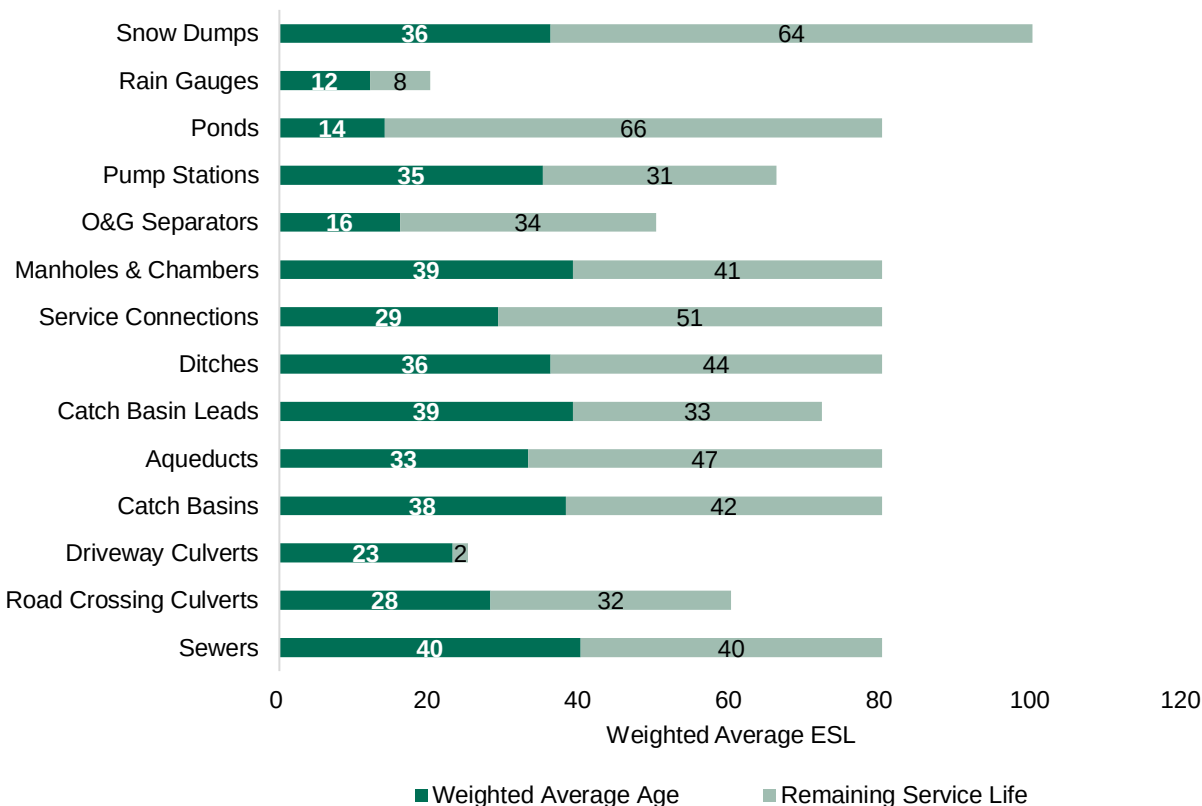


Figure 2-2: Stormwater System Weighted Average Age and Remaining Service Life

Figure 2-3 shows the installation profile of the City's stormwater management system, stratified based on different sub-categories. As seen, aqueducts have considerable contribution to installed assets prior to 1990 with a replacement

value of approximately \$257 Million. As mentioned before, the total replacement value for aqueducts is almost \$357 Million.

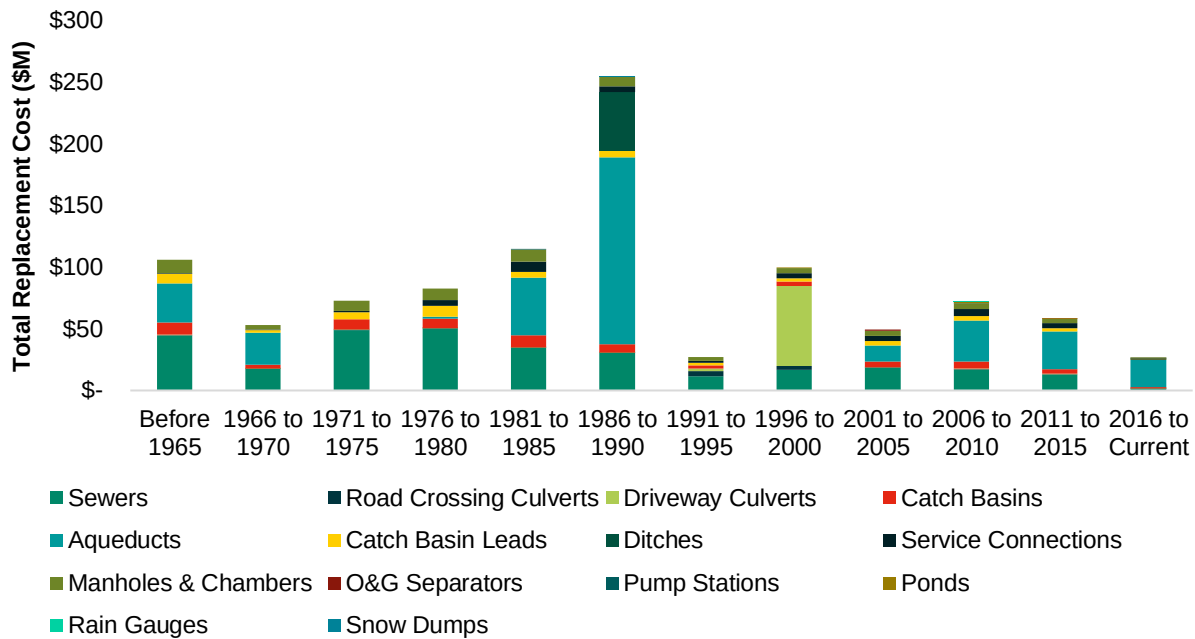


Figure 2-3: Stormwater Installation Profile

Figure 2-4 illustrates the stormwater conveyance assets profile based on the 10-year installation periods to better understand how much each asset subcategory is contributing to replacement values, by era of construction. A significant proportion of sewers was installed after 1951, with a spike between 1971 to 1980.

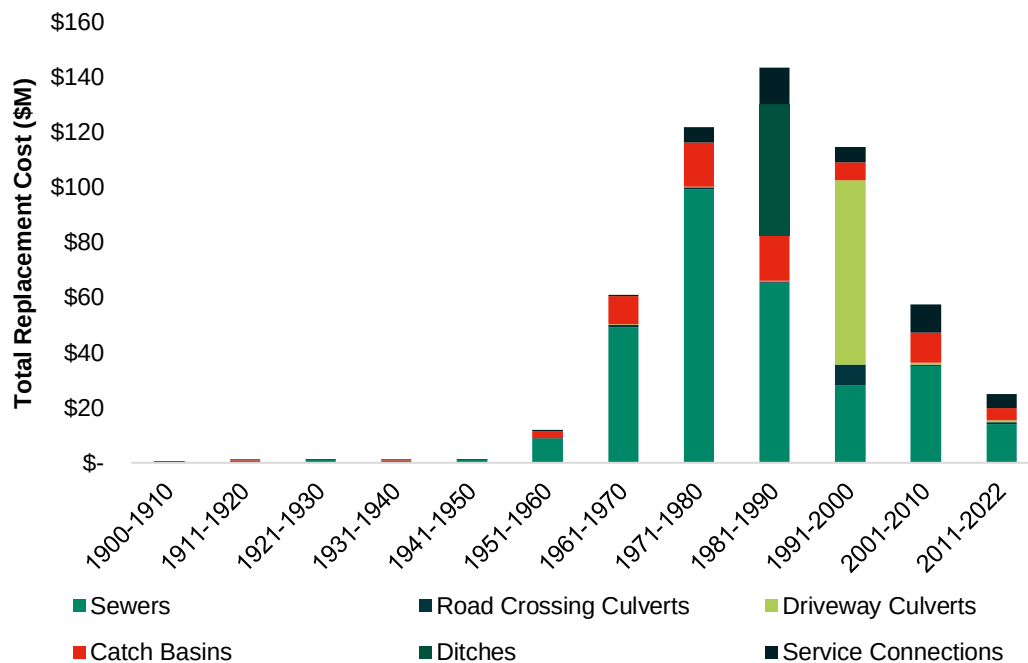


Figure 2-4: Installation Profile of Stormwater Conveyance system

2.2.3.1 Stormwater Sewers and Service Connections Materials

Table 2-4 indicates the material distribution for stormwater sewers and service connections. Most of the storm sewer mains are made of concrete and concrete cast in place, with almost 181 km and 18.8 km, respectively, followed by PVC, with approximately 51 km. The majority of service connections are made of PVC material (approximately 43 km). **Figure 2-5** and **Figure 2-6** highlight the percentage of length for each material type for stormwater sewers and service connections.

Table 2-4: Storm Sewer and Service Connections Material Distribution by Length

Asset Category	Material	Total Length (km)
Stormwater Sewers	Concrete	181.6
	Concrete Cast in Place	18.8
	Other (Asbestos Cement, Cast Iron, Clay, Corrugated PVC, Polypropylene, Vitrified Clay)	9.5
	PVC	50.9
	Unknown	25.8
Service Connections	Asbestos Cement	3.3
	Other (Vitrified Clay, Polyethylene)	0.7
	PVC	42.9
	Unknown	31.6

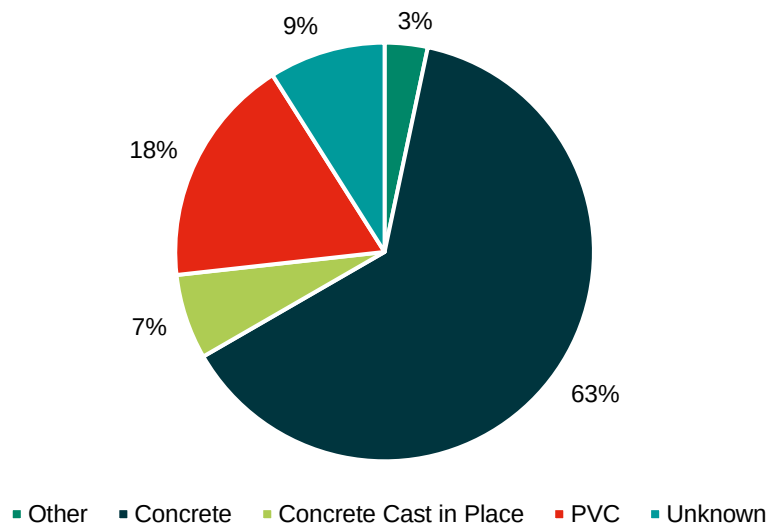


Figure 2-5: Stormwater Sewers Material Distribution by Length

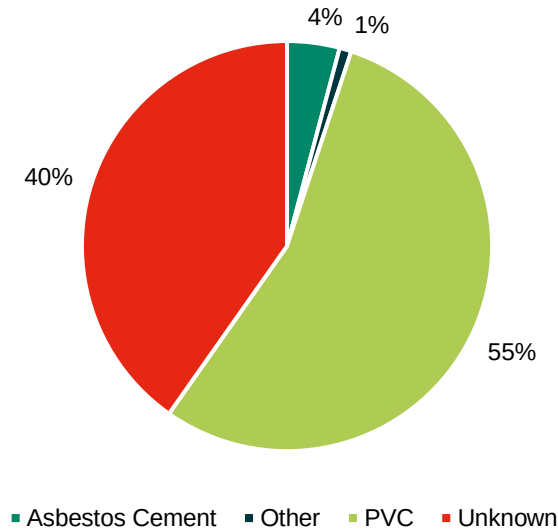


Figure 2-6: Service Connections Material Distribution by Length

2.2.4 Asset Condition

All assets are expected to deteriorate over their lifetime, and their assigned condition reflects the physical state of the asset. Field condition assessment for 25 sewer segments in the South Market area (Clark Creek Drainage System from Black Road to Bennett Blvd) were performed in 2020¹ and incorporated in this AMP. Cured-in-Place-Pipe Lining (CIPP) sewer rehabilitation strategy and the associated costs were suggested to resolve the observed defects. It should be noted that no on-site condition assessments were carried out for this project.

For storm sewers that do not have field condition assessment results, an age-based approach was applied to assess the condition. Accordingly, a two-parameter Weibull distribution function was used to assess the current condition of the stormwater assets. The Weibull distribution has been used extensively in reliability studies and lifetime prediction models in industries ranging from automotive to the oil & gas and provides a suitable distribution for this type of analysis.

The underlying premise of the Weibull-shaped deterioration is that while some assets fail prematurely due to severe conditions or improper installation, other assets are very long-lived and function well beyond their theoretical ESL. In order to perform a high order network-level analysis, it was assumed that assets would fail (and require replacement) within a deterioration envelope / curve approximated by a Weibull probability distribution. The two-parameter Weibull cumulative distribution has two parameters for scale and shape, as set out in Equation [1]:

$$f(x; \alpha, \beta) = e^{-\left(\frac{x}{\beta}\right)^\alpha} \quad [1]$$

Where: x = Age
 α = Shape parameter (or slope)
 β = Scale parameter

A set of Weibull cumulative distribution functions were leveraged to simulate a set of deterioration curves for assets with different ESLs as shown in **Figure 2-7**.

¹ AECOM. 2020. Technical Memorandum: Storm Sewer Assessment – South Market Area (Clark Creek Drainage System from Black Road to Bennett Blvd)

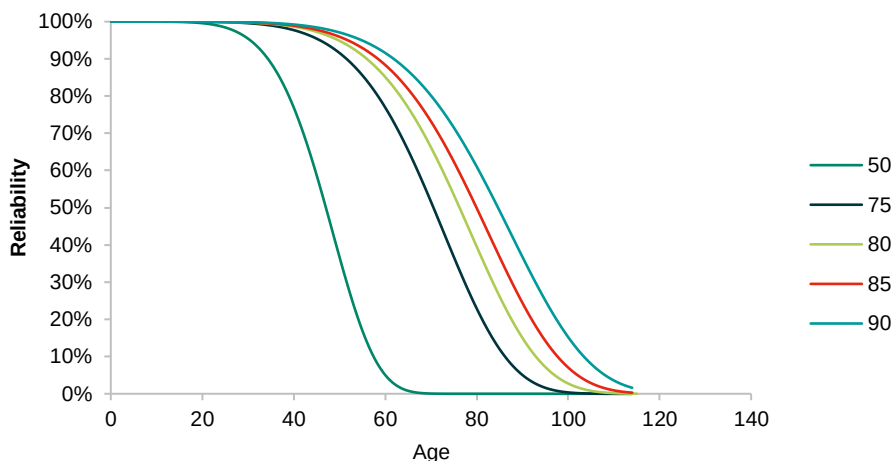


Figure 2-7: Asset Deterioration Curve Samples

Table 2-5 summarizes the condition grade of the City's stormwater assets with associated replacement values. Approximately 83% of the assets are in very good condition, with a total replacement value of approximately \$845 Million, and only 1% of the stormwater assets are in the very poor condition with total replacement value of just over \$9 Million. Good condition accounts for 9% of the existing infrastructure, having a replacement value of around \$88 Million. Fair and poor condition assets make up 1% and 7%, respectively.

Table 2-5: Stormwater Condition Summary

Rank	Condition Rating	Replacement Value	% of Replacement Value
1	Very Good	\$844,700,000	83%
2	Good	\$88,138,000	9%
3	Fair	\$7,832,000	1%
4	Poor	\$67,301,000	7%
5	Very Poor	\$9,339,000	1%

Additionally, **Figure 2-8** and **Table 2-6** granulates the condition of the assets based on asset sub-categories and their corresponding replacement values. As indicated within the bar chart, a significant proportion of sewers and aqueducts are in very good condition, with 86% and 91%, respectively. A negligible proportion of these assets are classified within the poor and very poor condition. Also, approximately 90% and 6% of the road crossing culverts are in very good and very poor conditions, respectively. Moreover, 95% of driveway culverts have been categorized in the poor condition with an almost \$65 million replacement value.

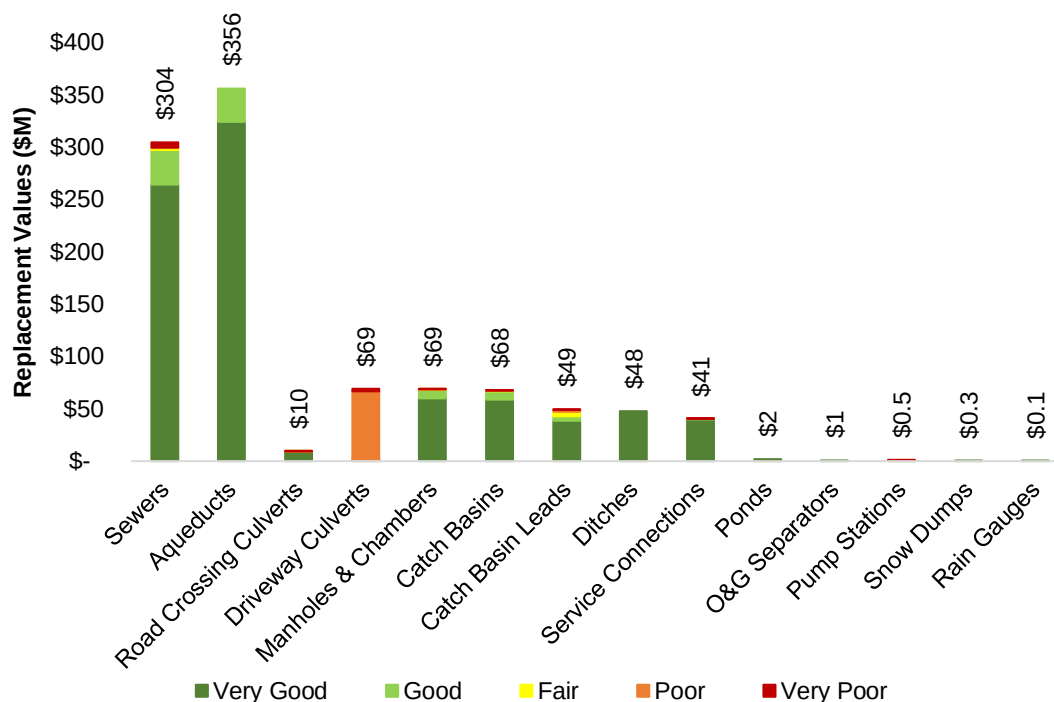


Figure 2-8: Stormwater Condition Summary

Table 2-6: Stormwater Condition Summary

Condition Rating	Sewers	Aqueducts	Road Crossing Culverts	Driveway Culverts	Manholes & Chambers	Catch Basins	Catch Basin Leads	Service Connections	Ponds	O&G Separators	Pump Stations	Rain Gauges
Very Good	86%	91%	90%	2%	86%	87%	79%	98.1%	100%	100%	79%	100%
Good	12%	9%	3%	-	12%	12%	8%	1.3%	-	-	-	-
Fair	1%	-	-	-	1%	1%	9%	0.2%	-	-	-	-
Poor	-	-	1%	95%	-	-	3%	0.1%	-	-	-	-
Very Poor	1%	-	6%	3%	1%	1%	1%	0.3%	-	-	21%	-

Note: Ditches and Snow Dumps not included in the condition summary analysis as do not have information on install dates.

2.2.4.1 Sewers

Table 2-7 and Figure 2-9 present sewer condition distribution by diameter, categorized into four groups, <450mm, 450-1,500mm, >= 1,500mm, and Unknown. Pipes between 450mm and 1,500mm have the highest contribution to the replacement cost (\$185 Million), followed by smaller than 450mm pipes (\$78 Million). The highest replacement value for the very poor category belongs to 450-1500 mm pipes, which is approximately \$2.5 Million. Unknown pipes and pipes with larger diameter than 1,500 mm account for approximately \$23 Million and \$18 Million, respectively.

Table 2-7: Sewers Condition by Diameter

Condition Rating	< 450mm	450 - 1,500mm	≥ 1,500mm	Unknown
Very Good	\$57,716,000	\$170,629,000	\$15,354,000	\$18,188,000
Good	\$17,781,000	\$11,297,000	\$2,426,000	\$3,799,000
Fair	\$1,377,000	\$488,000	-	\$247,000
Poor	-	\$626,000	-	-
Very Poor	\$1,105,000	\$2,461,000	\$168,000	\$775,000
Total	\$78,000,000	\$185,500,000	\$17,900,000	\$23,000,000

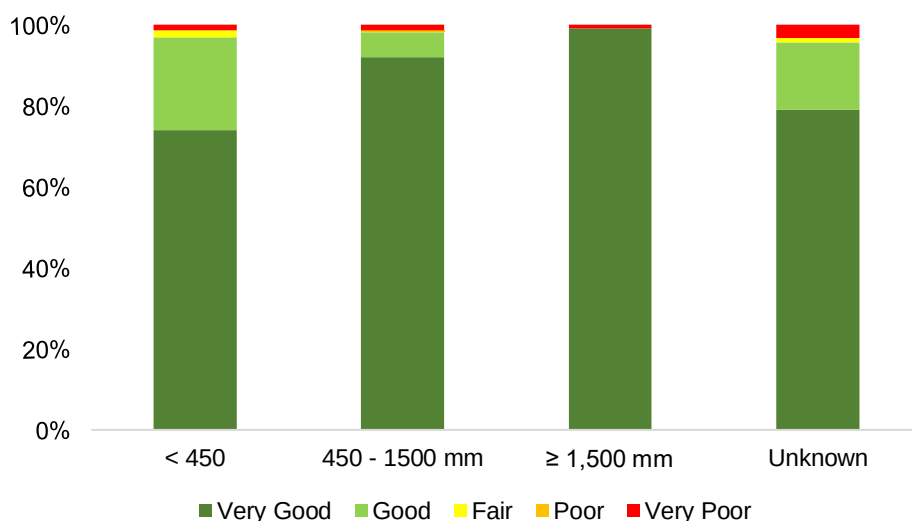


Figure 2-9: Stormwater Sewers Condition Distribution by Diameter

2.3 Asset Data Gap Analysis

This section summarizes the current state of the City's asset data by assessing the quality of the asset inventory. To determine the overall confidence in the current asset data, identify exiting data gaps, as well as to gather insight into the City's data management practices, AECOM facilitated a virtual State of Infrastructure and Data Gap Analysis Workshop with key staff across the in-scope assets. An online Data Management Gap Assessment Survey was also distributed to the AM Working Group to elicit further insights on the City's current and desired future state, as well as key challenges, regarding the City's overall data management.

2.3.1 Data Gap Observations

Table 2-8 provides a summary of observed data gaps in the compiled stormwater asset inventory across key data attributes that help to make informed decisions over the asset lifecycle for this AM plan.

Table 2-8: Observations on Asset Data Completeness

Asset Group	Inventory Completeness (%)						
	Asset ID	Name / Location	Install Date	Inspection Date	Condition	Expected Service Life	Replacement Cost
Stormwater	99.5%	100%	90%	0%	0%	0%*	0%*

* The gap was filled during the development of this AM plan.

2.3.2 Data Confidence

The quality of asset data is critical to effective AM, accurate financial forecasts, and informed decision-making. For this reason, it is important to know what the reliability of the information is for the State of Infrastructure analysis of the stormwater assets. **Table 2-9** provides a description for the data confidence grades used to classify the reliability of the asset data used in this data gap analysis. Through consultation with City staff during a Data Gap and State of Infrastructure Workshop, the asset attribute data for the stormwater in-scope assets were assigned the grades outlined in **Table 2-10**.

Table 2-9: Data Confidence Grading Scale

Confidence Grades	Description
A - Highly reliable	Data is based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B - Reliable	Data is based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C - Uncertain	Data is based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy is estimated $\pm 25\%$
D - Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E - Unknown	None or very little data held.

Table 2-10: High-Level Asset Data Confidence Grades

Asset Category	Data Confidence Average Grade		
	Inventory	Age	Condition
Stormwater	B	C	C

2.3.3 Data Management Practice

The asset data lifecycle is a sequence of stages that data goes through from its initial build (i.e., data capture and entry) to its eventual archival and/or deletion at the end of its useful life². A clear definition and understanding of the organization's process for acquiring, storing, utilizing, assessing, improving, archiving, and deleting data (see **Figure 2-10**) will ensure good data management practices and help to sustain levels of data quality required to support AM activities.

² TechTarget Network, Definition: Data Life Cycle, 2020.

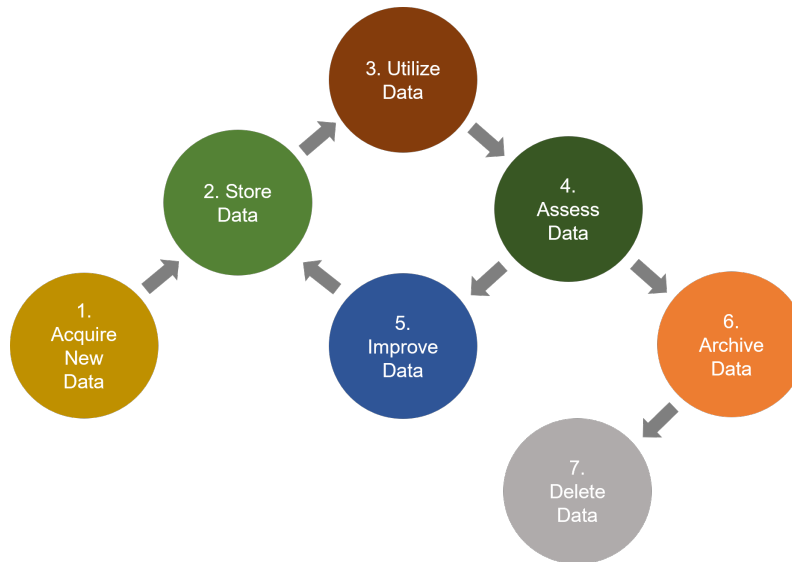


Figure 2-10: Asset Information Lifecycle

The seven key stages of the asset data lifecycle are described in more detail below:

1. **Acquiring New Data:** The majority of new asset data arises from asset creation, refurbishment and overhaul activities. New data may also come by way of inheritance or transfers from other business units, organizations, or third parties. As such, it is important to have clearly defined processes in place not only to add or update asset data, but to migrate and merge data from other sources.
2. **Storing Data:** The way asset data is stored is an important consideration for overall data quality. Having a planned approach to data storage will inevitably reduce the likelihood of duplication and inconsistencies across datasets within the organization. Depending on the needs of the organization, this stage may involve procuring a new software to adequately house the data, along with a data backup and recovery plan to ensure that the necessary data protection and privacy standards are met.
3. **Utilizing / Analysing Data:** This aspect of the asset information lifecycle is where users encounter the data to support data-driven activities within the organization. Data can be viewed, processed, edited, and published to allow users to access the data outside the organization. Critical data that has been modified should be fully traceable to maintain the integrity of the data. As such, it is important to communicate to the users why asset data is so important, and how it is used to inform decisions within the organization.
4. **Assessing Data:** Assessing the data quality helps to determine the level of confidence in the information and ensures that decision-makers are making informed decisions based on the quality of data available to them. Moreover, it is important to fully understand the availability and quality of the asset data before issuing information publicly. Some of the results of data degradation, due to improper or lack of assessment, may include:
 - Poor asset performance due to lack of information and understanding of asset behaviour.
 - Non-compliance with statutory regulations or safety requirements.
 - Safety incidents due to risks not being identified or reported.
 - Asset failure due to gaps in maintenance planning.
5. **Improving Data:** Improving data quality involves establishing clear targets which are intended to be communicated widely across the organization. It is imperative that the organization understands the costs, benefits, and risks associated with any data improvements since the cost of the improvement may outweigh the overall benefit. It is also important to note that *more* data does not necessarily mean *better* data. It is very possible to collect data that does not add value to the organization. As such, it is critical that the organization aligns its data improvement targets with its AM objectives, and considers the data-driven decisions staff need to make at the operational and strategic level, to ensure that the *right* data is being improved upon.

6. **Archiving Data:** Archiving data is the process of storing data that is no longer active or required but is able to be retrieved in case it is needed again. Data that is archived is stored in a location where no usage or maintenance occurs. It is recommended that a data archive strategy exists within an organization in order to lay out the data archival requirements, which considers the following:
- What data should be archived and why?
 - Are there any legal obligations for retaining data records?
 - How long should data records be retained?
 - What is the risk associated with not being able to retrieve data records?
 - Who should be able to access archived data records?
 - What is the expected timeframe to retrieve archived data records?
 - Clearly communicating these requirements across the organization is key to ensuring staff are educated on why records are being archived, how they can access archived data records, and for how long archived data records can still be accessed.
7. **Deleting Data:** The deletion of data is the final component of the asset information lifecycle. Typically, within organizations there is a resistance to permanently delete data, otherwise known as data “squirrelling”, due to the overall capacity of storing data increasing and the cost decreasing. However, within the organization’s data archive strategy, a retention period should be specified to indicate when data should be deleted, along with any processes to follow, such as obtaining prior authorization.

2.3.3.1 Current Data Management State

The City’s Public Works and Engineering Services Department staff are involved in stormwater data management. The City’s stormwater data is currently stored in GIS, Excel spreadsheets, reports, and as-built drawings. Currently, the City updates assets in the GIS post-construction, and there may be a lag in obtaining as-builts and adding/updating data. The City is following the mandate in records retention procedures for municipalities as per Freedom of Information and Protection of Privacy Act (FIPPA) and the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA).

2.3.3.2 Future Data Management State

The City will develop and implement a software strategy that helps streamline data management following this AMP. Eventually, the City plans to have a clear and efficient data management process and comprehensive and robust asset inventory to support their AM decision making. The implementation plan for data improvement is presented in [Section 6](#).

3. Level of Service

3.1 Purpose

Levels of Service (LoS) support every aspect of the overall AM system. The objective of establishing clearly defined service levels is to help the City meet stakeholder values, achieve its strategic goals, make informed decisions, and implement effective asset lifecycle activities.

Documenting LoS is a proven practice that will enable the City to:

- Link corporate strategic objectives to customer expectations and technical operations.
- Balance customer needs and expectations while evaluating the effectiveness of operations to determine whether the right LoS is being provided at the right cost.
- Transition from an “Asset Stewardship” approach that focuses on making decisions based on maintaining assets in an acceptable condition to a “Serviceability” approach that is geared towards making decisions based on balancing the costs, risks, and goals for the LoS being provided by the City’s assets.
- Communicate the physical nature of infrastructure that the City owns and is financially responsible for and enable effective consultation with stakeholders regarding alternative funding options according to desired LoS outcomes.
- Make recommendations on strategies that the City can take now to minimize future renewal costs while ensuring that adequate LoS can be delivered without burdening future generations.
- Assess internal (e.g., program changes) and external (e.g., climate change) factors that have the potential to impact the City’s ability to deliver services and how these factors may impact the LoS being provided.
- Implement a corporate continuous improvement program to further optimize AM across all service areas.

The O. Reg. 588/17 requires that all AMPs include the current LoS being provided, determined in accordance with the qualitative descriptions and technical metrics provided (see [Section 1.3](#)).

3.2 Objectives

Defining LoS objectives is important for drawing a line of sight between the City’s corporate objectives and the tangible asset performance outcomes. To do so, the LoS objectives must take into consideration stakeholder interests to develop asset performance measures that aim to meet the needs and expectations of the community. By doing this, the City will ensure that their assets perform optimally, not only operationally, but economically, socially, and environmentally as well.

Stakeholders have interests in the service being provided. The City’s Comprehensive Background Report³ (2021) for the New Official Plan outlined the overarching themes that reflect the City’s values, as shown in [Table 3-1](#). Each overarching theme is also assigned a corporate service objective.

The development of level of service targets should be aligned with these corporate objectives which will be addressed during the later phases of the AM regulatory compliance process and before the July 1, 2025 deadline.

Table 3-1: The City’s Overarching Themes and Objectives

Overarching Themes	Corporate Objective
Healthy Community	Supports healthy living, active transportation, access to passive and active recreation, social interaction and the creation of spaces that are comfortable, safe, and accessible for all ages and abilities (the “8 to 80 Cities” concept).

³ City of Sault Ste Marie. 2021. Comprehensive Background Report.

Overarching Themes	Corporate Objective
Environmental Sustainability	Supports energy conservation and efficiency, improved air quality, reduced greenhouse gas emissions and climate change adaptation.
Integrated Mobility	Supports accessibility and choice of diverse transportation modes.
Sense of Place	Fosters a welcoming place for all that establishes connection and provides a memorable experience to visitors.
Sustainable Growth	Stimulates reinvigoration of neighbourhoods to provide a complete range of housing, services, employment and recreation.
Economic Resiliency	Supports the growth and diversification of the city's economy.
Social Equity	Contributes to creating a welcoming and inclusive community, focusing on the removal of systemic barriers so that everyone has access to an acceptable standard of living and can fully participate in all aspects of community life.
Cultural Vitality	Celebrates the Sault's history, diverse communities and natural and cultural heritage, with the Downtown as the Sault's core destination for arts and culture.

3.3 Stakeholders Identification

A stakeholder is any person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or an activity. Stakeholder analysis is the process of understanding stakeholder needs, expectations and perceptions relative to the stakeholder's level-of-interest and level-of-influence over the organization. The organization typically engage with its stakeholders to:

- Establish which activities or services matter most.
- Understand their risk appetite and risk threshold.
- Understand their willingness to pay for services.

Stakeholders can take many forms and may be internal (i.e., staff, Council) or external (i.e., the public, regulatory agencies, suppliers, neighbouring municipalities, etc.) to the organization. The following groups were identified as key stakeholders for stormwater at the LoS workshops. This is not intended to be an exhaustive list; however, the following groups provide a good starting point for the City to move forward to the next stage.

- Council.
- Residents.
- Industrial, Commercial, Institutional (ICI) property owners and tenants.
- Regulatory Agencies (i.e., Ministry of the Environment, Conservation and Parks [MECP], Fisheries and Oceans Canada [DFO], Sault Ste. Marie Region Conservation Authority [SSMRCA]).
- Other Government Agencies (i.e., Environment and Climate Change Canada [ECCC] and Michigan Department of Environment, Great Lakes, and Energy [EGLE], Michigan Environmental Protection Agency [EPA], Algoma Public Health, Chippew County Health Department Personal & Family Health).
- Neighbouring or Downstream Communities (i.e., First Nations including Garden River First Nation, Batchewana First Nation, and Echo Bay, and municipalities from the US including Chippewa County, Michigan, and the City of Sault Ste Marie, Michigan).
- Environmental groups (i.e., Bi-National Public Advisory Council [BPAC] (US & Canada joint committee), Clean North, Lake Superior Watershed Conservancy [LSWC], Streamkeepers, and Friends of the St Mary's River).
- Other City Department (e.g., Planning Department).
- Developers.
- Contractors and suppliers.

3.4 O. Reg. 588/17 Levels of Service Metrics

O. Reg. 588/17 requires legislated community levels of service for core assets. Community levels of service use qualitative descriptions to describe the scope or quality of service delivered by an asset category. O. Reg. 588/17

also requires legislated technical levels of service for core assets. Technical levels of service use metrics to measure the scope or quality of service being delivered by an asset category.

Table 3-2 presents a summary of the City's stormwater service levels for O. Reg. 588/17 Metrics. References are provided to show where the O. Reg. 588/17 requirement has been attained.

Table 3-2: O. Reg. 588/17 Levels of Service Metrics (Stormwater Services)

O. Reg. 588/17 LoS Performance Measure	Unit	Community or Technical LoS	Current LoS Performance (2021)
Description, which may include maps, of the user groups or areas of the municipality that are protected from flooding, including the extent of the protection provided by the municipal stormwater management system.	Text	Community	- Most properties are resilient to riverine flooding, except for some properties along creeks. - Most properties are resilient to pluvial flooding. The City's storm sewer models show areas that are at risk during extreme rainfall events. Problem areas and possible mitigation options are outlined in the City's Stormwater Master Plan. - Actual incidences of flooding during heavy rainfall have been recorded by the City. - Refer to Appendix B for the approximate regulated area from O. Reg. 176/06: Sault Ste. Marie Region Conservation Authority: Regulation of Development, Interference with Wetlands and Alterations to Shorelines and Watercourses.
% of properties in municipality resilient to a 100-year storm.	%	Technical	61% of properties are resilient to pluvial flooding during the 100-year storm. 97% of properties resilient to riverine flooding during the 100-year flood.
% of the municipal stormwater management system resilient to a 5-year storm.	%	Technical	80% of properties are resilient to the 5-year storm.

The Stormwater LoS performance data was collected and estimated based on information from SSMRCA's floodplain mapping, the City's trunk sewer models, and the City's Stormwater Master Plan.

The percentage of City properties resilient to riverine flooding during the 100-year flood was determined by the SSMRCA based on their floodplain mapping overlapped with the City's parcel data in GIS.

The percentage of the municipal stormwater management system resilient to pluvial flooding from a 100-year storm was estimated based on the percentage of the City's trunk sewers which are under-capacity during a 100-year storm, using the City's trunk sewer model. Likewise, the percentage of the municipal stormwater management system resilient to a 5-year storm was calculated based on prorating the percentage of the trunk sewers that are under-capacity in the City's trunk sewer model during the 2-year and 100-year storms.

3.5 Levels of Service Performance Targets

Establishing LoS targets is an important part of continual improvement and performance management. Without targets, it is difficult to ascertain whether goals are being met, or the extent of the gap if they are not. Incorporating targets into the City's LoS Framework helps to ensure that targets are reasonable, aligned with customer expectations, and evaluated on an objective basis using cost-benefit trade-offs.

One of the key challenges in setting targets in a municipal environment is that they can often become biased and/or politically motivated. Therefore, it is important to review LoS targets with internal and external stakeholders, especially the customers who will be impacted the most by changes in service delivery. An important aspect of evaluating LoS targets is determining how willing the user is to pay for the service. Regulatory requirements are an exception; however, as they are not optional and can be deemed the minimum service standard. Cost is still an

important parameter to consider when assessing the merits of service improvements. To deal with the financial realities, it is necessary to:

- Calculate how much the service costs based on current LoS.
- Determine the cost associated with varying the LoS.
- Assess the customers' willingness to pay.

It is important that any targets set be realistic and achievable. Therefore, it is not advisable that the City sets any firm targets until their current performance has been fully assessed. O. Reg. 588/17 require AMPs to include proposed levels of service and a formalized financial strategy by July 1, 2025.

3.6 Future Demand Drivers

Demand management is a critical component of managing the desired LoS in a sustainable manner, now and into the future. Understanding future demand drivers enables the City to proactively develop effective, long-term strategies that are suitable for the City's unique and evolving political, environmental, social and technological landscape.

Factors identified during the LoS workshop that would impact stormwater service levels now and into the future include, but are not limited to, the following:

- Aging infrastructure (e.g., old concrete sewers, etc.).
- Regulatory changes.
- Staff availability (i.e., technical skill availability, skill gaps from changing technology, etc.).
- Succession management & skills transfer.
- Funding (e.g., having proper AM plans to optimize service delivery at minimal cost).
- Contractor availability (e.g., contractors' availability for big projects, etc.).
- Climate change (e.g., greater risk of flooding from increased precipitation, higher water levels in Great Lakes, St. Mary's River etc.).
- Supply Chain (i.e., material and equipment availability for capital projects, etc.).
- Fluctuations on contract pricings.
- Increased development resulting in greater stormwater run-off.

On November 2, 2021, the City's Planning Division released the Comprehensive Background Report for updating the Official Plan⁴. The City's Official Plan guides the local decision-making on land use, development and public infrastructure over the next 20 years. The City's population is expected to reach to about 80,000 people in 10 years, by 2031, and 83,300 people by 2036. Employment is projected to grow by about 6,000 jobs, from approximately 31,000 jobs in 2016 to 36,900 jobs in 2036. An increase in population / employment will likely cause increased development, resulting in more impervious area and greater stormwater run-off.

When additional assets to accommodate this population and employment growth are introduced to the City's portfolio, additional human resources, training and funding are required to maintain and operate, and renew or replace those assets. O. Reg. 588/17 requires municipalities by July 1, 2025, to estimate capital expenditures and significant operating costs to achieve the proposed LoS and accommodate projected increases in demand caused by population and employment growth. This includes the estimated capital expenditures and significant operating costs related to new construction and / or to upgrade existing municipal infrastructure assets. The City will have to address these aspects during the later phases of the AM regulatory compliance process and before the July 1, 2025 deadline.

⁴ City of Sault Ste Marie. 1996. Official Plan

4. Asset Management Strategies

4.1 Asset Lifecycle Management Introduction

Asset lifecycle management focuses on the specific activities that should be undertaken during all phases of the asset lifecycle. Considering entire asset lifecycles can ensure that the City makes sound decisions that consider present and future service delivery needs.

The overarching goal of life cycle management is to maximize the long-term benefits and services that our assets deliver while minimizing the associated costs and risks in the long run. Every asset has a lifecycle cost, which is the total cost of all the activities undertaken throughout its service life. Part of the purpose of the asset management planning process is to fully understand and predict the long-range financial requirements for the City's infrastructure to facilitate planning and resource management in the most cost-effective manner possible. **Figure 4-1** illustrates how costs typically accumulate over an asset's life. It is worth noting that the accumulation of the ongoing operations and maintenance, renewal & replacement and disposal costs is many multiples of the initial acquisition costs. As such, it is important to fully understand the entire lifecycle costs before proceeding with asset acquisition.

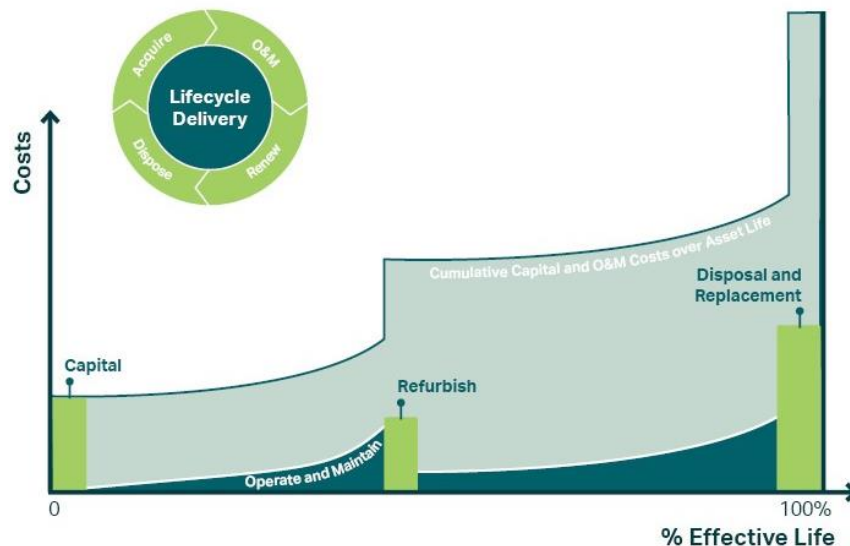


Figure 4-1: Lifecycle Cost Accumulation Over Asset Life

Asset lifecycle management strategies are typically organized into the following categories.

1. **Asset Acquisition / Procurement / Construction:** Acquisition includes expansion activities and upgrading activities to extend services to previously unserved areas or expand services to meet growth demands and to meet functional requirements. When acquiring new assets, the City should evaluate credible alternative design solutions that consider how the asset is to be managed at each of its life cycle stages. Asset management and full lifecycle considerations for the acquisition of new assets include, but are not limited to the following:

- The asset's operability and maintainability.
- Availability and management of spares.
- Staff skill and availability to manage the asset.
- The manner of the asset's eventual disposal.



2. **Asset Operations and Maintenance (O&M):** As new infrastructure is commissioned, the City accepts the responsibility of operating and maintaining the infrastructure according to O&M standards to ensure that the infrastructure is safe and reliable. Operations staff provide the day-to-day support required to operate infrastructure. In few cases, operation costs are minor, but for most there are significant increases. For example, underground pipes require almost no operational support while a facility such as a pump station requires full-time staff to operate the facility safely and efficiently. Maintenance expenses include periodic preventive maintenance to ensure that the infrastructure can provide reliable service throughout the life of the asset and corrective maintenance that is required to repair defective assets as and when needed. Inadequate funding for O&M will have an adverse impact on the lifespan of assets. The amount of O&M resources required in any period is a function of the current inventory of infrastructure and total O&M needs required for each asset. As the inventory of infrastructure grows, total O&M requirements will also grow.
 3. **Renewal and Replacement:** The third portion of full lifecycle costing relates to the renewal and replacement of infrastructure that has deteriorated to the point where it no longer provides the required service. Renewal cost is sometimes incurred during the life of an asset where an investment is made to improve the condition and / or functionality of the asset e.g., re-lining of a pipe. Replacement activities are expected to occur once an asset has reached the end of its useful life and rehabilitation is no longer an option.
 4. **Decommissioning and Disposal:** There will inevitably come a point in time when an asset must be removed from service and, depending on the type of asset, there may be significant costs associated with its decommissioning and disposal. Factors that may influence the decision to remove an asset from service include changes to legislation that cause the asset to be in non-compliance, the inability of the asset to cope with increased service levels, technology advances that render the asset obsolete, the cost of retaining the asset is greater than the benefit gained, or the current risk associated with the asset's failure is not tolerable.
- Normally, major costs that may be incurred during disposal and decommissioning derive from the environmental impact of the disposal and, if required, the rehabilitation and decontamination of land. In some cases, there will be residual liabilities and risks to consider if a decision is made to partially abandon the asset as opposed to fully disposing of its components (e.g., leaving a non-functioning pipe in the ground, or an inactive building standing). However, some cost savings may be achieved through the residual value of the asset or by exploring alternative uses for the asset. In all cases, it is important to consider disposal and decommissioning as the strategy employed has the potential to attract significant stakeholder attention. For that reason, the costs and risks associated with disposal and decommissioning should be equally considered in the City's capital investment decision-making process.



4.2 Stormwater Assets Management Strategies

The asset management strategies that are employed by the City to manage the stormwater management system throughout their lifecycle is summarized in [Table 4-1](#).

Table 4-1: Current Lifecycle Management Strategies for Stormwater Assets

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
Stormwater	Acquisition	All Stormwater Assets - Assumption of subdivisions. - Pipes that do not meet capacity requirements are upsized to increase capacity. - Undertaking Environmental Compliance Approval (ECA).	- To extend services to previously unserved areas or expand services to accommodate asset enhancements. - Adequate planning and implementation of infrastructure projects help manage existing and potential growth pressures and address other demand factors.
	Operations and Maintenance	Storm sewers gravity mains - Flushing and cleaning. - Spot Repairs. - Reactive CCTV inspections of sewers. - Emergency blockage or failure responses.	- Flushing and cleaning activities can remove debris to ensure desired mains capacity and ensure a proper functioning sewer system. - Spot repair will fix mains that have or may collapse and cause disruptions to service, backups and / or overflows. - Emergency blockage responses will remove partial or full blockages from mains that cause disruptions to service, backups and / or overflows and restore the main operational functions.
		Manholes & Chambers - Routine inspections. - Performing maintenance as needed.	- Routine inspections for manholes & chambers to address flow concerns or easement flooding issues. - React to issues and ensures manholes are structurally and operationally sound.
		Service Connections Performing maintenance as needed.	- Repair service connections or remove blockages that cause connection back ups to minimize the service impact and ensure assets are operationally and structurally sound. - Replacement of aged and / or substandard laterals to reduce potential failures.
		Catch Basins - Performing maintenance as needed. - Vacuuming out catch basins and sump pits.	- React to issues and ensure catch basins are structurally and operationally sound. - Clean catch basins to remove debris and improves drainage.
		Catch Basins Leads Corrective maintenance as needed such as thawing frozen leads.	Ensure proper drainage.
		Ditches - Routine maintenance. - Clean ditches as required. - Ditching program.	Ditch maintenance activities reduce / eliminate the possibility of ditch flooding and failure.

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
		Road Crossing Culverts (<3 m) Performing maintenance as needed.	Prevent further damage to culverts and the ultimate failure of culverts which could lead to sinkholes and flooding
		Driveway Culverts Performing maintenance as needed.	Prevent further damage to culverts and the ultimate failure of culverts which could lead to flooding.
		O&G Separators Proactive maintenance program.	Ensure separator functions properly and reduce the amount of oil/sediment that could be disposed in the receiving environment / area.
		Aqueducts - Biennial inspections. - Coordination with Sault Ste. Marie Region Conservation Authority (SSMRCA) to make maintenance decisions.	Inspect the condition of aqueducts to identify and locate deficiencies or problems.
		Pump Station - Weekly routine inspection. - Maintaining the electronic components that monitor station security, controls, and diagnostics. - Washing down and removing debris in the pump station chambers. - Annual oil change. - Emergency repairs.	- Regular inspections ensure stormwater facilities are operating properly and that potential maintenance issues are identified and prioritized for repairs to avoid equipment failure. - Regular maintenance activities at stormwater facilities ensure that the facilities continue operate properly. - Facilities' emergency repairs restore the condition of failed components.
		Stormwater Management Ponds Regular inspections and maintenance.	Visual inspection of pond sediment accumulation, vegetation, litter and trash, condition of structures, etc. help identify and prevent potential problems or issues with the ponds.
		Rain Gauges Ongoing program to inspect and maintain electronic equipment such as batteries checkup and wireless data transmission equipment inspections.	Ensures rain gauges are functioning properly.
		Snow Dumps None currently.	TBD
		Shoreline Seawalls TBD.	
	Renewal and Replacement	Storm sewers Coordination of sewer replacement with road reconstruction.	Coordination sewer replacement with road reconstruction allow to manage a range of assets within any road right-of-

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
			way to optimally coordinate leading to reduced cost and limited disruption to businesses and residents.
		Manholes & Chambers Replace at the same time as the sewer mains.	Bundling similar works to manage related assets and reduce overall lifecycle cost.
		Service Connections Replace at the same time as the sewer mains.	
		Catch Basins Replace at the same time as the sewer mains.	
		Catch Basins Leads Replace at the same time as the sewer mains.	
		Ditches Ditching program.	Repair ditches and shoulders to improve drainage and reduce the risk of flooding.
		Road Crossing Culverts (<3 m) Replace at end of life or in conjunction with road reconstruction.	Failure to replace road crossing culverts and driveway culverts can cause drainage issues.
		Driveway Culverts Replace at end of life.	
		O&G Separators Replace at end of life.	Reduce risk of failure ensuring continued service in preventing contaminants entering stream and rivers.
		Aqueducts Coordination with Sault Ste. Marie Region Conservation Authority (SSMRCA) to make rehabilitation and reconstruction decisions.	Renewal or replacement of underperformed components.
		Pump Stations The small pump station is assessed annually in terms of priorities for renewal/replacement.	Renewal or replacement of underperformed stormwater facility assets reduce potential loss of service caused by unplanned failure.
		Stormwater Management Ponds Pond cleaning.	Remove sediments to ensure proper function / capacity of ponds.

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
		Rain Gauges Replace at end of life.	Reduce risk of failure ensuring continued service in rainfall monitoring.
		Snow Dumps None currently.	TBD
		Shoreline Seawalls TBD.	
	Disposal	All Stormwater Assets - Removal and landfill disposal. - Metals are retained and brought to a facility as appropriate for recycling, etc.	Ensure assets are disposed in compliance with waste regulations in Ontario.
	Non-Infrastructure	Developing Master Plans and Official Plan.	Master Plans and Official Plan include strategic planning / budgeting and project prioritization enable long-term decision making.

5. Funding Need Analysis

5.1 Reinvestment Forecast and Lifecycle Modeling

Table 5-1 shows the assumptions on the reinvestment rate forecast for each stormwater asset subcategory, the reinvestment target, and the resulting 10-year annual average reinvestment rate for the period 2023 to 2032.

In the future, when condition assessment programs are implemented, asset conditions are recommended to be used to update the renewal and replacement forecast to support improved decision making.

Table 5-1: Stormwater Reinvestment Assumptions

Asset Group	Asset Category	Measure	Target	2023- 2032 10-Yr. Annual Avg. Reinvestment Rate
Stormwater	Stormwater Mains	Percentage of mains exceed their expected service life replaced in 2023 and thereafter	100%	0.2%
	Service Connections	Percentage of required replacement of service connections when replacing mains addressed	100%	0.05%
	Manholes & Chambers	Percentage of required replacement of manholes & chambers when replacing mains addressed	100%	0.1%
	Catch Basins	Percentage of required replacement of catch basins when replacing mains addressed	100%	0.07%
	Catch Basin Leads	Percentage of required replacement of catch basin leads when replacing mains addressed	100%	0.9%
	Ditches	Percentage of ditches rehabilitated annually	2%	0.5%
	Road Crossing Culverts (<3 m)	Percentage of road crossing culverts replaced annually	Replace assets for a life cycle of 40 to 80 years, depending on material type	2.9%
	Driveway Culverts	Percentage of driveway culverts replaced annually	Replace assets for a life cycle of 25 to 50 years depending on material type	4.4%
	O&G Separators	Percentage of O&G Separators exceed their expected service life replaced in 2023 and thereafter	100%	0.0%
	Aqueducts	Percentage of capital reinvestment needs to sustain the current level of service addressed	100% (Equivalent to \$1,600,000 annually – based on the current capital expenditure)	0.5%
	Pump Station	Percentage of stormwater pump station assets exceed their expected service life replaced in 2023 and thereafter	100%	2.1%
	Stormwater Management Ponds	Percentage of stormwater dry ponds cleaning and capital repair needs addressed	100% (Equivalent to \$10,000 annually)	0.6%
	Rain Gauges	Percentage of rain gauges exceed their expected service life replaced in 2023 and thereafter	100%	11.7%
	Snow Dumps	Percentage of capital needs (installation of stormwater treatment OGS for each snow dump) and OGS unit cleaning needs addressed	100% (Equivalent to \$100,000 every year for installing OGS in the first seven years, and \$35,000 annually for OGS cleaning)	32%

Asset Group	Asset Category	Measure	Target	2023- 2032 10-Yr. Annual Avg. Reinvestment Rate
	Shoreline Seawalls	Percentage of capital reinvestment needs to sustain current level of service addressed	100% (Equivalent to \$100,000 annually)	Asset inventory is not available

The lifecycle analysis was implemented within an MS Excel Stormwater Asset Lifecycle Model. The analysis involves integrating key asset attribute information including asset inventory, age, expected service lives, replacement values, and condition to create a theoretical asset replacement cycle for each asset. A financial dashboard was developed to present the lifecycle modeling results.

It should be noted that the nature of this type of analysis is based on a wide range of data inputs, currently available information, and a number of assumptions, and is therefore at best a high-level estimate of future funding needs. Project timing and cost should be further refined upon approach of the actual implementation date.

5.2 Capital Reinvestment Need Analysis

5.2.1 10-Year Reinvestment Need Analysis

The average annual reinvestment rate for the City's stormwater assets is \$7.1 Million over the next 10 years in inflated dollar values. This is equivalent to a total of approximately \$71 Million over the next 10-year period, as presented in **Figure 5-1**. The reinvestment funding needs for stormwater sewers account for the largest share in the 2023. The South Market Street Area pipe relining recommended based on the 2020 storm sewer condition assessment results were included in the 2023 sewer capital funding need to address pipe defects. Driveway culverts make up more than half of the reinvestment funding need throughout the rest of the forecast period as the majority of the City's driveway culverts were expected to last for 25 years based on local environmental conditions. The 2023 to 2032 reinvestment requirements for aqueducts were estimated based on the City's current expenditures and presented in inflated dollar values.

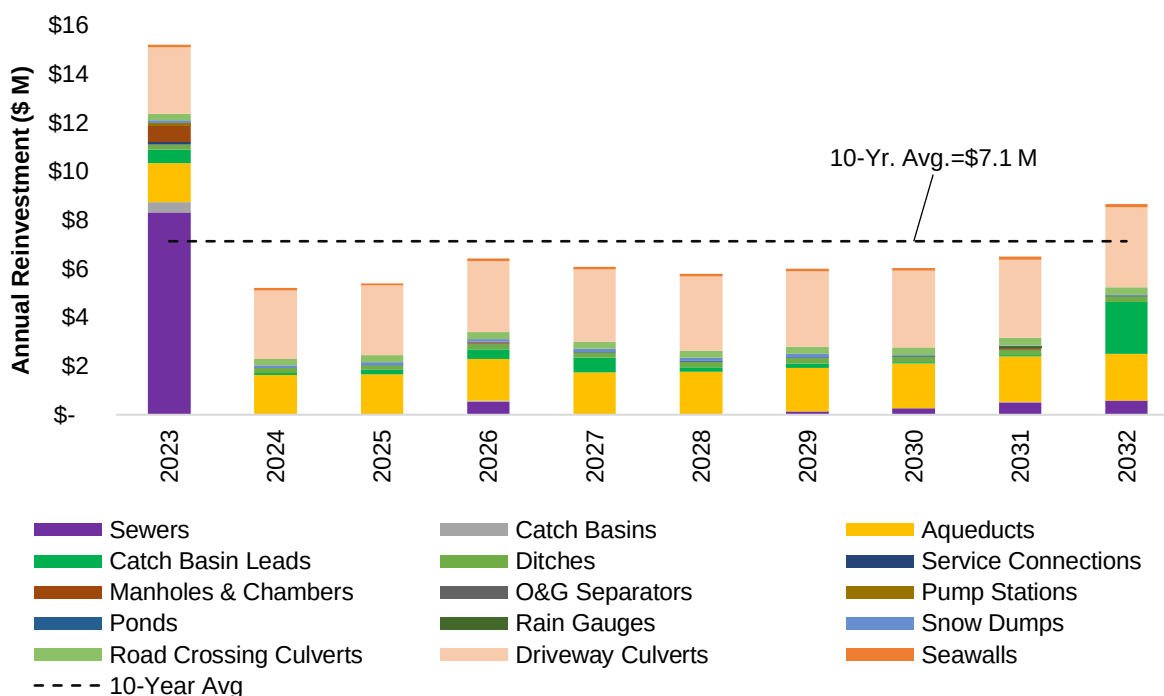


Figure 5-1: Stormwater 10-Year Reinvestment Needs

The detailed 10-year reinvestment needs for each stormwater asset sub-category are presented in **Table 5-2** in inflated dollar values.

Table 5-2: Stormwater 10-Year Total and Annual Average Reinvestment Need

Asset Sub-Category	Annual Average Need	10-Year Total
Sewers	\$1,035,000	\$10,350,000
Road Crossing Culverts	\$290,000	\$2,900,000
Driveway Culverts	\$3,009,000	\$30,090,000
Catch Basins	\$49,000	\$490,000
Aqueducts	\$1,752,000	\$17,520,000
Catch Basin Leads	\$446,000	\$4,460,000
Ditches	\$216,000	\$2,160,000
Service Connections	\$19,000	\$190,000
Manholes & Chambers	\$79,000	\$790,000
O&G Separators	\$-	\$-
Pump Stations	\$10,000	\$100,000
Ponds	\$11,000	\$110,000
Rain Gauges	\$6,000	\$60,000
Snow Dumps	\$110,000	\$1,100,000
Shoreline Seawalls	\$99,000	\$990,000
Total	\$7,131,000	\$71,310,000

5.2.2 50-Year Reinvestment Need Analysis

Looking ahead over the long term, the average annual reinvestment estimate for the City's stormwater assets is \$32.5 Million over the next 50 years in inflated dollar value, for a total of approximately \$1.6 Billion, as presented in **Figure 5-2**. Starting from approximately 2042, a significant proportion of the City's aged stormwater sewers will require renewal or replacement as they will exceed their expected service lives.

The 2023 to 2032 reinvestment needs for aqueducts were estimated based on the City's current expenditures, while the capital need after 2033 was based on asset age and ESL. Based on the current model significant aqueducts funding is required in 2065 and 2067. The aqueducts funding need for 2065 is attributed from the replacement need of a large aqueduct at East Davignon Creek (South of Bonney) to Douglas Street. As the construction dates for some aqueducts are not available, their construction date was assumed based on the available dates leading to the spike of needs in 2067. AECOM recommends that the City to continues to refine the rehabilitation and replacement needs assessment for aqueducts, especially after 2033, to better inform sustainable funding requirements.

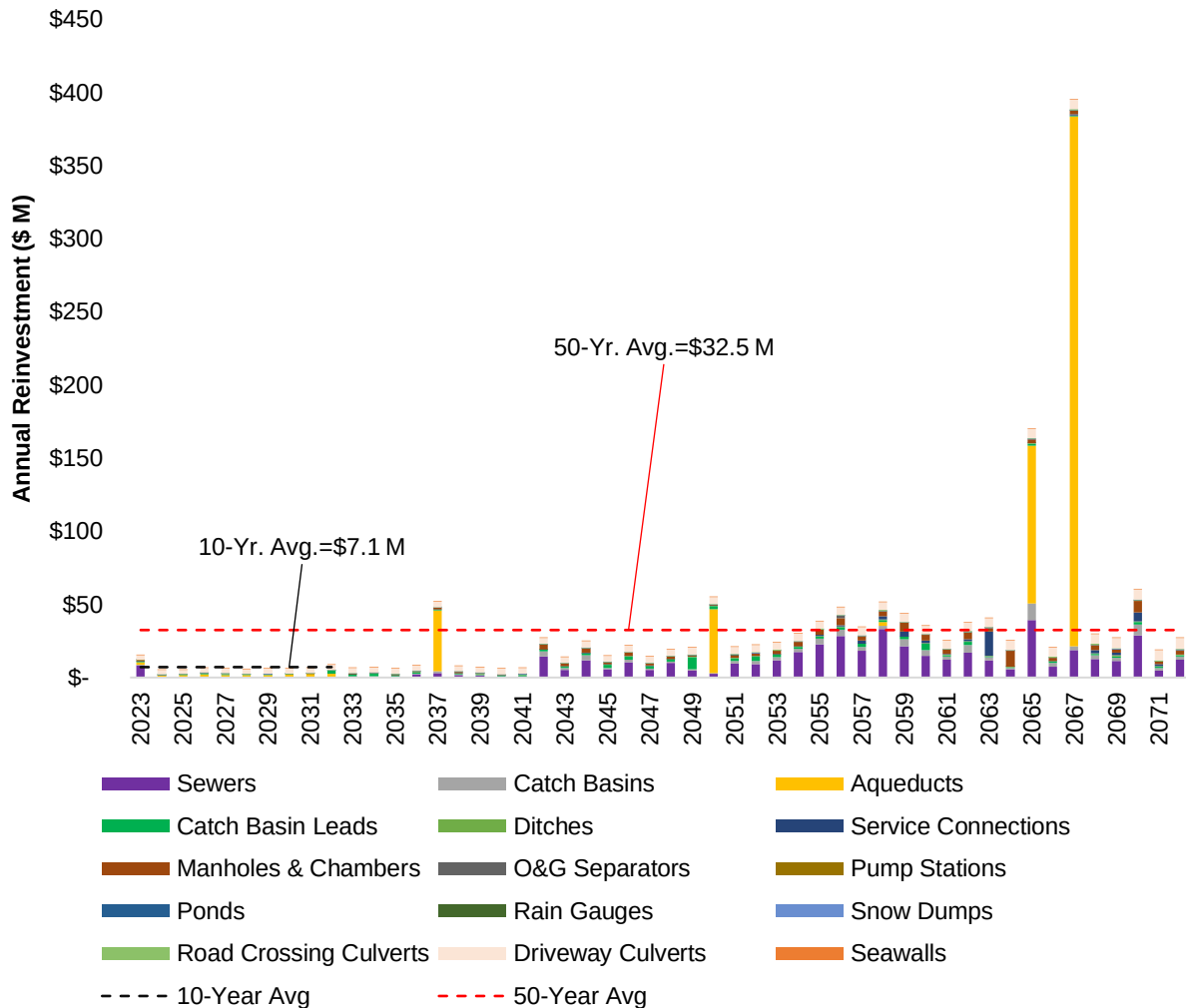


Figure 5-2: Stormwater 50-Year Reinvestment Needs

5.2.3 Benchmarking for Capital Reinvestment Needs

AECOM's Canadian Infrastructure Benchmarking Initiative (CIBI, see <https://www.nationalbenchmarking.com/>) is a partnership of over 50 Canadian municipalities, stretching from coast-to-coast, that annually collects and reports on water, wastewater, stormwater, and transportation LoS across operational, financial, environmental, and social "bottom lines". The findings from the CIBI serve as key inputs into establishing what constitutes industry best practice for asset management activities across Canadian municipalities. Capital reinvestment rate of stormwater management system from CIBI were reviewed and analyzed to provide the City with context and useful comparable information to make informed decisions.

Table 5-3 shows the capital reinvestment benchmarking results. The proposed capital reinvestment budgets for the stormwater management system are slightly above the group median indicating that this proposed capital reinvestment level is on par with the Canadian benchmarking municipalities' current stormwater capital reinvestment practice.

Table 5-3: Capital Reinvestment Benchmarking

Asset Category	Current Capital Budget	Proposed Capital Reinvestment Cost	Proposed Reinvestment Rate	CIBI Capital Reinvestment Rate Benchmarking Median	CIBI Capital Reinvestment Rate Benchmarking 25th percentile to 75th percentile
Stormwater	NA*	\$7,130,000	0.84%	0.76%	0.45% - 1.28%

*The City's current 10-year stormwater management capital budget forecasts were not available to benchmark against the CIBI group statistics as the stormwater capital works were largely driven by roads capital works which makes it difficult to separate stormwater capital expenditures from the road capital budgets.

5.3 Full Funding Need Profile

Figure 5-3 shows a full picture of the City's stormwater funding need forecast over the next 10 years, which provides the City the full funding requirements to perform effective financial planning activities. The total annual reinvestment cost from **Figure 5-1** was overlaid with the City's annual stormwater O&M cost (approximately \$0.7 Million annually in inflated dollar value).

The City's stormwater full funding requirement increases to approximately \$78 Million over the next 10 years considering capital and O&M, which is equivalent to \$7.8 Million per year in inflated dollar value.

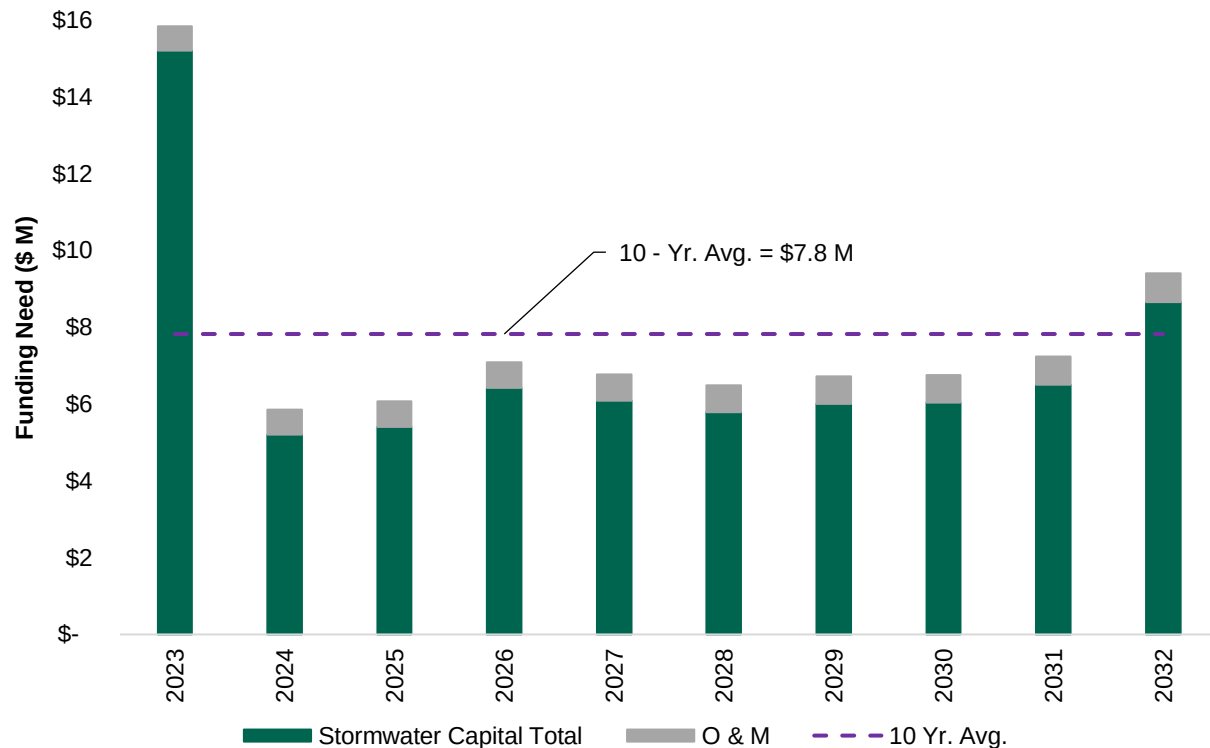


Figure 5-3: Stormwater Full Funding Need Profile

6. Implementation Plan and Continuous Improvement

Continuous improvement is an important component of any AM program and is achieved through the implementation of recommended improvement initiatives which support sustainable service delivery. While the City's stormwater assets are in a relatively good condition at the moment, there are future challenges that must be addressed considering the 50-year projection presented in [Figure 5-2](#). It is important to address these challenges thoroughly and promptly to leave a positive legacy for future generations.

A suite of improvement initiatives has been identified for the next phase of AM planning for the City's stormwater assets, as outlined below:

- **Recommendation 1: Refine asset data and fill data gaps to make more informed and defensible decisions.**
 - Continue to collect data and fill gaps in the GIS inventory to have a more accurate representation of the current state of the stormwater infrastructure. For example, it is recommended to confirm the installation years and last treatment years of some aqueducts to improve the understanding of the current state.
 - Develop an inventory of shoreline seawall assets.
- **Recommendation 2: Develop a Data Governance Framework to provide a holistic and consistent approach to the City's stormwater data management practices.**

A Data Governance Framework includes developing an Asset Information and Data Standards Strategy to clearly define what asset data exists, who is accountable for managing it, methods of data collection, and safeguarding data quality. The successful deployment of a Data Governance Framework aims to achieve the following benefits:

- Enhanced data integrity to support reliable analysis.
 - Improved data management workflows and processes.
 - Improved AM reporting.
 - Clearly defined data management roles and responsibilities.
- **Recommendation 3: Review business process for asset acquisition and design workflow diagrams to formally document AM processes.**

An opportunity exists for the City to continually reevaluate its business practices, including data management, to promote information sharing between roles, departments, and systems. The development of process maps is an excellent resource for visualizing the flow of information and formalizing procedures.
 - **Recommendation 4: Develop a stormwater sewer condition assessment program.**

Condition assessment is one of the primary steps utilized prior to performing maintenance, rehabilitation, or replacement activities. In sewers, the most commonly used inspection technique is CCTV for sewers up to 1,200 mm; larger sewers can be good candidates for multi-sensor inspection (MSI). The results from these inspections will be used to evaluate the internal condition of the pipeline to determine the structural and operational condition. A CCTV program will allow the City to:

- Better forecast infrastructure renewal and rehabilitation needs.
 - Avoid infrastructure failures and the resulting economic, social, and environmental costs.
 - Leverage cost-effective methods to extend the life of assets before the asset becomes too deteriorated and must be replaced.
- **Recommendation 5: Refine the Levels of Service Framework.**

Considering the LoS deadline of July 1st, 2025, stipulated within the O. Reg. 588/17 regulations, the steps to refining the LoS framework and quantifying the gaps between existing and target service levels can include:

- Collecting asset performance data for key performance indicators (KPIs) that are not currently being tracked, including associated costs.
- Reviewing the LoS performance measures on an annual basis and updating asset performance data as required.
- Analyzing and monitoring asset performance data to determine trends and to establish annual performance benchmarks.
- Engaging in a discussion with key stakeholders to establish service level targets and identify associated costs to meet those targets.
- Once LoS targets have been decided upon, the City should develop strategies on how to meet service level targets considering its existing operating environment (i.e., staff availability, current funding, resources, etc.).
- Developing a Customer Consultation Plan to engage the public and other stakeholders on the LoS framework and to better understand customers' willingness to pay for enhanced LoS.
- Documenting information workflows, and clearly defining roles and responsibilities in the LoS continual improvement planning process. A component of collecting LoS performance data is ensuring that the right processes are in place to enable efficient LoS reporting. It is recommended that the City review its existing business process and identify opportunities to support cross-functional teamwork. This includes developing process maps and documenting clear roles and responsibilities so that key staff understand their role in data collection, recording, analysing, and monitoring.

- **Recommendation 6: Develop a Risk Assessment Framework and use risk scores to drive financial needs forecasting.**

The use of a risk-based approach to inform financial needs provides a clear direction in maintenance, rehabilitation, and replacement work in terms of balancing priorities. It also provides transparency to the public and other stakeholders to demonstrate that decisions are made in an impartial and consistent manner, without unreasonable bias, and in accordance with agreed upon policy and priorities.

- **Recommendation 7: Implement a Computerized Maintenance Management System (CMMS) / Work Management System.**

Implementation of a CMMS will ensure managing and tracking asset operations and maintenance on a consistent basis across all asset classes. The City will conduct an AM Software Strategy following the completion of this AM plan to identify future system requirements that may include enhancing existing software, adding-on, or replacing.

- **Recommendation 8: Refine the Stormwater lifecycle model and update the model periodically as new information becomes available.**

The stormwater funding model is based on a wide range of data inputs, currently available information, and a number of assumptions, and is therefore at best a high-level estimate of future funding needs.

- In light of the annual capital and O&M investments outlined in [Section 5](#), the estimated funding requirement for the City's stormwater reinvestment and O&M is on average of \$7.8 Million per year over the next 10 years. However, when considering the longer-term needs, the City may want to consider establishing reserves to address future renewals and replacement beyond the 10-year horizon.
 - Review financial modeling assumptions on ESLs and replacement values and update the financial model with new information as it becomes available (e.g., when the results from the CCTV inspection program or any advanced field inspection become available).
- **Recommendation 9: Continue to monitor growth needs and integrate growth related stormwater infrastructure funding needs into the financial forecast and update the stormwater AM Plan as appropriate.**

As referenced in [Section 3.6](#), the City's stormwater system is expected to grow in line with an increase in the City's population. AECOM recommends that the City:

- Includes growth-related capital needs as part of the capital budgeting.
 - Coordinates AM planning and development planning processes to ensure that the infrastructure systems that are built to serve new growth can be sustained over the long term.
 - Ensures that the stormwater asset inventory is kept current at all times as new assets are added and existing assets are refurbished or retired.
- **Recommendation 10: Continue to find ways to improve AM initiatives across the City by maintaining a high level of AM awareness through training, AM buy-in, communication, and knowledge sharing.**

ISO 55010⁵ identifies that the financial and non-financial functions of AM within organizations are generally inadequately aligned. The lack of alignment between financial and non-financial functions can be attributed to silos in an organization, including reporting structures, functional / operational business processes, and related technical data. Financial and non-financial alignment needs to work both "vertically" and "horizontally", as follows:

- Vertical Alignment: financial and non-financial asset-related directives by management are informed by accurate upward information flows, effectively implemented across the appropriate levels of the organization.
 - Horizontal alignment: financial and non-financial information that flow between departments conducting functions such as operations, engineering, maintenance, financial accounting, and management, etc. should use the same terminology and refer to the assets identified in the same way.
- **Recommendation 11: Develop a Knowledge Retention Strategy to document staff AM knowledge and experience for succession planning purposes.**

Communicate AM improvement initiatives and enhance AM awareness internally through internal communication.

- **Recommendation 12: Develop a Change Management & Communications Plan.**

AM buy-in and support are needed from all levels of the City to ensure that AM standards, practices, and tools are properly adopted and incorporated into day-to-day work activities. A successful Change Management & Communications Plan will depend on the following factors:

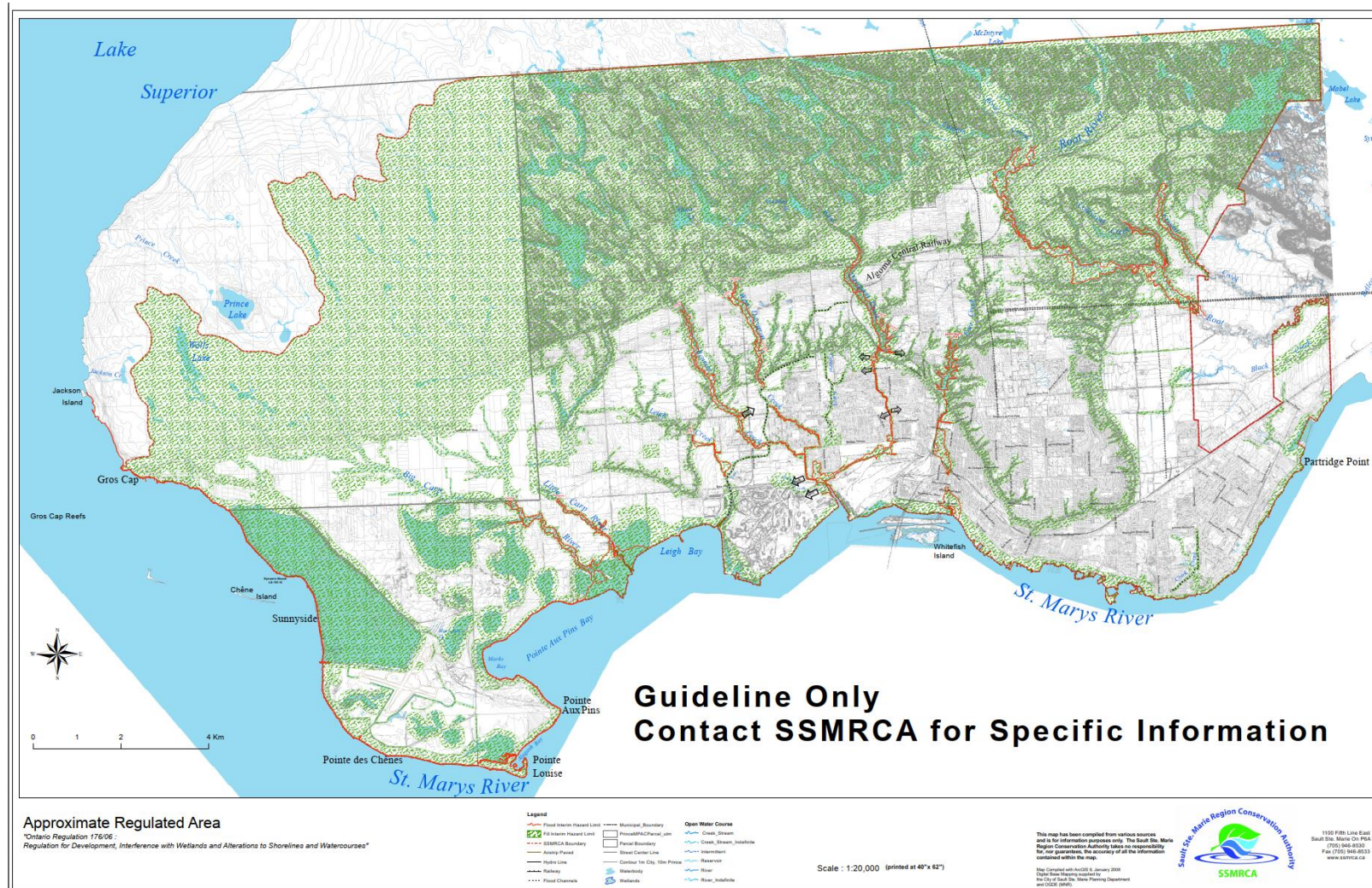
- AM buy-in from Council, senior management, staff, and departments.
- AM objectives are realistic and achievable.
- AM improvement initiatives are appropriately resourced.
- A network of AM champions is developed and empowered across the City.

⁵ International Organization for Standardization (2019): ISO 55010 - Asset management — Guidance on the alignment of financial and non-financial functions in asset management

Appendix A - Stormwater Asset Inventory

The City's stormwater asset inventory is presented as a separate MS Excel file.

Appendix B - Stormwater Approximate Regulated Area



Source: O. Reg. 176/06: Sault Ste. Marie Region Conservation Authority: Regulation of Development, Interference with Wetlands and Alterations to Shorelines and Watercourses.

Figure B-1: Stormwater Approximate Regulated Area

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City of Sault Ste. Marie Asset Management Plan Wastewater

August 15th, 2022

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List of Abbreviations

Abbreviation	Description
AM	Asset Management
AMP	Asset Management Plan
ARC	Arc Chambers
CCTV	Closed Circuit Television
CIBI	Canadian Infrastructure Benchmarking Initiative
CMMS	Computerized Maintenance Management System
Conveyance-FM	Conveyance – Force Mains
Conveyance-GRAV	Conveyance – Gravity Mains
Conveyance-MH & CHAM	Conveyance – Manholes and Chambers
Conveyance-SC	Conveyance – Service Connections
ESL	Expected Service Life
FIPPA	Freedom of Information and Protection of Privacy Act
FLSH	Flushing
GIS	Geographic Information System
I&I	Inflow & infiltration
LoS	Level of Service
MFIPPA	Municipal Freedom of Information and Protection of Privacy Act
O&M	Operations and Maintenance
O. Reg.	Ontario Regulation
PUC	Public Utilities Commission
RSL	Remaining Service Life
SCADA	Supervisory Control and Data Acquisition
WWTP-EE	Wastewater Treatment Plant East End
WWTP-WE	Wastewater Treatment Plant West End

1 Introduction

AECOM Canada Ltd. (AECOM) was retained by The City of Sault Ste. Marie (the “City”) to develop an asset management plan to comply with the first phase of the Ontario Regulation 588/17 (O. Reg. 588/17) requirements in respect to its core municipal infrastructure assets. The scope of work for this investigation is outlined in AECOM’s proposal dated June 9th, 2021, and subsequent project correspondence.

1.1 Background

Sault Ste. Marie is a city located on the St. Mary’s River, North of the United States of America, bordering on two of the Great Lakes with an estimated population of 73,368 (2016). The City provides a wide range of public services to their constituents with the expectation from the public that these services are expected to function efficiently at a certain level. The provision of these services requires the management of the physical assets to meet desired service levels, manage risks, and to provide long term financial sustainability. These assets include, but are not limited to roads, bridges, sidewalks, wastewater assets, stormwater management assets, landfill, fleets, buildings, and parks.

In accordance with the terms of reference for this assignment, it is understood that the City is proceeding with an asset management plan to comply with the first phase of the regulatory requirements in respect to its core municipal infrastructure assets, in accordance with O. Reg. 588/17, by July 1, 2022. The core assets to be included in the scope, as defined by the regulation, include the City’s wastewater assets, stormwater management assets, roads, and bridges and culverts.

1.2 Scope and Objectives

In 2015, the City’s first Asset Management Plan (AMP) was published. In 2019, by the City Council approval, the Strategic Asset Management (AM) Policy for the City came into effect.

Organizations that implement good AM practices will benefit from improved business and financial performance, effective investment decisions, and better risk management. Stakeholders can expect lower total asset life cycle costs, higher asset performance, and confidence in sustained future performance.

The objective of this AMP is to capture the core infrastructure assets and deliver a financial and technical roadmap for the management of the City’s roads, bridges and culverts, wastewater assets, and stormwater assets. The intent of this plan is to provide the means for the City to maximize value from its assets, at the lowest overall expense while, at the same time, enhance service levels for its residents. Furthermore, the objective of this AMP is to align with the guidelines laid out in the City’s Strategic AM Policy and Section 5 of O. Reg. 588/17.

As management of each core asset is not a consistent process due to maintenance and construction requirements, we have grouped the core assets as follows:

1. Roads, and Bridges and Culverts.
2. Stormwater Management Assets.
3. Wastewater Assets.

This AMP has been developed for the City’s Wastewater management system, as shown in **Table 1-1**. Stormwater, and Road and Bridges & Culverts AMPs are presented under separate reports.

Table 1-1: In-Scope Wastewater Assets

Asset Category	Sub-Assets
Wastewater Treatment Plants	East End Wastewater Treatment Plant (WWTP-EE) and West End Wastewater Treatment Plant (WWTP-WE) including Structural, Process Mechanical, Building Mechanical, Electrical, and Instrumentation & Control Assets.

Asset Category	Sub-Assets
Pump Stations	Structural, Process Mechanical, Building Mechanical, Electrical, and Instrumentation & Control Assets.
Wastewater Conveyance System	Wastewater gravity mains, force mains, manholes, chambers, and service connections.

The following elements are included within the scope of this AMP:

- Asset hierarchy, a summary of the asset inventory, including the replacement cost of the assets, the average age of the assets, the condition of the assets, and data gaps analysis (**Sections 2**).
- The City's level of service objectives, stakeholder identification, current levels of service (LoS) determined in accordance with the qualitative descriptions and technical metrics outlined in O. Reg 588/17, and future demand drivers (**Section 3**).
- Asset lifecycle management strategies and funding needs to maintain current LoS, minimize associated asset risks, and to optimize costs over the whole lifecycle of the asset (**Section 4** and **Section 5**)

1.3 Asset Management Provincial Requirements

The O. Reg. 588/17 came into effect in 2018 and stipulates specific AM requirements to be in place within Ontario municipalities by certain key dates (**Table 1-2**). The development of this AMP is one of the steps to guide the City towards meeting the July 1st, 2024 deadline.

Table 1-2: O. Reg. 588/17: AM Planning for Municipal Infrastructure

Description: A regulation made under the Infrastructure for Jobs and Prosperity Act, 2015, stating that every municipality shall prepare and update a Strategic AM Policy, and that every municipality shall prepare an AM Plan for its core infrastructure assets by July 1, 2022, and an AM Plan for all other infrastructure assets by July 1, 2024. The regulation outlines several requirements that each AM Plan must follow, such as including current and proposed level of service. Core municipal infrastructure assets include water, wastewater, stormwater, road, and bridge assets.	
Deadline Date	Regulatory Requirement
July 1 st , 2019	All municipalities are required to prepare their first Strategic AM Policy.
July 1 st , 2022	All municipalities are required to have an AM Plan for its entire core municipal infrastructure (i.e., water, wastewater, stormwater, roads, and bridges & culverts).
July 1 st , 2024	All municipalities are required to have an AM Plan for infrastructure assets not included under their core assets.
July 1 st , 2025	All AM Plans must include information about the level of service that the municipality proposes to provide, the activities required to meet those level of service, and a strategy to fund activities.

2 State of Infrastructure

The City's wastewater conveyance system is a combination of linear sewer mains and force mains that is connected to the City's 25 sanitary pumping stations. Wastewater generated by the City flows through over 664 kilometers of service connections, gravity, and force mains before it eventually reaches the City's two wastewater treatment plants, namely the East End Wastewater Treatment Plant (WWTP-EE) and West End Wastewater Treatment Plant (WWTP-WE).

WWTP-EE is located at 2221 Queen Street East. The plant was constructed in two stages in 1959 and 1972, respectively, providing primary treatment only. In 1987, a sludge dewatering facility was added, and the plant was upgraded in 2006 to a biological nutrient removal (BNR) plant with ultraviolet (UV) disinfection. The design flow for this treatment plant is 36,000 m³/day.

Originally constructed in approximately 1984 and located at 55 Allens Side Road, WWTP-WE provides conventional activated sludge treatment for a design capacity of 20 MLD. A detailed facility condition assessment was completed for WWTP-WE in 2014. The City is currently completing a phase one upgrade with subsequent upgrades to follow in the future phases.

The wastewater conveyance system, including small pump stations, is managed by City Staff, while the ongoing operations of the City's large wastewater infrastructure, including wastewater treatment plants and the large pump stations, are contracted out to the Public Utilities Commission (PUC).

2.1 Asset Hierarchy

To fulfill the requirements of O. Reg 588/17 and to pave the way for robust long range asset management planning, the City requires a logically segmented asset break down structure (hierarchy) under the scope of this AMP. To do so, the core wastewater conveyance system must become sufficiently granular to recognize which individual assets are due for renewal. However, it is important to balance the fine trade-off between adequate granularity to provide essential information with too much granularity that the data collection and management effort eclipses the usefulness of the data itself.

The City has a wide range of wastewater assets organized hierarchically, as presented in **Figure 2-1**. This breakdown of the infrastructure is derived from the way that assets are presented within the data sources, which indicates program area's responsibilities and parent-child relationships within each asset type.

Figure 2-1 shows the two plants WWTP-EE and WWTP-WE, and each of which includes sub-categories: structural, process mechanical, building mechanical, electrical, and instrumentation & control.

Pump Stations are also segmented to 25 sub-sections, named PS 1 to PS 25, including further sub-categories. Moreover, conveyance system encompasses three main asset categories, which are sewers, service connections, and manholes & chambers.

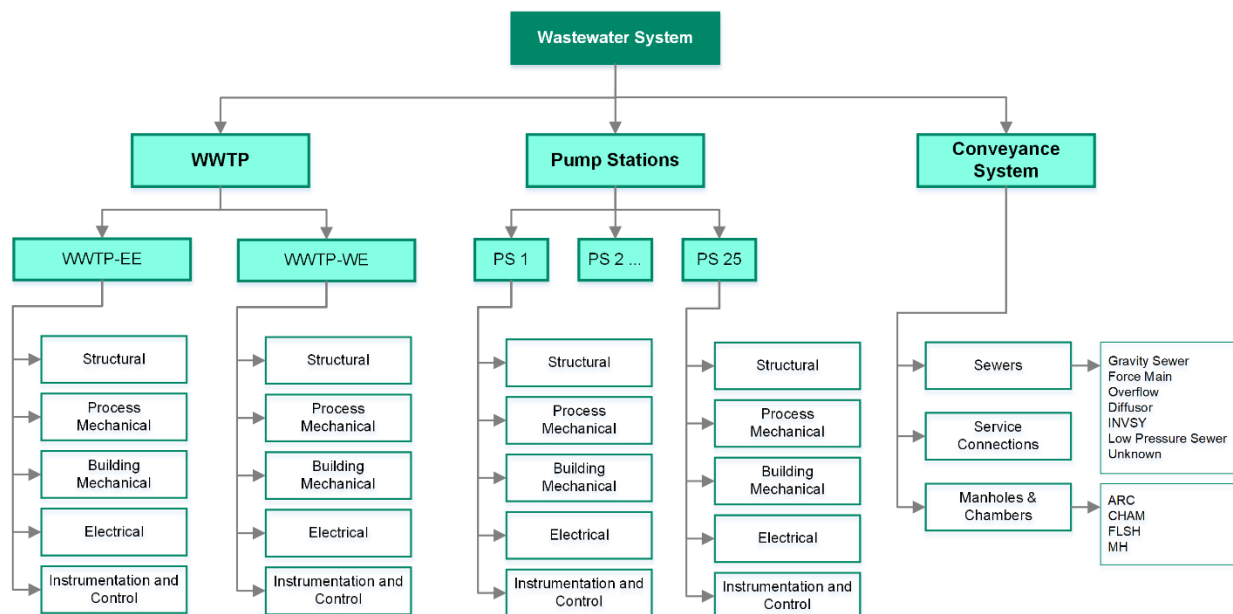


Figure 2-1: City of Sault Ste. Marie Wastewater Asset Hierarchy

2.2 Current State of the Assets

2.2.1 Asset Inventory

Table 2-1 provides a summary of the wastewater inventory for each asset category within City's wastewater conveyance system.

Table 2-1: Wastewater Asset Inventory Summary

Asset Group	Asset Category	Asset Sub-Category	Sub-Category Quantity	Unit	Count of Inventory Records
Wastewater System	Wastewater Treatment Plants	WWTP-EE	1	Ea.	373
		WWTP-WE	1	Ea.	639
	Pump Stations	Pump Stations	25	Ea.	497
	Conveyance	Force Mains	14	km	192
		Gravity Mains	380	km	5,672
		Manholes and Chambers	5,057	Ea.	5,057
		Service Connections	270	km	26,295
Total					38,725

2.2.2 Current Asset Replacement Value

The City's wastewater system is valued at approximately \$1.78 Billion. Table 2-2 presents the current replacement value of each asset category. The gravity mains account for the highest replacement value, which is approximately \$940 Million, followed by service connections, contributing to over \$486 Million. WWTP-EE and WWTP-WE are valued at approximately \$127 Million and \$70 Million, respectively. Pump stations constitute approximately \$26 Million. It should be noted that 45% was considered as a markup rate, including removing existing infrastructure, engineering (Design and Contract administration), contingencies, and mobility.

Table 2-2: Wastewater Current Replacement Value

Asset Group	Asset Category	Asset Sub-Category	Unit Replacement Cost (\$ / Unit)	Total Replacement Value (2022)
Wastewater System	Wastewater Treatment Plants	WWTP-EE	\$1000 - \$250000 / Ea. (Per component)	\$126,926,000
		WWTP-WE	\$1000 - \$250000 / Ea. (Per component)	\$69,878,000
	Pump Stations	Pump Stations	\$1,000 - \$ 250,000 / Ea. (Per component)	\$26,537,000
	Conveyance	Force Mains	\$500 - \$9,000 / m	\$40,017,000
		Gravity Mains	\$500 - \$9,000 / m	\$939,724,000
		Manholes and	\$10,000 - \$35,000 / Ea.	\$87,519,000
		Service Connections	\$500 - \$2,300 / m	\$486,331,000
	WWTP			\$196,804,000
Pump Stations			\$26,537,000	
Conveyance			\$1,553,591,000	
Total			\$1,776,932,000	

2.2.3 Age and Remaining Service Life

In practice, various assets will deteriorate at different rates and not necessarily linearly over time. However, it is pivotal to keep in mind the level of effort required to predict failure compared with the asset value. More sophisticated deterioration modelling may be warranted for very high value assets, whilst the cost of deterioration modeling for low-value assets may very well exceed the replacement cost of the asset. The actual service life can vary significantly from the estimated service life (ESL). The latter is defined as the period over which an asset is available for use and able to provide the required LoS at an acceptable risk and serviceability (i.e., without unforeseen costs of disruption for maintenance and repair). In some instances, a variation in expected vs. actual service life is evident due to the following factors:

- **Operating conditions and demands:** Some assets are operated intermittently or even infrequently or are being operated at a lower demand than their designed capacity. Thus, the actual operating “age” of the asset is reduced.
- **Environment:** Some assets are exposed to very aggressive environmental conditions (e.g., corrosive chemicals), while other assets are in relatively benign conditions; thus, the deterioration of assets is affected differently.
- **Maintenance:** Assets are maintained through refurbishment or replacement of components, which prolongs the service life of the asset.
- **Technological Obsolescence:** Some assets can theoretically be maintained indefinitely, although considerations such as cost to maintain the asset, its energy efficiency, and the cost to upgrade to an updated technology that would result in cost savings are likely to render this approach uneconomical.

Initially, the average age was calculated based on the purchased and installation year of each individual asset. Then, based on the age of the asset and the ESL (collected from a State of Infrastructure Workshop with the City, and additional information provided by the City), the remaining service life (RSL) was calculated. It should be noted that in the case that age was higher compared to ESL, RSL was considered as zero.

Table 2-3 and **Figure 2-2** present the weighted average age, weighted average ESL, and remaining service life for various asset sub-categories within the City’s wastewater system. The average age of the assets ranges from 21 to 51 years with average ESLs that vary from 59 to 80 years. It should be noted that service connections, gravity mains, and manholes & chambers are the oldest in comparison with other assets. The minimum weighted average is WWTP-WE,

21 years, which is the average of all components. The minimum RSL is related to force mains, 29 years, compared to WWTP-WE that has an average RSL of 42 years.

Table 2-3: Wastewater Average Age, ESL, and Remaining Service Life

Asset Group	Asset Sub-Category	Weighted Average Age	Weighted Average ESL	Remaining Service Life
Wastewater System	WWTP-EE	25	59	34
	WWTP-WE	21	63	42
	Pump Stations	25	60	35
	Conveyance-FM*	46	75	29
	Conveyance-GRAV*	47	78	31
	Conveyance-MH & CHAM*	44	80	36
	Conveyance-SC*	51	80	29

* FM = Force Main, GRAV = Gravity Main, MH & CHAM = Manhole and Chamber, SC = Service Connections

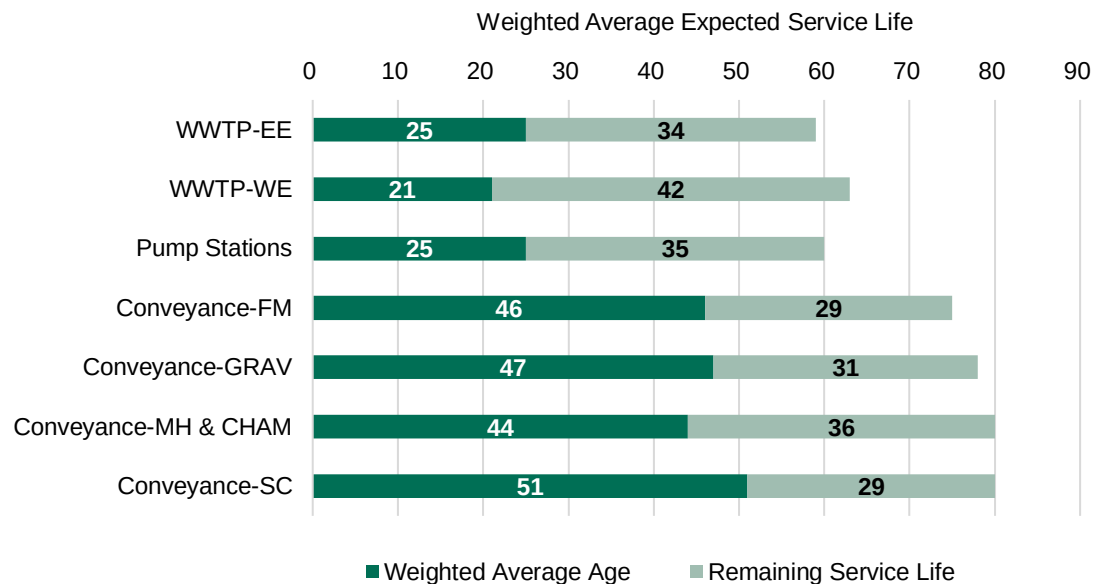


Figure 2-2: Wastewater System Weighted Average Age and Remaining Service Life

Figure 2-3 shows the installation profile of the City's wastewater system according to asset sub-categories. It should be noted that a significant proportion of gravity sewers and service connections was installed before 1965, contributing to the highest replacement values for these two categories. In addition, WWTP-WE components were installed from 1981 to 1985 as the first phase, and from 2016 to date as another phase. WWTP-EE, however, was initialized from 1986 to 1990 in the first step and developed from 2006 to 2010.

Figure 2-4, on the other hand, illustrates the linear assets profile based on 10-year periods to better understand how much gravity mains, force mains, and service connections are contributing to replacement values.

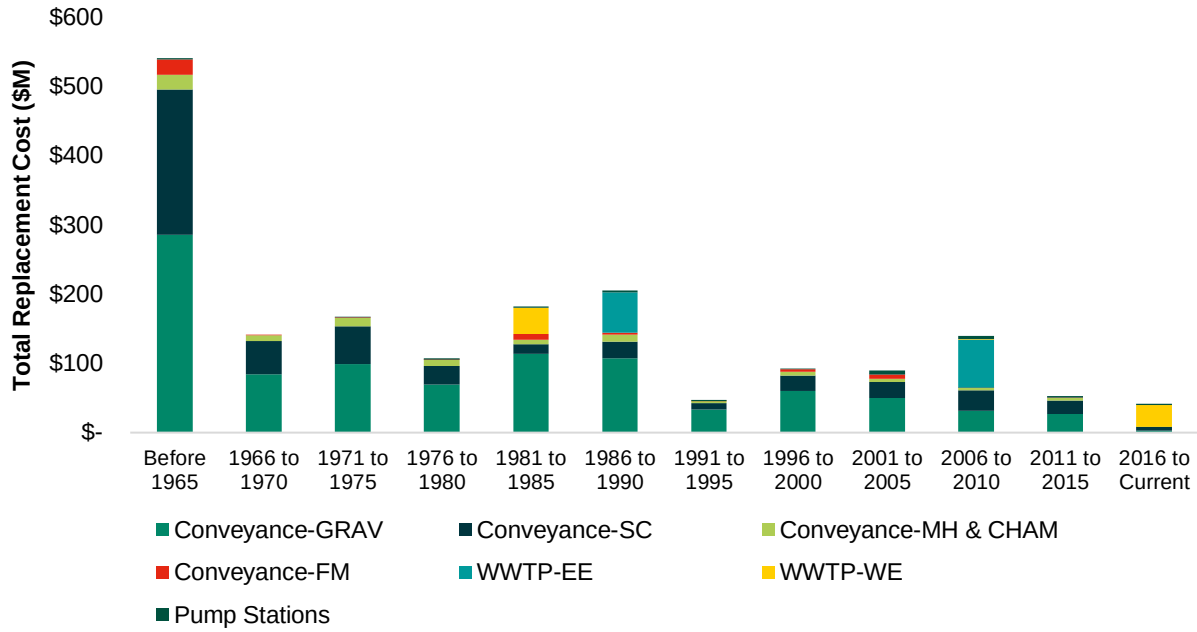


Figure 2-3: Wastewater Installation Profile

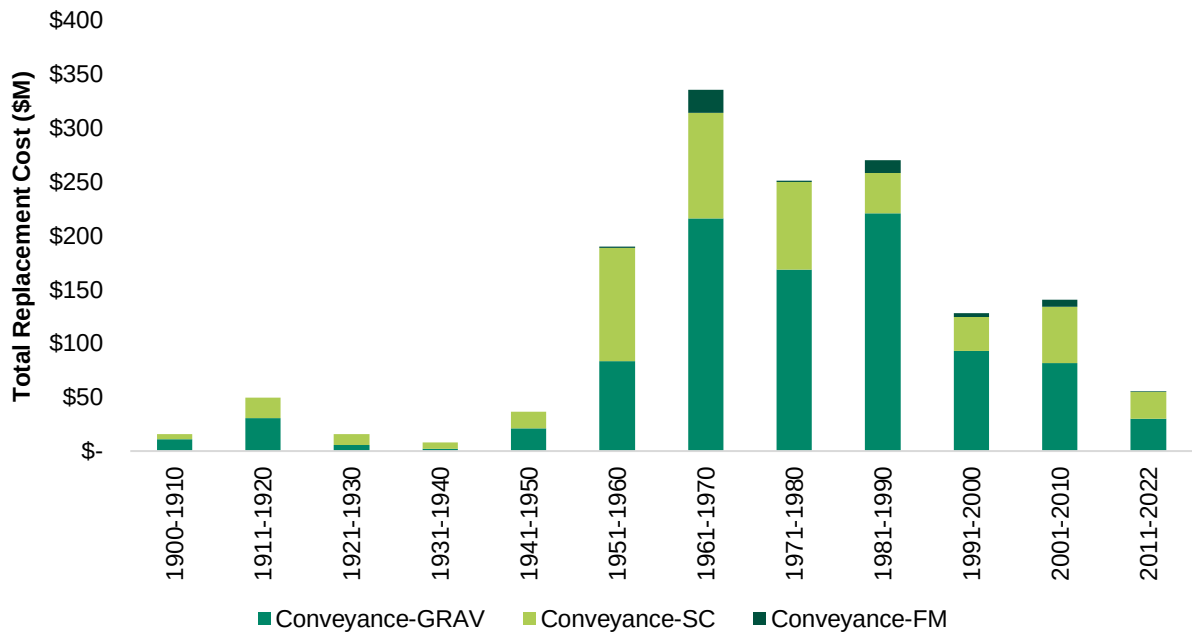


Figure 2-4: Installation Profile of Wastewater Mains and Service Connections

2.2.3.1 Type of Pipe Materials

Table 2-4 provides information about different pipes materials employed within each sub-category. For instance, there are 158 km of asbestos cement pipes, which is the highest contribution to gravity mains, followed by PVC and vitrified clay, with approximately 97 and 72 km, respectively. For service connections, however, almost 154 km of materials are unknown, which represents approximately 50% of all service connections. PVC and asbestos cement with about 65 and 48 km are other materials utilized for service connections. **Figure 2-5**, **Figure 2-6**, and **Figure 2-7** show the percentage of each material type by length for gravity mains, force mains, and service connections, respectively.

Table 2-4: Sewers and Service Connections by Materials Type

Type of Main	Material	Total Length (km)
Gravity Mains	Asbestos Cement	158.22
	Concrete	29.39
	Other	9.58
	PVC	97.04
	Unknown	24.15
	Vitrified Clay	72.45
Force Mains	Cast Iron	1.46
	Concrete	3.53
	Concrete Pressure Pipe	1.21
	Ductile Iron	2.37
	HDPE	2.08
	Polyethylene	4.24
	PVC	2.02
	Unknown	0.26
Service Connections	Asbestos Cement	48.58
	Other	2.26
	PVC	65.47
	Unknown	154.06

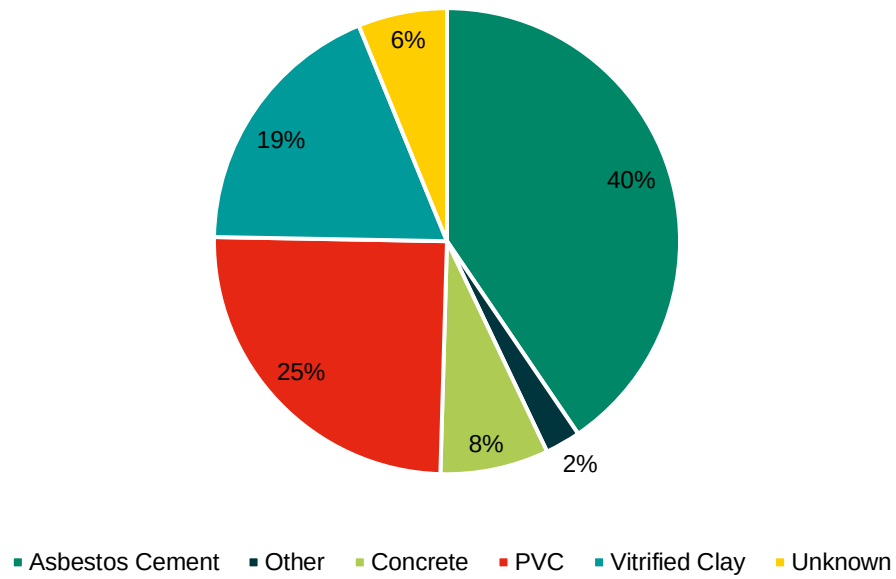


Figure 2-5: Gravity Mains Materials

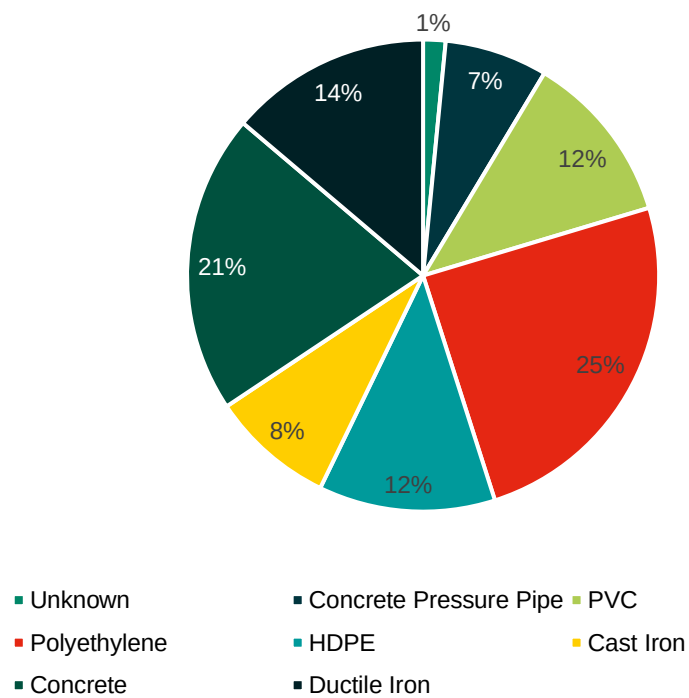


Figure 2-6: Force Mains Materials

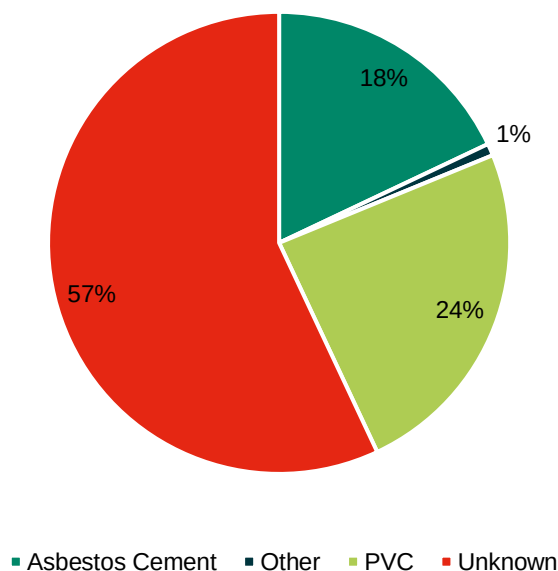


Figure 2-7: Service Connection Materials

2.2.4 Asset Condition

All assets are expected to deteriorate over their lifetime, and their assigned condition reflects the physical state of the asset. The City conducted wastewater facility condition assessment for the WWTP-WE in 2012, which would be insufficiently reliable enough for scoring the current condition for this AMP as the condition results were 10 years old. The condition assessments for forcemains located in River Road and Queen Street (2014) were incorporated in this AMP as they provided in-depth condition assessment analysis and also remaining service lives of the forcemains. It is worth mentioning that CCTV inspections are more accurate than age-based calculations, and that the City has conducted CCTV inspections of its gravity sewer assets in the past. However, no CCTV data was available in digital format and was therefore not considered in this assessment. It should be noted that no on-site condition assessments were carried out for this project. Hence, age-based approach has been applied to assess the condition of wastewater assets that has no consumable condition data. Accordingly, a two-parameter Weibull distribution function was used to assess the current condition of the wastewater assets. The Weibull distribution has been used extensively in reliability studies and lifetime prediction models in industries ranging from automotive to the oil & gas and provides a suitable distribution for this type of analysis.

The underlying premise of the Weibull-shaped deterioration is that while some assets fail prematurely due to severe conditions or improper installation, other assets are very long-lived and function well beyond their theoretical ESL. To perform a high order network-level analysis, it was assumed that assets would fail (and require replacement) within a deterioration envelope / curve approximated by a Weibull probability distribution. The two-parameter Weibull cumulative distribution has two parameters for scale and shape, as set out in Equation [1]:

$$f(x; \alpha, \beta) = e^{-\left(\frac{x}{\beta}\right)^\alpha} \quad [1]$$

Where: x = Age
 α = Shape parameter (or slope)
 β = Scale parameter

A set of Weibull cumulative distribution functions were leveraged to simulate a set of deterioration curves for assets with different ESLs as shown in **Figure 2-8**.

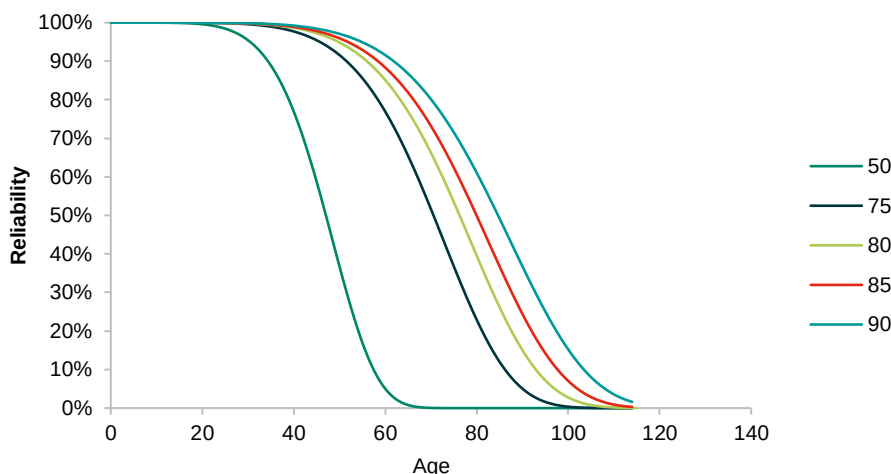


Figure 2-8: Asset Deterioration Curve Samples

Table 2-5 summarizes the condition grade of the City's wastewater infrastructure with associated replacement values. Just under 70% of the assets are in the very good condition, with total replacement value of approximately \$1.23 Billion, and only 77% of the infrastructure is in the very poor condition with total replacement value of almost \$137 Million. Good condition accounts for 16.7% of the existing infrastructure, having a replacement value of around \$297 Million. Fair and poor condition assets make up 2.5% and 3.5%, respectively.

Table 2-5: Wastewater Condition Summary

Rank	Condition Rating	Replacement Value	% of Replacement Value
1	Very Good	\$1,236,713,000	69.6%
2	Good	\$297,100,000	16.7%
3	Fair	\$43,601,000	2.5%
4	Poor	\$62,009,000	3.5%
5	Very Poor	\$137,511,000	7.7%

Additionally, **Figure 2-9** and **Table 2-6** granulate the condition of the assets based on different asset sub-categories and their corresponding replacement values. As mentioned before, 7.7% of the assets contribute to very poor condition with total replacement value of approximately \$137 Million, among which gravity mains account for the highest value with almost \$76 Million, followed by service connections, making up \$43 Million. Considering the age-based calculations, sewer mains and service connections are expected to predominate the capital investment due to value of assets in very poor conditions.

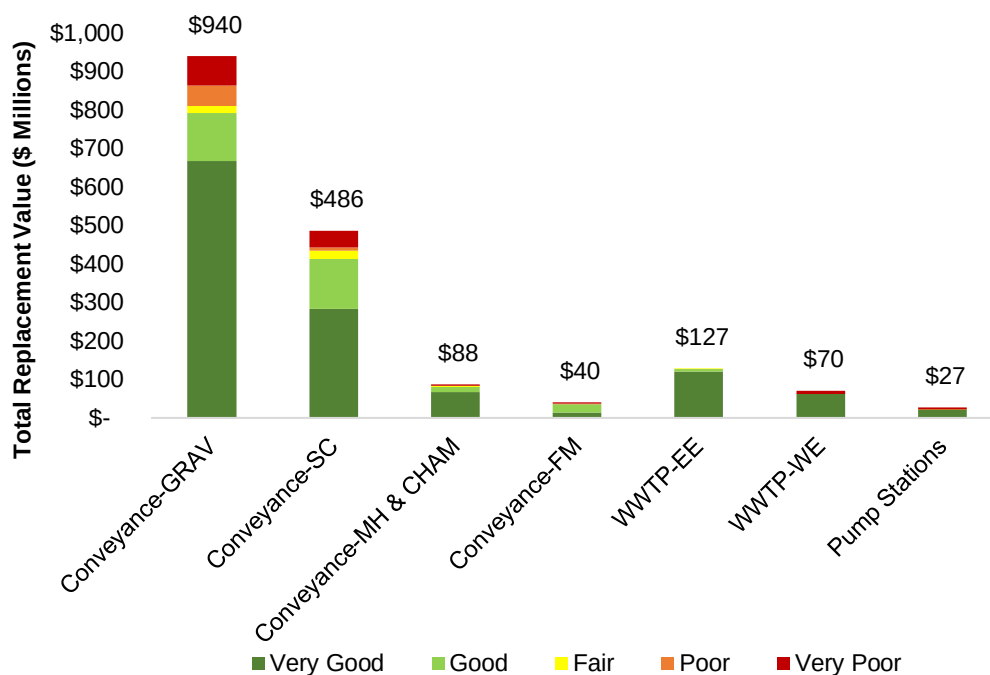


Figure 2-9: Wastewater Condition Summary for Asset Categories

* FM = Force Main, GRAY = Gravity Main, MH & CHAM = Manhole and Chamber, SC = Service Connections

Table 2-6: Distribution of Condition for Wastewater Asset Categories

Condition Rating	Gravity Mains	Service Connections	Manholes and Chambers	Force Mains	WWTP-EE	WWTP-WE	Pump Stations	Total Condition Summary
Very Good	71%	58%	78%	34%	95%	90%	81%	70%
Good	13%	27%	15%	55%	5%	0%	3%	17%
Fair	2%	4%	2%	0%	0%	0%	1%	2%
Poor	6%	2%	1%	3%	0%	0%	1%	3%
Very Poor	8%	9%	4%	7%	0%	10%	15%	8%
Total	100%	100%	100%	100%	100%	100%	100%	100%

2.2.4.1 Gravity Sewers

Table 2-7 and **Figure 2-10** compare gravity sewers' conditions in terms of their diameters categorized into four groups: <450mm, 450 to 1,500 mm, >= 1,500 mm, and Unknown. As shown, pipes with size of less than 450 mm contribute to the highest replacement values, accounting for the highest proportion of poor (approximately \$48.5 Million) and very poor condition (approximately \$69 Million). The total replacement value for gravity sewers smaller than 450 mm is estimated to be around \$670 Million, with 7% and 10% pertaining to poor and very poor condition, respectively.

Table 2-7: Gravity Sewers Condition by Diameter

Condition Rating	< 450Ø	450Ø - 1,500Ø	≥ 1,500Ø	Unknown
Very Good	\$455,133,000	\$158,393,000	\$47,828,000	\$5,515,000
Good	\$81,304,000	\$42,943,000	\$0	\$464,000
Fair	\$16,640,000	\$3,059,000	\$0	\$0

Condition Rating	< 450Ø	450Ø - 1,500Ø	≥ 1,500Ø	Unknown
Poor	\$48,541,000	\$3,353,000	\$0	\$169,000
Very Poor	\$68,886,000	\$7,029,000	\$0	\$465,000
Total	\$670,504,000	\$214,777,000	\$47,828,000	\$6,613,000

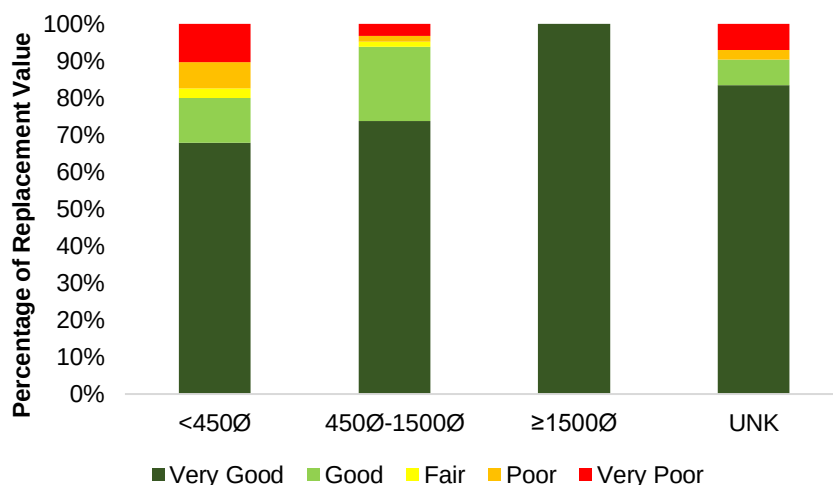


Figure 2-10: Gravity Sewers Condition Distribution by Diameter

2.2.4.2 Force Mains

Table 2-8 compares force mains in terms of their conditions, based upon their diameter: <450 mm, 450 to 1,500mm, and Unknown. As seen, force mains with sizes smaller than 450 mm contribute to almost \$13.4 Million, among which approximately 54% pertains to very good condition (**Figure 2-11**). Moreover, size 450mm to 1,500 mm also makes up the highest replacement values, \$26.5 Million. Around 76% of this range of diameters are in a good condition (**Table 2-8** and **Figure 2-11**) - see note under **Table 2-8**. Unknown pipes, although with a negligible contribution, are in a very good condition.

Table 2-8: Force Mains Condition by Diameter

Condition Rating	< 450Ø	450Ø - 1,500Ø *	Unknown
Very Good	\$7,252,000	\$6,341,000	\$36,000
Good	\$1,990,000	\$20,203,000	\$0
Fair	\$0	\$0	\$0
Poor	\$1,320,000	\$0	\$0
Very Poor	\$2,875,000	\$0	\$0
Total	\$13,437,000	\$26,544,000	\$36,000

* NOTE: The largest diameter for Force Mains is 1,400 mm, however, the range of numbers created to make the table consistent with the Gravity Sewers' table

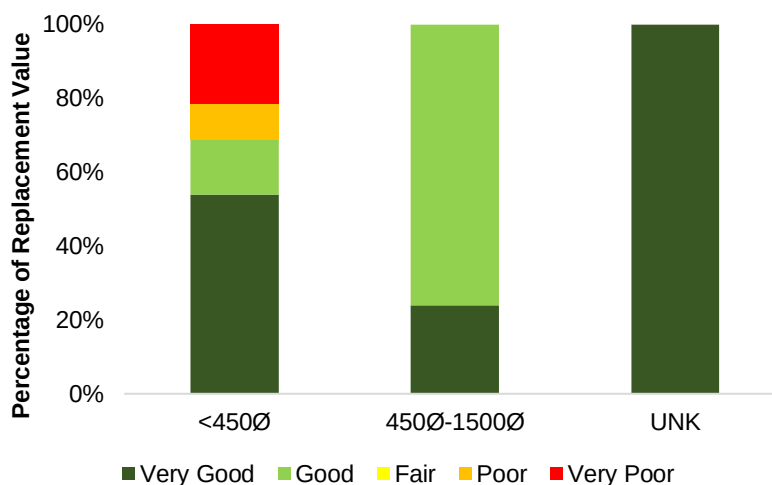


Figure 2-11: Force Mains Condition by Diameter

2.3 Asset Data Gap Analysis

2.3.1 Data Gap Observations

Table 2-9 provides a summary of observed data gaps in the compiled wastewater asset inventory across key data attributes that help to make informed decisions over the asset lifecycle for this AMP.

Table 2-9: Observations on Asset Data Completeness

Asset Group	Inventory Completeness (%)						
	Asset ID	Name / Location	Install Date	Inspection Date	Condition	Expected Service Life	Replacement Cost
Wastewater	99.5%	100%	90%	0%*	0%*	0%**	0%**

* The City's recent CCTV inspection records is not linked to the asset IDs in the GIS inventory.

** The gap is filled during the development of this AM plan.

2.3.2 Data Confidence

The quality of asset data is critical to effective AM, accurate financial forecasts, and informed decision-making. For this reason, it is important to know what the reliability of the information is for the State of Infrastructure analysis of the wastewater assets. **Table 2-10** provides a description for the data confidence grades used to classify the reliability of the asset data used in this data gap analysis. Through consultation with City staff during a State of Infrastructure Workshop, the asset attribute data for the in-scope wastewater assets were assigned the grades outlined in **Table 2-11**.

Table 2-10: Data Confidence Grading Scale

Confidence Grades	Description
A - Highly reliable	Data is based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B - Reliable	Data is based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$

Confidence Grades Description

C - Uncertain	Data is based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy is estimated $\pm 25\%$
D - Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E - Unknown	None or very little data held.

Table 2-11: High-Level Asset Data Confidence Grades

Asset Category	Data Confidence Average Grade		
	Inventory	Age	Condition
Wastewater	B	B	C

2.3.3 Data Management Practice

The asset data lifecycle is a sequence of stages that data goes through from its initial creation (i.e., data capture and entry) to its eventual archival and/or deletion at the end of its useful life¹. A clear definition and understanding of the organization's process for acquiring, storing, utilizing, assessing, improving, archiving, and deleting data (see **Figure 2-12**) will ensure good data management practices and help to sustain levels of data quality required to support AM activities.



Figure 2-12: Asset Information Lifecycle

The seven key stages of the asset data lifecycle are described in more detail below:

- 1. Acquiring New Data:** The majority of new asset data arises from asset creation, refurbishment and overhaul activities. New data may also come by way of inheritance or transfers from other business units, organizations, or third parties. As such, it is important to have clearly defined processes in place not only to add or update asset data, but to migrate and merge data from other sources.
- 2. Storing Data:** The way asset data is stored is an important consideration for overall data quality. Having a planned approach to data storage will inevitably reduce the likelihood of duplication and inconsistencies across datasets within the organization. Depending on the needs of the organization, this stage may involve procuring a new software to adequately house the data, along with a data backup and recovery plan to ensure that the necessary data protection and privacy standards are met.
- 3. Utilizing / Analysing Data:** This aspect of the asset information lifecycle is where users encounter the data to support data-driven activities within the organization. Data can be viewed, processed, edited, and published to

¹ TechTarget Network, Definition: Data Life Cycle, 2020.

allow users to access the data outside the organization. Critical data that has been modified should be fully traceable to maintain the integrity of the data. As such, it is important to communicate to the users why asset data is so important, and how it is used to inform decisions within the organization.

4. **Assessing Data:** Assessing the data quality helps to determine the level of confidence in the information and ensures that decision-makers are making informed decisions based on the quality of data available to them. Moreover, it is important to fully understand the availability and quality of the asset data before issuing information publicly. Some of the results of data degradation, due to improper or lack of assessment, may include:
 - Poor asset performance due to lack of information and understanding of asset behaviour.
 - Non-compliance with statutory regulations or safety requirements.
 - Safety incidents due to risks not being identified or reported.
 - Asset failure due to gaps in maintenance planning.
5. **Improving Data:** Improving data quality involves establishing clear targets which are intended to be communicated widely across the organization. It is imperative that the organization understands the costs, benefits, and risks associated with any data improvements since the cost of the improvement may outweigh the overall benefit. It is also important to note that *more* data does not necessarily mean *better* data. It is very possible to collect data that does not add value to the organization. As such, it is critical that the organization aligns its data improvement targets with its AM objectives and considers the data-driven decisions staff need to make at the operational and strategic level, to ensure that the *right* data is being improved upon.
6. **Archiving Data:** Archiving data is the process of storing data that is no longer active or required but is able to be retrieved in case it is needed again. Data that is archived is stored in a location where no usage or maintenance occurs. It is recommended that a data archive strategy exists within an organization in order to lay out the data archival requirements, which considers the following:
 - What data should be archived and why?
 - Are there any legal obligations for retaining data records?
 - How long should data records be retained?
 - What is the risk associated with not being able to retrieve data records?
 - Who should be able to access archived data records?
 - What is the expected timeframe to retrieve archived data records?

Clearly communicating these requirements across the organization is key to ensuring staff are educated on why records are being archived, how they can access archived data records, and for how long archived data records can still be accessed.

7. **Deleting Data:** The deletion of data is the final component of the asset information lifecycle. Typically, within organizations there is a resistance to permanently delete data, otherwise known as data “squirrelling”, due to the overall capacity of storing data increasing and the cost decreasing. However, within the organization’s data archive strategy, a retention period should be specified to indicate when data should be deleted, along with any processes to follow, such as obtaining prior missing period.

2.3.3.1 Current Data Management State

The City’s Public Works and Engineering Services Department staff are involved in wastewater data management. The City’s wastewater data is currently stored in GIS, Excel spreadsheets, reports, and as-built drawings. Currently, the City updates assets in the GIS post-construction, and there may be a lag in obtaining as-builts and adding/updating data.

The City is following the mandate in records retention procedures for municipalities as per Freedom of Information and Protection of Privacy Act (FIPPA) and the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA).

2.3.3.2 Future Data Management State

The City will develop and implement a software strategy that helps streamline data management following this AMP. Eventually, the City plans to have a clear and efficient data management process and comprehensive and robust asset inventory to support their AM decision making. The implementation plan for data improvement is presented in **Section 6**.

3 Level of Service

3.1 Purpose

Level of Service (LoS) supports every aspect of the overall AM system. The objective of establishing clearly defined service levels is to help the City meet stakeholder values, achieve its strategic goals, make informed decisions, and implement effective asset lifecycle activities.

Documenting LoS is a proven practice that will enable the City to:

- Link corporate strategic objectives to customer expectations and technical operations.
- Balance customer needs and expectations while evaluating the effectiveness of operations and whether the right LoS is being provided at the right cost.
- Transition from an “Asset Stewardship” approach that focuses on making decisions based on maintaining assets in an acceptable condition to a “Serviceability” approach that is geared towards making decisions based on balancing the costs, risks, and goals for the LoS being provided by the City’s assets.
- Communicate the physical nature of infrastructure that the City owns and is financially responsible for while promoting the use of LoS to enable effective consultation with stakeholders regarding alternative funding options according to desired LoS outcomes.
- Make recommendations on strategies that the City can take now to minimize future renewal costs while ensuring that adequate LoS can be delivered without burdening future generations.
- Assess internal (e.g., program changes) and external (e.g., climate change) factors that have the potential to impact the City’s ability to deliver services and how these factors may impact the LoS being provided.
- Implement a corporate continuous improvement program to further optimize AM across all service areas.

The O. Reg. 588/17 requires that all AMPs include the current LoS being provided, determined in accordance with the qualitative descriptions and technical metrics provided (see [Section 1.3](#)).

3.2 Objectives

Defining LoS objectives is important for drawing a line of sight between the City’s corporate objectives and the tangible asset performance outcomes. To do so, the LoS objectives must take into consideration stakeholder interests to develop asset performance measures that aim to meet the needs and expectations of the community. By doing this, the City will ensure that their assets are striving towards optimal performance, not only operationally, but economically, socially, and sustainably as well. Every stakeholder has certain interests in the service being provided and in general. The City’s corporate objective is to lift up the community and build pride, and attract people (visitors, employers and employees).

The City’s Comprehensive Background Report² (2021) for the New Official Plan outlined the overarching themes that reflect the City’s value, as shown in [Table 3-1](#). Each overarching theme is also assigned a corporate service objective.

The development of level of service targets should be aligned with these corporate objectives which will be addressed in the next iteration of the AMP.

² City of Sault Ste Marie. 2021. Comprehensive Background Report.

Table 3-1: The City's Overarching Themes and LoS Objectives

Overarching Themes	LoS Objective
Healthy Community	Supports healthy living, active transportation, access to passive and active recreation, social interaction and the creation of spaces that are comfortable, safe and accessible for all ages and abilities (the "8 to 80 Cities" concept).
Environmental Sustainability	Supports energy conservation and efficiency, improved air quality, reduced greenhouse gas emissions and climate change adaptation.
Integrated Mobility	Supports accessibility and choice of a diversity of transportation modes.
Sense of Place	Fosters a welcoming place for all that establishes connection and provides a memorable experience to visitors.
Sustainable Growth	Stimulates reinvigoration of neighbourhoods to provide a complete range of housing, services, employment and recreation.
Economic Resiliency	Supports the growth and diversification of the city's economy.
Social Equity	Contributes to creating a welcoming and inclusive community, focusing on the removal of systemic barriers so that everyone has access to an acceptable standard of living and can fully participate in all aspects of community life.
Cultural Vitality	Celebrates the Sault's history, diverse communities and natural and cultural heritage, with the Downtown as the Sault's core destination for arts and culture.

3.3 Stakeholders Identification

A stakeholder is any person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or an activity. Stakeholder analysis is the process of understanding stakeholder needs, expectations and perceptions relative to the stakeholder's level-of-interest and level-of-influence over the organization. The organization typically engages with their stakeholders to:

- Establish which activities or services matter most.
- Understand their risk appetite and risk threshold.
- Understand their willingness to pay for services.

Stakeholders can take many forms and may be internal (i.e., staff, Council) or external (i.e., the public, regulatory agencies, suppliers, neighbouring municipalities, etc.) to the organization. The following groups were identified as key stakeholders for wastewater service at the LoS workshops. This is not intended to be an exhaustive list; however, the following groups provide a good starting point for the City to move forward to the next stage.

- Council.
- Residents.
- Industrial, Commercial, Institutional (ICI).
- Regulatory Agencies (i.e., Ministry of the Environment, Conservation and Parks [MECP], Fisheries and Oceans Canada [DFO]).
- Government Agencies (i.e., Environment and Climate Change Canada [ECCC] and Michigan Department of Environment, Great Lakes, and Energy [EGLE]).
- Neighbouring Municipalities or Downstream Municipalities (i.e., First Nations including Garden River First Nation, Batchewana First Nation, and Echo Bay, and municipalities from the US including Chippewa County, Michigan, and the City of Sault Ste Marie, Michigan).
- Environmental groups (i.e., Bi-National Public Advisory Council [BPAC] [US & Canada joint committee], Clean North, International Joint Commission, and Stream keepers).
- Developers.
- Other City Departments (e.g., Planning Department).
- Contractors and suppliers (e.g., EDS).

3.4 O. Reg. 588/17 Levels of Service Metrics

O. Reg. 588/17 requires legislated community levels of service for core assets. Community levels of service use qualitative descriptions to describe the scope or quality of service delivered by an asset category. O. Reg. 588/17 also requires legislated technical levels of service for core assets. Technical levels of service use metrics to measure the scope or quality of service being delivered by an asset category.

Table 3-2 presents a summary of the City's wastewater service level for O. Reg 588/17 Metrics. References are provided to show where O. Reg 588/17 requirement has been attained.

Table 3-2: O. Reg. 588/17 Levels of Service Metrics (Wastewater Services)

O. Reg 588/17 LoS Performance Measure	Unit	Community or Technical LoS	Current LoS Performance (2021)
Description, which may include maps, of the user groups or areas of the municipality that are connected to the municipal wastewater system.	Text / Map	Community	Wastewater connectivity map (See Figure 3-1)
% of properties connected to the municipal wastewater system.	%	Technical	89% of the City's properties are connected to the municipal wastewater system.
Description of how combined sewers in the municipal wastewater system are designed with overflow structures in place which allow overflow during storm events to prevent backups into homes.	Text	Community	The City is no longer serviced by combined sewers.
Description of the frequency and volume of overflows in combined sewers in the municipal wastewater system that occur in habitable areas or beaches.	Text	Community	The City is no longer serviced by combined sewers.
# of events per year where combined sewer flow in the municipal wastewater system exceeds system capacity compared to the total number of properties connected to the municipal wastewater system.	#	Technical	The City is no longer serviced by combined sewers.
Description of how stormwater can get into sanitary sewers in the municipal wastewater system, causing sewage to overflow into streets or backup into homes.	Text	Community	Stormwater can get into the wastewater system through manhole covers, inflow and infiltration (I&I), as well as cross connections from residential properties.
Description of how sanitary sewers in the municipal wastewater system are designed to be resilient to avoid events described in previous paragraph.	Text	Community	The sanitary system is designed with overflows; the sanitary sewers must be built to City's design standards and bylaws.
Description of the effluent that is discharged from sewage treatment plants in the municipal wastewater system.	Text	Community	- Effluent can be defined as water pollution, such as the outflow from a sewage treatment facility. The effluent from the East End and West End treatment facilities in Sault Ste Marie have documented compliance limits, and objectives in the recent Environmental Compliance Approvals (ECA) for the East End Plant and West End Plant. - The effluent criteria include effluent flow rates, and parameters for Carbonaceous Biochemical Oxygen Demand (CBOD₅), suspended solids, phosphorous,

O. Reg 588/17 LoS Performance Measure Unit Community or Technical LoS Current LoS Performance (2021)

			ammonia, unionized <i>E. coli</i>, Ph, Residual Chlorine, and Phenol. Refer to the Objective and Compliance Limits in ECA Report no. 5922-BZNVH3 and 3973-AFPTCN for West End and East End Wastewater Treatment Plan, respectively.
# of connection-days per year due to wastewater backups compared to the total number of properties connected to the municipal wastewater system.	#	Technical	Nine instances of public / private basement flooding due to main blockages. 233 instances of sanitary/stormwater issues (rodding requests) compared to 26,384 connected properties in 2021.
# of effluent violations per year due to wastewater discharge compared to the total number of properties connected to the municipal wastewater system.	#	Technical	Zero (violation of sewer use bylaw)

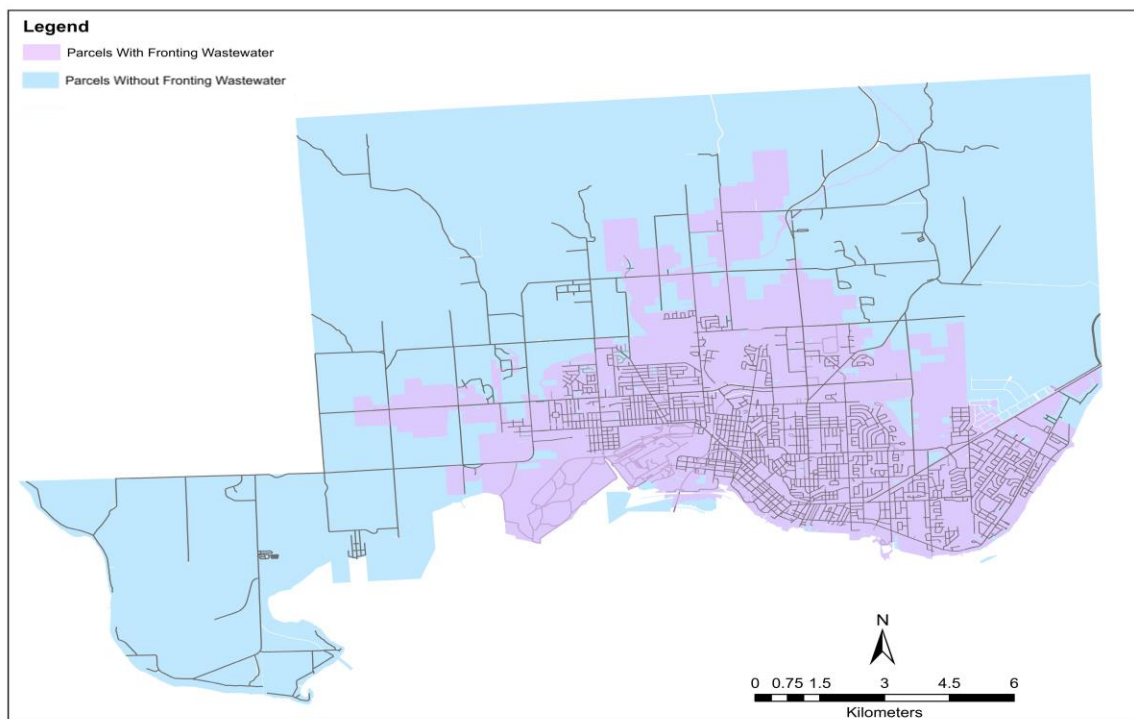


Figure 3-1: City of Sault Ste Marie Wastewater Service Connectivity Map

3.5 Levels of Service Performance Targets

Establishing LoS targets is an important part of continual improvement and performance management. Without targets, it is difficult to ascertain whether goals are being met, or the extent of the gap if they are not. Incorporating targets into the City's LoS Framework helps to ensure that targets are reasonable, aligned with customer expectations, and evaluated on an objective basis by considering cost-benefit trade-offs.

One of the key challenges in setting targets in a municipal environment is that they can often become biased and/or politically motivated. Therefore, it is important to review LoS targets with internal and external stakeholders, especially the customers who will be impacted the most by changes in service delivery. An important aspect of evaluating LoS targets is determining how willing the user is to pay for the service. Regulatory requirements are an

exception; however, they only provide the minimum service standard. Cost is still an important parameter to consider when assessing the merits of service improvements. To deal with the financial realities, it is necessary to:

- Calculate how much the service costs based on current LoS.
- Determine the cost associated with varying the LoS.
- Assess the customers' willingness to pay.

It is important that any targets set be realistic and achievable. Therefore, it is not advisable that the City sets any firm targets until their current performance has been fully assessed. O. Reg. 588/17 requires AMPs to include proposed levels of service and a formalized financial strategy by July 1, 2025.

3.6 Future Demand Drivers

Demand management is a critical component of managing the desired LoS in a sustainable manner, now and into the future. Understanding demand drivers enables the City to proactively develop effective, long-term strategies that are suitable for the City's unique political, environmental, social and technological landscape.

Factors identified during the LoS workshop that would impact wastewater service levels now and into the future include, but are not limited to, the following:

- Aging infrastructure (i.e., clay tile sewers and old concrete sewers, etc.).
- Regulatory changes.
- Staff availability (i.e., technical skill availability, skill gaps from changing technology, etc.).
- Succession management & skills transfer (i.e., succession plan to have licensed wastewater operators to operate the facilities, etc.).
- Funding (i.e., having proper AM plans to optimize service delivery with minimum rates).
- Contractor availability (i.e., contractors' availability for big projects, etc.).
- Climate change (i.e., higher I&I from precipitation, higher water level at Great Lakes, etc.).
- Supply Chain (i.e., material and equipment availability for capital projects, etc.).
- Fluctuations on contract pricings.
- Population growth.

On November 2, 2021, the City's Planning Division released the Comprehensive Background Report for updating the Official Plan³. The City's Official Plan guides the local decision-making on land use, development and public infrastructure over the next 20 years. The City's population is expected to reach approximately 80,000 people by 2031, and 83,300 people by 2036. Employment is projected to grow by about 6,000 jobs, from approximately 31,000 jobs in 2016 to 36,900 jobs in 2036.

When additional assets to accommodate this population and employment growth are introduced to the City's portfolio, additional human resources, training and funding are required to maintain and operate, and renew or replace those assets. O. Reg. 588/17 requires municipalities by July 1, 2025, to estimate capital expenditures and significant operating costs to achieve the proposed LoS and accommodate projected increases in demand caused by population and employment growth. This includes the estimated capital expenditures and significant operating costs related to new construction and / or to upgrade existing municipal infrastructure assets. The City will have to address these aspects during the later phases of the AM regulatory compliance and before the July 1, 2025 deadline.

³ City of Sault Ste Marie. 1996. Official Plan

4 Asset Management Strategies

4.1 Asset Lifecycle Management Introduction

Asset lifecycle management focuses on the specific activities that should be undertaken during all phases of the asset lifecycle. Considering entire asset lifecycles can ensure that the City makes sound decisions that consider present and future service delivery needs.

The overarching goal of lifecycle management is to maximize the long-term benefits and services that our assets deliver while minimizing the associated costs and risks in the long run. Every asset has a lifecycle cost, which is the total cost of all the activities undertaken throughout its service life. Part of the purpose of the asset management planning process is to fully understand and predict the long-range financial requirements for the City's infrastructure to facilitate planning and resource management in the most cost-effective manner possible. **Figure 4-1** illustrates how costs typically accumulate over an asset's life. It is worth noting that the accumulation of the ongoing operations and maintenance, renewal & replacement and disposal costs is many multiples of the initial acquisition costs. As such, it is important to fully understand the entire lifecycle costs across an asset's entire life before proceeding with asset acquisition.

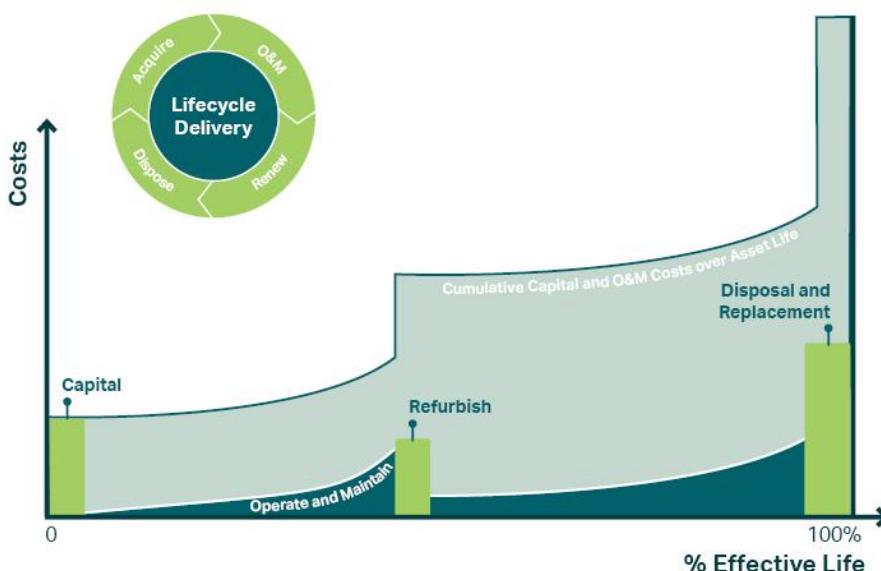


Figure 4-1: Lifecycle Cost Accumulation Over Asset Life

Asset lifecycle management strategies are typically organized into the following categories.

1. **Asset Acquisition / Procurement / Construction:** Acquisition includes expansion activities and upgrading activities to extend services to previously unserved areas or expand services to meet growth demands and to meet functional requirements. When acquiring new assets, the City should evaluate credible alternative design solutions that consider how the asset is to be managed at each of its lifecycle stages. Asset management and full life cycle considerations for the acquisition of new assets include, but are not limited to the following:

- The asset's operability and maintainability.
- Availability and management of spares.
- Staff skill and availability to manage the asset.
- The manner of the asset's eventual disposal.



2. **Asset Operations and Maintenance (O&M):** As new infrastructure is commissioned, the City accepts the responsibility of operating and maintaining the infrastructure according to O&M standards to ensure that the infrastructure is safe and reliable. Operations staff provide the day-to-day support required to operate infrastructure. In few cases, operation costs are minor, but for most there are significant increases. For example, underground pipes require almost no operational support while a facility such as a pump station requires full-time staff to operate the facility safely and efficiently. Maintenance expenses include periodic preventive maintenance to ensure that the infrastructure can provide reliable service throughout the life of the asset and corrective maintenance that is required to repair defective assets as and when needed. Inadequate funding for O&M will have an adverse impact on the lifespan of assets. The amount of O&M resources required in any period is a function of the current inventory of infrastructure and total O&M needs required for each asset. As the inventory of infrastructure grows, total O&M requirements will also grow.



3. **Renewal and Replacement:** The third portion of full life cycle costing relates to the renewal and replacement of infrastructure that have deteriorated to the point where it no longer provides the required service. Renewal cost is sometimes incurred during the life of an asset where an investment is made to improve the condition and / or functionality of the asset e.g., re-lining of a pipe. Replacement activities that are expected to occur once an asset has reached the end of its useful life and rehabilitation is no longer an option.



4. **Decommissioning and Disposal:** There will inevitably come a point in time when an asset must be removed from service and, depending on the type of asset, there may be significant costs associated with its decommissioning and disposal. Factors that may influence the decision to remove an asset from service include changes to legislation that cause the asset to be in non-compliance, the inability of the asset to cope with increased service levels, technology advances that render the asset obsolete, the cost of retaining the asset is greater than the benefit gained, or the current risk associated with the asset's failure is not tolerable.

Normally, major costs that may be incurred during disposal and decommissioning derive from the environmental impact of the disposal and, if required, the rehabilitation and decontamination of land. In some cases, there will be residual liabilities and risks to consider if a decision is made to partially abandon the asset as opposed to fully disposing of its components (e.g., leaving a non-functioning pipe in the ground, or an inactive building standing). However, some cost savings may be achieved through the residual value of the asset or by exploring alternative uses for the asset. In all cases, it is important to consider disposal and decommissioning as the strategy employed has the potential to attract significant stakeholder attention. For that reason, the costs and risks associated with disposal and decommissioning should be equally considered in the City's capital investment decision-making process.



4.2 Wastewater Assets Management Strategies

The asset management strategies that are employed by the City to manage the wastewater system throughout their lifecycle is summarized in [Table 4-1](#).

Table 4-1: Lifecycle Management Strategies for Wastewater Assets

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
Wastewater	Acquisition	All Wastewater Assets - Assumption of subdivisions, commercial and industrial extensions, local improvements, etc. - Council approved specific initiatives. - Pipes that do not meet capacity requirements are upsized to increase capacity. - Undertake Environmental Compliance Approval (ECA). Treatment Plants and Large Pump Stations - Projects typically relate to process upgrades. The current upgrades on the East End WWTP are primarily focusing on improving the quality of wastewater treatment, while for the West End WWTP, the focus is on improving flow and replacing components.	- To extend services to previously unserved areas or expand services to accommodate asset enhancements. - Adequate planning and implementation of infrastructure projects help to manage existing and potential growth pressures and address other demand factors.
	Operations and Maintenance	Sewers - Flushing and cleaning. - Spot repairs. - Reactive CCTV Inspections of sewers. - Emergency blockage or failure responses. - Force mains valve exercising.	- Flushing and cleaning activities can remove debris to ensure desired capacity and help identify potential problems before they happen. - Spot repair will fix mains that have or may collapse and cause disruptions to service, backups and / or overflows. - Emergency blockage responses will remove partial or full blockages from mains that cause disruptions to service, backups and / or overflows and restore the main operational functions. - Valve exercising program ensure valves can be easily located and operated when and as needed.
		Manholes & Chambers - Routine inspections. - Performing maintenance as needed.	Routine inspections for manholes & chambers to address the flow concerns or easement flooding issues.
		Service Connections - Clean-out installed. - Blockage removal. - Laterals unplug. - Relaying - Clay laterals replacement.	- Maintenance of service connections ensures assets are operating properly and reduce potential claims. - Replacement of clay and/or substandard laterals ensures that aged older pipe material are replaced to reduce failures.

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
		Small Pump Stations • Routine inspection once a week. • Maintain the electronic components that monitor station security, controls, and diagnostics. • Clean the grease, debris and foam build-up from wet well. • Wash down and remove debris in the pump station chambers. • Annual oil change. • Emergency repairs.	• Regular inspections of facilities ensure wastewater facilities are operating properly and that potential maintenance issues are identified and prioritized for repair to avoid equipment failure. • Regular scheduled maintenance activities at wastewater facilities ensure that the facilities continue to operate properly. • SCADA upkeep to monitor and improve the efficiency and capacity of wastewater facilities and assets. • Facilities emergency repairs due to failure alarm or reported failure to reduce the possibility of a spill or other system failure.
		Wastewater Treatment Plants and Large Pump Stations • Regularly scheduled inspections and maintenance by the Public Utilities Commission (PUC). • PUC has a standard routine for maintaining the facilities. • Implement SCADA upkeep projects. • Emergency repairs.	
	Renewal and Replacement	Sewers • Sewer replacements are coordinated with road reconstructions. • The City prioritizes replacing clay sewers. • Redundancy for critical force mains is a concern the City aims to address.	• Coordination of sewer works together with road reconstruction. Allows the management of a range of assets within any road right-of-way to be optimally coordinated, leading to reduced cost and limited disruption to businesses and residents. • Replacing older pipe materials such as Clay sewers with Polyvinyl Chloride (PVC) pipes to reduce potential main failures. • Critical force main redundancy ensures wastewater network availability in case of a force main failure and unavailability.
		Manholes & Chambers • Replaced at the same time as the sewer mains. • Minor defects observed on site are addressed under the maintenance budget.	• Bundling similar works to manage related assets and reduce overall lifecycle cost.
		Service Connections • Replaced at the same time as the sewer mains. • Minor defects observed on site are addressed under the maintenance budget.	• Bundling similar works to manage related assets and reduce overall lifecycle cost.
		Small Pump Stations • The small pump stations are assessed annually in terms of priorities for renewal/replacement.	• Renewal or replacement of underperforming wastewater facility assets reduce potential loss of service caused by unplanned failure.

Asset Group	Lifecycle Activity	Description of Activities Practiced by the City	Benefit or Risk Associated with the Activities
		Wastewater Treatment Plants and Large Pump Stations - The City is looking to conduct detailed condition assessments for larger pump stations. - Large pump stations operated by PUC are renewed based on functional needs. - Wastewater treatment facilities assets are renewed / replaced based on facility inspection reports.	
	Disposal	- Current practice is removal of old assets and landfill disposal. - Equipment is disposed or inventoried as spare parts.	Ensure assets are disposed in compliance with waste regulations in Ontario.
	Non-Infrastructure	- Sanitary flow monitoring project to monitor and track I&I. - Perform sewer capacity studies. - Plan formalized condition assessment programs. - Master Plans and Official Plan.	- Monitoring and tracking I&I will facilitate identification of future remedial actions as may be required. Reducing infiltration and inflow will mitigate overflows and by-passes during periods of intense rainfall. - Sewer capacity studies provide the ability to understand the need to upsize pipes to accommodate needs. - Condition assessment programs help to identify and record asset condition to inform decision-making for maintenance and capital programs. - Master Plans and Official Plan include strategic planning / budgeting and project prioritization enable to inform long-term decision making.

5 Funding Need Analysis

5.1 Reinvestment Forecast and Lifecycle Modeling

Table 5-1 shows the assumptions on the reinvestment rate forecast for each Wastewater asset type, the reinvestment targets, and the resulting 10-year annual average reinvestment rate for the period from 2023 to 2032. The lifecycle analysis also incorporated the upcoming WWTP-EE and WWTP-WE upgrade projects planned for 2024 to 2026 by including “WWTP-EE Near Future” and “WWTP-WE Near Future” in the annual reinvestment analysis.

In the future, when condition assessment programs are implemented, asset conditions will be used to update the renewal and replacement forecast to better inform asset reinvestment needs.

Table 5-1: Wastewater Reinvestment Assumptions

Asset	Measure	Target	Resulting 10-Yr. Annual Avg. Reinvestment Rate (2023- 2032)
Wastewater Gravity Mains	Percentage of gravity mains exceeding their expected service life, that are replaced in 2023 and thereafter	100%	0.8%
Wastewater Force Mains	Percentage of force mains exceeding their expected service life, that are replaced in 2023 and thereafter	100%	5.9%
Wastewater Service Connections	Percentage of required replacement of service connections when replacing gravity mains addressed	100%	1.3%
Wastewater Manholes & Chambers	Percentage of required replacement of manholes & chambers when replacing gravity mains addressed	100%	0.6%
Wastewater Pump Stations	Percentage of wastewater pump station assets exceeding their expected service life, that are replaced in 2023 and thereafter	100%	2.6%
Wastewater Treatment Plants – East End	Percentage of East End WWTP assets exceeding their expected service life, that are replaced in 2023 and thereafter	100%	1.7%
	WWTP-EE Near Future projects (2024 to 2026)	100%	
Wastewater Treatment Plants – West End	Percentage of west end wastewater treatment plant assets exceeding their expected service life, that are replaced in 2023 and thereafter	100%	4.9%
	WWTP-WE upgrade project phase two plan - WWTP-WE Near Future projects (2024 to 2026)	100%	

The lifecycle analysis was implemented within an MS Excel Wastewater Asset Lifecycle Model. The analysis involves integrating key asset attribute information including asset inventory, age, expected service lives, replacement values, and condition to create a theoretical asset replacement cycle for each asset. The other relevant renewal needs information (e.g., the City’s current plan for WWTP-EE and WE upgrade) were also considered in the lifecycle model. A financial dashboard was developed to present the lifecycle modeling results.

It should be noted that the nature of this type of analysis is based on a wide range of data inputs, currently available information, and a number of assumptions, and is therefore at best a high-level estimate of future funding needs. Project timing and cost should be further refined upon approach of the actual implementation date.

5.2 Capital Reinvestment Need Analysis

5.2.1 10-Year Reinvestment Need Analysis

The average annual reinvestment estimate for the City's wastewater system is \$28 Million over the next 10 years in inflated dollar values. This is equivalent to a total of approximately \$278.5 Million over the next 10-year period, as presented in **Figure 5-1**. The City should note that there are significant backlogs for reinvestment on the sewer gravity mains, force mains, and service connections which have already exceeded their ESLs. This expenditure spike is highlighted in the red outline presented in the year 2023 in **Figure 5-1**.

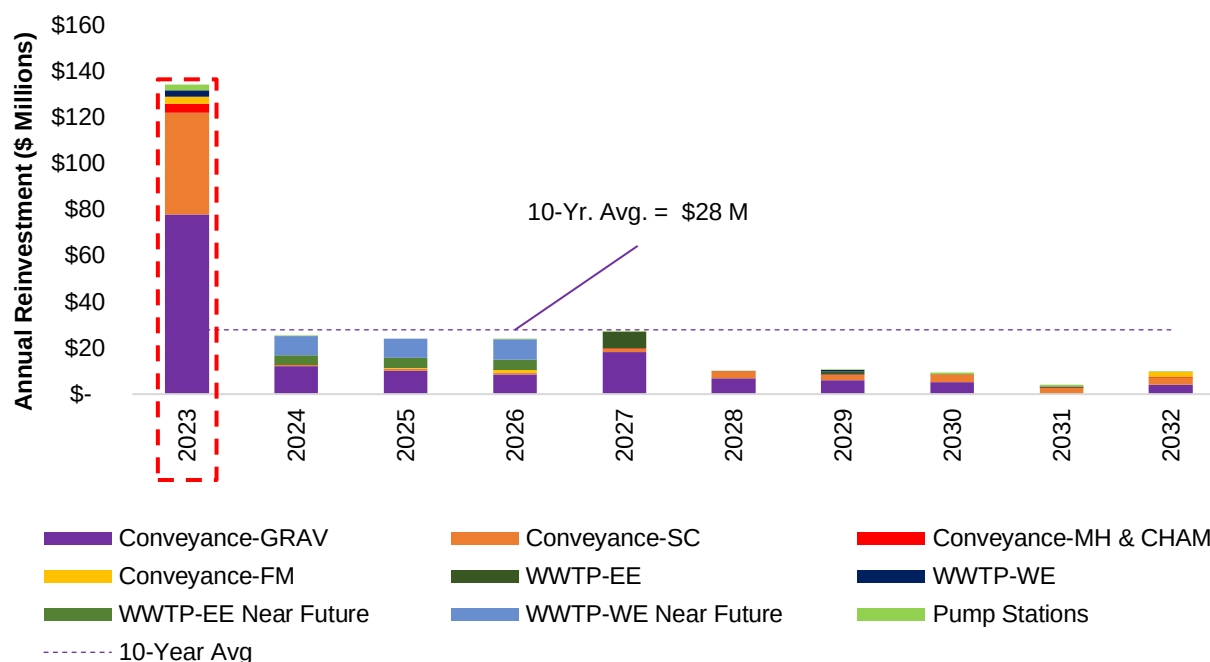


Figure 5-1: Wastewater 10-Year Capital Reinvestment Needs

The detailed 10-year reinvestment needs for gravity mains, force mains, service connections, manholes and chambers, pump stations, and WWTPs are presented in **Table 5-2** in inflated dollar values.

Table 5-2: Wastewater 10-Year Total and Annual Average Capital Reinvestment Need

Asset Type	Annual Average Need	10-Year Total
Wastewater Gravity Mains	\$14,908,000	\$149,080,000
Wastewater Force mains	\$677,000	\$6,770,000
Wastewater Service Connections	\$6,165,000	\$61,650,000
Wastewater Manholes & Chambers	\$528,000	\$5,280,000
Wastewater Pump Stations	\$512,000	\$5,120,000
Wastewater Treatment Plants – East End	\$2,135,000	\$21,350,000
Wastewater Treatment Plants – West End	\$2,924,000	\$29,240,000
Total	\$27,849,000	\$278,490,000

5.2.2 50-Year Reinvestment Need Analysis

Looking ahead over the long term, the average annual reinvestment estimate for the City's wastewater assets is \$52M over the next 50 years in inflated dollar value, for a total of approximately \$2.6 Billion, as presented in **Figure**

5-2. Considering the reinvestment needs starting from around 2042, a significant amount of the City's aged gravity mains will require renewal or replacement as they will approach and exceed their theoretical ESLs.

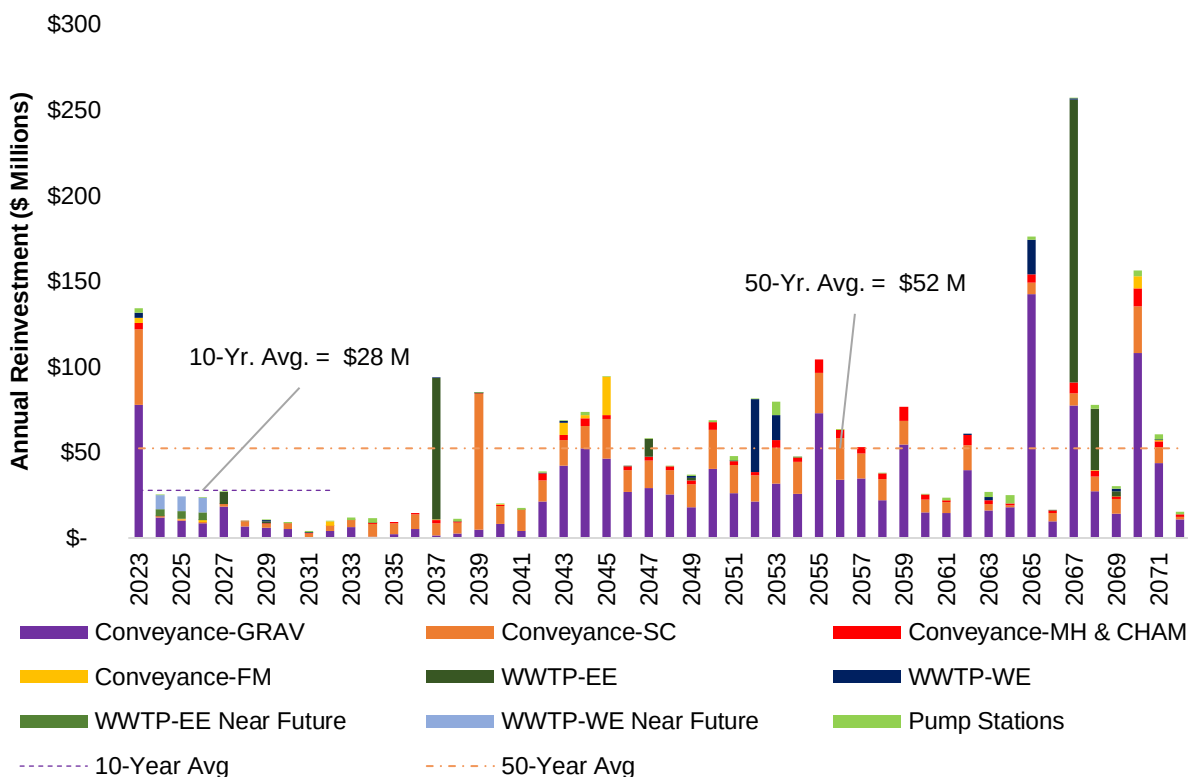


Figure 5-2: Wastewater 50-Year Reinvestment Needs

5.2.3 Benchmarking for Capital Reinvestment Needs

AECOM's Canadian Infrastructure Benchmarking Initiative (CIBI, see <https://www.nationalbenchmarking.com/>) is a partnership of over 50 Canadian municipalities, stretching from coast-to-coast, that annually collects and reports on water, wastewater, stormwater, and transportation LoS across operational, financial, environmental, and social "bottom lines". The findings from the CIBI serve as key inputs into establishing what constitutes industry best practice for asset management activities across Canadian municipalities. Capital reinvestment rate of wastewater conveyance system and wastewater treatment from CIBI were reviewed and analyzed to provide the City with context and useful comparable information to make informed decisions.

The City's current 10-year wastewater collection and treatment capital forecast and proposed capital reinvestment need from this AMP were benchmarked against the CIBI group median, the 25th percentile, and the 75th percentile. **Figure 5-3** presents the current 10-year annual average of City's wastewater capital reinvestment budget forecast and the associated average capital reinvestment rates. **Figure 5-3** shows the capital reinvestment rate benchmarking results.

The current forecasted capital reinvestment budget for wastewater conveyance system is below the 25th percentile, meaning there could be opportunities to increase the capital reinvestment to be on par with the Canadian benchmarking group. **Figure 5-3** shows that the proposed average capital reinvestment rates for wastewater collection (1.11%) is between the 25th percentile and 75th percentile, which means this proposed rate is in line with 50% of Canadian benchmarking municipalities' current practice.

It should be noted that the CIBI median values provide a good baseline regarding LoS across Canada. However, median values are not always appropriate for targets. In some cases, most Canadian municipalities are either behind or ahead of the curve due to alternate priorities.

The City's current capital budget forecast for its WWTPs is between the 25th percentile and 75th percentile indicating the capital reinvestment level is in line with 50% of Canadian benchmarking municipalities' current WWTP practice. It is noticeable that the proposed WWTP reinvestment rate (2.69%) is higher than the 75th percentile, as the City is prioritizing the WWTP upgrades in the near future. After including the "WWTP-EE Near Future" and "WWTP-WE Near Future" upgrade projects, an addition of approximately \$4 Million, and \$8 Million annually on average for the period from 2024 to 2026 for the East End and West End WWTPs, respectively, were added to the reinvestment need leading to an increase of reinvestment rate in the short term.

Table 5-3: City's Wastewater 2022 - 2031 Capital Reinvestment Budget Forecast Summary

Asset Category	Description	Current Capital Reinvestment Budget 2022-2031 10 Year Annual Average	City's Average Reinvestment Rate
Wastewater Conveyance	The capital reinvestment budget items for conveyance system include Infrastructure, Emergency Repairs, Pumping Stations, and Miscellaneous Projects.	\$ 2,219,000	0.14%
Wastewater Treatment	The capital reinvestment budget items for wastewater treatment plants include Wastewater Treatment Plant Capital Maintenance and Repair, East End Plant, and SCADA.	\$ 2,490,000	1.26%

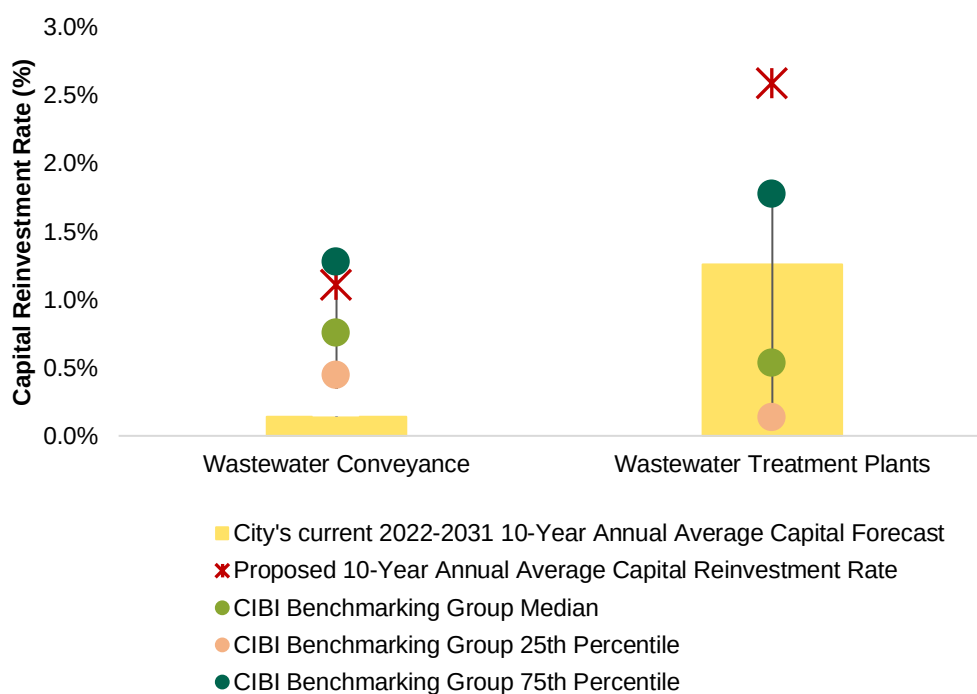


Figure 5-3: Capital Reinvestment Benchmarking

5.3 Full Funding Need Profile

Figure 5-4 shows a full picture of the City's wastewater funding need forecast over the next 10 years, which provides the City the full funding requirements in order to perform effective financial planning activities. The total annual reinvestment cost from Figure 5-1 has been overlaid with the City's annual average wastewater O&M cost.

The City's wastewater full funding requirement increases to approximately \$370 Million over the next 10 years with additional funding requirement, and O&M, equivalent to \$37 Million per year in inflated dollar value.

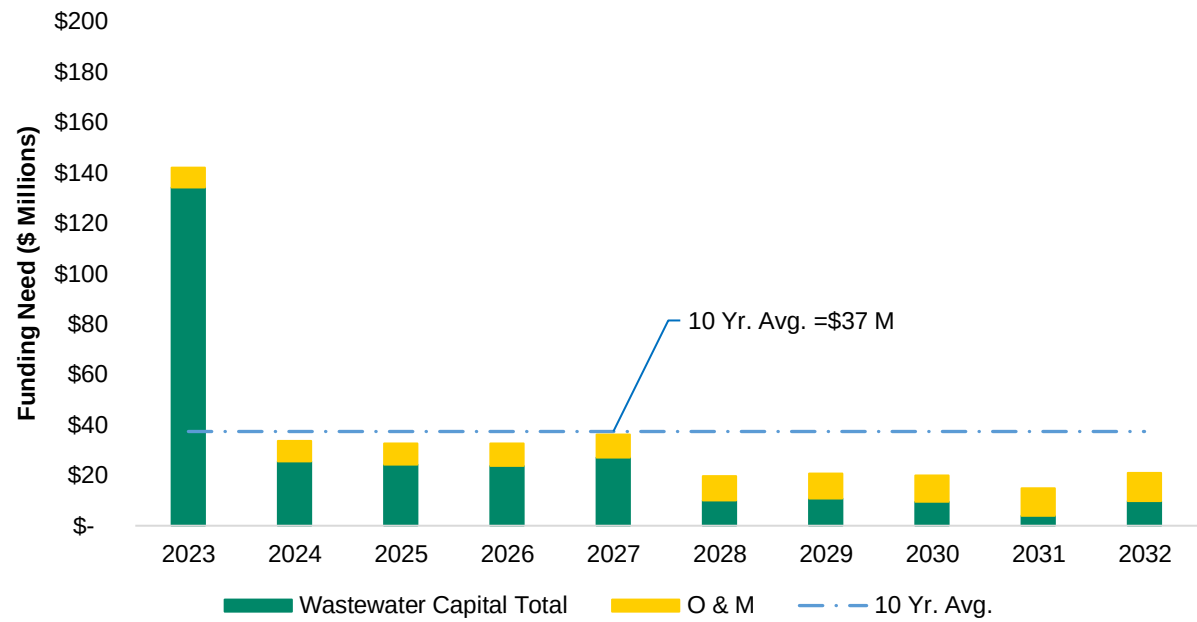


Figure 5-4: Wastewater Full Funding Need Profile

6 Implementation Plan and Continuous Improvement

Continuous improvement is an important component of any AM program and is achieved through the implementation of recommended improvement initiatives which support sustainable service delivery. While the City's wastewater assets are in a relatively good condition at the moment, there are future challenges that must be contended with considering the 50-year projection presented in [Figure 5-2](#). It is important to address these challenges thoroughly and promptly to leave a positive legacy for future generations.

A suite of improvement initiatives has been identified for the next phase of AM planning for the City's wastewater assets, as outlined below:

- **Recommendation 1: Refine asset data and fill data gaps to make more informed and defensible decisions.**

Continue to collect data and fill gaps in the GIS inventory to have a more accurate representation of the current state of wastewater infrastructure. The City has made great effort in ensuring that the GIS is the primary source of truth for its assets by capturing much of the inventory within the system. It is recommended that the City continue to merge asset data from various drawings, spreadsheets, and other databases through the process of digitizing, transforming, or georeferencing assets to capture the whole inventory. For example, in this assignment, AECOM has reviewed the 2013 condition assessment report inventory and any assets removed from the facility as part of the recent WWTP-WE Phase 1 Upgrades project were deleted. The WWTP-WE Phase 1 Upgrades contract drawings and the asset inventory were also reviewed and updated by including all major new structural, architectural, process mechanical, building mechanical, electrical and instrumentation assets. For existing buildings, the new assets for the renovated components were added. In addition, project cost values for each asset were provided based on the pre-tender cost estimate or on the payment certificate cost breakdown.

- **Recommendation 2: Develop a Data Governance Framework to provide a holistic and consistent approach to the City's wastewater data management practices.**

A Data Governance Framework includes developing an Asset Information and Data Standards Strategy to clearly define what asset data exists, who is accountable for managing it, methods of data collection, and safeguarding data quality. The successful deployment of a Data Governance Framework aims to achieve the following benefits:

- Enhanced data integrity to support reliable analysis.
- Improved data management workflows and processes.
- Improved AM reporting.
- Clearly defined data management roles & responsibilities.

- **Recommendation 3: Review business process for asset acquisition and design workflow diagrams to formally document AM processes.**

An opportunity exists for the City to continually reevaluate its business practices, including data management, to promote information sharing between roles, departments, and systems. The development of process maps is an excellent resource for visualizing the flow of information and formalizing procedures.

- **Recommendation 4: Develop a regular wastewater sewer condition assessment program.**

Condition assessment is one of the primary steps utilized prior to performing maintenance, rehabilitation, or replacement activities. In sewers, the most commonly used inspection technique is CCTV for sewers up to 1,200 mm; larger sewers can be good candidates for multi-sensor inspection (MSI). For force mains, applicable pressure system condition assessment tools can be considered including leak detection. Wall thickness measurement can also be considered for ductile iron and cast-iron force mains. The results from this inspection

will be used to evaluate the internal condition of the pipeline to determine the structural and operational condition. A CCTV program will allow the City to:

- Better forecast infrastructure renewal and rehabilitation needs.
- Avoid infrastructure failures and the resulting economic, social, and environmental costs.
- Leverage cost-effective methods to extend the life of assets before the asset becomes too deteriorated and must be replaced.

- **Recommendation 5: Develop a regular wastewater facilities condition assessment program.**

The last wastewater facilities condition assessment for the West End WWTP was performed in 2013. Condition assessment of the East End WWTP has not been completed since the 2000 upgrades. AECOM recommends that the City updates wastewater facility asset (treatment plants and the pump stations) condition at least every five years to inform maintenance, renewal, or replacement plans. A detailed condition assessment can include:

- Inventory confirmations of key process equipment including process structural, process mechanical, process electrical and process instrumentation, building structures and systems, and site work.
- Completion of all required asset class attributes (includes capturing manufacturer, model, serial number, and year installed).
- Determining the current condition grade of each asset using a consistent condition rating scale.
- Application of consequence of failure/criticality values based upon established criteria and information derived from discussion with plant staff.
- Populating current asset replacement value based on local and recent cost data.
- Developing a risk assessment and forecasting model.

- **Recommendation 6: Refine the Levels of Service Framework.**

Considering the LoS deadline of July 1st, 2025, stipulated within the O. Reg. 588/17 regulations, the steps to refining the LoS framework and quantifying the gaps between existing and target service levels can include:

- Collecting asset performance data for key performance indicators (KPIs) that are not currently being tracked, including associated costs.
- Reviewing the LoS performance measures on an annual basis and updating asset performance data as required.
- Analyzing and monitoring asset performance data to determine trends and to establish annual performance benchmarks.
- Engaging in a discussion with key stakeholders to establish service level targets and identify associated costs to meet those targets.
- Once LoS targets have been decided upon, the City should develop strategies on how to meet service level targets considering its existing operating environment (i.e., staff availability, current funding, resources, etc.).
- Developing a Customer Consultation Plan to engage the public and other stakeholders on the LoS framework and to better understand customers' willingness to pay for enhanced LoS.
- Documenting information workflows, and clearly defining roles and responsibilities in the LoS continual improvement planning process. A component of collecting LoS performance data is ensuring that the right processes are in place to enable efficient LoS reporting. It is recommended that the City review its existing business process and identify opportunities to support cross-functional teamwork. This includes developing process maps and documenting clear roles and responsibilities so that key staff understand their role in data collection, recording, analysing, and monitoring

- **Recommendation 7: Develop a Risk Assessment Framework and use risk scores to drive financial needs forecasting.**

The use of a risk-based approach to inform financial needs provides a clear direction in maintenance, rehabilitation, and replacement work in terms of balancing priorities. It also provides transparency to the public and other stakeholders to demonstrate that decisions are made in an impartial and consistent manner, without unreasonable bias, and in accordance with agreed upon policy and priorities.

- **Recommendation 8: Implement a CMMS / Work Management System.**

The City will conduct an AM Software Strategy following the completion of this AM plan to identify future system requirements that may include enhancing existing software, adding-on, or replacing.

- **Recommendation 9: Refine the Wastewater lifecycle model and update the model periodically as new information becomes available.**

The wastewater funding model is based on a wide range of data inputs, currently available information, and a number of assumptions, and is therefore at best a high-level estimate of future funding needs.

- In light of the annual capital and O&M investments outlined in [Section 5](#), the City should budget for wastewater expenditures on asset reinvestment and O&M to an average of \$33 Million estimated per year over the next 10 years. However, when considering the longer-term needs, the City may want to consider establishing reserves to address future renewals and replacement beyond the 10-year horizon.
- Review financial modeling assumptions on ESLs and replacement values and update the financial model with new information as it becomes available (e.g., when the results from the CCTV inspection program become available).

- **Recommendation 10: Continue to monitor growth needs and integrate growth related wastewater infrastructure funding needs into the financial forecast and update the Wastewater AM Plan as appropriate.**

As referenced in [Section 3.6](#), the City's wastewater system is expected to grow in line with an increase in the City's population. AECOM recommends that the City:

- Includes growth-related capital needs as part of the capital budgeting.
- Coordinates AM planning and development planning processes to ensure that the infrastructure systems that are built to serve new growth can be sustained over the long term.
- Ensures that the wastewater asset inventory is always kept current as new assets are added and existing assets are refurbished or retired.

- **Recommendation 11: Continue to find ways to improve AM initiatives across the City by maintaining a high level of AM awareness through training, AM buy-in, communication, and knowledge sharing.**

ISO 55010⁴ identifies that the financial and non-financial functions of AM within organizations are generally inadequately aligned. The lack of alignment between financial and non-financial functions can be attributed to silos in an organization, including reporting structures, functional / operational business processes, and related technical data. Financial and non-financial alignment needs to work both "vertically" and "horizontally", as follows:

- Vertical Alignment: financial and non-financial asset-related directives by management are informed by accurate upward information flows, effectively implemented across the appropriate levels of the organization.
- Horizontal alignment: financial and non-financial information that flows between departments conducting functions such as operations, engineering, maintenance, financial accounting, and management, etc. should use the same terminology and refer to the assets identified in the same way.

⁴ International Organization for Standardization (2019): ISO 55010 - Asset management — Guidance on the alignment of financial and non-financial functions in asset management

- **Recommendation 12: Develop a Knowledge Retention Strategy to document staff AM knowledge and experience for succession planning purposes.**

Communicate AM improvement initiatives and enhance AM awareness internally through internal communication.

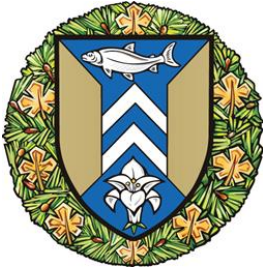
- **Recommendation 13: Develop a Change Management & Communications Plan.**

AM buy-in and support are needed from all levels of the City to ensure that AM standards, practices, and tools are properly adopted and incorporated into day-to-day work activities. A successful Change Management & Communications Plan will depend on the following factors:

- AM buy-in from Council, senior management, staff, and departments.
- AM objectives are realistic and achievable.
- AM improvement initiatives are appropriately resourced.
- A network of AM champions is developed and empowered across the City.

Appendix A - Wastewater Asset Inventory

The City's wastewater asset inventory is presented as a separate MS Excel file.



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

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Jonathan Kircal, Planner

DEPARTMENT: Community Development and Enterprise Services

RE: A-10-22-Z 207 Dacey Road

PURPOSE

The applicant, Tulloch Engineering (representing the Daniel Fremlin Building Group Ltd.), has submitted an application to rezone the rear portion of 207 Dacey Road to permit a variety of semis and multiple-attached dwellings.

PROPOSED CHANGE

Rezone the portion of the property that is zoned as Single-Detached Residential Zone (R2) to Low Density Residential Zone (R3).

Subject Property:

- Location: Located 55 metres northwest from the intersection of Dacey Road and Hardwood Street.
- Approximate Size of Subject Property: 195 metres of frontage along Dacey Road with a depth of 187 metres. Area is 3.64 hectares. (640' by 614', area: 9 acres).
- Approximate Size of Area to be Rezoned: irregular shaped lot, 195 metres with a depth of 311 metres. 20.1 metres of frontage along Dacey Road. Area is 2.6 hectares. (640' by 1020', area: 6.4 acres).
- Present Use: vacant.
- Owner: Daniel Fremlin Building Group Ltd.

BACKGROUND

In 2015, an application was submitted to rezone a portion of the subject property from Single-Detached Residential Zone (R2) to Single-Detached Residential Zone (R.S) with a Special Exception to permit up to 22 residential dwelling units. The application was subsequently withdrawn by the applicant.

In 2021, City Council approved an application to zone a portion of the property from Single-Detached Residential Zone (R2) to Low Density Residential Zone (R3) and Medium Density Residential Zone (R4) to facilitate the conversion of the former school into a 19 unit apartment building, and to permit the construction of

11 residential dwellings fronting along Dacey Road. In 2022, a portion of the property was severed to facilitate the construction of multiple-attached dwellings along the Dacey Road frontage.

ANALYSIS

Conformity with Official Plan

Schedule C (the Land Use Map) designates the subject property as Residential in the Official Plan. Residential land uses primarily include dwellings and other uses associated with and accessory to the residential uses that contribute to the completeness of the neighbourhood but do not depreciate or affect the amenity of the residential environment. 40 dwelling units are proposed and therefore the applicant is not required to provide affordable housing units, whereas Housing Policy HO.6 only requires the provision of affordable units where more than 50 dwelling units are proposed.

Section 2.3.1 of the Official Plan sets out the following applicable residential policies:

R.1 - A mixture of housing types and diversity of ownership and tenure forms shall be encouraged in new development.

R.2 - Low and high-density development should be integrated and compatible in density, height and building setbacks. Generally, high density developments shall be restricted to major arterial streets and areas abutting the downtown core.

R.3 - Medium density residential dwellings may be integrated into low density areas subject to rezoning.

R.4 – Small-scale intensification may be permitted in all residential areas unless adequate supporting infrastructure is not available or significant physical constraints exist.

R.5 – Small-scale residential intensification may include, but not be limited to, rooming, boarding and lodging *houses, apartments in houses, infill development and redevelopment*.

The proposal is consistent with the OP.

Conformity with Provincial Policy Statement 2020

This application is consistent with the policies of the PPS that address matters of efficiently utilizing municipally serviced land and land use compatibility, specifically,

Promoting efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term;

Planning authorities shall identify appropriate locations and promote opportunities for transit-supportive development, accommodating a significant supply and range of housing options through intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs.

Conformity with Growth Plan for Northern Ontario 2011

Approval of this application does not conflict with the plan.

COMMENTS

This application proposes to rezone the Single-Detached Residential Zone (R2) portion of the property to Low Density Residential Zone (R3). The area to be rezoned is the former school yard located at the rear of the property, is irregularly shaped, and is approximately 185 wide by 155 metres deep. Part of the property extends to Dacey Road, creating 20.1 metres of frontage along the road.

The applicant plans to construct 10 multiple-attached buildings and 1 semi-detached building for a total of 40 residential dwelling units. A private road will service the development.

This proposal conforms to all regulations of the zoning by-law and no variances are required. The front, side, and rear yard setbacks are 43m, 16.6m, 5.5m, and 33m respectively. Each dwelling unit will have its own garage and driveway. Sufficient backyard amenity space is also provided for each unit.

The subject property is the former St. Hubert Elementary School. The surrounding area is characterized by a mix of residential uses comprised of single-detached homes, townhouses and apartments. To the north and east of the property are single-detached homes, a day-care centre, and the recently approved multiple-attached dwellings. To the south are additional single-detached homes separated from the proposed development area by a 10m wide tree buffer. To the west are townhouses.

The portion of the property to be rezoned is large and undeveloped. There are sufficient setback distances between the proposed buildings and abutting properties. This infill development is located within the urban settlement area in a neighbourhood that has a mix of residential forms, such as apartment blocks and townhouses. No land use impacts are anticipated from the approval of this application.

CONSULTATION

Public notices were mailed to all neighbouring properties within 120m (400') of the subject property on August 5, 2022. The notice that was mailed to property owners is attached to this report. The notice was also advertised on the City website and in the Sault Star on August 6, 2022.

The applicant also hosted a neighbourhood meeting on July 12, 2022, at the former St. Hubert School, and mailed invitations to property owners within 120m. Approximately 9 people attended. The response was generally positive. One individual noted that the residential redevelopment of the site may reduce trespassers in the area and other undesirable activity. The questions/concerns that were raised included:

- Will there be a buffer along the south and east lot lines?
A fence will be constructed along most of the Hardwood Street properties that abut the subject property's east lot line, adjacent to the access drive. Properties abutting the proposed stormwater management pond will not be fenced as those owners expressed a preference for unobstructed views of the pond. A tree buffer of no less than 10 metres along the rear lot line will be maintained.
- Preservation of neighbours' plants.
A neighbouring resident has planted small trees and shrubs on the subject property and wishes for them to be maintained, if possible. The applicant has indicated that best attempts will be made to preserve or relocate these plants. This is a private matter that should be to the discretion of the property owner. Staff will not add this as a condition of rezoning.
- Drainage concerns (rear yard ponding on Hardwood).
The applicant's engineering consultant noted that their storm water and drainage plan will address this issue. Storm water runoff will be managed largely through a proposed stormwater management pond and will meet the City's Stormwater Management Guidelines. Post-development flows will not exceed pre-development flows.

Application Circulation

As part of the application review, this proposal was circulated to City divisions and external agencies for detailed technical review and comment. The following departments/agencies commented on this application:

Engineering Services noted the following:

- A Preliminary Site Servicing Study was carried out by the applicant's consulting engineer. As per this study, there is sufficient capacity in the

downstream sanitary sewer to accommodate the flows generated from the proposed development;

- A Preliminary Stormwater Management Study was completed by the applicant's consulting engineer and post development flows for the site will not exceed pre-development flows for storms up to and including the 100-year event;
- The applicant is proposing to connect to the private sanitary and storm sewers within the easement that traverses the property. Permissions must be obtained from the owner of the private services prior to connection. The City does not perform maintenance on this private system;
- From a traffic volume perspective, capacity issues are not anticipated as a result of the proposed development;
- Concerns have been brought forward regarding drainage along the rear properties of Hardwood Drive. These concerns must be addressed as part of the detailed design of the site;
- It is recommended that this property be subject to Site Plan Control to ensure servicing, grading, and drainage is addressed to the satisfaction of the Director of Engineering Services or his designate.

The Building Division noted that assurances should be provided that the fire department access routes are in compliance with the requirements of Article 3.2.5.6. OBC.

Canada Post recommended that a centralized community box be located on the side of unit 21 or 33.

FINANCIAL IMPLICATIONS

Approval of this application will not result in any incremental changes to municipal finances.

STRATEGIC PLAN / POLICY IMPACT

Approval of this application is not directly linked to any strategic directions contained within the corporate strategic plan.

SUMMARY

An application to rezone the rear portion of the property from Single-Detached Residential Zone (R2) to Low Density Residential Zone (R3) has been submitted to facilitate the development of 10 multiple-attached buildings and 1 semi-detached building for a total of 40 residential dwelling units. A private road will service the development.

The surrounding area is characterized by a mix of residential uses comprised of single-detached homes, townhouses and apartments. This proposal is compatible with the neighbourhood character.

The proposal conforms to all building regulations of the zoning by-law. No variances are required.

No major concerns were raised during the neighbourhood meeting.

RECOMMENDATION

Resolved that the report of the Planner dated August 29, 2022 concerning application A-10-22-Z be received and that Council approve this application in the following manner:

Rezone the portion of the property that is zoned as Single-Detached Residential Zone (R2) to Low Density Residential Zone (R3.S) with the following special exception:

- Permit more than one permitted use on the property.

And that the portion of the property that is zoned as Single-Detached Residential Zone (R2) be deemed subject to site plan control as per Section 41 of the Planning Act.

And that the Legal Department be requested to prepare the necessary by-law(s) to effect the same.

Respectfully submitted,

Jonathan Kircal
Planner
705.759.6227
j.kircal@cityssm.on.ca



ENGINEER'S SEAL:

2022-07-21	0	ISSUED FOR ZONING APP.	KTN	JM	
DATE	REV.	REVISION	BY	APP'D	

CLIENT:

FREMLIN BUILDING GROUP
415 McCARREL LAKE ROAD
ECHO BAY, ON

CONSULTANT:

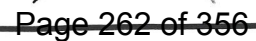


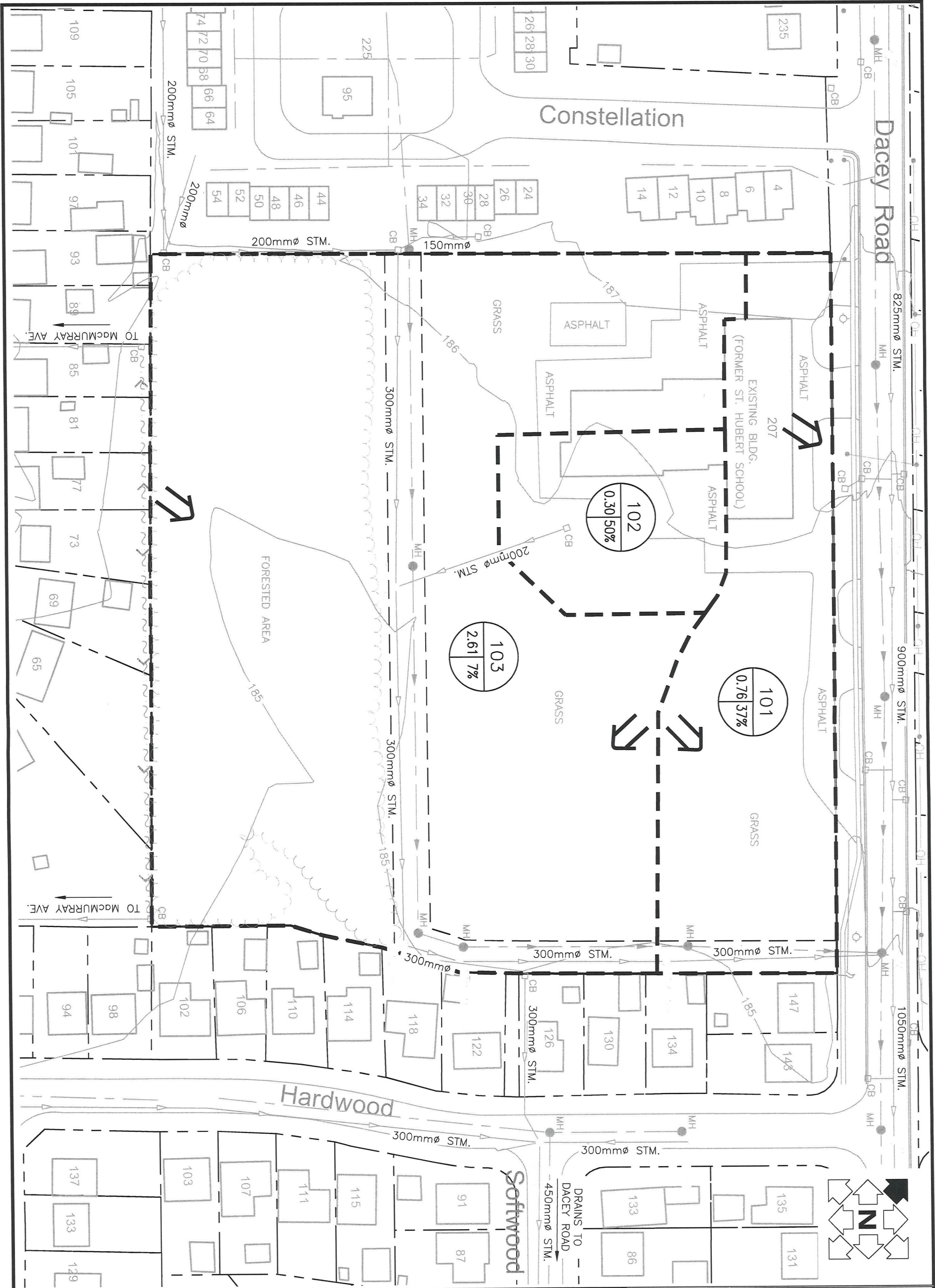
**207 DACEY ROAD
RESIDENTIAL
DEVELOPMENT**

DRAWING TITLE:

CONCEPTUAL SITE PLAN

KTN	KTN	JVM	JVM
DRAWN	DESIGNED	CHECKED	APPROVED
1:2000		JULY 21, 2022	
SCALE		DATE	
221019	0	Fig2	
PROJECT No.	REVISION	DRAWING	





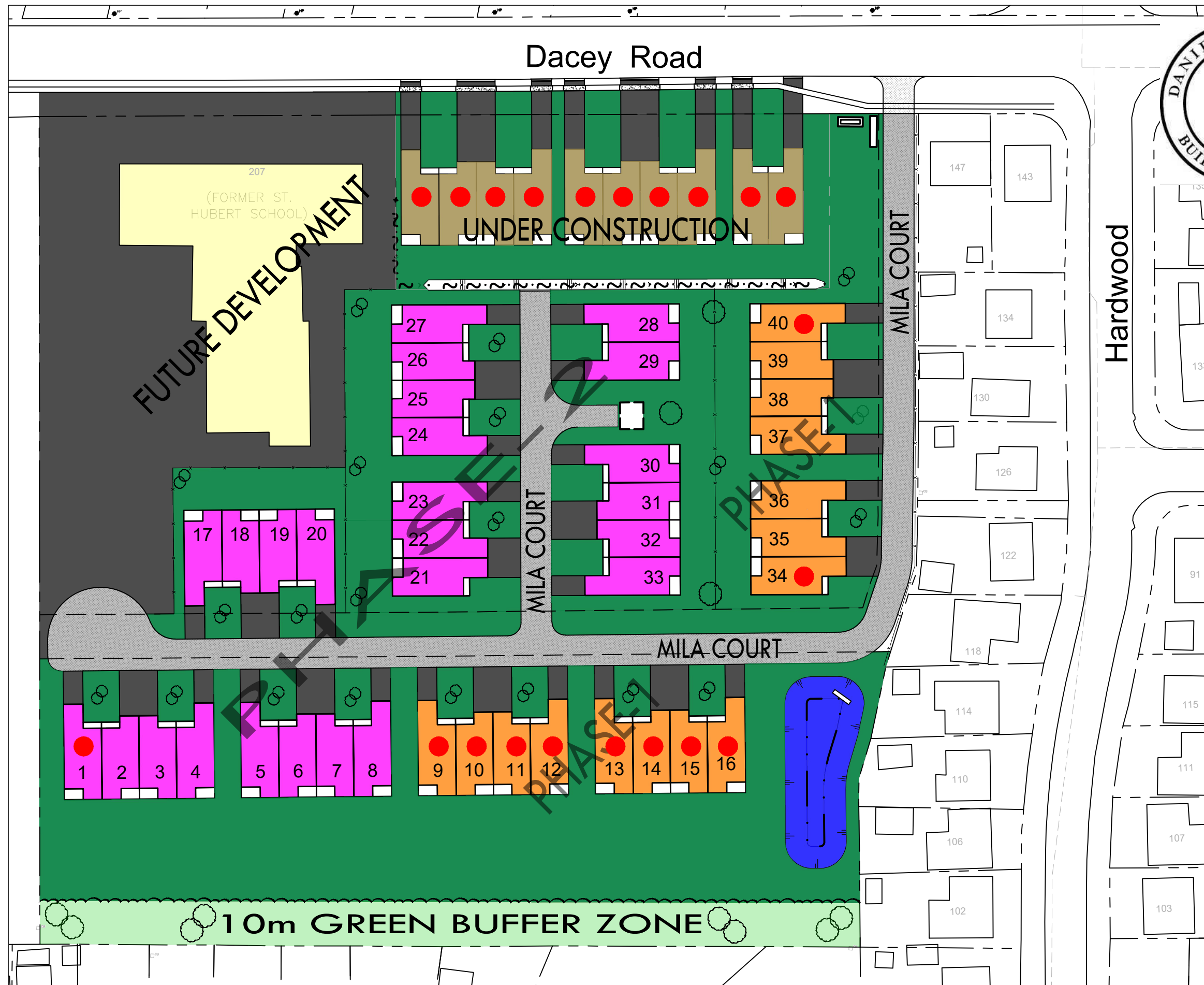
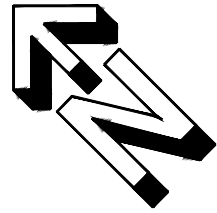
PROJECT:
FREMLIN BUILDING GROUP
415 McCARREL LAKE ROAD
ECHO BAY, ON



DRAWING:
**PRE-DEVELOPMENT
STORM WATER MANAGEMENT**

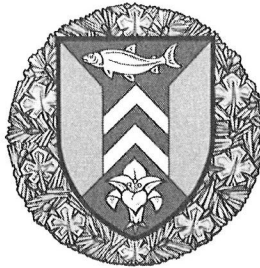
ENGINEER'S SEAL

0		JULY 15, 2022		KTN		ISSUED FOR REPORT	
No.		DATE		BY		ISSUES / REVISIONS	
DRAWN BY:		CHECKED BY:		PROJECT No. :			
KTN		BG		221019			
DESIGNED BY:		APPROVED BY:		DRAWING No.		REVISION No.	
JVM		JVM		Fig4		0	
SCALE:		DATE:					
1:1000		JULY 15, 2022					



● = OCCUPIED

DACEY ROAD DEVELOPMENT



2022 08 15

MEMO TO: Peter Tonazzo, RPP
Director of Planning

RE: A-10-22-Z
207 Dacey Road
Daniel Fremlin Building Group Ltd.

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

- A Preliminary Site Servicing Study was carried out by the applicant's consulting engineer. As per this study, there is sufficient capacity in the downstream sanitary sewer to accommodate the flows generated from the proposed development;
- A Preliminary Stormwater Management Study was completed by the applicant's consulting engineer and post development flows for the site will not exceed pre development flows for storms up to and including the 100-year event;
- The applicant is proposing to connect to the private sanitary and storm sewers within the easement that traverses the property. Permissions must be obtained from the owner of the private services prior to connection. The City does not perform maintenance on this private system;
- From a traffic volume perspective, capacity issues are not anticipated as a result of the proposed development;
- Concerns have been brought forward regarding drainage along the rear properties of Hardwood Drive. These concerns must be addressed as part of the detailed design of the site;

- It is recommended that this property be subject to Site Plan Control to ensure servicing, grading, and drainage is addressed to the satisfaction of the Director of Engineering Services or his designate.



Dan Perri, P.Eng.
Municipal Services & Design Engineer
Public Works and Engineering Services
705.759.5329
d.perri@cityssm.on.ca

DP/
c. Susan Hamilton Beach, Public Works

Stephanie Perri

From: Francois Couture
Sent: Wednesday, August 17, 2022 10:57 AM
To: Stephanie Perri
Cc: Jonathan Kircal
Subject: RE: Request for Comment - 2 Applications / 2. A-10-22-Z 207 Dacey Road.

Hello Steph,

Assurances should be provided that the fire department access routes are in compliance with the requirements of Article 3.2.5.6. OBC.

Sincerely,

Francois.

From: Francois Couture
Sent: Thursday, August 11, 2022 10:58 AM
To: Stephanie Perri <s.perri@cityssm.on.ca>; Carl Rumiel <c.rumiel@cityssm.on.ca>; Maggie McAuley <m.mcauley@cityssm.on.ca>; Dan Perri <d.perri@cityssm.on.ca>; Freddie Pozzebon <f.pozzebon@cityssm.on.ca>; Karen Fields <k.fields@cityssm.on.ca>; Rick Van Staveren <r.vanstaveren@cityssm.on.ca>; Tom Vair <t.vair@cityssm.on.ca>; Paul Milosevich <p.milosevich@cityssm.on.ca>; Virginia McLeod <v.mcleod@cityssm.on.ca>; Susan Hamilton Beach <s.hamiltonbeach@cityssm.on.ca>; Diane Morrell <diane.morrell@sciontario.org>; SSMRCA <nature@ssmrca.ca>; 'Toni.Tessarolo@ontario.ca' <Toni.Tessarolo@ontario.ca>; 'mso-ne@ontario.ca' <mso-ne@ontario.ca>; 'circulations@wsp.com' <circulations@wsp.com>; 'planninganddevelopment@bell.ca' <planninganddevelopment@bell.ca>; newdevelopment@rci.rogers.com; eng dept <eng-dept@ssmpuc.com>; Rob Harten <rob.harten@ssmpuc.com>; THERIAULT, Raynald <raynald.theriault@canadapost.postescanada.ca>; Councilsecretary@batchewana.ca; Josie_tomei@cpr.ca
Cc: Kathy Swinn <k.swinn@cityssm.on.ca>; Amanda Cipriano <a.cipriano@cityssm.on.ca>; Orsalina Naccarato <o.naccarato@cityssm.on.ca>
Subject: RE: Request for Comment - 2 Applications

Hello Stephanie,

A-9-22-Z.OP 130 Wellington Street East - The proposed development and the existing building must meet the requirements of O Reg 153/04 or a record of site condition will be required. Please find below an excerpt from O Reg 153/04, I have highlighted some of the relevant areas for your information.

15. (1) Section 168.3.1 of the Act and section 14 of this Regulation do not apply to any of the following changes in use to a building, nor do those sections apply to the construction of a building that will be used in connection with any of the following changes in use:

1. A change that meets all of the following criteria:

- i. Before the change in use to the building, part of the building is used for residential use or institutional use and another part of the building is used for commercial use or community use.
- ii. After the change in use to the building, the existing building envelope is to remain unchanged and there will be no addition to the exterior portions of the building.

- iii. The property on which the building is located is not used or has not ever been used, in whole or in part, for an industrial use, as a garage, as a bulk liquid dispensing facility, including a gasoline outlet, or for the operation of dry cleaning equipment.
- iv. The property on which the building is located was not exempt under paragraph 2 of this subsection from section 168.3.1 of the Act and section 14 of this Regulation with respect to conversion from a commercial or community use to a use specified in subparagraph 2 ii of this subsection.

2. A change that meets all of the following criteria:

- i. Before the change, the property is used for a commercial or community use.
- ii. After the change, the property will be used,
 - A. for a commercial or community use as well as for a residential use,
 - B. for a commercial or community use as well as for an institutional use, or
 - C. for a commercial or community use as well as for both a residential use and an institutional use.
- iii. The change to **residential use** or institutional **use is restricted to floors above the ground floor.**
- iv. The building has no more than six storeys before the change and will have no more than six storeys after the change.
- v. The **existing building envelope is to remain unchanged and there will be no addition to the exterior portions of the building.**
- vi. The property on which the building is located is not used or has not ever been used, in whole or in part, for an industrial use, as a garage, as a bulk liquid dispensing facility, including a gasoline outlet, or for the operation of dry cleaning equipment. O. Reg. 407/19, s. 5 (1).

From: Stephanie Perri <s.perri@cityssm.on.ca>

Sent: Tuesday, August 2, 2022 1:59 PM

To: Carl Rumiel <c.rumiel@cityssm.on.ca>; Maggie McAuley <m.mcauley@cityssm.on.ca>; Dan Perri <d.perri@cityssm.on.ca>; Freddie Pozzebon <f.pozzebon@cityssm.on.ca>; Francois Couture <f.couture@cityssm.on.ca>; Karen Fields <k.fields@cityssm.on.ca>; Rick Van Staveren <r.vanstaveren@cityssm.on.ca>; Tom Vair <t.vair@cityssm.on.ca>; Paul Milosevich <p.milosevich@cityssm.on.ca>; Virginia McLeod <v.mcleod@cityssm.on.ca>; Susan Hamilton Beach <s.hamiltonbeach@cityssm.on.ca>; Diane Morrell <diane.morrell@sciontario.org>; SSMRCA <nature@ssmrca.ca>; 'Toni.Tessarolo@ontario.ca' <Toni.Tessarolo@ontario.ca>; 'mso-ne@ontario.ca' <mso-ne@ontario.ca>; 'circulations@wsp.com' <circulations@wsp.com>; 'planninganddevelopment@bell.ca' <planninganddevelopment@bell.ca>; newdevelopment@rci.rogers.com; eng dept <eng-dept@ssmpuc.com>; Rob Harten <rob.harten@ssmpuc.com>; THERIAULT, Raynald <raynald.theriault@canadapost.postescanada.ca>; Councilsecretary@batchewana.ca; Josie_tomei@cpr.ca

Cc: Kathy Swinn <k.swinn@cityssm.on.ca>; Amanda Cipriano <a.cipriano@cityssm.on.ca>; Orsalina Naccarato <o.naccarato@cityssm.on.ca>

Subject: Request for Comment - 2 Applications

Good afternoon,

Please find attached the following rezoning applications for your review/comment:

1. A-9-22-Z.OP 130 Wellington Street East; and
2. A-10-22-Z 207 Dacey Road.

We would appreciate receiving your comments no later than **August 15, 2022**.

Please advise if you require anything further.

Thank you

Stephanie

Stephanie Perri

Administrative Clerk
Planning and Enterprise Services
s.perri@cityssm.on.ca
705.759.5368

CITY OF SAULT STE. MARIE
99 Foster Drive, Sault Ste. Marie, ON P6A 5X6
saultstemarie.ca



August 16, 2022,

Reference: **A-10-22-Z.207**

Stephanie Perri
Administrative Clerk
Planning and Enterprise Services
City of Sault Ste Marie

Thank you for contacting Canada Post regarding plans for a Site Plan located at 207 Dacey Road

Please see Canada Post's feedback regarding the proposal, below.

Service type and location

Service type and location

1. Canada Post will provide mail delivery service to this subdivision through centralized Community Mail Boxes (CMBs).
2. Given the number and the layout of the lots in the subdivision, we have determined that 1 CMB(s) will be installed on 1 site(s). I recommend the following 2 options:
 - a. Side of lot marked with 21
 - b. Side of lot marked with 33

Municipal requirements

1. Please update our office if the project description changes so that we may determine the impact (if any).
2. Should this application be approved, please provide notification of the new civic addresses as soon as possible.

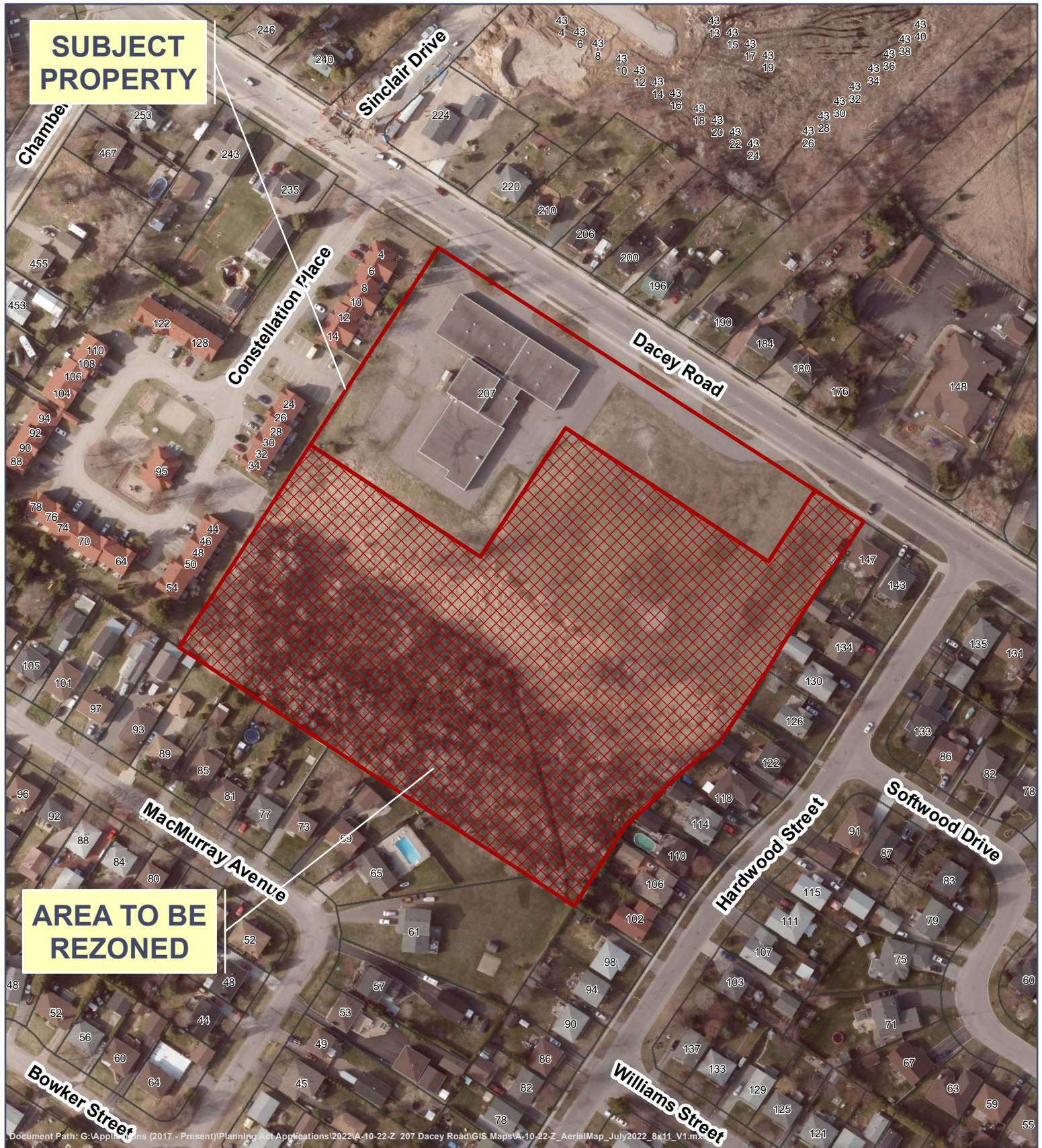
Developer timeline and installation

1. Please provide Canada Post with the date for the first phase as well as the date development work is scheduled to begin.

Regards,

RAY THERIAULT

Ray Theriault
Ottawa ON
613-793-2293



**SUBJECT
PROPERTY**

**AREA TO BE
REZONED**

Document Path: G:\Applications (2017 - Present)\Planning Act Applications\2022\A-10-22-Z 207 Dacey Rd\GIS Maps\A-10-22-Z_AerialMap_July2022_8x11_V1.mxd

Application Map Series

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

Property Information

Civic Address: 207 Dacey Rd
 Roll No.: 010052002000000
 Map No.: 33/1-36
 Application No.: A-10-22-Z
 Date Created: July 29, 2022

Legal Department Reference

Legend

- ☒ Area To Be Rezoned
☐ Subject Property
☐ Parcel Fabric



**SAULT
STE. MARIE**

Planning and Enterprise Services

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

This map is for general reference only

Orthophoto: 2016 20cm Colour

Projection Details:

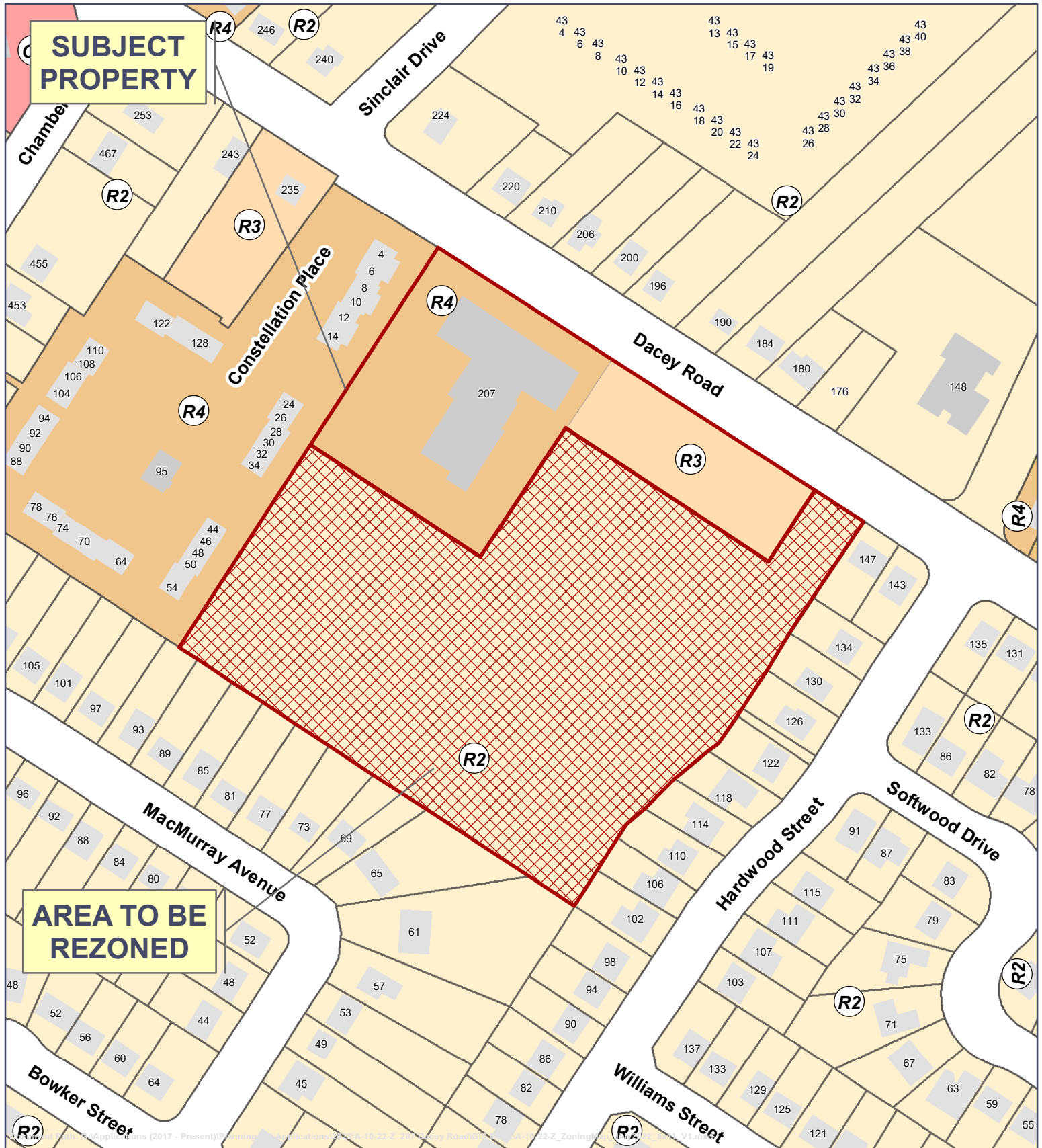
NAD 1983 UTM Zone 16N

GCS North American 1983

0 10 20 40 Meters
1:2,000



Application Map Series ☒ Subject Property ☐ Official Plan Landuse ☐ Existing Zoning ☐ Aerial Image ☐ Official Plan Amendment	Legal Department Reference	 SAULT STE. MARIE Planning and Enterprise Services Community Development and Enterprise Services Department 99 Foster Drive, Sault Ste Marie, ON P6A 5X6 saultstemarie.ca 705-759-5368 planning@cityssm.on.ca
Property Information Civic Address: 207 Dacey Rd Roll No.: 010052002000000 Map No.: 33/1-36 Application No.: A-10-22-Z Date Created: July 29, 2022	Legend  Area To Be Rezoned  Subject Property Page 272 of 356	Planning and Enterprise Services Community Development and Enterprise Services Department 99 Foster Drive, Sault Ste Marie, ON P6A 5X6 saultstemarie.ca 705-759-5368 planning@cityssm.on.ca <i>This map is for general reference only</i> Orthophoto: None Projection Details: NAD 1983 UTM Zone 16N GCS North American 1983  



**SUBJECT
PROPERTY**

**AREA TO BE
REZONED**

Application Map Series

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

Property Information

Civic Address: 207 Dacey Rd
 Roll No.: 010052002000000
 Map No.: 33/1-36
 Application No.: A-10-22-Z
 Date Created: July 29, 2022

Legend

- | | |
|---|---------------------------------------|
| C1 - Traditional Commercial Zone | R3 - Low Density Residential Zone |
| C2 - Central Commercial Zone | R4 - Medium Density Residential Zone |
| CT2 - Commercial Transitional Zone | R5 - High Density Residential Zone |
| C3 - Riverfront Zone; C3hp | R6 - Mobile Home Residential Zone |
| C4 - General Commercial Zone; C4hp | I - Institutional Zone |
| C5 - Shopping Centre Zone | EM - Environmental Management Zone |
| HZ - Highway Zone | PR - Parks and Recreation Zone |
| M1 - Light Industrial Zone | RA - Rural Area Zone |
| M2 - Medium Industrial Zone; M2hp | RP - Rural Precambrian Uplands Zone |
| M3 - Heavy Industrial Zone | REX - Rural Aggregate Extraction Zone |
| R1 - Estate Residential Zone | AIR - Airport Zone |
| R2 - Single Detached Residential Zone; R2hp | Named Use - Commercial Dock |

Page 273 of 356



**SAULT
STE. MARIE**

Planning and Enterprise Services

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

This map is for general reference only
 Orthophoto: None

Projection Details:
 NAD 1983 UTM Zone 16N
 GCS North American 1983

0 10 20 40 Meters
1:2,000





The Corporation of the City of Sault Ste. Marie
99 Foster Drive, Sault Ste. Marie, Ontario P6A 5X6
saultstemarie.ca | 705.759.2500 | info@cityssm.on.ca

NOTICE OF APPLICATION & PUBLIC MEETING

207 Dacey Road

Application No.: A-10-22-Z

Applicant: Tulloch Engineering (Daniel Fremlin Building Group Ltd)

Date: August 29, 2022
Time: 5:30 PM

Location: City of Sault Ste. Marie
Civic Centre, Council Chambers
99 Foster Drive

PURPOSE

The applicant, Tulloch Engineering (representing the Daniel Fremlin Building Group Ltd.), has submitted an application to rezone the rear portion of 207 Dacey Road to permit a variety of semis and multiple-attached dwellings.

POPOSED CHANGE

Rezone the portion of the property that is zoned as Single-Detached Residential Zone (R2) to Low Density Residential Zone (R3).

HAVE YOUR SAY

Input on the proposed Zoning By-Law amendment is welcome and encouraged. You can provide input by making a written submission or by making a public presentation.



TAKE NOTICE THAT the Council of The Corporation of the City of Sault Ste. Marie will hold a Public Meeting on Monday, August 29, 2022 at 5:30 p.m. to consider a proposed amendment to Zoning By-Law No. 2005-150 under Section 34 of The Planning Act, Chap. P.13, R.S.O.1990, as amended. This meeting will be broadcast by Shaw Cable and may be viewed on Shaw Cable's Community Channel, Sootoday.com and on the City's YouTube Channel <https://www.youtube.com/saultstemarieca>

Any person wishing to present at the public meeting may do so electronically or in person. Electronic participants must contact the City Clerk at cityclerk@cityssm.on.ca or 705-759-5388 to register as a presenter. Registered presenters will be provided with instructions as to how to join the meeting in advance. Any written submissions received in advance of the meeting will be included with Council's Agenda.

MORE INFORMATION

The application may be reviewed upon request. The report of the Planning Division will be available on Friday, August 26, 2022 as part of City Council's Agenda. Please contact Jonathan Kircal at 705.759.6227 or j.kircal@cityssm.on.ca to request a digital copy. Please refer to the application file number.

WRITTEN SUBMISSION

To provide input in writing, or request notice if the proposed application is approved, please submit a letter to Jonathan Kircal, 99 Foster Drive, Sault Ste. Marie, ON P6A 5X6, or e-mail to j.kircal@cityssm.on.ca with your name, address and application file number on or before **Monday, August 29, 2022**.

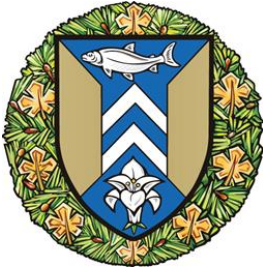
If you wish to be notified of the Council of the City of Sault Ste. Marie decision to adopt or refuse the approval of an application, you must make a written request to the Planning Division at the address noted above.

LEGAL NOTICE CONCERNING YOUR RIGHT TO APPEAL

If a person or public body does not make oral submission at a public meeting or make written submission to the City of Sault Ste. Marie before the By-law is passed, the person or public body may not be entitled to appeal the decision of the Council of the City of Sault Ste. Marie to the Local Planning Appeal Tribunal.

If a person or public body does not make oral submissions at a public meeting, or make written submissions to the City of Sault Ste. Marie before the By-law is passed, the person or public body may not be added as a party to the hearing of an appeal before the Local Planning Appeal Tribunal unless, in the opinion of the Tribunal, there are reasonable grounds to add the person or public body as a party.





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

COUNCIL REPORT

August 29, 2022

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Jonathan Kircal, Planner

DEPARTMENT: Community Development and Enterprise Services

RE: Deferral of A-9-22-Z.OP 130 Wellington Street East

PURPOSE

The purpose of this report is to recommend that Application A-9-22-Z.OP be deferred to the September 19, 2022 Council Meeting.

ANALYSIS

Public notice needs to be revised to reference the existing Special Exception upon the property and to scope the extent of the Holding Provision By-law to the northern 25 metres of the property. Since initial public notice, the applicant has submitted supplementary studies with respect to land use compatibility that support a reduction in the coverage of the Holding Provision By-law.

FINANCIAL IMPLICATIONS

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

STRATEGIC PLAN / POLICY IMPACT

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

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Planner dated August 29, 2022 concerning Official Plan and Rezoning Application A-9-22-Z.OP be received and that Council postpone this application to September 19, 2022:

Respectfully submitted,
Jonathan Kircal, RPP
Planner
705.759.6227
j.kircal@cityssm.on.ca

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2022-151

ZONING: A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 625 Black Road and 1135 Second Line East (Cairns Silver Lining Engineers - Simek).

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 34 of the *Planning Act*, R.S.O. 1990, c. P.13 and amendments thereto, **ENACTS** as follows:

1. **625 BLACK ROAD AND 1135 SECOND LINE EAST; LOCATED ON THE SOUTHWEST CORNER OF SECOND LINE EAST AND BLACK ROAD; CHANGE FROM M1 TO M2.S WITH A “SPECIAL EXCEPTION”**

The zone designation on the lands described in Section 2 of this by-law, which lands are shown on Map 73/1-78 of Schedule “A” to By-law 2005-150, is changed from M1 (Light Industrial) zone to M2.S (Medium Industrial) zone with a “Special Exception”.

2. **BY-LAW 2005-151 AMENDED**

Section 2 of By-law 2005-151 is amended by adding the following subsection 2(423) and heading as follows:

“2(423) 625 Black Road and 1135 Second Line East

Despite the provisions of By-law 2005-150, the zone designation on the lands located on the southwest corner of Second Line East and Black Road and having civic no. 625 Black Road and 1135 Second Line East and outlined and marked “Subject Properties” on the map attached as Schedule 423 hereto is changed from M1 (Light Industrial) zone to M2.S (Medium Industrial) zone with a “Special Exception” to, in addition to those uses permitted in an M2 zone:

1. That the required exterior side yard along Second Line be reduced from 15m to 5m; and
2. That the applicant be required to landscape 5m of the city boulevard adjacent to the exterior side lot line, the details of such landscaping to be determined through the site plan control process.

3. SCHEDULE “A”

Schedule “A” hereto forms a part of this by-law.

4. CERTIFICATE OF CONFORMITY

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

PASSED in Open Council this 29th day of August, 2022.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

da LEGAL\STAFF\LEGAL\ZONING\2022\BLACK ROAD, 625 & SECOND LINE EAST, 1135\BY-LAW 2022-151 (ZONING).DOCX

SCHEDULE "A" TO BY-LAW 2022-151 AND
SCHEDULE 423 TO BY-LAW 2005-151



Document Path: G:\Applications (2017 - Present)\Planning Act Applications\2022\A-7-22-Z 625 Black Road and 1135 Second Line East\028 Map\A-7-22-Z_Subject Properties\Map_July2022_8x11_V1_Layout.mxd

Application Map Series ☒ Subject Property ☐ Official Plan Landuse ☐ Existing Zoning ☐ Aerial Image ☐ Official Plan Amendment	Legal Department Reference Schedule "A"	 SAULT STE. MARIE Planning and Enterprise Services Community Development and Enterprise Services Department 99 Foster Drive, Sault Ste Marie, ON P6A 5X6 saultstemarie.ca 705-759-5368 planning@cityssm.on.ca This map is for general reference only Orthophoto: None Projection Details: NAD 1983 UTM Zone 16N GCS North American 1983  
Property Information Civic Address: 625 Black Rd & 1135 Second Line East Roll No.: 030080093000000 & 030080092000000 Map No.: 73/1-78 Application No.: A-7-22-Z Date Created: July 7, 2022	Legend  Subject Properties  Parcel Fabric	

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2022-152

DEVELOPMENT CONTROL: A by-law to designate the lands located at 625 Black Road and 1135 Second Line East an area of site plan control (Cairns Silver Lining Engineers) (Simek).

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

1. **DEVELOPMENT CONTROL AREA**

The lands described on Schedule “A” attached hereto are hereby designated to be an area of site plan control pursuant to section 41 of the *Planning Act*, R.S.O. 1990, c. P. 13 and amendments thereto.

2. **SITE PLAN POWERS DELEGATED**

The Council hereby delegates to the Planning Director or his/her designate for the City of Sault Ste. Marie, Council’s powers to enter into a site plan agreement dealing with any of the works or matters mentioned in Section 41 of the *Planning Act* as amended, for the lands shown as Subject Properties on the map attached as Schedule “A” to this by-law.

3. **SCHEDULE “A”**

Schedule “A” hereto forms a part of this by-law.

4. **PENALTY**

Any person who contravenes this by-law including the obligations pursuant to the agreement entered into under the authority of this by-law is liable upon conviction therefore to penalty provisions as contained in the *Planning Act* and the *Municipal Act, 2001*.

5. **EFFECTIVE DATE**

This by-law takes effect from the date of its final passing.

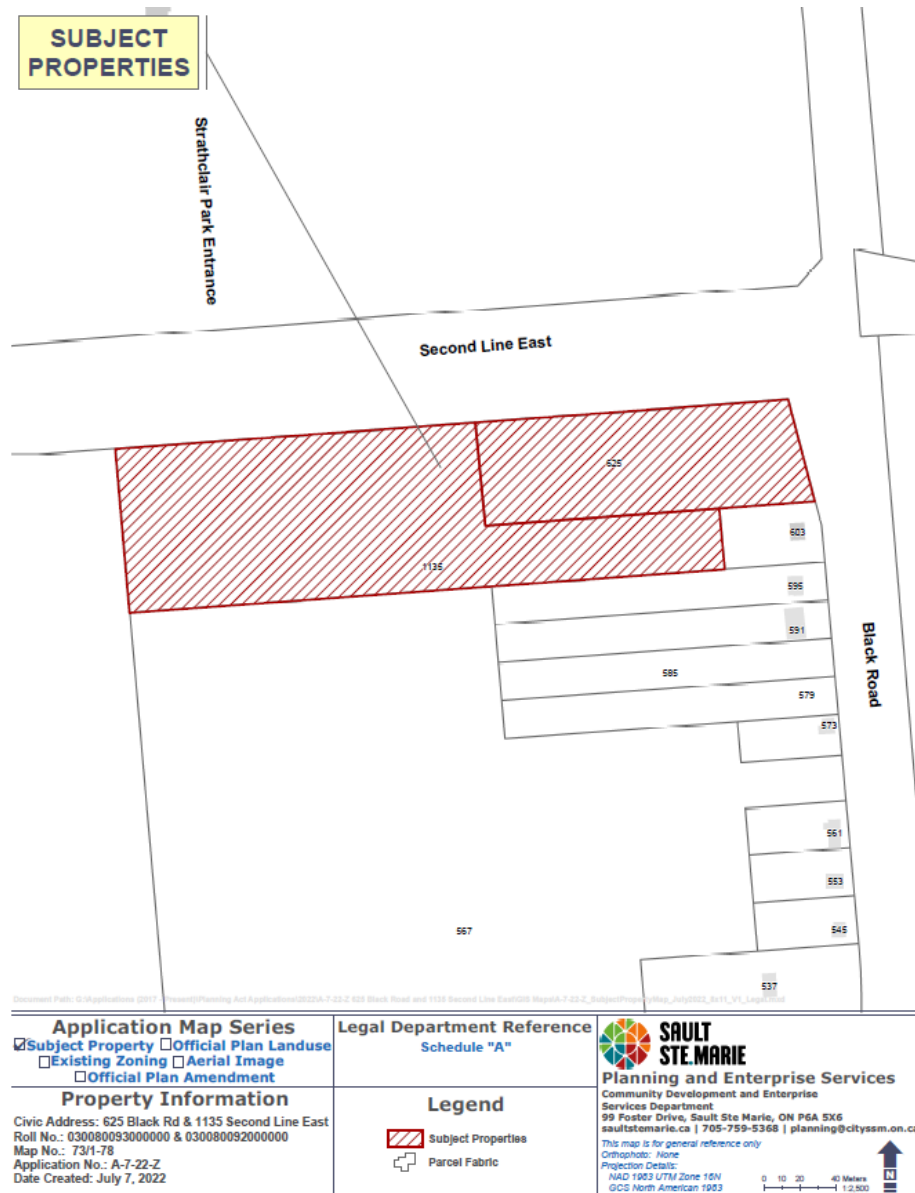
PASSED in open Council this 29th day of August, 2022.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

da LEGAL\STAFF\LEGAL\ZONING\2022\BLACK ROAD, 625 & SECOND LINE EAST, 1135\BY-LAW 2022-152
(DC).DOCX

SCHEDULE "A" TO BY-LAW 2022-152



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2022-153

AGREEMENT: A by-law to authorize the execution of the Agreement between the City and 2872519 Ontario Inc. (Soo Pee Wee Pro Shop - Amanda Stocco) for the leasing and operation of a Pro Shop in the Northern Community Centre.

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 August 29, 2022 between the City and 2872519 Ontario Inc. (Soo Pee Wee Pro Shop - Amanda Stocco), a copy of which is attached as Schedule "A" hereto. This Agreement is for the leasing and operation of a Pro Shop in the Northern Community Centre.

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 29th day of August, 2022.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

Schedule "A"

This Agreement made this 29nd day of August, 2022

IN PURSUANCE OF the Short Forms of Leases Act, R.S.O. 1990, c. s.11.

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

hereinafter called the "Landlord"

-and-

2872519 ONTARIO INC.

hereinafter called the "Tenant"

-and-

together with the Landlord, the "parties"

WHEREAS the Landlord desires to lease the Demised Area to the Tenant;

AND WHEREAS the Tenant wishes to operate the Demised Area for a Pro Shop;

NOW THEREFORE the parties agree as follows:

1. In this Lease:

- a) "Demised Area" shall mean a pro shop comprising a portion of the Northern Community Centre and shown on Schedule "A" consisting of 313 square feet of leasable area.
- b) "Profit" means all Net Profit after Expenses.
- c) "Manager" shall mean the Landlord's Manager of Community Arenas or his/her designate.

2. Term:

- a) The Landlord hereby demises and leases the Demised Area to the Tenant for a term of five (5) years commencing February 1, 2023, and expiring January 31, 2028, on the terms and conditions set out in this Lease. The commencement date may be changed on the written agreement of the parties should construction of the project conclude earlier or later as the case may be.
- b) Prior to the expiry of the Term, but not less than 60 days before expiry, the Tenant, provided it is not in default of any covenant or obligation herein contained, may give the Landlord a minimum of sixty (60) days written notice of its desire to renew this Lease for an additional period of one (1) year.
- c) The parties agree that either party may terminate the Lease by providing forty-five (45) days of Notice in writing in accordance with section 9 herein.

3. Rent:

- a) The Tenant shall during the Term, pay the Landlord as follows:
 - i) \$2000.00 a month plus HST for the months of September to June each year payable on the 15th of each month, and in the months of July and August an amount equal to 5% Profit sharing.
- b) In addition to the payment of rent set out above, the Tenant shall be responsible for paying:
 - i) its own cleaning costs;
 - ii) any property taxes that may arise as a result of the Tenant's occupancy and use of the Demised Area; and
 - iii) the sum of fifty-one (\$51.00) Dollars per month for utility costs, snow removal and security.

4. Covenants:

- a) The Tenant covenants with the Landlord:
 - (i) to pay rent;
 - (ii) not to make changes in the Demised Area except in accordance with plans therefore which have been submitted to, and approved by, the Manager. And to make any such changes expeditiously in a good and worker like manner (including property clean-up) to the satisfaction of the Manager;
 - (iii) to keep the Demised Area in a clean and well-ordered condition and not to permit any rubbish, refuse, debris or other objectionable material to be stored or to accumulate therein, all to the satisfaction of the Manager;
 - (iv) to use the Demised Area only for the purposes of a pro shop. For the purposes of this lease, a pro shop shall be defined to mean the sale and servicing of sports products and shall include skate sharpening and repair. The pro shop shall not be allowed to sell food or drink products;
 - (v) not to assign or sublet this lease without the written permission of the Landlord;
 - (vi) not to erect any signs on the Demised Area without the written consent of the Manager;
 - (vii) not to store flammable or explosive substances on the Demised Area;
 - (viii) upon termination of the tenancy, at its own risk and expense, to remove from the Demised Area within 30 days, any fixtures and chattels belonging to it, with all damage, if any, caused by such removal made good by it and to leave the Demised Area neat, clean, level and free of

all waste material, debris and rubbish, all to the Manager's satisfaction, and

(ix) that upon failure by the Tenant to comply with any covenant(s) incumbent upon it under this indenture within 30 days after written notice requiring such compliance is given by the Landlord to the Tenant, the Landlord may enter the Demised Area and fulfil such covenant(s) at the sole expense of the Tenant, who shall forthwith upon being invoiced therefor reimburse the Landlord who in default of such reimbursement may collect same as rent owing and in arrears.

b) The Tenant accepts the Demised Area in the condition existing at the date of the commencement of the Term.

5. Operation:

a) The Tenant shall operate seven days per week. The Tenant's hours of operation shall be from Monday to Friday, 4:00 p.m. to 8:00 p.m. and on Saturday and Sunday from 8:00 a.m. to 8:00 p.m., unless otherwise agreed to in writing by the Manager.

6. The Tenant covenants that the entrance and exit to the Demised Area shall be:

a) in the case of the exterior entrance being from the west side of the main arena entrance; and

b) in the case of the interior entrance being in the corridor adjoining the arena only and the Tenant shall cause proper signs in this regard to be erected.

7. Indemnity:

a) The Tenant shall completely indemnify and save harmless the Landlord, 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 Landlord, its employees, officers or agents may sustain or suffer as a consequence of the actions, inactions or omissions of the Tenant, its employees, agents or officers or as a result of the performance of this Lease by the Tenant, its employees, agents or officers or as a consequence of the negligent actions or inactions of the Tenant, its employees, agents or officers whether or not the Landlord is partially or wholly responsible for such claims, demands, actions, losses, expenses, costs or damages.

b) The Tenant shall at all times indemnify and save harmless the Landlord from and against any and all manner of claims, demands, losses, costs, charges, actions and other proceedings whatsoever (including those under or in connection with the Workplace Safety and Insurance Act, 1997, S. O. 1997, c. 16, Sch. A, or any successor legislation) made or brought against, suffered by or imposed on the Landlord or its property in respect of any loss, damage or injury (including fatal injury) to any person or property (including, without restriction, employees, agents and property of the Landlord or of the Tenant) directly or indirectly arising out of, resulting from or sustained as a result of the Tenant's occupation or use of, or any operation in

connection with the Demised Area or any fixtures or chattels therein except to the extent attributable to the Landlord's negligence.

- c) The provisions of this clause will continue to apply, notwithstanding cessation of the tenancy created by this indenture.

8. Insurance:

- a) The Tenant agrees to maintain at all times during the currency of this Lease Term and any renewal thereof, at its own expense maintain in force insurance coverage with respect to the Demised Area and its use and occupation thereof, a minimum of Five Million (\$5,000,000.00) Dollars comprehensive general liability insurance in respect of personal injury, death, loss or damage of or to any person or property of third parties, with insurers licenced to conduct business in Ontario. The Landlord shall be added as an Additional Insured to the required liability insurance policy or policies and no such policy shall be cancelled or allowed to lapse without at least thirty (30) days written notice having been given to the Landlord. An Insurance Certificate, on the C.S.I.O. form and satisfactory to the City's Risk Manager, shall be provided to the Landlord prior to the commencement of the Lease Term.
- b) The Landlord assumes no responsibility for damage by fire, theft or otherwise whatsoever, to the goods, chattels, fixtures and improvements of the Tenant or of any other person except to the extent caused by the negligence of the Landlord or any person(s) for whom the Landlord is at law responsible.

9. Notice:

- a) Any notice pursuant to any of the provisions of this indenture shall be deemed to have been properly given if delivered in person, or mailed by prepaid registered post addressed:

in the case of notice to the Landlord to:

Manager of Community Arenas
Community Services Department
269 Queen St East
Sault Ste. Marie, ON P6A 1Y9

And to
The City Solicitor
99 Foster Drive
Sault Ste. Marie, ON P6A 5X6

in the case of notice to the Tenant to:

2872519 Ontario Inc.
1236 Town Line
Sault Ste. Marie, Ontario P6A 6K4

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

10. Termination of the Term:

- a) The termination of the Term by expiry or otherwise shall not affect the liability of either party to this lease to the other with respect to any obligation under this lease which has accrued up to the date of such termination but not been properly satisfied or discharged.
- b) 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 other than as set out in this lease which constitutes the entire agreement between the parties concerning the Demised Area and which may be modified only by further written agreement under seal.
- c) The provisions of this lease shall be binding upon, and enure to the benefit of, the parties and their respective successors and (where applicable) permitted assigns.

IN WITNESS WHEREOF the parties have affixed their corporate seals attested to by the hands of their officers in that behalf duly authorized.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

MAYOR – CHRISTIAN PROVENZANO

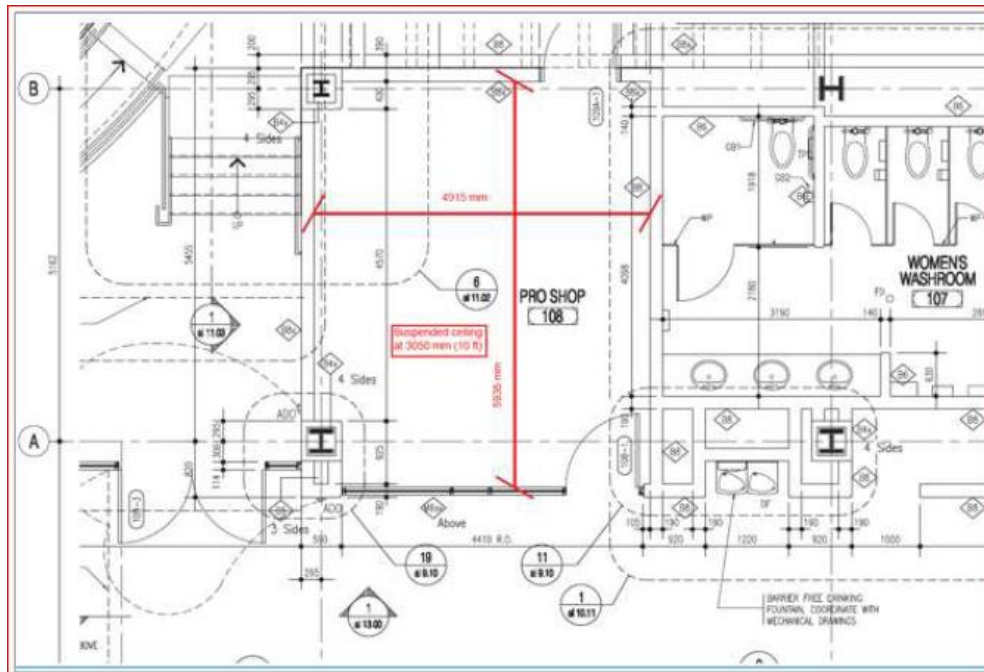
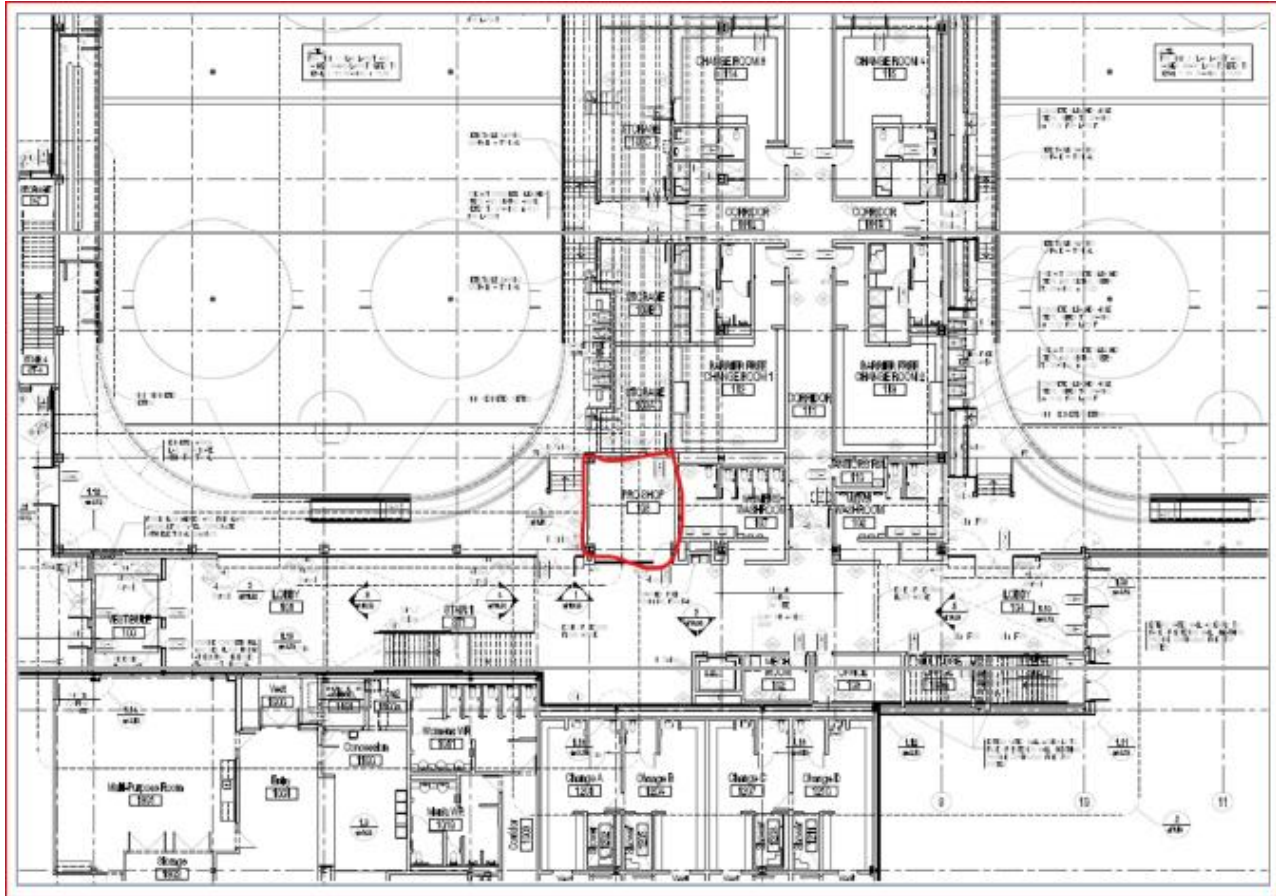
CITY CLERK – RACHEL TYCZINSKI

2872519 ONTARIO INC.

PRESIDENT –

I have the authority to bind the corporation

Schedule A (Area indicated in red is space for a Pro Shop tenant)



**Attached to and forming part of a Lease Between
The Corporation of the City of Sault Ste. Marie, Landlord
and
2872519 Ontario Inc., Tenant**

Schedule "B"

**Northern Community Centre
Pro Shop — Financial Agreement**

Item #1 – Base Rent Per Year

Year 1	Year 2	Year 3	Year 4	Year 5
\$20,000 Sept to June	\$20,000 Sept to June	\$20,000 Sept to June	\$20,000 Sept to June	\$20,000 Sept to June
5% sales July to Aug	5% sales July to Aug	5% sales July to Aug	5% sales July to Aug	5% sales July to Aug

The rental rate for July and August will be reduced to 5% Net profit. This reflects a reduction in the use of the facility. This is calculated in the above annual rental figure.

Item #2 – Utility Costs, Common Areas costs, Cable TV – charge \$51.00 per month

Items #4 – Proponent is also responsible for cleaning costs of Pro Shop, property taxes (this can be invoiced monthly if requested), common area costs, insurance and liability coverage of \$5 Million, applicable G.S.T. or H.S.T.

THE CORPORATION OF THE CITY OF SAULT STE.MARIE

BY-LAW 2022-154

OFFICIAL PLAN AMENDMENT: A by-law to adopt Amendment No. 241 to the Official Plan for the City of Sault Ste. Marie (ESC Land Development Corporation c/o Todd Lisso 204 South Market Street)

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 17 of the *Planning Act*, R.S.O. 1990, c. P.13 and amendments thereto, **ENACTS** as follows:

1. The Council hereby adopts Amendment No. 241 to the Official Plan for the Sault Ste. Marie planning area in the form attached hereto.
2. Subject to any referrals under the Planning Act, this by-law shall come into force on the date of its final passing.

PASSED in open Council this 29th day of August, 2022.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

lv \\citydata\LegalDept\Legal\Staff\LEGAL\ZONING\2022\South Market, 204\2022-154 (OP) 204 South Market Street.docx

**AMENDMENT NO. 241
TO THE
SAULT STE. MARIE OFFICIAL PLAN**

PURPOSE

This Amendment is an amendment to the Text of the Official Plan as it relates to the Housing Policies and the Residential Land Use Designation of the Official Plan.

LOCATION

Part of Lots 19, 21 and 22 Registrar's Compiled Plan H-724 in the Township of St. Mary's now in the City of Sault Ste. Marie, District of Algoma. Located on the east side of South Market Street, approximately 104m south of it's intersection with Trunk Road. Civic No. 204 South Market Street.

BASIS

These Text Amendments are necessary in view of an application to permit:

- a. A 376 unit residential development without the need to provide at least 30% of those units at affordable prices, as required by Housing Policy 6 of the Official Plan.
- b. A 3600m² Personal Storage Facility upon lands designated Residential on Land Use Schedule C of the Official Plan.

Council now considers it desirable to amend the Official Plan.

DETAILS OF THE ACTUAL AMENDMENT & POLICIES RELATED THERETO

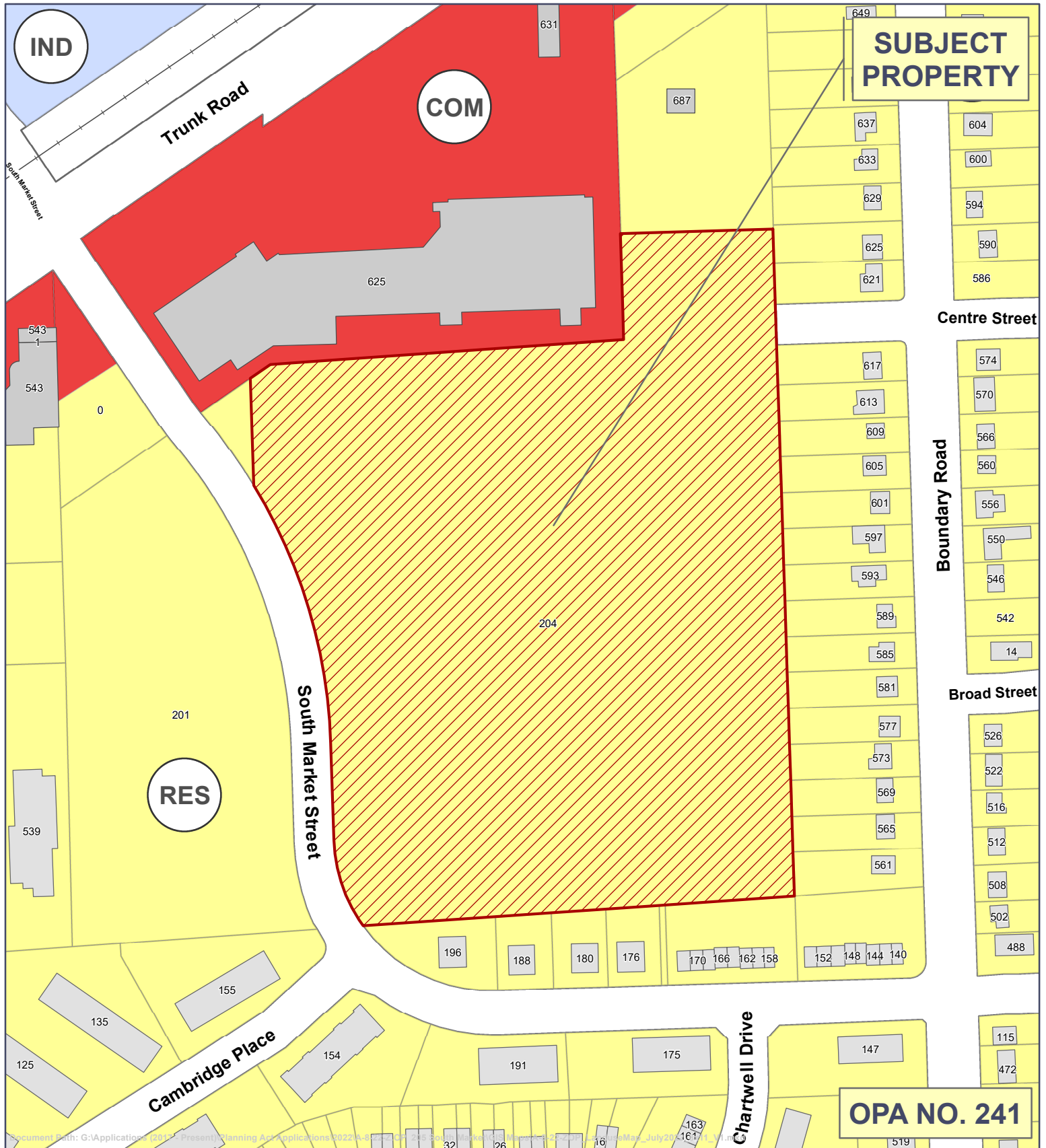
The Official Plan for the City of Sault Ste. Marie is hereby amended with the following Notwithstanding Clauses:

Text - 158

- a. Notwithstanding Housing Policy HO.6, to waive the requirement that in all urban residential developments greater than 50 units, at least 30% of those units shall be affordable.
- b. Notwithstanding the Residential Policies of the Official Plan, to permit a personal storage (self-storage) facility, in addition to the uses permitted within the Residential Land Use Designation.

INTERPRETATION

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



Application Map Series ☐ Subject Property ☒ Official Plan Landuse ☐ Existing Zoning ☐ Aerial Image ☐ Official Plan Amendment Property Information Civic Address: 204 South Market St. Roll No.: 010018037030000 Map No.: 31/1-34 Application No.: A-8-22-ZOP Date Created: July 5, 2022	Legend - Subject Property: 204 South Market St. - Residential - Commercial - Institutional - Parks Recreation - Industrial - Rural Area - Airport Lands - Parklands	 SAULT STE. MARIE Planning and Enterprise Services Community Development and Enterprise Services Department 99 Foster Drive, Sault Ste Marie, ON P6A 5X6 saultstemarie.ca 705-759-5368 planning@cityssm.on.ca <i>This map is for general reference only</i> Orthophoto: None Projection Details: NAD 1983 UTM Zone 16N GCS North American 1983  0 12.5 25 50 Meters 1:2,500
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THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2022-155

ZONING: A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 204 South Market Street (ESC Land Development Corporation c/o Todd Lisso).

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 34 of the *Planning Act*, R.S.O. 1990, c. P.13 and amendments thereto, **ENACTS** as follows:

1. **204 SOUTH MARKET STREET; LOCATED ON THE EAST SIDE OF SOUTH MARKET STREET, APPROXIMATELY 104m SOUTH OF IT'S INTERSECTION WITH TRUNK ROAD; CHANGE FROM R3 AND R4 TO R4.S WITH A "SPECIAL EXCEPTION"**

The zone designation on the lands described in Section 2 of this by-law, which lands are shown on Map 31/1-34 of Schedule "A" to By-law 2005-150, is changed from R3 (Low Density Residential) zone and R4 (Medium Density Residential) zone to R4.S (Medium Density Residential) zone with a "Special Exception".

2. **BY-LAW 2005-151 AMENDED**

Section 2 of By-law 2005-151 is amended by adding the following subsection 2(424) and heading as follows:

"2(424) 204 South Market Street

Despite the provisions of By-law 2005-150, the zone designation on the lands located on the east side of South Market Street, approximately 104m south of it's intersection with Trunk Road and having civic no. 204 South Market Street and outlined and marked "Subject Property" on the map attached as Schedule 424 hereto is changed from R3 (Low Density Residential) zone and R4 (Medium Density Residential) zone to R4.S (Medium Density Residential) zone with a "Special Exception" to, in addition to those uses permitted in an R4 zone:

- a. That a personal storage (self-storage) facility be permitted, in addition to the uses currently permitted in the R4 Zone.

- b. That a 1.8m fence, in association with the proposed daycare facility be permitted to locate in a front yard.
- c. That the total number of dwelling units be limited to 376 units or equivalent flow.

2. **SCHEDULE “A”**

Schedule “A” hereto forms a part of this by-law.

3. **CERTIFICATE OF CONFORMITY**

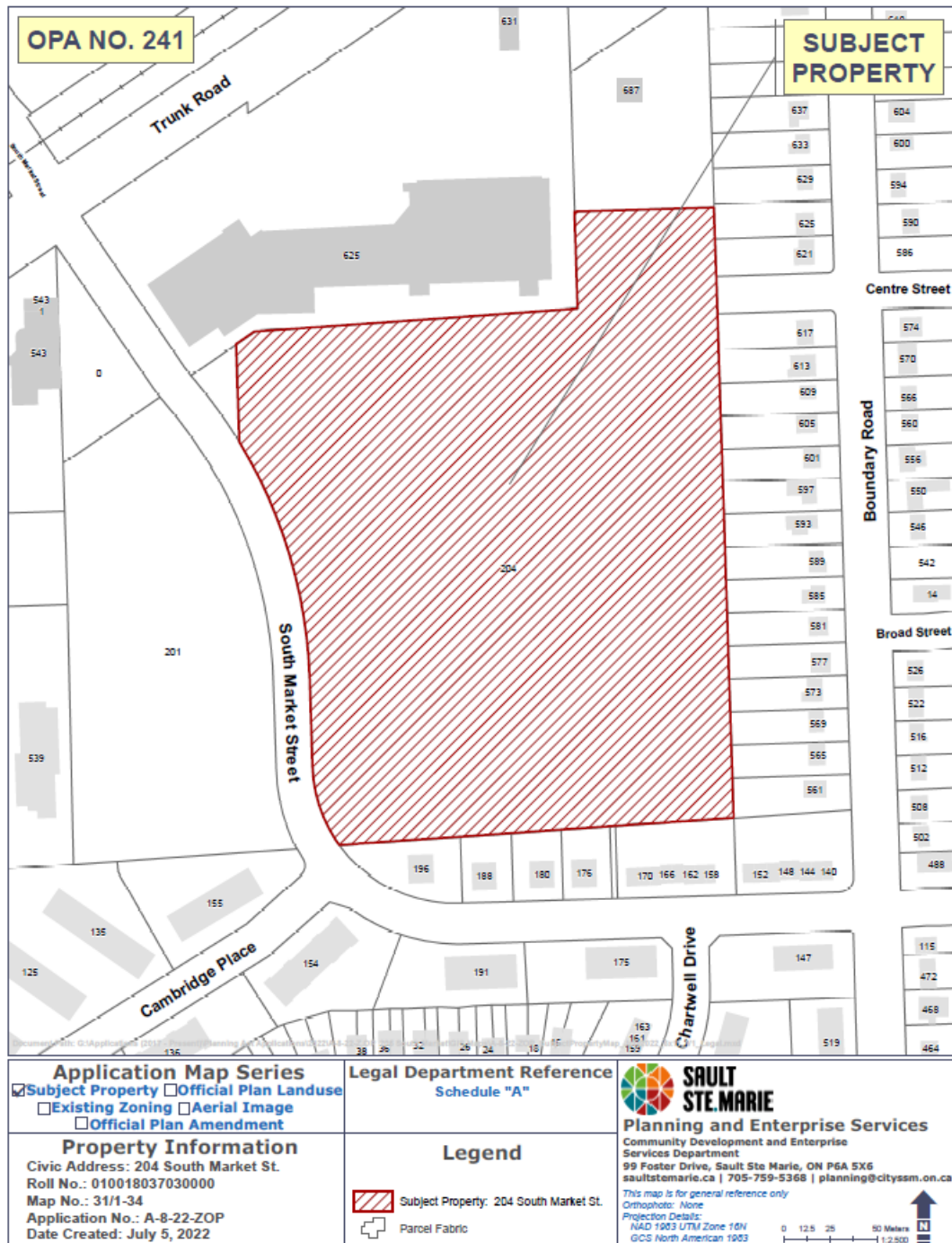
It is hereby certified that this by-law is in conformity with the Official Plan for the City of Sault Ste. Marie authorized and in force on the day of the passing of this by-law as amended by Official Plan Amendment No. 241.

PASSED in Open Council this 29th day of August, 2022.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

**SCHEDULE "A" TO BY-LAW 2022-155 AND
SCHEDULE 424 TO BY-LAW 2005-151**



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2022-157

PARKING: A by-law to appoint Municipal Law Enforcement Officers to enforce the by-laws on various private properties and to amend Schedule “A” to By-law 90-305.

THE COUNCIL of the Corporation of the City of Sault Ste. Marie pursuant to section 15 of the *Police Services Act*, R.S.O. 1990, chapter p. 15 and amendments thereto, **ENACTS** as follows:

1. **SCHEDULE “A” TO BY-LAW 90-305 REPEALED**

Schedule “A” to By-law 90-305 is hereby repealed and replaced with Schedule “A” attached to this by-law.

2. **EFFECTIVE DATE**

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

PASSED in open Council this 29th day of August, 2022.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2022-158

DELEGATION TO THE CHIEF ADMINISTRATIVE OFFICER ("CAO"): A by-law to authorize the Chief Administrative Officer to execute and bind the Corporation to Agreements which will have monetary amounts that are greater than the current delegated authority of \$125,000, which pertain to the Streamline Development Approval Funding projects that were approved by Council on August 8, 2022. The projects will be fully funded from the Provincial allocation. The delegation would ensure no loss of the funding from the Province and will allow staff to proceed on projects and activities within the allocation timeframe. The CAO would execute the time sensitive agreements after they have been reviewed by the Legal and Finance Departments.

WHEREAS Section 23.1(1) of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, allows for City Council to delegate Council's powers under the Municipal Act, 2001 to officers and employees of the City;

NOW THEREFORE THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 23.1(1) of the *Municipal Act, 2001*, S.O. 2001, c. 25 as amended, **ENACTS** as follows:

1. **EXECUTION OF DOCUMENT**

The powers delegated to the Chief Administrative Officer include the power to execute Agreements that are in excess of the CAO's authority of \$125,000 and which stem from the Streamline Development Approval Funding, and do not involve a commitment by the City to provide money to any of these projects on behalf of The Corporation of the City of Sault Ste. Marie.

2. **EFFECTIVE DATE**

This by-law takes effect on the day of its final passing, and will cover any agreements from August 29, 2022 onward.

PASSED in open Council this 29th day of August, 2022.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2022-159

AGREEMENT: 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 Transportation for the Connecting Links Program to provide funding for the resurfacing of Trunk/Black Road from South Market Street to Black Road at Railway Crossing.

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 August 29, 2022 between the City and Her Majesty the Queen in Right of Ontario as represented by the Minister of Transportation, a copy of which is attached as Schedule "A" hereto. This Agreement is for the Connecting Links Program to provide funding for the resurfacing of Trunk/Black Road from South Market Street to Black Road at Railway Crossing.

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 29th day of August, 2022.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

CONNECTING LINKS PROGRAM CONTRIBUTION AGREEMENT**BETWEEN:****HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO**

as represented by the Minister of Transportation

("Ontario")

– and –

THE CORPORATION OF THE CITY OF SAULT STE MARIE(the "**Recipient**")

WHEREAS the Government of Ontario has created the Connecting Links Program to provide funding to help municipalities construct and repair roads and bridges on designated Connecting Links;

AND WHEREAS subsection 21(1) of the *Public Transportation and Highway Improvement Act*, R.S.O. 1990, c. P.50, as amended from time to time, (hereinafter referred to as, the "Act") states that the Minister of Transportation may designate a highway or part of a highway as a Connecting Link between parts of the King's Highway or as an extension of the King's Highway, to be constructed and maintained by the Recipient road authority having jurisdiction over the highway;

AND WHEREAS subsection 21(2) of the Act states that every such highway remains under the jurisdiction and control of the road authority;

AND WHEREAS subsection 44(1) of the *Municipal Act, 2001* S.O. 2001, c. 25, s. 485(1) as amended from time to time, states that a municipality that has jurisdiction over the highway or bridge shall keep it in a state of repair that is reasonable in the circumstances, including the character and location of the highway or bridge;

AND WHEREAS the highway named in Schedule "A" to this Agreement is a highway under the jurisdiction and control of the Recipient and has been designated as a Connecting Link or as an extension to the Connecting Link by the Minister of Transportation in accordance with the subsection 21(1) of the Act;

AND WHEREAS subsection 116(1)(a) of the Act states that the Minister of Transportation may enter into agreements for the purpose of the Act, including agreements related to among other things the design and construction of any highway or bridge;

AND WHEREAS subsection 116(2) of the Act states that any such agreement may provide that a proportion of the costs arising from the agreement be paid out of the monies appropriated therefor by the Legislature;

AND WHEREAS the Recipient has applied to the Connecting Links Program for funding to assist the Recipient in carrying out the Project and Ontario wishes to provide funding for the Project;

AND WHEREAS the Recipient is eligible to receive funding under the Connecting Links Program to undertake a Project;

NOW THEREFORE, in accordance with the principles set out above, the mutual covenants and agreements herein and for other good and valuable consideration, the receipt and sufficiency of which is expressly acknowledges, the Parties hereby agree as follows:

SECTION 1 INTERPRETATION

1.1 Definitions. For the purposes of this Agreement, the following terms shall have the following meanings described below.

“Act” means the *Public Transportation and Highway Improvement Act*, R.S.O. 1990, c.P.50, as amended from time to time.

“Aboriginal Group” includes the First Nations, Inuit and Métis communities or peoples of Canada or any other group holding Aboriginal or treaty rights under section 35 of the *Constitution Act*, 1982.

“Adjust the Funds” means Ontario’s right to adjust, without limitation, liability, costs or penalty any Funds provided to the Recipient in respect of the Project under this Agreement.

“Agreement” means this agreement between Ontario and the Recipient, including all Schedules attached hereto.

“Arm’s Length” has the meaning given to it under the *Income Tax Act* (Canada) as in effect on the Effective Date of this Agreement.

“Auditor General” means the Auditor General of Ontario.

“BPSAA” means the *Broader Public Sector Accountability Act, 2010* (Ontario).

“Bridge” means a public bridge, and includes a bridge forming part of a highway or on, over, under or across which a highway passes.

“Business Day” means any day on which the Government of Ontario offices are generally open for business in the Province of Ontario.

“Communications Protocol” means the protocol set out under Schedule “F” of this Agreement.

“Conflict of Interest” includes any and all circumstances where the Recipient or any Person who has the capacity to influence the Recipient’s decisions has outside commitments, relationships or financial interests that could, or could be seen, to interfere with the Recipient’s objective, unbiased and impartial judgment relating to the Project or this Agreement.

“Connecting Link” means the highway named in Schedule “A” to this Agreement that is a highway under the jurisdiction of the Recipient and has been designated as a connecting link or as an extension of a King’s Highway by the Minister pursuant to subsection 21(1) of the Act.

“Connecting Links Program” means the program administrated by the Ministry of Transportation to provide funding for the costs of the Connecting Link in accordance with the Act and the Connecting Links Program Guide.

“Connecting Links Program Guide” means the Ministry’s document, entitled “Ministry of Transportation Connecting Links Program Guide,” as amended from time to time by the Ministry, that describes the Ministry’s Connecting Link Program.

“Contractor” means any third-party contractor that the Recipient retains to undertake any part of the work related to the construction of the Project.

“Consultant” means any third-party consultant, engineer, Project manager, architect or other service provider, as the case may be, the Recipient retains to undertake any part of the work related to the Project.

“Contract” means a contract between the Recipient and a third party at Arm’s Length whereby the latter agrees to provide a good or service for the Project in return for financial consideration that may be claimed as an Eligible Cost.

“Crown Agency” means a Crown Agency as defined in the *Crown Agency Act* (Ontario).

“Effective Date” means the date set out at Part B.1 of Schedule “B” of this Agreement.

“Eligible Costs” means the costs described in Part D.1 of Schedule “D” of this Agreement.

“End of Funds Date” means the date set out in Part C.3 of Schedule “C” of this Agreement.

“Event of Default” has the meaning given to it in section 15 of this Agreement.

“Expiration Date” means the date set out in Part B.4 of Schedule “B” of this Agreement.

“FIPPA” means the *Freedom of Information and Protection of Privacy Act* (Ontario).

“First Nation” means a band, as defined under section 2(1) of the *Indian Act* (Canada).

“Fiscal Year” means the period beginning April 1st in any year and ending on March 31st of the following year.

“Funds” means the total amount of funding Ontario is providing in Canadian currency to the Recipient under this Agreement, subject to the terms and conditions of this Agreement.

“Highway” includes a common and public highway, street, avenue, parkway, driveway, square, place, bridge, viaduct, trestle or any other structure incidental thereto, any part of which is intended for or used by the general public for the passage of vehicles and includes the area between the lateral property lines thereof.

“Indemnified Party” means Her Majesty the Queen in Right of Ontario, Her Ministers, directors, officers, agents, appointees, servants and employees.

“Ineligible Costs” means the costs described under Part D.2 of Schedule “D” of this Agreement.

“King’s Highway” means a highway designated as a King’s Highway by the Lieutenant Governor in Council pursuant to the Act.

“Maximum Funds” means the amount set out under Part C.1 of Schedule “C” of this Agreement.

“Minister” means the Minister of Transportation.

“Ministry” means the Ministry of Transportation and any employees employed therewith.

“Ontario” means Her Majesty the Queen in Right of Ontario, as represented by the Minister of Transportation or any other Minister who may have authority to administer this Agreement, unless the context indicates otherwise.

“Parties” means Ontario and the Recipient.

“Party” means either Ontario or the Recipient, as the case may be.

“Project” means the Work to be performed for the project described in Schedule “A” of this Agreement.

“Project Completion Date” means the date set out in Part B.3 of Schedule “B” of this Agreement.

“PSSDA” means the *Public Sector Salary Disclosure Act, 1996* (Ontario).

“Reports” means the reports set out in section 13 of this Agreement and set out in Schedule “G” of this Agreement.

“Requirements of Law” means all applicable statutes, codes, acts, ordinances, orders, approvals, decrees, injunctions, by-laws, rules, regulations, official plans, permits, licenses, authorizations, directions and agreements with all authorities that now or at any time hereafter may relate to the Recipient, the Project and this Agreement. Without limiting the generality of the foregoing, if the Recipient is subject to the *BPSAA*, the *PSSDA* or any other type of broader public sector accountability statutes, the *BPSAA*, the *PSSDA* and other type of broader public sector accountability statutes are deemed to be Requirements of Law.

“Substantial Completion” has the same meaning as “substantially performed”, as defined under section 2(1) of the *Construction Lien Act* (Ontario).

“Term” means the period of time beginning on the Effective Date of this Agreement and ending on the Expiration Date or the termination of this Agreement, whichever is shorter.

“Work” includes the goods and services to be performed to design, construct and reconstruct the Connecting Link and such other work described in the Connecting Links Program Guide consistent and necessary for the Project.

- 1.2 Reference To Statute Or Regulation.** Any reference to a statute is to such statute and to the regulations made pursuant to such statute as such statute and regulations may at any time be amended or modified and in effect and to any statute or regulations that may be passed that have the effect of supplanting or superseding such statute or regulations.
- 1.3 Singular/Plural And Gender Terms.** Each definition in this Agreement using a singular capitalized term or other word or phrase shall also apply to the plural form and such term, word or phrase and *vice versa*. All references to the masculine gender shall include reference to the feminine or neuter gender and *vice versa* in each case as the context may permit or require.
- 1.4 Pronouns.** Each use in this Agreement of a neuter pronoun shall be deemed to include the masculine and feminine variations thereof and *vice versa* and a singular pronoun shall be deemed to include a reference to the plural pronoun and *vice versa* in each case as the context may permit or require.
- 1.5 Sections And Other Headings.** The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.
- 1.6 Recitals.** The recitals to this Agreement do not form a part of the Agreement.
- 1.7 Accounting Terms, Calculations And Submission Of Financial Data.** All accounting terms not defined in this Agreement shall have the meanings usually ascribed to them. All calculations will be made and all financial data to be submitted will be prepared in accordance with the applicable accepted accounting principles in effect in Ontario.

SECTION 2 THE AGREEMENT

- 2.1 The Agreement.** The Agreement includes this document and the following Schedules attached to this document, as such Schedules may be amended from time to time in accordance with this Agreement.

Schedule

- “A” Project Description
- “B” Operational Requirements Under The Agreement
- “C” Financial Information For The Project
- “D” Eligible And Ineligible Costs
- “E” Aboriginal Consultation Requirements
- “F” Communications Protocol
- “G” Reporting Requirements

2.2 Conflict. In the event of a conflict between any of the documents that form part of this Agreement, the conflict shall be resolved in the following descending order:

- (a) This document; and
- (b) The Schedules attached to this document.

2.3 Expiration Date Of Agreement. This Agreement shall expire on the Expiration Date, unless amended or terminated prior to this date in accordance with this Agreement.

SECTION 3

GENERAL ROLES AND RESPONSIBILITIES OF THE PARTIES UNDER THE AGREEMENT

3.1 Provision Of Funds. Ontario agrees, subject to the terms and conditions of this Agreement to provide up to the Maximum Funds to the Recipient in accordance with Schedule “C” of this Agreement. The Recipient is solely responsible for securing any additional funding, if needed, to complete the Project. The Recipient must have such funding or have secured access to the funding prior to commencing the Project. Ontario may require proof that funding has been secured for the Project before providing any Funds under this Agreement.

3.2 Ontario’s Role Under Agreement Strictly Limited To Providing Funds. The Recipient acknowledges and agrees that Ontario’s role is strictly limited to providing Funds and that Ontario will have no other involvement in the Project or its subsequent maintenance and operation. Ontario is not a manager, decision-maker nor an advisor to the Recipient in relation to the Project. Notwithstanding the generality of the foregoing and without limitation, the fact that Ontario may conduct performance reviews and/or audits as provided for hereinafter or issues directions under the terms and conditions of this Agreement shall not be construed by the Recipient as Ontario having a management, decision-making or advisory role. The Recipient further agrees that the Recipient will not seek to include Ontario as a decision-maker, advisor or manager of the Project through recourse to a third party, court, tribunal or arbitrator.

3.4 Funds Limited To Specific Project. The Recipient shall only use the Funds being provided under this Agreement towards Project, as described in Schedule “A” of this Agreement. The Recipient further agrees that it will not make any changes to the Project, as described in Schedule “A” of this Agreement, without first obtaining Ontario’s prior written consent.

3.5 Responsibility For Project. The Recipient acknowledges and agrees that the Recipient, as opposed to Ontario, is solely responsible for the undertaking, implementation, completion, operation and/or maintenance of the Project. The Recipient further agrees that the Recipient will not seek to hold Ontario responsible for the undertaking, implementation, completion, operation and/or maintenance of the Project through recourse to a third party, court, tribunal or arbitrator.

3.6 Project Completion. The Project shall be Substantially Completed by the Project Completion Date.

3.7 Project Financing. The Recipient acknowledges and agrees that:

- (a) It is solely responsible for making any alternative arrangements that may be required to obtain additional financing for the Project in the event that its original financing situation;
- (b) It is solely responsible for covering any unapproved expenditures and cost overruns; and
- (c) It is solely responsible for securing any additional financing required to complete the Project.

3.8 Asset Retention. The Recipient shall comply with Part B.6 of Schedule “B” of this Agreement as it relates to the retention of any assets purchased, rehabilitated or built with Funds being provided under this Agreement.

3.9 Behavior Of Recipient. The Recipient shall carry out any Project in an economical and business-like manner, in accordance with the terms and conditions of this Agreement, subject to any reasonable amendments Ontario may agree to or require from time to time in writing.

3.10 Ontario Not Responsible For Recipient Obtaining Permits Or Approvals. For greater certainty, the Parties acknowledge and agree that the entering into this Agreement does not in any way obligate any regulatory authority established under an Act of the Ontario Legislature to issue any type of approval, license, permit or similar authorization that the Recipient may need or want in relation to the Project or to meet any terms or conditions under this Agreement

3.11 Ontario May Impose Additional Conditions On The Recipient. Ontario may impose, at any time, such additional terms or conditions on the Recipient in terms of the Recipient’s operations that relate to the use of any Funds which Ontario, acting reasonably, considers appropriate for the proper expenditure and management of the Funds. For greater certainty, any additional terms or conditions Ontario may impose shall be supplements to the existing terms and conditions of this Agreement as opposed to amendments to the terms and conditions of this Agreement.

SECTION 4 FUNDS

4.1 Use Of Funds. Any Funds being provided under this Agreement shall only be used for the payment of Eligible Costs for the Project.

4.2 Deposit Of Funds In Interest-Bearing Account At Canadian Financial Institution. The Recipient shall deposit and retain any Funds being provided under this Agreement in an interest-bearing account in the name of the Recipient at a Canadian financial institution in Canada.

4.3 Interest Earned By Recipient. The Recipient shall report to Ontario the amount of any interest earned on any Funds provided to the Recipient under this Agreement in accordance with Reports set out under Schedule “G” of this Agreement. If the Recipient earns any interest on the Funds provided to the Recipient:

- (a) Ontario may deduct an amount equal to the interest from any further instalment of Funds; or

- (b) The Recipient shall pay an amount equal to the interest to Ontario as directed by Ontario.

4.4 Cost Must Be An Eligible Cost. For a cost to be considered an Eligible Cost and therefore eligible to be paid from the Funds being provided under this Agreement, the cost must be specifically set out under Part D.1 of Schedule “D” of this Agreement.

4.5 Ineligible Costs Shall Not Be Covered Under Agreement. Any costs set out in Part D.2 of Schedule “D” of this Agreement are Ineligible Costs and shall not be eligible to be paid from the Funds being provided under this Agreement.

4.6 Ontario May Declare Costs To Be Eligible. Despite section 4.4 of this Agreement, but subject to section 4.5 of this Agreement, costs not specifically set out in Part D.1 of Schedule “D” of this Agreement may be deemed in writing to be an Eligible Cost by Ontario, in its sole and absolute discretion on a case-by-case basis.

4.7 New Information. In the event of new information, errors, omissions or other circumstances affecting the determination of the amount of any Funds being provided under this Agreement, Ontario may, in its sole and absolute discretion, Adjust the Funds being provided under this Agreement.

4.8 Repayment Of Funds. The Recipient shall repay Funds to Ontario where:

- (a) The Recipient has used the Funds for a purpose not agreed to by Ontario;
- (b) The Recipient still has Funds under its charge, management or control upon the expiry or termination of this Agreement; and
- (c) The Recipient receives an overpayment by Ontario and is notified by Ontario of said overpayment,

within twenty (20) Business Days of receiving a written demand from Ontario, after which the outstanding amount may be subject to interest charges in accordance with section 16.17 of this Agreement. Where the Recipient receives an overpayment and has not received a notice from Ontario in regards to that overpayment, the Recipient shall notify Ontario of the overpayment within twenty (20) Business Days of becoming aware of the overpayment.

4.9 Insufficient Funds Provided By Legislature. If, in the opinion of the Minister, the Ontario Legislature does not provide sufficient funds to continue the Funds for any Fiscal Year which this Agreement is in effect, Ontario may immediately, without any liability, cost or penalty and without any prejudice to any other rights or remedies Ontario has under this Agreement or at law or equity, terminate this Agreement.

4.10 Ontario May Adjust The Funds. Despite any other provision in this Agreement, Ontario may Adjust the Funds being provided under this Agreement without liability, cost or penalty.

4.11 Funds Are Part Of Social Or Economic Program. The Recipient acknowledges and agrees that any Funds provided under this Agreement is for the administration of social or economic programs or the provision of direct or indirect support to members of the public in connection with social or economic policy.

SECTION 5

PAYMENT UNDER AGREEMENT

- 5.1 Eligibility Of Costs Or Expenses.** In order for a cost or expense to be eligible to be paid from the Funds being provided under this Agreement, the cost or expense:
- (a) Must be reasonable;
 - (b) Must be directly related to the Project;
 - (c) Must be an Eligible Cost;
 - (d) Must not be an Ineligible Cost; and
 - (e) Must, subject to sections 4.4 and 4.5 of this Agreement, have been incurred on or after April 1, 2022 and prior to the Project Completion Date.
- 5.2 Payment Of Funds.** Subject to all terms and conditions of this Agreement, Ontario shall pay any Funds to the Recipient in accordance with Part C.4 of Schedule “C” of this Agreement.
- 5.3 Conditions Precedent For Payment Of Funds.** Despite section 5.2 and Part C.4 of Schedule “C” of this Agreement, Ontario may withhold the payment of any Funds to the Recipient without liability, costs or penalty until the Recipient has met the following conditions precedent:
- (a) The Recipient has provided evidence that the insurance required by section 8.1 of this Agreement has been obtained within ten (10) Business Days of Ontario’s request;
 - (b) The Recipient has provided Ontario with any requested information within ten (10) Business Days of Ontario’s request; and
 - (c) The Recipient has not or is not meeting any duty to consult with Aboriginal Groups requirements set out under this Agreement.
- 5.4 Withholding Payment Of Funds.** Ontario may, in its sole and absolute discretion, withhold the payment of any Funds to the Recipient under this Agreement without liability, costs or penalty where:
- (a) Ontario is of the opinion that the Project is not progressing in accordance with how other Projects of a similar size and scope would progress under similar circumstances; and
 - (b) Ontario is of the opinion that the Recipient is, without limitation, not in compliance with any other agreements that the Recipient has entered into with Her Majesty the Queen in Right of Ontario where Ontario may be providing financial assistance to the Recipient, directly or indirectly, under that agreement. Where Ontario withholds the payment of any Funds to the Recipient, the following shall apply:
 - (i) Ontario has complete and absolute discretion to determine whether the Recipient is in compliance with the terms or conditions of any other funding agreements, such as the Ontario Community Infrastructure Fund, whereby the Recipient is receiving, directly or indirectly, funding from Ontario;
 - (ii) Ontario shall continue to withhold any payments of any Funds to the Recipient under this Agreement until the Recipient has come into compliance with the terms and conditions of any other agreement whereby the Recipient receives, directly or indirectly, funding from Ontario; and

- (iii) Ontario agrees that it will act reasonably when applying this section 5.4 of the Agreement and shall promptly notify the Recipient of any determinations made by Ontario with respect to the application of this section 5.4 of the Agreement.

SECTION 6

RECIPIENT'S REPRESENTATIONS, WARRANTIES, COVENANTS, ACKNOWLEDGEMENTS AND AGREEMENTS

6.1 Recipient's Representations, Warranties And Covenants. The Recipient represents, warrants and covenants that:

- (a) It validly exists as a legal entity, and will continue to exist for the Term of the Agreement, with full power to perform and observe all of the terms and conditions of this Agreement and that it will continue to validly exist until the Expiration Date of this Agreement;
- (b) It has the authority and any necessary approvals to enter into this Agreement and to carry out its terms and conditions and that it is not bound by any other agreement that would in any way interfere with Ontario's rights under this Agreement;
- (c) Where applicable, it has passed the requisite by-laws to undertake any Project in which Funds are directed;
- (d) It is conducting its business in accordance with all Requirements of Law and it shall continue to conduct its business in accordance with all Requirements of Law until the Expiration Date of this Agreement;
- (e) It has all permits, approvals, licenses, certificates or other similar documents that are required to carry out any Project to which Funds are directed or that it will apply for all permits, approvals, licenses, certificates or other similar documents before carrying out the Project; and
- (f) All information provided to Ontario in relation to any Funds being provided under this Agreement remains true, correct and complete as of the date this Agreement is signed in every material respect, except as set out to the contrary herein.

6.2 Additional Covenants. The Recipient undertakes to advise Ontario within five (5) Business Days of the occurrence during the Term of this Agreement of any actions, suits or other proceedings which could or would prevent compliance with the terms and conditions of this Agreement.

6.3 Recipient Shall Provide Proof Of Compliance Upon Ontario's Request. The Recipient shall, upon receiving a written notice from Ontario, provide to Ontario with proof of the matters referred to in sections 6.1 to 6.2 of this Agreement within the time period set out in the notice. Despite section 5.2 and Part C.4 of Schedule "C" of this Agreement, and without limiting the generality of section 5.3 of this Agreement, Ontario may withhold the payment of any Funds under this Agreement without liability, costs or penalty until the Recipient provides Ontario with proof of its compliance with the matters referred to in sections 6.1 to 6.2 of this Agreement. Ontario may also, despite anything else in this Agreement and without limiting any remedies Ontario may have under this Agreement, at law or equity, Adjust the Funds if the Recipient is not in compliance with the matters referred to in sections 6.1 to 6.2 of this Agreement at any time during the Term of this Agreement.

SECTION 7 CONFLICT OF INTEREST AND CONFIDENTIALITY

- 7.1 No Conflicts Of Interest.** The Recipient shall ensure that any Person associated with the Project in whatever capacity carries out the administration of any Funds in all its aspects without an actual, potential or perceived Conflict of Interest.
- 7.2 Disclosure Of Conflict Of Interest Situations.** The Recipient shall:
- (a) Disclose to Ontario, without delay, any situation that a reasonable person would interpret as an actual, potential or perceived Conflict of Interest; and
 - (b) Comply with any terms and conditions that Ontario may impose as a result of the disclosure.
- 7.3 Ontario Bound By FIPPA.** The Recipient acknowledges that the provisions of the *FIPPA* and its regulations bind Ontario.

SECTION 8 INSURANCE

- 8.1 Recipient Shall Have Insurance.** The Recipient shall put in effect and maintain until the Expiration Date of this Agreement at its own expense or arrange for its Consultant or Contractor to have all necessary insurance that would be considered appropriate for the Project and shall ensure that there is Commercial General Liability Insurance, for third party bodily injury, personal injury and property damage to an inclusive limit of not less than the amount indicated in Part B.2 of Schedule “B” of this Agreement per occurrence with insurers with an A.M. Best rating of B+ or equivalent. The Commercial General Liability Insurance policy shall include:
- (a) The Indemnified Party as an additional insured with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
 - (b) A cross-liability clause;
 - (c) Contractual Liability coverage;
 - (d) Products and Completed Operations Liability coverage;
 - (e) Employers Liability;
 - (f) Tenants Legal Liability (for premises/building leases only);
 - (g) Non-Owned automobile coverage with blanket contractual and physical damage coverage for hired automobiles; and
 - (h) A thirty (30) day written notice of cancellation, termination or material change clause.
- 8.2 Ontario To Have Priority Right On Any Proceeds Of Insurance Policy.** The Recipient acknowledges and agrees that Ontario shall have a priority over any other Person, including the Recipient, to use or enjoy the benefits of the proceeds from the insurance required under section 8.1 of this Agreement to pay any claim, suits, judgments, demands, expenses, actions, causes of action and losses, including, without limitation, reasonable legal expenses and any claim for a lien made pursuant to the *Construction Lien Act* (Ontario) and for any and all liability for damages to property and injury to persons, including death, that may be brought against Ontario as a result of this Agreement.

SECTION 9

LIMITATION OF LIABILITY AND INDEMNIFICATION

- 9.1 *Exclusion Of Liability.*** In no event shall Ontario be liable for any general, compensatory, incidental, special or consequential damages, or any loss of use, revenue or profit by the Recipient or the Recipient's officers, servants, employees and agents arising out of or in any way related to this Agreement.
- 9.2 *Recipient To Indemnify Ontario.*** The Recipient shall indemnify and hold harmless the Indemnified Party from and against all suits, judgments, claims, demands, expenses, actions, causes of action and losses, including, without limitation, reasonable legal expenses and any claim for lien made pursuant to the *Construction Lien Act* (Ontario), and for any and all liability for damages to property and injury to persons, including death, which the Indemnified Party may incur, otherwise than by reason of the Indemnified Party's own gross negligence or wilful misconduct, as a result of or arising out of or in relation to any breach by the Recipient of the terms of this Agreement, or the Recipient's own negligence or wilful misconduct, as a result of or arising out of or in relation to:
- (a) The performance of this Agreement or the breach of the terms of this Agreement by the Recipient, its officers, servants, employees and agents, or by a third party and any of its officers, employees servants or agents;
 - (b) The ongoing operation, maintenance and repair of the Project; or
 - (c) Any omission or other wilful or negligent act of the Recipient, a third party or their respective employees, officers, servants or agents.
- 9.3 *Further Indemnification Of Ontario.*** The Recipient further agrees to indemnify and hold harmless the Indemnified Party from any general, compensatory, incidental, indirect, special or consequential damage or any loss of use, revenue or profit which the Indemnified Party may incur or related in any way to this Agreement or the Project in tort, contract or otherwise other than by reason of the Indemnified Party's own gross negligence or wilful misconduct, as a result of or arising out or in relation to:
- (a) The performance of this Agreement or any breach of the terms and conditions of this Agreement by the Recipient, its officers, servants, agents, employees and Consultants or by a third party and any of its officers, servants, agents or employees where the third party entered into a Contract with the Recipient in relation to the Project;
 - (b) The ongoing operation, maintenance and repair of the Project; or
 - (c) Any omission or negligent act or misconduct of the Recipient its officers, servants, agents, employees, Contractors and Consultants or by a third party and any of its officers, servants, agents or employees where the third party entered into a Contract with the Recipient in relation to the Project.
- 9.4 *Further Indemnification Requirements.*** The following are additional requirements related to the Recipient's indemnification of Ontario:
- (a) The Recipient shall, at its own expense, to the extent requested by Ontario, participate in or conduct the defence of any proceedings against any Indemnified Party and any negotiations for their settlement;
 - (b) Ontario may elect to participate in or conduct the defence of any proceeding by providing notice to the Recipient of such election without prejudice to any other rights or remedies that Ontario has under this Agreement, at law or in equity. Each

- Party participating in the defence shall do so by actively participating with the other's counsel;
- (c) The Recipient shall not enter into a settlement of any proceeding against an Indemnified Party unless the Recipient has obtained the prior written approval of Ontario. If the Recipient is requested by Ontario to participate in or conduct the defence of any proceeding, Ontario will cooperate with and assist the Recipient to the fullest extent possible in the proceeding and any related settlement negotiations; and
 - (d) If Ontario conducts the defence of any proceedings, the Recipient shall cooperate with and assist Ontario to the fullest extent possible in the proceedings and any related settlement negotiations.

9.5 Recipient To Require Third Parties To Indemnify Ontario. The Recipient shall use all reasonable efforts to ensure that all third parties that the Recipient enters into a Contract with indemnify and hold harmless the Indemnified Party from and against all suits, judgments, claims, demands, expenses actions, causes of action and losses, including, without limitation, reasonable legal expenses and any claim for lien made pursuant to the *Construction Lien Act* (Ontario), and for any and all liability for damages to property and injury to persons, including death, which the Indemnified Party may incur, otherwise than by reason of their own negligence or wilful misconduct, as a result of or arising out of or in relation to any breach by the Recipient of the terms of this Agreement, or the Recipient's own negligence or wilful misconduct, as a result of or arising out of or in relation to:

- (a) The performance of this Agreement or the breach of the terms of this Agreement by the Recipient, its officers, servants, employees and agents, or by a third party and any of its officers, employees servants or agents;
- (b) The ongoing operation, maintenance and repair of the Project; or
- (c) Any omission or other wilful or negligent act of the Recipient, a third party or their respective employees, officers, servants or agents.

The Recipient shall also use commercially reasonable efforts to ensure that the terms and conditions set out under section 9.4 of this Agreement are included in any Contracts that the Recipient enters into with any third party. The Recipient further agrees to take and implement any reasonable direction from Ontario in relation to the enforcement or assertion of this section 9.5 of the Agreement as against any third party.

9.6 Recipient To Limit Heads Of Damage As Against Ontario In Contracts With Third Parties. The Recipient shall use commercially reasonable efforts to include in the Recipient's Contracts with any third party a provision that provides notwithstanding anything else, and in no event whatsoever, shall Ontario be liable to the third party for any incidental, indirect, special or consequential damage or any loss of use, revenue or profit which the Indemnified Party may incur as a result of anything under or related in any way to this Agreement or the Project in tort, contract or otherwise. The Recipient agrees to take and implement any reasonable direction from Ontario in relation to the enforcement of this section 9.6 of the Agreement as against any third party.

SECTION 10

ACQUISITION OF GOODS AND SERVICES

10.1 Acquisition. Despite anything else contained in this Agreement, the Recipient shall ensure that all goods and services purchased with any Funds being provided under this Agreement are purchased or acquired in a fair and transparent manner and at competitive

prices that are no greater than fair market value after deducting trade discounts and/or any other discounts available to the Recipient.

10.2 Ontario Not Responsible For Claims Under Tender/Bidding Process. Without limiting the generality of section 9.1 of this Agreement, Ontario shall not be responsible for any claim arising from the tender and bidding process in relation to any Project in which Funds are directed.

10.3 Competitive Procurement Process. The Recipient shall acquire and manage its equipment, services and supplies, including any construction component, required for any Project in which Funds are directed through a transparent and fair process that promotes the best value for the Funds expended. Without limiting the generality of the foregoing, where the Recipient is a municipal entity to which the *Municipal Act, 2001* (Ontario) is applicable, the Recipient shall follow its procurement policies as required under the *Municipal Act, 2001* (Ontario). Where the Recipient is a Local Services Board or any other entity not covered by the *Municipal Act, 2001* (Ontario), the Recipient shall ensure that for equipment, services and supplies, the estimated costs of which exceed twenty-five thousand dollars (\$25,000.00), the Recipient obtains at least three (3) written quotes unless Ontario gives prior written approval. The requirement for a competitive process under this section 10.2 of the Agreement may be waived with prior written approval by Ontario, if:

- (a) The equipment, services or supplies the Recipient is purchasing is specialized and is not readily available; or
- (b) The Recipient has researched the market for a similar purchase within the last two (2) years and knows prevailing market costs for the equipment, services or supplies purchased.

10.4 BPSAA. For the purposes of clarity, if the Recipient is subject to the *BPSAA* and there is a conflict between any of the requirements of this Agreement and the requirements of the *BPSAA*, the *BPSAA* shall apply.

10.5 Contracts. The Recipient shall ensure that all Contracts:

- (a) Are consistent with this Agreement;
- (b) Do not conflict with this Agreement;
- (c) Incorporate the relevant provisions of this Agreement to the fullest extent possible;
- (d) Are managed in a way that is transparent, competitive and consistent with value for money principles
- (e) Require that any third parties thereto comply with all Requirements of Law; and
- (f) Authorize Ontario to collect, use and disclose in accordance with the Requirements of Law information and data gathered by the third party in connection with Project, perform audits of the third party and monitor the Project as Ontario sees fit.

10.6 Costs Of Contracts Not Awarded In Compliance With This Section May Be Deemed Ineligible. If Ontario determines that the Recipient has awarded a Contract in a manner that is not in compliance with this section 10 of the Agreement, Ontario may, upon written notification to the Recipient, deem the costs associated with the Contract as being ineligible for payment from the Funds.

10.7 Recipient To Keep Records Of Contracts. The Recipient shall keep and maintain proper and accurate accounts and records, including, but not limited to, all Contracts, invoices,

statements, receipts and vouchers in relation to the Project for a period of at least seven (7) years after the Term of this Agreement.

- 10.8 Trade Agreements.** If the Recipient is subject to any provincial or federal trade agreements to which Ontario is a party, the Recipient shall comply with the applicable requirements of such trade agreements.

SECTION 11 ABORIGINAL CONSULTATION

- 11.1 Provision Of Funds Dependent Upon Ontario Meeting Its Duty To Consult Obligations.** The Recipient hereby acknowledges and agrees that the provision of any Funds under this Agreement is strictly conditional upon Ontario satisfying, where applicable, its legal duty to consult with and, if required, accommodate any Aboriginal Group with an interest in the Project in which Funds are directed in order for the Project to proceed.

- 11.2 Recipient Ontario's Delegate For Purposes Of Consultation With Aboriginal Groups.** By entering into this Agreement, Ontario delegates the procedural aspects of any consultation obligations Ontario may have with any Aboriginal Group in relation to the Project to the Recipient as set out in Schedule "E" of this Agreement. The Recipient, by signing this Agreement, acknowledges that Ontario has delegated the procedural aspects of any consultation obligations Ontario may have with any Aboriginal Group in relation to the Project and accepts said delegation and agrees to act diligently as Ontario's delegate so as to preserve the Honour of the Crown in relation to any consultation obligations Ontario may have in relation to the Project.

- 11.3 Recipient's Obligations In Relation To Consultations.** The Recipient shall:

- (a) Be responsible for consulting with any Aboriginal Group that has an interest in the Project on behalf of Ontario in accordance with Schedule "E" of this Agreement;
- (b) Take directions from Ontario in relation to consulting with any Aboriginal Group with an interest in the Project as well as any other directions Ontario may issue in relation to consultations, including suspending or terminating the Project; and
- (c) Provide a detailed description of any actions it took in relation to consultation with any Aboriginal Group with an interest in the Project, as set out under Schedule "G" of this Agreement.

- 11.4 Recipient Shall Not Start Construction On The Project Until Duty to Consult Has Been Met.** The Recipient shall not commence or allow any third party to commence construction on any aspect of the Project until Ontario is satisfied that any legal duty to consult and, where appropriate, to accommodate Aboriginal Groups has been and continues to be met. Specifically, Ontario must be satisfied that:

- (a) all applicable Aboriginal Groups have been notified and, if applicable consulted;
- (b) where consultation has occurred, the Recipient has provided a summary of consultation or engagement activities, including a list of Aboriginal Groups consulted, concerns raised, and how each of the concerns have been addressed or, if not addressed, an explanation as to why not;
- (c) accommodation measure(s), where appropriate, has been carried out; and
- (d) any other information has been provided which Ontario may deem appropriate.

SECTION 12 COMMUNICATIONS

- 12.1 Recipient To Follow Communications Protocol.** The Recipient shall follow the Communications Protocol set out under Schedule “F” of this Agreement.

SECTION 13 REPORTS

- 13.1 Reports.** The Recipient shall submit the Reports set out in Schedule “G” of this Agreement in accordance with the dates set out for each of those Reports set out in Schedule “G” of the Agreement. The Recipient shall follow such reasonable administrative procedures as Ontario may specify from time to time.
- 13.2 Additional Reports Upon Request.** The Recipient shall, upon Ontario’s request in writing, collect such information and provide such additional reports as Ontario may specify from time to time during the Term of this Agreement. The Recipient shall provide any additional reports within ten (10) Business Days of the request, unless the request provides otherwise.
- 13.3 Compliance Attestation.** The Recipient shall provide a compliance attestation that is signed by the Recipient’s Administrative Officer/Clerk or Treasurer for any reports required under sections 13.1 and 13.2 of this Agreement.

SECTION 14 RECORDS, INSPECTION, AUDITS AND THE PROVISION OF INFORMATION

- 14.1 Recipient’s Obligations Under Agreement.** The Recipient:
- (a) Shall keep and maintain all financial records, receipts, invoices and other financially-related documents relating to any Funds or otherwise in relation to the Project in a manner consistent with generally accepted accounting principles and clerical practices, and shall maintain such records and keep them available for review by Ontario for a period of seven (7) years from the Expiration Date of this Agreement; and
 - (b) Shall maintain all non-financial documents and records relating to any Funds or otherwise to the Project, including any records it receives about the people it serves, in a confidential manner consistent with all Requirements of Law.
- 14.2 Ontario May Inspect Recipient’s Premises And Projects’ Premises At Any Time.** Ontario reserves the right to inspect the Recipient’s premises and any premises of the Project at any time as it relates to the provision of any Funds under this Agreement. Without limiting the generality of the foregoing, the Recipient hereby authorizes Ontario, its employees and agents, including the Auditor General, to, upon twenty-four (24) hours’ written notice and during normal business hours, enter the Recipient’s premises to review the status of the Project and to copy any financial records, invoices and other financially-related documents, including all Contracts the Recipient has entered into in relation to the Project.
- 14.3 Audits.** Ontario may, at its own expense, conduct audits of the Project. Ontario may require the assistance of an external auditor to carry out an audit. If so, Ontario shall be responsible for retaining the external auditor.

14.4 Auditor General. The Auditor General may, at the Auditor General's cost, conduct an audit with respect to the use of any Funds under this Agreement. For the purposes of facilitating such an audit, the Recipient shall release to Ontario upon request and in a timely manner, for the purpose of releasing to the Auditor General:

- (a) All records held by the Recipient, or by agents or contractors of the Recipient relating to this Agreement and/or the use of the Funds; and
- (b) Such further information and explanations as the Auditor General, or anyone acting on behalf of the Auditor General, may request relating to any part of this Agreement or the use of the Funds.

14.5 Information. The Recipient shall supply to Ontario, within ten (10) Business Days of receiving a written request, such information in respect of this Agreement or the Project as Ontario requests unless the request provides otherwise.

14.6 Provision Of Information Is A True Condition Precedent. If, in the opinion of Ontario, any of the information requirements of this Agreement are not met, Ontario may in its sole and absolute discretion, and despite section 5.2 and Part C.4 of Schedule "C" of this Agreement, require the information as a condition precedent to the payment of any Funds under this Agreement without liability, costs or penalty.

SECTION 15 DEFAULT AND TERMINATION

15.1 Events Of Default. Ontario may, acting in a reasonable manner, without liability, cost or penalty and without prejudice to any other rights or remedies of Ontario under this Agreement or at law or in equity, terminate this Agreement immediately upon giving written notice to the Recipient where:

- (a) In the opinion of Ontario:
 - (i) The Recipient has provided false or misleading information to Ontario;
 - (ii) The Recipient breaches a material term or condition of this Agreement, where materiality is to be determined by Ontario, in its sole and absolute discretion, acting reasonably and has failed to cure or remedy the breach of this Agreement within 30 days of receiving written notice of the breach from Ontario;
 - (iii) The Recipient breaches a material term or condition of any other funding agreement it has with Ontario, where materiality is to be determined by Ontario, in its sole and absolute discretion, acting reasonably and has failed to cure or remedy the breach of the other funding agreement within 30 days of receiving written notice of the breach from Ontario;
 - (iv) The Recipient is unable to continue with the Project or the Recipient is likely to discontinue the Project; or,
 - (v) A material adverse change occurs such that the viability of a Recipient as a going concern is threatened.

15.2 Remedies On Default. Despite any other rights Ontario has under this Agreement, if an Event of Default has occurred, Ontario shall have the following remedies:

- (a) Ontario shall not have to provide any further Funds under this Agreement;

- (b) Ontario may, at its option, terminate this Agreement immediately after any notice period expires or may, in its sole and absolute discretion, Adjust the Funds, including a demand to return all Funds provided under this Agreement;
- (c) Ontario may avail itself of any of its legal remedies that it may deem appropriate.

15.3 Additional Remedies. In addition to the remedies described in section 15.2 of this Agreement, Ontario may commence such legal action or proceedings as it, in its sole and absolute discretion, may deem expedient, without any additional notice under this Agreement. The rights and remedies of Ontario hereunder are cumulative and in addition to, and not in substitution for, all other rights or remedies otherwise available to Ontario at law, equity or under statute.

15.4 Waiver Of Event Of Default Must Be In Writing. Ontario may, in its sole and absolute discretion, at any time, waive any above-mentioned Event of Default which may have occurred provided that no such waiver shall extend to, or be taken in any manner whatsoever to affect, any subsequent Event of Default or the right to remedies resulting therefrom, and that no such waiver shall be, or shall be deemed to constitute, a waiver of such Event of Default unless such waiver is in writing from Ontario. Ontario may also impose conditions on any waiver it provides under this section 15.4 of the Agreement.

15.5 Ontario's Discretion To Terminate Agreement. Despite anything else contained in this Agreement, Ontario may, without liability, cost or penalty and without prejudice to any other rights or remedies Ontario may have under this Agreement or at law or in equity terminate this Agreement at any time upon one hundred and eighty (180) days' notice to the Recipient, provided it acts reasonably in doing so.

15.6 Termination Of Agreement For Circumstances Beyond The Control Of A Party. Neither Party shall be liable for damages caused by delay or failure to perform its obligations under this Agreement where such delay or failure is caused by an event beyond its reasonable control. Should the event last more than ninety (90) Business Days, this Agreement shall terminate and the process set out under section 15.5 of this Agreement shall be followed, with any necessary modifications.

15.7 Date of Termination. In the event of termination pursuant to this section 15 of the Agreement, the effective date of termination shall be the last day of the notice period, the last day of any subsequent notice period or immediately, whichever applies.

SECTION 16 GENERAL PROVISIONS

16.1 Terms Binding. The Recipient shall take all reasonable measures to ensure that its officers, directors, partners, employees, agents, third party contractors shall be bound to observe all of the terms and conditions of this Agreement, including, but not limited to all of the covenants, representations and warranties set out herein.

16.2 Representatives May Bind Parties. The Parties represent and warrant that their respective representatives have the authority to legally bind them to the extent permissible by the Requirements of Law. As well, the rights, duties and powers of the Minister of Transportation under this Agreement may be exercised by the Regional Director for the Region where the Project is located.

- 16.3 Further Assurances.** The Parties agree to do or cause to be done all acts or things necessary to implement and carry into effect this Agreement to its full extent.
- 16.4 Agreement Binding.** This Agreement shall ensure to the benefit of and be binding upon the Parties, their successors, executors, administrators, heirs and their permitted assigns.
- 16.5 Waivers In Writing.** If a Party fails to comply with any term of the Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the notice provisions set out in section 16.19 of this Agreement. Any waiver must refer to a specific failure to comply and shall not have the effect of waiving any subsequent failures to comply. For greater certainty, where Ontario chooses to waive a term or condition of the Agreement, such waiver shall only be binding if provided by a person who indicates in writing that he or she has specific authority to provide such a waiver.
- 16.6 Tolerance Of Indulgence Of Breach Not A Waiver.** Any failure by Ontario to insist in one or more instances upon strict performance by the Recipient of any of the terms or conditions of this Agreement shall not be construed as a waiver by Ontario of its rights to require strict performance of any such terms or conditions, and the obligations of the Recipient with respect to such performance shall continue in full force and effect.
- 16.7 Time Is Of The Essence.** In the performance and observance of the terms and conditions of this Agreement, time is of the essence and no extension or variation of this Agreement shall operate as a waiver of this provision.
- 16.8 Severability.** If any term or condition of this Agreement, or the application thereof to the Parties or to any persons or circumstances, is to any extent invalid or unenforceable, the remainder of the Agreement, and the application of such term or condition to the Parties, persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.
- 16.9 No Assignment Of Agreement.** The Recipient shall not assign this Agreement to any other person unless Ontario agrees to the assignment in writing. Ontario may impose any terms or conditions.
- 16.10 No Amendment.** This Agreement shall not be varied or amended except by a document in writing, dated and signed on behalf of the Recipient and the Regional Director of the Ministry's Region where the Project is located.
- 16.11 Joint Authorship Of Agreement.** The Parties shall be considered joint authors of this Agreement and no provision herein shall be interpreted against one Party by the other Party because of authorship. No Party shall seek to avoid a provision herein because of its authorship through recourse to a third party, court, tribunal or arbitrator.
- 16.12 Parties Independent.** The Recipient acknowledges that it is not an agent, joint venturer, partner or employee of Ontario and the Recipient shall not take any actions that could establish or imply such a relationship.
- 16.13 Recipient Cannot Represent Ontario.** The provision of any Funds to the Recipient pursuant to this Agreement is for the sole purpose of, and is limited to, allowing the Recipient to carry out the Project. The Recipient represents, warrants and agrees that under no circumstances shall it enter into any contract or commitment in the name of or on behalf of Ontario. The Recipient acknowledges and agrees that it is not by the terms and

conditions of this Agreement or otherwise granted any right or authority to assume or to create any obligations or responsibility, express or implied, on behalf of or in the name of Ontario, to act as an agent of Ontario or to bind Ontario in any manner whatsoever other than as specifically provided under this Agreement.

16.14 Recipient's Consultants/Contractors. Ontario acknowledges and recognizes that, in connection with the carrying out the Project, the Recipient may engage one or more Consultants or Contractors. Ontario acknowledges and agrees that the Recipient shall have the sole authority and responsibility for such employees, agents, Consultants or Contractors, including the hiring and termination. The Recipient acknowledges and agrees that the Recipient shall be responsible for all acts and actions of the Recipient's employees, agents, Consultants and Contractors and that all such acts and actions shall be treated as actions of the Recipient for the purposes of this Agreement.

16.15 Lobbyists And Agent Fees. The Recipient represents and warrants:

- (a) Any person hired by the Recipient to speak or correspond with any employee or other person representing Ontario concerning any matter relating to any Funds under this Agreement or any benefit hereunder is registered, if required to register, pursuant to the *Lobbyists Registration Act, 1998*;
- (b) It has not and will not make a payment or other compensation to any legal entity that is contingent upon or is calculated upon the provision of any Funds hereunder or negotiating the whole or any part of the terms and/or conditions of this Agreement; and
- (c) No money from the Government of Ontario was used to lobby or otherwise secure the provision of any Funds hereunder.

16.16 Debt Owning To Her Majesty The Queen In Right Of Ontario. Any payment that the Recipient is required to make under this Agreement shall constitute a debt due and owing to Her Majesty the Queen in Right of Ontario and the Recipient shall pay the amount to Ontario immediately upon written demand unless Ontario directs otherwise.

16.17 Her Majesty The Queen In Right Of Ontario May Charge Interest. Her Majesty the Queen in Right of Ontario may charge the Recipient interest on any monies owing by the Recipient at the then current interest rate charged by the Province of Ontario on accounts receivable.

16.18 Set-Off By Ontario. In the event that the Recipient is indebted to Her Majesty the Queen in Right of Ontario under this Agreement, Ontario may set-off that debt against any amounts payable to the Recipient by Her Majesty the Queen in Right of Ontario. This right of set-off is in addition to any rights of set-off it has under the *Financial Administration Act* (Ontario) or the *Financial Administration Act* (Canada).

16.19 Notice And Service Of Documents Under Agreement. Notices shall be in writing and shall be delivered by postage-prepaid mail, personal delivery, facsimile transmission or Email transmission and shall be addressed to Ontario and the Recipient respectively, as set out in Part B.5 of Schedule "B" of this Agreement.

Notice shall be deemed to have been received:

- (a) In the case of postage-prepaid mail, five (5) Business Days after such notice is mailed; or

- (b) In the case of personal delivery, facsimile transmission or Email transmission, one (1) Business Day after such notice is delivered to the other Party.

In the event of a postal disruption, notices shall be given by personal delivery, facsimile transmission or Email transmission. Unless the Parties expressly agree in writing to additional methods of notices, notices may only be provided by the method(s) contemplated in this section 16.19 of the Agreement.

The Parties agree that for the purposes of this section 16.19 of the Agreement, the name(s) of the individuals may be changed without amending the Agreement through the Party making the change providing written notice to the other Party of said change.

16.20 Governing Law. This Agreement and the rights, obligations and relations of the Parties shall be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings in connection with this Agreement shall be conducted in Ontario.

16.21 Agreement Executed In Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together, shall constitute one and the same agreement.

16.22 Entire Agreement. This Agreement, including its Schedules, embodies the entire Agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations or agreements. No prior document, discussion, negotiation, provision undertaking or agreement in relation to the subject matter of this Agreement has any legal effect. No representation or warranty, whether express, implied or otherwise, has been made by Ontario to the Recipient except as expressly set out in this Agreement.

16.23 Survival. The provisions of this Agreement that by their nature survive the expiration or early termination of this Agreement shall so survive. Without limiting the generality of the foregoing, the provisions that shall survive the termination or expiration of this Agreement for a period of seven (7) years from the Expiration Date or termination of this Agreement, whichever occurs first, include: sections 1, 3 to 6, 9, 11 and 13 to 15; subsections 2.2, 16.5, 16.6, 16.8, 16.10 to 16.12, and 16.16 to 16.23; Parts B.5 and B.6 of Schedule “B” of this Agreement and Schedules “E” and “F”; along with all cross-referenced provisions within the foregoing sections, subsections and Schedules.

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IN WITNESS WHEREOF the Parties have executed this Agreement on the dates set out below.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO,
as represented by the Minister of Transportation

Name: Caroline Mulroney
Title: Minister of Transportation

Date

I have the authority to bind the Crown.

THE CORPORATION OF THE CITY OF SAULT STE MARIE

Name: Christian Provenzano
Title: Mayor

August 29, 2022

Date

**AFFIX CORPORATE
SEAL**

Name: Rachel Tyczinski
Title: City Clerk

August 29, 2022

Date

I/We have the authority to bind the Recipient.

**SCHEDULE “A”
PROJECT DESCRIPTION**

Application Project Name: Resurfacing of Trunk/Black Road

Approved Project Name: Resurfacing of Trunk/Black Road from South Market Street to Black Road at Railway Crossing.

Project Description: The project proposes a completely new asphalt surface within the limits of the project, and spot repairs of any deteriorated curb and gutter sections.

Project Description Details (from Application):

Project involves resurfacing of Trunk Road (Hwy 17) commencing at South Market St. and proceeding to Black Road and extending onto Black Road to a point north of the railway tracks.

The project proposes a new asphalt surface within the limits of the project and spot repair of any deteriorated curb and gutter sections. No subsurface work is proposed, although some rehabilitation of roadside catch basins and/or manholes will be completed if necessary.

Within the City's asset management system, the biennial review of this road results in the recommendation to resurface only, with no replacement or rehabilitation of the base and/or sub-base, except for minor spot repairs.

The road was resurfaced and widened from four to five lanes in 2006. It is estimated that a new surface will provide another 15 years of serviceable life.

SCHEDULE “B”
OPERATIONAL REQUIREMENTS UNDER THE AGREEMENT

PART B.1 – EFFECTIVE DATE OF AGREEMENT

B.1.1 *Effective Date Of Agreement.* The Effective Date of this Agreement is the date in which the Province signs the Agreement.

PART B.2 – INSURANCE REQUIREMENTS

B.2.1 *Insurance Requirements.* The Recipient or its agent(s) shall have no less than two million dollars (\$2,000,000.00) in general commercial liability insurance per occurrence.

PART B.3 – PROJECT COMPLETION DATE

B.3.1 *Project Completion Date.* The Project shall be completed no later than December 31, 2022. For clarity this means Substantial Completion must have occurred and the project construction work must have been completed.

PART B.4 – EXPIRATION DATE

B.4.1 *Expiration Date Of Agreement.* Unless this Agreement is terminated earlier, this Agreement shall expire on March 31, 2023.

PART B.5 – NOTICE AND CONTACT

B.5.1 *Notice And Contact Information.* Notices under this Agreement shall be sent in accordance to the following:

To Ontario: Ministry of Transportation Operations Office 301 St. Paul Street, 2nd Floor St. Catharines, Ontario L2R 7R4 Attention: Program Coordinator, Connecting Links Program Telephone: 289-241-8354 Fax: 905-704-2777 Email: CLProgram@ontario.ca	To Recipient: The Corporation of the City of Sault Ste Marie 99 Foster Drive Sault Ste. Marie, Ontario P6A 5X6 Attention: Don Elliott, Carl Rumiell, P. Eng. Director of Engineering Telephone: (705) 759-5329 705-759-5379 Fax: NA Email: d.elliott@cityssm.on.ca c.rumiell@cityssm.on.ca
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Any Notice not sent in accordance with the above shall be deemed to not constitute proper Notice under the Agreement.

PART B.6 – ASSET RETENTION PERIOD

B.6.1 Recipient To Notify Ontario Before Disposal Of Assets Purchased With Funds Under Agreement. The Recipient shall notify the Ministry of Transportation in writing of any disposal of assets purchased by the Funds at least one hundred and eighty (180) Business Days in advance of the disposition. The Recipient shall not dispose of any assets purchased, constructed, rehabilitated or improved by the Funds without the prior written consent of Ontario.

B.6.2 Asset Retention Period. The Recipient shall retain any asset purchased, rehabilitated or built with Funds under this Agreement for a period of five (5) years from the date that the Project is completed.

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**SCHEDULE “C”
FINANCIAL INFORMATION FOR THE PROJECT**

PART C.1 – MAXIMUM FUNDS

C.1.1 Ontario’s Maximum Funds Under Agreement. Subject to the terms and conditions of this Agreement, Ontario shall provide the Recipient with an amount up to Two Million, Two Hundred and Sixty-One Thousand, Fifty-Nine Dollars (\$2,261,059) in Funds for Eligible Costs for the Project. The Recipient acknowledges that the Funds available to it pursuant to the Agreement shall not exceed the Maximum Funds.

Project’s Estimated Total Net Eligible Costs: \$2,512,288 (Original budget from application)

Percentage of Provincial Support

The Percentage of Provincial Support is fixed at Ninety Percent (90%) for the Term of the Agreement.

The percentage noted above is rounded to a whole number. Note that for payment purposes the percentage is calculated to 10 decimal places and is based on the Maximum Funds against the Project’s Estimated Total Net Eligible Costs as provided above.

“**Total Net Eligible Costs**” means all direct costs that are, in Ontario’s sole and absolute discretion, properly and reasonably incurred no earlier than April 1, 2022 and prior to the Project Completion Date by the Recipient under a contract for goods or services necessary for the implementation of the Project, as more particularly described in part D.1 – Eligible Costs of this Schedule “B”, less any HST rebate or any other rebates the Recipient has received, will receive or is eligible to receive from any government source.

PART C.2 – HOLDBACK

C.2.1 Holdback. Ontario may hold back up to fifteen (15) percent from any payment of any Funds under this Agreement. Ontario may retain this holdback until it has approved the Recipient’s Final Report, upon after which Ontario shall pay the holdback to the Recipient.

PART C.3 – END OF FUNDS DATE

C.3.1 End of Funds Date. Despite anything else contained in this Agreement, Ontario shall not provide any Funds to the Recipient for the Project after March 31, 2023.

PART C.4 – PAYMENT OF FUNDS

C.4.1 Payment Of Funds. Ontario shall pay, subject to the terms and conditions of the Agreement, to the Recipient the Funds in accordance with the following:

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MILESTONE PAYMENT SCHEDULE

MILESTONE PAYMENT	AMOUNT	REQUIRED DOCUMENTATION
Milestone 1: Upon receipt and Acceptance by MTO of first Contract Award to initiate project.	An amount up to fifty percent (50%) of the Maximum Funds	Contract Award Report Must be submitted within fifteen (15) Business Days of a council resolution and no later than June 30, 2022.
Milestone 2: Upon receipt and acceptance by MTO of Report of Substantial Completion.	An amount up to eighty-five percent (85%) of either (i) The Maximum Funds, less the amount paid at Milestone 1; or (i) An amount calculated by multiplying the percentage of Maximum Funds against the Recipient's Total Net Eligible Costs, less the amount paid at Milestone 1.	Substantial Completion Report Within fifteen (15) Business Days of the Project Completion Date set out in Part B.3 of Schedule "B" of the Agreement (no later than December 31 st of the fiscal year of Project Completion).
Milestone 3: Upon receipt and acceptance by MTO of the Final Report.	Using the same method of calculation as in Milestone 2, (i) The balance of the Funds, if any, to the limit of the Maximum Funds, or (ii) The balance, if any, of the Funds calculated by multiplying the Percentage of Provincial Support against the Recipient's Total Net Eligible Costs as certified in the Final Report, whichever aggregate amount is smaller.	Final Report Within sixty (60) Business Days of the Project Completion or no later than March 8 of the fiscal year of Project Completion.

Part C.5 – Limit On Ontario's Contribution Under Agreement

C.5.1 Limit On Provincial Contribution Under Agreement. Despite anything else contained in this Agreement, Ontario's total contribution toward the Project shall not exceed ninety percent (90%) of the Project's total Eligible Costs.

SCHEDULE “D” ELIGIBLE AND INELIGIBLE COSTS

PART D.1 – ELIGIBLE COSTS

D.1.1 Eligible Costs. Subject to the terms and conditions of this Agreement and Part D.2 of this Schedule “D” of the Agreement, Eligible Costs shall only include all direct and incremental costs that are attributable to the development and implementation of the Project and are in Ontario’s sole and absolute discretion, properly and reasonably incurred as well as necessary for the Project. Eligible Costs must also be actual, verifiable cash outlays to third party vendors that are documented through invoices, receipts or other records that is acceptable to Ontario.

Without limiting the generality of the foregoing, Eligible Costs shall only include the following:

- (a) The capital costs of constructing, rehabilitating, replacing or improving, in whole or in part, the tangible core infrastructure asset noted in the Project Description in Schedule A;
- (b) The Scope of Eligible Work as described in the Connecting Links Program Guide;
- (c) All planning and assessment costs, such as the costs of environmental planning, surveying, engineering, architectural supervision, testing and management consulting services;
- (c) The costs for permits, approvals, licences and other authorizing documents, as well as inspections and other fees directly attributable to obtaining a permit, approval, license or other authorizing document, provided those costs are directly attributable to the construction and implementation of Project,
- (d) The costs for consulting with an Aboriginal Group, including the Recipient’s legal fees, provided they are reasonable, on matters pertaining to the Project, including the translation of documents into languages spoken by the affected Aboriginal Group, but does not include any capacity-building funding unless specifically approved by Ontario in writing prior to being incurred;
- (e) The costs of Project-related signage, lighting, Project markings and utility adjustments;
- (f) The costs of joint communication activities, such as press releases, press conferences, translation and road signage recognition, as described in Schedule “F” of this Agreement; and
- (g) Other costs that are, in Ontario’s sole and absolute discretion, direct, incremental and necessary for the successful implementation of the Project, provided those costs have been approved by Ontario in writing prior to being incurred.

PART D.2 – INELIGIBLE COSTS

D.2.1 Ineligible Costs. The following costs are Ineligible Costs and are therefore ineligible for funding under this Agreement:

- (a) Costs incurred prior to April 1, 2022 or after the Project Completion Date;
- (b) Costs associated with the acquisition or leasing of:
 - (i) Land,
 - (ii) Buildings,
 - (iii) Equipment,
 - (iv) Other facilities, and
 - (v) Obtaining easements, including costs or expenses for surveys,

- and includes real estate fees and other related costs;
- (c) Financial charges, legal fees, other than those association with consultation with Aboriginal Groups (provided such legal fees are reasonable), loan and interest payments
 - (d) The value of any goods and services which are received through donations or in kind;
 - (e) Employee wages and benefits, overhead costs as well as other direct or indirect operating, maintenance and administrative costs incurred by the Recipient for the Project, and more specifically, but without limiting the generality of the foregoing, costs relating to services delivered directly by permanent employees of the Recipient;
 - (f) Meal, hospitality or incidental costs or expenses of Consultants;
 - (g) Costs associated with completing applications for the Connecting Links Program; and
 - (h) Any costs of accommodation for any Aboriginal Group.

D.2.2 Harmonized Sales Tax. Any portion of the Harmonized Sales Tax that is refundable by the Canada Revenue Agency as an input tax credit or as a rebate shall be deemed to be an Ineligible Cost. Any portion of the Provincial Sales Tax that is refundable by the respective provincial tax authority shall be deemed to be an Ineligible Cost.

D.2.3 Costs Of Non-Arm's Length Parties. The costs or expenses of goods or services acquired from parties that are not Arm's Length from the Recipient must be valued at the cost of the supplying entity and shall not include any mark up for profit, return on investment or overhead costs and shall not exceed fair market value. Ontario may not consider the eligibility of any of these costs unless access is provided to the relevant records of the supplying entity.

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SCHEDULE “E”

ABORIGINAL CONSULTATION REQUIREMENTS

PART E.1 – PURPOSE AND DEFINITIONS

E.1.1 Purpose. This Schedule sets out the responsibilities of Ontario and the Recipient in relation to consultation with Aboriginal Groups on the Project, and to delegate procedural aspects of consultation from Ontario to the Recipient.

E.1.2 Definitions. For the purposes of this Schedule:

“Section 35 Duty” means any duty Ontario may have to consult and, if required, accommodate Aboriginal Groups in relation to the Project flowing from section 35 of the *Constitution Act, 1982*.

PART E.2 – RESPONSIBILITIES OF ONTARIO

E.2.1 Ontario’s Responsibilities. Ontario is responsible for:

- (a) Determining the Aboriginal Groups to be consulted in relation to the Project, if any, and advising the Recipient of same;
- (b) The preliminary and ongoing assessment of the depth of consultation required with the Aboriginal Groups;
- (c) Delegating, at its discretion, procedural aspects of consultation to the Recipient pursuant to this Schedule;
- (d) Directing the Recipient to take such actions, including without limitation suspension as well as termination of the Project, as Ontario may require;
- (e) Satisfying itself, where it is necessary to do so, that the consultation process in relation to the Project has been adequate and the Recipient is in compliance with this Schedule; and
- (f) Satisfying itself, where any Aboriginal or treaty rights and asserted rights of Aboriginal Groups require accommodation, that Aboriginal Groups are appropriately accommodated in relation to the Project.

PART E.3 – RESPONSIBILITIES OF THE RECIPIENT

E.3.1 Recipient’s Responsibilities. The Recipient is responsible for:

- (a) Giving notice to the Aboriginal Groups regarding the Project as directed by Ontario, if such notice has not already been given by the Recipient or Ontario;
- (b) Immediately notifying Ontario of contact by any Aboriginal Groups regarding the Project and advising of the details of the same;
- (c) Informing the Aboriginal Groups about the Project and providing to the Aboriginal Groups a full description of the Project unless such description has been previously provided to them;
- (c) Following up with the Aboriginal Groups in an appropriate manner to ensure that Aboriginal Groups are aware of the opportunity to express comments and concerns about the Project, including any concerns regarding adverse impacts on hunting,

trapping, fishing, plant harvesting or on burial grounds or archaeological sites of cultural significance to the Aboriginal Groups, and immediately advising Ontario of the details of the same;

- (d) Informing the Aboriginal Groups of the regulatory and approval processes that apply to the Project of which the Recipient is aware after reasonable inquiry;
- (e) Maintaining the Aboriginal Groups on the Recipient's mailing lists of interested parties for environmental assessment and other purposes and providing to the Aboriginal Groups all notices and communications that the Recipient provides to interested parties and any notice of completion;
- (f) Making all reasonable efforts to build a positive relationship with the Aboriginal Groups in relation to the Project;
- (g) Providing the Aboriginal Groups with reasonable opportunities to meet with appropriate representatives of the Recipient and meeting with the Aboriginal Groups to discuss the Project, if requested;
- (h) If appropriate, providing reasonable financial assistance to Aboriginal Groups to permit effective participation in consultation processes for the Project, but only after consulting with Ontario;
- (i) Considering comments provided by the Aboriginal Groups regarding the potential impacts of the Project on Aboriginal or treaty rights or asserted rights, including adverse impacts on hunting, trapping, fishing, plant harvesting or on burial grounds or archaeological sites of cultural significance to an Aboriginal Group, or on other interests, or any other concerns or issues regarding the Project;
- (j) Answering any reasonable questions to the extent of the Recipient's ability and receiving comments from the Aboriginal Groups, notifying Ontario of the nature of the questions or comments received and maintaining a chart showing the issues raised by the Aboriginal Groups and any responses the Recipient has provided;
- (k) Where an Aboriginal Group asks questions regarding the Project directly of Ontario, providing Ontario with the information reasonably necessary to answer the inquiry, upon Ontario's request;
- (l) Subject to paragraph (o) below, where appropriate, discussing with the Aboriginal Groups potential accommodation, including mitigation of potential impacts on Aboriginal or treaty rights, asserted rights or associated interests regarding the Project and reporting to Ontario any comments or questions from the Aboriginal Groups that relate to potential accommodation or mitigation of potential impacts;
- (m) Consulting regularly with Ontario during all discussions with Aboriginal Groups regarding accommodation measures, if applicable, and presenting to Ontario the results of such discussions prior to implementing any applicable accommodation measures;
- (n) Complying with Ontario's direction to take any actions, including without limitation, suspension or termination of the Project, as Ontario may require; and

- (o) Providing in any contracts with Third Parties for the Recipient's right and ability to respond to direction from Ontario as Ontario may provide.

E.3.2 Acknowledgement By Recipient. The Recipient hereby acknowledges that, notwithstanding section 11.2 of the Agreement, Ontario, any provincial ministry having an approval role in relation to the Project, or any responsible regulatory body, official, or provincial decision-maker, may participate in the matters and processes enumerated therein as they deem necessary.

E.3.3 Recipient Shall Keep Records And Share Information. The Recipient shall carry out the following functions in relation to record keeping, information sharing and reporting to Ontario:

- (a) Provide to Ontario, upon request, complete and accurate copies of all documents provided to the Aboriginal Groups in relation to the Project;
- (b) Keep reasonable business records of all its activities in relation to consultation and provide Ontario with complete and accurate copies of such records upon request;
- (c) Provide Ontario with timely notice of any Recipient mailings to, or Recipient meetings with, the representatives of any Aboriginal Group in relation to the Project;
- (d) Immediately notify Ontario of any contact by any Aboriginal Groups regarding the Project and provide copies to Ontario of any documentation received from Aboriginal Groups;
- (e) Advise Ontario in a timely manner of any potential adverse impact of the Project on Aboriginal or treaty rights or asserted rights of which it becomes aware;
- (f) Immediately notify Ontario if any Aboriginal archaeological resources are discovered in the course of the Project;
- (g) Provide Ontario with summary reports or briefings on all of its activities in relation to consultation with Aboriginal Groups, as may be requested by Ontario; and
- (h) If applicable, advise Ontario if the Recipient and an Aboriginal Group propose to enter into an agreement directed at mitigating or compensating for any impacts of the Project on Aboriginal or treaty rights or asserted rights.

E.3.4 Recipient Shall Assist Ontario. The Recipient shall, upon request lend assistance to Ontario by filing records and other appropriate evidence of the activities undertaken both by Ontario and by the Recipient in consulting with Aboriginal Groups in relation to the Project, attending any regulatory or other hearings, and making both written and oral submissions, as appropriate, regarding the fulfillment of Aboriginal consultation responsibilities by Ontario and by the Recipient, to the relevant regulatory or judicial decision-makers.

E.3.5 Aboriginal Consultation Plan. Based on the scope and nature of the Project, Ontario may require the Recipient, in consultation with Ontario, to develop and comply with an Aboriginal consultation plan ("Aboriginal Consultation Plan"). If Ontario provides Notice to the Recipient that an Aboriginal Consultation Plan is required, the Recipient will, within the timelines provided in the Notice, provide Ontario with a copy of the Aboriginal Consultation Plan.

E.3.6 *Changes to the Plan.* The Recipient agrees that Ontario, in its sole discretion and from time to time, may require the Recipient to make changes to the Aboriginal Consultation Plan.

E.3.7 *Aboriginal Consultation Records.* If consultation with Aboriginal Groups is required, the Recipient will maintain an Aboriginal consultation record and provide such record to the Ontario, and any update to it, as part of its reporting to the Ontario pursuant to section E.3.3.

PART E.4 – NO IMPLICIT ACKNOWLEDGEMENT

E.4.1 *No Acknowledgment Of Duty To Consult Obligations.* Nothing in this Schedule shall be construed as an admission, acknowledgment, agreement or concession by Ontario or the Recipient, that a Section 35 Duty applies in relation to the Project, nor that any responsibility set out herein is, under the Constitution of Canada, necessarily a mandatory aspect or requirement of any Section 35 Duty, nor that a particular aspect of consultation referred to in section 1.2 hereof is an aspect of the Section 35 Duty that could not have lawfully been delegated to the Recipient had the Parties so agreed.

PART E.5 – GENERAL

E.5.1 *No Substitution.* This Schedule shall be construed consistently with but does not substitute for any requirements or procedures in relation to Aboriginal consultation or the Section 35 Duty that may be imposed by a ministry, board, agency or other regulatory decision-maker acting pursuant to laws and regulations. Such decision-makers may have additional obligations or requirements. Nonetheless, the intent of Ontario is to promote coordination among provincial ministries, boards and agencies with roles in consulting with Aboriginal Groups so that the responsibilities outlined in this Agreement may be fulfilled efficiently and in a manner that avoids, to the extent possible, duplication of effort by Aboriginal Groups, the Recipient, Ontario, and provincial ministries, boards, agencies and other regulatory decision-makers.

PART E.6 – NOTICE AND CONTACT

E.6.1 *Notices In Relation To Schedule.* All notices to Ontario pertaining to this Schedule shall be in writing and shall be sent to the person identified under Part B.5 of Schedule B.

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SCHEDULE “F” COMMUNICATIONS PROTOCOL

PART F.1 – INTRODUCTION

F.1.1 Purpose of Communications Protocol. This Communications Protocol (Protocol) outlines the respective responsibilities and the working relationship between the Parties to this Agreement as they relate to all communications by the Parties regarding funding received in relation to the Project.

F.1.2 Application of Communications Protocol. This Protocol applies to all communications activities related to any funding the Recipient receives under this Agreement. Communications activities may include, but are not limited to:

- Project signage
- Media events and announcements, including news conferences, public announcements, official events or ceremonies, news releases
- Printed materials
- Websites
- Photo compilations
- Award programs
- Awareness campaigns

PART F.2 – PROJECT SIGNAGE

F.2.1 Project Signage: The Recipient shall, at Ontario’s request, provide acknowledgement of the provincial contribution to the Project. Sign design, content and installation guidelines will be provided by Ontario.

F.2.2. Permanent Plaque. Where the Recipient decides to install a permanent plaque or other suitable marker with respect to a Project, it must recognize the provincial contribution to the Project and be approved by Ontario prior to installation.

F.2.3 Installation of Signage. The Recipient is responsible for the production and installation of Project signage, unless otherwise agreed upon in writing prior to the installation of the signage.

PART F.3 – MEDIA EVENTS

F.3.1 Requesting Media Events. The Recipient or Ontario may request a media event, announcement or recognition of key milestones related to Project. In requesting a media event or an announcement, the Party requesting the event will provide at least twenty (20) Business Days’ notice to the other Party of its intention to undertake such an event. The event will take place at a date and location that is mutually agreed to by the Parties. The Parties will have the opportunity to participate in such events through a designated representative. Each participant will choose its designated representative.

F.3.2 Approval Of Communications. All joint communications material related to media events and announcements must be approved by Ontario and recognize the funding provided by Ontario.

F.3.3 Media Events. Media events and announcements include but are not limited to:

- News conferences
- Public announcements
- Official events or ceremonies
- News releases

PART F.4 – PRINTED MATERIALS, WEBSITE, PHOTO COMPILATIONS, AWARD PROGRAMS AND AWARENESS CAMPAIGNS

F.4.1 Messaging About Project. With prior consultation with Ontario, the Recipient may include messaging in its own communications products and activities with regards to the Project. When undertaking such activities, the Recipient shall provide the opportunity for Ontario to participate and shall recognize the funding provided by Ontario.

PART F.5 – ISSUES MANAGEMENT

F.5.1 Sharing Information. The Recipient shall share information promptly with Ontario should significant emerging media, Project or stakeholder issues relating to a Project arise. Ontario will advise Recipients, when appropriate, about media inquiries concerning the Project.

PART F.6 – COMMUNICATING SUCCESS STORIES

F.6.1 Communicating About Project. The Recipient agrees to communicate with Ontario for the purposes of collaborating on communications activities and products including but not limited to success stories and features relating to the Project.

F.6.2 Ontario's Right To Publicize Information About Project. The Recipient acknowledges and agrees that Ontario may publicize information about the Project. Ontario agrees it will use reasonable efforts to consult with the Recipient about Ontario's publication about the Project prior to making it.

PART F.7 - DISCLAIMER

F.7.1 Disclaimer. If the Recipient publishes any material of any kind relating to the Project or the Connecting Links Program, the Recipient shall indicate in the material that the views expressed in the material are the views of the Recipient and do not necessarily reflect Ontario's views.

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SCHEDULE “G” REPORTING REQUIREMENTS

PART G.1 – REPORTS REQUIREMENTS

The following Reports are to be provided in full in the corresponding format provided hereafter and with such content as is satisfactory to Ontario:

	Name of Report and Details Required	Due Date
1.	Contract Award Report - a Report from council including a resolution or bylaw authorizing the award of the first contract to initiate the project.	Within fifteen (15) Business Days of a council resolution and no later than June 30, 2022.
2.	Revised Budget Report must be based on tenders awarded to complete the Project including: (i) first contract for project as part of the Milestone 1 Report, (ii) after award for detail design (if not first contract), and (iii) after award of construction. The Recipient shall use the form set out in Part G.2 of Schedule “G” of the Agreement.	Within fifteen (15) Business Days of a council resolution authorizing the contract award.
3.	Progress Report - The Recipient shall use the form set out in Part G.3 of Schedule “G” of the Agreement.	Twice a year by January 15 and July 15 for the Term of the Agreement.
4.	Substantial Completion Report – The recipient shall use the form set out in Part G.4 along with a Revised Budget Report using the form set out in Part G.2 of Schedule “G” of the Agreement.	Within fifteen (15) Business Days of the Project Completion Date set out in Part B.3 of Schedule “B” of the Agreement (no later than December 31 st of the fiscal year of Project Completion).
5.	Final Report - including statement of final incurred eligible expenses validated by invoices and/or payment certificates. The Recipient shall use the form set out Part G.5 of Schedule “G” of the Agreement.	Within sixty (60) Business Days of the Project Completion or no later than March 8 of the fiscal year of Project Completion.
6.	Other Reports or information as may be directed by Ontario from time to time, if any	On or before a date directed by Ontario.

SCHEDULE “G” Continued**PART G.2 – REVISED BUDGET REPORT****REVISED BUDGET REPORT**

This report will contain a revised budget for the Project based on Total Net Eligible Expenses after award of (i) first contract for project as part of the Milestone 1 Report, (ii) after award for detail design (if not first contract), and (iii) after award of construction. This report should be submitted to the ministry within 15 days of award of tender.

Recipient Municipality Name	
Project Name	

REVISED PROJECT COSTS

	ORIGINAL BUDGET (From Application)	REVISED BUDGET	VARIANCE
Environmental Assessment/Permits			
Engineering/Design			
Project Management/Contract Administration			
Construction			
Miscellaneous			
Total			
Less Any Actual or Potential HST Rebates			
REVISED TOTAL NET ELIGIBLE COSTS			

VARIANCE EXPLANATION

In cases where revised costs have a variance of 15% or more than the original budget (from application), please provide an explanation. If more space required, attach additional page.

--

PROJECT CERTIFICATION

As the payment certifier or chief financial officer for my municipality [Full Legal Name below]

_____, I hereby certify that the revised Project Budget figures set out above are true to the best of my knowledge, information and belief.

Signature:	
Name:	
Title:	
Phone Number:	
Date:	

SCHEDULE “G” Continued**PART G.3 – PROGRESS REPORT****PROGRESS REPORT**

For projects to be completed in 2022-23, a progress report is due on or before July 15, 2022. For projects of two or three years to complete, this report is due twice a year on or before January 15 and July 15 for the term of the Agreement. Please contact your local Ministry of Transportation office should you have any questions filling in this report.

Recipient Municipality Name	
Project Name	

Key Dates:

Date	Forecasted	Actual
Total Eligible Project Costs to Date		
Less Any Actual or Potential HST Rebates		
TOTAL NET ELIGIBLE COSTS to Date		
Start Date of Detail Design (if applicable)		
End Date of Detail Design (if applicable)		
Start Date of Construction (if applicable)		
End Date of Construction (if applicable)		
Substantial Completion Date		

Please provide information in format below and attach to this report.

Description of Activities	Activity Status (On, Ahead, or Behind Schedule)	Issues to Date and Actions Taken to Resolve Issues	Confirm Expected Completion Date of Activity

SCHEDULE "G" Continued

Other Progress to date
<i>Include any communications events, and communications sent/received (oral or written) from any Aboriginal Groups, please include dates, where applicable or available</i>
Variance from original approved Project (if any)
<i>If so, explain why and by when?</i>

Attestation by Authorized Official:

I, _____ confirm that my municipality is in compliance with the terms and conditions found in the Agreement for this Project.

Name: _____

Title: _____ **Date:** _____

SCHEDULE “G” Continued**PART G.4 – SUBSTANTIAL COMPLETION****SOLEMN DECLARATION OF SUBSTANTIAL COMPLETION**

Recipient Municipality Name: _____

Project Name: _____

In the matter of the Agreement entered into between, Her Majesty the Queen in right of Ontario, as represented by the Minister of Transportation and the above-noted Recipient, on _____, 20__ (date) I, _____ a _____ (Registered Engineer or Architect, Municipal Official) in the Province of Ontario, do solemnly declare as follows:

1. That I am the _____ (title, department, organization), and as such have knowledge of the matters set out herein;
2. That the work identified for the Project (above) funded through the above-mentioned Agreement _____ (has / has not) been Substantially Completed as described in Schedule C, dated _____ on the _____ day of _____ 20__.
3. That the value (dollar amount) of substantially completed work on the Project, by _____, 20__ (date) is _____ (dollars).
4. That the work
 - a. was carried out by _____ (the prime contractor), between _____ (start date) and _____ (completion date);
 - b. was supervised and inspected by qualified staff;
 - c. conforms with the plans, specifications and other documentation for the work; and
 - d. conforms with applicable environmental legislation, and appropriate mitigation measures have been implemented.

AND I MAKE THIS SOLEMN DECLARATION conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the CANADA EVIDENCE ACT.

Declared before me at the _____
 Of _____
 in the _____
 of _____ this _____
 day of _____ A.D. 20__

 (Deponent)

 A Commissioner etc.

This declaration must be sworn before a commissioner for oaths, notary public or justice of the peace

SCHEDULE “G” continued**PART G.5 – FINAL REPORT****FINAL REPORT**

*Final Reports are to be completed and submitted to MTO **within sixty (60) Business Days of the Project Completion and no later than March 8 of fiscal year of Project Completion.** Please contact your local Ministry of Transportation office should you have any questions filling in this report.*

Attach Payment certificate(s) (these may include unpaid holdbacks) and other third party invoices incurred for the Project. Where applicable, indicate any portion of the costs on such invoices which are Ineligible Costs as per section D.2 of Schedule “D”.

Municipality Name:

Project Name:

Section 1. Project Details

Dates	Forecasted	Actual
Construction Start Date		
Construction End Date		

Project Variances (if applicable)

Has your Project experienced any variances in scope, budget or schedule? Please describe and provide a rationale.

SCHEDULE “G” continued**Section 2. Financial Information**

Budget Item	Budgeted Cost	Actual Cost
Eligible Project Costs	\$	\$
Less HST Rebate	\$	\$
TOTAL NET ELIGIBLE COST	\$	\$
Total Interest Earned on Funds		\$

For all invoices attached, please provide information in format below and attach to this report.

Work Description	Invoice #	Invoice Date	Invoice Period		Vendor	Total Amount (A)	HST	HST Rebated (B)	Net Eligible Cost (A-B)
			From	To					
TOTAL									\$

SCHEDULE “G” continued**Section 3. Project Outcomes and Benefits****1. What were the objectives of your Project?** *(Select any that apply)*

- ☐ Address safety related issues
- ☐ Extend service life
- ☐ Improve pavement condition
- ☐ Improve drainage (cross-fall, curb and gutter, storm sewer, etc.)
- ☐ Improve underground infrastructure (watermain, sanitary sewer, utilities, etc.)
- ☐ Other (describe below)

2. Describe how the work completed achieves these objectives. Please include quantitative information where possible e.g., extended service life in terms of additional years, improvement in road condition rating, lane-km in good condition, etc. *If required, you may attach information on separate page and attach to this report.*

3. Describe any economic or other benefits of the project for your community. *If required, you may attach information on separate page and attach to this report.*

4. Please confirm that your connecting link and project improvements will be included in your asset management plan and when the updated plan will be available.

- ☐ Yes, I confirm that our connecting link and the project improvements will be included in my municipality's updated asset management plan.

I expect our updated plan will be completed and publically posted by: [Month] [Year]

	20
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SCHEDULE “G” continued**Section 4. Aboriginal Duty to Consult**

Please provide particulars as to how the requirements have been met under Section 11 and Schedule “E” of the Agreement.

Please indicate:

Declaration required for the Project:

There have been communications from Aboriginal Groups and/or items of cultural significance to Aboriginal Groups were located with respect to this Project.

☐ Yes ☐ No

If you responded “Yes” to the above, please complete the following:

Declaration required for Project with additional Duty to Consult requirements, as identified by Ontario

Notice about this Project, as well as a full Project description, was provided to identified Aboriginal Groups making them aware of the opportunity to provide comments about the Project and its potential impacts

☐ Yes ☐ No

A copy of any correspondence/information between the Recipient and any Aboriginal Groups was forwarded to the Province of Ontario.

☐ Yes ☐ No

The Province of Ontario was made aware of any issue(s) identified by any Aboriginal Groups

☐ Yes ☐ No

Section 5. Confidentiality, Certification and Signature**Confidentiality**

Information submitted in this Final Report to Ontario will be subject to the *Freedom of Information and Protection of Privacy Act*. **Any information submitted in confidence should be clearly marked “CONFIDENTIAL” by the Recipient.** Inquiries about confidentiality should be directed to the Rural Programs Branch.

Certification

I certify that:

1. The Project as described in the Agreement has been completed;
2. The Recipient is in compliance with all of the terms and conditions of the Agreement for the Project;
3. Any interest earned (as noted in Section 2) has been used for Eligible Costs associated with the Project or has been or will be remitted to the Ministry; and
4. There have been no overpayments by Ontario or any other organization or government in relation to the Project.

The official noted below warrants that these statements are true as of the date indicated.

NAME OF AUTHORIZED OFFICIAL:	
TITLE:	
DATE:	

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2022-162

TEMPORARY STREET CLOSING: A by-law to amend By-law 2022-31 being a by-law to permit the temporary closing of Brock Street between Albert Street East and the northerly laneway adjacent to Civic #181 from February 23, 2022 to June 1, 2022.

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. **SECTION 1 TO BY-LAW 2022-31 IS AMENDED**

Section 1 to By-law 2022-31 is amended by extending the street closure to September 30, 2022.

2. **EFFECTIVE DATE**

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

PASSED in open Council this 29th day of August, 2022.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2022-163

AGREEMENT: A by-law to authorize the execution of the Agreement between the City and Algoma Family Services, for a contribution of \$100,000 towards the leasehold improvements for a building to host the youth hub.

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 July 11, 2022 between the City and Algoma Family Services, a copy of which is attached as Schedule "A" hereto. This Agreement is for a contribution of \$100,000 towards the leasehold improvements for a building to host the youth hub.

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 29th day of August, 2022.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

CITY OF SAULT STE. MARIE FUNDING AGREEMENT

THE AGREEMENT is effective as of the 11 day of July , 2022.

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(hereinafter referred to as the “City”)

-and-

ALGOMA FAMILY SERVICES

(hereinafter referred to as the “Recipient”)

WHEREAS on the 11th day of July, 2022, City Council has passed the following Resolution:

Resolved that the report of the Deputy CAO, Community Development and Enterprise Services dated July 11, 2022 concerning the establishment of a Youth Hub be received and that a contribution of \$100,000 towards the leasehold improvements for a building to host the youth hub be approved,

being a one time grant to the Recipient.

AND WHEREAS the parties have mutually agreed to the covenant and funding as set out in this Agreement;

NOW THEREFORE the parties hereto agree as follows:

1.1 Term

The Agreement will commence on the Effective Date and will expire on July 31, 2024 (the “Term”) unless terminated by the City pursuant to the terms contained herein.

For all subsequent annual Agreements, the Recipient shall follow the provisions of paragraph 3.6 of this Agreement and such Agreement(s) are to be negotiated between the Recipient and the City, such Agreement(s) are subject to City Council approval.

2.1 Use of Funds

The Recipient acknowledges and agrees to the following:

- i. To use the Funds solely for the activities and/or services eligible for funding as set out in Schedule "A" and that the City retains the right to assess the Recipient's use of Funds at any time;
- ii. That the Funds shall not be used to cover any expense that has or will be funded or reimbursed by a third party, ministry, agency, or other organization; and
- iii. That the amount of Funds available to it pursuant to this Agreement is determined by calculating the actual costs to the Recipient and subtracting any income including taxes, rebates, credits or refunds, for which the Recipient has received, will receive, or is eligible to receive during the Term. The Recipient shall immediately notify the City of any change to its costs or income.

3.1 Funds Provided

The City shall:

- i. Provide the Recipient up to \$100,000.00, (the "Funds") for the purpose leasehold improvements, as apportioned in Schedule "A";
- ii. Provide the Funds to the Recipient in accordance with Schedule "A"; and
- iii. Provide the Funds by depositing same into an account designated by the Recipient provided that the account:
 - a. Resides at a Canadian financial institution; and
 - b. Is in the name of the Recipient organization.

The Recipient acknowledges that it is not eligible to receive any funding or grants from any City source in addition to the Funds agreed to herein for the Term of the Agreement save and except for Municipal Tax Rebate Programs and City Council approved special grant programs. The Recipient further acknowledges that any and all amounts owing to the City must be paid in full before the Funds will be released.

3.2 Funds upon Expiry of Agreement

The Recipient shall, upon expiry of the Agreement, forthwith return to the City any remaining Funds in its possession using a method of payment that is agreeable to the City.

3.3 Repayment of Overpayment

If at any time the City provides Funds to the Recipient in an amount excess to that which the Recipient is entitled to under the Agreement, the City may:

- i. Deduct an amount equal to the excess Funds from any further installments; or
- ii. Demand that the Recipient repay an amount equal to the excess Funds to the City, wherein the Recipient shall forthwith comply.

3.4 Payment

Funds will be released upon receipt of vendor invoices, proof of payment, spreadsheet detailing applicable HST rebates, and copies of government funding claims.

3.5 Accounting Records

The Recipient shall maintain accounting records that document the receipt of the City Funds and all expenditures related to same. The Recipient shall keep its accounting records for at least seven (7) years after the expiration of the Term. The City retains the right to review or audit the Recipient's accounting records at any time and the Recipient shall provide full access to any and all such records as requested by the City.

3.6 Reports

The Recipient shall:

- i. Submit to the City all documents in accordance with Schedule "B";
- ii. Ensure that all Reports are signed on behalf of the Recipient by an authorized signing officer; and
- iii. For the term of the project, present annually to City Council in the last quarter of each calendar year on a date specified by the City a summary of the Recipient's financial state, including but not limited to a summary of its funding, revenue and expenses, and a summary of the impact that the City funding has had, if any, on fulfilling the mandate of the organization.

4.1 Procurement

The selection of any third party vendors (i.e. contractors) by the Recipient to perform the project in full or in part for an amount greater than \$25,000 shall follow a formal tendering process including a written request for at least 3 proposals, evaluation of bids received and execution of a written agreement with the successful contractor.

MAY ALSO WISH TO CONSIDER:

4.1.1 The Recipient shall be responsible and accountable for the procurement of goods, services or Assets related to the Project.

4.1.2 The Recipient shall favour a competitive process for the procurement of goods, Assets and services for the Project that enhances access, transparency, competition and fairness and results in best value. The Recipient agrees to ensure that a reasonable number of suppliers are given an opportunity to bid and should avoid situations where there may be a bias toward awarding a contract for goods, services or Assets for the Project to a specific person or entity.

4.1.3 The Recipient shall maintain procurement files containing all relevant procurement documentation including, without being limited to, purchase requisitions, tender documents or records of telephone bids, tender evaluations, contracts or purchase orders, invoices, and shipping and receiving documentation. Any procurement deviating from the provisions stipulated in sub-Article 4.1.2 above shall be fully justified and documented in the Recipient 's procurement file(s).

5.1 Recognition

Recognition of the City of Sault Ste. Marie contribution to the project is required. The City logo is to be included in project reports and appropriate marketing products.

6.1 Insurance

The Recipient shall keep in force during the Term of this Agreement, liability insurance against claims for bodily injury, personal injury or property damage in an amount not less than Five Million (\$5,000,000.00) Dollars and name the City as "Additional Insured" to same. Proof of said insurance shall be filed with the City Community Development & Enterprise Services Department on or before start of construction.

7.1 Indemnity

The Recipient agrees to indemnify the City, its respective officers, employees and agents of, from and against all actions, suits, claims, costs, damages, executions and demands of any nature whatsoever which may be brought against or made upon the City, its respective officers, servants and agents, by reason of or on account of loss or damage to property or injury (including death) occasioned by any party arising out of the activities or services listed in Schedule "A" to this Agreement and all activities or services ancillary thereto.

8.1 Default

The Recipient agrees that any default to the terms and conditions contained herein by the Recipient shall result in the immediate stoppage of payments from the City and immediate termination of the Agreement. The Recipient further agrees that a default arising from any use of Funds that is contrary to the terms of this Agreement as determined by the City may also result in the repayment of Funds to the City in an amount proportionate to the Funds that were improperly used in a method of payment specified by the City.

9.1 Termination

The City may, at its sole discretion, cancel this Agreement on six (6) months' written notice to the Recipient. In the event of such early termination of this Agreement, the Recipient acknowledges that same shall result in the immediate stoppage of any future payment of Funds from the City up to the date of termination, provided however, that in the event that the City elected to terminate the Agreement as a result of a default of the terms and conditions of the Agreement, the sole determination of which shall be made by the City in its sole discretion, the remedies, terms and amounts set out in Section 8.1 herein shall apply.

10.1 Notice

Any notice pursuant to any of the provisions of this Agreement shall be given in writing addressed:

In the case of notice to the City of SSM:

Tom Vair, Deputy CAO, Community Development and Enterprise Services
The Corporation of the City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, ON P6A 5N1

In the case of notice to the Recipient:

Ali Juma, CEO
Algoma Family Services
205 McNabb Street (Main)
Sault Ste. Marie, ON P6B 1Y3

11.1 General Provisions

11.1.2 General Expenses Incurred

Any charges or expenses incurred by either party in preparation for or as a result of this Agreement or the parties' meetings and communications or any work done hereunder are to the sole account of the party incurring same unless otherwise agreed in writing.

11.1.3 Applicable Law

This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

11.1.4 Assignment

The Recipient shall not assign or transfer this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld.

12.1 Execution of Agreement

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day, month and year first above written.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

By: _____

Date _____

Name and Title Christian Provenzano, Mayor

By: _____

Date _____

Name and Title Rachel Tyczinski, City Clerk

I/we have authority to bind the Corporation.

Algoma Family Services

By: _____

Date _____

Name and Title _____

By: _____

Date _____

Name and Title _____

I/we have authority to bind the Corporation.

SCHEDULE "A"

1. PROJECT DESCRIPTION

Algoma Family Services is a provider of specialized services for children, youth, adults and families in the Algoma District. Our services are evidence-based, client-centered, family-focused and delivered by a team of skilled professionals. The City is providing funding to Algoma Family Services to support the development of a Youth Wellness Hub located in downtown Sault Ste. Marie. The Youth Hub will deliver a walk-in, stepped care model of developmentally appropriate and evidence-based addictions, mental health and primary care services, as well as other social, vocational and community services, in an integrated service model to youth aged 12 to 25.

Services will include:

- Individual counselling/support
- A safe place for youth to access free internet to:
 - Access virtual services
 - Complete job and information searches
 - Complete school work
 - Spend leisure time / connect with other youth
 - Meal preparation (community kitchen)
 - Sourcing and preparing food – culture based
- Psycho-therapeutic and Psych-educational groups
 - Mental health and also substance use
 - Art and music therapy – culture based
 - Life skills – Anger Management, Self-Esteem, Relationship, etc.
 - Anti-human trafficking – Education/Awareness/Intervention
- Health Education
 - Ranging from support to young parents/adolescent pregnancies, to harm reduction services, to health promotion on immunization or sexual health
- Access to:
 - Free Wi-Fi
 - Literature on available services and self-help resources
 - Clothing and food
 - Naloxone kits & Harm Reduction Services / Birth Control / Menstrual products
 - Cultural services/activities – Indigenous, Francophone and Newcomer
 - Income Supports and Basic Needs
 - LGBTQ2+ support

Algoma Family Services shall ensure services are perceived as appropriate and engaging by diverse youth and families; including, but not limited to, offering culturally-specific supports and inclusion-focused services to meet the needs of Indigenous youth, Black youth, youth of colour, Francophone youth and other youth who have historically been underserved.

2. THE KEY PERFORMANCE TARGETS ARE:

A. Net Job Creation:

- The proposed project is expected to support at least five jobs including:
 - MHA Clinician
 - Nurse Practitioner
 - Intake Coordinator
 - Peer Support Worker
 - Care Coordinator

B. Increased Tax Assessment: Not applicable.

C. Other Community Development Benefits

The hub will provide rapid access to services, for 30 hours per week at minimum, improved transitions of youth among providers across the care continuum, and improved service experience to enhance clinical outcomes for youth. Algoma Family Services will develop partnerships to provide multiple integrated services through a combination of YWHO funded supports and in-kind services. Algoma Family Services will staff a Youth Wellness Team (YWT) based at the Hub consisting of mental health and addictions clinicians, primary care providers, peer support workers, intake coordinators and care coordinators.

3. ELIGIBLE GRANT EXPENDITURES

Description of Expenditure	Cost
City funds will be used towards the leasehold improvements of the youth hub facility.	\$100,000
Total:	\$100,000

4. **MAXIMUM FUNDS** \$100,000.00

5. PAYMENT SCHEDULE

The City shall deposit Funds into a satisfactory account in accordance with the following schedule:

Upon submission of claim forms indicating payment toward leasehold improvements.	\$100,000.00
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6. EXPIRY DATE

July 31, 2024

SCHEDULE "B" REPORTING

The following documents shall be filed with the Finance Department of the City by February 1 of the year following each year funding was received:

1. Annual financial statements for the Recipient organization, preferably accompanied by an auditor's report, if available;
2. Written summary of Eligible Expenses, in the form provided in Schedule "C";
3. Final project report containing an evaluation of the success of the initiative in meeting its goals and key performance targets as well as the benefits to the community shall be submitted to the City within six months of project end date.

SCHEDULE "C"

SUMMARY OF ELIGIBLE EXPENSES



DETAILED TRANSACTION LIST

Claim number:			Project / Name of Claimant:			
HST Registration Number:			% of HST not Eligible for credit or rebate:			
ITEM NUMBER	DATE OF INVOICE	NAME OF SUPPLIER	DESCRIPTION OF ITEM OR SERVICE PURCHASED	INVOICE NUMBER	AMOUNT (Net of HST rebates)	PAYMENT REFERENCE (Note 1)

Note 1

Cancelled cheque and/or such evidence satisfactory to the City of Sault Ste. Marie, in their sole discretion, that substantiates the payment of eligible project costs.

For Finance Use Only
Approved for Payment
Name: _____
Date: _____

I hereby confirm that all Funds received and reported in this Schedule were applied to an Eligible Expense as defined in Schedule "A" and that none have been reimbursed by another party.

Signature/Title

Date