



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

Monday, August 8, 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>

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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**

16 - 39

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that the Minutes of the Regular Council Meeting of July 11, 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 P. Christian

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

<b>6.</b>	<b>Proclamations/Delegations</b>	
<b>6.1.</b>	<b>Voter Engagement</b>	<b>40 - 51</b>
	Gabrielle Nicholson, Election Coordinator; Noah Edwards and Avery Marsh, Summer Students	
<b>7.</b>	<b>Communications and Routine Reports of City Departments, Boards and Committees – Consent Agenda</b>	
	Mover Councillor L. Vezeau-Allen Seconder Councillor D. Hilsinger Resolved that all the items listed under date August 8, 2022 – Agenda item 7 – Consent Agenda be approved as recommended.	
<b>7.1.</b>	<b><i>Streamline Development Approval Funding</i></b>	<b>52 - 55</b>
	A report of the Chief Administrative Officer is attached for the consideration of Council.	
	Mover Councillor D. Hilsinger Seconder 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.	
<b>7.2.</b>	<b>Taxi Licensing Update</b>	<b>56 - 57</b>
	A report of the City Clerk is attached for the consideration of Council.	
	Mover Councillor M. Shoemaker Seconder 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.	
<b>7.3.</b>	<b>RFP for One Rescue Truck – Fire</b>	<b>58 - 59</b>
	A report of the Manager of Purchasing is attached for the consideration of Council.	
	Mover Councillor M. Shoemaker Seconder 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.

**7.4. Rental of Four Loader/Backhoes** 60 - 61

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

Mover Councillor D. Hilsinger

Seconder 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.

**7.5. Tender for Screened Street Sand** 62 - 64

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

Mover Councillor D. Hilsinger

Seconder 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.

**7.6. Second Quarter Financial Report – June 30, 2022** 65 - 82

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

Mover Councillor D. Hilsinger

Seconder 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.

**7.7. Twin Pad Expansion Update** 83 - 92

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

Mover Councillor M. Shoemaker

Seconder 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.

**7.8. Sault College Long Term Lease 93 - 94**

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

The relevant By-law 2022-147 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.9. Vending Machine Rights – Community Centres 95 - 96**

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

The relevant By-law 2022-149 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.10. Additional Rosedale Park Donation – Kiwanis Club of Lakeshore Foundation 97 - 107**

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

The relevant By-law 2022-139 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.11. Pouring Rights Agreement Extension – GFL Memorial Gardens 108 - 110**

A report of the Manager of Community Arenas is attached for the consideration of Council.

The relevant By-law 2022-146 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.12. Tourism Development Fund Applications – July 2022 111 - 114**

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

Mover Councillor D. Hilsinger

Seconder 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).

**7.13. Skilled Labour Recruitment** 115 - 117

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

Mover Councillor D. Hilsinger

Seconder 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.

**7.14. Municipal Law Enforcement Officers** 118 - 118

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

The relevant By-law 2022-148 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.15. Two Year Capital Transportation Program (2023-2024)** 119 - 123

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

Mover Councillor M. Shoemaker

Seconder 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.

**7.16. Pim Street Pump Station** 124 - 128

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

The relevant By-law 2022-140 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.17. Firefighter Recruitment Process** 129 - 132

A report of the Fire Chief is attached for the consideration of Council.

The relevant By-law 2022-150 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.18. Community Risk Assessment Update 133 - 134**

A report of the Fire Chief is attached for the consideration of Council.

Mover Councillor M. Shoemaker

Seconder 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.

**7.19. Procedure for Sale of City Owned Surplus Property, Closing, Sale of a Lane, Street or Public Thoroughfare 135 - 136**

A report of the Assistant City Solicitor/Senior Litigation Counsel is attached for the consideration of Council.

The relevant By-law 2022-142 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.20. Salvage Yard Licensing By-law 137 - 139**

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

Mover Councillor D. Hilsinger

Seconder 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.

**7.21. Short Term Rental Information Report 140 - 161**

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

Mover Councillor D. Hilsinger

Seconder 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.

**7.22. John Rowswell Hub Trail Realignment Project** 162 - 167

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

The relevant By-law 2022-135 is listed under Agenda item 12 and will be read with all by-laws under that item.

**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** 168 - 170

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

Mover Councillor M. Shoemaker

Seconder 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.

**8.6.1.1. Amending Motion**

Mover Councillor M. Shoemaker

Seconder Councillor P. Christian

Resolved that section 7.1 of the By-Law be amended to come into effect on **February 8, 2023** rather than the current proposed date of **October 8, 2022**.

**8.7. Planning**

**8.7.1. A-7-22-Z 625 Black Road and 1135 Second Line East** 171 - 185

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

Mover Councillor M. Shoemaker

Seconder 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.

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

186 - 295

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

Mover Councillor D. Hilsinger

Seconder 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.

**8.7.2.1. Additional Correspondence**

296 - 301

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

302 - 321

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

Mover Councillor M. Shoemaker

Seconder 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.

**8.7.3.1. Additional Correspondence**

322 - 332

Habitat for Humanity; D. Beck; Z. Low; C. Trahan

**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**

Whereas Council passed a resolution on July 11, 2022 approving:

- To not accept the low tender submission.
- Transit Services to submit a change order to the Investing in Canada Infrastructure Fund to revise the approved \$2,000,000 Project to that of a Plan and Design phase project.
- Reduce from approved \$2,000,000 (City Share \$533,400) to \$238,142 (City Share 26.67%, \$63,512) to cover Professional and Design services including open house fees to date.

- Prepare a revised budget estimate with IDEA to bring forward to the 2023 Budget Meeting.
- Submit a new request to ICIP this summer for the build, tendering and contract administration service in order to expedite the process should Council approve the 2023 Budget request.

Mover Councillor M. Shoemaker

Seconder 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.

## **9.2. Downtown Ambassadors**

Mover Councillor L. Dufour

Seconder 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.

## **9.3. Entomica**

Mover Councillor C. Gardi

Seconder 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 staff 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.

**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 D. Hilsinger

Seconder 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.

**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 Rowswell Hub Trail Realignment Contract 333 - 335**

A report from the Senior Planner is on the Agenda.

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

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

**12.1.2. By-law 2022-139 (Agreement) Rosedale Park Additional Funding 336 - 339**

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

Mover Councillor M. Shoemaker

Seconder Councillor S. Hollingsworth

Resolved that By-law 2022-139 being a by-law to 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.

**12.1.3. By-law 2022-140 (Engineering) Pim Street Sewage Pump Station Repairs 340 - 343**

A report from the Manager of Development and Environmental Engineering is on the Agenda.

Mover Councillor M. Shoemaker

Seconder 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.

**12.1.4. By-law 2022-141 (Delegation) Waste, Hazardous and Special Products (HSP, and Recycling Blue Box) 344 - 345**

A report from the Director of Public Works was passed by Council resolution on July 11, 2022.

Mover Councillor M. Shoemaker

Seconder 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 of Waste, HSP, and Blue Box services to the new provincial system be passed in open Council this 8th day of August, 2022.

**12.1.5. By-law 2022-142 (Property Procedure) Amend By-law 2018-148 346 - 346**

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

Mover Councillor D. Hilsinger

Seconder 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.

**12.1.6. By-law 2022-143 Single Use Plastics**

See Agenda item 8.6.1

**12.1.7. By-law 2022-144 (Agreement) Transit Fare Collection System – Cubic 347 - 398**

A report from the Manager of Purchasing was passed by Council resolution on January 31, 2022.

Mover Councillor M. Shoemaker

Seconder 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.

**12.1.8. By-law 2022-145 (Agreement) Transit Fare Collection System – Global Payments Direct 399 - 423**

A report from the Manager of Purchasing was passed by Council resolution on January 31, 2022.

Mover Councillor M. Shoemaker

Seconder 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.

**12.1.9. By-law 2022-146 (Agreement) Pouring Agreement Extension 424 - 426**

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

Mover Councillor M. Shoemaker

Seconder 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.

**12.1.10. By-law 2022-147 (Agreement) Sault College Rink Lease 427 - 437**

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

Mover Councillor M. Shoemaker

Seconder 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.

**12.1.11. By-law 2022-148 (Parking) Municipal By-law Officers 93-165 438 - 439**

A report from the Manager of Transit and Parking is on the Agenda.

Mover Councillor M. Shoemaker

Seconder 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.

**12.1.12. By-law 2022-149 (Agreement) Meyers Munchies 440 - 458**

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

Mover Councillor M. Shoemaker

Seconder 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.

**12.1.13. By-law 2022-150 (Employees) Hiring Policies Firefighter 459 - 462**

A report from the Fire Chief is on the Agenda.

Mover Councillor M. Shoemaker

Seconder 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.

**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**

**12.4. By-law 2022-135 (Agreement) Ellis Don Industrial Inc. – John Rowswell Hub Trail 463 - 465**

A report of the Senior Planner is on the Agenda.

Mover Councillor M. Shoemaker

Seconder 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 Rowswell Hub Trail realignment (Contract 2022-12E) be passed in open Council this 8th day of August, 2022.

**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 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 matter without the need for a further authorizing resolution.

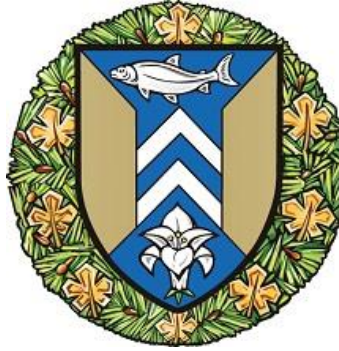
*(Municipal Act section 239(2)(c) a proposed or pending acquisition or disposition of land by the municipality or local board and section 239(2)(d) labour relations or employee negotiations)*

**15. Adjournment**

Mover Councillor L. Dufour

Seconder Councillor M. Bruni

Resolved that this Council now adjourn.



## **REGULAR MEETING OF CITY COUNCIL**

### **MINUTES**

Monday, July 11, 2022

3:45 pm

Council Chambers

Civic Centre

**Present:** Mayor C. Provenzano, Councillor P. Christian, Councillor S. Hollingsworth, Councillor L. Dufour, Councillor D. Hilsinger, Councillor M. Shoemaker, Councillor M. Bruni, Councillor R. Niro, Councillor C. Gardi, Councillor M. Scott

**Absent:** Councillor L. Vezeau-Allen

**Officials:** M. White, R. Tyczinski, L. Girardi, T. Vair, K. Fields, S. Schell, P. Johnson, S. Hamilton Beach, P. Tonazzo, C. Rumiel, B. Lamming, J. King, E. Cormier, T. Anderson, F. Coccimiglio, T. Vecchio, M. Zuppa

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#### **14. Closed Session**

Moved by: Councillor P. Christian

Seconded by: Councillor D. Hilsinger

Resolved that this Council move into closed session to discuss one item regarding labour relations or employee negotiations and a trade secret supplied in confidence to the municipality;

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 sections 239(2)(d) labour relations or employee relations and 239(2)(i) a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization)*

**Carried**

**1. Land Acknowledgement**

**2. Adoption of Minutes**

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

Resolved that the Minutes of the Regular Council Meeting of June 13, 2022 be approved.

**Carried**

**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**

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

Resolved that the Agenda for July 11, 2022 City Council Meeting and Addendum #1 as presented be approved.

**Carried**

**6. Proclamations/Delegations**

**6.1 Northern Ontario School of Medicine**

Dr. Sarita Verma, President/Chancellor was in attendance.

**6.2 PUC Group of Companies – Report to Shareholder 2021**

J. Boniferro, Chair and R. Brewer, President and CEO of PUC were in attendance.

**6.3 Source Water Protection Update**

Marlene MacKinnon, Source Water Protection Program Manager, Sault Ste. Marie Region Conservation Authority was in attendance.

**6.4 Evolugen**

Remi Moreau, Vice President of External and Government Relations; Simon Laroche, Vice President of Trade and Marketing; James Real, Senior Director of Operations; Evolugen were in attendance.

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

Whereas the Independent Electricity System Operator has launched several major acquisition programs, including the Expedited Request for Projects and the Long-Term Request for Projects; and

Whereas one or more projects may be built in the Sault Ste Marie area; and

Whereas the Independent Electricity System Operator requires that projects must receive municipal council support in a form of a resolution to be granted a contract; and

Whereas Evolugen by Brookfield Renewable is proposing to develop, construct, and operate a Battery Storage System. The project would be co-located with Evolugen's existing Prince Wind Farm approximately 15km outside of Sault Ste Marie, and consists of installing battery modules and potentially a new substation. The project is in the feasibility stage and is expected to be operational by May 2025, subject to Independent Electricity System Operator approval, with planned installed capacity of 161MW/644MWh of energy storage; and

Whereas once operational, this project will increase the supply and reliability of the grid in the Sault Ste. Marie area. The project will create both construction and operational jobs in the region, and will grow Evolugen's footprint in the Sault Ste Marie area.

Now Therefore Be It Resolved that the Council of the City of Sault Ste. Marie supports the construction and operation Evolugen's Battery Storage System Project.

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Carried</b>				

**6.5 Pridefest**

**6.6 230th Anniversary of Black Loyalist Exodus**

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

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that all the items listed under date July 11, 2022 – Agenda item 7 – Consent Agenda save and except Agenda item 7.8 be approved as recommended.

**Carried**

**7.1 Association of Municipalities of Ontario Nomination Report – 2022-2024 Board of Directors**

**7.2 Rotary Club of Sault Ste. Marie**

**7.3 Ombudsman Ontario**

Correspondence from Ombudsman Ontario concerning firefighter recruitment was received by Council.

**7.4 Hiring Policies Update**

The report of the CAO was received by Council.

The relevant By-law 2022-138 is listed under item 12 of the Minutes.

**7.5 Outstanding Council Resolutions**

**7.6 Alex Cuba – Municipally Significant Event**

The report of the City Clerk was received by Council.

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

Resolved that the report of the City Clerk dated July 11, 2022 concerning the GFL Memorial Gardens request for a municipally significant event be received and that the Alex Cuba concert to be held August 10, 2022 at the Roberta Bondar Marina be declared a municipally significant event.

**Carried**

**7.7 Cemetery By-law Amendments**

The report of the City Clerk was received by Council.

The relevant By-law 2022-136 is listed under item 12 of the Minutes.

**7.9 Tender for Two Pickup Trucks – Fire Services**

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

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that the report of the Manager of Purchasing dated July 11, 2022 be received and that the bid submitted by Prouse Chevrolet for the supply and delivery of two (2) pickup trucks for Fire Services, at the price of \$131,200 plus HST be approved.

**Carried**

**7.10 Backhoe Purchase from Lease**

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

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

Resolved that the report of the Manager of Purchasing dated July 11, 2022 be received and the quotation for the purchase (from lease) of one (1) Backhoe 440 CAT as required by Public Works and Engineering Services from Toromont CAT, at their price including remaining warranty of \$149,246 plus HST be approved.

**Carried**

**7.11 Registration of Tax Arrears Certificates and Sale**

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

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

Resolved that the report of the Manager of Taxation dated July 11, 2022 concerning Registration of Tax Arrears Certificates and Sale be received and that the Manager of Taxation be authorized to commence tax sale proceedings in accordance with the *Municipal Act, 2001*.

**Carried**

#### **7.12 John Rhodes Community Centre High Mast Field Lighting Football Field Install**

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

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that the report of the Manager of Purchasing dated July 11, 2022 be received and that the tender for supply and install of High Mast Field Lighting John Rhodes Community Centre Football Field from S & T Electrical Contractors Ltd., at their low tendered price, meeting specifications, of \$233,927 plus HST be approved;

Further that the 5% Subdividers Reserve Fund be utilized to fund the shortfall, less any incentives received.

**Carried**

#### **7.13 Youth Hub Project**

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

Ali Juma, Executive Director, Algoma Family Services was in attendance.

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

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.

**Carried**

#### **7.14 On-Demand Transit Service Pilot Update**

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

The relevant By-law 2022-128 is listed under item 12 of the Minutes.

#### **7.15 Cremator Stack – Increase Project Budget**

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

Moved by: Councillor L. Dufour  
Seconded by: Councillor R. Niro

Resolved that the report of the Director of Community Services dated July 11, 2022 concerning Cremator Stack – Increase Project Budget be received and that the shortfall of \$9,640 to repair the cremator stack be funded through the Asset Management Reserve.

**Carried**

**7.16 TDF Application – 2022 Soo Dan Hap Ki Do World Martial Arts Seminar**

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

Moved by: Councillor L. Dufour  
Seconded by: Councillor R. Niro

Resolved that the report of the Director of Tourism and Community Development dated July 11, 2022 concerning the Soo Dan Hap Ki Do World Martial Arts Seminar be received and that the recommendation of the Tourism Sault Ste. Marie Board of Directors to support the event with \$5,000 from the Tourism Development Fund be approved.

**Carried**

**7.17 Municipal Law and By-Law Enforcement Officers**

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

The relevant By-laws 2022-127 and 2022-132 are listed under item 12 of the Minutes.

**7.18 Community Development Fund – Green Initiatives Program Funding Categories Revision**

The report of the Sustainability Coordinator was received by Council.

Moved by: Councillor L. Dufour  
Seconded by: Councillor M. Bruni

Resolved that the report the Sustainability Coordinator dated July 11, 2022 concerning Community Development Fund – Green Initiatives Program Funding Revision be received and that three new categories be added to the fund including:

- Heathy and Resilient Ecosystems, including Habitat Restoration
- Active Transportation
- Waste Reduction

**Carried**

**7.19 GFL Memorial Gardens Ice Plant Recommissioning Application to FCM**

The report of the Sustainability Coordinator was received by Council.

Moved by: Councillor L. Dufour  
Seconded by: Councillor R. Niro

Resolved that the report of the Sustainability Coordinator dated July 11, 2022 concerning GFL Memorial Gardens Ice Plant Recommissioning Application to Federation of Canadian Municipalities be received and that staff be authorized to proceed with preparation of an application to the Federation of Canadian Municipalities Green Municipal Fund Community Buildings Recommissioning program for funding the GFL Smart Hub ice plant recommissioning project.

**Carried**

**7.20 June 2022 Community Development Fund – Green Initiatives Program Application**

The report of the Sustainability Coordinator was received by Council.

Moved by: Councillor L. Dufour  
Seconded by: Councillor R. Niro

Resolved that the report of the Sustainability Coordinator dated July 11, 2022 concerning Downtown Reusable Bag Giveaway and Green Tips Project Community Development Fund Green Initiatives Program application be received and that the recommendation of the Environmental Sustainability Committee to allocate \$4,542.43 be approved.

**Carried**

**7.21 Curb and Sidewalk Program 2022**

The report of the Director of Public Works was received by Council.

Moved by: Councillor L. Dufour  
Seconded by: Councillor M. Bruni

Resolved that the report of the Director of Public Works dated July 11, 2022 concerning Public Works 2022 curb and sidewalk program be received as information.

**Carried**

**7.22 Blue Box Transition – Municipal Involvement Decision**

The report of the Director of Public Works was received by Council.

Moved by: Councillor L. Dufour  
Seconded by: Councillor R. Niro

Resolved that the report of the Director of Public Works regarding Blue Box Transition – Municipal Involvement Decision dated July 11, 2022 be received and that Council approve the City's withdrawal from management of the Blue Box program;

Further that delegated authority be provided to the Director to enter into agreements needed to continue this transfer of this service.

A delegating By-law will appear on a subsequent Council Agenda.

**Carried**

**7.23 Contract 2022-11E – Trunk Road Resurfacing – Phase 2**

The report of the Municipal Services Engineer was received by Council.

The relevant By-law 2022-130 is listed under item 12 of the Minutes.

**7.24 Plummer Court Ravine Drainage Upgrades**

The report of the Municipal Services Engineer was received by Council.

The relevant By-law 2022-131 is listed under item 12 of the Minutes.

**7.25 POA Wawa Satellite Court Licence of Occupation**

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

The relevant By-law 2022-123 is listed under item 12 of the Minutes.

**7.26 Single Use Plastics Ban By-Law Update**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that the report of the Sustainability Coordinator dated July 11, 2022 regarding Single Use Plastics be received and that staff be directed to draft a by-law in alignment with the six items outlined in the Federal Single-Use Plastic Prohibitions regulations, including the associated exemptions. The by-law should provide for a period of six months notice of the by-law coming into effect and include an enforcement section that is deferred for a one-year period from the date of passing the by-law.

The relevant by-law will appear on the August 8 or August 29, 2022 Council Agenda.

**Carried**

**7.8 Leasing and Operation Space at Expanded Northern Community Centre**

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

Moved by: Councillor M. Scott

Seconded by: Councillor R. Niro

Resolved that the report of the Manager of Purchasing dated July 11, 2022 be received and the proposals submitted by Soo Pee Wee ProShop and Algoma District School Board for lease

of space at the expanded Northern Community Centre, for a period of five (5) years as required by CDES be approved.

By-laws authorizing signature of a Lease Agreement for the space(s) will appear on a future Council Agenda.

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>9</b>	<b>1</b>	<b>0</b>	<b>1</b>
				<b>Carried</b>

## **8. Reports of City Departments, Boards and Committees**

### **8.1 Administration**

### **8.2 Corporate Services**

### **8.3 Community Development and Enterprise Services**

#### **8.3.1 Transit Terminal Relocation (Purchasing)**

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

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that the report of the Manager of Purchasing dated July 11, 2022 be received and, as bids exceed the approved budget, the tender be closed with no award.

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
				<b>Carried</b>

### 8.3.2 Terminal Relocation Update (CDES)

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

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

Resolved that the report of the Director of Community Services dated July 11, 2022 concerning Dennis Street Terminal Relocation be received and that the following be approved:

1. To not accept the low tender submission.
2. Transit Services to submit a change order to the Investing in Canada Infrastructure Fund to revise the approved \$2,000,000 Project to that of a Plan and Design phase project.
  - Reduce from approved \$2,000,000 (City Share \$533,400) to \$238,142 (City Share 26.67%, \$63,512) to cover Professional and Design services including open house fees to date.
3. Prepare a revised budget estimate with IDEA to bring forward to the 2023 Budget Meeting.



4. Submit a new request to ICIP this summer for the build, tendering and contract administration service in order to expedite the process should Council approve the 2023 Budget request.

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
				<b>Carried</b>

### 8.3.3 West End Splash Pad Request

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

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that the report of the Director of Community Services dated July 11, 2022 be received and that Council approve the following:

- The use of \$625,000 in Canada Canadian Build Funds funding to advance the project.
- A Request for Proposal for professional and contract administration services be completed.
- Tenders for construction and splash pad playground equipment and installation issued if project is on budget.
- Direct staff to submit a supporting service level increase in the amount of \$115,000 to the 2023 Budget for ongoing operations.

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
				<b>Carried</b>

#### **8.4 Public Works and Engineering Services**

#### **8.5 Fire Services**

#### **8.6 Legal**

#### **8.7 Planning**

#### **8.8 Boards and Committees**

##### **8.8.1 PUC Inc. and PUC Services Inc.**

Moved by: Councillor L. Dufour

Seconded by: Councillor M. Bruni

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

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

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>3</b>
				<b>Carried</b>

#### 8.8.2 PUC Inc. and PUC Services Inc. Shareholder Resolutions

##### Resolution of the Shareholder of PUC Inc.

###### *Financial Statements*

Be It Resolved That the financial statements of PUC Inc. (the Corporation) for the fiscal year ended on December 31st, 2021, together with the report of the auditors thereon, as placed before the undersigned, are hereby approved.

###### *Appointment of Auditors*

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

###### *Re-Appointment of Board Members*

Be It Resolved That the following board members whose terms are up for re-appointment be approved for a 3-year term:

Andy McPhee – Retired Vice-President, Great Lakes Power. Mr. McPhee will be commencing his third term on the PUC Board of Directors and is currently serving as the Vice-Chair.

Elaine Pitcher – Lawyer, Pitcher Law. Pitcher will be commencing her third term on the PUC Board of Directors.

Bob Giroux – President and CEO of Soanbert Corp. Giroux commenced on the board in February 2022 to fill a mid-term appointment.

And Further Be It Resolved that the following individual is recommended for appointment for a 3-year term:

Scott Seabrook –Senior Director, Finance with OLG. Seabrook is recommended for appointment to commence his first term on the Board.

(Board members currently within their term limits are Jim Boniferro, Christian Provenzano, Neil Strom and Ila Watson.)

### **Resolution of the Shareholder of PUC Services Inc.**

#### *Financial Statements*

Be It Resolved That the financial statements of PUC Services Inc. (the Corporation) for the fiscal year ended on December 31st, 2021, together with the report of the auditors thereon, as placed before the undersigned, are hereby approved.

#### *Appointment of Auditors*

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

#### *Re-Appointment of Board Members*

Be It Resolved That the following board members whose terms are up for re-appointment be approved for a 3-year term:

Andy McPhee – Retired Vice-President, Great Lakes Power. Mr. McPhee will be commencing his third term on the PUC Board of Directors and is currently serving as the Vice-Chair.

Elaine Pitcher – Lawyer, Pitcher Law. Pitcher will be commencing her third term on the PUC Board of Directors.

Bob Giroux – President and CEO of Soanbert Corp. Giroux commenced on the board in February 2022 to fill a mid-term appointment.

And Further Be It Resolved that the following individual is recommended for appointment for a 3-year term:

Scott Seabrook –Senior Director, Finance with OLG. Seabrook is recommended for appointment to commence his first term on the Board.

Board members currently within their term limits are Jim Boniferro, Christian Provenzano, Neil Strom and Ila Watson.

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

**9.1 Property Standards By-law Update**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Whereas City Council adopted a new Property Standards By-Law in the summer of 2021 that took authority from the *Municipal Act* and the *Ontario Building Code* to ensure our local municipal enforcement officials had every power available to tackle the prevalence of derelict buildings; and

Whereas City Council also provided new resources to both the Building and Legal Departments in 2021 to ensure that the new Property Standards By-Law could be enforced to its full effect; and

Whereas the past two years have seen a noticeable increase of absentee landlords, vacant buildings and real estate purchases by shell corporations, which decrease the available supply of housing units during a time of significant local demand;

Now Therefore Be It Resolved that the Legal and Building Departments be requested to provide an updated report regarding successes and/or challenges with the new Property Standards By-Law. (The report should include potential actions the City might take to decrease the number of repeat offenders and perpetually vacant buildings, ensuring a larger and more affordable supply of housing stock.)

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Carried</b>				

## 9.2 Vacant Property Maintenance

Moved by: Councillor R. Niro

Seconded by: Councillor L. Dufour

Whereas the City's Property Standards By-Law was recently amended to address vacant properties under By-Law 2021-128; and

Whereas section 7.4 (1) reads that "every owner of vacant land as defined within this By-Law shall ensure that the vacant land is maintained to the standards as described in Part 2 of this By-Law"; and

Whereas Part 2 addresses general standards for all property and uses under section 2.05 which includes grass in a general way, specifically for vacant properties; and

Whereas the City's Yard Maintenance By-Law being By-Law 2012-10 addresses long grass more specifically, but does not address controlling long grass as it pertains to vacant properties; and

Whereas in the past year a significant number of properties have been purchased in Sault Ste. Marie by out of town companies; and

Whereas these properties are not being maintained, as it appears that these homes are being left vacant; and

Whereas the Building Department has received numerous complaints of long grass which can be attributed to these vacant properties;

Now Therefore Be It Resolved that By-Law 2012-10, the Yard Maintenance By-Law be referred to the Building Department and the Legal Department for review and report back to Council with amendments that will address yard maintenance, and specifically long grass found on properties which are left vacant;

Further be it resolved that remedies be considered but not restricted to the possibility of:

- Significant fines.
- Higher administrative charges.

- A daily cumulative charge for every day not in compliance after the date is set for compliance.
- A process that would have a contractor tender the work sooner.
- That all orders to comply, sent out by the Building Department for long grass on vacant properties also include line 7.4(2)(b) from the Property Standards By-Law which reads "maintain appropriate liability insurance on the vacant building in an amount no less than \$2 million".
- Greater consequences under the By-Law for repeat offenders (including properties that may be from different civic addresses but same owners).

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Carried</b>				

### 9.3 Mental Health Supports

Moved by: Councillor D. Hilsinger

Seconded by: Councillor L. Dufour

Whereas we know the relative lack of support for mental health and addiction related issues takes a huge toll on some of our most vulnerable residents; and

Whereas we can see from our own experience that these realities negatively impact our community, including our downtown, our local businesses and our public places; and

Whereas Ontario's Big City Mayors have recently requested that the Ontario government agree to an emergency meeting with them to discuss chronic homelessness, mental health, safety and addictions; and

Whereas we in the Sault know only too well that these are challenges we face just as much in cities of our size; and

Whereas we want to be absolutely certain we express our deep concern on behalf of many people who need this help and to ensure the province develops solutions meant for all cities in Ontario; and

Whereas the Sault and other cities of our size need to be a part of those discussions for the sake of our vulnerable residents and their families, our businesses and the health of our community;

Now Therefore Be It Resolved that we ask to be included in the emergency discussions with the Big City Mayors or ask for our own meeting and that Mayor Provenzano will immediately write a letter with the request.

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
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			
<b>Results</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
				<b>Carried</b>



#### 9.4 Intensive Day Treatment Program

Moved by: Councillor L. Dufour

Seconded by: Councillor D. Hilsinger

Whereas the community of Sault Ste. Marie has been suffering the well documented effects of the Mental Health and Addictions Crisis; and

Whereas these effects have been exacerbated in Sault Ste. Marie due to the lack of equivalent health services in our community compared to many other Northern communities; and

Whereas on June 23, 2022, Sault Area Hospital announced to community partner agencies that the Concurrent Disorders Intensive Day Treatment Pilot Program would be paused due to a lack of funding; and

Whereas since November 2020, Sault Area Hospital has provided Concurrent Disorders Intensive Day Treatment to fill significant service gaps by providing the right level of care close to home; and

Whereas over 110 individuals have participated in this intensive treatment service and approximately 40% of 'graduates' have found employment or returned to previous work or school;

Now Therefore Be It Resolved that City Council endorse Mayor Provenzano writing a letter of support to Ontario Health North and Ontario Health emphasizing the critical need for dedicated base funding for this essential programming to ensure ongoing access to specialized mental health and addictions care for those with complex addictions and mental health needs in our community who need it most.

	<b>For</b>	<b>Against</b>	<b>Conflict</b>	<b>Absent</b>
Mayor C. Provenzano	X			
Councillor P. Christian	X			
Councillor S. Hollingsworth	X			
Councillor L. Dufour	X			
Councillor L. Vezeau-Allen				X
Councillor D. Hilsinger	X			
Councillor M. Shoemaker	X			
Councillor M. Bruni	X			
Councillor R. Niro	X			

Councillor C. Gardi X

Councillor M. Scott X

**Results** 10 0 0 1

**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 L. Dufour

Seconded by: Councillor M. Bruni

Resolved that all By-laws under item 12 of the Agenda under date July 11, 2022 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 2022-123 (Agreement) Licence POA Satellite Court Wawa**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-123 being a by-law to authorize the execution of the Agreement between the City and The Corporation of the Municipality of Wawa for the City's use of office space to conduct Provincial Offences Court be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.2 By-law 2022-127 (Parking) Municipal By-law Enforcement Officers (By-law 90-305)**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-127 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 11th day of July, 2022.

**Carried**

**12.1.3 By-law 2022-128 (Agreement) Via Mobility On Demand Transit**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-128 being a by-law to authorize the execution of the Agreement between the City and Via Mobility, LLC for the On-Demand Transit Technology System for three (3) years with option to renew for two (2) additional years be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.4 By-law 2022-129 (Vendors Prohibited) Rotaryfest 2022**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-129 being a by-law to prohibit vendors from locating on or near the grounds of Rotaryfest 2022 be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.5 By-law 2022-130 (Engineering) Pioneer Construction Inc. Trunk Road Resurfacing**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-130 being a by-law to authorize the execution of the Contract between the City and Pioneer Construction Inc. for the Trunk Road resurfacing (Contract 2022-11E) be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.6 By-law 2022-131 (Engineering) Plummer Court Ravine Drainage Upgrades (2022-14E)**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-131 being a by-law to authorize the execution of the Contract between the City and 786222 Ontario Inc. (o/a Phillips Haulage) for storm sewer replacement and drainage improvements to the ravine located between Plummer Court and Pawating Place (Contract 2022-14E) be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.7 By-law 2022-132 (Parking) By-law Enforcement Officers (By-law 93-165)**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-132 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 11th day of July, 2022.

**Carried**

**12.1.8 By-law 2022-133 (Agreement) Pepsi Beverage Sales Agreement (Pepsico Beverages Canada)**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-133 being a by-law to authorize the execution of the Agreement between the City and Pepsico Beverages Canada, a business unit of Pepsico Canada ULC for the supply and delivery of soft drink concession supplies for a period of three (3) years with option to renew for up to two 1-year periods be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.9 By-law 2022-134 (Agreement) Mausoleum XVI Expansion**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-134 being a by-law to authorize the execution of the Agreement between the City and EllisDon Industrial Inc. for the work required by the contract documents for Municipal Mausoleum Phase XVI located at Holy Sepulchre Cemetery be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.10 By-law 2022-136 (Cemeteries) Amend By-laws 2012-129 and 2021-217**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-136 being a by-law to amend By-law 2012-129 and By-law 2021-217 (being a by-law to provide regulations for the operation of all municipal crematoriums, mausoleums, and cemeteries owned by the City of Sault Ste. Marie) be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.11 By-law 2022-137 (Agreement) SSM Professional Firefighters Association (Local 529)**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2022-137 being a by-law to authorize the execution of the Collective Agreement between the City and the Sault Ste. Marie Professional Firefighters Association (Local 529) for the term commencing February 1, 2021 to December 31, 2023 be passed in open Council this 11th day of July, 2022.

**Carried**

**12.1.12 By-law 2022-138 (Employees) Amend 2004-234**

Moved by: Councillor L. Vezeau-Allen

Seconded by: Councillor R. Niro

Resolved that By-law 2022-138 being a by-law law to amend By-law 2004-234 (being a by-law to adopt hiring policies) be passed in open Council this 11th day of July, 2022.

**Carried**

**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**

**12.3.1 By-law 2020-215 (Lane Closing and Conveyance) Abutting 282 Whitney Avenue and 191 Asquith Street**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that By-law 2020-215 being a by-law to to stop up, close and authorize the conveyance of a portion of a lane in the Tagona Subdivision, Plan 7882, PT PIN 31607-0284 (LT) PT LANE PL 7882 KORAH; PT 1 & 2 1R13893; SAULT STE. MARIE be passed in open Council this 11th day of July, 2022.

**Carried**

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

**15. Adjournment**

Moved by: Councillor L. Dufour

Seconded by: Councillor R. Niro

Resolved that this Council now adjourn.

**Carried**

---

Mayor

---

City Clerk



**SAULT  
STE. MARIE**

# **Voter Engagement Update**



Sault Ste. Marie  
**Municipal Election**

October 24, 2022



Business Cards



Postcards



Bookmarks



Stickers



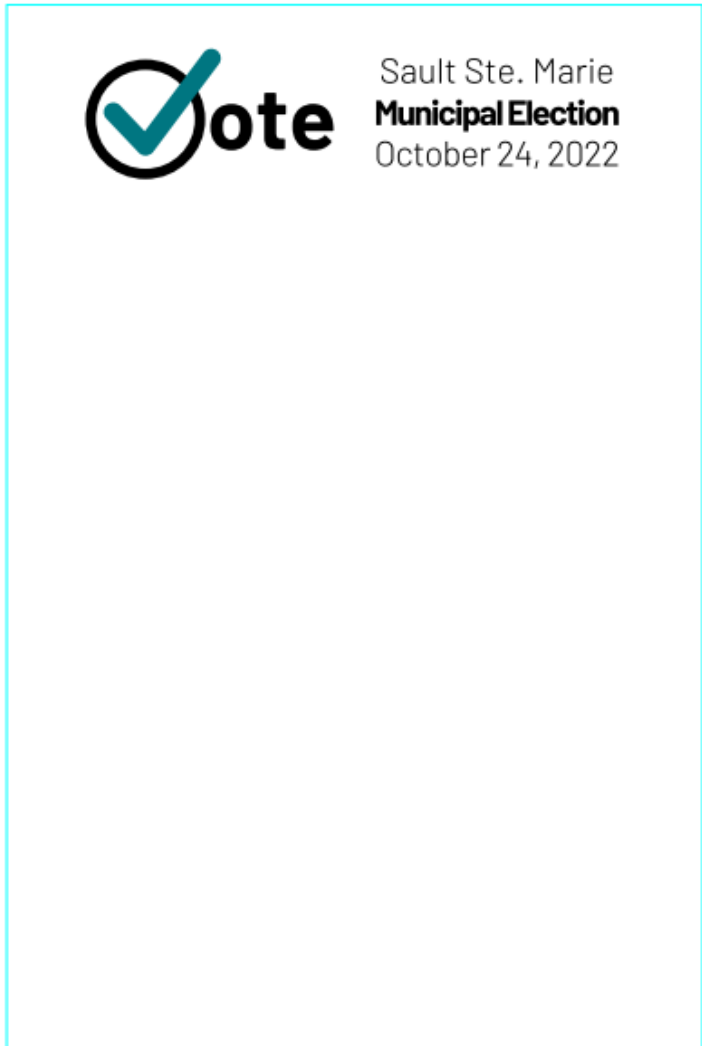
Window Decals



Table Tents



Posters



Notepads

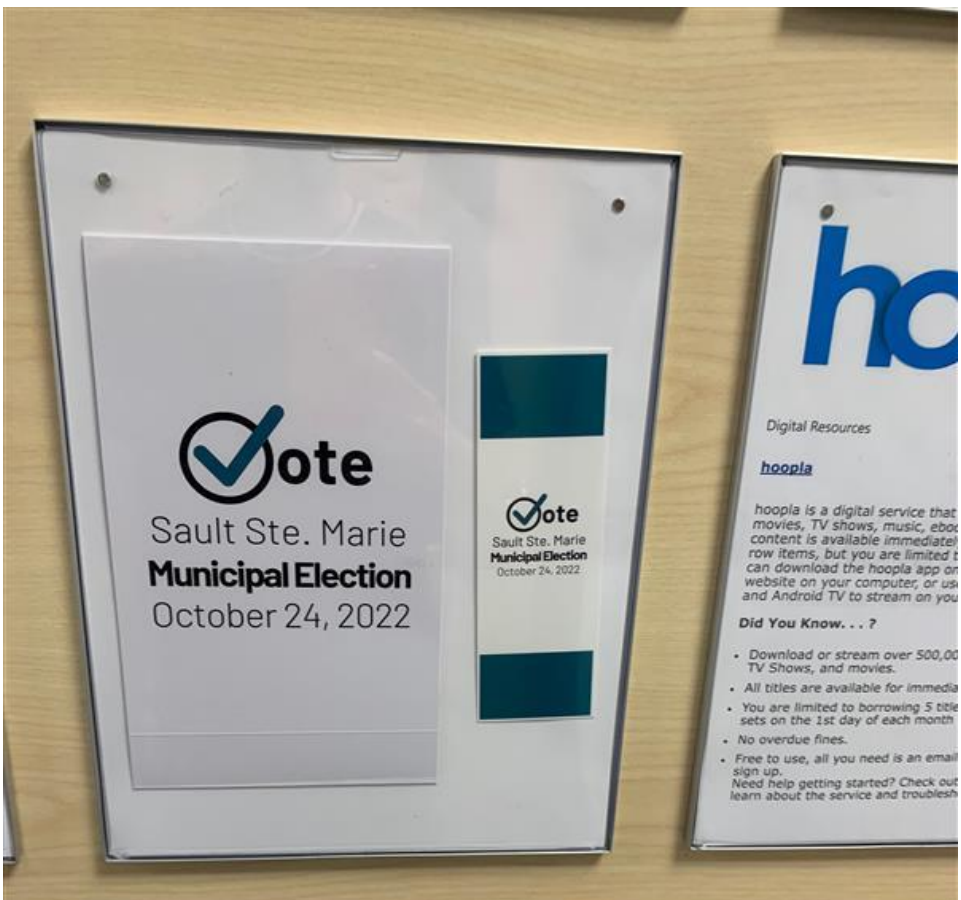


Pens



Vote Swag











Summer Students attended various community events, including the Summer Moon Festival, Poutine Feast, Rotaryfest, and Marconi Meets World.





Rotaryfest Pop-Up



## Sault Ste. Marie Future Voters

To vote, mark in the circle like this:



Only vote **once** for each office:

For the Office of: Favourite Summer Treat	
Ice Cream	<input type="radio"/>
Popsicle	<input type="radio"/>
Freezie	<input type="radio"/>
Slushie	<input type="radio"/>
Frozen Yogurt	<input type="radio"/>

For the Office of: Favourite Super Power	
Super speed	<input type="radio"/>
Invisibility	<input type="radio"/>
Understanding animals	<input type="radio"/>
Flying	<input type="radio"/>
Laser eyes	<input type="radio"/>

For the Office of: Favourite Summer Activity	
Bike Riding	<input type="radio"/>
Swimming	<input type="radio"/>
Sports	<input type="radio"/>
Camping	<input type="radio"/>
Splash Pads	<input type="radio"/>

For the Office of: Favourite Rotaryfest Activity	
Music	<input type="radio"/>
Food	<input type="radio"/>
Parade	<input type="radio"/>
PlayZone	<input type="radio"/>
Inflatables	<input type="radio"/>



**The City of Sault Ste. Marie**

Jul 19 · 🌐

...

The results are in! Thank you to all of the kids who stopped by our booth at [Rotaryfest](#), [The Sault's Summer Festival](#) to learn more about how elections work as a part of the City's Voter Engagement Initiative.



## Sault Ste. Marie **And the winners are...** Future Voters

Office of: Favourite Summer Treat		
21	Ice Cream	WINNER
4	Popsicle	
7	Freezie	
19	Slushie	
7	Frozen Yogurt	
Office of: Favourite Super Power		
6	Super speed	
12	Invisibility	
25	Understanding animals	WINNER
11	Flying	
4	Laser eyes	

Office of: Favourite Summer Activity		
4	Bike Riding	
32	Swimming	WINNER
10	Sports	
9	Camping	
3	Splash Pads	
Office of: Favourite Rotaryfest Activity		
3	Music	
8	Food	
4	Parade	
19	PlayZone	
24	Inflatables	WINNER

I, Madison Zuppa, Deputy City Clerk do hereby declare these to be the results of votes cast in the July 14-16, 2022 Sault Ste. Marie Future Voters election.







Marconi Meets World Pop-Up

# What's Next?

- Liaise with Accessibility Advisory Committee
- Continue to attend community events
- Voter list revisions
- Social media for key election milestones
- Traditional media ads (radio, billboards, print, posters)
- Mail-outs to low turnout areas
- Voting “how to” videos
- Strategic voting locations

# General Election Information

**Voting Day:** October 24 – 10 am to 8 pm

## **Alternative Voting Options:**

- ✓ Advance Vote (October 8, 12, and 15)
- ✓ Proxy Voting
- ✓ Home Visit Voting
- ✓ Register to Vote by Mail

**Nominations Close:** August 19 – 2 pm

**Compliance Audit Committee:** applications close August 19

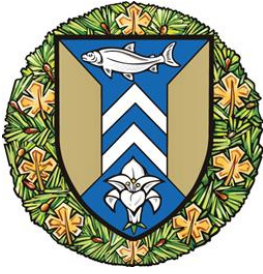
**For more information visit:** [saultstemarie.ca/election2022](https://saultstemarie.ca/election2022)





**SAULT  
STE. MARIE**

**Make your plan  
to vote!**



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

**C O U N C I L   R E P O R T**

August 8, 2022

TO: Mayor Christian Provenzano and Members of City Council  
AUTHOR: Malcolm White, CAO  
DEPARTMENT: Choose an item.  
RE: Streamline Development Approval Funding

---

**Purpose**

To advise Council of a number of projects being undertaken and to seek approval of sole sourcing for two projects.

**Background**

Earlier this spring, the Province advised the City that an allocation of \$1,750,000 would be provided for projects and activities that would streamline approvals for development projects in the community. The funding has a current window of the end of February, 2023 to be utilized.

**Analysis**

Staff have reviewed potential projects and activities that would improve services to local developers and provide updated and improved data access to both City staff and professional service firms utilized by developers. The proposed projects and activities have been submitted to the Province and have been confirmed to fit the aims and criteria of the funding.

The projects and activities (list attached) cover the following areas:

Building application software expansion and GIS enhancement and integration. The Innovation Centre, provider of our GIS services, has developed a workplan to complete these two projects as key enhancements of our GIS system within the mandated timeline.

Two engineering studies – Sewer flow modeling and Wastewater plant capacity which will assist staff and developers in designing and implementing requirements for storm and waste water management associated with developments.

Several small scale planning studies addressing various topics to streamline and enhance the planning approval process.

Staff considered the option of retaining contract staff in the engineering and planning areas to further augment our approval processes, however the need to

recruit permanent staff in these areas as well as the timeline for the funding were barriers to this approach.

The projects and activities listed do not utilize all of the funding allocation, but are all that can be accomplished within the allocation timeframe. This is a challenge faced by most municipalities using the funding. Staff will be lobbying the Province to extend the deadline for the funding so that more activities can be considered.

**Financial Implications**

The projects and activities being pursued under this program will be fully funded from the Provincial allocation. There is no financial impact to the City.

**Strategic Plan / Policy Impact**

Some of the projects/activities listed address the Service Delivery and Community Development focus areas

**Recommendation**

It is therefore recommended that Council take the following action:

Resolved that the report of the CAO dated 2022 08 08 concerning Streamline Development Approval Funding be received and 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.

Respectfully submitted,

Malcolm White

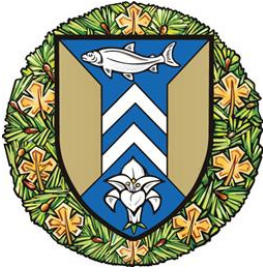
CAO

705.759.5347

[cao.white@cityssm.on.ca](mailto:cao.white@cityssm.on.ca)

Item Name	Cost Estimate	Notes
Expand Building Permit application to include Planning Act Applications	\$410,000	To be sole sourced to the Innovation Centre
GIS Enhancement/Integration	\$195,000	To be sole sourced to the Innovation Centre
Sewer flow modeling of the City to streamline efforts of developers and City staff with respect to capacities (& potentially flow monitoring)	\$340,000	
Capacity study of wastewater plant(s) - broken down by priority sewershed, for completion within the allotted timeframe	\$240,000	
Identify residential intensification opportunities around nodes, corridors and the downtown. Identify other housing development opportunities. Assist with rezoning these properties if necessary.	\$25,000	
Review parking requirements to reduce costs and increase densities.	\$25,000	
Create site plan control guidelines for housing projects to help expedite the approval process	\$35,000	
Develop park dedication standards	\$25,000	
Create a new residential Community Improvement Plan to replace the current CIP which is specific to rental housing with an emphasis on affordability and the downtown.	\$35,000	
Comparative analysis of Ontario municipalities determining existing housing requirements and current incentives with an emphasis on affordable housing	\$18,000	
Total	\$1,348,000	





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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Rachel Tyczinski, City Clerk

**DEPARTMENT:** Corporate Services

**RE:** Taxi Licensing Update

---

**Purpose**

The purpose of this report is to provide Council an update on taxi licensing.

**Background**

At the December 13, 2021 Regular City Council meeting the following resolution was carried:

Moved by: Councillor L. Vezeau-Allen

Seconded by: Councillor D. Hilsinger

Whereas the City of Sault Ste. Marie has a by-law that regulates and licences the operation of vehicles for hire (taxi service) within Sault Ste. Marie; and

Whereas the Sault Ste. Marie Police Service is responsible for the enforcement of the by-law; and

Whereas the City of Sault Ste. Marie issues the licences approved in accord with the by-law; and

Whereas there is some concern about licenced operators complying with the by-law, specifically, the provisions that relate to the requirement of wheelchair accessible taxi service; and

Whereas City Council wants to ensure that the by-law is being properly administered and believes the administration thereof and the parties responsible for said administration should be assessed;

Now Therefore Be It Resolved that City Council directs the CAO, in conjunction with Sault Ste. Marie Police Service, to undertake whatever steps they collectively determine appropriate to assess how the administration and enforcement of the by-law is operating as between the City and Sault Ste. Marie Police Service and make a recommendation to Council on how the by-law should be administered on a going forward basis.

The City Clerk, Deputy City Clerk, and Licensing Coordinator have met to review the current taxi by-law. The City Clerk's office is currently researching best practices in place in other communities.

The City Clerk, Deputy City Clerk and Sergeant Ray Magnan have also met to discuss administration and enforcement of the by-law. Police Services has advised that Police prefer that administration and enforcement of the taxi by-law migrate to the City.

### **Analysis**

The current process for taxi and ride share licensing requires applicants to apply to the Police Services Board. Applicants attend at Police Services to complete an application and to obtain and provide the requisite documentation.

Once approved by Police Services, the applicant attends at the Ronald A. Irwin Civic Centre (City Clerk's office) to obtain the licence. The Licensing Coordinator reviews the necessary documentation and, provided the documents are in order, issues the taxi licence.

Administration of the entire taxi licence issuing process would greatly improve customer service.

The workload of the Licensing Coordinator is not expected to be significantly impacted, given that the required documents are already reviewed by the Coordinator.

Additional by-law enforcement resources would be required to accommodate enforcement of the taxi by-law, however, Police Services advises that they receive few complaints.

### **Financial Implications**

There are no financial implications related to this information report; however, increased resources may be required to accommodate enforcement of the taxi by-law.

### **Strategic Plan / Policy Impact**

Streamlining the application process for taxi licences supports the corporate value of achieving excellence in customer service and streamlining processes.

### **Recommendation**

It is therefore recommended that Council take the following action:

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.

Respectfully submitted,

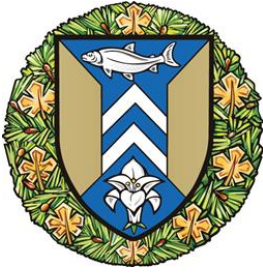
Rachel Tyczinski

City Clerk

705.759.5391

[r.tyczinski@cityssm.on.ca](mailto:r.tyczinski@cityssm.on.ca)





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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Karen Marlow, Manager of Purchasing

**DEPARTMENT:** Corporate Services

**RE:** RFP for One (1) Rescue Truck - Fire

---

**Purpose**

This report has been prepared for your information and consideration, on behalf of the Evaluation Committee, concerning proposals received for the supply and delivery of one (1) Rescue Truck required by Fire Services Department. Staff is seeking Council approval of the Evaluation Committee's recommendation.

**Background**

The Request for Proposal was publicly advertised and RFP documents were forwarded to all firms on our bidders list. Proposals were required to be submitted for consideration no later than 4:00 p.m., June 21, 2022.

**Analysis**

Proposals from two (2) Proponents were received prior to the closing date.

- Fort Garry Fire Trucks, Winnipeg, MB
- Dependable Emergency Vehicles, Brampton, ON

The proposals received have been evaluated by a committee comprised of staff from SSM Fire Services. It is the consensus of the Evaluation Committee that the Proponent scoring the highest in the evaluation process is Dependable Emergency Vehicles of Brampton, ON.

**Financial Implications**

Dependable Emergency Vehicles' proposed fee will result in a total expenditure of \$393,262.44 including the non-rebatable portion of HST.

During the 2021 Budget deliberations, Council approved the allocation of \$450,000 for Fire Services Rescue Truck Replacement. The proposed amount can be accommodated from within the approved allocation.

**Strategic Plan / Policy Impact**

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



**Recommendation**

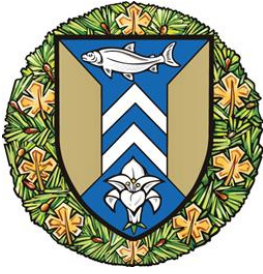
It is therefore recommended that Council take the following action:

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "K Marlow", is written over a faint, light blue circular stamp.

Karen Marlow  
Manager of Purchasing  
705.759.5298  
[k.marlow@cityssm.on.ca](mailto:k.marlow@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 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Karen Marlow, Manager of Purchasing

**DEPARTMENT:** Corporate Services

**RE:** Rental of Four (4) Loader/Backhoes Public Works

---

**Purpose**

Attached hereto for Council's information and consideration is a request to extend the current rental arrangement of four (4) Loader/Backhoes for an additional two (2) years as required by Public Works for summer construction season. Staff is seeking Council approval of the recommendation.

**Background**

Public Works (PW) currently rents four (4) Backhoe units during construction season (26 weeks-April 30 to October 31) through Toromont CAT, an agreement which expires October 2022. During this agreement Toromont has upgraded the units to 2020 models.

In preplanning for replacements, Public Works has reached out for budgetary costs from multiple suppliers to secure equipment for April 2023.

**Analysis**

Budgetary costs indicate that if a rental agreement was retendered at end of rental term, 2023 pricing ranges from \$1,375 to 1,432 per week/per unit. Estimate of \$143,000 - \$148,000 annual, plus HST (4 units). Current cost is \$698.06. This is based on unknown supply source early 2023 and increases of rental values due to the current abnormal market situations.

Alternatively, Toromont Cat has prepared an offer to extend the current agreement an additional 2 years with existing equipment for price of \$965 per week/per unit. Although an increase to current cost, it is significantly lower than 2023 pricing (approximately \$42,000).

In review of these options, Public Works requests single source to extend the current rental arrangement of four (4) Loader/Backhoes for an additional two (2) years 2023 and 2024, \$100,360 annually, plus HST (4 units). This commitment secures lower cost supply for the equipment where future availability and pricing is volatile.

This request is in accordance with Purchasing By-law single source section 22.3) h) for reasons stated, the purchase is in the best interests of the City.

**Financial Implications**

The Loader/Backhoes will be rented for two (2) 26-week seasons commencing April 30, 2023. The weekly rental rate per machine is \$965 plus HST; approximately \$102,200 annually for all four (4), including the non-rebatable portion of HST.

Approval of this rental agreement option will result in an operational increase of \$30,000 to Public Works Hired Equipment Budget.

**Strategic Plan / Policy Impact**

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

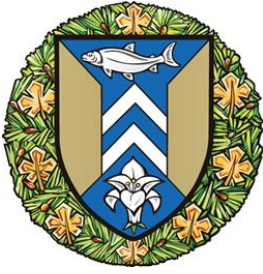
**Recommendation**

It is therefore recommended that Council take the following action:

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

Respectfully submitted,

Karen Marlow  
Manager of Purchasing  
705.759.5298  
[k.marlow@cityssm.on.ca](mailto:k.marlow@cityssm.on.ca)



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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Karen Marlow, Manager of Purchasing

**DEPARTMENT:** Corporate Services

**RE:** Tender for Screened Street Sand

---

**Purpose**

Attached for Council's consideration is a tender bid received for the supply of Screened Street Sand for the 2022-2023 and 2023-2024 Winter Seasons. Staff is seeking Council approval of the recommendation contained in this report.

**Background**

The tender was publicly advertised and tender documents forwarded to all firms on the bidders list. Tenders closed on July 21, 2022 at 12:00 noon local time.

**Analysis**

The tender received has been thoroughly evaluated and reviewed with the Superintendent of Public Works and the Director of Public Works, and the low tendered prices, meeting specifications, have been identified on the attached summary. Although only one bid was received, it has been deemed fair and equitable.

**Financial Implications**

Public Works estimates that 25,000 tonnes of screened sand are required annually. As tendered by Pioneer Construction Ltd, the annual costs of approximately \$185,850 plus HST for year 1 are projected.

The budget for Winter Control Operating Supplies being previously reduced is not sufficient to accommodate these fees. Based on these estimates, approval of this bid will result in an operational increase of approximately \$86,000 in 2023 and an additional \$10,000 in 2024.

**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:

Tender for Screened Street Sand

August 8, 2022

Page 2.

Resolved that the report of the Manager of Purchasing dated August 8, 2022 be received and 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.

Respectfully submitted,

Karen Marlow

Manager of Purchasing

705.759.5298

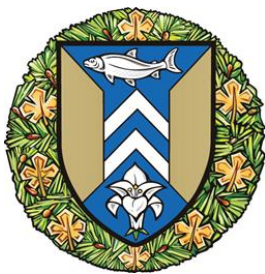
[k.marlow@cityssm.on.ca](mailto:k.marlow@cityssm.on.ca)

SUMMARY OF TENDERS  
SCREENED STREET SAND

<p><b>Source:</b></p> <p><b><u>Description</u></b></p> <p><b><u>PRICING FOR YEAR ONE</u></b></p> <p>Tendered Price for year one (commencing Oct. 1, 2022) to supply, load and weigh material to trucks under the employ of the City (per tonne - HST extra)</p>	<p><b><u>Pioneer Construction Inc.</u></b> <b><u>Sault Ste. Marie, ON</u></b></p> <p>845 Old Goulais Bay Road Sault Ste. Marie, ON</p> <p><b>\$7.43</b></p>
<p><b><u>PRICING FOR YEAR TWO</u></b></p> <p>Tendered Price for year two (commencing Oct. 1, 2023) to supply, load and weigh material to trucks under the employ of the City (per tonne - HST extra)</p>	<p><b>\$7.85</b></p>

NOTE: The low tendered prices, meeting specifications, are boxed above.  
Although only one tender was received, it is deemed fair and equitable.  
It is my recommendation that the low tendered prices, meeting specifications, submitted by  
Pioneer Construction Inc., be accepted for a two (2) year period.

Karen Marlow  
Manager of Purchasing



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

**C O U N C I L   R E P O R T**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Steve Facey, Manager of Finance

**DEPARTMENT:** Corporate Services

**RE:** Second Quarter Financial Report – June 30, 2022

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**Purpose**

The purpose of this report is to provide a Six Month Financial Report to June 30, 2022.

**Background**

City Council reviewed the 2022 First Quarter Financial Report on May 2, 2022. Unaudited Financial Reports are provided to Council quarterly for information.

**Analysis**

The second quarter financial results do not indicate significant variances at this time. Generally, departments are trending on budget at the end of June which is evident in Appendix A.

Winter Control, at the end of June, is anticipating a net over expenditure of \$686,000 as a result of the number as well as significance of winter events compared to 2021. As per the organization's Reserves & Funds Policy, any surplus or deficit will be contributed to or from the Winter Control Reserve at year-end.

Another area of concern for 2022 is fuel prices. Prices in Canada began to rise in December of 2021 and continued to increase due to the military invasion of Ukraine. It is anticipated that a net over expenditure of approximately \$467,000 when analyzing Public Works and Transit.

Supply chain interruptions and labour shortages have impacted the organization in 2022. It is difficult to quantify the impact at this time, however, future reports will provide additional detail.

Based on the first six months, net assessment growth was +0.31% (Appendix B) compared to +0.07% in 2021. The number of permits issued has decreased from 685 in 2021 to 537 from January to June, however, the Construction Value is much higher totalling \$143 million in 2022 compared to \$103 million in 2021.

Lastly, an update is provided on the 2022 Capital Program (Appendix C). Of the revised 2022 Capital Budget, approximately 43% is committed or spent as of June 30, 2022.

Staff will continue to monitor trends and highlight significant variances for Council's information.

**Financial Implications**

There are no direct financial implications associated with this report. The June financial report reflects expenditures and revenues for the first half of the year. At this point, staff are not anticipating a significant surplus or deficit projected to the end of the year.

A subsequent report will be presented to Council at a later meeting with information to the end of September 2022.

**Strategic Plan / Policy Impact**

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

**Recommendation**

It is therefore recommended that Council take the following action:

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

Respectfully submitted,

Steve Facey, CPA, CMA

Manager of Finance

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# City of Sault Ste. Marie - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Taxation	(\$128,921,708.08)	(\$130,256,397.01)	(\$1,334,688.93)	1.02%	(\$123,832,736.39)	(\$125,895,298.92)	(\$125,248,213.00)	1.13%
Payment in Lieu of taxes	(\$2,459,533.47)	(\$4,501,741.00)	(\$2,042,207.53)	45.36%	(\$2,159,582.75)	(\$4,490,231.86)	(\$4,480,756.00)	51.80%
Fees and user charges	(\$14,451,100.00)	(\$28,924,536.25)	(\$14,473,436.25)	50.04%	(\$12,443,216.98)	(\$26,267,495.03)	(\$27,034,116.00)	53.97%
Government grants	(\$12,263,503.50)	(\$19,443,963.00)	(\$7,180,459.50)	36.93%	(\$12,692,288.57)	(\$24,928,745.07)	(\$19,331,719.00)	34.34%
Interest and Investment income	(\$1,730,996.12)	(\$4,320,000.00)	(\$2,589,003.88)	59.93%	(\$1,294,830.85)	(\$3,426,164.60)	(\$4,320,000.00)	70.03%
Contribution from own funds	(\$102,476.40)	(\$1,697,143.75)	(\$1,594,667.35)	93.96%	(\$173,025.86)	(\$1,768,981.92)	(\$2,198,023.00)	92.13%
Other income	(\$851,693.43)	(\$2,875,986.85)	(\$2,024,293.42)	70.39%	(\$463,921.06)	(\$2,165,148.99)	(\$1,848,455.00)	74.90%
Change in future employee benefits			\$0.00	0.00%		(\$12,051,300.16)		0.00%
	(\$160,781,011.00)	(\$192,019,767.86)	(\$31,238,756.86)	16.27%	(\$153,059,602.46)	(\$200,993,366.55)	(\$184,461,282.00)	17.02%
<b>EXPENDITURES</b>								
Salaries	\$25,156,251.16	\$51,325,347.97	\$26,169,096.81	50.99%	\$23,131,707.14	\$48,795,558.33	\$49,736,099.00	53.49%
Benefits	\$7,002,023.30	\$14,385,939.65	\$7,383,916.35	51.33%	\$6,994,334.65	\$13,447,799.68	\$14,367,459.00	51.32%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$32,158,274.46</b>	<b>\$65,711,287.62</b>	<b>\$33,553,013.16</b>	<b>51.06%</b>	<b>\$30,126,041.79</b>	<b>\$62,243,358.01</b>	<b>\$64,103,558.00</b>	<b>53.00%</b>
Travel and training	\$115,571.99	\$543,499.12	\$427,927.13	78.74%	\$88,407.47	\$193,861.29	\$589,683.00	85.01%
Vehicle allowance, maintenance and repairs	\$2,335,269.68	\$3,570,669.20	\$1,235,399.52	34.60%	\$2,445,970.86	\$5,082,833.52	\$3,158,485.00	22.56%
Utilities and Fuel	\$4,761,816.54	\$10,891,632.82	\$6,129,816.28	56.28%	\$4,144,814.97	\$9,327,247.40	\$10,431,938.00	60.27%
Materials and supplies	\$2,447,888.49	\$5,303,684.32	\$2,855,795.83	53.85%	\$2,162,268.71	\$6,039,189.54	\$5,442,758.00	60.27%
Maintenance and repairs	\$1,577,436.04	\$2,643,590.00	\$1,066,153.96	40.33%	\$1,356,670.86	\$2,253,728.90	\$2,429,143.00	44.15%
Program expenses	\$440,885.70	\$933,328.21	\$492,442.51	52.76%	\$198,131.49	\$803,994.21	\$575,458.00	65.57%
Goods for resale	\$174,031.26	\$556,996.00	\$382,964.74	68.76%	\$23,318.96	\$285,227.45	\$489,160.00	95.23%
Rents and leases	\$151,503.89	\$307,557.00	\$156,053.11	50.74%	\$40,370.91	\$155,932.99	\$164,557.00	75.47%
Taxes and licenses	\$2,146,326.39	\$2,311,660.00	\$165,333.61	7.15%	\$1,959,619.49	\$1,752,260.51	\$2,023,010.00	3.13%
Financial expenses	\$997,007.05	\$2,699,071.37	\$1,702,064.32	63.06%	\$2,010,011.97	\$3,032,077.60	\$2,710,039.00	25.83%
Purchased and contracted services	\$4,720,724.25	\$10,325,103.46	\$5,604,379.21	54.28%	\$3,735,466.32	\$9,994,937.54	\$10,408,958.00	64.11%
Grants to others	\$30,621,454.42	\$58,973,187.94	\$28,351,733.52	48.08%	\$27,868,847.71	\$57,326,897.99	\$55,613,863.00	49.89%
Long term debt	\$35,530.38	\$1,502,314.00	\$1,466,783.62	97.63%	\$617,411.26	\$1,795,301.64	\$1,795,301.00	65.61%
Transfer to own funds	\$707,422.00	\$25,650,323.56	\$24,942,901.56	97.24%	\$728,416.94	\$41,617,504.26	\$24,395,400.00	97.01%
Capital expense	\$145,083.63	\$350,993.24	\$205,909.61	58.66%	\$217,033.47	\$398,540.29	\$350,101.00	38.01%
Depreciation			\$0.00	0.00%		\$17,072,322.47		0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		\$175,511.05		0.00%
Clearing accounts	\$0.25		(\$0.25)	0.00%				0.00%
Less: recoverable costs	(\$140,500.68)	(\$255,130.00)	(\$114,629.32)	44.93%	(\$166,293.90)	(\$369,457.91)	(\$220,130.00)	24.46%
<b>TOTAL OTHER EXPENSES</b>	<b>\$51,237,451.28</b>	<b>\$126,308,480.24</b>	<b>\$75,071,028.96</b>	<b>59.43%</b>	<b>\$47,430,467.49</b>	<b>\$156,937,910.74</b>	<b>\$120,357,724.00</b>	<b>60.59%</b>
	\$83,395,725.74	\$192,019,767.86	\$108,624,042.12	56.57%	\$77,556,509.28	\$219,181,268.75	\$184,461,282.00	57.96%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>(\$77,385,285.26)</b>	<b>\$0.00</b>	<b>\$77,385,285.26</b>	<b>0.00%</b>	<b>(\$75,503,093.18)</b>	<b>\$18,187,902.20</b>	<b>\$0.00</b>	<b>0.00%</b>

## Mayor & Council - Second Quarter Ended June 30, 2022

	YTD	Budget	Variance	Percentage	2021 Actual To:	2021 Actual	Budget	Percentage
				Budget-Rem				Budget-Rem
FISCAL YEAR REMAINING% :	Actual	2022		50%	June	Year End	2021	YTD 2021
REVENUE								
EXPENDITURES								
Salaries	\$234,611.87	\$490,477.46	\$255,865.59	52.17%	\$233,689.18	\$453,488.79	\$487,354.00	52.05%
Benefits	\$37,823.40	\$71,211.42	\$33,388.02	46.89%	\$39,160.23	\$78,341.14	\$72,817.00	46.22%
TOTAL SALARIES/BENEFITS	\$272,435.27	\$561,688.88	\$289,253.61	51.50%	\$272,849.41	\$531,829.93	\$560,171.00	51.29%
Travel and training	\$8,840.61	\$15,500.00	\$6,659.39	42.96%	\$2,625.41	\$2,697.73	\$53,500.00	95.09%
Vehicle allowance, maintenance and repairs	\$15,748.65	\$35,675.00	\$19,926.35	55.86%	\$15,230.51	\$29,515.74	\$35,675.00	57.31%
Materials and supplies	\$47,588.02	\$62,910.00	\$15,321.98	24.36%	\$46,490.04	\$59,006.87	\$62,910.00	26.10%
Purchased and contracted services	(\$29.72)	\$2,100.00	\$2,129.72	101.42%	\$39.58	\$357.76	\$2,100.00	98.12%
Grants to others		\$35,000.00	\$35,000.00	100.00%		\$4,462.80	\$35,000.00	100.00%
Transfer to own funds			\$0.00	0.00%		\$1,445.53		0.00%
TOTAL OTHER EXPENSES	\$72,147.56	\$151,185.00	\$79,037.44	52.28%	\$64,385.54	\$97,486.43	\$189,185.00	65.97%
	\$344,582.83	\$712,873.88	\$368,291.05	51.66%	\$337,234.95	\$629,316.36	\$749,356.00	55.00%
NET (REVENUE)/EXPENDITURE	\$344,582.83	\$712,873.88	\$368,291.05	51.66%	\$337,234.95	\$629,316.36	\$749,356.00	55.00%

# CAO's Office - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
REVENUE								
EXPENDITURES								
Salaries	\$144,900.61	\$317,771.03	\$172,870.42	54.40%	\$149,458.53	\$336,792.45	\$312,248.00	52.13%
Benefits	\$36,614.77	\$72,564.31	\$35,949.54	49.54%	\$38,747.84	\$81,755.38	\$72,755.00	46.74%
TOTAL SALARIES/BENEFITS	\$181,515.38	\$390,335.34	\$208,819.96	53.50%	\$188,206.37	\$418,547.83	\$385,003.00	51.12%
Travel and training	\$2,631.73	\$4,260.00	\$1,628.27	38.22%	\$1,300.96	\$1,682.56	\$4,260.00	69.46%
Vehicle allowance, maintenance and repairs	\$2,588.46	\$4,500.00	\$1,911.54	42.48%	\$2,472.24	\$4,470.10	\$4,500.00	45.06%
Materials and supplies	\$3,941.96	\$14,120.00	\$10,178.04	72.08%	\$2,675.09	\$8,038.77	\$14,120.00	81.05%
Purchased and contracted services	\$12,394.37	\$30.00	(\$12,364.37)	(41,214.57%)			\$30.00	100.00%
Capital expense		\$150.00	\$150.00	100.00%		\$234.04	\$150.00	100.00%
TOTAL OTHER EXPENSES	\$21,556.52	\$23,060.00	\$1,503.48	6.52%	\$6,448.29	\$14,425.47	\$23,060.00	72.04%
	\$203,071.90	\$413,395.34	\$210,323.44	50.88%	\$194,654.66	\$432,973.30	\$408,063.00	52.30%
NET (REVENUE)/EXPENDITURE	\$203,071.90	\$413,395.34	\$210,323.44	50.88%	\$194,654.66	\$432,973.30	\$408,063.00	52.30%

## Corporate Services - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$60,869.79)	(\$119,786.00)	(\$58,916.21)	49.18%	(\$36,845.83)	(\$101,934.16)	(\$131,891.00)	72.06%
Government grants		(\$1,540.00)	(\$1,540.00)	100.00%		(\$8,730.52)	(\$1,540.00)	100.00%
Contribution from own funds		(\$282,000.00)	(\$282,000.00)	100.00%		(\$5,882.75)		0.00%
Other income	(\$79,596.34)	(\$178,782.00)	(\$99,185.66)	55.48%	(\$66,913.73)	(\$131,868.31)	(\$118,535.00)	43.55%
	(\$140,466.13)	(\$582,108.00)	(\$441,641.87)	75.87%	(\$103,759.56)	(\$248,415.74)	(\$251,966.00)	58.82%
<b>EXPENDITURES</b>								
Salaries	\$2,138,546.52	\$4,891,103.81	\$2,752,557.29	56.28%	\$2,084,948.36	\$4,322,057.23	\$4,555,085.00	54.23%
Benefits	\$887,615.28	\$1,920,539.65	\$1,032,924.37	53.78%	\$1,036,314.73	\$1,843,753.70	\$1,918,204.00	45.97%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$3,026,161.80</b>	<b>\$6,811,643.46</b>	<b>\$3,785,481.66</b>	<b>55.57%</b>	<b>\$3,121,263.09</b>	<b>\$6,165,810.93</b>	<b>\$6,473,289.00</b>	<b>51.78%</b>
Travel and training	\$16,344.74	\$131,534.00	\$115,189.26	87.57%	\$21,744.30	\$47,263.38	\$135,195.00	83.92%
Vehicle allowance, maintenance and repairs	\$23.32	\$1,170.00	\$1,146.68	98.01%	\$54.27	\$239.98	\$1,190.00	95.44%
Materials and supplies	\$126,984.02	\$111,198.00	(\$15,786.02)	(14.20%)	\$119,218.49	\$15,108.54	\$79,607.00	(49.76%)
Maintenance and repairs	\$680,295.15	\$942,192.00	\$261,896.85	27.80%	\$648,996.09	\$795,479.50	\$859,537.00	24.49%
Goods for resale		\$19,200.00	\$19,200.00	100.00%		\$19,200.00	\$19,200.00	100.00%
Rents and leases	\$63,791.95	\$138,000.00	\$74,208.05	53.77%	\$5,419.43	\$5,794.14	\$3,000.00	(80.65%)
Financial expenses	\$13,379.54	\$60,750.00	\$47,370.46	77.98%	\$12,429.58	\$31,172.51	\$60,750.00	79.54%
Purchased and contracted services	\$436,929.78	\$984,441.74	\$547,511.96	55.62%	\$261,406.06	\$942,287.05	\$1,051,508.00	75.14%
Grants to others		\$2,000.00	\$2,000.00	100.00%		\$808.46	\$2,000.00	100.00%
Transfer to own funds			\$0.00	0.00%		\$323,178.61	\$75,000.00	100.00%
Capital expense	\$24,900.72	\$123,750.00	\$98,849.28	79.88%	\$67,880.44	\$87,896.68	\$125,750.00	46.02%
Depreciation			\$0.00	0.00%		\$270,495.42		0.00%
<b>TOTAL OTHER EXPENSES</b>	<b>\$1,362,649.22</b>	<b>\$2,514,235.74</b>	<b>\$1,151,586.52</b>	<b>45.80%</b>	<b>\$1,137,148.66</b>	<b>\$2,538,924.27</b>	<b>\$2,412,737.00</b>	<b>52.87%</b>
	\$4,388,811.02	\$9,325,879.20	\$4,937,068.18	52.94%	\$4,258,411.75	\$8,704,735.20	\$8,886,026.00	52.08%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$4,248,344.89</b>	<b>\$8,743,771.20</b>	<b>\$4,495,426.31</b>	<b>51.41%</b>	<b>\$4,154,652.19</b>	<b>\$8,456,319.46</b>	<b>\$8,634,060.00</b>	<b>51.88%</b>
<b>NET (REVENUE)/EXPENDITURE</b>								
HR	1,004,499.87	2,218,223.54	1,213,723.67	55%				
IT	1,502,505.07	2,740,493.18	1,237,988.11	45%				
Clerks	574,147.64	1,101,470.76	527,323.12	48%				
Finance	1,167,192.31	2,683,583.72	1,516,391.41	57%				

## Legal Department - Second Quarter Ended June 30, 2022

	YTD	Budget	Variance	Percentage	2021 Actual To:	2021 Actual	Budget	Percentage
				Budget-Rem				Budget-Rem
<b>FISCAL YEAR REMAINING% :</b>	Actual	2022		50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$689,046.48)	(\$1,770,434.00)	(\$1,081,387.52)	61.08%	(\$804,802.65)	(\$1,378,846.79)	(\$1,770,434.00)	54.54%
Government grants	(\$2,375.32)		\$2,375.32	0.00%		(\$214,107.17)		0.00%
Interest and Investment income	(\$543.76)		\$543.76	0.00%	(\$308.13)	(\$2,160.28)		0.00%
	(\$691,965.56)	(\$1,770,434.00)	(\$1,078,468.44)	60.92%	(\$805,110.78)	(\$1,595,114.24)	(\$1,770,434.00)	54.52%
<b>EXPENDITURES</b>								
Salaries	\$551,173.30	\$1,257,696.31	\$706,523.01	56.18%	\$525,663.62	\$1,101,524.40	\$1,112,443.00	52.75%
Benefits	\$143,553.55	\$283,508.46	\$139,954.91	49.37%	\$143,748.26	\$278,639.10	\$284,197.00	49.42%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$694,726.85</b>	<b>\$1,541,204.77</b>	<b>\$846,477.92</b>	<b>54.92%</b>	<b>\$669,411.88</b>	<b>\$1,380,163.50</b>	<b>\$1,396,640.00</b>	<b>52.07%</b>
Travel and training	(\$23.61)	\$25,335.00	\$25,358.61	100.09%	\$213.70	\$2,349.07	\$25,335.00	99.16%
Materials and supplies	\$35,952.09	\$79,730.00	\$43,777.91	54.91%	\$33,352.94	\$65,675.57	\$79,730.00	58.17%
Maintenance and repairs		\$2,170.00	\$2,170.00	100.00%			\$2,170.00	100.00%
Rents and leases	\$39,129.70	\$79,302.00	\$40,172.30	50.66%	\$34,316.50	\$63,390.24	\$79,302.00	56.73%
Taxes and licenses	\$1,904,028.08	\$2,052,955.00	\$148,926.92	7.25%	\$1,700,132.90	\$1,462,486.63	\$1,753,305.00	3.03%
Purchased and contracted services	\$143,662.83	\$308,387.00	\$164,724.17	53.41%	\$115,122.76	\$277,589.45	\$347,398.00	66.86%
Capital expense	\$3,149.14	\$8,000.00	\$4,850.86	60.64%	\$5,046.36	\$6,969.60	\$8,000.00	36.92%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$2,559.59)		0.00%
<b>TOTAL OTHER EXPENSES</b>	<b>\$2,125,898.23</b>	<b>\$2,555,879.00</b>	<b>\$429,980.77</b>	<b>16.82%</b>	<b>\$1,888,185.16</b>	<b>\$1,875,900.97</b>	<b>\$2,295,240.00</b>	<b>17.73%</b>
	\$2,820,625.08	\$4,097,083.77	\$1,276,458.69	31.16%	\$2,557,597.04	\$3,256,064.47	\$3,691,880.00	30.72%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$2,128,659.52</b>	<b>\$2,326,649.77</b>	<b>\$197,990.25</b>	<b>8.51%</b>	<b>\$1,752,486.26</b>	<b>\$1,660,950.23</b>	<b>\$1,921,446.00</b>	<b>8.79%</b>

## Fire Services - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$155,251.44)	(\$250,438.00)	(\$95,186.56)	38.01%	(\$178,134.87)	(\$292,605.33)	(\$250,438.00)	28.87%
Government grants			\$0.00	0.00%	(\$22,600.00)	(\$406,322.97)		0.00%
Other income	(\$1,187.80)	(\$3,000.00)	(\$1,812.20)	60.41%	(\$326.29)	(\$2,259.64)	(\$3,000.00)	89.12%
	(\$156,439.24)	(\$253,438.00)	(\$96,998.76)	38.27%	(\$201,061.16)	(\$701,187.94)	(\$253,438.00)	20.67%
<b>EXPENDITURES</b>								
Salaries	\$6,375,745.11	\$10,833,853.93	\$4,458,108.82	41.15%	\$5,665,633.23	\$10,963,614.59	\$10,745,671.00	47.28%
Benefits	\$1,828,864.85	\$3,423,383.12	\$1,594,518.27	46.58%	\$1,705,453.80	\$3,090,310.80	\$3,322,916.00	48.68%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$8,204,609.96</b>	<b>\$14,257,237.05</b>	<b>\$6,052,627.09</b>	<b>42.45%</b>	<b>\$7,371,087.03</b>	<b>\$14,053,925.39</b>	<b>\$14,068,587.00</b>	<b>47.61%</b>
Travel and training	\$40,410.63	\$141,220.00	\$100,809.37	71.38%	\$28,832.21	\$75,794.48	\$116,220.00	75.19%
Vehicle allowance, maintenance and repairs	\$139,202.12	\$162,440.00	\$23,237.88	14.31%	\$81,746.13	\$229,571.32	\$162,440.00	49.68%
Utilities and Fuel	\$88,538.50	\$249,100.00	\$160,561.50	64.46%	\$88,864.04	\$206,101.87	\$249,100.00	64.33%
Materials and supplies	\$7,468.50	\$129,200.00	\$121,731.50	94.22%	\$24,346.40	\$447,052.28	\$119,200.00	79.58%
Maintenance and repairs	\$90,621.35	\$143,789.00	\$53,167.65	36.98%	\$80,144.47	\$165,404.06	\$135,709.00	40.94%
Financial expenses	\$2,411.05	\$2,500.00	\$88.95	3.56%	\$3,380.15	\$5,172.36	\$2,500.00	(35.21%)
Purchased and contracted services	\$5,946.50	\$18,200.00	\$12,253.50	67.33%	\$3,641.94	\$20,567.26	\$18,200.00	79.99%
Transfer to own funds		\$312,150.60	\$312,150.60	100.00%		\$367,990.58	\$306,030.00	100.00%
Capital expense	\$30,692.74	\$60,566.00	\$29,873.26	49.32%	\$31,379.66	\$54,802.77	\$60,566.00	48.19%
Depreciation			\$0.00	0.00%		\$430,095.24		0.00%
<b>TOTAL OTHER EXPENSES</b>	<b>\$405,291.39</b>	<b>\$1,219,165.60</b>	<b>\$813,874.21</b>	<b>66.76%</b>	<b>\$342,335.00</b>	<b>\$2,002,552.22</b>	<b>\$1,169,965.00</b>	<b>70.74%</b>
	\$8,609,901.35	\$15,476,402.65	\$6,866,501.30	44.37%	\$7,713,422.03	\$16,056,477.61	\$15,238,552.00	49.38%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$8,453,462.11</b>	<b>\$15,222,964.65</b>	<b>\$6,769,502.54</b>	<b>44.47%</b>	<b>\$7,512,360.87</b>	<b>\$15,355,289.67</b>	<b>\$14,985,114.00</b>	<b>49.87%</b>

## Public Works & Engineering - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$2,129,655.37)	(\$3,647,515.18)	(\$1,517,859.81)	41.61%	(\$2,346,257.10)	(\$4,678,260.16)	(\$3,443,387.00)	31.86%
Government grants	(\$1,083,609.23)	(\$737,429.00)	\$346,180.23	(46.94%)	(\$7,101.76)	(\$821,264.51)	(\$698,769.00)	98.98%
Contribution from own funds		(\$5,000.00)	(\$5,000.00)	100.00%		(\$4,688.64)	(\$5,000.00)	100.00%
Other income	(\$94,979.20)	(\$75,000.00)	\$19,979.20	(26.64%)	(\$83,626.08)	(\$201,355.95)	(\$75,000.00)	(11.50%)
	(\$3,308,243.80)	(\$4,464,944.18)	(\$1,156,700.38)	25.91%	(\$2,436,984.94)	(\$5,705,569.26)	(\$4,222,156.00)	42.28%
<b>EXPENDITURES</b>								
Salaries	\$9,223,584.91	\$19,065,053.55	\$9,841,468.64	51.62%	\$8,742,083.02	\$18,093,851.47	\$18,655,428.00	53.14%
Benefits	\$2,433,464.59	\$5,072,628.21	\$2,639,163.62	52.03%	\$2,438,583.70	\$4,811,692.01	\$5,200,177.00	53.11%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$11,657,049.50</b>	<b>\$24,137,681.76</b>	<b>\$12,480,632.26</b>	<b>51.71%</b>	<b>\$11,180,666.72</b>	<b>\$22,905,543.48</b>	<b>\$23,855,605.00</b>	<b>53.13%</b>
Travel and training	\$30,379.83	\$114,143.12	\$83,763.29	73.38%	\$22,729.80	\$39,602.70	\$117,846.00	80.71%
Vehicle allowance, maintenance and repairs	\$1,605,158.16	\$2,322,139.20	\$716,981.04	30.88%	\$1,699,060.27	\$3,410,426.06	\$1,967,120.00	13.63%
Utilities and Fuel	\$3,072,790.15	\$7,449,096.94	\$4,376,306.79	58.75%	\$2,874,603.23	\$6,326,053.97	\$7,089,400.00	59.45%
Materials and supplies	\$1,750,021.20	\$3,453,647.32	\$1,703,626.12	49.33%	\$1,529,589.48	\$3,798,477.41	\$3,663,105.00	58.24%
Maintenance and repairs	\$143,354.03	\$230,400.00	\$87,045.97	37.78%	\$122,425.06	\$198,177.48	\$201,940.00	39.38%
Taxes and licenses	\$70,121.07	\$85,455.00	\$15,333.93	17.94%	\$69,298.01	\$85,339.05	\$97,455.00	28.89%
Financial expenses	\$5,443.36	\$5,528.36	\$85.00	1.54%	\$5,964.29	\$12,696.64	\$5,518.00	(8.09%)
Purchased and contracted services	\$3,206,846.54	\$7,350,252.50	\$4,143,405.96	56.37%	\$2,788,464.11	\$7,063,415.63	\$7,247,102.00	61.52%
Transfer to own funds	\$707,422.00	\$4,511,042.36	\$3,803,620.36	84.32%	\$692,416.00	\$5,950,160.21	\$4,055,452.00	82.93%
Capital expense	\$29,826.93	\$97,758.36	\$67,931.43	69.49%	\$24,450.70	\$107,042.27	\$97,018.00	74.80%
Depreciation			\$0.00	0.00%		\$13,500,714.85		0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$51,671.04)		0.00%
Less: recoverable costs	(\$140,500.68)	(\$255,130.00)	(\$114,629.32)	44.93%	(\$166,293.90)	(\$369,457.91)	(\$220,130.00)	24.46%
<b>TOTAL OTHER EXPENSES</b>	<b>\$10,480,862.59</b>	<b>\$25,364,333.16</b>	<b>\$14,883,470.57</b>	<b>58.68%</b>	<b>\$9,662,707.05</b>	<b>\$40,070,977.32</b>	<b>\$24,321,826.00</b>	<b>60.27%</b>
	\$22,137,912.09	\$49,502,014.92	\$27,364,102.83	55.28%	\$20,843,373.77	\$62,976,520.80	\$48,177,431.00	56.74%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$18,829,668.29</b>	<b>\$45,037,070.74</b>	<b>\$26,207,402.45</b>	<b>58.19%</b>	<b>\$18,406,388.83</b>	<b>\$57,270,951.54</b>	<b>\$43,955,275.00</b>	<b>58.12%</b>
Public Works	\$14,720,472.39	\$30,890,159.28	\$16,169,686.89	52.35%				
Engineering	\$4,109,195.90	\$14,146,911.46	\$10,037,715.56	70.95%				

# Public Works - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$1,250,975.06)	(\$2,383,216.00)	(\$1,132,240.94)	47.51%	(\$1,231,814.91)	(\$2,655,946.15)	(\$2,226,181.00)	44.67%
Government grants	(\$208,609.23)	(\$705,269.00)	(\$496,659.77)	70.42%	(\$7,101.76)	(\$729,726.11)	(\$668,769.00)	98.94%
Contribution from own funds		(\$5,000.00)	(\$5,000.00)	100.00%		(\$4,688.64)	(\$5,000.00)	100.00%
Other income	(\$94,979.20)	(\$75,000.00)	\$19,979.20	(26.64%)	(\$83,626.08)	(\$201,355.95)	(\$75,000.00)	(11.50%)
	(\$1,554,563.49)	(\$3,168,485.00)	(\$1,613,921.51)	50.94%	(\$1,322,542.75)	(\$3,591,716.85)	(\$2,974,950.00)	55.54%
<b>EXPENDITURES</b>								
Salaries	\$7,788,457.27	\$15,863,502.25	\$8,075,044.98	50.90%	\$7,357,456.26	\$15,174,646.36	\$15,555,454.00	52.70%
Benefits	\$2,056,560.13	\$4,317,248.13	\$2,260,688.00	52.36%	\$2,063,005.53	\$4,066,408.95	\$4,430,910.00	53.44%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$9,845,017.40</b>	<b>\$20,180,750.38</b>	<b>\$10,335,732.98</b>	<b>51.22%</b>	<b>\$9,420,461.79</b>	<b>\$19,241,055.31</b>	<b>\$19,986,364.00</b>	<b>52.87%</b>
Travel and training	\$31,338.31	\$88,990.00	\$57,651.69	64.78%	\$22,073.64	\$33,341.38	\$88,990.00	75.20%
Vehicle allowance, maintenance and repairs	\$1,594,606.57	\$2,291,040.00	\$696,433.43	30.40%	\$1,690,144.79	\$3,384,052.09	\$1,937,520.00	12.77%
Utilities and Fuel	\$1,182,355.67	\$1,851,409.54	\$669,053.87	36.14%	\$750,576.01	\$1,777,906.64	\$1,626,188.00	53.84%
Materials and supplies	\$1,659,486.36	\$3,226,353.00	\$1,566,866.64	48.56%	\$1,452,988.80	\$3,392,772.69	\$3,437,858.00	57.74%
Taxes and licenses	\$70,121.07	\$85,455.00	\$15,333.93	17.94%	\$69,298.01	\$85,339.05	\$97,455.00	28.89%
Financial expenses	\$5,725.01	\$5,000.00	(\$725.01)	(14.50%)	\$5,902.53	\$13,300.66	\$5,000.00	(18.05%)
Purchased and contracted services	\$1,294,508.75	\$3,451,589.00	\$2,157,080.25	62.50%	\$1,155,254.38	\$3,323,822.22	\$3,422,794.00	66.25%
Transfer to own funds	\$707,422.00	\$3,086,587.36	\$2,379,165.36	77.08%	\$692,416.00	\$3,324,161.62	\$2,645,173.00	73.82%
Capital expense	\$24,955.42	\$46,600.00	\$21,644.58	46.45%	\$20,055.69	\$95,147.55	\$46,600.00	56.96%
Depreciation			\$0.00	0.00%		\$2,356,265.56		0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$51,948.87)		0.00%
Less: recoverable costs	(\$140,500.68)	(\$255,130.00)	(\$114,629.32)	44.93%	(\$166,293.90)	(\$369,457.91)	(\$220,130.00)	24.46%
<b>TOTAL OTHER EXPENSES</b>	<b>\$6,430,018.48</b>	<b>\$13,877,893.90</b>	<b>\$7,447,875.42</b>	<b>53.67%</b>	<b>\$5,692,415.95</b>	<b>\$17,364,702.68</b>	<b>\$13,087,448.00</b>	<b>56.50%</b>
	\$16,275,035.88	\$34,058,644.28	\$17,783,608.40	52.21%	\$15,112,877.74	\$36,605,757.99	\$33,073,812.00	54.31%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$14,720,472.39</b>	<b>\$30,890,159.28</b>	<b>\$16,169,686.89</b>	<b>52.35%</b>	<b>\$13,790,334.99</b>	<b>\$33,014,041.14</b>	<b>\$30,098,862.00</b>	<b>54.18%</b>

<b>Operations</b>				
Winter Control: Roadways and Sidewalks	6,055,960.42	7,202,786.00	1,146,825.58	15.92%
Sanitary Sewers	760,119.82	2,062,118.77	1,301,998.95	63.14%
Storm Sewers	118,069.53	622,488.69	504,419.16	81.03%
Roadways and Sidewalks	639,297.72	3,714,166.13	3,074,868.41	82.79%
Supervision and Overhead	1,595,445.01	3,181,859.96	1,586,414.95	49.86%
Traffic & Communications	804,471.20	1,852,734.39	1,048,263.19	56.58%
Carpentry	406,208.60	681,042.39	274,833.79	40.35%
Administration	894,924.28	1,679,651.33	784,727.05	46.72%
Buildings & Equipment	755,057.80	2,243,633.90	1,488,576.10	66.35%
Waste Management	1,008,685.03	3,982,211.28	2,973,526.25	74.67%
Parks	1,682,232.98	3,667,466.44	1,985,233.46	54.13%



## Engineering - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$878,680.31)	(\$1,264,299.18)	(\$385,618.87)	30.50%	(\$1,114,442.19)	(\$2,022,314.01)	(\$1,217,206.00)	8.44%
Government grants	(\$875,000.00)	(\$32,160.00)	\$842,840.00	(2,620.77%)		(\$91,538.40)	(\$30,000.00)	100.00%
	(\$1,753,680.31)	(\$1,296,459.18)	\$457,221.13	(35.27%)	(\$1,114,442.19)	(\$2,113,852.41)	(\$1,247,206.00)	10.64%
<b>EXPENDITURES</b>								
Salaries	\$1,435,127.64	\$3,201,551.30	\$1,766,423.66	55.17%	\$1,384,626.76	\$2,919,205.11	\$3,099,974.00	55.33%
Benefits	\$376,904.46	\$755,380.08	\$378,475.62	50.10%	\$375,578.17	\$745,283.06	\$769,267.00	51.18%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$1,812,032.10</b>	<b>\$3,956,931.38</b>	<b>\$2,144,899.28</b>	<b>54.21%</b>	<b>\$1,760,204.93</b>	<b>\$3,664,488.17</b>	<b>\$3,869,241.00</b>	<b>54.51%</b>
Travel and training	(\$958.48)	\$25,153.12	\$26,111.60	103.81%	\$656.16	\$6,261.32	\$28,856.00	97.73%
Vehicle allowance, maintenance and repairs	\$10,551.59	\$31,099.20	\$20,547.61	66.07%	\$8,915.48	\$26,373.97	\$29,600.00	69.88%
Utilities and Fuel	\$1,890,434.48	\$5,597,687.40	\$3,707,252.92	66.23%	\$2,124,027.22	\$4,548,147.33	\$5,463,212.00	61.12%
Materials and supplies	\$90,534.84	\$227,294.32	\$136,759.48	60.17%	\$76,600.68	\$405,704.72	\$225,247.00	65.99%
Maintenance and repairs	\$143,354.03	\$230,400.00	\$87,045.97	37.78%	\$122,425.06	\$198,177.48	\$201,940.00	39.38%
Financial expenses	(\$281.65)	\$528.36	\$810.01	153.31%	\$61.76	(\$604.02)	\$518.00	88.08%
Purchased and contracted services	\$1,912,337.79	\$3,898,663.50	\$1,986,325.71	50.95%	\$1,633,209.73	\$3,739,593.41	\$3,824,308.00	57.29%
Transfer to own funds		\$1,424,455.00	\$1,424,455.00	100.00%		\$2,625,998.59	\$1,410,279.00	100.00%
Capital expense	\$4,871.51	\$51,158.36	\$46,286.85	90.48%	\$4,395.01	\$11,894.72	\$50,418.00	91.28%
Depreciation			\$0.00	0.00%		\$11,144,449.29		0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		\$277.83		0.00%
<b>TOTAL OTHER EXPENSES</b>	<b>\$4,050,844.11</b>	<b>\$11,486,439.26</b>	<b>\$7,435,595.15</b>	<b>64.73%</b>	<b>\$3,970,291.10</b>	<b>\$22,706,274.64</b>	<b>\$11,234,378.00</b>	<b>64.66%</b>
	\$5,862,876.21	\$15,443,370.64	\$9,580,494.43	62.04%	\$5,730,496.03	\$26,370,762.81	\$15,103,619.00	62.06%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$4,109,195.90</b>	<b>\$14,146,911.46</b>	<b>\$10,037,715.56</b>	<b>70.95%</b>	<b>\$4,616,053.84</b>	<b>\$24,256,910.40</b>	<b>\$13,856,413.00</b>	<b>66.69%</b>

# Community Development & Enterprise Services - Second Quarter Ended June 30, 2022

	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
FISCAL YEAR REMAINING% :	Actual	2022		Budget-Rem 50%	Actual To: June	Actual Year End	2021	Budget-Rem YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$3,338,650.19)	(\$8,184,516.07)	(\$4,845,865.88)	59.21%	(\$2,073,722.61)	(\$4,675,816.79)	(\$6,841,922.00)	69.69%
Government grants	(\$2,262,161.26)	(\$1,666,196.00)	\$595,965.26	(35.77%)	(\$2,342,085.64)	(\$4,535,966.66)	(\$2,018,792.00)	(16.01%)
Contribution from own funds	(\$102,476.40)	(\$465,454.00)	(\$362,977.60)	77.98%	(\$173,025.86)	(\$645,638.73)	(\$278,715.00)	37.92%
Other income	(\$43,316.62)	(\$119,204.85)	(\$75,888.23)	63.66%	(\$51,908.73)	(\$83,639.06)	(\$111,920.00)	53.62%
	(\$5,746,604.47)	(\$10,435,370.92)	(\$4,688,766.45)	44.93%	(\$4,640,742.84)	(\$9,941,061.24)	(\$9,251,349.00)	49.84%
<b>EXPENDITURES</b>								
Salaries	\$6,487,757.12	\$14,469,391.88	\$7,981,634.76	55.16%	\$5,730,231.20	\$12,489,324.22	\$13,867,870.00	58.68%
Benefits	\$1,628,086.86	\$3,522,104.48	\$1,894,017.62	53.78%	\$1,582,326.09	\$3,249,307.55	\$3,476,393.00	54.48%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$8,115,843.98</b>	<b>\$17,991,496.36</b>	<b>\$9,875,652.38</b>	<b>54.89%</b>	<b>\$7,312,557.29</b>	<b>\$15,738,631.77</b>	<b>\$17,344,263.00</b>	<b>57.84%</b>
Travel and training	\$16,988.06	\$111,507.00	\$94,518.94	84.77%	\$10,961.09	\$24,471.37	\$137,327.00	92.02%
Vehicle allowance, maintenance and repairs	\$572,548.97	\$1,044,745.00	\$472,196.03	45.20%	\$647,407.44	\$1,408,610.32	\$987,560.00	34.44%
Utilities and Fuel	\$1,600,487.89	\$3,193,435.88	\$1,592,947.99	49.88%	\$1,181,347.70	\$2,795,091.56	\$3,093,438.00	61.81%
Materials and supplies	\$340,605.01	\$932,001.00	\$591,395.99	63.45%	\$264,195.10	\$1,088,557.03	\$894,030.00	70.45%
Maintenance and repairs	\$663,165.51	\$1,325,039.00	\$661,873.49	49.95%	\$505,105.24	\$1,094,667.86	\$1,229,787.00	58.93%
Program expenses	\$31,425.25	\$169,540.03	\$138,114.78	81.46%	(\$6.51)	\$22,730.66	\$102,470.00	100.01%
Goods for resale	\$174,031.26	\$537,796.00	\$363,764.74	67.64%	\$23,318.96	\$266,027.45	\$469,960.00	95.04%
Rents and leases	\$48,582.24	\$90,255.00	\$41,672.76	46.17%	\$634.98	\$86,748.61	\$82,255.00	99.23%
Taxes and licenses	\$172,177.24	\$173,250.00	\$1,072.76	0.62%	\$190,188.58	\$204,434.83	\$172,250.00	(10.41%)
Financial expenses	\$70,672.03	\$99,287.01	\$28,614.98	28.82%	\$24,164.20	\$70,716.87	\$110,515.00	78.13%
Purchased and contracted services	\$913,901.12	\$1,650,692.22	\$736,791.10	44.64%	\$531,771.63	\$1,653,534.84	\$1,731,620.00	69.29%
Grants to others	\$81,800.57	\$66,500.00	(\$15,300.57)	(23.01%)	\$135,702.13	\$225,457.32	\$66,500.00	(104.06%)
Transfer to own funds		\$1,413,196.00	\$1,413,196.00	100.00%		\$510,464.29	\$218,040.00	100.00%
Capital expense	\$56,514.10	\$60,768.88	\$4,254.78	7.00%	\$88,276.31	\$141,594.93	\$58,617.00	(50.60%)
Depreciation			\$0.00	0.00%		\$2,871,016.96		0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		\$229,741.68		0.00%
<b>TOTAL OTHER EXPENSES</b>	<b>\$4,742,899.25</b>	<b>\$10,868,013.02</b>	<b>\$6,125,113.77</b>	<b>56.36%</b>	<b>\$3,603,066.85</b>	<b>\$12,693,866.58</b>	<b>\$9,354,369.00</b>	<b>61.48%</b>
	\$12,858,743.23	\$28,859,509.38	\$16,000,766.15	55.44%	\$10,915,624.14	\$28,432,498.35	\$26,698,632.00	59.12%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$7,112,138.76</b>	<b>\$18,424,138.46</b>	<b>\$11,311,999.70</b>	<b>61.40%</b>	<b>\$6,274,881.30</b>	<b>\$18,491,437.11</b>	<b>\$17,447,283.00</b>	<b>64.04%</b>
Planning	\$635,254.19	\$1,019,930.10	\$384,675.91	37.72%				
LIP	(\$319,037.83)	\$0.29	\$319,038.12	.00%				
Humane Society	\$311,163.48	\$622,326.51	\$311,163.03	50.00%				
Recreation & Culture	\$589,711.56	\$1,846,607.24	\$1,256,895.68	68.07%				
Community Centres:								
John Rhodes Community Centre	\$640,186.97	\$1,806,583.32	\$1,166,396.35	64.56%				
McMeeken Centre	\$59,769.92	\$210,973.99	\$151,204.07	71.67%				
Northern Community Centre	(\$30,768.62)	\$46,173.42	\$76,942.04	166.64%				
GFL Memorial Gardens	\$458,815.43	\$761,980.50	\$303,165.07	39.79%				
Locks	(\$26,915.14)	\$30,320.59	\$57,235.73	188.77%				
Downtown Plaza	\$0.00	\$41,667.00	\$41,667.00	100.00%				
Outdoor Pools/Misc Concessions	\$57,801.02	\$171,131.86	\$113,330.84	66.22%				
Administration	\$400,127.94	\$801,872.08	\$401,744.14	50.10%				
Cemetery	\$249,886.53	\$78,897.39	(\$170,989.14)	(216.72%)				
Transit	\$2,704,371.68	\$7,968,458.91	\$5,264,087.23	66.06%				
School Guards	\$175,573.02	\$291,329.05	\$115,756.03	39.73%				
Tourism and Community Development	\$123,906.87	\$514,108.09	\$390,201.22	75.90%				
Economic Development	\$202,009.54	\$727,759.21	\$525,749.67	72.24%				
Future SSM	\$396,582.36	\$427,292.76	\$30,710.40	7.19%				
Parking	\$128,851.22	\$210,567.56	\$81,716.34	38.81%				
Administration	\$354,848.62	\$846,158.59	\$491,309.97	58.06%				

## Levy Boards - Second Quarter Ended June 30, 2022

	YTD	Budget	Variance	Percentage Budget-Rem	2021 Actual To: June	2021 Actual Year End	Budget 2021	Percentage Budget-Rem YTD 2021
<b>FISCAL YEAR REMAINING% :</b>	Actual	2022		50%				
REVENUE								
EXPENDITURES								
Grants to others	\$11,253,428.50	\$22,506,857.36	\$11,253,428.86	50.00%	\$10,820,322.00	\$21,640,644.00	\$21,653,329.00	50.03%
TOTAL OTHER EXPENSES	\$11,253,428.50	\$22,506,857.36	\$11,253,428.86	50.00%	\$10,820,322.00	\$21,640,644.00	\$21,653,329.00	50.03%
	\$11,253,428.50	\$22,506,857.36	\$11,253,428.86	50.00%	\$10,820,322.00	\$21,640,644.00	\$21,653,329.00	50.03%
NET (REVENUE)/EXPENDITURE	\$11,253,428.50	\$22,506,857.36	\$11,253,428.86	50.00%	\$10,820,322.00	\$21,640,644.00	\$21,653,329.00	50.03%

## Outside Agencies (Main) - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$188,046.80)	(\$130,000.00)	\$58,046.80	(44.65%)	(\$136,860.28)	(\$127,563.48)	(\$130,000.00)	(5.28%)
Government grants	(\$1.00)	(\$200,000.00)	(\$199,999.00)	100.00%	(\$45,575.98)	(\$212,733.98)	(\$200,000.00)	77.21%
Contribution from own funds		\$0.00	\$0.00	0.00%		(\$78,126.10)		0.00%
	(\$188,047.80)	(\$330,000.00)	(\$141,952.20)	43.02%	(\$182,436.26)	(\$418,423.56)	(\$330,000.00)	44.72%
<b>EXPENDITURES</b>								
Materials and supplies	\$118,889.60	\$220,000.00	\$101,110.40	45.96%	\$68,203.21	\$294,002.77	\$220,000.00	69.00%
Grants to others	\$19,286,225.35	\$36,361,965.58	\$17,075,740.23	46.96%	\$16,912,823.58	\$35,454,661.69	\$33,856,169.00	50.05%
Transfer to own funds		\$580,000.00	\$580,000.00	100.00%		\$620,936.81	\$580,000.00	100.00%
<b>TOTAL OTHER EXPENSES</b>	<b>\$19,405,114.95</b>	<b>\$37,161,965.58</b>	<b>\$17,756,850.63</b>	<b>47.78%</b>	<b>\$16,981,026.79</b>	<b>\$36,369,601.27</b>	<b>\$34,656,169.00</b>	<b>51.00%</b>
	\$19,405,114.95	\$37,161,965.58	\$17,756,850.63	47.78%	\$16,981,026.79	\$36,369,601.27	\$34,656,169.00	51.00%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$19,217,067.15</b>	<b>\$36,831,965.58</b>	<b>\$17,614,898.43</b>	<b>47.83%</b>	<b>\$16,798,590.53</b>	<b>\$35,951,177.71</b>	<b>\$34,326,169.00</b>	<b>51.06%</b>

## Corporate Financials - Second Quarter Ended June 30, 2022

	YTD	Budget	Variance	Percentage Budget-Rem	2021 Actual To:	2021 Actual Year End	Budget	Percentage Budget-Rem
<b>FISCAL YEAR REMAINING% :</b>	Actual	2022		50%	June		2021	YTD 2021
<b>REVENUE</b>								
Taxation	(\$128,921,708.08)	(\$130,256,397.01)	(\$1,334,688.93)	1.02%	(\$123,832,736.39)	(\$125,895,298.92)	(\$125,248,213.00)	1.13%
Payment in Lieu of taxes	(\$2,459,533.47)	(\$4,501,741.00)	(\$2,042,207.53)	45.36%	(\$2,159,582.75)	(\$4,490,231.86)	(\$4,480,756.00)	51.80%
Fees and user charges	(\$7,856,924.93)	(\$14,821,847.00)	(\$6,964,922.07)	46.99%	(\$6,816,078.43)	(\$14,825,090.23)	(\$14,116,044.00)	51.71%
Government grants	(\$8,915,356.69)	(\$16,838,798.00)	(\$7,923,441.31)	47.05%	(\$10,274,925.19)	(\$18,729,619.26)	(\$16,412,618.00)	37.40%
Interest and Investment income	(\$1,730,452.36)	(\$4,320,000.00)	(\$2,589,547.64)	59.94%	(\$1,294,522.72)	(\$3,424,004.32)	(\$4,320,000.00)	70.03%
Contribution from own funds		(\$944,689.75)	(\$944,689.75)	100.00%		(\$1,034,645.70)	(\$1,914,308.00)	100.00%
Other income	(\$632,613.47)	(\$2,500,000.00)	(\$1,867,386.53)	74.70%	(\$261,146.23)	(\$1,746,026.03)	(\$1,540,000.00)	83.04%
Change in future employee benefits			\$0.00	0.00%		(\$12,051,300.16)		0.00%
	(\$150,516,589.00)	(\$174,183,472.76)	(\$23,666,883.76)	13.59%	(\$144,638,991.71)	(\$182,196,216.48)	(\$168,031,939.00)	13.92%
<b>EXPENDITURES</b>								
Salaries	(\$68.28)		\$68.28	0.00%		\$1,034,905.18		0.00%
Benefits	\$6,000.00	\$20,000.00	\$14,000.00	70.00%	\$10,000.00	\$14,000.00	\$20,000.00	50.00%
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$5,931.72</b>	<b>\$20,000.00</b>	<b>\$14,068.28</b>	<b>70.34%</b>	<b>\$10,000.00</b>	<b>\$1,048,905.18</b>	<b>\$20,000.00</b>	<b>50.00%</b>
Materials and supplies	\$16,438.09	\$300,878.00	\$284,439.91	94.54%	\$74,197.96	\$263,270.30	\$310,056.00	76.07%
Program expenses	\$409,460.45	\$763,788.18	\$354,327.73	46.39%	\$198,138.00	\$781,263.55	\$472,988.00	58.11%
Financial expenses	\$905,101.07	\$2,531,006.00	\$1,625,904.93	64.24%	\$1,964,073.75	\$2,912,319.22	\$2,530,756.00	22.39%
Purchased and contracted services	\$1,072.83	\$11,000.00	\$9,927.17	90.25%	\$35,020.24	\$37,185.55	\$11,000.00	(218.37%)
Grants to others		\$865.00	\$865.00	100.00%		\$863.72	\$865.00	100.00%
Transfer to own funds		\$12,465,550.32	\$12,465,550.32	100.00%	\$36,000.94	\$27,789,282.23	\$12,917,364.00	99.72%
<b>TOTAL OTHER EXPENSES</b>	<b>\$1,332,072.44</b>	<b>\$16,073,087.50</b>	<b>\$14,741,015.06</b>	<b>91.71%</b>	<b>\$2,307,430.89</b>	<b>\$31,784,184.57</b>	<b>\$16,243,029.00</b>	<b>85.79%</b>
	\$1,338,004.16	\$16,093,087.50	\$14,755,083.34	91.69%	\$2,317,430.89	\$32,833,089.75	\$16,263,029.00	85.75%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>(\$149,178,584.84)</b>	<b>(\$158,090,385.26)</b>	<b>(\$8,911,800.42)</b>	<b>5.64%</b>	<b>(\$142,321,560.82)</b>	<b>(\$149,363,126.73)</b>	<b>(\$151,768,910.00)</b>	<b>6.22%</b>

## Capital Levy & Debenture Debt - Second Quarter Ended June 30, 2022

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage	2021	2021	Budget	Percentage
	Actual	2022		Budget-Rem	Actual To:	Actual	2021	Budget-Rem
				50%	June	Year End	2021	YTD 2021
<b>REVENUE</b>								
Fees and user charges	(\$32,655.00)		\$32,655.00	0.00%	(\$50,515.21)	(\$187,378.09)	(\$350,000.00)	85.57%
	(\$32,655.00)	\$0.00	\$32,655.00	0.00%	(\$50,515.21)	(\$187,378.09)	(\$350,000.00)	85.57%
<b>EXPENDITURES</b>								
Long term debt	\$35,530.38	\$1,502,314.00	\$1,466,783.62	97.63%	\$617,411.26	\$1,795,301.64	\$1,795,301.00	65.61%
Transfer to own funds		\$6,368,384.28	\$6,368,384.28	100.00%		\$6,054,046.00	\$6,243,514.00	100.00%
<b>TOTAL OTHER EXPENSES</b>	<b>\$35,530.38</b>	<b>\$7,870,698.28</b>	<b>\$7,835,167.90</b>	<b>99.55%</b>	<b>\$617,411.26</b>	<b>\$7,849,347.64</b>	<b>\$8,038,815.00</b>	<b>92.32%</b>
	\$35,530.38	\$7,870,698.28	\$7,835,167.90	99.55%	\$617,411.26	\$7,849,347.64	\$8,038,815.00	92.32%
<b>NET (REVENUE)/EXPENDITURE</b>	<b>\$2,875.38</b>	<b>\$7,870,698.28</b>	<b>\$7,867,822.90</b>	<b>99.96%</b>	<b>\$566,896.05</b>	<b>\$7,661,969.55</b>	<b>\$7,688,815.00</b>	<b>92.63%</b>

## Appendix B

### Net Assessment Growth to June 30, 2022

	2022 Total Assessment Based on Returned Roll	2022 Total Assessment to June 30, 2022	Difference Between Returned Roll and Year End	
Class	CVA	CVA	\$	%
<b>Taxable</b>				
Residential	5,576,896,094	5,598,615,394	21,719,300	0.39%
New Multi-residential	11,795,000	12,603,000	808,000	6.85%
Multi-residential	434,333,538	434,191,538	-142,000	-0.03%
Com. Occupied	703,139,340	701,425,640	-1,713,700	-0.24%
Com. Exc. Land	5,257,460	5,257,460	0	0.00%
Shopping Occ.	142,506,373	142,506,373	0	0.00%
Office Occupied	16,743,991	16,743,991	0	0.00%
Parking/Vac. Land	24,572,800	24,572,800	0	0.00%
Ind. Occupied	42,457,372	42,457,372	0	0.00%
Ind. Exc. Land	1,035,800	1,035,800	0	0.00%
Ind. Vac. Land	6,143,100	6,221,100	78,000	1.27%
Large Ind. Occ.	60,465,900	60,465,900	0	0.00%
Large Ind. Exc.	162,100	162,100	0	0.00%
Pipelines	26,517,000	26,929,000	412,000	1.55%
Farm	1,461,100	2,136,800	675,700	46.25%
Managed Forests	2,841,500	2,739,500	-102,000	-3.59%
<b>Commercial Total Taxable</b>	<b>892,219,964</b>	<b>890,506,264</b>	<b>-1,713,700</b>	<b>-0.19%</b>
<b>Industrial Total Taxable</b>	<b>110,264,272</b>	<b>110,342,272</b>	<b>78,000</b>	<b>0.07%</b>
<b>Total Taxable</b>	<b>7,056,328,468</b>	<b>7,078,063,768</b>	<b>21,735,300</b>	<b>0.31%</b>

## Appendix C

### THE CORPORATION OF THE CITY OF SAULT STE MARIE

#### 2022 CAPITAL BUDGET

#### SUMMARY OF PROJECTS

As at June 30, 2022

	2022 Approved Capital Budget	2022 Capital Budget Amendments	Revised 2022 Capital Budget	% of Total	Council Approved/ Costs Incurred to Date	Remaining
<b>Roads/Bridges/Storm Sewers - Note 1</b>	\$ 17,829,606	\$ 3,442,606	\$ 21,272,212	47.1%	\$ 13,172,575	\$ 8,099,637
<b>Sanitary Sewer</b>	\$ 6,198,500	\$ -	\$ 6,198,500	13.7%	\$ 398,452	\$ 5,800,048
<b>Transit Fleet &amp; Equipment</b>	\$ 4,662,000	\$ -	\$ 4,662,000	10.3%	\$ -	\$ 4,662,000
<b>Building Capital Maintenance - Note 2</b>	\$ 4,088,000	\$ 2,624,307	\$ 6,712,307	14.9%	\$ 4,644,489	\$ 2,067,818
<b>Fire Fleet &amp; Equipment</b>	\$ 810,000	\$ -	\$ 810,000	1.8%	\$ -	\$ 810,000
<b>Public Works Fleet &amp; Equipment - Note 3</b>	\$ 1,804,831	\$ (266,450)	\$ 1,538,381	3.4%	\$ 1,037,125	\$ 501,256
<b>Growth Projects - Note 4</b>	\$ 500,000	\$ 700,000	\$ 1,200,000	2.7%	\$ 251,104	\$ 948,896
<b>Landfill Upgrades</b>	\$ 2,735,582	\$ -	\$ 2,735,582	6.1%	\$ 508,915	\$ 2,226,666
<b>TOTAL</b>	<b>\$ 38,628,519</b>	<b>\$ 6,500,463</b>	<b>\$ 45,128,982</b>	<b>100%</b>	<b>\$ 20,012,661</b>	<b>\$ 25,116,321</b>

#### Notes:

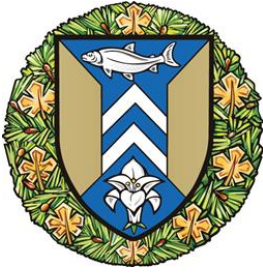
1 - Includes additional roadwork to be completed as a result of additional OCIF funding and NORDS funding approved after the 2022 Budget was finalized.

2 - Includes amendments for the NG911 system which is funded from the Asset Management Reserve as well as the amendment required for the Mill Market Relocation.

3 - This amendment reflects the uncommitment of funds for a Tandem Axle Street Sander partially reallocated to two other Public Works fleet projects. These funds will be uncommitted, therefore the reserve will not be drawn upon.

4 - This amendment is for the Promenade project, of which \$500,000 is funded by FedNor and the remaining \$200,000 from the Canada Community Revitalization Fund.





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

**C O U N C I L   R E P O R T**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

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

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** Twin Pad Expansion Update

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**PURPOSE**

The purpose of this report is to provide a project update and to seek approval to procure rubberized flooring for the walking track and open viewing area at the Northern Community Centre twin pad.

**BACKGROUND**

The twin pad expansion project is progressing well with a projected substantial completion date to be January 19, 2023.

There have been a few delays resulting from weather, product procurement delays resulting from the COVID-19 supply chain impact and the strike for some of the trades that have since been settled. The impacts have only amounted to a few weeks from the initial target completion date and the contractor, Ellis Don, has been progressing well.

The Twin Pad Arena Task Force met on July 28, 2022 to obtain a project status update and tour the build site.

**ANALYSIS**

The build is progressing very well with an estimated 70% completion presently.

Progress and current activities as of July 15th, 2022:

- Foundations are totally complete except for the front canopy footings and piers.
- Structural steel is complete except for front canopy.
- Miscellaneous metals installation continues, including bleacher railings and miscellaneous pit and roof ladders.
- Roofing – high roof is complete including curbs. Low roof areas and stairwell roofs will be completed by mid July.
- Slab on grade 85% complete. Main entrance lobby, north portion of Rink #2 apron, and Rink #1 apron have yet to be completed.

- Electrical and mechanical rough-ins are completed in Level 1 core area, Level 2 rough-ins continue.
- Interior concrete masonry units are 95% complete in the Level 1 core and low roof area areas, including doorframe installs.

The approved total project contingency spending amounts to \$1,505,737. As of July 4, 2022, there remains \$1,025,511 in available contingency funding after accounting for the rubberized flooring for the walking track. The spend of \$480,226 is a result of the normal change order process in alignment with the City's procurement guidelines.

There have been forty-one change orders to date as a part of the build process broken down into three major categories.

1. In scope changes
2. Out of scope changes
3. Drawn from outside contingency

There is one change order that requires Council authorization given that the size of the purchase exceeds the CAO's authorization limit. Given the balance of the contingency and stage of the project, staff discussed options for providing a rubberized surface on the walking track. It has been noted by users that a concrete surface can be harder on joints and a number of users, particularly seniors, enjoy the use of the indoor soccer pitches for walking when available due to the softer, rubberized surface.

Staff instructed the Consultant to obtain quotes for material and installation. The first quote received was higher than anticipated. Another request was made resulting in more favourable pricing. Staff directed the consultant to proceed in securing the materials to provide for rubber surfacing for the walking track and the viewing area between the two rinks. An oversight was made as the amount exceeds the CAO's authorization limit by \$17,383.

As the Twin Pad Arena Task Force experienced on the tour and Council can review with the pictures included in Appendix A – Twin Pad Progress Photos, the twin pad arena is quickly taking shape. It is exciting to see this new facility advancing and Staff look forward to working with the consulting team and contractor to complete this facility.

### **FINANCIAL IMPLICATIONS**

The request can be accommodated as part of the approved contingency budget.

### **STRATEGIC PLAN / POLICY IMPACT**

The recommendation supports the focus area of the Community Strategic Plan for 2021-2024 in a number of ways.

- Within the Service Delivery focus area, it continues to assist in delivering excellent customer service to citizens.

- Further, it exemplifies communication and stakeholder consultation to create an environment that encourages engagement and the exploration of mutual goals to grow our community. Collaboration with community partners and stakeholders is essential to our success.

### **RECOMMENDATION**

It is therefore recommended that Council take the following action:

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.

Respectfully submitted,

Tom Vair

Deputy CAO, Community Development & Enterprise Services

(705) 759-5264

[t.vair@cityssm.on.ca](mailto:t.vair@cityssm.on.ca)

## Appendix A – Twin Pad Progress Photos

Photos courtesy of Ellis Don

Photo 1 – Exterior West Face



Photo 2 – Exterior North Face



Photo 3 – Exterior East Face



Photo 4 – Exterior South Face





Photo 5 – Rink #1



Photo 6 - Rink #1



Photo 7 – Level 2 Mid-level Core



Photo 8 - Level 2 Mid-level Core



Photo 9 – North Low Roof Zamboni Room



Photo 10 – Main Lobby Stair #2





NCC TWIN PAD EXPANSION  
MONTHLY PROJECT REPORT

Photo 11 – Rink #2

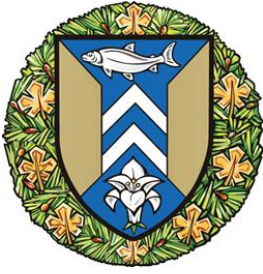


Photo 12 – Rink #2



Photo 13 – Level 2 Core Ductwork and Heavy Gauge Framing





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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Brent Lamming, Director of Community Services

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** Sault College Long Term Lease

---

**PURPOSE**

The purpose of this report is to seek Council's approval to enter into a new five (5) year lease agreement between The Corporation of the City of Sault Ste. Marie ("City") and Sault College ("College").

**BACKGROUND**

As the twin pad project continues to advance towards completion, staff have had discussions with Sault College on a collaboration that would establish Sault College as a long-term tenant at rink 1 in the new twin pad arena to support their varsity hockey programs.

**ANALYSIS**

Sault College provides varsity programming for both male and female hockey programs. Respective teams compete in the American Collegiate Hockey Association (ACHA). In 2019, the Men's team were Hockey National Champions. No Canadian men's team has ever won an ACHA championship and the Cougars did it in dominating style with a convincing 12- 3 win against the Grand Valley State University Lakers in Dallas, Texas. The female team also kicked off its inaugural season that same year.

Staff and representatives have been working together at forming a long-term partnership benefiting the College and the City. Some of the benefits are noted below:

**Major Benefits**

- Long term high profile anchor tenant for the facility
- Ability to host show case events with international exposure and increased tourism draw
- New facility to attract participants to the College program
- Increase the percentage of ice utilization

- Partnership supporting a key stakeholder in the Community
- Will increase draw to the Community facility for games and creates other revenue generating activities (food concessions and amenity usage onsite)

The lease agreement was based off an agreement in place at the John Rhodes Arena with the Soo Thunderbirds to ensure consistency in approach. The parties are satisfied with the terms and conditions as set out in the agreement.

Staff are recommending the agreement and are looking forward to working together with the new ownership group.

### **FINANCIAL IMPLICATIONS**

Upon commencement of the agreement the City will receive an estimated \$35,000 in rental revenue on an annual basis.

### **STRATEGIC PLAN / POLICY IMPACT**

The recommendation supports the focus area of the Community Strategic Plan for 2021-2024 in a number of ways.

- Within the Service Delivery focus area, it continues to assist in delivering excellent customer service to citizens.
- It supports the Community Development and Partnership focus of Maximizing Economic Development & Investment with the commitment to maintain financial viability.
- Furthermore, it exemplifies communication and stakeholder consultation to create an environment that encourages engagement and the exploration of mutual goals to grow our community. Collaboration with community partners and stakeholders is essential to our success.

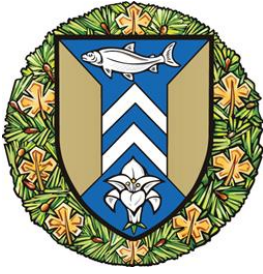
### **RECOMMENDATION**

It is therefore recommended that Council take the following action:

The relevant By-law 2022-147 and corresponding agreement appear elsewhere on the agenda and are recommended for approval.

Respectfully submitted,

Brent Lamming, PFP, CPA, CMA  
Director, Community Services  
Community Development & Enterprise Services  
(705)759-5314  
[b.lamming@cityssm.on.ca](mailto:b.lamming@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 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Brent Lamming, Director of Community Services

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** Vending Machine Rights – Community Centres

---

**PURPOSE**

To seek Council's approval to enter into an agreement for a three year term with Meyers Munchies. The City may extend the Term of the Agreement by a period of two years on the same terms and conditions upon providing Meyers with sixty days prior written notice before the expiry date.

**BACKGROUND**

A request for proposal was issued and at a Council meeting dated June 13, 2022 the following resolution was passed.

Resolved that the report of the Manager of Purchasing dated June 13, 2022 be received and that the proposal submitted by PepsiCo Beverages for the supply and delivery of soft drink concession supplies for a period of three years with an option to renew for up to two 1-year periods be approved.

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

At a Council meeting dated July 11, 2022 the following resolution was passed.

Resolved that By-law 2022-133 being a by-law to authorize the execution of the Agreement between the City and Pepsico Beverages Canada, a business unit of Pepsico Canada ULC for the supply and delivery of soft drink concession supplies for a period of three (3) years with option to renew for up to two 1-year periods be passed in open Council this 11th day of July, 2022.

**ANALYSIS**

Within the PepsiCo Beverages agreement, it references Vending Commissions as a part of Exhibit C, which was approved by Council.

Staff have subsequently prepared an agreement to have in place directly with the vending provider and are recommending for Council approval. The agreement

supports vending machines within City Community Centres. Vending machines provide a value add service to patrons during hours when concessions are not open.

### **FINANCIAL IMPLICATIONS**

As part of the Vending Machine rights, the City will see annual payments of \$9,000. The vending commission shall be calculated and paid by Meyers Munchies (TPO) to the Customer on a Meyers Munchies quarterly basis within thirty (30) days of the end of the applicable Meyers Munchies quarter.

### **STRATEGIC PLAN / POLICY IMPACT**

The recommendation supports the focus area of the Community Strategic Plan for 2021-2024 in a number of ways.

- Within the Service Delivery focus area, it continues to assist in delivering excellent customer service to citizens. We will work together to provide inclusive and accessible services to our diverse community.
- Under Community Development and Partnerships, this demonstrates our commitment to developing partnerships with our key stakeholders.

### **RECOMMENDATION**

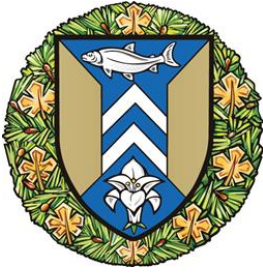
It is therefore recommended that Council take the following action:

The relevant By-law 2022-149 is listed under Agenda item 12 and will be read with all by-laws under that item.

Respectfully submitted,

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





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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Brent Lamming, Director of Community Services

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** Additional Donation in Support of Rosedale Park – Kiwanis Club of Lakeshore Foundation

---

**PURPOSE**

The purpose of this report is to request Council's approval to enter into an additional donation agreement with Kiwanis Club of Lakeshore Foundation in support of the purchase of playground equipment and/or park amenities at Rosedale Park.

**BACKGROUND**

Council adopted the Parks and Recreation Master Plan in 2019 and a multi-year revitalization plan in 2020.

The Rosedale Park revitalization project has had overwhelming community support to enhance playground equipment and/or site amenities. The Kiwanis Club of Lakeshore Foundation made two donations for Rosedale Park playground equipment in 2021 and Childcare Algoma and the Kiwanis Club of Sault Ste. Marie made a donation in 2022.

To date there has been \$140,000 in donations made to the project as follows:

<b>Organization</b>	<b>Amount</b>
Kiwanis Club of Lakeshore (two donations)	\$80,000
Childcare Algoma	\$50,000
Kiwanis Club of Sault Ste. Marie	\$10,000
<b>Subtotal</b>	<b>\$140,000</b>

The project aligns well with a number of the organizations values as noted here:

- Accessible and affordable childcare programs.
- Development and implementation of program/service enhancement to meet the growing needs within the Algoma District

- Programs, services, resources and funding to meet the needs of our community and industry.

## **ANALYSIS**

A tender was released with proposed amenities for the park space. A proponent has been chosen within the CAO's monetary approval limit. Pictures of selected amenities can found in Appendix A.

An open house was held on May 17, 2022 to obtain community feedback on the proposed amenities and provide suggestions to build in two phases and make adjustments with respect to phase one.

A corporate fundraising campaign along with further grant applications have been completed. As a result of those efforts another \$75,500 will aid with phase two of the project.

- Kiwanis Club Lakeshore Foundation \$75,500
  - Breakdown:
    - \$19,406 Club grant from Kiwanis Children's Fund
    - \$10,000 from the Kiwanis Foundation of Canada
    - \$10,000 Kiwanis Club of Lakeshore Foundation
    - \$36,094 in corporate sponsorship

This brings the overall total support to \$215,500.

A ground-breaking ceremony for phase one construction is scheduled for August 11, 2022 at 3 pm followed by a community barbeque sponsored by the three Kiwanis Clubs in Sault Ste. Marie which will run until 6 pm. Another tender will be issued in fall 2022 or early spring 2023 for additional park amenities raised as suggestions from the open house and through the working group.

The working group continues to meet to provide oversight for phase one construction and plan for phase two for the park.

Staff are recommending receipt of funds in alignment with the City's donation policy.

## **FINANCIAL IMPLICATIONS**

There will not be an impact to the operating budget for 2022 as a result of receiving the \$75,500 donation.

There would not be any additional operating expenses incurred if there is a new play structure and or amenities added to Rosedale Park. City staff currently inspect and repair the existing play structures at that site.

## **STRATEGIC PLAN / POLICY IMPACT**

This project supports the Focus Area: Infrastructure – Maintaining Existing Infrastructure. It also demonstrates fiscal responsibility in managing municipal



Additional Donation in Support of Rosedale Park –Kiwanis Club of Lakeshore  
Foundation  
August 8, 2022  
Page 3.

finances in a responsible and prudent manner. In addition, it is in alignment with developing key partnerships with stakeholders.

### **RECOMMENDATION**

It is therefore recommended that Council take the following action:

Resolved that the report of the Director of Community Services dated August 8, 2022 concerning Additional Donation in Support of Rosedale Park – Kiwanis Club of Lakeshore Foundation be received and that staff be authorized to issue a tender to allocate phase two funding in fall 2022 or early 2023.

The relevant By-law 2022-139 supporting donation agreements is listed under Agenda item 12 and will be read with all by-laws under that item.

Respectfully submitted,

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



## APPENDIX A























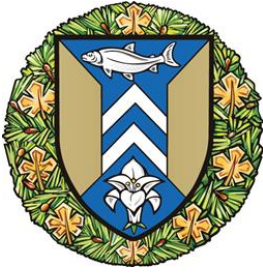












**The Corporation of the  
City of Sault Ste. Marie**

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Brent Lamming, Director of Community Services

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** Pouring Rights Agreement Extension- GFL Memorial Gardens

---

**PURPOSE**

To seek Council's approval to extend the pouring rights agreement for two one (1) year Renewal Terms for a total of two additional years with Molson Canada 2005 (Molson) per extension terms contained within the original agreement.

**BACKGROUND**

On May 10, 2018, the City of Sault Ste. Marie issued a Request for Proposals for the Beer Pouring Rights of the Event Centre. The consensus of the Evaluation Committee was that the Proponent scoring the highest in the evaluation process was Molson Coors.

On July 16, 2018, City Council passed the following resolution.

By-law 2018-147 which authorized the execution of an Agreement between the City and Molson Coors Canada Inc. for a term commencing July 1, 2018 and ending June 30, 2021. Molson has subsequently requested that the Agreement be between the City and Molson Canada 2005.

At a Council meeting dated June 17, 2019 the following resolution was passed.

Beverage Pouring Contract – Updated Legal Entity Name Change

Resolved that the report of the Director, Community Services – Community Development & Enterprise Services dated 2019 06 17 concerning the Beverage Pouring Contract – Updated Legal Entity Name Change be approved. A related by-law 2019-125 and agreement appears elsewhere on the Council agenda for approval.

Given the impact COVID had on facility closure and a shortened season at a Council meeting dated May 31, 2021 the following resolution was passed.

- That any payments made in advance for the 2020-21 season will be applied to the 2021-22 season.
- A one (1) year extension for the Naming Rights agreement. Identified in section 12. b) in the agreement (now expires July 31, 2029).
- A one (1) year extension of term for the Pouring Rights Agreements for forgone 2020-21 season. In good faith they have requested to execute their two (2), one (1) year extension clause to make it a three (3) year extension (now expires June 30, 2024).
- A one (1) year extension of term for the Beverage Agreement for forgone 2020-21 season (now expires July 31, 2022).

Corresponding By-law's 2021-111, 2021-112, 2021-113 and supporting Amending Agreement(s) appear elsewhere on the agenda for approval.

### **ANALYSIS**

Staff continue to communicate with Molson representatives and are recommending the extension. The parties acknowledge and agree that the City has exercised its right to pursue both one (1) year Renewal Terms and therefore, the Term shall be extended as follows:

- (a) First Renewal Term shall commence July 1, 2022 and end on June 30, 2023; and
- (b) Second Renewal Term shall commence July 1, 2023 and end on June 30, 2024.

With respect to the First Renewal Term, Molson shall pay the City a Pouring Rights Fee of Thirty Seven (\$37,000) Thousand Dollars plus applicable HST on July 1, 2022; and with respect to the Second Renewal Term, Molson shall pay the City a Pouring Rights Fee of Thirty Seven (\$37,000) Thousand Dollars plus applicable HST on July 1, 2023. Further details can be found in the agreement located elsewhere on the agenda.

The remaining terms and conditions of the Agreement remain in place and full force and effect.

### **FINANCIAL IMPLICATIONS**

There is no change to the Financial impact for the two year extension. Payments will continue at the prescribed amount of \$37,000 per annum plus HST. Molson shall also supply cups up to the amount of \$4,000 annually.

### **STRATEGIC PLAN / POLICY IMPACT**

The recommendation supports the focus area of the Community Strategic Plan for 2021-2024 in a number of ways.

- Within the Service Delivery focus area, it continues to assist in delivering excellent customer service to citizens. We will work together to provide inclusive and accessible services to our diverse community.
- Under Community Development and Partnerships, this demonstrates our commitment to developing partnerships with our key stakeholders.

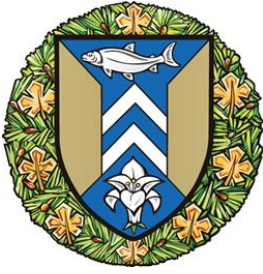
**RECOMMENDATION**

It is therefore recommended that Council take the following action:

The relevant By-law 2022-146 and supporting Amending Agreement(s) appear elsewhere on the agenda and are recommended for approval.

Respectfully submitted,

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



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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Travis Anderson, Director Tourism and Community Development

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** TDF Applications Received July 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 and Special Events and Attractions and 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 July 21, 2022 three (3) applications were reviewed with the following recommendations:

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

#### Crank the Shield 2022

Crank the Shield is a 3-day, multistage mountain bike race that runs in the back country of the Algoma district. The event runs from July 29th until July 31st, 2022. Participants arriving the day before for registration. This race combines the best of the Algoma outdoor region, local food and lodging to showcase the beauty of what the area has to offer, while conquering the challenge of the back country. Crank the Shield is built around showcasing Sault Ste. Marie to the travelling mountain bike community. Crank the Shield anticipates attracting upwards of 160 participants from out of town over 4 days generating over \$75,000 in economic impact to the region. This is the 3<sup>rd</sup> Crank the Shield event to be held in Sault Ste. Marie and Algoma region.

160 Out of Town Visitors x 4 days x \$150 = \$72,000

#### Skin and Wound Education Symposium

Sault College in partnership with Dr. Sibbald, a Sault Ste. Marie Locum Dermatologist for 20 years, are hosting a 5-day educational summit on skin and wound care. Each day of the training will focus on a different topic (for example, Wounds in Long Term Care, Pressure Injuries, The Diabetic Foot, Dermatology, and Wound Bed Prep). This training will occur October 24-28, 2022. Organizers are anticipating 280 people in attendance per day. The objective of this training is to bring knowledge to health care practitioners in Northern Ontario as the knowledge and skill level in treating skin and wound care is not the same as Southern Ontario. Participants attending this conference will have the opportunity to participate in a variety of excursions to explore the community outside of the event. There is an opportunity for this conference to return annually.

279 out of town visitors x 5 days x \$150 = \$209,250

#### The Plane, The Myth, The Legend: de Havilland Beaver Birthday Bash

"The Plane, The Myth, The Legend: de Havilland Beaver Birthday Bash" is the first event in a series of three major events planned by the Bushplane Museum over the next two years to celebrate significant historical milestones leading up to the 100th anniversary of the Ontario Provincial Air Service. The Beaver Birthday Bash will celebrate the 75th anniversary of the first flight of the Beaver, the most iconic Canadian designed and built Bushplane and one of Canada's top 10

engineering feats of the 20th century. On Sunday, August 14th, the museum will host a day-long event that celebrates the Beaver and all it contributed to bush flying and opening the North. Event highlights include: A day of live, local bands playing music that spans seven decades; Workshops - model airplane building, character theatre (employing local actor), panel discussion with Beaver pilots and engineers; BBQ, Beer and Birthday Cake. In conjunction with this event, the CBHC is developing their first travelling exhibit that showcases the impact the Beaver had on humans and its presence in pop culture. Afterwards the intent is to have the exhibit "travel" to various locations in Sault Ste. Marie as a tourism attraction promotional tool.

225 Out of town Visitors x 1 day x \$150 = \$33,750

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 Crank the Shield July 29-31 2022 and that a report be submitted to City Council for consideration and approval."

"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 the Skin and Wound Education Symposium to be held October 2022 and that a report be submitted to City Council for consideration and approval."

"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 the Canadian Bushplane Heritage Centre 75<sup>th</sup> Anniversary Beaver Bash and that a report be submitted to City Council for consideration and approval."

### **Financial Implications**

No new funds would be required. The Tourism Development Fund currently has \$182,110 uncommitted for the purposes of financial assistance within the tourism sector.

### **Strategic Plan / Policy Impact**

This item supports the following Corporate Strategic Plans Focus areas:

- 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:

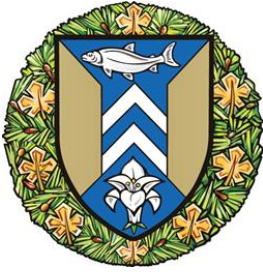
Resolved that the report of the Director of Tourism and Community Development dated August 8 2022 concerning the July 2022 Tourism Development Fund Applications be received and that the recommendation of the Tourism Sault Ste. Marie Board of Directors to allocate \$15,000 be approved for the following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

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

Respectfully submitted,

Travis Anderson  
Director Tourism & Community Development  
705.989.7915  
[t.anderson@cityssm.on.ca](mailto:t.anderson@cityssm.on.ca)





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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Travis Anderson, Director Tourism and Community Development

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** Skilled Labour Recruitment

---

**Purpose**

The purpose of the report is to provide Mayor and Council with an update on efforts by staff to recruit skilled labour to Sault Ste. Marie.

**Background**

On June 17, 2019 Council passed the following resolution:

Whereas the collective missions of the Innovation Centre, the Sault Ste. Marie Economic Development Corporation and Future SSM all include attracting new business to our community; and

Whereas the modern workforce is changing in terms of corporations allowing flexible and remote work agreements, especially in knowledge-based industry; and

Whereas findings from a 2017 global survey of over 24,000 workers by Polycom Inc. reported that the vast majority of respondents (98%) agree that an anywhere working approach boosts productivity, as people can choose to work where they are most efficient; and

Whereas the survey also revealed that 62% of the global working population is working flexibly – more than ever before; and

Whereas there are over 400,000 people working in the Technology Industry in Toronto and there are 1,800 technology based companies located in Toronto; and

Whereas growing our business community helps grow a healthy community;

Now Therefore Be It Resolved that the City request that the Innovation Centre, the Sault Ste. Marie Economic Development Corporation and Future SSM set up a task force to develop a targeted recruitment plan to attract and retain remote workers in the knowledge-based industry from the Greater Toronto area to locate to our community.

Following the resolution from Council, staff from the Community Development and Economic Development departments established a working group to develop a plan to attract and retain skilled workers to Sault Ste. Marie. Through consultation with local businesses, staff were able to identify skillsets that employers were challenged to find in sufficient numbers locally. Local employment needs include health care workers, IT professionals, skilled trades, engineering and finance.

Staff have also been working in collaboration with Physician Recruitment by providing marketing support.

Based on the recommendations of our partners, staff initiated an extensive marketing and promotion campaign across Ontario, Canada and overseas, specifically the UK. Tactics of the campaign include targeting key industries through digital, print, social media and in person job fairs.

With the support received by FedNor to implement the Rural and Northern Immigration Pilot (RNIP) program, staff have increased our marketing and promotion efforts specific to the attraction of skilled workers that are newcomers to Canada or those that are overseas. A combination of digital and in-person promotional efforts have been implemented to date.

### **Analysis**

The purpose of the remote worker and new resident attraction campaign is to attract skilled labour and new residents to the community to address current and pending labour shortages, as well as addressing long-term systemic issues, namely the outmigration of youth aged 20-29.

According to a 2020 report from the Federal Ministry of Immigration, Refugees and Citizenship Canada, 26% of everyone in the Sault Ste. Marie workforce was over the age of 55. Overall, nearly 11,000 people are likely to retire in the next decade or so, as they are 55 and older.

In an effort to support local industry with their search for skilled labour, staff are executing a campaign to attract and retain skilled workers and new residents to the community. Marketing and promotional campaign includes a variety of digital, print and social media marketing focused throughout Ontario and Canada. The objective of the campaign is to promote the competitive advantages of Sault Ste. Marie, as well as highlight the abundance of high quality jobs and low cost of living.

Through the RNIP program, the City has received funding from FedNor for the recruitment of newcomers to Canada, as well as skilled labour living outside the country. In addition to marketing efforts, staff have effectively recruited skilled workers from outside the community through the following job fairs:

#### **Job Fairs:**

- 2019: Newcomer Centre of Peel, Sault Ste. Marie specific job fair ~100+ attendees.
- 2022: Newcomer Canada Event: Attended with OLG and PQA testing. ~700+ attendees.
- 2022: Newcomer Center of Peel virtual job fair (virtual). ~60 attendees.

To date, Staff have assisted over 30 companies through the RNIP program. As a result, we have recommended 218 candidates, with an additional 148 dependents, for a total of 366 new residents. The pilot program is scheduled to continue until February 29, 2024. The Federal Government has not commented as to whether the program will continue after that date. RNIP has been an extremely valuable tool in the recruitment of skilled labour. Given the success of the program, staff are working in collaboration other RNIP communities to request that the federal government establish a permanent solution for immigration in rural communities.

Outside of the RNIP program, staff have assisted 16 employers with their search for talent, including high demand jobs in the trades, health care and IT.

Due to data collection limitations, staff are limited in their ability to provide the exact number of new residents who have relocated to our community. However, based on the success of the RNIP program and other anecdotal information regarding new residents, we believe our attraction efforts continue to be successful.

### **Financial Implications**

Staff had previously allocated budget towards this initiative through funding received by FedNor for the RNIP project and FutureSSM. As such, there is no request to Council for additional funds at this time.

### **Strategic Plan / Policy Impact**

The Corporate Strategic Plan contains numerous references to growing our community and meeting local employer demands by attracting skilled labour to the community.

Furthermore, this initiative aligns with FutureSSM's primary goal to increase our population to 100,000 by 2037, as well as the pillar of Economic Growth and Diversification and the goal of inviting immigration and welcoming newcomers.

### **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 8, 2022 concerning Skilled Labour Recruitment be received as information.

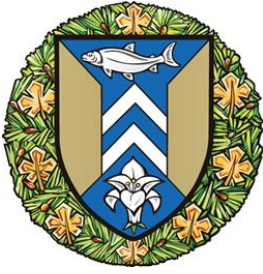
Respectfully submitted,

Travis Anderson

Director Tourism & Community  
Development

705.989.7915

[t.anderson@cityssm.on.ca](mailto:t.anderson@cityssm.on.ca)



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

August 8, 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 93-165, which appoints municipal law enforcement officers.

**BACKGROUND**

By-Law 93-165 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**

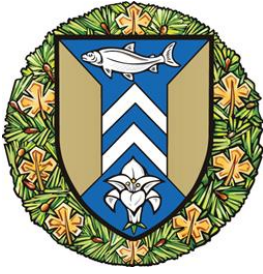
It is therefore recommended that Council take the following action:

By-law 2022-148 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  
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**The Corporation of the  
City of Sault Ste. Marie**

**COUNCIL REPORT**

August 8, 2022

**TO: Mayor Christian Provenzano and Members of City Council**

**AUTHOR: Carl Rumiel, Director of Engineering**

**DEPARTMENT: Public Works and Engineering Services**

**RE: Two Year Capital Transportation Program (2023-2024)**

---

**Purpose**

The purpose of this report is to present a tentative two-year capital transportation program.

**Background**

The yearly capital transportation budget is brought to Council for approval with the annual budget in December after capital priorities assessment is complete. Council is not being asked to approve the 2023 or 2024 capital roads budget this evening as part of this report. However, it is necessary to procure engineering services this year to proceed with field data acquisition and begin design of 2023 capital works in order to ensure timely tenders in the new year.

Capital road improvements for the City of Sault Ste. Marie are carried out under a number of programs including capital road construction, infrastructure improvement programs, the Connecting Links program, and miscellaneous construction. The capital transportation plan emphasizes reconstruction of arterial and collector streets, which are critical to the City's movement of traffic while at the same time attempting to address some of the numerous needs of local residential streets.

In the past, staff have presented this report as a five-year plan. However, we are nearing completion of the City's asset management plan for linear assets, which will replace the current road management system (RMS) to better aid us in prioritizing roads for reconstruction and resurfacing. We will utilize the new asset management plan to draft a five-year plan in 2023.

**Analysis**

Road sections are recommended for the capital program based on scores tabulated in the City's RMS. All road sections are evaluated and scored biennially based on many factors, including but not limited to road surface condition, road structure, drainage, condition of water mains, sanitary and storm sewers, level of

maintenance, and traffic volume. An attempt is made to keep the mix between arterials, collectors and local streets. It should be understood, however, that arterials and collectors are emphasized as they have the greatest need and their reconstruction benefits the most people. Major new road projects resulting from environmental assessments and special signature projects are also blended into the plan. They may also be recommended as candidates for future potential funding programs from senior levels of government.

### **Bridges and Aqueducts**

In recent years, considerable capital funds have been diverted to bridges and aqueducts. Currently the Central Street and Farwell Terrace aqueducts have had sections reconstructed over the past several years and we continue to replace the most urgent sections that could pose a threat to public safety. The most recent biennial bridge inspection report includes one bridge that is forecasted to be replaced within the next five years.

### **Active Transportation - Hub Trail and Future Spokes**

In recent years, segments of off-road trails and paved shoulders have been constructed under capital roads projects. The intention is to include construction of active transportation components in tenders for capital projects if they are within the construction limits or in the near vicinity of a project.

### **Update - 2022 Program**

The following projects are either underway, or scheduled to begin soon:

- Angelina Avenue reconstruction - Caesar to Wellington
- Passchendaele Lane construction – Northern to Princeton
- Cedar Street reconstruction - Tancred to Wilson
- Dufferin Street reconstruction - Grosvenor to Trelawne
- Bloor Street reconstruction - Patrick to Lyon's
- 2022 road resurfacing contract
- MacDonald Avenue Drainage Improvements
- Small aqueduct repairs – Central Street
- Trunk Road Resurfacing Phase 2 – extended the limits to include Black Road from Trunk to McNabb to maximize the MTO Grant

### **Recommended 2023 Program**

The attached two-year plan represents the proposed 2023-2024 programs. Approval is sought this evening for a portion of engineering for 2023 projects that is required to be completed in 2022. An allowance was included in the 2022 capital budget for this purpose. Approval for the balance of engineering and construction costs will be sought during deliberations for the 2023 budget. Program costs are based on preliminary estimates. Detailed road design may reveal additional

expenditures or cost savings that are not possible to identify at this preliminary stage.

The tentative list of 2023 projects are as follows:

**Wemyss Street – Pim to Trelawne:** This road section requires full replacement of underground services and road structure.

**Stanley Street – Pine to Elizabeth:** This road section requires full replacement of underground services and road structure.

**Biggings Avenue – Queen to Wellington:** This road section requires full replacement of underground services and road structure.

**Blake Avenue – McNabb to Wawanosh:** Blake Avenue is a good candidate for reconstruction to Class A standard and was the subject of a Council resolution in 2019 to do so.

**Carmen's Way - Queen to Wellington:** Carmen's Way is the City's next Connecting Link priority. Staff are evaluating options for the 2023 Connecting Application. The matter will be brought to Council at a future meeting prior to the application deadline.

**Small Aqueduct Repairs:** Portions of the small aqueducts on Farwell Terrace and/or Central Street require replacement in 2023 based on engineering recommendations from biennial structural inspections.

**Engineering 2024:** An allocation for 2024 engineering must be included in the 2023 budget to ensure tenders are on schedule.

**Resurfacing – Various Roads:** The miscellaneous construction budget is inadequate to address the resurfacing needs of the City. An allocation is required in the 2023 capital roads budget for resurfacing. Arterials roads such Pim Street, Second Line West and Wallace Terrace are all in need of a new asphalt surface. Roads are prioritized and annual programs are brought to Council for approval each spring.

**Traffic Signal Upgrades:** An allocation for replacing aging traffic signal infrastructure is included in the 2023 budget.

**Hub Trail Links:** The City currently has an application to the Federal government for a \$1.4M Active Transportation Fund. The City's 40% share (\$560,000) would be sourced from the increase in Ontario Community Infrastructure Fund for 2023.

## 2024 Program

The potential 2024 program is shown on the attached plan based on needs identified through field evaluation and the RMS scoring protocol. The final 2024 program will be recommended to Council for approval with the capital budget next year.

Allowances for bridges and aqueducts are based on biennial inspections and the asset management plan. Inspections may alter the forecasts. These allowances are reviewed annually.

Phase 1 of the Queen Street East (Downtown) improvements has been included in the potential 2024 program. Staff will present Council with an update and recommendation for the Queen Street project at a future meeting.

### **Financial Implications**

The two-year capital transportation program is based upon the recommended priorities determined in the City's Road Management System. Funding availability will be assessed along with other corporate capital priorities and presented to Council with the 2023 Capital Budget and Forecast. This report has no impact on the approved 2022 transportation program budget. An allowance of \$200,000 was allotted in the 2022 budget for the purposes of commencing design work for 2023 projects. Additional funds for completion of design and contract administration and for construction of 2023 projects, will be brought to Council with the 2023 capital budget.

### **Strategic Plan / Policy Impact**

Improvements to capital infrastructure including roads, storm and sanitary sewers, aqueducts, and bridges are linked to the infrastructure component of the strategic plan.

### **Recommendation**

It is therefore recommended that Council take the following action:

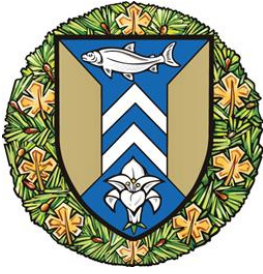
Resolved that the report of the Director of Engineering, dated August 8, 2022, concerning the 2023-2024 capital transportation program be accepted as information and that Council approve the 2023-2024 programs in principle, that the Engineering Division proceed with any local improvement notices for 2023 works, and that staff procure consulting engineering services for projects not to be completed by in-house staff.

Respectfully submitted,

Carl Rumiel, P. Eng.  
Director of Engineering  
705.759.5379  
[c.rumiel@cityssm.on.ca](mailto:c.rumiel@cityssm.on.ca)



2023-2024 CAPITAL TRANSPORTATION PROGRAM					
Year	Street	From	To	Cost	Comments
2023	Wemyss Street	Pim Street	Trelawne Avenue		Reconstruction - deficient sanitary
2022	Biggings Avenue	Queen Street	Wellington Street		Reconstruction
2023	Stanley Street	Pine Street	Elizabeth Street		Full reconstruction, watermain break history
2023	Blake Avenue	McNabb Street	Wawanosh Ave		Reconstruction - the subject of a Council Resolution
2023	Connecting Link - Carmen's Way				Resurfacing - assume 90% CL grant
2023	Bridges and Aqueducts				Rehabilitation - aqueducts, bridges and culverts
2023	Engineering - 2024				Engineering for next year capital
2023	Various Roads				Road Resurfacing (\$400k to Second Line West)
2023	Hub Trail Links (A-T)				To leverage Active Transportation grant - appr by Council
2023	Traffic Signal Upgrades				Traffic Signal Controller Replacements
				<b>Total</b>	<b>\$ 22,731,737</b>
2024	East Street	Bay Street	Queen Street		Reconstruction
2024	Queen Street Phase 1	Elgin Street	Gore Street		Queen Street Streetscaping - Phase 1
2024	Spruce Street	Railroad Avenue	Wilcox Avenue		Reconstruction
2024	McCrea Street	Mark Street	Wellington Street		Reconstruction -watermain break history, pair with Harten
2024	Harten Street	Churchill Blvd	Lake Street		Reconstruction, pair with McCrea,
2024	Connecting Link Carmen's Way				Resurfacing - assume 90% CL grant
2024	Bridges and Aqueducts				Rehabilitation - aqueducts, bridges and culverts
2024	Engineering - 2025				Engineering for next year capital
2024	Various Roads				Road Resurfacing (\$400k to Second Line West)
2024	Traffic Signal Upgrades				Traffic Signal Controller Replacements
				<b>Total</b>	<b>\$ 21,202,208</b>
<b>Notes:</b>					
- Estimated costs are very preliminary and could differ considerably from detailed design cost estimates, consequently, project timing may change					



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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

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

**DEPARTMENT:** Public Works and Engineering Services

**RE:** Pim Street Pump Station

---

**Purpose**

The purpose of this report is to obtain approval to award Contract 2021-5E.

**Background**

Council approved an Agreement with STEM Engineering (now Tulloch Engineering) for the consulting work associated with the Pim Street Pump Station repairs, under by-law 2021-66 on April 12, 2021. The design and tender were completed for the required work. An analysis of the results is provided below.

**Analysis**

The tender was publicly advertised; however, no bids were received. Per Procurement Policy 22 3) e) where no bids are received in response to a Bid Solicitation, a non-competitive single source bid was requested from Cecchetto and Sons Ltd. The results are summarized in the attached report. The tender, excluding HST, in the amount of \$421,081 was submitted. This value is higher than the Engineer's tender estimate by approximately 12%. However, the tender is within the budget allocation for pump station work and is considered reasonable.

**Financial Implications**

When recoverable HST is removed, and allowances for engineering are added, the City's cost to complete the project is estimated to be approximately \$500,000, to be funded from the sanitary sewer revenue. The project is within the budget allowance for pump station work and staff recommends proceeding with the work.

**Strategic Plan / Policy Impact**

The report is linked to the strategic focus area of infrastructure, and specifically, maintaining existing infrastructure.

**Recommendation**

It is therefore recommended that Council take the following action:

Pim Street Pump Station

August 8, 2022

Page 2

The relevant by-law 2022-140 is listed elsewhere on the Agenda is recommended for approval.

Respectfully submitted,

Catherine Taddo, P. Eng.

Manager, Development and Environmental Engineering

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July 26, 2022  
17190

**Corporation of the City of Sault Ste. Marie**  
**P.O. Box 580**  
**Sault Ste. Marie, Ontario**  
**P6A 5N2**

**Attention: Catherine Taddo, P.Eng.**  
**Manager, Development and Environmental Engineering**  
**Public Works and Engineering Services**

**Re: Contract 2021-5E**  
**Pim St. Sewage Pump Station Repairs**  
**Tender Report**

Mayor and Members of Council:

Provided herein is our Tender Evaluation Report with recommendations pertaining to the tenders received for Capital Project 2021-5E, Pim St. Sewage Pump Station Repairs.

### Project Description

The work generally consists of miscellaneous concrete repairs to the wet wells at the Pim St. Pump Station, including replacement of miscellaneous metals and piping.

### Tendering of the Works

The call for tenders was advertised with the Sault Ste. Marie Construction Association and local news organizations. Copies of the Contract Documents were available at the Sault Ste. Marie Construction Association and the office of the Consultant.

One (1) Addendum was issued during the tender period. Tenders closed on June 20, 2022 at 3:00 pm and were scheduled to be opened by representatives of The City of Sault Ste. Marie at approximately 3:15 pm on the same day. Due to Covid restrictions the opening was not open to the public.

### Tender Prices

No tenders were received for the works. Per the City's procurement policy, Cecchetto and Sons Ltd. was contacted and asked to submit a price for the work. Cecchetto and Sons Ltd had expressed interest in the work pre-tender. Their submitted price including HST, was \$475,821.53.

---

#### **Sault Ste. Marie Office**

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saultstemarie@tulloch.ca

The submission was checked for arithmetic accuracy, and no errors were noted.

The submission was submitted with the appropriate Tender Security in the amount of 10% of the submitted price, Agreements to Bond and other required documentation. The Tender Security was retained by the City for safe keeping. The submitted price includes a Contingency Allowance in the amount of \$40,000.00.

The Pre-Tender Estimate for the work was \$425,332.00 including HST

### Tender Evaluation

#### Pricing Evaluation

The submitted price was \$50,489.53 more than our Pre-tender Estimate, and in the opinion of TULLOCH, the submitted price is reasonable.

#### Completion Dates

The contract documents require that all work be completed by August 31<sup>st</sup>, 2022 however due to delivery concerns this date will be extended to September 30, 2022

#### TULLOCH's Experience with the Low Bidder

TULLOCH Engineering is familiar with Cecchetto and Sons Ltd. and are of the opinion that they have the experience necessary to successfully complete the project.

#### Tender Validity

The tender contract documents stipulated that tenders be held open for acceptance for a period of 60 days following the closing date.

#### Recommendation

TULLOCH recommends that the Corporation of the City of Sault Ste. Marie award the contract to Cecchetto and Sons Ltd. for a Total Tender Price of \$475,821.53 (inclusive of HST).

#### Tender Security

We recommend that the tender security of Cecchetto and Sons Ltd. be retained until such time as a contract has been executed between The City of Sault Ste. Marie and Cecchetto and Sons Ltd.

#### Conclusion

Enclosed with this report, please find a completed Agreement for your use at Council. Contract documents for execution are being finalized and will be forwarded to Cecchetto and Sons Ltd. once official award of contract has been determined.

The above is respectfully submitted. If you have any questions, please do not hesitate to contact the undersigned.

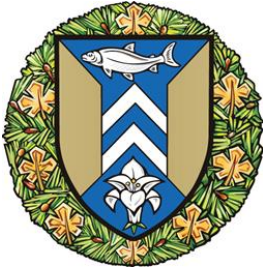
Yours very truly,

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

John V. McDonald, P.Eng.  
Project Manager  
**TULLOCH**

JVM/bt

Encls.



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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Peter Johnson, Fire Chief

**DEPARTMENT:** Fire Services

**RE:** Firefighter Recruitment Process

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**Purpose**

The purpose of this report is to provide information to Mayor and Council on the Firefighter Recruitment process as per By-Law 2004-234.

**Background**

Sault Ste. Marie Fire Services Vision Statement states “Committed to provide effective and efficient emergency service in a caring manner to create a safe community.”

Our Mission Statement states “a proud partner within our community that provides exceptional service through prevention, education, protection and wellness.”

Both of these statements are achieved through the department’s greatest asset, our staff. The 2020 Firefighter Recruitment Process developed a list of potential Firefighter Recruits to be hired as retirements took place. The list contained approximately sixteen (16) qualified candidates. Currently, eleven (11) candidates from the reserve list have been hired. Typically, a reserve list is created every 2 to 2.5 years to ensure that the list consists of qualified potential candidates.

The current list will remain active until a new list is finalized by the Firefighter Recruitment Committee.

**Analysis**

When reviewing the master seniority list and demographic of Fire Services the department will potentially see a number of retirements from 2023 to 2025. In 2023, we will see one (1) member with thirty-five (35) years of service and one (1) member turn sixty (60), which is the mandatory retirement age. Further, in the stated timeframe, Fire Services will have up to eleven (11) staff complete thirty (30) years of service and may retire without pension penalty.

## Firefighter Recruitment Process

August 8, 2022

Page 2.

The Firefighter Recruitment process is lengthy. The framework of the recruitment process will be similar to previous campaigns. The third party testing agency is responsible for the administration of all testing and also ensures the process mirrors other municipalities and meets industry best practices in the Fire Service (more details below).

The process will begin with establishing the requirements that must be met in order to apply for the position. The following are the mandatory minimum requirements to apply:

- Secondary School Diploma; or equivalent with proof;
- At least 18 years of age;
- Legally entitled to work in Canada;
- Valid Ontario Unrestricted, Class DZ Drivers License, (at time of employment);
- Current Drivers Abstract;
- Valid First Aid & CPR certification, minimum Level C;
- Completion of NFPA 1001 Firefighter Level I and II with Accreditation from International Fire Services Accreditation Congress (IFSAC) or Pro-Board or;
- If applicable - OFMEM Grandfathering Letter stating that the requirements for NFPA 1001 Firefighter Level I and II based on experience or knowledge have been met;
- Valid (proof of original) Firefighter Services of Ontario Certificate Test for Sault Ste. Marie

In addition to the above mandatory qualifications, candidates are encouraged to acquire additional education, training, job related experience, labor experience and other abilities, such as:

- Pre-Service Firefighter Education and Training from an OFM, IFSAC or Pro-Board recognized institution
- Fire Science (Degree or Diploma)
- Fire Science Technology (Diploma or Certification)
- Career Firefighting Service
- Volunteer Firefighting Service
- Emergency First Response Training
- Post-Secondary Education (Degree, Diploma, Certificate)
- Trade Certification
- Fire Service Related Course(s)
- Occupational Health & Safety Training/Courses (Diploma, Certificate)
- Community Involvement
- Ability to handle periods of intense and sustained physical, mental and emotional stress
- Ability to work 24 hours shifts, weekends and holidays



Once the applications are received and the candidates have met the above listed mandatory requirements, they will be scheduled to attend the testing component of the process; this is completed by Firefighter Services of Ontario LTD.

Firefighter Services of Ontario Ltd. (FSO) which is located in St. Catharines, ON is an elite, comprehensive, pre-employment screening service exclusively dedicated to assisting municipalities in examining the physical and psychological ability of career and volunteer firefighter candidates in terms of health and occupational specific performance. FSO uses valid and legally defensible screening procedures, and highly qualified staff that are trained to follow all standard screening protocol in order to meet the needs of our city.

FSO administers the following tests:

**Clinical Assessment**- pre-appraisal screen, body composition, maximal aerobic fitness trunk flexibility and 60-second sit-up test

**Occupational Assessment (CPAT)** – stair climb, hose drag, equipment carry, ladder raise & extension, forcible entry, search & rescue and ceiling breach & pull

**Aptitude Examination** - understanding oral information, understanding written information, arithmetic reasoning, maps, diagrams and mechanical drawings

**Medical Assessment** - hearing screening and visual screening

**Tread Water Test** - requires candidate to tread water, unassisted for fifteen (15) consecutive minutes

**Acrophobia Test** - heights test

**Resiliency and Emotional Stability Assessment** - screens candidates for characteristics of resiliency and emotional stability, identifies positive psychological characteristics that are associated with successful performance as a firefighter

Those candidates that successfully complete and pass the FSO Testing will then be invited to attend the first and potential second interview, if successful.

Once the interviews are complete the candidates overall scores will be evaluated and a Firefighter Reserve List will be created. This does not guarantee employment with Sault Ste. Marie Fire Services and the list may be valid for up to 3 years or at the discretion of the City.

### **Financial Implications**

All costs associated with the testing will be assumed by the candidate applying for employment.

**Strategic Plan / Policy Impact**

Service Delivery - The recruitment of Firefighters will ensure that the City of Sault Ste. Marie Fire Service will continue to provide efficient and effective service to the community, resulting in excellent customer service.

**Recommendation**

It is therefore recommended that Council take the following action:

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

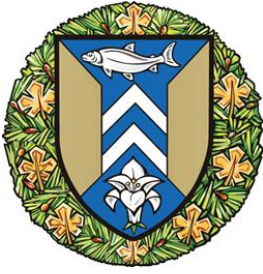
Respectfully submitted,

Peter Johnson

Fire Chief

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

**C O U N C I L   R E P O R T**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Peter Johnson, Fire Chief

**DEPARTMENT:** Fire Services

**RE:** Community Risk Assessment Update

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**Purpose**

The purpose of this report is to seek Council approval to access the Asset Management Reserve to proceed with the Community Risk Assessment update as per Ontario Regulation 378/18.

**Background**

On March 19, 2018 a report from the Fire Chief presenting the Comprehensive (Community) Risk Assessment (CRA) and Fire Master Plan (FMP) was on the agenda. Both of these documents provide a strategic framework for the delivery of fire protection services for the community.

**Analysis**

Ontario Regulation 378/18 states that every municipality must complete a community risk assessment and use the assessment to make informed decisions for fire protection. The CRA must be updated every 5-years.

A Comprehensive Risk Assessment assists in determining the potential fire risk in a municipality through evidence-based analysis of key factors such as, assessing potential fire loss, determining consequences of a fire, examining local infrastructure and analyzing building (property) stock. The CRA is developed by utilizing current industry best practices through the application of standards authored by the National Fire Protection Association (NFPA) and guidelines of the Office of the Fire Marshal and Emergency Management (OFMEM).

The Fire Master Plan was developed to provide Council with a strategic framework for the delivery of Fire Protection services. The findings and recommendations contained within the FMP were informed by the CRA. Linking the two reports together creates an evidence-based analysis to provide Council with strategic planning documents to guide the delivery of Fire Protection services. The FMP provides an objective analysis of local needs and circumstances as defined by the Fire Protection and Prevention Act.

## Community Risk Assessment Update

August 8, 2022

Page 2.

By completing this update, Fire Services and the City of Sault Ste. Marie will be compliant with Regulation 378/18. Any updates associated with the CRA that require the FMP to be updated will also be captured through the process.

This will also provide the newly elected Mayor and Council a current and up to date CRA and FMP for their term.

### **Financial Implications**

The estimated cost to complete the update to the CRA and FMP is \$110,000.

### **Strategic Plan / Policy Impact**

This matter is associated to the strategic plan in the service delivery and infrastructure components.

### **Recommendation**

It is therefore recommended that Council take the following action:

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.

Respectfully submitted,



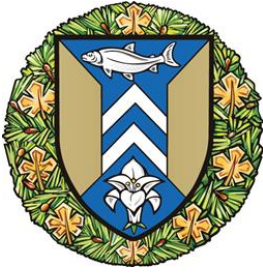
Peter Johnson

Fire Chief

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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

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

**DEPARTMENT:** Legal Department

**RE:** Housekeeping – Procedure for the Sale of City Owned Surplus Property, Closing, Sale of a Lane, Street or Public Thoroughfare

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**Purpose**

The purpose of this report is to recommend that City Council approve By-law 2022-142, being a by-law to amend By-law 2018-148 to clarify procedures governing the sale of City owned surplus property, closing and sale of a lane or street or public thoroughfare.

**Background**

On November 5, 2018 City Council passed By-law 2018-248 which re-established procedures, including the giving of notice to the public governing the sale of surplus real property owned by the City. It also re-established procedures governing the closing and sale of lanes and streets in the City.

**Analysis**

Minor amendments to this by-law are proposed to improve clarity. Specifically, the proposed amendment seeks to address the scenario when a requestor desires to purchase City Property designated as a “street” however that property is developable. The amendment would permit such properties to be dealt with as surplus property and sold for value.

**Financial Implications**

The amendment would ensure consistency in the disposition of City Property that can be developed (ie. lot or street capable of being developed as a lot), specifically facilitating that each can be sold for fair market value.

**Strategic Plan / Policy Impact**

Not applicable.

**Recommendation**

It is therefore recommended that Council take the following action:

By-law 2022-142 being a by-law to amend By-law 2018-148, a by-law to set out procedures governing the sale of City owned surplus property, closing and sale of

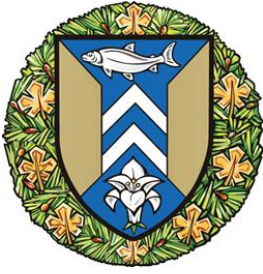
Housekeeping – Procedure for the Sale of City Owned Surplus Property, Closing,  
Sale of a Lane, Street or Public Thoroughfare  
August 8, 2022  
Page 2.

a lane or street or public thoroughfare appears elsewhere on the Agenda and is  
recommended for approval.

Respectfully submitted,

Melanie Borowicz-Sibenik  
Assistant City Solicitor/Senior  
Litigation Counsel  
705.759.5403  
m.borowiczsibenik@cityssm.on.ca

MBS/da



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

**COUNCIL REPORT**

August 8, 2022

TO: Mayor Christian Provenzano and Members of City Council  
AUTHOR: Jeffrey King, Solicitor  
DEPARTMENT: Legal Department  
RE: Salvage Yard Licensing By-law

---

**Purpose**

The purpose of this report to inform Council that a licensing by-law can assist in relieving complaints in the area of AIM Recycling (AIMs) and other residential areas that are near salvage yards and to seek Council's approval to prepare a draft licensing by-law for its consideration.

**Background**

The primary concern raised by constituents in proximity to AIMs is noise.

The December 13, 2021 resolution moved by Councillor Gardi, and seconded by Councillor Scott, reads:

Whereas residents in the area of AIM recycling on Carpin Beach Road have registered numerous complaints with AIM recycling, city councillors and staff as well as the ministry of environment, conservation and parks (MECP) concerning issues with the operations at the site, including but not exclusive to noise, emissions, site plan control and traffic; and

Whereas the Ministry and AIM recycling are working on an environmental approval process that should address some of the issues but take a lengthy time to be completed; and

Whereas a number of Ontario municipalities control some aspects of salvage yard operations through business licensing bylaws; and

Whereas the move by Algoma Steel Inc. to electric arc steelmaking will result in an increased need for scrap metal as an input and may result in increased salvage/metal processing operations in Sault Ste. Marie;

Now therefore be it resolved that staff review whether a business licensing approach can be used to address some of the concerns noted by residents

in the area of AIM Recycling and, by extension, the community at large concerning existing or future salvage metal processing operations.

The most recent meeting held on July 13, 2022 between City staff and the MECP confirmed that AIMS continues efforts to mitigate complaints since taking ownership of the Salvage Yard off Carpin Beach Road in recent years. The MECP confirmed that material shredding is being relocated from a concrete pad and set to the west side of the property (which creates more distance between shredding operations and residents). This is a location that benefits from more natural sound attenuation like trees. The area is also surrounded by a newly added berm that will further mitigate noise. AIMS has also restored buffers to the front of the property which include vegetation and fencing that exceeds the current Site Plan requirements. The MECP believes that by mid-August material shredding operations should be fully relocated to the rear area behind the berm.

The above operational changes are a first step taken by the MECP before looking at additional requirements. Using the technical terms, currently AIMS is operating under an EASR (Environmental Activity and Sector Registry) to reduce the operational impacts, such as noise, on the surrounding area, should that not be sufficient, a full ECA (Environmental Compliance Approval) will be required to continue operations at the current location.

The MECP continues to work with AIMS to mitigate noise and is actively keeping City staff informed of any progress.

### **Analysis**

Review of complaints regarding AIMS salvage operations, notes noise as the primary concern. A means of addressing noise emitted by such a business is limiting hours of operation and fencing/berm heights. This can be done under a business licence.

Additional conditions can be created by a licensing by-law for scrap yards are:

- creation and operations to occur within enclosures;
- means of storing material, permitted storage heights (not to exceed fence height for example);
- delivery and shipping schedules and reduced truck idling;
- fees to recover administration costs;
- revoke or suspension of license for noncompliance; and
- inspection and enforcement.

The legal framework for licensing scrap yards is set out in the *Municipal Act*, 2001:

- Section 150 to 153 allow Council to license businesses;
- Section 131 enables the municipality to prohibit and regulate the use of any land for storage of used motor vehicles for the purpose of wrecking or dismantling them or salvaging parts from them for sale or other disposition; and



- Sections 425(1) and 429(1) allows for a system of fines and offences for those that do not adhere to the licensing by-law.

Implementation and creation a by-law should be considered with existing stakeholders, benefit from public consultation, and be presented at an open house to develop balanced requirements for the local salvage yard industry and the City's residents.

Further, consultation with staff from Planning, Building, Clerks, and Legal will be required to determine the feasibility of licence conditions and consistency of same with existing legislation and by-laws. Additionally, staff consultation would consist of calculating supporting resources both on an administration and enforcement level. Such By-laws are only as good as the ability to enforce them in non-compliant situation.

### **Financial Implications**

There is no financial impact to the City with respect to this information report.

The implementation of a new by-law would see additional strain on administration and enforcement resources and the use of staff time for creation and implementation. Additional enforcement staff is a real consideration as the types of licensed businesses by the City continue to expand. The *Municipal Act* allows the City to recover administrative costs only in relation to a Licensing By-law.

### **Strategic Plan / Policy Impact**

Not applicable.

### **Recommendation**

It is therefore recommended that Council take the following action:

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.

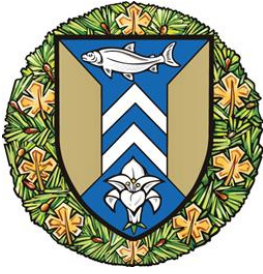
Respectfully submitted,

Jeffrey King

Solicitor

705.759.2662

[j.king3@cityssm.on.ca](mailto:j.king3@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 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Peter Tonazzo, RPP, Director of Planning

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** Short Term Rental Information Report

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**Purpose**

This report:

- Generally describes the results of the public consultation programme.
- Presents revised zoning regulations resulting from the public consultation.
- Asks Council to direct Planning Staff to provide formal public notice of the City's intention to amend Zoning By-law 2005-150 and to pass a licensing By-law, as described.

**Background**

On May 6, 2019 Council passed the following Resolution:

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

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

*Whereas many communities in North America have taken steps to regulate short term/transient rentals to address housing, nuisance and community issues; and  
Whereas these types of rentals can impact the amenities, character and stability of a neighborhood; and*

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

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

On July 12, 2021, Council passed the following Resolution in relation to an information report, which is attached:

*Resolved that the report of the Senior Planner dated July 12, 2021 concerning Short Term Rental Review be received and that staff proceed with public consultation upon the proposed short-term rental accommodation regulations.*

## **Analysis**

The attached report contains a more detailed analysis and discussion of:

- The local STR situation, including number of units available, total number of room nights rented and total revenue generated
- The benefits and concerns related to STRs, which are generally consistent with the feedback received to date.
- A scan of municipal approaches to regulating STRs.

## **Public Consultation**

On December 7 and 8 of 2021, staff held virtual public open houses utilizing the Zoom platform. Ads were placed in the Sault Star, Sootoday, SaultOnline and on the City's website. Notices were also emailed to those on the stakeholder email list.

Public consultation was held on the basis of the following zoning and licensing regulations, which are explained in more detail in the attached report from July 2021, and are briefly outlined below for reference:

1. That STRs be permitted in all zones that permit a residential dwelling.
2. That STRs be defined as any accommodation that is available for up to 28 days.
3. That hotels and bed and breakfasts be exempt from the STR zoning and licensing regulations.
4. Where an STR is located in any residential zone, the STR must be the host's principal dwelling. This requirement is waived for residential units permitted in Commercial Zones (C1, C2, CT2, C3 and C4) which operate as an STR.
5. That STRs located in any residential zone cannot be offered or advertised for more than 180 days per calendar year. This requirement is waived for residential units permitted in Commercial Zones (C1, C2, CT2, C3 and C4) which operate as an STR.
6. That STR hosts hold a valid license from the City.
7. That STR hosts pay the 4% MAT.

The virtual public open houses were attended by approximately 15 individuals (some attended both) and approximately 40 written comments have been received to date. The overwhelming majority of those that attended the consultation events and/or submitted written comments were current STR hosts or those contemplating hosting an STR.

Consultation to date is generally summarized as follows:

1. The overwhelming majority of comments received were not supportive of:
  - a. Requiring STRs to be a host's primary dwelling.
  - b. Not permitting an STR to be offered or advertised for more than 180 days per calendar year.
2. All current and potential hosts that participated in the public consultation programme indicated that they had no issue with obtaining a license and contributing the 4% Municipal Accommodation Tax (MAT).

Airbnb staff who participated in the public consultation did not support the primary dwelling requirement and maximum 180 day cap, but were supportive of licensing and MAT remittance. Airbnb staff also described the various online resources available to municipalities and concerned neighbours. Furthermore, Airbnb staff were generally willing to assist in ensuring hosts utilizing the Airbnb platform were properly licensed and adhering to Municipal regulations.

There are approximately 65 STRs in the Community. To date, Planning Staff has received complaints related to 5 specific STRs,

- Two are located in the shoreline area near the Airport, one being a host's primary dwelling and the other not being owner occupied, however the owners reside at a nearby dwelling.
- One along the shoreline in the east end, which is owner occupied, however it appears the STR is marketed as a Recreational Vehicle parked on the property.
- One in the Millcreek area where there have been a number of party related complaints. Based upon neighbourhood comments, this STR does not appear to be owner occupied.
- Another was marketed in a home that was for sale, located in an east-end neighbourhood. This home appears to have sold and is no longer marketed as an STR. In this case, complaints were related to noise and the use of the property as a 'party house' by one particular guest over a two to three day period.

In the case of the waterfront lots, complaints received related to inadvertent trespass, (utilizing neighbouring amenities, such as docks, decks and water toys) irresponsible pet management, a lack of respect for the neighbourhood and general concerns related to new people constantly coming and going or walking up and down the beach.

#### Proposed Zoning Regulations (Revised)

1. That STRs be permitted in all zones that permit a residential dwelling.
2. That STRs be defined as any accommodation that is available for up to 28 days.
3. That only one self-contained STR is permitted per lot except where:
  - a. The property is zoned commercial.
  - b. One of the units on the property is owner occupied.



- c. Multiple rental units exist on one property, written approval of the landlord is required.
- d. Where multiple units exist within a condominium complex, written approval from the condominium corporation is required.
- 4. Recreational Vehicles and tents cannot be utilized as STRs.
- 5. That STRs hold a valid license from the City. Hotels and bed and breakfasts are excluded from this requirement.

In light of the comments received and a general understanding that the vast majority of local STRs are operating in a responsible manner, the proposed zoning regulations have been revised to remove the requirements that an STR be a host's primary dwelling, as well as the cap of 180 days per calendar year.

During the consultation, hosts indicated that the primary dwelling requirement would eliminate the majority of existing, responsibly operated local STRs.

While it is not to say STRs can be directly compared with long-term rental units, the complaints received are similar in nature. Furthermore, although STRs have been viewed as somewhat commercial in nature, one can also argue that long-term rentals are also operated by property owners on a for-profit basis. Interestingly, there appears to be a trend of newer hotel suites containing small kitchenettes in a manner that would allow them to be utilized as longer term, self-contained dwelling units. In fact, during the pandemic, some hotel rooms were being marketed for longer-term stays similar to that of a rental dwelling unit. Having said all of this, the main difference appears to be the coming and going of multiple guests over short periods, which can be unsettling for neighbours.

Other Municipalities, primarily in the Greater Toronto Area (GTA) have also argued that STRs are exacerbating rental housing and housing affordability issues by removing units from the long-term rental market. Locally, the roughly 65 STRs represent a very small proportion of the approximately 34,000 dwellings in the City.

The revised regulations are proposed on the basis that the vast majority of local STRs are operated responsibly, without impacting the integrity of the surrounding neighbourhood. In light of second dwelling unit provisions, additional regulations are proposed to ensure that multiple STRs do not occupy one property.

#### Proposed Licensing Requirements (Revised)

Licensing is a critical component of the implementation of STR regulations. Without licensing, enforcement and MAT collection would be very difficult. Furthermore, given the Planning Act is not retro-active, licensing is also required to ensure that existing STRs conform to the regulations. Finally, failure to meet license requirements can result in a host losing their license.

Attached is a draft registration form that all STR hosts will need to fill out and submit to the Clerk's Department for a license. Much like other license applications, the onus will be on the applicant to contact various departments for information and approval prior to applying. An official from Building Division, Fire

Services and Finance Division will need to sign off for the application to be deemed complete. More specifically:

1. Building Division – Conduct a file review and potentially an on-site inspection, including applicable fees, to ensure City Zoning By-Law 2005-150 and Ontario Building Code compliance.
2. Fire Services - Conduct an on-site inspection, which will include applicable inspection fees, to ensure Ontario Fire Code compliance.
3. Finance – Confirm that MAT return form(s) have been completed properly.

Staff is proposing that licenses be valid for a period of 3 years, upon which STR hosts will be required to renew their license. Licenses will not be transferrable.

The following licensing guidelines aim to provide additional resources to guests and neighbours so that potential problems can be avoided, and if problems arise, they can be addressed.

1. Hosts should clearly post a set of 'house rules' for guests, which include:
  - a. Clear communication of the property boundaries and what amenities are available to guests and what amenities are not.
  - b. Reference to pertinent information in local by-laws, such as the noise by-law and pet by-law, which requires dogs to be leashed at all times.
  - c. General information related to 'being a good neighbour'.
  - d. Rules around refuse disposal.
2. Hosts should also provide their contact information, as well as information to contact the STR platform to immediate neighbours, so that in the event of an issue, neighbours can contact the host and/or the STR platform.

#### Circumstances where Licenses will not be issued

In addition to facilitating MAT collection, the licensing process is also established for the purpose of ensuring units are safe and that unsafe sleeping areas are not being marketed. Licenses will not be issued until such time that units are Building and Fire Code compliant. Furthermore, where there are open or outstanding permits or where on-site inspections reveal construction without the benefit of a building permit, licenses will not be issued until these matters can be addressed.

#### Circumstances where Existing Licenses can be Revoked

The licensing by-law will contain language granting the City the ability to revoke an existing license in the event that life safety measures are altered or removed, contrary to applicable Codes. One example might be a host marketing their unit to house additional guests in rooms/beds that may be located in a basement without appropriate egress options. Furthermore, there will be general language that speaks to ensuring that STRs do not become a nuisance, however it is noted that nuisance complaints may not necessarily result in a license being revoked. Where multiple complaints are lodged on one particular property, staff will work

with the host so that, to the greatest extent possible, the potential for nuisances can be mitigated

### **Financial Implications**

Accepting this informational report and proceeding with formal public consultation will not result in any incremental costs to the Municipality.

Based upon data obtained from AirDNA, collection of a 4% MAT would have resulted in approximately \$22,000 in 2018 and \$41,500 in 2019.

The proposed application fees for new and renewed licenses are as follows:

1. Licensing fee, payable to Clerks Department - \$50
2. Building Division file review and/or on-site inspection fee - \$59.68 – \$123.79
3. Fire Services file review and on-site inspection fee - \$133.91.

The aforementioned fees include taxes and are subject to annual updates to the User Fee By-law.

Staff from Clerks, Finance, Building and Fire have indicated that processing license applications can be completed within the existing staff compliment.

### **Strategic Plan / Policy Impact**

Accepting this report as information and proceeding with formal public notice to amend the Zoning By-law and pass a Licensing By-law is not directly linked to any specific policies within the Corporate Strategic Plan.

### **SUMMARY**

The revised zoning approach, which proposes to remove the 'primary dwelling' and 'maximum number of nights' requirements is less restrictive in nature than what was previously proposed. This is a direct result of the public consultation and the limited number of complaints or 'problem properties' that have been formally identified to City staff. This suggests that the vast majority of local STRs, which do not appear to be owner occupied, are operated in a responsible manner that respects the integrity of the surrounding neighbourhood.

At this point in time, the proposed approach has been revised to more appropriately balance the level of concerns that have been raised, with the positives that STRs bring to the community. If in the future, there is an increase in problems, the proposed approach can be revisited and additional regulations can be contemplated.

### **Recommendation**

It is therefore recommended that Council take the following action:

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 of its intention to amend Zoning By-law

Short Term Rental Information Report

August 8, 2022

Page 7.

2005-150 and establish a new licensing by-law for the purposes of regulating short term rental accommodations, as described in this report.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "P. Tonazzo". The signature is fluid and cursive, with the first name "P." and the last name "Tonazzo" clearly distinguishable.

Peter Tonazzo, RPP

Director of Planning

705.759.2780

[p.tonazzo@cityssm.on.ca](mailto:p.tonazzo@cityssm.on.ca)



# Short-Term Rental Registration and Renewal



Submit Completed Application Form to the City Clerk

<b>Mail</b> 99 Foster, Sault Ste. Marie ON P6A 5X6	<b>E-Mail</b> n.novello@cityssm.on.ca Licence Coordinator	<b>Questions? Please call</b> 705-759-2684
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A short-term rental (STR) is the rental of all or part of a home for a period of no longer than 28 consecutive days and is typically listed on platforms such as Airbnb, Vrbo, FlipKey. STRs exclude hotels and motels. STRs must comply with all applicable laws.

All registered STR operators will be required to start collecting and remitting the four per cent Municipal Accommodation Tax (MAT) on a quarterly basis. For Information on how to collect and make the MAT payments, please refer to the City of Sault Ste. Marie website at:

<https://saultstemarie.ca/City-Hall/City-Departments/Corporate-Services/Finance/Municipal-Accommodation-Tax.aspx>

Registration renewal by the expiry date is required to permit the continued use of the STR property. It is the STR operator's responsibility to inform the City of any changes to the registration. New registration is required in the event of a change in property ownership.

Short-Term Rental Property Information		
Address of short-term rental (STR) property: <input type="text"/>		<input type="checkbox"/> First time application <input type="checkbox"/> Registration renewal
Housing type of the STR <input type="checkbox"/> House (single/semi-detached) <input type="checkbox"/> Duplex/triplex/fourplex <input type="checkbox"/> Townhouse <input type="checkbox"/> Apartment/condominium <input type="checkbox"/> Accessory building (e.g. coach house) Other <input type="text"/>	Is this property the operator's principal residence? <input type="checkbox"/> Yes <input type="checkbox"/> No	
		Is the operator a tenant or registered owner of the property? <input type="checkbox"/> Registered owner <input type="checkbox"/> Tenant <i>An authorization form is required from the owner and/or mngmt.</i>
		What part of the property will be rented? <input type="checkbox"/> Entire building or unit (e.g. personal bedroom, bathroom, kitchen and entrance) <input type="checkbox"/> Rooms within the building (e.g. personal bedroom, but shared bathroom, kitchen and entrance)
Consent from condominium corporation or property management received? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		<input type="text"/> Number of bedrooms available for guests to use <input type="text"/> Maximum number of guests allowed in a unit?
STR Operator Information		
First and last name <input type="text"/>	Telephone <input type="text"/>	Email <input type="text"/>
Driver's Licence or Ontario Photo Card number <input type="text"/>		
Emergency contact name <input type="text"/>	Telephone <input type="text"/>	Email <input type="text"/>

The emergency contact must be available 24/7, and willing to act on your behalf should a concern arise and you are not available.

## Community Safety Requirements - Self Declaration

Smoke alarms are installed on all levels of the dwelling, outside all sleeping areas, between the sleeping area and the remainder of the home, and are maintained in operating condition in accordance with the manufacturer's instructions.

☐ Yes ☐ No

If the dwelling has a fuel burning appliance, fireplace and/or is connected to a garage, please confirm that the dwelling has carbon monoxide alarms installed adjacent to each sleeping area, and are maintained in operating condition in accordance with the manufacturer's instructions.

☐ Yes  
☐ No  
☐ Not Applicable

The STR Code of Conduct must be provided to all guests.  
*A copy of this document can be found on page 3.*

☐ Yes

I \_\_\_\_\_ certify that the information contained in this application and other attached documentation is true to the best of my knowledge.

I \_\_\_\_\_ shall defend, indemnify and save harmless the Corporation of Sault Ste. Marie, its officers, Council members, partners, agenda and employees from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever, including but not limited to bodily injury and to damage to or destruction of tangible property including loss of revenue or incurred expense arising directly or indirectly from the use, management, and operation of the STR property as set out in this Short Term Rental Registration and Renewal application.

Signature of applicant: \_\_\_\_\_

Date: \_\_\_\_\_

## Agency Approval and Sign-Off

Applicants must contact the relevant City departments for information and approval prior to submitting this application form. An official from each department must sign off in this section for the City Clerk to deem this application complete. **Application fee must be collected prior to Agency Approval.**

### Building Division

building@cityssm.on.ca - 705-759-5410

Property has passed the file review and/or on-site inspection (whichever is deemed necessary).

Official's Name

Official's Signature

Date of Signature

### Fire Services

fire@cityssm.on.ca - 705-949-3333

Property has passed on-site inspection.

Official's Name

Official's Signature

Date of Signature

### Finance Department

MAT@cityssm.on.ca - 705-759-5278

MAT form(s) have been submitted and deemed complete.

Official's Name

Official's Signature

Date of Signature

### Documents to Include With Registration/Renewal Form

- ☐ If the applicant is a tenant, a letter of authorization from property owner is required.
- ☐ If the STR unit is within a building of other units, or where owners jointly share common areas such as pools, garages, elevators, outside hallways and gyms, then authorization from the condo board or property manager is required.
- ☐ A photocopy of the operator's driver's licence or Ontario photo card.
- ☐ Confirmation of Approval from City departments (if submitting for final authorization).
- ☐ Copy of the certificate of insurance in the amount of no less than \$5 million. City must be added as additional insured.
- ☐ Waiver and release form.
- ☐ Proof of residency affidavit.

### Office Use Only

Assessment roll number (ARN)

Registration number

Zoning by-law

Date of approval(dd/mm/yy)

Application decision

☐

Approved

☐

Declined

Expiry date (dd/mm/yy)

Payment received

☐

Yes

☐

No

# Welcome

# Biindigen

# Bienvenue

# #THESOO #WELCOMETOSSM

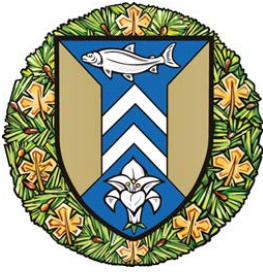
Located at the heart of the continent and the center of the Great Lakes, Sault Ste. Marie has been a traditional gathering place for hundreds of years. We invite you to discover why our region has been a destination for so long and for so many.

We pride ourselves in hosting and accommodating visitors in our community and have established a code of conduct for the purpose of optimizing your experience.

Please keep in mind the following:

- Be considerate of your neighbours - please no excessive noise or disturbances at any time.
- Clean up after your pet on all private and public properties.
- Park vehicles in a designated parking spot.
- Conserve energy and minimize water consumption.
- Recycle waste.
- Fireworks are not permitted.
- As your hosts, we encourage you to reach out to us at any time so we can help make your visit the best it can be.





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

**COUNCIL REPORT**

July 12, 2021

TO: Mayor Christian Provenzano and Members of City Council  
AUTHOR: Peter Tonazzo, RPP, Senior Planner  
DEPARTMENT: Community Development and Enterprise Services  
RE: Short Term Rental (STR) Review

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**PURPOSE**

This report explores short term rentals in Sault Ste. Marie. It describes local STR statistics, and a number of key municipal considerations, including a recommended approach to regulating short term rentals.

**BACKGROUND**

On May 6, 2019 Council passed the following Resolution:

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

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

*Whereas many communities in North America have taken steps to regulate short term/transient rentals to address housing, nuisance and community issues; and  
Whereas these types of rentals can impact the amenities, character and stability of a neighborhood; and*

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

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

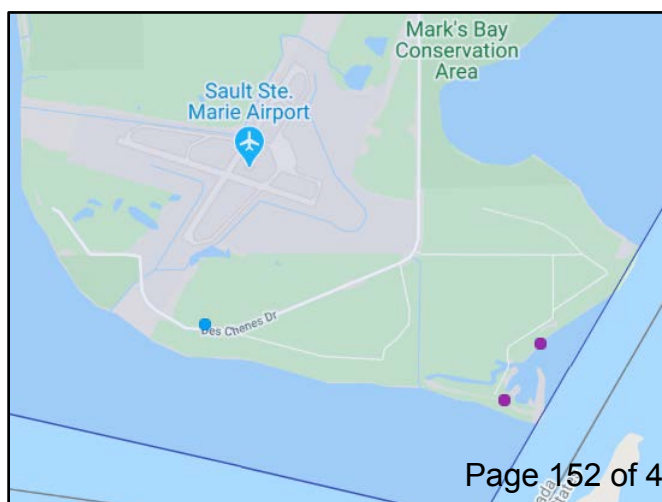
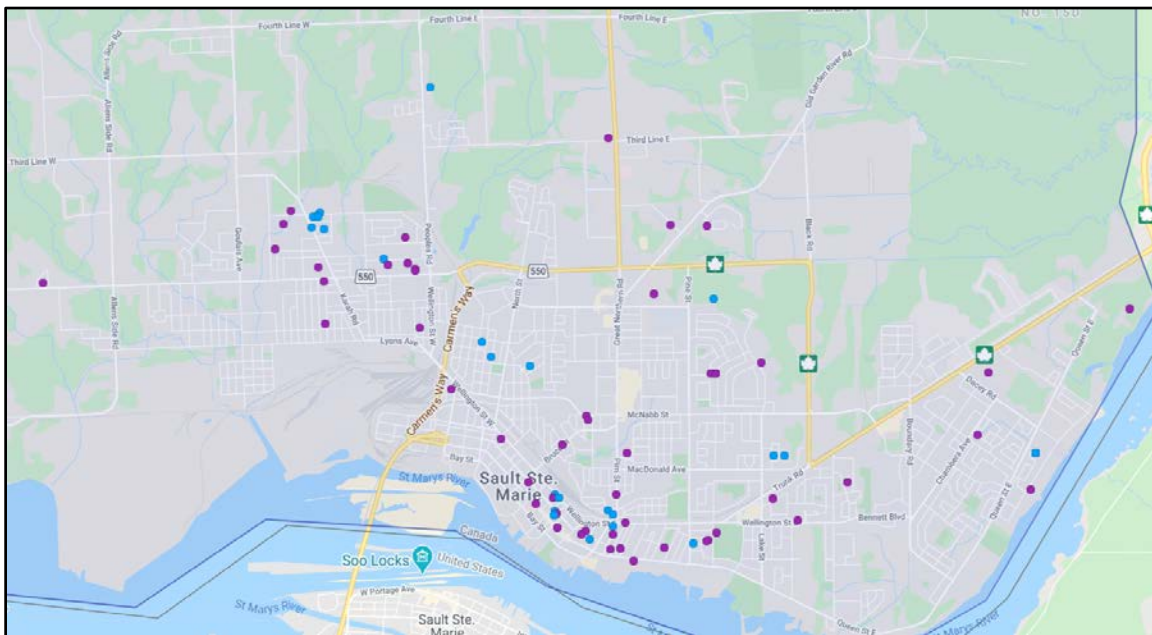
**ANALYSIS**

Although the short term rental (STR) phenomenon is not new, online platforms have made it very easy to connect hosts with guests, which has resulted in a proliferation in both supply of and demand for STRs. Airbnb is by far the most

commonly used web platform, offering listings in more than 190 countries. Others include Vrbo and Kijiji. In most cases, local listings on other platforms were also on Airbnb.

Active Short Term Rental (STR) Listings in Sault Ste. Marie – As of Feb. 2020

- Total: 66 active listings
  - 40 were entire self-contained dwelling units
  - 26 were private rooms, which may or may not have a dedicated bathroom, but are not considered a separate dwelling/apartment within a house.
- 4 properties are marketed as waterfront, 3 in the Pointes area and 1 on River Road.
- 22 listings are located in the downtown area.
- Almost all active STRs are located in residential areas.



Entire Dwelling



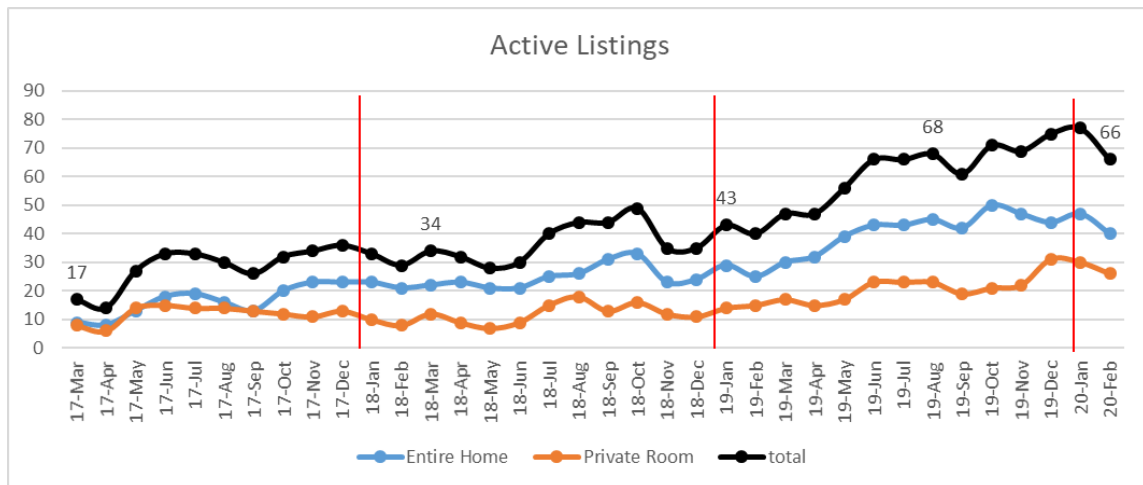
Private Room

### Analysis of Short Term Rentals in Sault Ste. Marie

The following information was obtained from AirDNA, an online subscription service that uses propriety algorithms to data scrape common STR platforms. Please note there may exist data limitations.

The global pandemic has had a significant impact upon STRs. While the extent of these impacts locally is unknown.

In general, there has been a steady increase in both the supply and demand of online short term rental accommodations.



The total number of active listings nearly tripled from 17 in March 2017 to 66 in February 2020.

## Short Term Accommodations

2021 07 12

Page 4.



Median annual occupancy rates have increased from 60% in 2018 to 75% in 2019.



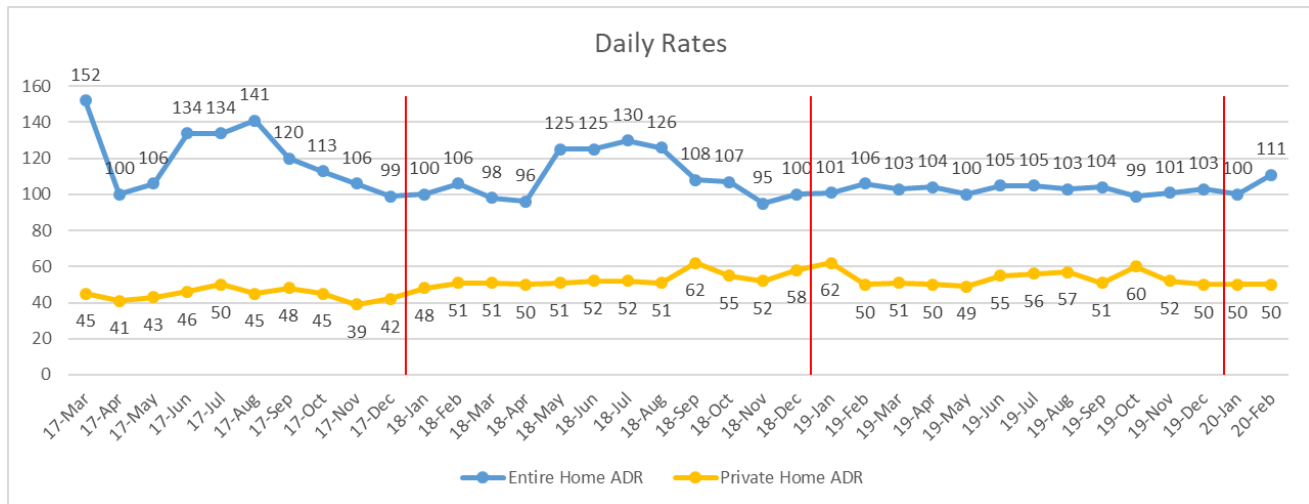
The total number of nights booked more than doubled between 2018 (5,195) and 2019 (11,073).



## Short Term Accommodations

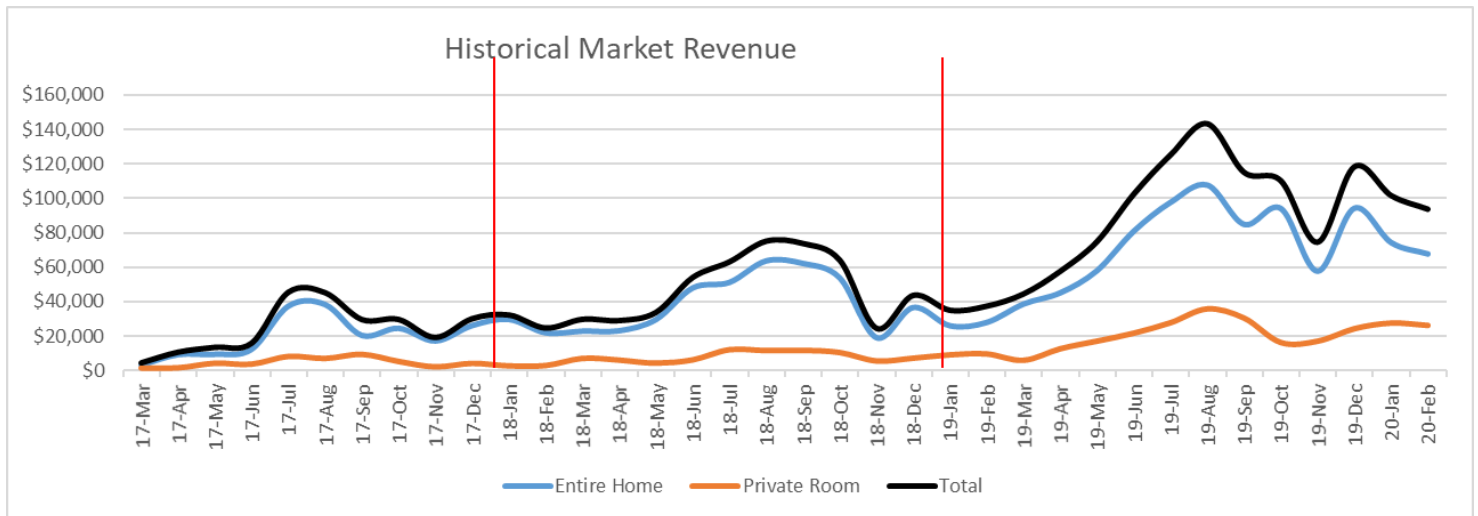
2021 07 12

Page 5.



The average daily rate (ADR) in 2019 was \$111 for entire dwellings and \$50 for private rooms.

- These rates remained relatively constant throughout the year, with slight seasonal increases between May and September.
- The ADR for entire dwellings was about 30% higher in 2018 for entire dwellings.
- The ADR for private rooms remained relatively constant between 2018 and 2019.



Total Annual Revenues Graph - Total annual revenues from STRs nearly doubled between 2018 (\$549,790) and 2019 (\$1,037,616).

**Municipal Considerations**

The following benefits and concerns associated with STRs are identified:

<b>Benefits</b>	<b>Concerns</b>
<ol style="list-style-type: none"> <li>1. Provide hosts with income opportunities, whether it be related to a primary dwelling or a home that is for sale, such as spec homes and 'house flips'.</li> <li>2. Provide longer term occupants (ie. students) with the ability to rent out the dwelling during summer months.</li> <li>3. Provide unique, alternative accommodations options for tourists, especially larger groups.</li> <li>4. Provide alternative accommodations for medium term occupants, such as hospital patients, locums and short term workers.</li> </ol>	<ol style="list-style-type: none"> <li>1. Potential for increased neighbour complaints, including noise.</li> <li>2. Removal of long term rental units from supply. This has been the main concern in other communities that have adopted regulations.</li> <li>3. Commercialization – Corporations and individuals purchasing multiple properties for the sole intent of offering an STR.</li> <li>4. Impacts to hotel/B&amp;B uses, which traditionally pay commercial taxes and the municipal accommodation tax. Most STRs occur in residential areas and pay a residential tax.</li> <li>5. Safety of units – Building and Fire Code compliance</li> </ol>

**Municipal Considerations**

At present, the majority of the Municipalities with zoning regulations for STRs are in Southern Ontario. Some municipalities in 'cottage country', (Muskoka and Haliburton areas) also have STR regulations. Sudbury, Timmins, Thunder Bay and North Bay do not regulate STRs. Kenora is reviewing the potential for regulations and Huntsville has decided against any regulations. Below is a summary of a Municipal scan of STR regulations:

1. **Definition of Short Term** – Most municipalities define a short term rental as an accommodation that does not exceed one month (28 days).
2. **Principal Residence** – All municipalities with regulations require the STR to be the host's principal residence. While it is difficult to determine principal residence with currently available information from AirDNA, there are 13 hosts in Sault Ste. Marie operating multiple listings, totaling 35 STRs. It is estimated that at least half of all listings are not a host's primary dwelling.

Requiring an STR to be the host's primary dwelling generally helps to ensure a greater level of oversight, which can help in reducing neighbourhood impacts such as noise. It also eliminates the commercialization of STRs and reduces the removal of long term units from the existing rental supply.

3. Maximum Rental Timeframe – Most municipalities restrict hosts from offering STRs for more than 180 days (6 months) per year. According to AirDNA, about half of the current active listings in Sault Ste. Marie are available for more than 180 days.

Together with requiring an STR to be the host's primary dwelling, the maximum rental timeframe helps to eliminate commercialization and reduces the removal of long term rental units from the existing supply. The maximum timeframe also maintains the overall residential character of the dwelling.

4. Exemptions – Most municipalities exempt hotels, which normally operate in commercially zoned areas and bed and breakfasts, which normally operate in residential areas, but are by definition, owner occupied during a guests stay. In some cases, Municipalities have also exempted cottages/waterfront properties and rural properties beyond the urban settlement area boundary.
5. Permitted Zones – Most municipalities permit STRs in all residential zones and any other zone that permits a dwelling unit.
6. Licensing - Every Municipality that had STR zoning regulations also established a licensing regime. Without licensing in place, it is very difficult to enforce:
  - a. Zoning conformity – Principal dwelling, maximum rental timeframe.
  - b. Safety - Building Code compliance
  - c. Collection of Municipal Accommodation Tax

#### Land Use Appeals Related to Municipal STR Regulations

There are 2 landmark decisions where municipal STR regulations were challenged and upheld by the Local Planning Appeal Tribunal (LPAT). *Sheldon Rosen and the Lodges at Blue Mountains vs. The Town of Blue Mountains (PL080455)*

In this case, the Lodges at Blue Mountains appealed Council's approval of an Interim Control By-law in 2008 to prohibit short term accommodations on all residentially zoned lands until the Town could review and propose regulations. The appellants argued that any regulations pertaining to STRs would represent

‘people zoning’ and that STRs are no different than dwellings and therefore compatible in any residential area. The board found no basis for the appellant’s argument that the proposed regulations amounted to people zoning, noting *‘that the proposed By-laws are intended to regulate the use of lands and not the persons who use it.’* Furthermore, the Board found that the *‘actions of the Municipality are a legitimate exercise of its authority to zone for differing levels of use intensity and differing needs for municipal services.’* Subsequently, the Towns Official Plan and Zoning By-law were amended to create one of the earliest STR regulations in the Province.

*Fairbnb Canada et al vs. City of Toronto (PL180082)*

In December 2018 the City of Toronto passed 2 zoning by-laws to regulate STRs. The new regulations had the effect of permitting STRs in all areas that permit a residential dwelling, however the STR had to be the operators primary dwelling. The appellants argued that the use of a dwelling unit by a guest for a short period of time is identical to the use by an owner or tenant for a longer period. Both are residential in nature and use a dwelling unit for its intended purpose of living. In essence, they argued that whether or not the unit happens to be someone’s primary dwelling is irrelevant and at no time is the use not residential. The Tribunal upheld the City of Toronto Zoning By-laws on the grounds that the City’s By-laws for STRs support Provincial and City policies related to housing and maintaining the integrity and stability of residential areas.

Determining a Local Approach to STR Regulations

Data obtained through AirDNA suggests a steady increase in both supply and demand for local STRs. Up to this point, Planning staff has received a relatively limited number of complaints related to 2 STR listings, one in the Pointes area and the other in the east end. In both cases, complaints included additional noise, traffic and a general disregard for neighbours, which are in fact consistent with complaints often received from rental properties. In comparison, Planning staff has received more information requests from individuals wishing to create an STR unit.

There are two critical planning elements that must be considered when discussing STR regulations:

1. At what point does an STR change from a residential use to a for-profit commercial use?

Existing municipal regulations aim to remove the commercial or corporate nature that STRs have evolved to, with individuals and corporations purchasing and operating multiple listings. It has been estimated that the top 20% of hosts generate roughly 80% of the total worldwide revenues through online STR



platforms. Opponents raise concerns such as minimal oversight with increased nuisance complaints and a general disregard for the residential character of the neighbourhood. Advocates argue that this is no different than individuals and corporations purchasing multiple long-term rental units.

2. Are STRs impacting the overall availability and affordability of long-term rental units?

The issue is that units that would otherwise be long-term rentals, are offered as an STR instead of a long-term rental unit. Within the local context, it is difficult to argue that the existing 66 units (26 are private rooms that may not be self-contained rentable dwelling units) are having significant impacts on the overall availability and affordability of long-term rental units. Having said this, although the impact may be negligible at this point, if STRs continue to grow locally this may become an issue.

#### Property Taxes and the 4% Municipal Accommodation Tax (MAT)

The Municipal Property Assessment Corporation (MPAC) has confirmed that properties that operate as STRs are still taxed based upon a residential tax rate, but they are subject to a different property code, which may impact the overall market value assessment.

Not unlike local hotels, STRs should contribute to the Municipal Accommodation Tax.

If Council approves the recommended zoning and licensing regimes, the Finance Department will collect the 4% MAT from STRs.

#### Licensing

Licensing is a critical component of the implementation of STR regulations. Without licensing, enforcement and MAT collection would be very difficult. Furthermore, given the Planning Act is not retro-active, licensing is also required to ensure that existing STRs conform to the regulations.

Attached is a draft registration form that all STR hosts will need to fill out and submit to the Clerk's Department for a license. Much like other license applications, the onus will be on the applicant to contact various departments for information and approval prior to applying. An official from each department will need to sign off for the application to be deemed complete. More specifically:

1. Building Division – Conduct a file review and potentially an on-site inspection, which including applicable fees, to ensure City Zoning By-Law 2005-150 and Ontario Building Code compliance.

2. Fire - Conduct an on-site inspection, which will include applicable inspection fees, to ensure Ontario Fire Code compliance.
3. Finance – Confirm that MAT return form(s) have been completed properly.

Staff is proposing that licenses be valid for a period of 3 years, upon which STR hosts will be required to renew their license.

### Public Consultation

Public consultation is a critical component in designing any STR regulations. It is recommended that Council approve this report as information, and direct staff to conduct a comprehensive consultation process based upon the following approach:

1. That STRs be permitted in all zones that permit a residential dwelling.
2. That STRs be defined as any accommodation that is available for up to 28 days.
3. That hotels and bed and breakfasts be exempt.
4. Where an STR is located in any residential zone, the STR must be the hosts principal dwelling. This requirement is waived for residential units permitted in Commercial Zones (C1, C2, CT2, C3 and C4) which operate as an STR.
5. That STRs located in any residential zone cannot be offered or advertised for more than 180 days per calendar year. This requirement is waived for residential units permitted in Commercial Zones (C1, C2, CT2, C3 and C4) which operate as an STR.
6. That STR hosts hold a valid license from the City.
7. That STR hosts pay the 4% MAT.

At the conclusion of the consultation program, staff will report back to Council, this fall.

The consultation process will include:

- Public advertising in local print and online media.
- Press releases to various local media outlets.
- An in-person public meeting if COVID restrictions will allow.
- Email notice to members of the community that have already provided contact information to Planning Staff.

## **FINANCIAL IMPLICATIONS**

Accepting this informational report and proceeding with public consultation will not result in any incremental costs to the Municipality.

Based upon data obtained from AirDNA, collection of a 4% MAT would have resulted in approximately \$22,000 in 2018 and \$41,500 in 2019. Implementing common zoning regulations such as requiring STRs to be the hosts primary dwelling and limiting room nights to fewer than 180 days per year would likely decrease STR revenues.

The proposed application fees for new and renewed licenses are as follows:

1. Licensing fee, payable to Clerks Department - \$50
2. Building Division file review and/or on-site inspection fee - \$59.68 – \$123.79
3. Fire Services file review and on-site inspection fee - \$133.91.

The aforementioned fees include taxes and are subject to annual updates to the User Fee By-law.

## **STRATEGIC PLAN / POLICY IMPACT**

Accepting this report as information and proceeding with a public outreach program is not directly linked to any policies within the Corporate Strategic Plan.

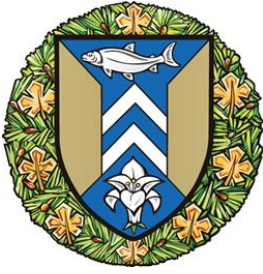
## **RECOMMENDATION**

It is therefore recommended that Council take the following action:

Resolved that the report of the Senior Planner, dated 2021 07 12 be accepted as information and that staff proceed with public consultation upon the proposed short term rental accommodation regulations.

Respectfully submitted,

Peter Tonazzo, RPP  
Senior Planner  
705.759.2780  
[p.tonazzo@cityssm.on.ca](mailto:p.tonazzo@cityssm.on.ca)



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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Stephen Turco, RPP, Senior Planner

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** John Rowsell Hub Trail Realignment Project

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**Purpose**

The purpose of this report is to obtain approval to award Contract 2022-12E for the realignment of the John Rowsell Hub Trail, near the Gateway/Casino sites.

**Background**

At the November 15, 2021 Council Meeting, Council authorized staff to proceed with the engineering design and to issue a tender for the realigned Hub Trail project. Since that time, design and tendering has advanced.

**Analysis**

The work generally consists of the removal and replacement of existing sidewalk with an asphalt multi-use path (MUP). The MUP starts at the St. Mary's River boardwalk, and then heads north along the west side of St. Mary's River Drive. The path continues along the west side of Andrew Street, then on the south side of Queen Street where a pedestrian crossing will facilitate crossing to the Esposito Park Pump Track. The total project is approximately 500 m in length.

Engineering services required for this project include the design, contract administration and field inspection of the MUP and PXO (and associated poles, signage and paint markings).

Two tenders were received and are summarized in the attached report provided by WSP (the consulting engineers). The original low tender, not including HST, is \$500,498.25, and was submitted by Ellis Don Industrial Inc.

**Financial Implications**

The City currently has approximately \$188,475 remaining for this project, with funds available through the Ontario Municipal Commuter Cycling (OMCC) program (\$138,4750) as well as reallocated funding from the City's NOFHC agreement (\$50,000).



# John Rowswell Hub Trail Realignment Project

August 8, 2022

Page 2.

Given the considerable budget shortfall, staff engaged in discussions with the low bidder, as permitted by the City's purchasing procedures, to reduce the scope of and to lower the overall cost of the project. In these discussions, it was agreed by both the City and the low bidder, to eliminate a number of quantities and materials. The most significant was removing approximately 690m of concrete banding, resulting in a savings of approximately \$95,000. Also, given the fairly straightforward nature of the construction, it was agreed to reduce the contingency allotment from \$50,000 to \$30,000.

Including non-recoverable HST, engineering services, and allowances for equipment purchases required for the PXO, the cost to complete this project is \$418,000.

## Project Cost Summary:

Revenue	OMCC/City	\$	138,475.00
	NOHFC/City	\$	50,000.00
		\$	188,475.00
<b>Costs:</b>	(Invoice Amount)	w/ NRHST	
Remaining WSP	\$ 10,500.00	\$	(10,684.80)
PWT			
PXO Equip.	\$ 13,518.00	\$	(13,755.92)
PUC			
Replace Luminaire	\$ 5,000.00	\$	(5,088.00)
Construction			
Ellis Don	\$ 500,498.25		
Remove 689m of Concrete Banding)	\$ (94,850.00)		
Replace AO9 - HL3 HS w/ HL3A	\$ (1,440.00)		
Remove CO3	\$ (2,500.00)		
Reduce Contingency	\$ (20,000.00)		
Revised Construction Cost	\$ 381,708.25	\$	(388,426.32)
	Total project cost	\$	(417,955.03)
	<b>TOTAL over/under</b>	<b>\$</b>	<b>(229,480.03)</b>

At the January 31, 2022 meeting, Council approved several supplementary projects to the 2022 Capital Budget. The approval was part of the additional funding of \$2.5 million, approved by the Province, under the Ontario Community Infrastructure Fund (OCIF). In discussion with Engineering staff, it has been confirmed that \$230,000 from that program can be used to fund the shortfall on the Hub Trail realignment project, provided that the Fourth Line culvert project be deferred to 2023.

Staff is recommending that the Fourth Line culvert project be deferred, and that the tender for the Hub Trail realignment project be awarded to Ellis Don, at the reduced scope of work.

It should be noted that both the OMCC and NOHFC funds need to be spent by the end of 2022.

### **Strategic Plan / Policy Impact**

The recommended project aligns with the Corporate Strategic Plan: 2021-2024, specifically, the Strategic Focus Areas of Quality of Life and Infrastructure. Active Transportation is highlighted as a key activity, under Quality of Life's "Environment" pillar.

### **Recommendation**

It is therefore recommended that Council take the following action:

Resolved that the report of the Senior Planner dated August 8, 2022 concerning John Rowswell Hub Train Realignment Project be received and that the Fourth Line culvert project identified on the list of supplementary projects approved by Council on January 31, 2022 be deferred to 2023.

The relevant By-law 2022-135 relating to the tender of award to Ellis Don for the Rowswell Hub Trail Realignment Project is listed under item 12 of the Agenda and will be read with all by-laws under that item.

Respectfully submitted,

**Stephen Turco, RPP**

Senior Planner

705.759.5279

[s.turco@cityssm.on.ca](mailto:s.turco@cityssm.on.ca)



June 20, 2022

Stephen Turco, RPP  
Senior Planner  
Planning  
Community Development and Enterprise Services  
Corporation of the City of Sault Ste. Marie  
99 Foster Drive, Civic Centre  
Sault Ste. Marie, ON P6A 5X6

Dear Mr. Turco:

Subject: City Contract No. 2022-12E – John Rowswell Hub Trail Realignment - Tender Report

We are pleased to provide our Tender Evaluation Report and recommendation for the Tenders received for the John Rowswell Hub Trail Realignment.

## PROJECT DESCRIPTION

The work generally consists of the removal and replacement of existing sidewalk with an asphalt multi-use path (MUP) starting at the St. Mary's River boardwalk, heading north along the east side of St. Mary's River Drive, continuing along the east side of Andrew Street, then on the south side of Queen Street where a PXO will facilitate crossing to the Esposito Park Pump Track, which is approximately 500 m in length. Engineering services required for this project include the design, contract administration and field inspection of an MUP including the PXO and associated poles, signage and paint markings.

## TENDERING OF THE WORKS

The call for tenders was advertised in the City Information Column of the Sault Star on April 30, 2022. Copies of the contract documents were also made available for review at the Sault Ste. Marie Construction Association as well as the Consulting Engineer's office.

One Addendum was issued during tendering to the contract on May 14, 2022.

Tenders closed at the Civic Centre on May 25, 2022, at 3:00 p.m.

## ORIGINAL TENDER PRICES

Two (2) tenders were received for the works. The tender prices, inclusive of H.S.T. were as follows:

CONTRACTOR	TOTAL TENDER PRICE (INCLUDING HST)	RANKING
Ellis Don Industrial Inc. (Pre-Addendum)	\$ 565,563.02	1
Ellwood Robinson Inc.	\$ 676,241.72	2



The tenders were checked for arithmetic accuracy.

All of the tenders were submitted with the appropriate Tender Deposit in the amount of \$50,000.00. The Tender Deposits were retained by the City for safe keeping. The submitted tenders all included a Contingency Allowance in the amount of \$50,000.00.

A breakdown of the bids by Tender Items is attached.

All the tenders received were significantly higher than the project budget. After discussions with the City staff, a post-closing addendum was issued to the low bidder which included items to reduce the project scope/cost.

## POST-CLOSING ADDENDUM PRICES

CONTRACTOR	TOTAL TENDER PRICE (INCLUDING HST)	RANKING
Ellis Don Industrial Inc. (Post-Closing)	\$ 431,330,32	1

## WSP'S EXPERIENCE WITH THE LOW BIDDER

WSP is familiar with Ellis Don Industrial Inc. and have worked with them on several municipal projects. It is our opinion that they are qualified and have the ability to successfully complete the assignment.

## COMPLETION DATE

The contract documents required that all work be Complete by October 14, 2022.

## TENDER VALIDITY

The contract documents stipulated that tenders be open for acceptance for a period of 60 days following the closing date, or until August 19, 2022.

## AWARD

WSP recommends that the City award the Tender to Ellis Don Industrial Inc. for a Total Tender Price of \$ 431,330,32 (inclusive of HST).

Attached with this letter is the required City Agreement between Ellis Don Industrial Inc. and the City of Sault Ste. Marie.

## TENDER DEPOSITS

We recommend that the tender deposit for Ellis Don Industrial Inc. and Ellwood Robinson Inc., the two bidders, be retained until such time as a contract has been executed between the City and Ellis Don Industrial Inc.





The above is respectfully submitted. If you have any questions, please do not hesitate to contact the undersigned.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D. Spacek', written over a horizontal line.

David Spacek P.Eng., PMP  
Manager of Municipal Infrastructure

Encl.

WSP ref.: 221-02894-00

# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

## BY-LAW 2022-143

**PLASTICS**: A by-law to prohibit the use of Single-Use Plastics.

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

### 1.0 **DEFINITIONS AND INTERPRETATION**

1 The following definitions apply to this by-law:

“Business”

- (a) Includes any corporation, individual, partnership, cooperative, association, sole proprietorship, or joint venture engaged in a retail operation, operation of a restaurant, or the sale of prepared foods or beverages to the public, and
- (b) Does not include a charity.

“Checkout Bag”

means a plastic manufactured bag that is designed to carry purchased goods from a business and includes a bag used to package take-out food or food to be delivered but does not include reusable bags or paper bags.

“Council”

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

“Plastic Cutlery”

means a plastic manufactured item that is formed in the shape of a fork, knife, spoon, spork or chopstick and includes a stir-stick or swizzle stick made of plastic.

“Plastic Straw”

means a plastic manufacture items that is formed in the shape of a drinking straw and includes a single-use plastic straw that has a corrugated section that allows the straw to bend and maintain its position at various angles.

“Plastic Foodservice Ware”

means a plastic manufactured item that

- (a) is formed in the shape of a clamshell container, lidded container, box, cup, plate or bowl; and
- (b) is designed for serving or transporting food or beverage that is ready to be consumed without any further preparation.

## 2.0 **PROHIBITIONS**

- 2.1 Except as provided in this by-law, no Business shall sell or provide a Checkout Bag to a customer.
- 2.2 Except as provided in this by-law, no Business shall sell or provide Plastic Cutlery, Plastic Straws or Plastic Foodservice Ware to a Customer for the purpose of transporting, or containing prepared food or beverages;

## 3.0 **EXCEPTIONS**

- 3.1 Section 2 does not apply to bags used to:
- (a) package loose bulk items such as fruit, vegetables, nuts, grains or candy;
  - (b) package small hardware items;
  - (c) contain or wrap frozen foods, meat, poultry, and fish;
  - (d) protect prepared foods or bakery items that are not pre-packaged;
  - (e) transport live fish;
  - (f) protect clothing or linens after professional laundering or dry cleaning;
  - (g) package medical supplies and items used in the provision of health services;
  - (h) protect tires that do not fit in reusable bags; and
  - (i) collect and dispose of animal waste.
- 3.2 Section 2 does not apply to plastic straws in a hospital, medical facility, long-term care facility or other care institution where they may sell plastic straws and flexible straws to patients or residents.

## 4.0 **PENALTIES**

- 4.1 A person found guilty of an offence under this by-law is subject to a fine:
- (a) of \$500;
  - (b) In the case of a continuing offence, for each day that the offence continues, the fine shall be \$500 and the total of all daily fines for the offence is limited to \$10,000; and
  - (c) In the case of multiple offences, for each offence included in the multiple offences, the fine shall be \$500 and the total of all fines for each included offence is limited to \$10,000.

**5.0 ENFORCEMENT**

- 5.1 The provisions of this by-law may be enforced by a municipal law enforcement officer while in the course of her or his duties;
- 5.2 An Officer may, at any reasonable time, enter onto any public place for the purpose of determining whether or not the provisions of this by-law have been complied with.
- 5.3 No person shall prevent or attempt to prevent, hinder, or interfere with an Officer, including refusing to identify themselves when requested by an Officer to do so.

**6.0 GENERAL**

- 6.1 If any provision or part of a provision of this by-law is declared by any court or tribunal or any provincial or federal legislation or regulation to be illegal or inoperative, in whole or in part, or inoperative in particular circumstances, the balance of the by-law or its application in any other circumstances shall not be affected and shall continue to be in full force and effect.

**7.0 EFFECTIVE DATES FOR COMING INTO FORCE**

- 7.1 Section 2.1 of this by-law will come into effect on October 8, 2022.
- 7.2 Section 2.2 of this by-law will come into effect on February 8, 2023.
- 7.3 Section 5.0 of this by-law will come into effect on August 8, 2023.
- 7.4 Section 4.0 of this by-law regarding Penalties will come into effect on August 8, 2023, providing the approval and/or amendment by the Regional Senior Justice of the Ontario Court of Justice has been received.

**8.0 EFFECTIVE DATE**

This by-law comes into force on the day of its final passing.

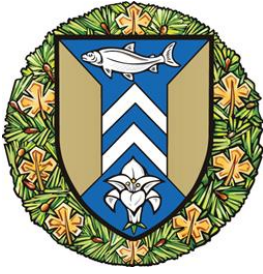
**PASSED** in open Council this 8<sup>th</sup> day of August, 2022.

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**MAYOR – CHRISTIAN PROVENZANO**

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**CITY CLERK – RACHEL TYCZINSKI**



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

**COUNCIL REPORT**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Peter Tonazzo, RPP, Director of Planning

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** A-7-22-Z 625 Black Road and 1135 Second Line East

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**PURPOSE**

The applicant, Cairns Silver Lining Engineers, wishes to rezone the subject properties to facilitate the construction of two buildings to house the sale, rental and service of various equipment and tools. A third building is also planned for future use.

**PROPOSED CHANGE**

The applicant is seeking Council's approval to rezone the subject property from Light Industrial Zone (M1) to Medium Industrial Zone (M2) with a special exception to reduce the required exterior side yard (Second Line East) setback from 15m to 5m.

**Subject Properties:**

- Location: Southwest corner of Second Line East and Black Road.
- Approximate Size: Combined, the subject properties have approximately 59m frontage on Black Road and 376m frontage along Second Line East, totalling 3.33ha.
- Present Use: Vacant
- Owner: ESC Land Development Corporation.

**BACKGROUND**

There have been no previous applications upon the subject properties.

**ANALYSIS**

**Conformity with Official Plan**

The subject properties are designated 'Industrial' on Land Use Schedule C of the Official Plan. The proposed rezoning and uses for the properties are consistent with the Industrial Policies of the Official Plan.

The subject properties are located in a "gateway area" and Urban Design Policy D.6 requires 'a high standard of site design in strategic or prominent locations'.



Therefore, as part of any approvals, it is recommended that the properties be deemed subject to site plan control so that staff can ensure among other things, high quality landscaping and site design. The applicant has indicated a general vision to design the buildings in a manner consistent with that of a car dealership. As part of the site plan process, staff will also be reviewing proposed façades to ensure high quality design. The site plan agreement will also include specific guidelines around outdoor storage and display to ensure the site and landscaped areas are not dominated by display items.

**Conformity with Provincial Policy Statement 2020 and Growth Plan for Northern Ontario 2011**

Approval of this application conforms to the PPS 2020 and is consistent with the policies of the Growth Plan for Northern Ontario.

**COMMENTS**

The subject properties are located on the southwest corner of Second Line East and Black Road, two major Arteries that facilitate high volumes of local and non-local traffic travelling through Sault Ste. Marie along the Trans-Canada Highway. The character of the area is generally mixed, with a combination of industrial uses and existing legal non-conforming dwellings. This entire block of parcels, as well as a large area on the east side of Black Road were designated and zoned industrial as part of the 2001 Industrial Land Strategy. The block of properties on the southwest corner of Second Line and Black Road, which includes a fairly large, vacant parcel owned by the Province, was originally envisioned as a potential location for a 'smart park'; however this type of development has not yet materialized. Approval of this rezoning application would not negatively impact the future development of a smart park or any other industrial development on adjacent parcels. The existing industrial uses to the south can be generally classified as contractor's yards.

The applicant's proposal consists largely of relocating Service Rentals and National Supply from their current location on Sackville Road. Service Rentals consists of the sale, rental and repair of commercial and industrial supplies, tools and equipment, including small hand tools and heavier construction equipment such as lifts and vibrating rollers. Service Rentals is also a dealer for farm tractors and accessories. Referring to the attached site plan, Service Rentals is intended to occupy one of the proposed 10,000sq.ft. buildings on the property.

The other proposed 10,000sq.ft. building would be occupied by National Supply, which primarily sells H-Vac equipment and support merchandise, as well as National Concrete Pumping which rents out mobile truck mounted concrete pumping services.

The third building is proposed for potential future development purposes.

For the most part, the proposed uses of the subject properties adhere to those permitted within the existing Light Industrial Zone, including *Contractor's Yards, Warehousing, Wholesaling and Distribution Centres* and *Rental and Leasing Services*. In addition, the requested Medium Industrial (M2) Zoning permits among other things, *Motor Vehicle Sales and Parts Dealers* and *Heavy Equipment Sales, Maintenance and Repair*, which specifically applies to the tractor dealership which is part of Service Rentals. In general, the applicant is seeking greater flexibility to grow the existing businesses and attract complementary tenants to the site.

With all of this in mind, the subject properties are located in a prominent 'Gateway Area' of the community and as per current OP policies, high site design is required, especially in the form of high quality landscaping and appropriate visual screening of outdoor storage areas.

Current provisions of the M2 Zone require a minimum of 75% of required front and exterior side yards to be landscaped. It is worth noting that zoning approvals have been designed in a manner that will require both subject properties to be merged to one lot. The resulting defined front yard will be the Black Road frontage and the defined exterior side yard will be the Second Line frontage. The current site plan proposes to landscape 100% of the required front yard/Black Road frontage. As part of this application, a reduction of the required exterior side yard setback from 15m to 5m is being requested. The required road widenings along Black Road and Second Line have already been taken as part of recent reconstruction of both roadways. Along the Second Line frontage there exists a wide, 20m boulevard between the edge of the sidewalk and the lot line of the subject properties. Given the size of the boulevard, Planning Staff supports the requested exterior side yard setback reduction, on the condition that additional, high quality landscaping is provided within 5m of city owned boulevard adjacent to the exterior side lot line. In this manner, a sufficient quantity of high quality landscaping can be provided.

A large secure storage area is proposed on the southern half of the subject properties with a 'privacy fence'. Through the site plan control process, staff will ensure that such fencing is constructed and maintained to be 100% visually solid, with the overall goal of improving the overall aesthetics of the site.

The four access points shown on the site plan were installed as part of the recent Second Line reconstruction. The preliminary site plan proposes the entire area between the required landscaping and secure compound to be a paved parking and display area. As previously noted, specific details depicting outdoor display areas will be required as part of the site plan control process.

The site will be serviced with municipal water and sewer connections. There are three existing sanitary laterals along the Second Line frontage. The developer

will need to extend a water service from the corner of Second Line and Black Road to service the proposed development.

### **CONSULTATION**

Public notices were mailed to all neighbouring properties within 120m (400') of the subject property on July 15, 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 July 16<sup>th</sup>, 2022.

### **Public Comments**

Up to the drafting of this report, there have been no formal comments or objections received as a result of the public circulation. One neighbour did contact staff for additional information, and as part of the discussion, did note the area has a high water table and that stormwater management will be an important aspect of the development.

### **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:

#### Canada Post

Canada Post has indicated that if approved, mail will be delivered to a nearby 'super box' located at 686 Black Road.

#### Engineering Services

The attached correspondence from Engineering Services notes that stormwater management may be required and that existing sanitary laterals, driveways and culverts are already in place. Engineering recommends the property be subject to Site Plan Control and that a grading plan be submitted to the satisfaction of the Director of Engineering or his designate.

### **FINANCIAL IMPLICATIONS**

Approval of this application will not result in any incremental financial impacts to the Municipality.

### **STRATEGIC PLAN / POLICY IMPACT**

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

### **SUMMARY**

The applicant is seeking to rezone the property from Light Industrial (M1) to Medium Industrial (M2) to facilitate the relocation of Service Rentals and National Supply and to permit greater flexibility going forward. Given the subject properties' prominent location at the corner of Second Line and Black Road, high design standards are an important consideration that can be appropriately handled through site plan control. Through the pre-consultation process, the

proponents have indicated their intention to create an aesthetically pleasing development.

**RECOMMENDATION**

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:

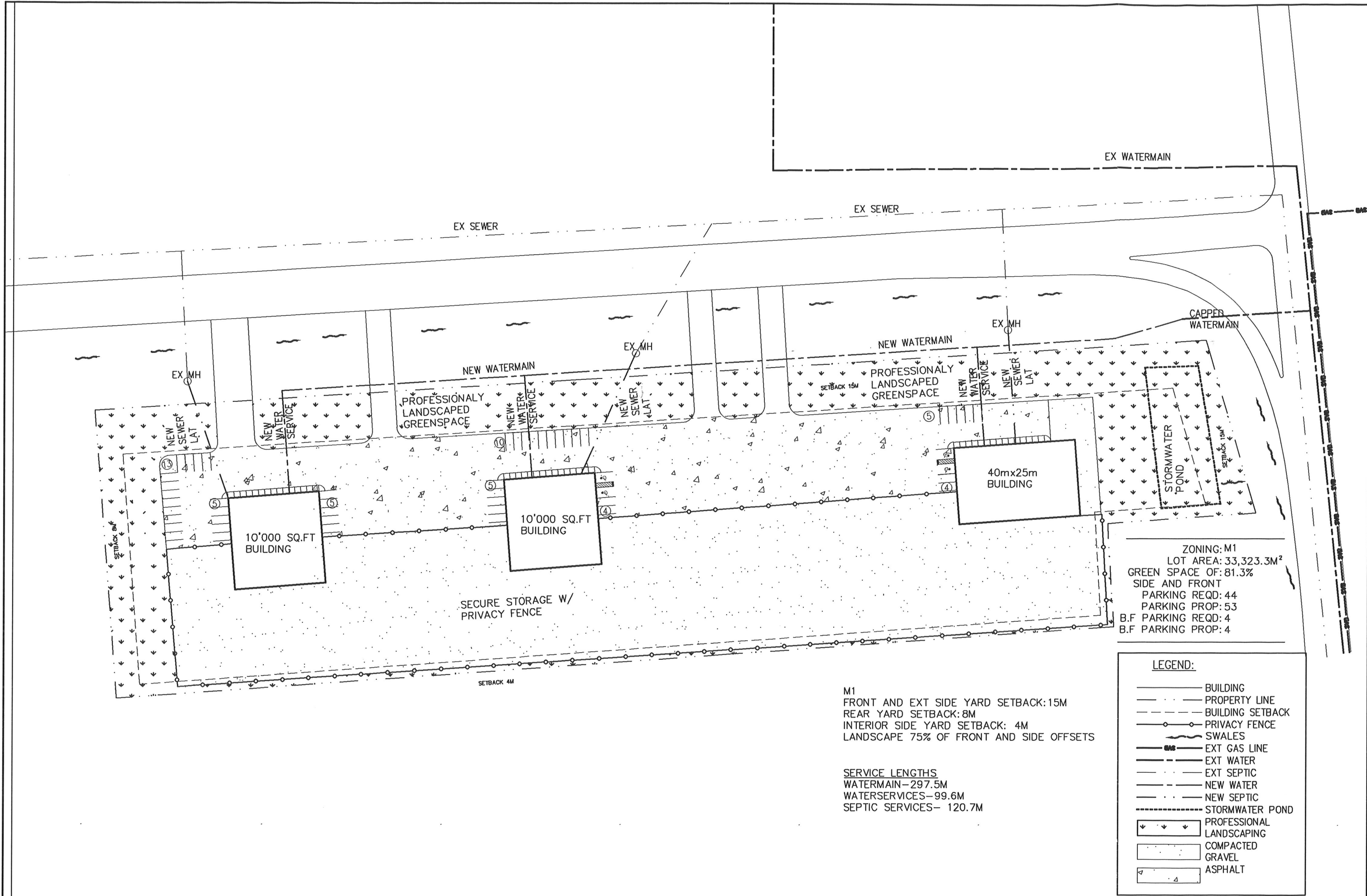
- That the required exterior side yard along Second Line be reduced from 15m to 5m; and
- That the applicant be required to landscape 5m of the city boulevard adjacent to the exterior side lot line, the details of such landscaping to be determined through the site plan control process.

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

Respectfully submitted,

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

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



COPYRIGHT OF THESE DRAWINGS IS VESTED IN CAIRNS SILVER LINING ENGINEERS DIMENSIONS MEASURED ON SITE.			
NO.	DATE	REASON	REV.

PROJECT	SERVICE RENTALS & SALES
	626 Black Rd, SAULT STE MARIE, ON, P6A 0C8

ENGINEER	Trevor Sawchyn
	Lucas Maszcakiewicz
DRAFTSPERSON	PROJECT NO.
DATE	MAR. 4, 2022
SCALE	CSE-2021-144
1:30	

TITLE	SITE PLAN
	C-01
DRAWING NO.	



## Stephanie Perri

---

**From:** THERIAULT, Raynald <raynald.theriault@canadapost.postescanada.ca>  
**Sent:** Monday, July 11, 2022 7:25 AM  
**To:** Stephanie Perri  
**Subject:** RE: Request for Comment - A-7-22-Z 625 Black Road 1135 Second Line East

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

This email originated outside of the Corporation of the City of Sault Ste. Marie.  
Do not open attachments or click links unless you verify the sender and know the content is safe.

Hi Stephanie,  
Not comments on the rezoning application.  
If it does get approved and project moves forward, I would like to comment that these would be serviced at a nearby CMB located at/near 686 Black Road.  
Please keep me informed if it does get approved.

Ray Thériault  
Delivery Services Officer  
Cell---613-793-2293

---

**From:** Stephanie Perri <s.perri@cityssm.on.ca>  
**Sent:** July 8, 2022 11:53 AM  
**To:** Maggie McAuley <m.mcauley@cityssm.on.ca>; Dan Perri <d.perri@cityssm.on.ca>; Carl Rumiel <c.rumiel@cityssm.on.ca>; Freddie Pozzebon <f.pozzebon@cityssm.on.ca>; Francois Couture <f.couture@cityssm.on.ca>; Karen Fields <k.fields@cityssm.on.ca>; Tom Vair <t.vair@cityssm.on.ca>; Rick Van Staveren <r.vanstaveren@cityssm.on.ca>; Rob Harten <rob.harten@ssmpuc.com>; eng dept <eng-dept@ssmpuc.com>; Diane Morrell <diane.morrell@sciontario.org>; SSMRCA <nature@ssmrca.ca>; Virginia McLeod <v.mcleod@cityssm.on.ca>; Susan Hamilton Beach <s.hamiltonbeach@cityssm.on.ca>; 'circulations@wsp.com' <circulations@wsp.com>; 'planninganddevelopment@bell.ca' <planninganddevelopment@bell.ca>; newdevelopment@rci.rogers.com; THERIAULT, Raynald <raynald.theriault@canadapost.postescanada.ca>; councilsecretary@batchewana.ca; Paul Milosevich <p.milosevich@cityssm.on.ca>; 'Toni.Tessarolo@ontario.ca' <Toni.Tessarolo@ontario.ca>; 'mso-ne@ontario.ca' <mso-ne@ontario.ca>  
**Cc:** Kathy Swinn <k.swinn@cityssm.on.ca>; Samantha Travaglini <s.travaglini@cityssm.on.ca>; Orsalina Naccarato <o.naccarato@cityssm.on.ca>; Amanda Cipriano <a.cipriano@cityssm.on.ca>  
**Subject:** Request for Comment - A-7-22-Z 625 Black Road 1135 Second Line East

This email is from an EXTERNAL sender. Please be CAUTIOUS, particularly with links and attachments. | Ce courriel est d'un expéditeur EXTERNE. Soyez PRUDENT, en particulier avec des liens et des pièces jointes.

Good afternoon,  
Please see attached rezoning application for your review/comment:  
1. A-7-22-Z 625 Black Road and 1135 Second Line East

We would appreciate receiving your response on or before **Monday, July 25, 2022**.

If you require anything further, please let us know.

Regards,  
Stephanie

**Stephanie Perri**

Administrative Clerk  
Planning and Enterprise Services  
[s.perri@cityssm.on.ca](mailto:s.perri@cityssm.on.ca)  
705.759.5368

**CITY OF SAULT STE. MARIE**

99 Foster Drive, Sault Ste. Marie, ON P6A 5X6  
[saultstemarie.ca](http://saultstemarie.ca)



Individuals who submit written correspondence or information to the City should be aware that any personal information contained in their communications may become part of the public record and made available to the public through the Council Agenda process or that of a committee of Council or a local board.

## Stephanie Perri

---

**From:** Maggie McAuley  
**Sent:** Tuesday, July 26, 2022 4:03 PM  
**To:** Stephanie Perri; Peter Tonazzo  
**Subject:** RE: Request for Comment - A-7-22-Z 625 Black Road 1135 Second Line East

Hi Peter,

Engineering has reviewed the abovementioned application and make the following comments:

- Stormwater management may be required
- Existing sanitary laterals are provided along Second Line East in the road boulevard.
- Existing driveways and driveway culverts are in place.
- It is recommended that this property be subject to Site Plan Control and that a grading plan be submitted to the satisfaction of the Director of Engineering or his designate.

Please advise if you require further information.

Regards,

**Maggie McAuley, P.Eng.**  
Municipal Services & Design Engineer  
Engineering Division  
Public Works and Engineering Services  
705.759.5385 [m.mcauley@cityssm.on.ca](mailto:m.mcauley@cityssm.on.ca)

**CITY OF SAULT STE. MARIE**  
99 Foster Drive, Sault Ste. Marie, ON P6A 5X6  
[saultstemarie.ca](http://saultstemarie.ca)



---

**From:** Stephanie Perri  
**Sent:** Friday, July 8, 2022 11:53 AM  
**To:** Maggie McAuley <m.mcauley@cityssm.on.ca>; Dan Perri <d.perri@cityssm.on.ca>; Carl Rumiel <c.rumiel@cityssm.on.ca>; Freddie Pozzebon <f.pozzebon@cityssm.on.ca>; Francois Couture <f.couture@cityssm.on.ca>; Karen Fields <k.fields@cityssm.on.ca>; Tom Vair <t.vair@cityssm.on.ca>; Rick Van Staveren <r.vanstaveren@cityssm.on.ca>; Rob Harten <rob.harten@ssmpuc.com>; eng dept <eng-dept@ssmpuc.com>; Diane Morrell <diane.morrell@sciontario.org>; SSMRCA <nature@ssmrca.ca>; Virginia McLeod <v.mcleod@cityssm.on.ca>; Susan Hamilton Beach <s.hamiltonbeach@cityssm.on.ca>; 'circulations@wsp.com' <circulations@wsp.com>; 'planninganddevelopment@bell.ca' <planninganddevelopment@bell.ca>; newdevelopment@rci.rogers.com; raynald.theriault@canadapost.postescanada.ca; councilsecretary@batchewana.ca; Paul Milosevich <p.milosevich@cityssm.on.ca>; 'Toni.Tessarolo@ontario.ca' <Toni.Tessarolo@ontario.ca>; 'mso-ne@ontario.ca' <mso-ne@ontario.ca>  
**Cc:** Kathy Swinn <k.swinn@cityssm.on.ca>; Samantha Travaglini <s.travaglini@cityssm.on.ca>; Orsalina Naccarato

<o.naccarato@cityssm.on.ca>; Amanda Cipriano <a.cipriano@cityssm.on.ca>

**Subject:** Request for Comment - A-7-22-Z 625 Black Road 1135 Second Line East

Good afternoon,

Please see attached rezoning application for your review/comment:

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

We would appreciate receiving your response on or before **Monday, July 25, 2022**.

If you require anything further, please let us know.

Regards,  
Stephanie

**Stephanie Perri**

Administrative Clerk

Planning and Enterprise Services

[s.perri@cityssm.on.ca](mailto:s.perri@cityssm.on.ca)

705.759.5368

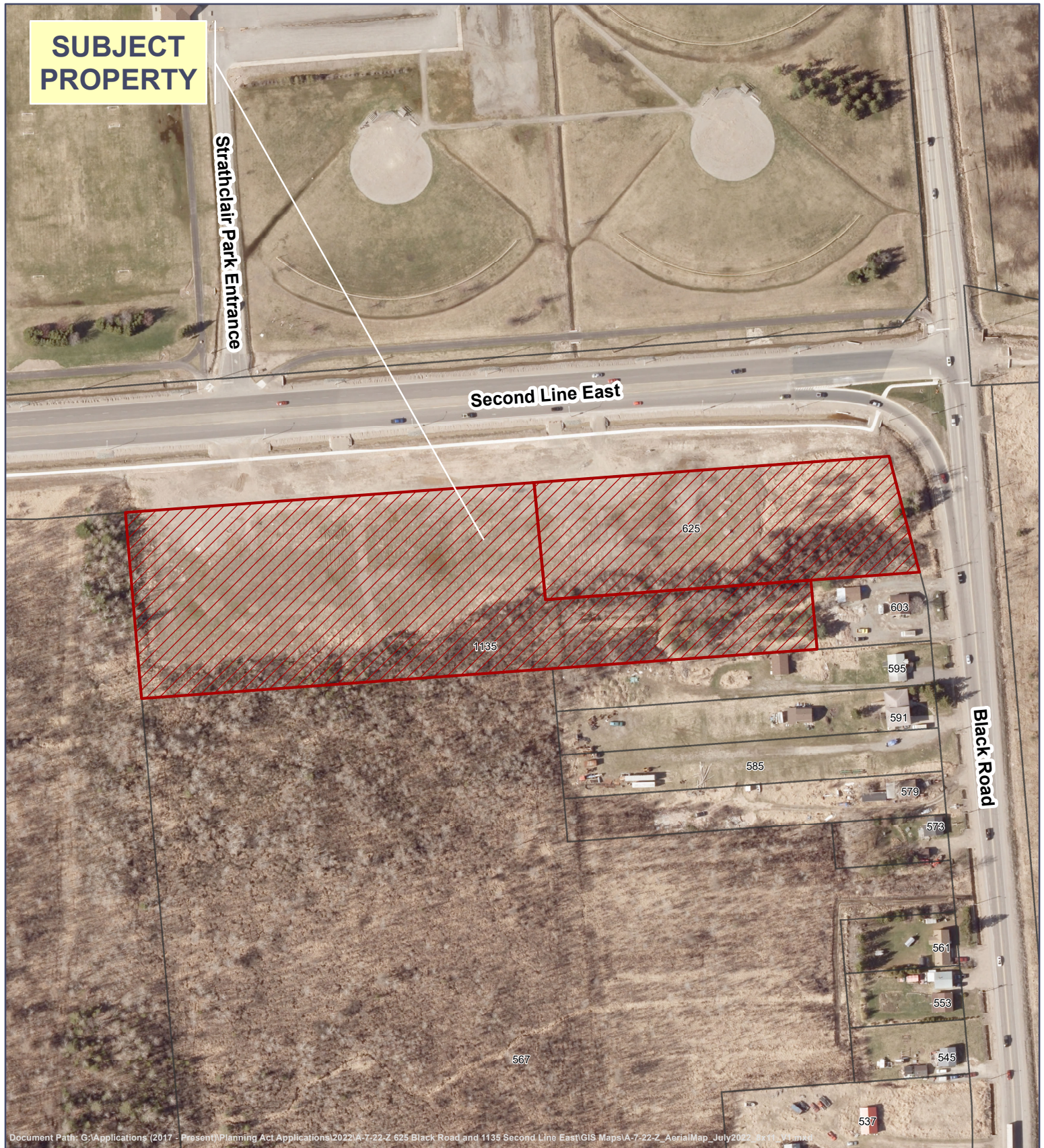
**CITY OF SAULT STE. MARIE**

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[saultstemarie.ca](http://saultstemarie.ca)







Document Path: G:\Applications (2017 - Present)\Planning Act Applications\2022\A-7-22-Z 625 Black Road and 1135 Second Line East\GIS Maps\A-7-22-Z\_AerialMap\_July2022\_3x11\_V1.mxd

<p><b>Application Map Series</b></p> <p><input type="checkbox"/> Subject Property <input type="checkbox"/> Official Plan Landuse</p> <p><input type="checkbox"/> Existing Zoning <input checked="" type="checkbox"/> Aerial Image</p> <p><input type="checkbox"/> Official Plan Amendment</p>	<p><b>Legal Department Reference</b></p>	<div data-bbox="1031 1753 1291 1837"> </div> <p><b>SAULT STE. MARIE</b></p> <p><b>Planning and Enterprise Services</b></p> <p>Community Development and Enterprise Services Department</p> <p>99 Foster Drive, Sault Ste Marie, ON P6A 5X6</p> <p>saultstemarie.ca   705-759-5368   planning@cityssm.on.ca</p> <p><i>This map is for general reference only</i></p> <p>Orthophoto: 2016 20cm Colour</p> <p>Projection Details:</p> <p>NAD 1983 UTM Zone 16N</p> <p>GCS North American 1983</p> <div data-bbox="1274 2005 1502 2047"> <p>0 12.5 25 50 Meters</p> <p>1:2,500</p> </div> <div data-bbox="1502 1953 1550 2047"> </div>
<p><b>Property Information</b></p> <p>Civic Address: 625 Black Rd &amp; 1135 Second Line East</p> <p>Roll No.: 030080093000000 &amp; 030080092000000</p> <p>Map No.: 73/1-78</p> <p>Application No.: A-7-22-Z</p> <p>Date Created: July 7, 2022</p>	<p><b>Legend</b></p> <p> Subject Properties</p> <p> Parcel Fabric</p> <p>Page 181 of 465</p>	

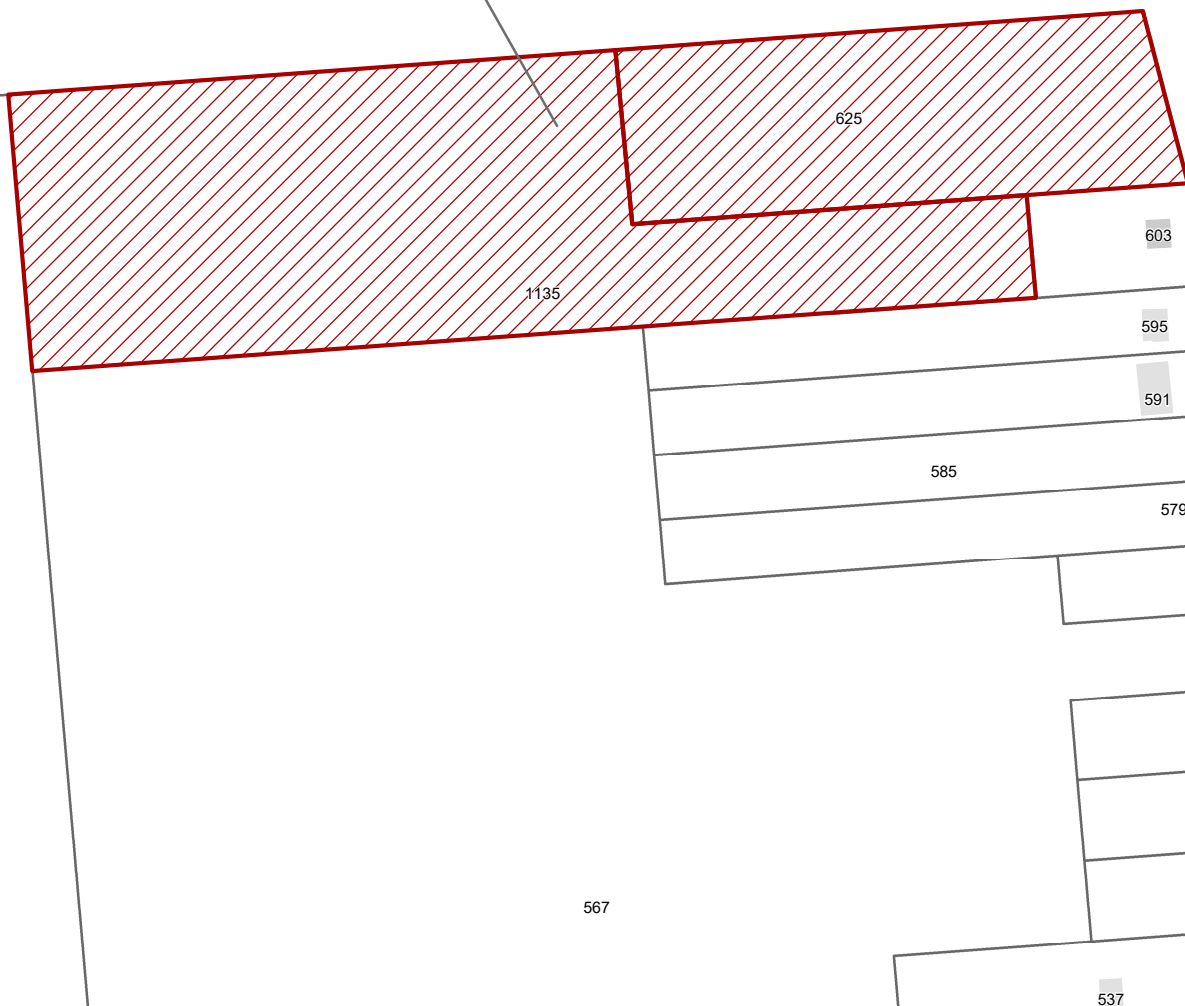


# SUBJECT PROPERTIES

Strathclair Park Entrance

Second Line East

Black Road



Document Path: G:\Applications (2017 - Present)\Planning Act Applications\2022\A-7-22-Z 625 Black Road and 1135 Second Line East\GIS Maps\A-7-22-Z\_SubjectPropertyMap\_July2022\_8x11\_V1.mxd

## Application Map Series

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

## 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

## Legal Department Reference

## Legend

Subject Properties

Parcel Fabric

Page 182 of 465



**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

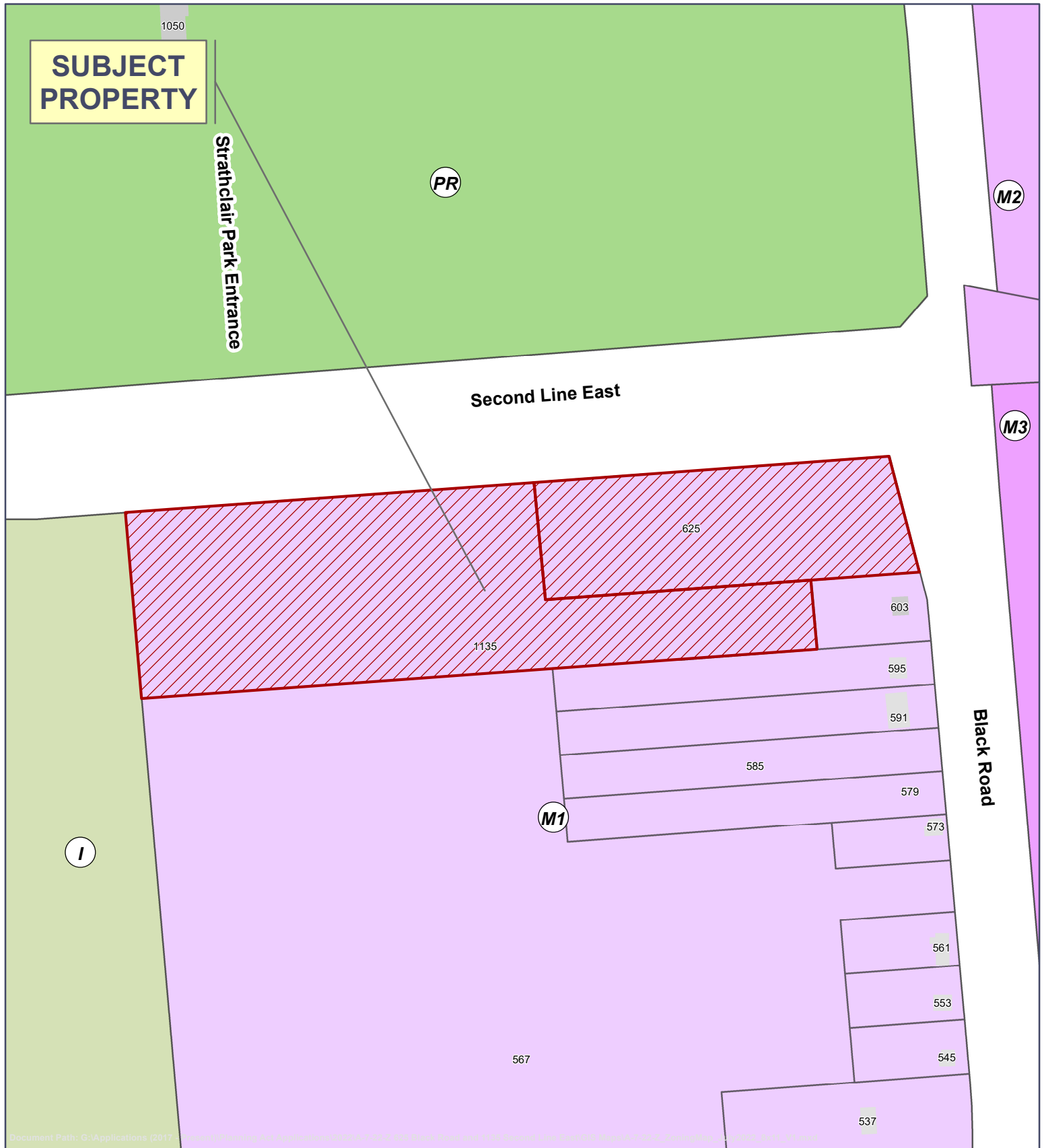
Projection Details:

NAD 1983 UTM Zone 16N

GCS North American 1983

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1:2,500





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<p><b>Application Map Series</b></p> <p><input type="checkbox"/> Subject Property <input type="checkbox"/> Official Plan Landuse</p> <p><input checked="" type="checkbox"/> Existing Zoning <input type="checkbox"/> Aerial Image</p> <p><input type="checkbox"/> Official Plan Amendment</p> <p><b>Property Information</b></p> <p>Civic Address: 625 Black Rd &amp; 1135 Second Line East</p> <p>Roll No.: 030080093000000 &amp; 030080092000000</p> <p>Map No.: 73/1-78</p> <p>Application No.: A-7-22-Z</p> <p>Date Created: July 7, 2022</p>	<p><b>Legend</b></p> <table border="0"> <tr> <td>C1 - Traditional Commercial Zone</td> <td>R3 - Low Density Residential Zone</td> </tr> <tr> <td>C2 - Central Commercial Zone</td> <td>R4 - Medium Density Residential Zone</td> </tr> <tr> <td>CT2 - Commercial Transitional Zone</td> <td>R5 - High Density Residential Zone</td> </tr> <tr> <td>C3 - Riverfront Zone; C3hp</td> <td>R6 - Mobile Home Residential Zone</td> </tr> <tr> <td>C4 - General Commercial Zone; C4hp</td> <td>I - Institutional Zone</td> </tr> <tr> <td>C5 - Shopping Centre Zone</td> <td>EM - Environmental Management Zone</td> </tr> <tr> <td>HZ - Highway Zone</td> <td>PR - Parks and Recreation Zone</td> </tr> <tr> <td>M1 - Light Industrial Zone</td> <td>RA - Rural Area Zone</td> </tr> <tr> <td>M2 - Medium Industrial Zone; M2hp</td> <td>RP - Rural Precambrian Uplands Zone</td> </tr> <tr> <td>M3 - Heavy Industrial Zone</td> <td>REX - Rural Aggregate Extraction Zone</td> </tr> <tr> <td>R1 - Estate Residential Zone</td> <td>AIR - Airport Zone</td> </tr> <tr> <td>R2 - Single Detached Residential Zone; R2hp</td> <td>Named Use - Commercial Dock</td> </tr> </table> <p>Parcel Fabric</p>	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	<p><b>SAULT STE. MARIE</b></p> <p><b>Planning and Enterprise Services</b></p> <p>Community Development and Enterprise Services Department</p> <p>99 Foster Drive, Sault Ste Marie, ON P6A 5X6</p> <p>saultstemarie.ca   705-759-5368   planning@cityssm.on.ca</p> <p><i>This map is for general reference only</i></p> <p>Orthophoto: None</p> <p>Projection Details:</p> <p>NAD 1983 UTM Zone 16N</p> <p>GCS North American 1983</p> <p>0 12.5 25 50 Meters</p> <p>1:2,500</p> <p></p>
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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

### 625 Black Road and 1135 Second Line East

Application No.: A-7-22-Z

Applicant: Cairns Silver Lining Engineers

Date: August 8, 2022

Time: 5:30 PM

Location: City of Sault Ste. Marie

Civic Centre, Council Chambers

99 Foster Drive

#### PURPOSE

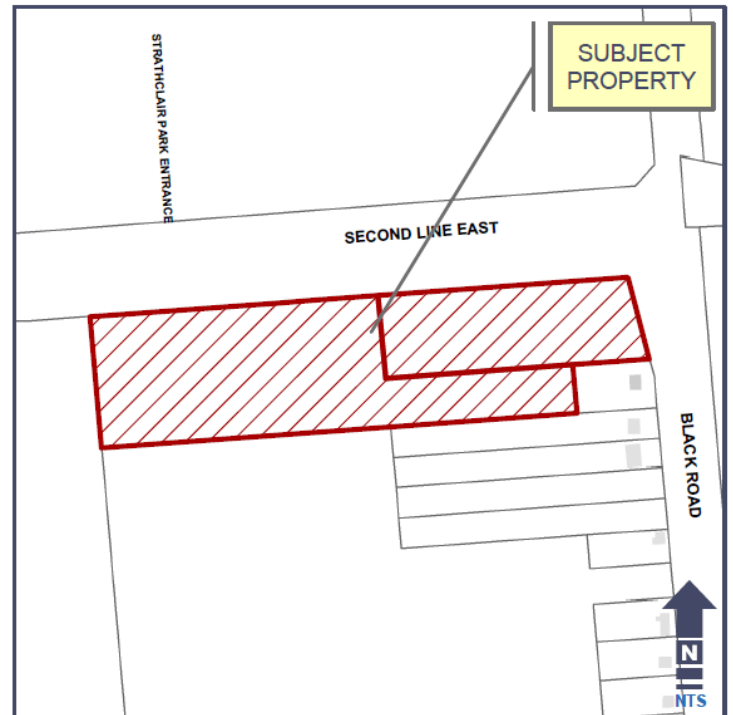
The applicant, Cairns Silver Lining Engineers wishes to rezone the subject properties to facilitate the construction of 2 buildings to house the sale, rental and service of various of equipment and tools. A third building is also planned for future use.

#### PROPOSED CHANGE

To rezone the subject property from Light Industrial Zone (M1) to Medium Industrial Zone (M2), with a special exception to reduce the required exterior side yard (Second Line East) from 15m to 5m

#### 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 8, 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](mailto: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 5, 2022 as part of City Council's Agenda. Please contact Peter Tonazzo at 705.759.2780 or [p.tonazzo@cityssm.on.ca](mailto:p.tonazzo@cityssm.on.ca) to request a digital copy. Please refer to the application file number.

#### WRITTEN SUBMISSION

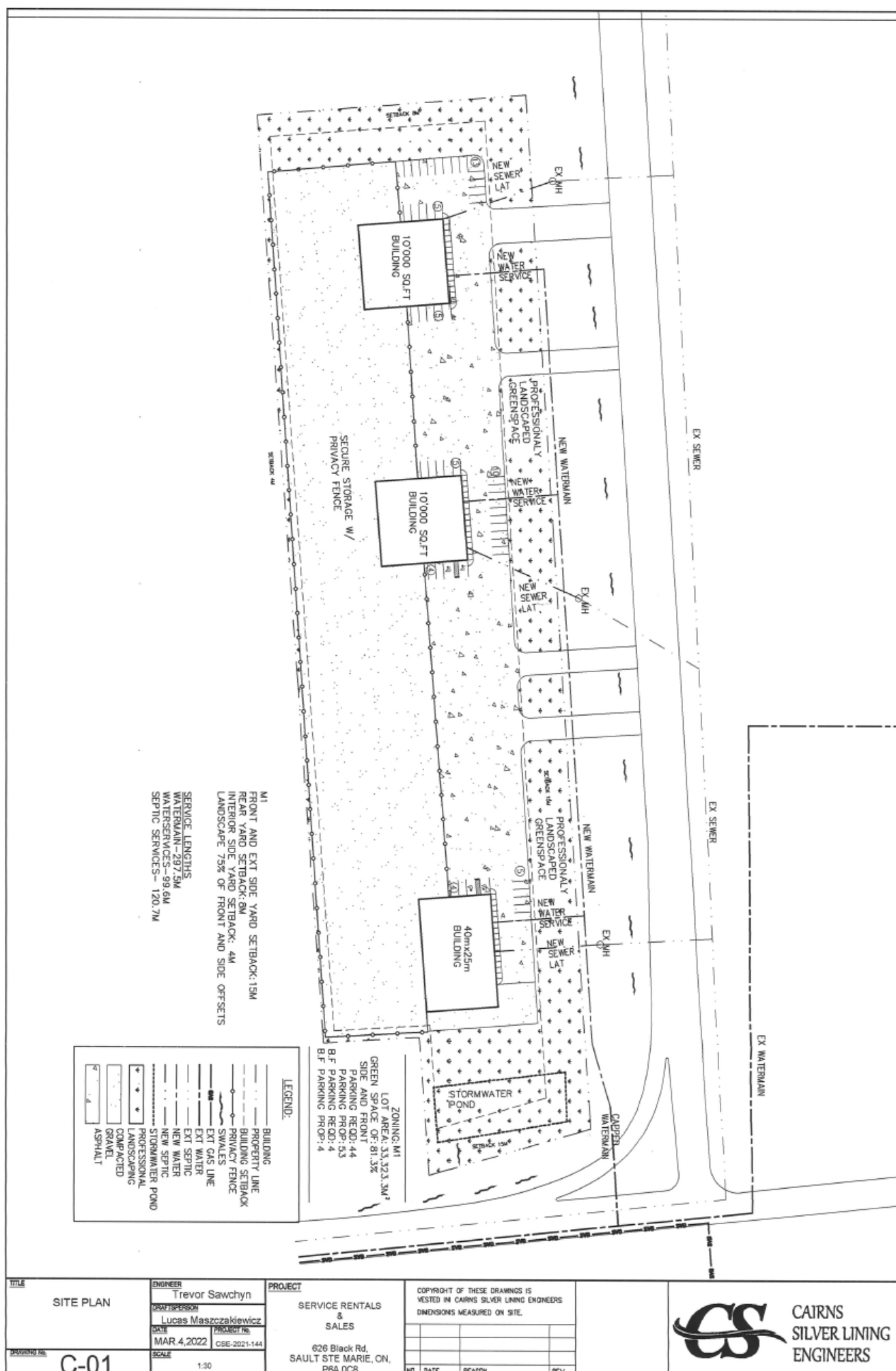
To provide input in writing, or request notice if the proposed application is approved, please submit a letter to Peter Tonazzo, 99 Foster Drive, Sault Ste. Marie, ON P6A 5X6, or e-mail to [p.tonazzo@cityssm.on.ca](mailto:p.tonazzo@cityssm.on.ca) with your name, address and application file number on or before **Monday, August 8, 2022**.

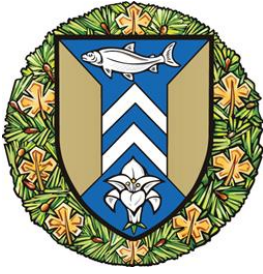
If you wish to be notified of the Council of the City of Sault Ste. Marie decision to adopt or refuse the approval of an application, you must make a written request to the Planning Division at the address noted above.

#### 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**

**C O U N C I L   R E P O R T**

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Peter Tonazzo, RPP, Director of Planning

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** A-8-22-Z.OP 204 South Market Street

---

**PURPOSE**

The applicant, ESC Land Development Corporation (C/O Todd Lisso), wishes to rezone the subject property to facilitate the construction of four 5-storey apartment buildings totaling approximately 348 dwelling units within the western portion of the property, 28 multiple attached (townhouse) dwelling units within the eastern portion of the property and a 3,600m<sup>2</sup> personal storage facility upon the northern portion of the property. The applicant is also seeking Official Plan Amendments to permit a personal storage facility on lands designated 'Residential' and to waive the affordable housing requirements which would otherwise require at least 30% of the proposed dwelling units to be affordable.

**PROPOSED CHANGE**

The applicant is seeking Council's approval to:

1. Amend the Official Plan by way of the following notwithstanding clauses:
  - 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.
  - 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. 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 exceptions:
  - To permit a personal storage (self-storage) facility in addition to the uses permitted in the R4 Zone.
  - To permit a 1.8m fence, in association with the proposed accessory use daycare facility, to be located within a front yard.



**Subject Property:**

- Location: The subject property is located on the east side of South Market Street, approximately 104m south of it's intersection with Trunk Road.
- Approximate Size: The irregularly shaped subject property has approximately 270m frontage on South Market Street by 240m depth, totalling 7ha.
- Present Use: Vacant
- Owner: ESC Land Development Corporation

**BACKGROUND**

There have been no previous Planning Act applications upon the subject property.

**ANALYSIS**

**Conformity with Official Plan**

The subject property is designated residential on Land Use Schedule C of the Official Plan. The residential component of the proposed development represents an intensification opportunity, supported by a number of Residential Policies within the Official Plan. In fact, the required rezoning to extend the existing R4 zoning further east is relatively minor in nature.

This application includes two Official Plan Amendment requests:

1. To waive the 30% affordable housing requirements for all new residential developments greater than 50 units, as required by current Housing Policy 6 of the OP.

Policy HO.6 specifically requires that at least 30% of units in all residential developments greater than 50 units be affordable. The applicant is seeking relief from this requirement, by way of a notwithstanding clause so that none of the proposed dwellings are required to be affordable.

The City's OP was approved in 1996 and Policy HO.6 is the result of the relatively short lived *Comprehensive Set of Policy Statements*, which were in effect at the time and later repealed. While many of the policies contained within the *Comprehensive Set of Policy Statements* were carried forward in subsequent *Provincial Policy Statements*, the following requirement was not: *'opportunities will be provided for no less than 30% of new dwelling units created through development, and intensification to be affordable housing'*.

It is argued that Policy HO.6 is counterproductive and has the effect of reducing residential development, thereby lowering supply and driving up dwelling prices, on the basis that it is cost prohibitive for new construction of this nature to provide 30% of all units at affordable rates, without significant subsidies or incentives.

There exists more effective methods to achieving affordable housing options, proposed as part of Official Plan Amendment Application A-6-22-OP, located elsewhere on Council's agenda and recommended for approval. Although discussed in far greater detail, Application A-6-22-OP proposes to repeal the existing housing policies and replace them with a suite of new policies which staff feel represent a far more effective and appropriate approach to affordable housing, within the context of an Official Plan. The proposed policies include, among other things:

- Clearly defining affordable housing in accordance with the Provincial Policy Statement 2020 (which is primarily aimed at the 'missing middle') and establishing a 30% affordability target.
  - Supporting residential intensification, mixed residential neighbourhoods and residential conversions, including the creation of accessory dwelling units.
  - Supporting innovative design and alternative development standards.
  - Providing additional incentives for the provision of affordable housing, through a Community Improvement Plan, which may include the waiving of planning application fees, grants and tax rebates.
  - The creation of a local housing task force, consisting of relevant City and DSSAB staff, other non-profit housing providers and two members of Council. This task force or working group would be responsible for:
    - Developing a local comprehensive housing plan, with special regard for affordable housing and the 'missing middle'.
    - Developing and recommending a Community Improvement Plan (CIP) to incentivize the creation of affordable housing units.
    - Overseeing the ongoing monitoring and annual communication of important local housing indicators.
2. To include a notwithstanding clause to the Residential Policies of the Official Plan, to permit a personal storage facility (self-storage) on land designated Residential on Land use Schedule C of the Official Plan.

As part of the overall development, the applicant is also proposing a 3600m<sup>2</sup> self storage facility consisting of 269 units. The storage units are proposed as a transitional use between the existing shopping centre and the proposed dwelling units. Personal storage uses are generally low impact uses with few off-site impacts such as noise or traffic. Therefore Planning Staff are supportive of this request, as discussed in greater detail in the Comments section of this report.

### **Conformity with Provincial Policy Statement 2020**

With regards to the waiving of the affordability requirements of Housing Policy 6, from a high level, Section 1.4 of the Provincial Policy Statement (PPS) speaks to encouraging an appropriate range and mix of housing options and densities

required to meet existing and projected needs of the community. This ensures an appropriate supply of various types of housing, which is an important component to facilitating affordability.

As previously discussed, it is staff's opinion that the current approach, which requires 30% of all dwellings in any development greater than 50 units to be affordable, could impact the overall supply of housing, in that developers may reduce the overall size of their development or choose not to develop at all. Therefore, from a supply standpoint, Planning Staff is of the opinion that waiving the requirements of Policy HO.6 adheres to Section 1.4 of the PPS.

Section 1.4.3b requires municipalities to permit a wide variety of housing options including but not limited to, singles, semis, townhouses, apartments and tiny homes, under a variety of tenures such as owned, rented and cooperative arrangements to name a few. Current and proposed Official Plan policies specifically permit a wide variety of housing options and tenures. Section 1.4.3b also speaks to residential intensification, which is also specifically permitted within current and proposed OP policies.

Sections 1.4.3c,d,e & f speak to various locational criteria, requiring new housing to be directed to locations where appropriate levels of infrastructure and public service facilities are or will be available to support such housing. Furthermore, municipalities shall promote densities that efficiently use land, resources and infrastructure, with special regard for higher residential densities in areas with easy access to transit and active transportation infrastructure. Existing and proposed OP policies contain a variety of provisions aimed at ensuring new housing, including denser forms of housing and affordable housing, are appropriately located to take advantage of available infrastructure, social services and other amenities.

### **Conformity with Growth Plan for Northern Ontario 2011**

Approval of this application is consistent with the Growth Plan for Northern Ontario.

### **COMMENTS**

The applicant is seeking Council's approval to facilitate the construction of 376 dwelling units and a 3600m<sup>2</sup> 296-unit self-storage facility upon the site.

The density of the proposed residential development (excluding the personal storage use) is approximately 63 units per hectare (21.7 units per acre) which can be classified as medium density within the local context. Generally speaking, the subject property is well served by a number of important amenities, including commercial shopping, active transportation (John Rowswell Hub Trail running across the frontage) and public transit routes along Trunk Road.

At this point, the applicant is proposing to build out the site in the following phases:

Phase 1 – personal storage facility and multiple attached dwellings

Phase 2 – 2 easterly apartments

Phase 3 – 2 westerly apartments.

Referring to the attached site plan and renderings package, the residential portion of the development consists of four 5-storey apartment buildings with approximately 87 units in each, and 28 multiple attached (townhouse) dwellings along the eastern portion of the site. At this point all dwellings would be within the rental market. The proposed 1-storey personal storage facility is intended to be a transitional use between the rear of the shopping centre and the proposed residential neighbourhood. Proposed amenities include two outdoor amenity areas and a 248m<sup>2</sup> daycare facility attached to proposed apartment building 'B-2'. The majority of parking will be provided within a consolidated parking area in the middle of the apartment buildings. Parking for the multiple attached dwellings will be accommodated within attached garages and individual driveways to each unit. Overall, the required parking for the residential component of the development (apartments, multiple attached and daycare) is 463 spaces and the applicant's site plan proposes a total of 486 spaces. The barrier free parking requirement is 28 spaces and the site plan is proposing a total of 30 barrier free parking spaces. The Zoning By-law does not require any parking in association with the personal storage facility, however the site plan is showing a number of parking spaces in close proximity to the facility. These spaces will be part of the surplus parking that could be utilized as overflow spaces for either the residential portion of the site or employee parking in association with the abutting shopping centre.

The development is proposed to have 3 access points. The main access would be to South Market Street in the middle of the site, lining up with a future access point associated with an approved 120-unit apartment development directly across the street. Connections through the subject property will also provide access to an existing driveway onto South Market, which is located directly behind the shopping centre and a third access to Trunk Road, along the eastern portion of the shopping centre property, which is also owned by the applicant. These two access points across the shopping centre property will require long term easements, subject to Committee of Adjustment approvals prior to entering into a site plan agreement. These two access points are important to the overall functioning of the site and help to spread traffic to various surrounding arterial roadways.

In support of this application, the proponent retained CGH Transportation to complete a Transportation Impact Assessment (TIA) attached to this report for reference. The TIA reviewed traffic volumes and collision histories for South Market, Trunk Road and Boundary Road, with special regard for nearby

intersections. The report concludes that at full buildout, the proposed development is projected to generate new two-way vehicle volumes of approximately 179 AM and 178 PM during weekday morning and afternoon peak hours. Furthermore, the report concludes that traffic volumes in the area are relatively low, and as such, signalization is not warranted at the proposed access points. A new southbound left-turn lane at the main South Market access is recommended, the cost of which will be borne by the developer. The TIA also proposes signal timing changes to nearby traffic lights to improve the overall function of these intersections and ensure appropriate timings are provided to allow for pedestrian crossings.

Interior traffic and pedestrian routes are generally well defined, with a variety of proposed pedestrian connections throughout the site, including a connection to an existing 'catwalk' along the southeastern portion of the subject property.

### **CONSULTATION**

Public notices were mailed to all neighbouring properties within 120m (400') of the subject property on Friday July 15, 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 Saturday July 16, 2022.

Up to the drafting of this report, no formal comments or objections have been received as a result of the public circulation.

### **Neighbourhood Meeting**

On Thursday July 28<sup>th</sup>, 2022, the Applicant held a neighbourhood meeting from 5-7pm, at the Moose Lodge. The meeting was attended by about 20 neighbours, Planning Staff, the applicant and his local consulting Engineer. The general sentiment was positive. Neighbours on Boundary Road were happy to have a row of multiple attached townhouses adjacent to their properties. Neighbours also noted that over the past few years, they have noticed the subject property being used as an encampment.

### **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

Engineering provides the following comments:

- There are existing sanitary and storm connections to this property.
- Stormwater management may be required. The area is known to have a high water table, this should be taken into account during the SWM design.



- As per the Traffic Impact Statement, this development will require a southbound left turn lane. Specific design details and timing of construction will be determined during Site Plan Control approval. The Developer will be responsible for the costs associated with the turning lane to the satisfaction of the Director of Engineering.
- As per the Functional Servicing Report, we recommend that the development be limited to 376 units, or the equivalent flow, as calculated in the report.
  - It is noted that downstream sewer capacity is limited in this particular area, in light of an already approved 120 unit apartment development across the street. Therefore, as a result of the recommendation from the Municipal Services and Design Engineer, the recommended zoning will limit the total number of dwellings to 376 units or equivalent flow.
- It is understood that this property is subject to Site Plan Control. Any new changes should be submitted for site plan approval to ensure servicing, grading and drainage is addressed to the satisfaction of the Director of Engineering or his designate.

#### Building Division

Correspondence from the Building Division generally addresses future code compliance requirements, also noting that there is an overhead wire north of the proposed personal storage facility, which may require a swing calculation prior to the issuance of a building permit.

#### **FINANCIAL IMPLICATIONS**

Approval of this application will not result in any incremental impacts to Municipal finances.

#### **STRATEGIC PLAN / POLICY IMPACT**

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

#### **SUMMARY**

From an urban design standpoint, the proposed development has been well thought out and will result in a pleasant residential environment for future occupants. The proposed self-storage facility is an appropriate transitional use between the rear of the shopping centre, which includes shipping/receiving and refuse bins, and the proposed residential uses. The multiple attached dwellings to the east also help to transition between the higher density apartment buildings and single detached dwellings on Boundary Road. There is ample landscaping throughout the site, including a landscaped buffer along the southern portion of the property. Access and egress will be spread through three access points. The main access onto South Market, will require the construction of a southbound left turn lane, the cost of which will be borne by the developer. The

site is well served by active transportation infrastructure and public transit. Future occupants will have nearby, walkable access to a variety of commercial options, including the shopping centre abutting to the north. Future occupants will also have access to two proposed outdoor amenity areas and an on-site day care facility.

The property is already subject to site plan control and there will be a number of matters that will need to be addressed as part of a site plan agreement, prior to the issuance of a building permit. These matters include among other things, stormwater management, servicing details, and the overall design and timing of the left turn lane construction.

### **RECOMMENDATION**

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

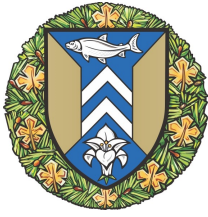
1. That Council approve Official Plan Amendment 241 by way of the following notwithstanding clauses:
  - a. Notwithstanding the Residential Policies of the Official Plan, to permit a personal storage (self-storage) facility, in addition to the uses permitted within the Residential Land Use Designation.
  - 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.

Respectfully submitted,



Peter Tonazzo, RPP  
Director of Planning  
705.759.2780  
[p.tonazzo@cityssm.on.ca](mailto:p.tonazzo@cityssm.on.ca)



**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

Received By:

Date:

Application #

Note: All applications must be completed in its entirety, signed and submitted to the Planning and Enterprise Services Division. **Incomplete Applications will be returned.**

## OFFICIAL PLAN AMENDMENT / REZONING / HOLDING / INTERIM CONTROL APPLICATION FORM

CIVIC NUMBER: \_\_\_\_\_

### SECTION 1: CONTACT INFORMATION

#### 1. APPLICANT

Name:	
Address:	
Telephone:	
Email:	

#### 2. REGISTERED OWNER

Name:	
Address:	
Telephone:	
Email:	

Registered owner's signature indicating concurrence with application: \_\_\_\_\_

#### 3. AGENT / SOLICITOR

Name:	
Address:	
Telephone:	
Email:	

#### 4. ALL MAIL TO BE DIRECTED TO:

- ☐ Owner  
☐ Applicant  
☐ Agent/Solicitor

SECTION 2: SUBJECT PROPERTY

1. WHEN LAND WAS ACQUIRED BY CURRENT OWNER (IF KNOWN)

2. INFORMATION RE: HOLDER(S) OF MORTGAGES, CHARGES, OR OTHER ENCUMBRANCES IN RESPECT TO THE SUBJECT PROPERTY (IF KNOWN)	
Name:	
Address:	
Telephone:	

3. LEGAL DESCRIPTION OF SUBJECT PROPERTY

4. LOT WIDTH, DEPTH, AREA

5. CIVIC ADDRESS OF SUBJECT PROPERTY

6. PREVIOUS & OTHER ONGOING APPLICATION INFORMATION
---

(See additional information requirements for Official Plan Amendments)

Was the land subject to a previous Application for Subdivision (Section 51 of the Planning Act), Consent (Section 53 of the Planning Act), or Rezoning (Section 34 of the Planning Act)?

	Yes			No			Application File #	Status of Application
Official Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Zoning By-law	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Minor Variance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Consent to Sever	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Subdivision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

**7. EXISTING USES**

--

If there are any existing structures on the subject property, please attach a site plan illustrating the type of each building or structure and their setback from the lot lines, building height, size and floor area. If known, list the date the existing buildings or structures were constructed. The site plan is to be drawn to scale and submitted on a legal size sheet of paper.

**8. LENGTH OF TIME THE EXISTING USE(S) HAVE CONTINUED ON THE SUBJECT PROPERTY**

--

**9. ARE THERE RENTAL UNITS THAT WILL BE REMOVED OR THEIR CHARACTER ALTERED AS A RESULT OF APPLICATION?**

<input type="checkbox"/>	<input type="checkbox"/>	Yes
<input type="checkbox"/>	<input type="checkbox"/>	No
Number of units:		

--

**10. PROPOSED USES**

--



## 11. DESIGNATIONS & ZONING

OFFICIAL PLAN	
	Impacted by
Schedule A - Natural Resources/Soils	
Schedule B - Natural Constraints	
Schedule E – Archaeological Potential	

SCHEDULE C - LAND USE	
Existing	
Proposed	

ZONING BY-LAW	
Existing	
Proposed	

**12. ACCESS**

Access to the subject property provided by:

	Open Year Round	Seasonal Maintenance
Provincial Highway	<input type="checkbox"/>	<input type="checkbox"/>
Municipal Road	<input type="checkbox"/>	<input type="checkbox"/>
Private Road	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>

**13. SERVICES**

Services to be supplied via:

	Water	Sewer
Municipal	<input type="checkbox"/>	<input type="checkbox"/>
Private	<input type="checkbox"/>	<input type="checkbox"/>

If private systems are proposed, will they be:

	Well	Sewer
Individual	<input type="checkbox"/>	<input type="checkbox"/>
Commercial	<input type="checkbox"/>	<input type="checkbox"/>

**14. DRAINAGE**

Storm water Drainage will be provided by:

- Sewers ☐
- Ditches ☐
- Swales ☐
- Other ☐

**15. REASON FOR REQUESTING AMENDMENT**

## SECTION 3: APPLICATION INFORMATION

### 1. SITE PLAN (REQUIRED INFORMATION)

In addition to information requested under the headings Existing and Proposed Uses (Information on existing and proposed use should be shown on separate site plans)

- i) The boundaries and dimensions of the subject property
- ii) The approximate location of all natural and artificial features on the subject land and on land that is adjacent to the subject land, in the opinion of the applicant, may affect the application. Examples include buildings, railways, roads, watercourses, drainage ditches, river or stream banks, wetlands, wooded areas,
- iii) The location, width, and name of any roads within or abutting the subject land, indicating whether it is an unopened road allowance, a public travelled road or right of way.
- iv) If access is by water, the location of the parking and docking facilities to be used.
- v) The location and nature of any easement affecting the subject land.

### 2. ACCESS TO INFORMATION

"It is the policy of the City of Sault Ste. Marie Planning Division to provide public access to all zoning and development applications as well as supporting documentation. In submitting this zoning and development application as well as supporting documentation, I hereby acknowledge that information contained in this file may be released to any person or public body regardless of whether that information is personal information as defined in the Municipal Freedom of Information and Protection of Privacy Act."

### 3. SITE INSPECTIONS

As part of processing this application, I acknowledge that City Staff may conduct an on site inspection of the subject property. By signing this application, I grant permission for the on site inspection. This inspection will be of the exterior of your property. If an inspection of the interior of any buildings is required, your specific approval will be sought.

### 4. STATEMENT OF THE APPLICANT

I, Todd Lisso of Etco Investments Ltd., hereby declare that the statements made herein are to the best of my knowledge a true and complete representation of the purpose and intent of this application. I acknowledge that the information contained in this application will be on file in the Planning Division offices, it will be circulated for various departments and agencies for comments and available to the public upon request.

Signed on the 21<sup>st</sup> day of June, 20 22

*Etco Investments Ltd.*  
per: [Signature]  
Applicant Signature  
Todd Lisso.

## SECTION 4: APPLICANT CHECKLIST

### HAVE YOU REMEMBERED TO INCLUDE:

a site plan (showing building footprints, setbacks, parking, access, landscaping, and any other information deemed necessary)?

building elevation renderings (where applicable)?

preliminary servicing report (where applicable)?

the required application fee (cheque payable to the Corporation of the City of Sault Ste. Marie)?

the additional information sheet for an Official Plan Amendment?

The subject property's Parcel Register with the Property Identification Number (PIN)? A Parcel Register may be obtained through a lawyer or through the Ontario Land Registry website at: <https://www.onland.ca/ui/57/property/address>

a Corporate Search (if the applicant and owner of the parcel(s) is a corporation)?  
Alternatively, other forms of confirmation of the corporation's existence and directorship may be accepted, but only wherein accompanied by proof of an unreturnable search (via Corporation Search). This documentation may include the corresponding minutes from the corporate minute book.

## ADDITIONAL INFORMATION - OFFICIAL PLAN AMENDMENT

1. IS THE SUBJECT PROPERTY WITHIN 120M (400') OF THE LAND SUBJECT TO AN APPLICATION MADE UNDER THE PROVISIONS OF THE PLANNING ACT? IF SO, COMPLETE THE FOLLOWING:

	Yes	No	Application/File #	Status of Application
Official Plan				
Zoning By-law				
Minor Variance				
Consent to Sever				

### 2. OFFICIAL PLAN POLICY CHANGES

If this is an application to change, delete, or add a specific Special Official Plan Policy, please complete the following:

a) Policy Number: \_\_\_\_\_

Page Number: \_\_\_\_\_

b)

DESCRIBE THE PROPOSED CHANGES IN GENERAL TERMS (USE SEPARATE SHEET IF NECESSARY)

c)

TEXT OF THE PROPOSED AMENDMENT



SITE STATISTICS			
204 SOUTH MARKET STREET SAULT STE. MARIE, ON			
ZONING: LOW (R3) & MEDIUM (R4) DENSITY RESIDENTIAL ZONES			
LOT AREA	ACRES	SQFT	SQM
	17.21	749,706	69,650
FOOTPRINT AREA			
		SQFT	SQM
BUILDING A - TOWNHOUSES			
BLD A-1		7,945	738
BLD A-2		9,233	858
BLD A-3		5,297	492
BLD A-4		5,297	492
BLD A-5		9,233	858
BUILDING B - APARTMENTS			
BLD B-1		17,820	1,655
BLD B-2		17,820	1,655
BLD B-3		17,820	1,655
BLD B-4		17,820	1,655
BUILDING C - SELF STORAGE			
BLD C-1		16,938	1,574
BLD C-2		21,814	2,027
TOTAL FOOTPRINT AREA		132,781	12,335
UNIT COUNT			
	PER BLD	TOTAL	
BUILDING A - TOWNHOUSES			
SEE PLAN		28	
BUILDING B - APARTMENTS			
	87	348	
BUILDING C - SELF STORAGE			
		296	
PARKING			
	REQUIRED	PROVIDED	
BUILDING 'A' (MULTIPLE ATTACHED DWELLINGS)			
1 SPACE / DWELLING UNIT	30	56	
1.25 SPACES / GUESTROOM	---	---	
BUILDING 'B' (MULTIPLE ATTACHED DWELLINGS)			
1 SPACE / DWELLING UNIT	348	348	
1.25 SPACES / GUESTROOM	---	---	
BUILDING 'B-2' (DAYCARE) (248M2)			
3.5 SPACES/100M2	9	9	
BUILDING 'C' (PERSONAL STORAGE)			
NO PARKING REQUIRED FOR MAIN USE	0	56	
EXTRA PARKING PROVIDED FOR MALL EMPLOYEES			
NO PARKING REQUIRED	0	47	
TOTAL PARKING	387	516	
STANDARD PARKING	359	486	
BARRIER FREE PARKING	28	30	



LEGEND	
	PROPOSED BUILDINGS
	PROPERTY LINE
	NEW CURBS



1 PROPOSED SITE PLAN  
A100 SCALE: 1:500

This drawing, as an instrument of service, is provided by and is the property of DANIEL L. CUSIMANO, ARCHITECT.

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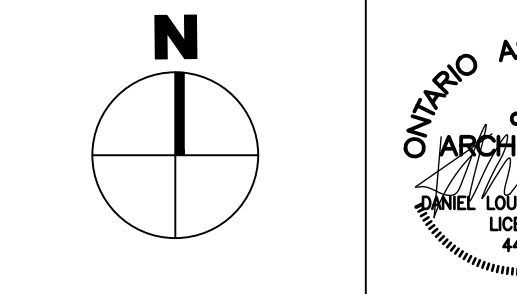
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PRINT DATE:

2022-05-31

No.	DESCRIPTION	DATE
REVISIONS		

No.	DESCRIPTION	DATE
2	ISSUED FOR SPA	2022-05-31
1	ISSUED FOR PRELIMINARY REVIEW	2021-05-03
ISSUED FOR		



**CUSIMANO ARCHITECT**  
185 BRIDGELAND AVENUE, SUITE 107, TORONTO, ONTARIO M6A 1Y7  
T (416) 783-5183 F (416) 783-3100

PROJECT:  
**PROPOSED DEVELOPMENT**  
204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

DATE: APRIL 2021 DWG. BY: BW CHY. BY: DLC

DRAWING TITLE:  
SITE PLAN AND STATISTICS

SCALE: AS NOTED  
PROJ. NO.: 2021-21  
DRAWING No.: **A100**



# 2022

## SOUTH MARKET VILLAGE

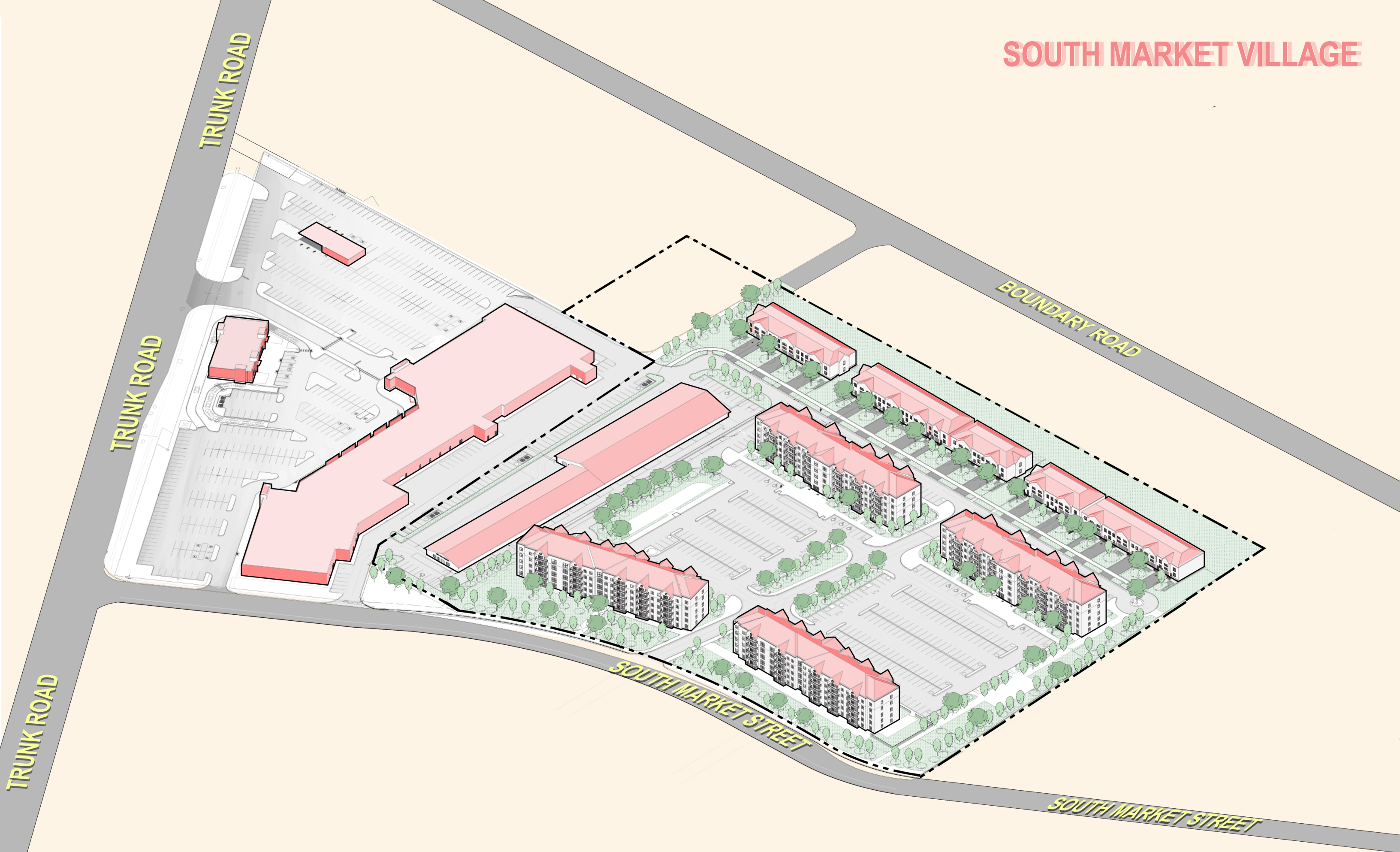
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SAULT STE MARIE, ONTARIO





SOUTH MARKET VILLAGE

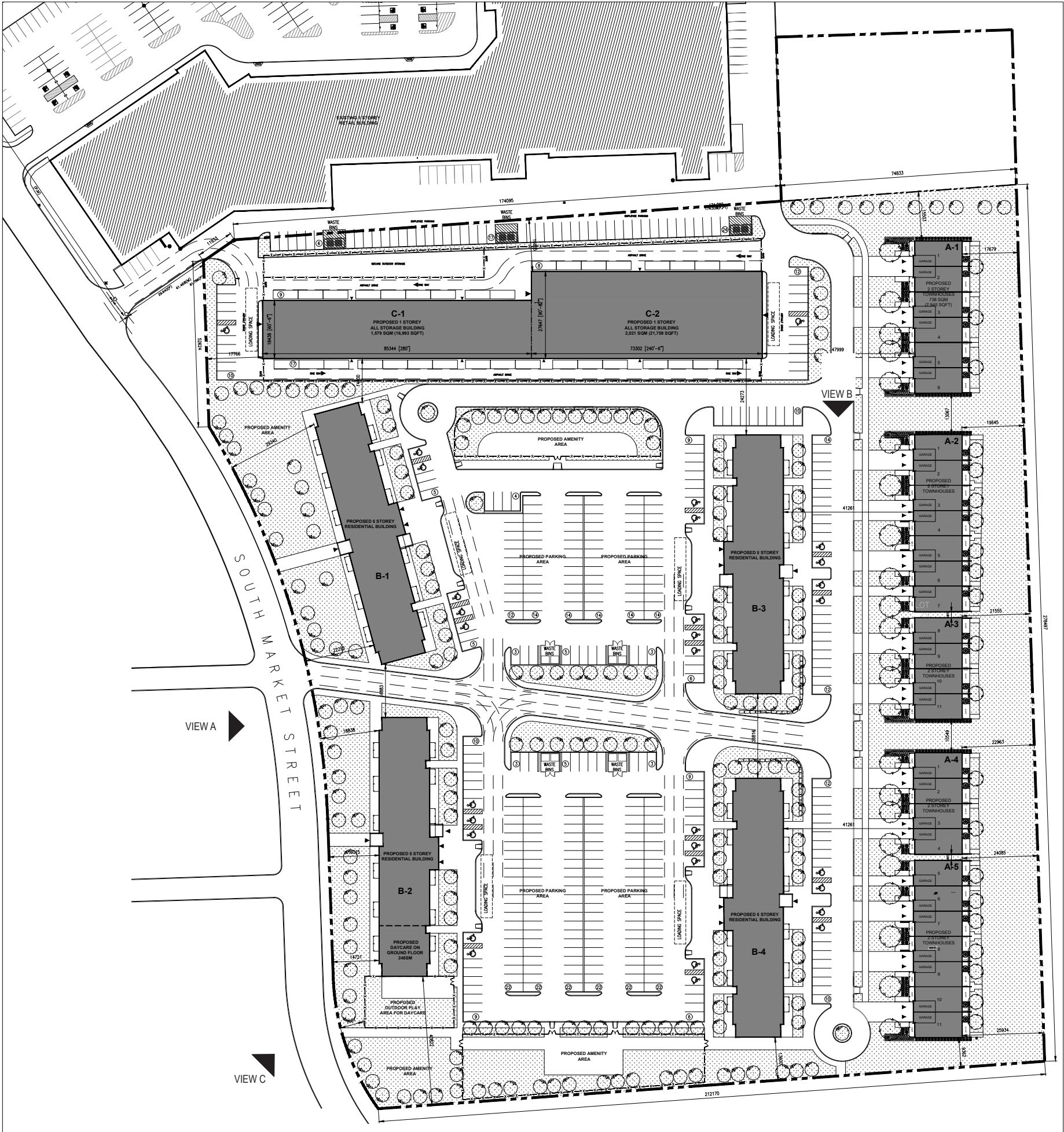




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BUILDING C - SELF STORAGE			296
PARKING			
BUILDING "X" (MULTIPLE ATTACHED DWELLINGS)	1 SPACE / DWELLING UNIT	1.25 SPACES / GUESTROOM	
BUILDING "Y" (MULTIPLE ATTACHED DWELLINGS)		1 SPACE / DWELLING UNIT	1.25 SPACES / GUESTROOM
BUILDING "B-2" (DAYCARE) (249M2)		3.5 SPACES/100M2	
BUILDING "C" (PERSONAL STORAGE)		NO PARKING REQUIRED FOR MAIN USE	
EXTRA PARKING PROVIDED FOR MAIL EMPLOYEES		NO PARKING REQUIRED	
TOTAL PARKING		387	516
STANDARD PARKING		359	466
BARRIER FREE PARKING		28	30



LEGEND	
	PROPOSED BUILDINGS (SOLID HATCH)
	PROPERTY LINE
	NEW CURBS



1 PROPOSED SITE PLAN  
A100 SCALE: 1:500

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PRINT DATE :  
2022-05-31 4:30 PM

SITE PLAN CONCEPT FOR REVIEW  
ONLY SUBJECT TO ZONING REVIEW AND  
APPROVAL

No.	Description	Date

REVISIONS

No.	Description	Date
3	ISSUED FOR SPA	2022 - 05 - 31
2	ISSUED FOR CLIENT REVIEW	2022 - 05 - 17
1	ISSUED FOR PRELIMINARY REVIEW	2021 - 05 - 03

ISSUED FOR

185 BRIDGELAND AVENUE, SUITE 107, TORONTO, ONTARIO M5A 1Y7  
T 416 783-5153 F 416 783-3100

PROPOSED DEVELOPMENT

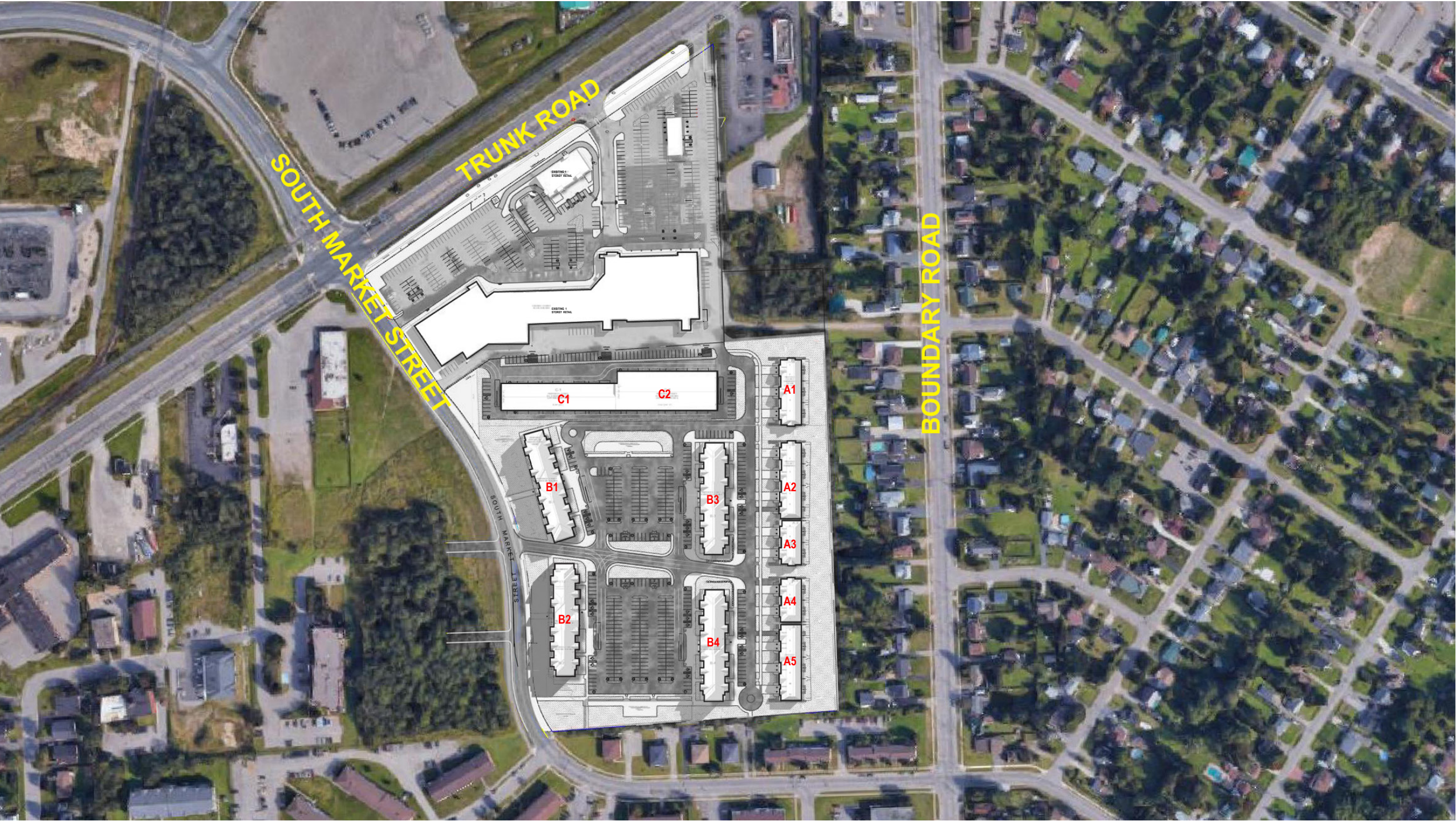
204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by BW	Checked by DLC
------------------	----------------	-------------------

SITE PLAN AND STATISTICS

Scale AS NOTED	A100
Project number 2021-21	





1 PLAN VIEW OF THE SITE

LEGEND		
A1-A5. PROPOSED 2 STOREY TOWNHOUSES		
B1-B4. PROPOSED 5 STOREY RESIDENTIAL BUILDING		
C1-C2. PROPOSED 1 STOREY ALL STORAGE BUILDING		

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2022-05-31 4:30 PM

SITE PLAN CONCEPT FOR REVIEW  
ONLY SUBJECT TO ZONING REVIEW AND  
APPROVAL

No.	Description	Date

REVISIONS

No.	Description	Date
3	ISSUED FOR SPA	2022 -05- 31
2	ISSUED FOR CLIENT REVIEW	2022 -05- 17
1	ISSUED FOR PRELIMINARY REVIEW	2021 -05- 03

ISSUED FOR



PROPOSED DEVELOPMENT

204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JI	Checked by DLC
------------------	----------------	-------------------

AERIAL IMAGES WITH MASSING  
OVERLAY

Scale AS NOTED	Project number 2021-21





2 LOOKING NORTH-EAST

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PRINT DATE :  
2022-05-30 2:30 PM

SITE PLAN CONCEPT FOR REVIEW  
ONLY SUBJECT TO ZONING REVIEW AND  
APPROVAL

No.	Description	Date

REVISIONS

No.	Description	Date
3	ISSUED FOR SPA	2022 - 06 - 31
2	ISSUED FOR CLIENT REVIEW	2022 - 05 - 17
1	ISSUED FOR PRELIMINARY REVIEW	2021 - 05 - 03

ISSUED FOR



PROPOSED DEVELOPMENT

204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JI	Checked by DLC
------------------	----------------	-------------------

AERIAL IMAGES WITH MASSING  
OVERLAY

Scale AS NOTED	Project number 2021-21





3 LOOKING SOUTH-EAST

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PRINT DATE :  
2022-05-31 4:30 PM

SITE PLAN CONCEPT FOR REVIEW  
ONLY SUBJECT TO ZONING REVIEW AND  
APPROVAL

No.	Description	Date

REVISIONS

No.	Description	Date
3	ISSUED FOR SPA	2022 - 05 - 31
2	ISSUED FOR CLIENT REVIEW	2022 - 05 - 17
1	ISSUED FOR PRELIMINARY REVIEW	2021 - 05 - 03

ISSUED FOR



PROPOSED DEVELOPMENT

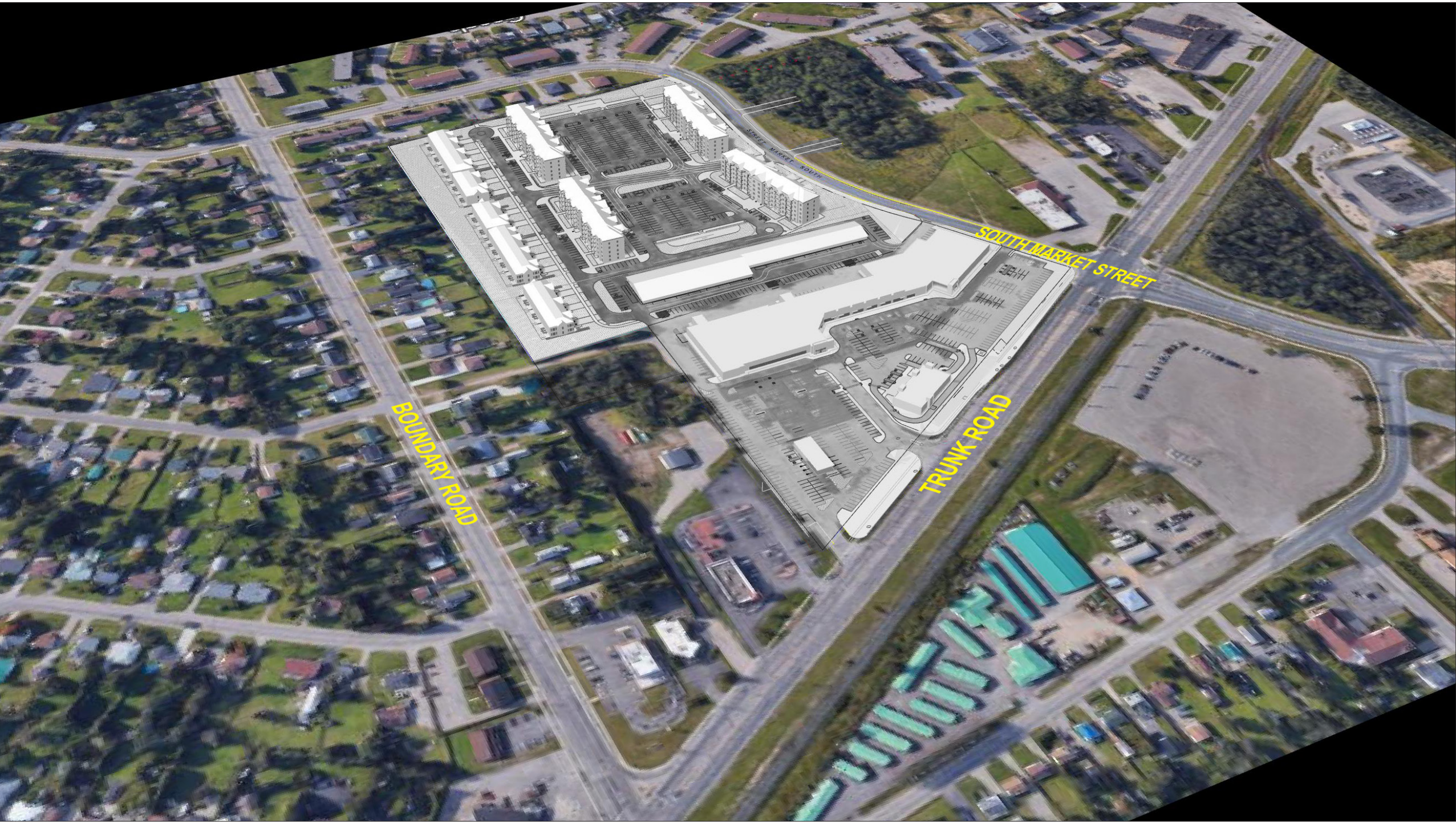
204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JI	Checked by DLC
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AERIAL IMAGES WITH MASSING  
OVERLAY

Scale AS NOTED	Project number 2021-21





4 LOOKING SOUTH-WEST

This drawing, as an instrument of service, is provided by and is the property of DANIEL L. CUSIMANO, ARCHITECT.

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ISSUED FOR



PROPOSED DEVELOPMENT

204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JI	Checked by DLC
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AERIAL IMAGES WITH MASSING  
OVERLAY

Scale AS NOTED	Project number 2021-21





5 LOOKING WEST

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ISSUED FOR



PROPOSED DEVELOPMENT

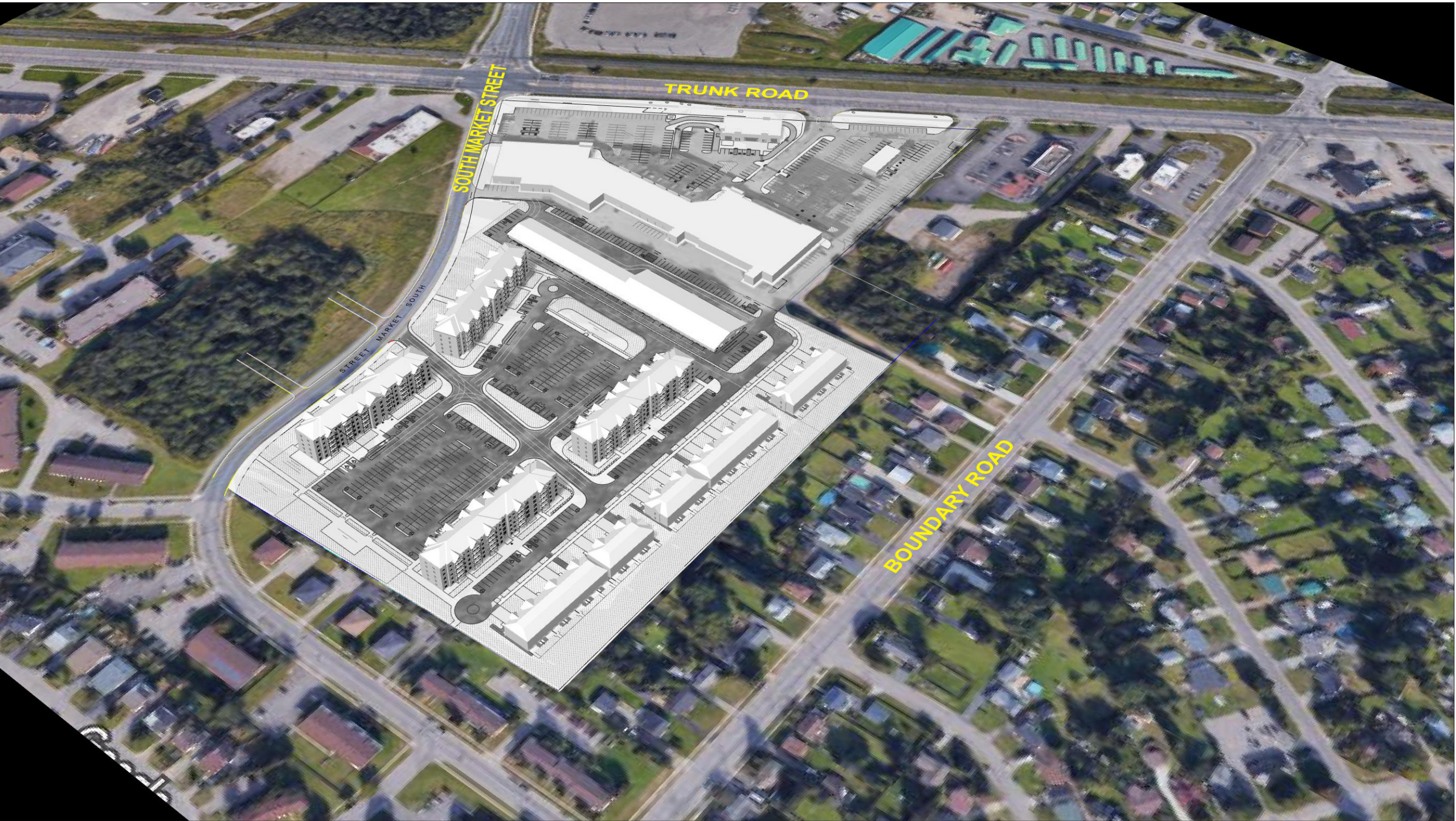
204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JI	Checked by DLC
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AERIAL IMAGES WITH MASSING  
OVERLAY

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6 LOOKING NORTH-WEST

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1	ISSUED FOR PRELIMINARY REVIEW	2021 - 05 - 03

ISSUED FOR



PROPOSED DEVELOPMENT

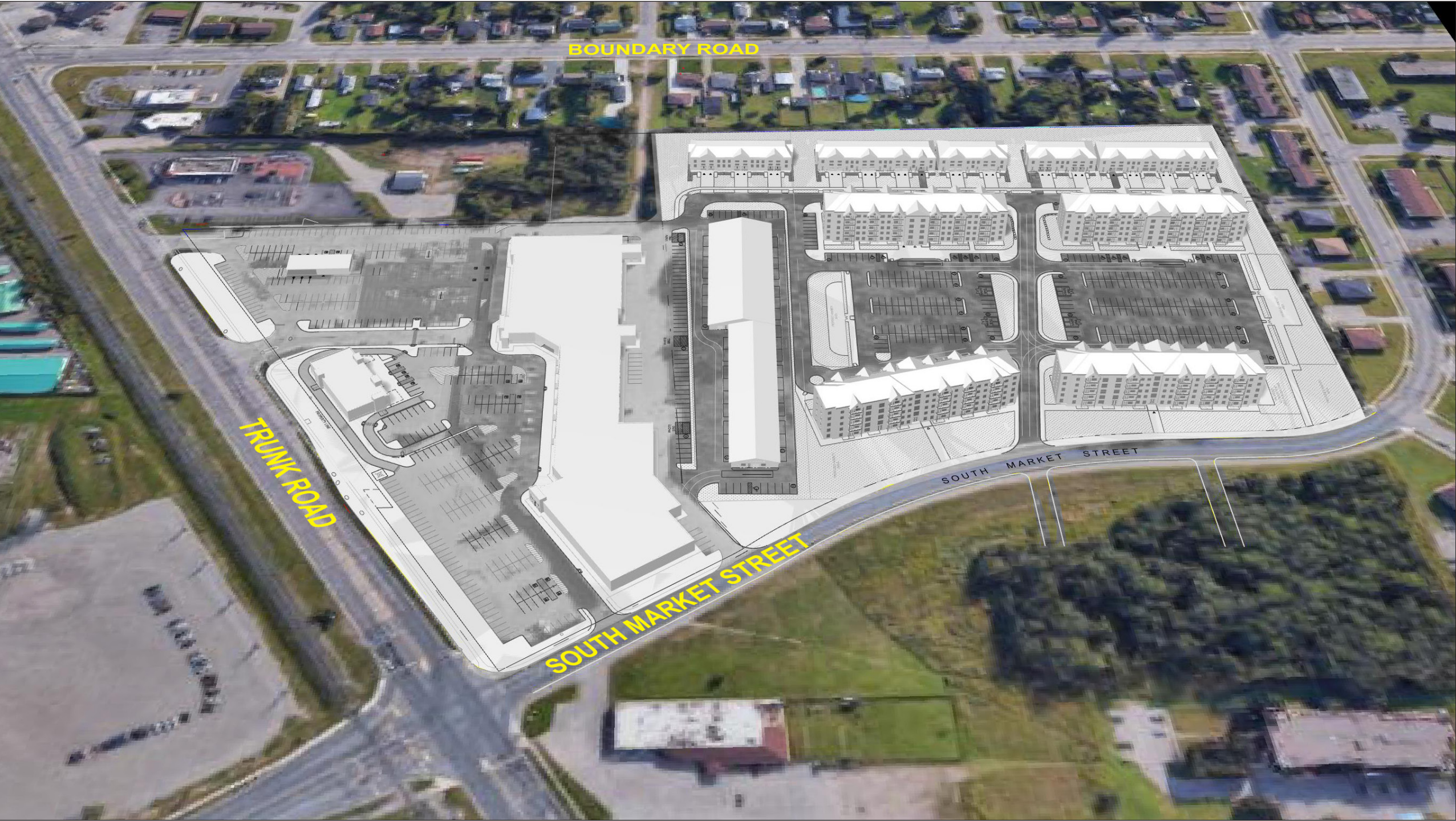
204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JI	Checked by DLC
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AERIAL IMAGES WITH MASSING  
OVERLAY

Scale AS NOTED	Project number 2021-21





7 LOOKING EAST

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SAULT STE MARIE, ONTARIO

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AERIAL IMAGES WITH MASSING  
OVERLAY

Scale AS NOTED	Project number 2021-21





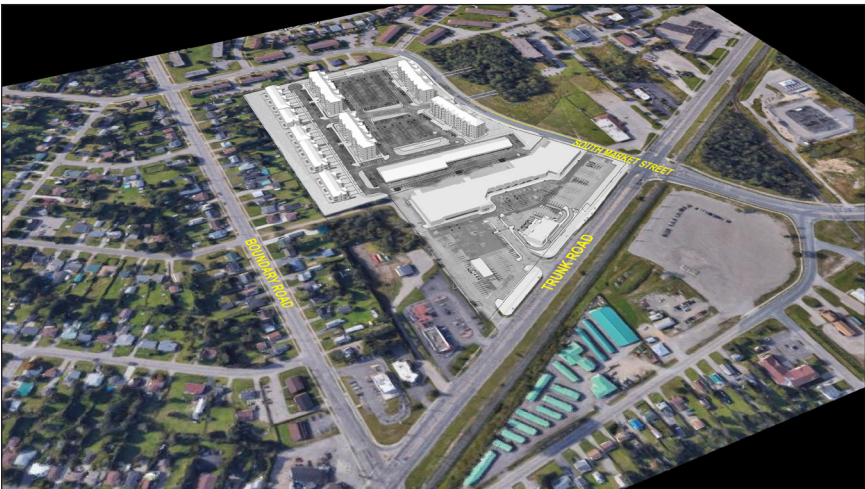
1 PLAN VIEW OF THE SITE



2 LOOKING NORTH-EAST



3 LOOKING SOUTH-EAST



4 LOOKING SOUTH-WEST



5 LOOKING WEST



6 LOOKING NORTH-WEST



7 LOOKING EAST

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PROPOSED DEVELOPMENT

204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

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Scale AS NOTED	Project number 2021-21
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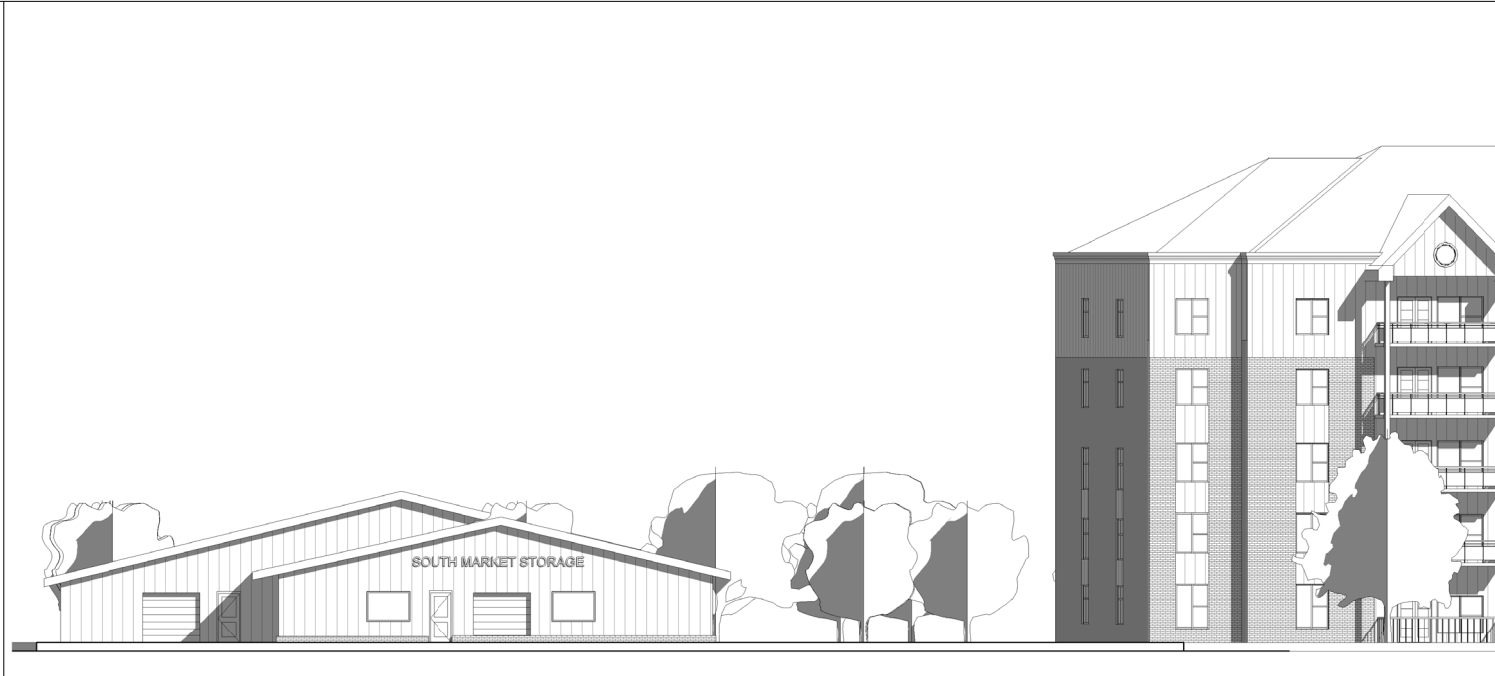




CONCEPTUAL EXTERIOR WEST ELEVATION - BUILDING B2



CONCEPTUAL EXTERIOR NORTH ELEVATION - BUILDING B2



CONCEPTUAL EXTERIOR ELEVATION - C1 & C2 STORAGE BUILDING



VIEW A - LOOKING EAST FROM SOUTH MARKET STREET

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PROPOSED DEVELOPMENT

204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JL	Checked by DLC
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PERSPECTIVE IMAGES

Scale AS NOTED	
Project number 2021-21	



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PROPOSED DEVELOPMENT

204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JI	Checked by DLC
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PERSPECTIVE IMAGE

Scale AS NOTED	
Project number 2021-21	



VIEW A - LOOKING EAST FROM SOUTH MARKET STREET





VIEW B - LOOKING SOUTH FROM THE EAST SIDE OF THE SITE

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PROPOSED DEVELOPMENT

204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by JL	Checked by DLC
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PERSPECTIVE IMAGE

Scale AS NOTED	
Project number 2021-21	





VIEW C - LOOKING NORTH-EAST FROM THE SOUTH SIDE OF THE SITE

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ISSUED FOR

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PROPOSED DEVELOPMENT

204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date	Drawn by	Checked by
MAY 2022	JL	DLC

PERSPECTIVE IMAGE

Scale AS NOTED	
Project number 2021-21	

## Stephanie Perri

---

**From:** Mike Salvini  
**Sent:** Friday, July 29, 2022 11:20 AM  
**To:** Peter Tonazzo  
**Cc:** Stephanie Perri; Freddie Pozzebon; Francois Couture  
**Subject:** Request for Comment - A-8-22-Z.OP 204 South Market - Building Division Comments

Good Morning Peter,

Building Division have the following comments:

1. Assurances must be provided that fire department access will be in compliance with Articles 3.2.5.4, 3.2.5.5, and 3.2.5.6 O.B.C.
2. Self-storage buildings must comply with the requirements of Section 3.10 of the Ontario Building Code.
3. Please be advised that any work to be carried out within the City right-of-way shall require the Owner to obtain a Municipal Consent Permit from the Director of Engineering Services or his designate. For further information, please contact the Engineering Department at 705-759-5378 or visit the City of Sault Ste. Marie's website and click on the link below to access the online application.  
<https://mcform.ssmic.com>.
4. Site services permit will be required and design must be by a Professional Engineer licensed in the Province of Ontario.
5. Based on City GIS Mapping, there are existing above ground electrical conductors north of the proposed self-storage buildings. A swing calculation will be required in order to determine compliance with clearances as regulated by Subsection 3.1.19 of the Ontario Building Code for proximity to existing above ground electrical conductors.

Regards,

**Michael Salvini - ASCT, IBCO**

Senior Plans Examiner & By-Law Enforcement Officer  
Building Division  
T 705.759.5413 [m.salvini@cityssm.on.ca](mailto:m.salvini@cityssm.on.ca)

**CITY OF SAULT STE. MARIE**

99 Foster Drive, Sault Ste. Marie, ON P6A 5X6  
[saultstemarie.ca](http://saultstemarie.ca)



## Stephanie Perri

---

**From:** Maggie McAuley  
**Sent:** Wednesday, July 27, 2022 10:56 AM  
**To:** Stephanie Perri; Peter Tonazzo  
**Subject:** RE: Request for Comment - A-8-22-Z.OP 204 South Market

Hi Peter,

Engineering has reviewed the application and provide the following comments:

- There are existing sanitary and storm connections to this property.
- Stormwater management may be required. The area is known to have a high water table, this should be taken into account during the SWM design.
- As per the Traffic Impact Statement, this development will require a southbound left turn lane. Specific design details and timing of construction will be determined during Site Plan Control approval. The Developer will be responsible for the costs associated with the turning lane to the satisfaction of the Director of Engineering.
- As per the Functional Servicing Report, we recommend that the development be limited to 376 units, or the equivalent flow, as calculated in the report.
- It is understood that this property is subject to Site Plan Control. Any new changes should be submitted for site plan approval to ensure servicing, grading and drainage is addressed to the satisfaction of the Director of Engineering or his designate.

Please advise if you require further information.

**Maggie McAuley, P.Eng.**

Municipal Services & Design Engineer  
Engineering Division  
Public Works and Engineering Services  
705.759.5385 [m.mcauley@cityssm.on.ca](mailto:m.mcauley@cityssm.on.ca)

**CITY OF SAULT STE. MARIE**

99 Foster Drive, Sault Ste. Marie, ON P6A 5X6  
[saultstemarie.ca](http://saultstemarie.ca)



---

**From:** Stephanie Perri  
**Sent:** Friday, July 8, 2022 11:53 AM  
**To:** Maggie McAuley <[m.mcauley@cityssm.on.ca](mailto:m.mcauley@cityssm.on.ca)>; Dan Perri <[d.perri@cityssm.on.ca](mailto:d.perri@cityssm.on.ca)>; Carl Rumiel <[c.rumiel@cityssm.on.ca](mailto:c.rumiel@cityssm.on.ca)>; Freddie Pozzebon <[f.pozzebon@cityssm.on.ca](mailto:f.pozzebon@cityssm.on.ca)>; Francois Couture <[f.couture@cityssm.on.ca](mailto:f.couture@cityssm.on.ca)>; Karen Fields <[k.fields@cityssm.on.ca](mailto:k.fields@cityssm.on.ca)>; Tom Vair <[t.vair@cityssm.on.ca](mailto:t.vair@cityssm.on.ca)>; Rick Van Staveren <[r.vanstaveren@cityssm.on.ca](mailto:r.vanstaveren@cityssm.on.ca)>; Rob Harten <[rob.harten@ssmpuc.com](mailto:rob.harten@ssmpuc.com)>; eng dept <[eng-dept@ssmpuc.com](mailto:eng-dept@ssmpuc.com)>; Diane Morrell <[diane.morrell@sciontario.org](mailto:diane.morrell@sciontario.org)>; SSMRCA <[nature@ssmrca.ca](mailto:nature@ssmrca.ca)>; Virginia McLeod <[v.mcleod@cityssm.on.ca](mailto:v.mcleod@cityssm.on.ca)>; Susan Hamilton Beach <[s.hamiltonbeach@cityssm.on.ca](mailto:s.hamiltonbeach@cityssm.on.ca)>; 'circulations@wsp.com' <[circulations@wsp.com](mailto:circulations@wsp.com)>; 'planninganddevelopment@bell.ca' <[planninganddevelopment@bell.ca](mailto:planninganddevelopment@bell.ca)>; newdevelopment@rci.rogers.com; raynald.theriault@canadapost.postescanada.ca; councilsecretary@batchewana.ca; Paul Milosevich



<p.milosevich@cityssm.on.ca>; 'Toni.Tessarolo@ontario.ca' <Toni.Tessarolo@ontario.ca>; 'mso-ne@ontario.ca' <mso-ne@ontario.ca>

**Cc:** Kathy Swinn <k.swinn@cityssm.on.ca>; Samantha Travaglini <s.travaglini@cityssm.on.ca>; Orsalina Naccarato <o.naccarato@cityssm.on.ca>; Amanda Cipriano <a.cipriano@cityssm.on.ca>

**Subject:** Request for Comment - A-8-22-Z.OP 204 South Market

Good afternoon,

Please see attached rezoning application for your review/comment:

1. A-8-22-Z.OP 204 South Market.

Due to their size, the preliminary storm water management plan, servicing report, and traffic impact study can be found at this link:

[https://cityssmcanada-my.sharepoint.com/:f:/g/personal/s\\_perri\\_cityssm\\_on\\_ca/EsQ5KW\\_Gxz1DoiHNGkTCnpIBJvsSwnaz4iqWwYit\\_LqyjQ?e=5vAE2C](https://cityssmcanada-my.sharepoint.com/:f:/g/personal/s_perri_cityssm_on_ca/EsQ5KW_Gxz1DoiHNGkTCnpIBJvsSwnaz4iqWwYit_LqyjQ?e=5vAE2C)

We would appreciate receiving your response on or before **Monday, July 25, 2022.**

If you require anything further, please let us know.

Regards,  
Stephanie

**Stephanie Perri**

Administrative Clerk  
Planning and Enterprise Services  
[s.perri@cityssm.on.ca](mailto:s.perri@cityssm.on.ca)  
705.759.5368

**CITY OF SAULT STE. MARIE**

99 Foster Drive, Sault Ste. Marie, ON P6A 5X6  
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OPA NO. 241

SUBJECT  
PROPERTY



Document Path: G:\Applications (2017 - Present)\Planning Act Applications\2022\A-8-22-Z-OP 204 South Market\GIS Maps\A-8-22-ZOP\_AerialMap\_July2022\_8361\_V1.mxd

### 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

### Legal Department Reference

### Legend

-  Subject Property: 204 South Market St.  
 Parcel Fabric  
Page 221 of 465



**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 12.5 25 50 Meters  
1:2,500





**OPA NO. 241**

**SUBJECT  
PROPERTY**

**Trunk Road**

## Centre Street

Boundary Road

## Broad Street

**South Market Street**

Chartwell Drive

## Application Map Series

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

## Property Information

Civic Address: 204 South Market St.  
Roll No.: 010018037030000  
Map No.: 31/1-34  
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Subject Property: 204 South Market St.

Page 222 of 465

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

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Orthophoto: None

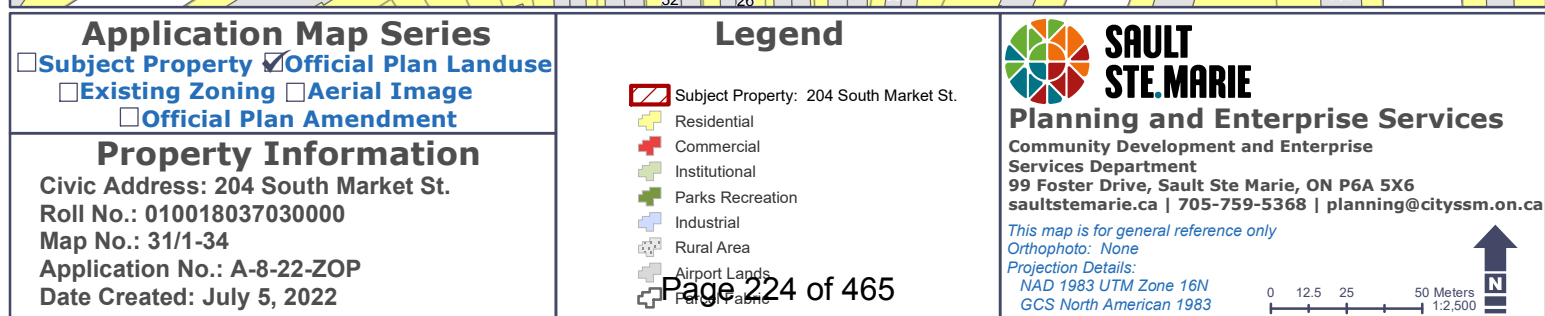
Projection Details:  
NAD 1983 UTM Zone 16N  
GCS North American 1983

0 12.5 25 50 Meters  
1:2 500









**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 3600m<sup>2</sup> 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.



---

## **PRELIMINARY STORMWATER MANAGEMENT REPORT**

**South Market Village  
204 South Market Street, Sault Ste.  
Marie, Ontario**

**ESC Land Development Corporation**



71 Black Rd. Unit 8  
Sault Ste. Marie,  
ON  
P6B 0A3

T. 705.949.1457  
TF. 866.806.6602  
F. 705.949.9606  
saultstемarie@tulloch.ca

[www.TULLOCH.ca](http://www.TULLOCH.ca)

211714

June 6, 2022

ESC Land Development Corporation  
c/o Todd Lisso

Attention: Todd Lisso

**Re: South Market Village  
Preliminary Stormwater Management Report  
204 South Market Street, Sault Ste. Marie, Ontario**

---

Please find enclosed our revised preliminary report outlining the Stormwater Management Plan for the above noted project in Sault Ste. Marie, Ontario.

This report presents the proposed recommendations to control stormwater quantity and quality as per City of Sault Ste. Marie and Ministry of the Environment Conservation and Parks requirements.

We trust the enclosed is adequate for your needs at this time. If there is anything further we can provide, please contact us at your convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read 'JL' followed by a stylized flourish.

Josh Lelievre, P.Eng.

JL/jj

Encl.



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## REVISION LOG

Revision #	Revised By	Date	Issue / Revision Description
0	JL	January 17, 2022	Issued for Review
1	JL	May 19, 2022	Revised Site Plan
2	JL	June 6, 2022	Issued for Approval

## TULLOCH SIGNATURES



Report Prepared By:

Josh Lelievre, P.Eng.  
Project Manager

Due to the size of the report, the appendices have been removed from this document. The full report may be viewed upon request in the Planning Division.

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## **1. INTRODUCTION**

### **1.1 General**

TULLOCH was retained by ESC Land Development Corporation (Client) to prepare a preliminary stormwater management (SWM) report in support of a proposed multi-family residential development with an ancillary self storage component to be located at 204 South Market Street in Sault Ste. Marie, Ontario. The Client is planning to develop the site with a mixture of apartment buildings, row housing and storage units complete with asphalt parking, sidewalks and landscaped areas.

The site is currently zoned residential and is located adjacent to existing residential and commercial properties. The site has a total area of approximately 6.98 hectares. The proposed development will consist of the following:

- Asphalt parking and access roads, concrete curbs, sidewalks, a 5-storey apartment building and landscaping;
- Underground servicing, ditching, swales, dry ponds and underground storage.

The location of the property is shown on Drawing Sk1 located in the report appendices.

### **1.2 Existing Conditions**

The proposed site is currently undeveloped consisting of tree and grassed areas. Currently stormwater from the majority of the site flows overland in a southeast direction towards existing residential lots on South Market Street.

Surficial native soils were reviewed with existing available soils mapping and were assumed to consist of sands and silts. The hydrologic soil group, according to the Soil Conservation Service Classification System, is 'B'.

### **1.3 Stormwater Management Approach**

The stormwater management design for the development was established to replicate the existing drainage patterns on site to the furthest extent possible and to meet the City of Sault Ste. Marie and other regulatory agencies criteria for stormwater management. This should be accomplished as follows:

- The site should be developed with a series of swales, catch basins and storm sewers. Stormwater management facilities should be utilized to reduce the proposed post-developed peak flows to match pre-development peak flows.

#### **1.4 Design Criteria**

The following design criteria was utilized for stormwater management on this project:

- Post-development peak flows limited to pre-development peak flows for storm events up to and including the 100-year storm event;
- Quality control works shall be designed to achieve a normal level of protection (70% removal of suspended solids); and,
- The design of stormwater management facilities must be in general conformance to the criteria stipulated in the Ontario Ministry of the Environment's "Stormwater Management Planning and Design Manual" (March 2003).

#### **1.5 Hydrologic Modelling**

Hydrologic Modelling of the proposed development was conducted utilizing Visual OTTHYMO, version 5.0 software. The OTTHYMO model is an updated version of the original HYMO model developed by the United States Department of Agriculture in the early 1970's. HYMO and its updated versions, including OTTHYMO are in use throughout North America and the world for hydrologic modelling of rural and urban watersheds.

Rainfall inputs to the model consisted of a 1-hour Atmospheric Environment Service Type 2 rainfall distribution based on Intensity / Duration / Frequency (IDF) curves for Sault Ste. Marie, Ontario. The IDF curves used in the analysis are as shown in Table 1.1:



Table 1.1 MTO IDF Curves – Sault Ste. Marie

Rainfall Intensity (mm/hr)

Duration	5-min	10-min	15-min	30-min	1-hr	2-hr	6-hr	12-hr	24-hr
<a href="#"><u>2-yr</u></a>	119.8	73.8	55.6	34.3	21.1	13.0	6.0	3.7	2.3
<a href="#"><u>5-yr</u></a>	159.6	98.3	74.1	45.6	28.1	17.3	8.0	4.9	3.0
<a href="#"><u>10-yr</u></a>	186.3	114.8	86.4	53.2	32.8	20.2	9.4	5.8	3.6
<a href="#"><u>25-yr</u></a>	219.2	135.1	101.7	62.7	38.6	23.8	11.0	6.8	4.2
<a href="#"><u>50-yr</u></a>	243.7	150.1	113.1	69.6	42.9	26.4	12.3	7.6	4.7
<a href="#"><u>100-yr</u></a>	268.1	165.1	124.4	76.6	47.2	29.1	13.5	8.3	5.1

The Soil Conservation Service Curve Number Method was utilized to model infiltration on pervious areas. Areas exhibiting minimal levels of imperviousness were modelled utilizing the NASH Unit Hydrograph Procedure to calculate storm run-off from rainfall excess. Catchments with moderate to high levels of imperviousness were modelled utilizing the Standard Hydrograph Procedure in OTTHYMO.

## 2. STORMWATER MANAGEMENT

### 2.1 Pre-Development Conditions

Drawing Sk2, located in the report appendices, shows the pre-development catchment areas for the site and adjacent contributing property. The pre-development conditions were modelled as one (1) distinct catchment area as follows:

- Catchment 100 with a total drainage area of 6.98 hectares generally consisting of tree and grassed areas.

Catchment 100 generally drains in a southeasterly direction towards the rear of the existing residential lots on South Market Street.

The parameters utilized in the Visual OTTHYMO model for the drainage area were as follows:

Table 2.1 Pre-Development Input Parameters

Parameter	Catchment 100
Drainage Area	6.98 ha
Design Rainfall	1 hr AES Type 2 Distribution
IDF Data	MTO Data for Sault Ste. Marie
Soil Conservation Service Curve No. for Pervious Areas	CN = 55
Initial Abstraction on Pervious Areas	20.78 mm
Watershed Length	300 m
Watershed Slope	0.8 %
Time to Peak	0.54 hr
NASH's Shape Parameter	3.0

The model of the pre-development conditions produced peak flow estimates for the undeveloped site as follows:

Table 2.2 Pre-Development Peak Flows Total

Return Period	Catchment 100 (Total Site)
5 year	4 L/sec
10 year	12 L/sec
25 year	28 L/sec
100 year	62 L/sec

## 2.2 Post-Development Conditions

Drawing SW2, located in the report appendices, shows the post-development catchment areas for the site and adjacent contributing property. The post-development conditions were modelled as three (3) distinct catchment areas as follows:

- Catchment 200 with a total drainage area of 3.48 hectares and includes the north and western portions of the developed site consisting of building, parking and landscaped areas;
- Catchment 201 with a total drainage area of 2.05 hectares and includes the central portion of the developed site consisting of building, parking and landscaped areas;
- Catchment 202 with a total drainage area of 1.45 hectares and includes the east and southern portions of the developed site consisting mostly of landscaped areas with some building and parking areas;

Stormwater should be collected from the proposed development by a series of catch basins, storm sewers, swales, and ditches that convey stormwater to stormwater management facilities prior to discharging to the South Market Municipal storm sewer system. Flows from events exceeding major design storms should flow overland towards South Market. Refer to Appendix A for a conceptual model of the stormwater management system.

The hydrologic parameters utilized in the OTTHYMO model for the post-development catchments are as indicated in the following table:

**Table 2.3 Post-Development Input Parameters**

Parameter	Catchment 200	Catchment 201	Catchment 202
Drainage Area	3.48 ha	2.05 ha	1.45 ha
Total % Imperviousness	66.9 %	83.9 %	37.2 %
Directly connected % Imperviousness	43.2 %	61.5 %	12.4 %
Pervious Area:			
• Curve No	61	61	61
• Initial Abstraction	16.24 mm	16.24 mm	16.24 mm
• Average Slope	2 %	2 %	0.5 %
• Average Length	10 m	10 m	350 m
• Time to Peak	n/a	n/a	n/a
Impervious Area:			
• Initial Abstraction	1.0 mm	1.0 mm	1.0 mm
• Slope	2 %	2 %	2 %
• Length *	152.34	116.90 m	98.32 m

**\* Length of Impervious Area was calculated by OTTHYMO utilizing the formula “Area = 1.5 x (Length of Impervious Area)<sup>2</sup>” where drainage area is in square meters – in accordance with OTTHYMO recommendations.**

The following table shows the estimated peak, uncontrolled, post-development flows from the respective drainage areas:

**Table 2.4 Post-Development Unattenuated Peak Flows for each Catchment**

Return Period	Catchment 200	Catchment 201	Catchment 202	Total Site
5 year	395 L/sec	361 L/sec	49 L/sec	806 L/sec
10 year	479 L/sec	445 L/sec	59 L/sec	983 L/sec
25 year	588 L/sec	557 L/sec	71 L/sec	1,217 L/sec
100 year	752 L/sec	728 L/sec	90 L/sec	1,570 L/sec

## 2.3 Stormwater Management Facility

### 2.3.1 Quantity Control

The site should be served by two (2) stormwater management facilities both of which outlet to the South Market Municipal storm sewer system.

Catchments 200 and 201 should consist of a combination of underground chambers (Stormtech SC-310 or equivalent) and a dry pond with a total required storage volume of approximately 1,605 m<sup>3</sup>. Preliminary calculations indicate 700 underground chambers and a pond with a volume of 815 m<sup>3</sup> are required to control the 100 Year storm event. It should be noted that there is a high groundwater table on site and therefore a shallow chamber cross section was used for preliminary calculations. The chambers will also require an impermeable liner if the base is within 1.0m of the water table. This should be further reviewed during detailed design.

Catchment 202 should consist of a dry pond with a total required storage volume of approximately 100 m<sup>3</sup> to control the 100 Year storm event.



The stormwater management facilities were designed to meet the criteria outlined in Section 1.4 above. The design was based on an iterative process in which different outlet conditions and quantity/ storage relationships were analyzed.

Inflow hydrographs were generated in the Visual OTTHYMO model. A storage discharge relationship for the chambers and ponds were generated with the use of a spreadsheet and input into a reservoir routing function in Visual OTTHYMO. The inflow hydrographs were then connected to the reservoir in Visual OTTHYMO which performed a reservoir routing routine producing an attenuated outflow hydrograph for the catchments.

Outflows from the chambers and ponds will be controlled through specified orifice diameters in an outlet structure. The details of which will be indicated on the detailed design drawings.

Overland flow from events exceeding the 100 year storm will be directed towards South Market Street.

The following tables show the outlet parameters for the proposed flow control structures and the results for the proposed detention basin analysis for both outlets:

**Table 2.5 Underground Chamber/Dry Pond Flow Control Requirements (Area 200 & 201)**

Parameter	Flow Control Structure
First Orifice Diameter	75 mm
First Orifice Invert	100.00 m *
Overflow Weir Length	0.93 m
Overflow Weir Elevation	100.93 m *
* Assumed datum to be updated during detailed design	

The depth / outflow / storage relationship for the chambers/dry pond is included in Appendix B. The underground chambers are proposed to be SC-310 with a total footprint of approximately 1,550 square metres and a series of dry ponds with a total foot print of approximately 1,305 square metres with 0.30 m of freeboard.

**Table 2.6 Underground Chambers/Dry Pond Outlet Structure Analysis Results (Area 200 & 201)**

Return Period	Maximum Depth	Elevation *	Storage Volume	Peak Outflow
5 year	0.52 m	100.52 m	789 m <sup>3</sup>	9 L/sec
10 year	0.64 m	100.64 m	986 m <sup>3</sup>	10 L/sec
25 year	0.79 m	100.79 m	1,249 m <sup>3</sup>	11 L/sec
100 year	0.99 m	100.99 m	1,605 m <sup>3</sup>	50 L/sec
* Assumed datum to be updated during detailed design				

**Table 2.7 Dry Pond Flow Control Requirements (Area 202)**

Parameter	Flow Control Structure
First Orifice Diameter	80 mm
First Orifice Invert	100.00 m *
Overflow Weir Length	0.6 m
Overflow Weir Elevation	100.50 m *
* Assumed datum to be updated during detailed design	

The depth / outflow / storage relationship for the dry pond is included in Appendix B. The dry pond has a total foot print of approximately 660 square metres with 0.30 m of freeboard

**Table 2.8 Dry Pond Outlet Structure Analysis Results (Area 202)**

Return Period	Maximum Depth in Chambers	Elevation *	Storage Volume	Peak Outflow
5 year	0.14 m	100.14 m	40 m <sup>3</sup>	4 L/sec
10 year	0.18 m	100.18 m	48 m <sup>3</sup>	5 L/sec
25 year	0.23 m	100.23 m	59 m <sup>3</sup>	6 L/sec
100 year	0.35 m	100.35 m	97 m <sup>3</sup>	8 L/sec
* Assumed datum to be updated during detailed design				

The total, attenuated peak post development outflows from the proposed site are compared to the peak pre-development outflows in the following table:

**Table 2.9 Summary of Pre-Development and Attenuated Post-Development Peak Flows (Total Site)**

Return Period	Site Peak Pre-Development Flow	Site Attenuated Post-Development Flow
5 year	4 L/sec	13 L/sec
10 year	12 L/sec	15 L/sec
25 year	28 L/sec	16 L/sec
100 year	62 L/sec	57 L/sec

The above table indicates that the design criteria limiting post-development peak flows to peak pre-development flow levels have been met for all design storms with exception of the 5 Year and 10 Year Storms. This is due to the small amount of runoff generated in the pre-development condition and should be considered a negligible increase as it is not expected to have an adverse affect on the downstream capacity of the Municipal storm sewer. It should be noted that the Municipal storm sewer was designed to accept a flow rate of approximately 266 L/s from the subject property.

Inflow and outflow hydrographs for the site are provided in Appendix C for 25-Year, 10-year, 25-Year and 100-Year Return Period Rainfalls.

### *2.3.2 Quality Control*

Quality control of the site run-off to meet the requirements for a normal level of protection (70% removal of total suspended solids (TSS)) should be provided for the proposed development area by integrating a combination of Oil and Grit Separator(s), isolator rows within underground storage chambers and Low Impact Development (LID) practices. LIDs could consist of a combination of bio-retention swales, vegetated filter strips, reduced lot grading, enhanced swales and retention facilities as required. The specific LIDs should be determined during the detailed design phase.

## **3. OPERATION AND MAINTENANCE**

The stormwater management facilities proposed for this development are designed to require minimal maintenance. Isolator rows have been provided to limit infiltration of sediment into the sewer system and provide a means of cleaning the chambers at maintenance holes by a standard vacuum truck. Oil and grit separators are also able to be cleaned by a standard vacuum truck.

As a minimum, the following maintenance program is recommended:

- Twice per year inspections of the facilities by means of removing manhole covers to ensure that there are no problems with excess sedimentation buildup, drainage blocks on any of the piping or orifice plates and outlet pipes and structures are in good condition. Any materials collected on the orifice plates or storm piping should be removed and disposed of. Any problems discovered should be repaired immediately; and,
- It is possible that, over time, some sediment will collect in the bottom of the isolator rows, oil and grit separators and dry ponds. This should be closely monitored and, if sediment deposits exceed a depth of approximately 0.08 metres for the isolator rows and dry ponds or 0.225 metres for the oil and grit separators, they should be removed to re-establish the original storage/volume characteristics. This is particularly important immediately following construction and prior to vegetation being established on landscaped areas.

#### **4. REPORT LIMITATIONS AND GUIDELINES FOR USE**

We have prepared this report for the exclusive use of the Client and their authorized agents for the proposed development. The report is only applicable to the project described herein. Any changes to the project require a review by TULLOCH to ensure compatibility with the stormwater management system as described in this report.

#### **5. CLOSURE**

We trust that the information and recommendations in this report will be found to be complete and adequate for your consideration. Should further elaboration be required for any portion of this project, we would be pleased to provide assistance.





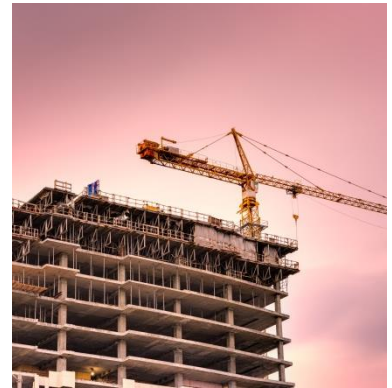
## FUNCTIONAL SERVICING STUDY

### South Market Village

204 South Market Street, Sault Ste. Marie, ON

June 7, 2022

Project No. 21-1714



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## Revision Log

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## TULLOCH Signatures



Prepared By: \_\_\_\_\_

Jonah Johnson, E.I.T.  
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June 7, 2022

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Reviewed By: \_\_\_\_\_

Josh Lelievre, P.Eng.  
 Project Manager

June 7, 2022

\_\_\_\_\_

Date

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Appendix A	Preliminary Site Servicing Plan
Appendix B	Downstream Sanitary Sewer Study
Appendix C	Watermain Capacity Tests, FUS Calculations and Water Service Design Calculations

## Executive Summary

TULLOCH has been retained by ESC Land Development Corporation (Client) to complete a Servicing Study for a proposed multi-family residential development with an ancillary self storage component to be located at 204 South Market Street in the City of Sault Ste. Marie, Ontario. The primary objective of this study is to review the capacity of the municipal services in the area in support of the proposed development of the property.

The proposed development is to consist of a total of 376 residential units with a total contributing area of 6.98 hectares.

**Sanitary Sewer Servicing;** Based on the preliminary site plan and projected uses of the buildings, TULLOCH has estimated the peak sanitary sewage flow, including infiltration allowances, from the entire site to be in the order of 14.85 L/s. It is TULLOCH's understanding the City of Sault Ste. Marie (City) requires a full sanitary sewer capacity study of the sanitary sewer network to the MOE pumping station at Queen Street due to known downstream issues and since the original South Market extension was designed for 350 residential units. The results of the downstream analysis indicate that increasing the population from 350 units to 496 units had a minor affect on the hydraulic grade line for the downstream sanitary sewers in the Dell/Centennial Avenue area with a maximum increase of approximately 41 mm. Based on the findings of the study, the worst case residence had a minimum freeboard from basement floor to the hydraulic grade line of approximately 0.79 m under peak flow conditions. Therefore flooding is unlikely to occur to these residences under peak flow conditions.

**Storm Sewer Servicing and Storm Water Management;** The City of Sault Ste. Marie stormwater management guidelines were consulted with respect to the stormwater management requirements for the site. Accordingly, The City requires both quantity and quality control; therefor post-development peak flows cannot exceed pre-development peak flows for storm events up to and including the 100-year storm event. Runoff quality will be required to meet a normal level of protection (70% removal of total suspended solids). Based on our review of the area and site drainage characteristics, with the implementation of underground storage chambers, dry ponds, oil and grit separators, etc., stormwater management measures can be implemented to meet the City of Sault Ste. Marie Storm Water Management Guidelines. Refer to the Preliminary Stormwater Management Report dated June 6, 2022 prepared by TULLOCH.

In general, the water supply system in the area surrounding the site is robust with an abundance of capacity. Adequate water to service the development is available to the site for both domestic and fire flows which were calculated as 5.41 L/s and 250 L/s respectively.



# 1 Introduction

## 1.1 General

TULLOCH has been retained by ESC Land Development Corporation (Client) to complete a servicing study for a proposed multi-family residential development with an ancillary self storage component to be located at 204 South Market Street in the City of Sault Ste. Marie, Ontario. The primary objective of this study is to review the capacity of the municipal services in the area to support the proposed development of the property.

The majority of the site is presently undeveloped, generally consisting of tree and grass areas. To our understanding, the developer is proposing to develop the property into residential use with apartments, row housing, asphalt parking, landscape areas and storage buildings. The proposed development is to consist of a total of 376 residential units and a total contributing area of 6.98 hectares. The total combined footprint of all proposed buildings is approximately 132,781 ft<sup>2</sup> (12,335 m<sup>2</sup>). The proposed site lies between South Market Street, Boundary Road, and Wellington Square Mall, with access to the property from South Market Street. The proposed preliminary site plan can be referenced in **Appendix A**. Traffic impacts are beyond the scope of this study.

## 1.2 Objectives

The primary objective of this study is to review the municipal services in the area required to support the proposed development of the property. The components associated with this study are as follows:

1. Sanitary Sewers
  - Objective: To investigate the downstream capacity of the existing municipal sanitary sewer system to determine if there is adequate capacity for flows generated by the proposed residential development.
2. Storm Drainage and Stormwater Management
  - Objective: To provide preliminary analysis and sizing for the proposed stormwater management area to accommodate the proposed residential development.
3. Water Supply
  - Objective: To investigate the capacity of the existing municipal water distribution system and provide preliminary analysis for a new water service and fire protection for the proposed development.

## 2 Sanitary Sewers

### 2.1 Proposed Sanitary Sewer Service

The proposed development site is situated along the east side of South Market Street. Drawings obtained from the City indicate there is a 250 mm diameter sanitary sewer flowing south from Manhole 5 to an existing connection at approximately the intersection of South Market Street and Cambridge Place. Due to the location of the proposed development, we recommend discharging the entirety of the proposed development's sanitary sewage into the South Market Street sanitary sewer system at Manhole 7.

We recommend the entirety of the site be serviced with a sanitary sewer main, connected to the South Market Street sanitary sewer system that the individual building services discharge into. We propose a 200 mm diameter sanitary sewer main to run east from South Market Street then "tee" north and south into a 150 mm diameter main. Individual building services will be sized in accordance with the Ontario Building Code requirements and will likely vary from 100 mm to 200 mm. Refer to **Appendix A** for the proposed preliminary servicing layout.

Based on the preliminary site plan and projected use of the buildings, TULLOCH has estimated the total peak sanitary sewage flow, including infiltration allowances from the site, to be in the order of 14.85 L/s. The peak flow was determined based on a residential flow rate of 400 L/cap/day and an infiltration allowance of 0.28 L/s/ha.

### 2.2 Downstream Sewer Capacity

TULLOCH was provided documentation from the City of Sault Ste. Marie regarding the existing South Market Street sanitary sewer system between Manhole 5, and an existing Manhole at the intersection of South Market Street and Cambridge Place. This section of sanitary sewer was originally designed for 350 residential units, of which the City has already approved a 120 unit residential development along the aforementioned section of sanitary sewer. The current site plans propose a total of 376 residential units, in combination with the approved 120 unit residential development, combines for a total of 496 residential units contributing to the South Market Street sanitary sewer system, exceeding the original design of 350 residential units.

The City of Sault Ste. Marie requested the capacity of the downstream sanitary sewer system from the site to the MOE pumping station (Clark Creek) at Queens Street be analyzed due to known issues in the area further downstream and since the original 350 units for the South Market extension had been exceeded. TULLOCH was provided a copy of the Flow Monitoring Data Analysis Report completed by Cole Engineering July 2018 and the 1998 Sanitary Sewer Investigative Study completed by WM. R. Walker Engineering. There was no existing design information provided on the sanitary sewer system from South Market to the pump station with the exception of existing plan and profile drawings.

City of Sault Ste. Marie GIS data and plan and profile drawings of the subject sanitary sewer system were used to develop and identify sanitary sewer drainage areas, pipe sizes, pipe lengths, slopes, etc. as there were no existing design files available from the City downstream of the South Market and Boundary Road intersection. This data was used in our analysis of downstream pipe capacities.

TULLOCH completed the analysis of the subject sanitary sewer system using analytical methods. The analysis was completed utilizing the findings of Cole's report as the extraneous flows were found to be significantly greater when measured in the field. The peak flows excluding extraneous flows were noted to be significantly less in Cole's report. The analysis utilized the following parameters to better represent the measured results noted in Cole's report: the residential flow rate was reduced to the lower range of the MECP guidelines at 225 L/cap/day and the infiltration allowance was increased to that noted in Cole's report at 0.77 L/s/ha. This resulted in a total peak flow at MH 1893 on Drake Street of 236.29 L/s (350 Units) as opposed to the total flow from Cole's report of 209.71 L/s. The proposed peak flow at this location would increase to 241.33 L/s (496 Units).

The areas taken into consideration when completing this study included sanitary sewer flows from eight (8) catchment areas as specified below;

1. Upstream Catchment: Trunk Road flowing to Boundary Road, consisting of 6.78 and 4.89 hectares of residential and commercial areas respectively;
2. Eastern Catchment: Kerr Drive flowing to Eastern Road, discharging into Boundary Road, consisting of 23.43 and 0.12 hectares of residential and commercial areas respectively;
3. Chambers Catchment: Chambers Road discharging into Boundary Road, consisting of 18.21 hectares of residential area;
4. Chartwell Catchment: Cambridge Place flowing to Chartwell Drive, discharging into Boundary Road, consisting of 46.43 and 1.0 hectares of residential and commercial areas respectively;
5. Boundary Catchment: Ashgrove Avenue flowing into Boundary Road, consisting of 42.91 hectares of residential area, 2.26 hectares of commercial area, and 2.5 hectares of institutional area;
6. Centennial Catchment: Queen Street flowing into Centennial, discharging into Boundary Road, consisting of 39.02 hectares of residential area;
7. Dell Catchment: Dell Avenue, consisting of 2.48 hectares of residential area;
8. Drake Catchment: Country Club Place flowing to Drake Street, consisting of 25.06 hectares of residential area.

The findings of the analysis indicate there are seventeen (17) sections of sanitary sewers estimated to be over capacity based on the parameters mentioned previously. The table below summarizes the sections of pipe that are over capacity and those highlighted were found to have reversed pipe grade therefore slopes of 0.01% were assumed for calculation purposes. It should be noted that these

sections of pipe were also over capacity with the original 350 residential units the South Market extension was designed for.

Table 2.1: Summary of Sections of Pipe Overcapacity

Street	From MH	To MH	Diameter (mm)	Slope (%)	Length (m)	Proposed Pipe Utilization (%) (496 Units)	Existing Pipe Utilization (%) (350 Units)
Boundary	2877	3408	350	0.33	91.9	109.3	103.8
Boundary	3203	2390	350	0.31	91.3	114.0	107.8
Dell Ave.	3267	2929	600	0.05	87.8	144.3	140.6
Dell Ave.	2516	2603	600	0.07	8.2	144.6	141.5
Golf Course	2603	2376	600	0.07	72.2	146.1	143.0
Golf Course	2376	3431	600	0.10	56.7	122.4	119.8
Golf Course	3431	3254	600	0.11	61.3	117.0	114.5
Golf Course	3254	2448	600	0.08	82.6	137.7	134.8
Golf Course	2448	2401	600	0.08	83.5	138.2	135.3
Golf Course	2401	3004	600	0.08	84.7	138.6	135.7
Golf Course	3004	1893	600	0.10	83.2	124.3	121.7
Drake St.	2024	1670	675	0.01	95	314.0	308.0
Drake St.	1670	2071	675	0.07	82	118.7	116.4
Drake St.	2071	1123	675	0.01	9	314.1	308.1
Drake St.	1546	1199	675	0.01	64.9	314.3	308.3
Drake St.	1110	1600	675	0.01	47.8	314.4	308.4
Drake St.	1600	1242	750	0.01	19.2	237.4	232.9

Since some sections of sewer are significantly over capacity TULLOCH completed an analysis of the existing sewers in the areas of concern using PCSWMM modeling software to determine the hydraulic grade line (HGL). The findings indicate that under existing conditions (350 Units) the sanitary sewer would surcharge up to 425 mm above the pipe obvert at MH 2614 on Centennial Avenue. If the flows are increased to include the additional peak flow from the proposed development (496 Units), the sewer would surcharge approximately 466 mm above the pipe obvert at MH 2614. The sewers would also surcharge at other locations in the area of Dell Avenue, Centennial Avenue, Boundary Road, Simon Avenue, Headway Street and Drake Street however it was determined that Dell and Centennial Ave. were the worst case areas due to the shallower depth of sewers. It should be noted that residential flows downstream of Dell Ave. from the Drake Street catchment had been diverted directly



to the Clark Creek Pump Station by a separate sewer main as a result of the 1998 Sewer Study therefore homes within the Drake Catchment were not reviewed.

Further to the above, basement floor elevations were checked along Dell Avenue and Centennial Avenue to determine if flooding would occur under peak flow conditions with 496 Units. To date we haven't been able to confirm all the basement floor elevations but of those checked the lowest (Civic 115 Centennial) was approximately 0.79 m above the HGL under peak flow conditions. Of those that haven't been checked Civic 125 Centennial appears to be the worst case with the lowest basement window elevation. Assuming a full depth basement with 1.8 m from the window sill to the floor, the basement would be approximately 0.85 m above the HGL under peak flow conditions.

It should be noted that increasing the population of the original South Market extension from 350 to 496 units had a minor affect on the HGL for the downstream sanitary sewers in the Dell/Centennial Avenue area with a maximum increase of approximately 41 mm. Based on the findings of the study, the worst case residence had a minimum freeboard from the basement floor to the HGL of approximately 0.79 m under peak flow conditions. Therefore flooding is unlikely to occur to these residences under peak flow conditions.

The sanitary sewer capacity design sheets, sanitary drainage area drawings, PCSWMM results and summary tables can be referenced in **Appendix B**.

### 3 Storm Drainage and Stormwater Management

#### 3.1 Existing Conditions

The drainage area of the site is approximately 6.98 hectares. The site is currently undeveloped consisting of tree and grassed areas. Currently stormwater from the majority of the site flows overland in a southeast direction towards the rear of existing residential lots on South Market Street.

#### 3.2 Proposed Stormwater Management

The site will be developed with a series of catchbasin, manholes, storm sewers and stormwater management facilities with the intent to match the existing drainage conditions to the nearest extent possible. Stormwater flows will be collected and directed towards the Municipal storm sewer on South Market Street.

Refer to the Preliminary Stormwater Management Report completed by TULLOCH dated June 6, 2022 which indicates the proposed methods to meet both water quantity and quality objectives as per City of Sault Ste. Marie and Ministry of the Environment Conservation and Parks guidelines.

## 4 Water Supply

### 4.1 Existing Conditions

An existing 300 mm diameter watermain runs north-south along the east side of South Market Street.

A watermain flow test was completed by TULLOCH in the vicinity of the proposed site. Flow test results indicate the watermain network in the area is robust, and adequate flow is available (approximately 542 L/s) from the existing municipal system for firefighting purposes. The flow test indicates static pressures are approximately 414 kPa (60 psi). These static readings could be problematic with respect to sprinklered fire suppression systems and may result in the requirement to install booster pumps. The flow test completed by TULLOCH is provided in **Appendix C** for reference.

Development of the property will require installation of private hydrants.

### 4.2 Proposed Water Servicing

TULLOCH was provided information regarding the proposed building's construction characteristics. The apartment buildings are to be ordinary construction with sprinkler systems installed for fire suppression, and the townhouse buildings are to be wood frame construction with no sprinkler system. Water demand flow rates were estimated using the National Fire Underwriters-2019 Draft method and the Ontario Building Code by calculating the required fire flow for the most susceptible buildings, yielding 250 L/s, 200 L/s, and 117 L/s for building A1, A2, and B3, respectively. Therefore a water demand of 250 L/s must be available to the development without dropping the system pressure below 140 kPa (20 psi). The governing building, A2, is a 2-storey wood frame townhouse with no sprinkler system installed, and is in close proximity to adjacent townhomes, resulting in a high fire flow demand. This demand could be reduced by means of installation of sprinkler systems and/or alternate construction methods. The aforementioned buildings can be referenced in the Preliminary Servicing Plan located in **Appendix A**.

The total domestic maximum daily flow for the proposed development was estimated to be in the order of 5.41 L/s.

The proposed water servicing for the property is anticipated to require a 300 mm diameter watermain, which is fed from the 300 mm diameter watermain on the East side of South Market Street. The 300 mm diameter watermain will tee into a 300 mm diameter watermain running north-south to serve a private hydrant for the proposed townhouses. Preliminary analysis indicates that a minimum 300 mm diameter watermain is required to provide the private hydrants with adequate flow for fire protection due to head losses in the pipe. Refer to **Appendix C** for design calculations.

The private hydrants will require premise backflow isolation from the municipal watermain which is a requirement for all new private hydrants. Premise backflow isolation can be provided by installing a backflow preventer within an underground chamber, a small structure or inside a building's mechanical room. For the purpose of this report, it is assumed that backflow prevention would be provided within an underground chamber.

Refer to the enclosed preliminary servicing layout located in **Appendix A**.

## **5 Report Limitations and Guidelines for Use**

We have prepared this report for the exclusive use of our client, ESC Land Development Corporation. The report is only applicable to the project scope provided and described herein. Any change to the project requires a review by TULLOCH.

## **6 Closure**

We trust that the information and recommendations in this report will be found to be complete and adequate in support of the proposed development. Should further elaboration be required for any portion of this project, we would be pleased to provide assistance.

**ESC Land Development Corporation**

**South Market Village**

**Transportation  
Impact  
Assessment**





# South Market Village Transportation Impact Assessment

Prepared for:

ESC Land Development Corporation  
c/o Todd Lisso  
204 South Market Street  
Ottawa, ON P6A 6E7

Prepared by:



628 Haines Road  
Newmarket, ON L3Y 6V5

June 2022

PN: 2021-144

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## 1 Introduction

This Transportation Impact Assessment has been prepared to support the proposed development located at 204 South Market Street in Sault Ste. Marie, Ontario. The subject site is currently designated as a Low Density Residential (R3) Zone and Medium Density (R4) Residential Zone. The site is proposed to include 348 apartment units composed of four five-storey residential buildings, 28 townhouse units, and 296 self-storage units composed of two one-storey buildings, and a 2670 square foot daycare area on the ground floor of one of the apartment buildings.

Three accesses are proposed to support the subject site. Two of the accesses are existing driveways with the first access (Site Access #1) providing a connection to the retail lands to the north, and ultimately to Trunk Road, and the second access (Site Access #2) providing access to South Market Street. The third access (Site Access #3) is located on South Market Street. Site Access #1 is approximately 310 metres east of the intersection of South Market Street and Trunk Road, Site Access #2 is approximately 115 metres south of the intersection of South Market Street and Trunk Road, and Site Access #3 is approximately 240 metres south of the intersection of South Market Street and Trunk Road.

The subject site is anticipated to be built-out in four phases. The first phase will include one of the self-storage buildings, as well as six townhouse units with an anticipated build-out and occupancy year of 2023. The second phase will include the other self-storage building, 11 townhouse units, and 87 apartment units with an anticipated build-out and occupancy year of 2024. The third phase will include 11 townhouse units, and 87 apartment units with an anticipated build-out and occupancy year of 2025. The fourth phase will include the daycare facility as well as 174 apartment units and has an anticipated build-out and occupancy year of 2026. The first phase of development will be supported by the two existing accesses. Access #3 will be built in conjunction with Phase 2, at which time all three accesses will serve the proposed development. Therefore, the analysis presented herein includes the 2022 existing, 2023 background, 2023 future total, 2026 future background, and the 2026 future total conditions.

The scope of this TIA has been confirmed with staff from City of Sault Ste. Marie in the form of a Terms of Reference (TOR) document. The approval of this TOR along with additional correspondence with City staff and the original TOR can be seen in Appendix A.

Figure 1 illustrates the Study Area Context. Figure 2 illustrates the concept site plan.

Figure 1: Area Context Plan



Source: <https://www.google.com/maps> Accessed: January 26, 2022

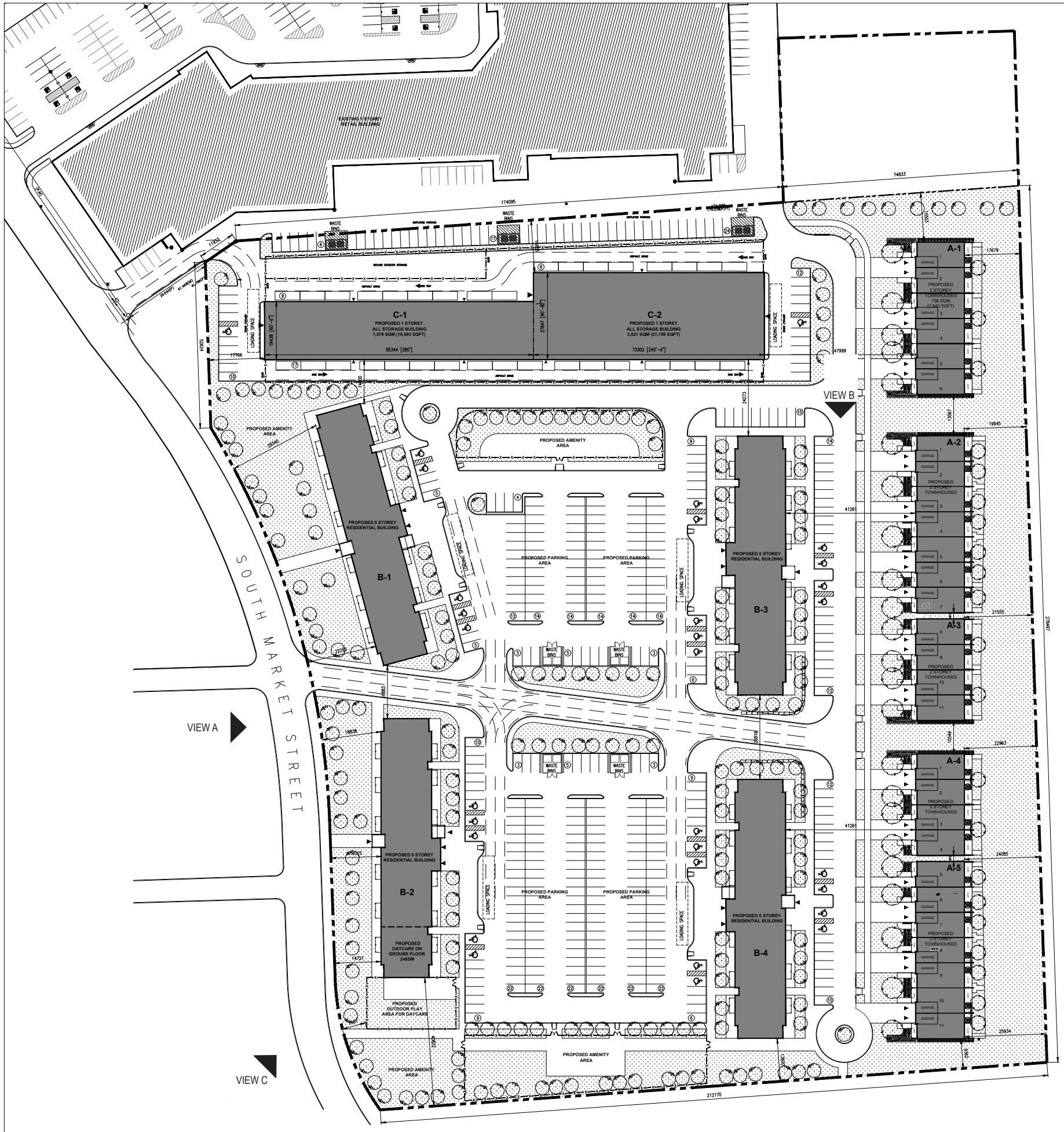


Figure 2: Concept Site Plan

SITE STATISTICS			
204 SOUTH MARKET STREET SAULT STE MARIE, ON			
ZONING: LOW (R3) & MEDIUM (R4) DENSITY RESIDENTIAL ZONES			
	ACRES	SQFT	SQM
LOT AREA	17.21	749,706	69,650
FOOTPRINT AREA			
	SQFT	SQM	
BUILDING A - TOWNHOUSES			
Bld A-1	7,945	738	
Bld A-2	9,233	858	
Bld A-3	5,297	492	
Bld A-4	5,297	492	
Bld A-5	9,233	858	
BUILDING B - APARTMENTS			
Bld B-1	17,820	1,655	
Bld B-2	17,820	1,655	
Bld B-3	17,820	1,655	
Bld B-4	17,820	1,655	
BUILDING C - SELF STORAGE			
Bld C-1	16,938	1,574	
Bld C-2	21,814	2,027	
TOTAL FOOTPRINT AREA	132,781	12,335	
UNIT COUNT			
	PER BLD	TOTAL	
BUILDING A - TOWNHOUSES	SEE PLAN	28	
BUILDING B - APARTMENTS	87	348	
BUILDING C - SELF STORAGE		296	
PARKING			
	REQUIRED	PROVIDED	
BUILDING "A" (MULTIPLE ATTACHED DWELLINGS)			
1 SPACE / DWELLING UNIT	30	56	
BUILDING "B" (MULTIPLE ATTACHED DWELLINGS)			
1 SPACE / DWELLING UNIT	348	348	
BUILDING "B-2" (DAYCARE) (249M2)			
3.5 SPACES/100M2	9	9	
BUILDING "C" (PERSONAL STORAGE)			
NO PARKING REQUIRED FOR MAIN USE	0	56	
EXTRA PARKING PROVIDED FOR MAIL EMPLOYEES	0	47	
NO PARKING REQUIRED			
TOTAL PARKING	387	516	
STANDARD PARKING	359	466	
BARRIER FREE PARKING	28	30	



LEGEND	
	PROPOSED BUILDINGS (SOLID HATCH)
	PROPERTY LINE
	NEW CURBS



1 PROPOSED SITE PLAN  
A100 SCALE: 1:500

This drawing, as an instrument of service, is provided by and is the property of DANIEL L. CUSIMANO, ARCHITECT.

The contractor must verify and accept responsibility for all dimensions and conditions on site and must notify DANIEL L. CUSIMANO, ARCHITECT, of any variations from the supplied information.

This drawing is not to be scaled.

The architect is not responsible for the accuracy of survey, structural, mechanical, electrical, etc., information shown on this drawing. Refer to the appropriate consultant's drawings before proceeding with the work.

Construction must conform to all applicable codes and requirements of authorities having jurisdiction.

The contractor working from drawings not specifically marked 'For Construction' must assume full responsibility and bear costs for any corrections or damages resulting from his work.

PRINT DATE :  
2022-05-31 4:30 PM

SITE PLAN CONCEPT FOR REVIEW  
ONLY SUBJECT TO ZONING REVIEW AND  
APPROVAL

No.	Description	Date

REVISIONS

No.	Description	Date
3	ISSUED FOR SPA	2022-05-31
2	ISSUED FOR CLIENT REVIEW	2022-05-17
1	ISSUED FOR PRELIMINARY REVIEW	2021-05-03

ISSUED FOR



PROPOSED DEVELOPMENT  
204 SOUTH MARKET STREET  
SAULT STE MARIE, ONTARIO

Date MAY 2022	Drawn by BW	Checked by DLC
------------------	----------------	-------------------

SITE PLAN AND STATISTICS

Scale AS NOTED	A100
Project number 2021-21	

## 2 Study Area

The Study Area will consist of the following existing intersections:

- South Market Street and Trunk Road
- Driveway #1 (Site Access #1) and Trunk Road
- Adeline Avenue / Boundary Road and Trunk Road
- Driveway #2 (Site Access #2) and South Market Street

## 3 Existing Conditions

### 3.1 Area Road Network

#### *Trunk Road*

Trunk Road is a City of Sault Ste. Marie arterial street with a five-lane cross-section consisting of two through lanes in each direction and a centre shared two-way left-turn lane. Trunk Road has a posted speed limit of 60 km/h. A sidewalk is present on the south side of the road within the Study Area, and curbs and gutters are provided on both sides of the road. The City of Sault Ste. Marie Transportation Master Plan reserves a minimum 36.0 metre right-of-way for arterial roadways.

#### *South Market Street*

South Market Street is a City of Sault Ste. Marie arterial street north of McNabb Street and a collector street to the south. It has a five-lane cross-section north of Trunk Road consisting of two through lanes in each direction and a centre shared two-way left-turn lane, and a two-lane cross-section south of Trunk Road. The unposted speed limit of South Market Street is assumed to be 50 km/h. A sidewalk is provided on one side of South Market Street and a multi-use pathway is provided on the other side between McNabb Street and Cambridge Place. Between Cambridge Place and Boundary Road sidewalks are provided on both sides of the road. Curbs and gutters are provided on both sides of the road. The City of Sault Ste. Marie Transportation Master Plan reserves a minimum 36.0 metre right-of-way for arterial roadways, and a minimum 26.0 metre right-of-way for collector roadways.

#### *Adeline Avenue*

Adeline Avenue is a City of Sault Ste. Marie arterial street south of McNabb Street. It has a two-lane cross-section and a sidewalk is present on the east side of the road. Gravel shoulders are present with no curbs or gutters provided. The City of Sault Ste. Marie Transportation Master Plan reserves a minimum 36.0 metre right of way for arterial roadways, and a minimum 20.0 metre right-of-way for local roadways.

#### *Boundary Road*

Boundary Road is a City of Sault Ste. Marie collector street with a two-lane cross-section. The unposted speed limit is assumed to be 50 km/h. Sidewalks, curbs, and gutters are provided on both sides of the road. The City of Sault Ste. Marie Transportation Master Plan reserves a minimum 26.0 metre right-of-way for collector roadways.



### 3.2 Existing Intersections

#### *South Market Street / Trunk Road*

The intersection of South Market Street and Trunk Road is a signalized intersection. The northbound approach consists of an auxiliary left-turn lane and a shared through / right-turn lane, and the southbound approach consists of an auxiliary left-turn lane, a through lane, and a right-turn lane. The eastbound and westbound approaches each have an auxiliary left-turn lane, a through lane, and a shared through / right-turn lane. Pedestrian crossings are provided on all legs. Rail tracks are located eight metres north of the north leg stop-bar. While no general turn restrictions are present at this intersection, no trucks are permitted on the north leg of the intersection.



#### *Adeline Avenue / Boundary Road / Trunk Road*

The intersection of Adeline Avenue / Boundary Road and Trunk Road is a signalized intersection. The northbound approach consists of an auxiliary left-turn lane, a through lane, and an auxiliary right-turn lane, and the southbound approach consists of an auxiliary left-turn lane, a through lane, and an auxiliary right-turn lane. The eastbound approach has an auxiliary left-turn lane, two through lanes, and an auxiliary channelized right-turn lane, and the westbound approach has an auxiliary left-turn lane, two through lanes, and an auxiliary right-turn lane. Pedestrian crossings are provided on the south and the west legs. While no general turn restrictions are present at this intersection, no trucks are permitted on the north leg of the intersection.



*Driveway #1 / Trunk Road*

The intersection of Driveway #1 and Trunk Road is an unsignalized three-legged intersection with stop-control on the south leg. The northbound approach consists of a shared left-turn / right-turn lane, the eastbound approach has a through lane and a shared through / right-turn lane, and the westbound approach has a shared left-turn / through lane, and a through lane. Pedestrian crossings are provided on the south leg. No turning restrictions are noted.

*Driveway #2 / South Market Street*

The intersection of Driveway #2 and South Market Street is an unsignalized three-legged intersection with stop-control on the east leg. The westbound approach consists of a shared left-turn / right-turn lane, the northbound approach has a shared through / right-turn lane, and the southbound approach has a shared left-turn / through lane. Pedestrian crossings are provided on the east leg. No turning restrictions are noted.



### 3.3 Existing Driveways

Within the Study Area, driveways to both retail and residential land uses are noted along Boundary Road and South Market Street. Driveways to retail land uses are also located on the south side of Trunk Road within the Study Area. These driveways may be considered traffic sources and as such may contribute to volume imbalances between Study Area intersections.



### 3.4 Cycling and Pedestrian Facilities

As described in Section 3.1 above, sidewalks are provided on one side of South Market Street and intermittently on both sides of South Market Street, on the south side of Trunk Road, on the east side of Adeline Avenue, and on both sides of Boundary Road within the Study Area. A multi-use pathway is noted along the west side of South Market Street, north of Cambridge Place and is part of the Sault Ste. Marie Hub Trail. South Market Street, east of Cambridge Place is indicated to be part of the Spoke Route cycling trail. As no other cycling facilities are provided within the Study Area, cyclists will need to share the road with vehicles on all other Study Area roadways.

Figure 3: Existing Active Transportation Network - City of Sault Ste Marie TMP

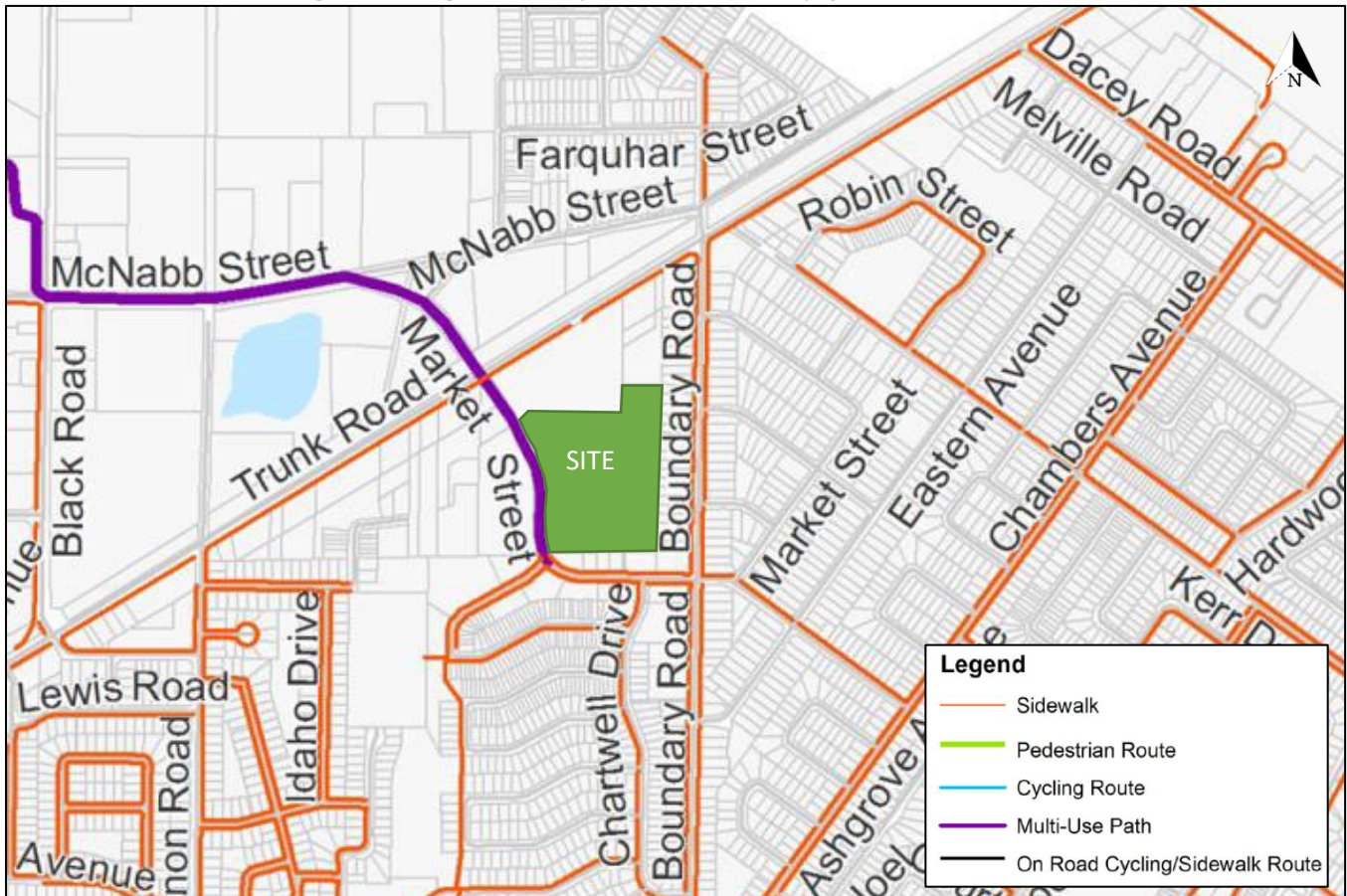
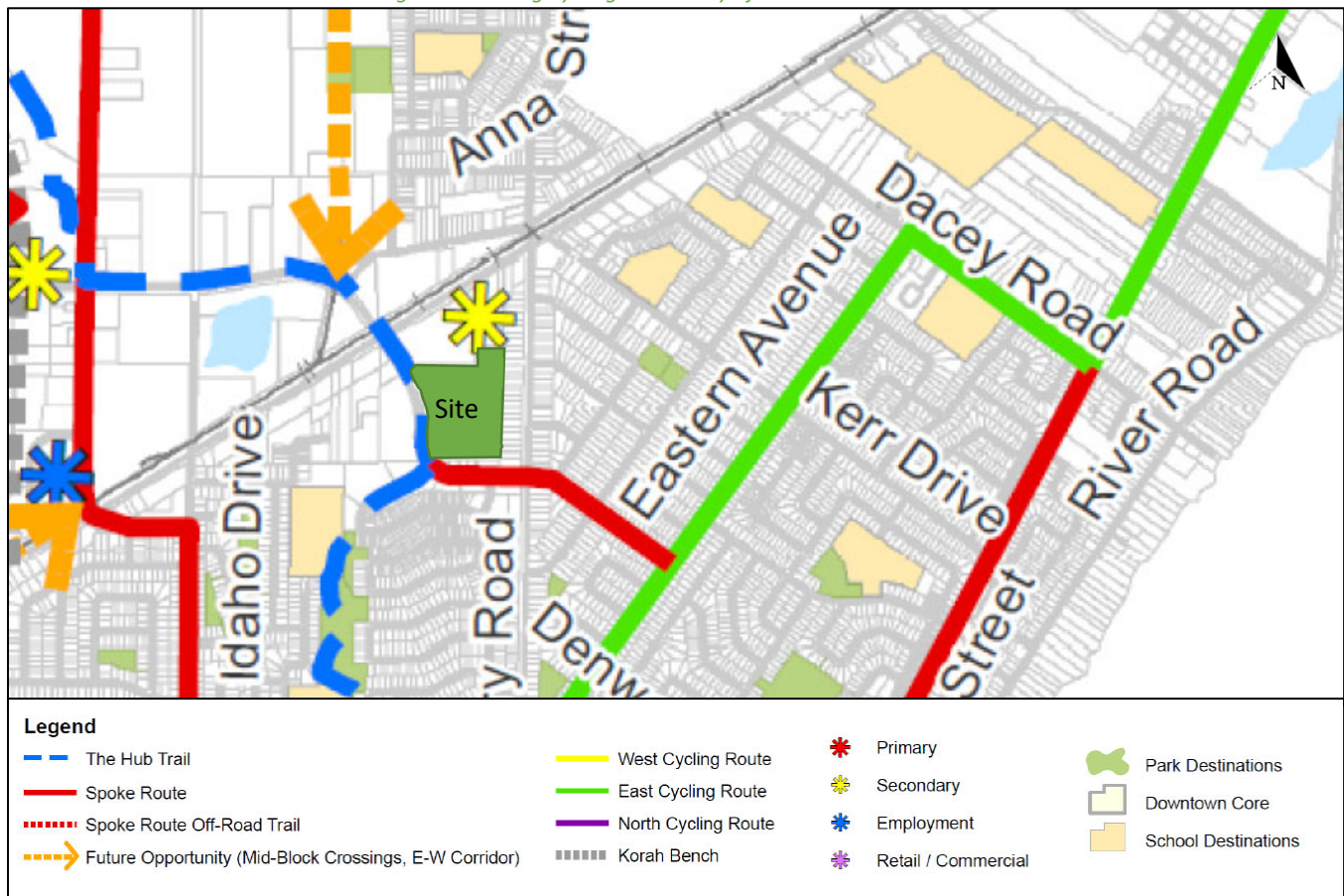


Figure 4: Existing Cycling Trails - City of Sault Ste. Marie TMP



### 3.5 Existing Transit

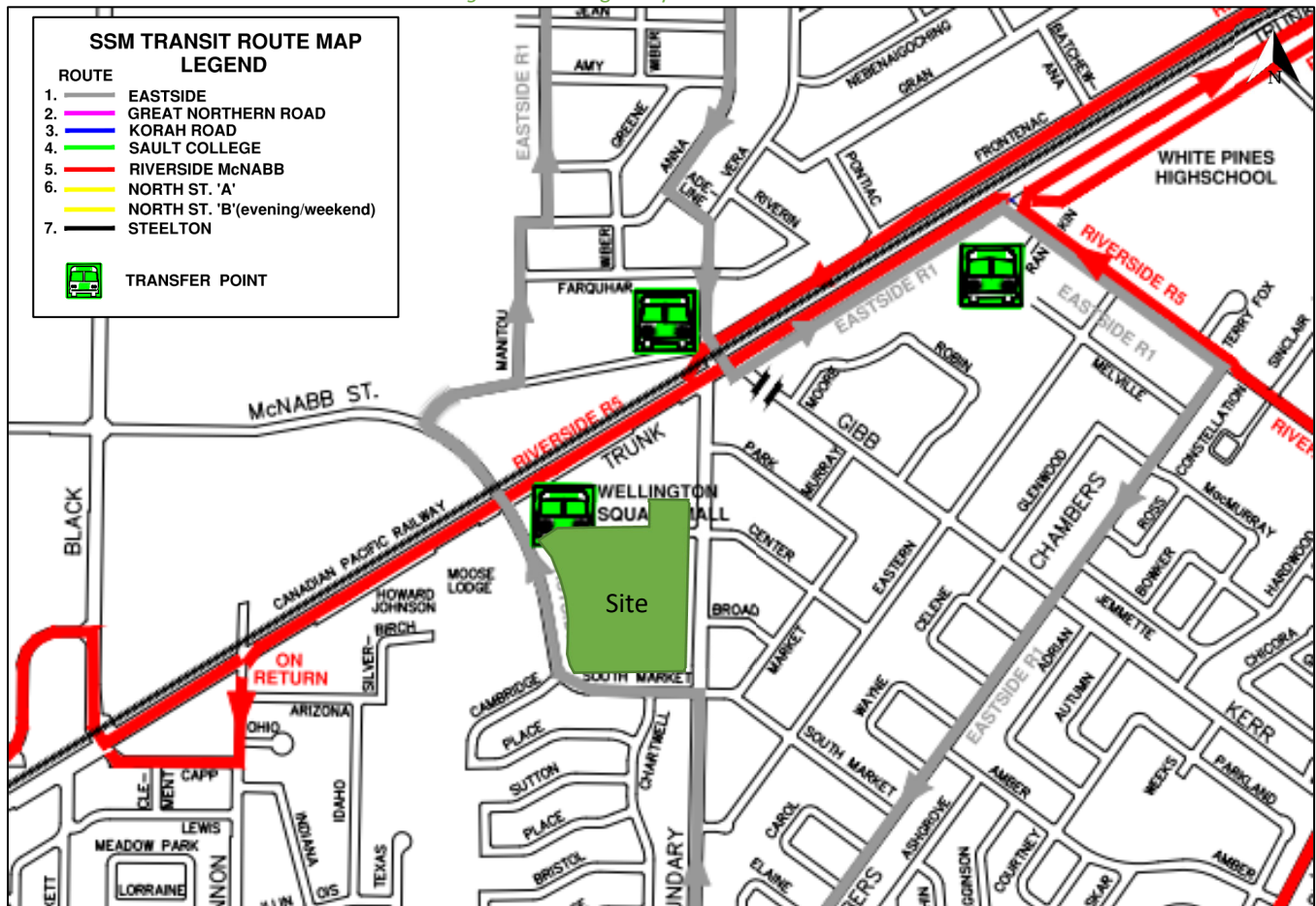
Within the study area, route #1 travels along Boundary Road and South Market Street and route #5 travels along Trunk Road. Primary stops are located at the intersection of South Market Street and Trunk Road, on Trunk Road approximately 150 metres east of South Market Street, on South Market Street approximately 100 metres north of Cambridge Place, South Market Street at Chartwell Drive, and Boundary Road at South Market Street. The frequency of these routes within proximity of the proposed site currently are:

- Route # 1 – 30-minute service all day, 60-minute service during evening
- Route # 5 – 30-minute service all day, 60-minute service during evening

Figure 5 illustrates the transit system map in the study area and Figure 6 illustrates nearby transit stops

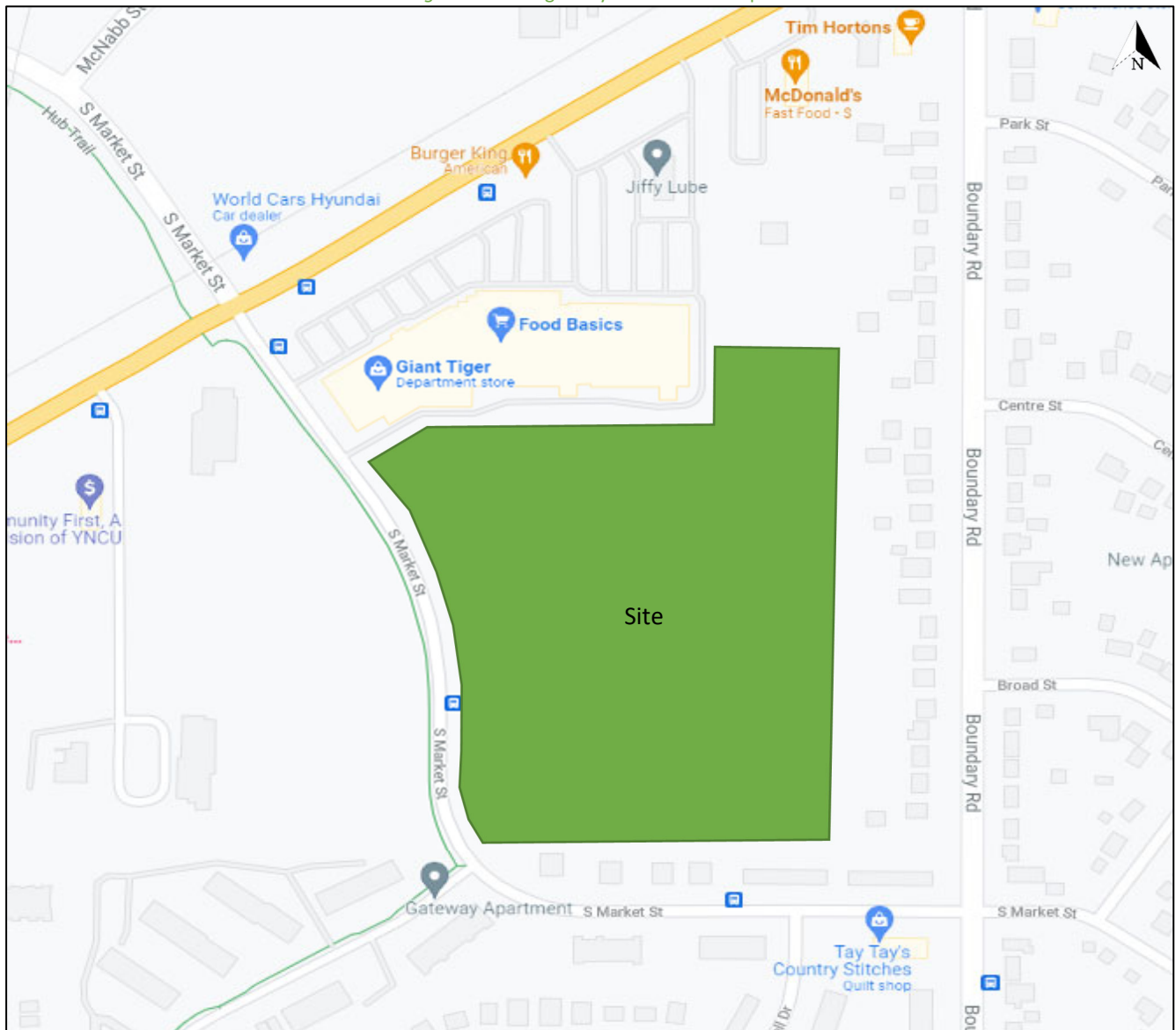


Figure 5: Existing Study Area Transit Service



Source: [www.saultstemarie.ca/transit](http://www.saultstemarie.ca/transit) Accessed: January 26, 2022

Figure 6: Existing Study Area Transit Stops



Source: <https://www.google.com/maps> Accessed: January 26, 2022

### 3.6 Existing Peak Hour Travel Demand

As shown below, existing Study Area intersection turning movement counts for the weekday AM Peak and weekday PM Peak were provided by City of Sault Ste. Marie staff for two intersections. As the remaining two Study Area intersections were not available, counts were undertaken by Tulloch Engineering on Wednesday, February 9, 2022. Supplementary traffic data was also provided by the City of Sault Ste. Marie. Table 1 summarizes the count locations, and data sources. Peak hour periods have been identified for the turning movement counts.

*Table 1: Turning Movement Count Data Dates*

Location	Count Date	AM Peak Hour (PM Peak Hour)	Data Source
South Market Street & Trunk Road	Thursday June 21, 2018	8:00 – 9:00 (16:15 – 17:15)	City of Sault Ste Marie
Driveway #1 & Trunk Road	Wednesday February 9, 2022	8:00 – 9:00 (16:15 – 17:15)	Tulloch
Adeline Avenue / Boundary Road & Trunk Road	Thursday June 14, 2018	8:00 – 9:00 (16:30 – 17:30)	City of Sault Ste Marie
Driveway #2 & South Market Street	Wednesday February 9, 2022	8:00 – 9:00 (16:15 – 17:15)	Tulloch

As shown above, the available TMC counts received have been collected in different years. To grow these volumes to a consistent analysis horizon of 2022, a compound annual growth rate was calculated using the AADT volume projections shown in the City of Sault Ste. Marie Transportation Master Plan for the 2012, 2022, 2032, and 2042 analysis horizons. These calculations can be seen in Appendix B and indicate an overall growth of 0% for the area. A growth rate of 0% has been confirmed with City staff as shown in Appendix A.

The turning movement counts at both the intersections of Driveway #1 and Trunk Road, and Driveway #2 and South Market Street have been collected during the COVID-19 pandemic. Despite these counts occurring during a time period of minimal COVID-19 restrictions, adjustments are required to account for any impact to these volumes. Using the 2022 volumes at the intersection of South Market Street at Trunk Road and South Market Street at Adeline Avenue /Boundary Road based on the counts collected in 2018, increase factors have been developed. At the intersection of Driveway #1 and Trunk Road, an increase factor of 1.42 was calculated. This factor was then applied to both the intersection of Driveway #1 at Trunk Road and Driveway #2 at South Market Street. Following the application of this factor, an imbalance was still noted on the northbound volumes in the AM peak period between the intersection of Driveway #2 at South Market Street, and Trunk Road at South Market Street. Additional volume balancing was applied to reduce these imbalances. The calculations of these adjustment factors can be seen in Appendix C

Figure 7 illustrates the resulting 2022 existing horizon traffic volumes. Detailed turning movement count data and signal timing plans can be found in Appendix D.

Figure 7: 2022 Existing Traffic Volumes



Pedestrian and cycling volumes are noted to be minimal at the Study Area intersections.

### 3.7 Collision Analysis

Collision data has been provided for the Study Area intersections and road network by City of Sault Ste. Marie staff. Data for five years (2017-2021) prior to the commencement of this TIS has been analyzed. Figure 8 illustrates the Study Area analyzed as part of the collision analysis, and Table 2 summarizes the total collisions for the intersections and road segments of interest. Collision data is included in Appendix E.



Figure 8: Study Area Analyzed for Collisions

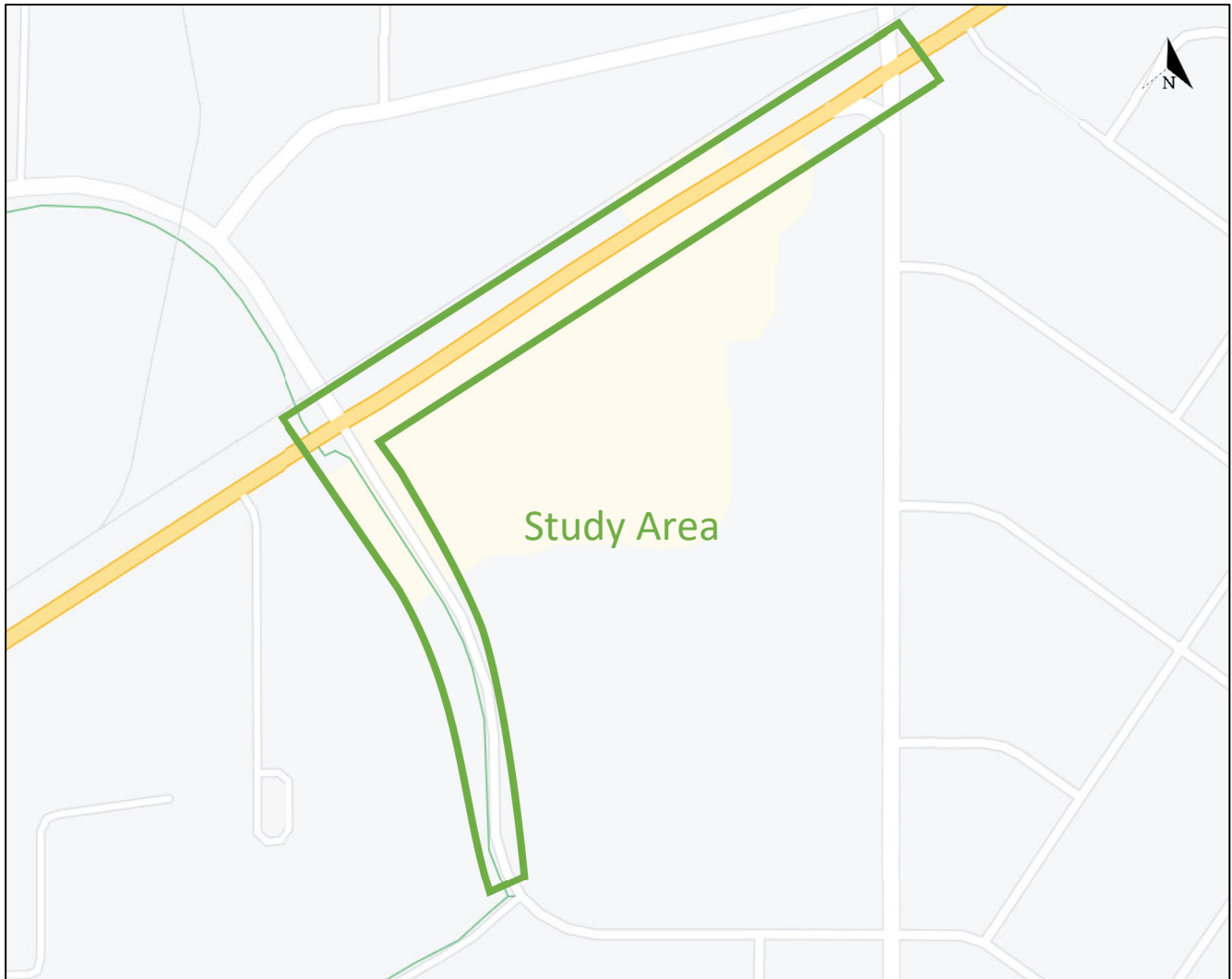


Table 2: Summary of Collision Locations

Intersections / Segments	Number	%
	121	100%
Adeline Avenue @ Boundary Road/Trunk Road	50	41%
South Market Street @ Trunk Road	44	36%
Trunk Road btwn Adeline Avenue / Boundary Road & South Market Street	26	21%
South Market Street btwn Cambridge Place & Trunk Road	1	1%

Overall, the majority of the Study Area collisions were noted at the intersection of Adeline Avenue at Boundary Road/Trunk Road as well as the intersection of South Market Street at Trunk Road. Collisions were also recorded on the segment of Trunk Road between Adeline Avenue / Boundary Road and South Market Street and the segment of South Market Street between Cambridge Place & Trunk Road.

Table 3, Table 4, and Table 5 summarize the collision types and conditions at the intersection of Adeline Avenue at Boundary Road/Trunk Road and South Market Street at Trunk Road and the segment of Trunk Road between Adeline Avenue / Boundary Road and South Market Street, respectively.

The intersection of Adeline Avenue at Boundary Road/Trunk Road experienced 50 collisions between 2017-2021 with eight involving property damage only, 38 are non-reportable, and the remaining four having non-fatal injuries. The most common type of collision at this location is categorized as an angle collision type and makes up approximately 30% of all the collisions. Angled collisions are typically seen with left-turning vehicles. Weather conditions are considered a potential contributing factor for 14% of the reported collisions.

*Table 3: Adeline Avenue at Boundary Road/Trunk Road Collision Summary*

		Number	%
<b>Total Collisions</b>		<b>50</b>	<b>100%</b>
<b>Classification</b>	<b>Fatality</b>	0	0%
	<b>Non-Fatal Injury</b>	4	8%
	<b>Non-reportable</b>	38	76%
	<b>Property Damage Only</b>	8	16%
<b>Initial Impact Type</b>	<b>Angle</b>	15	30%
	<b>Rear end</b>	13	26%
	<b>Sideswipe</b>	7	14%
	<b>Turning Movement</b>	12	24%
	<b>SMV Other</b>	3	6%
<b>Road Surface Condition</b>	<b>Dry</b>	35	70%
	<b>Wet</b>	5	10%
	<b>Loose Snow</b>	4	8%
	<b>Slush</b>	1	2%
	<b>Packed Snow</b>	3	6%
	<b>Ice</b>	2	4%
<b>Environment</b>	<b>Clear</b>	43	86%
	<b>Rain</b>	2	4%
	<b>Snow</b>	5	10%

The intersection of South Market Street at Trunk Road experienced 44 collisions between 2017-2021 with 11 involving property damage only, and the remaining 31 non reportable and two non-fatal injuries. The majority of collisions are categorized as a rear end collision type at 61%. Rear end collisions are typical of congested intersections. Weather conditions are considered a potential contributing factor for 25% of the reported collisions.

*Table 4: South Market Street at Trunk Road Collision Summary*

		Number	%
<b>Total Collisions</b>		<b>44</b>	<b>100%</b>
<b>Classification</b>	<b>Fatality</b>	0	0%
	<b>Non-Fatal Injury</b>	2	5%
	<b>Non-reportable</b>	31	70%
	<b>Property Damage Only</b>	11	25%
<b>Initial Impact Type</b>	<b>Angle</b>	4	9%
	<b>Rear end</b>	27	61%
	<b>Sideswipe</b>	3	7%
	<b>Turning Movement</b>	5	11%
	<b>SMV Other</b>	4	9%
	<b>Other</b>	1	2%
<b>Road Surface Condition</b>	<b>Dry</b>	23	52%
	<b>Wet</b>	8	18%
	<b>Loose Snow</b>	4	9%

Environment	Slush	1	2%
	Packed Snow	5	11%
	Ice	3	7%
	Clear	33	75%
Environment	Rain	5	11%
	Snow	5	11%
	Fog, mist, smoke, dust	1	2%

The segment of Trunk Road between Adeline Avenue / Boundary Road and South Market Street experienced 26 collisions between 2017-2021 with three involving property damage only, 20 indicated to be non reportable, and the remaining three having non-fatal injuries. The majority of collisions are categorized as a sideswipe collision type at 38%. Sideswipe collisions are typical of congested areas and is reflective of the many driveways along this segment of Trunk Road. Weather conditions are considered a potential contributing factor for 19% of the reported collisions.

*Table 5: Trunk Road between Adeline Avenue / Boundary Road and South Market Street Collision Summary*

		Number	%
<b>Total Collisions</b>		<b>26</b>	<b>100%</b>
<b>Classification</b>	<b>Fatality</b>	0	0%
	<b>Non-Fatal Injury</b>	3	12%
	<b>Non-reportable</b>	20	77%
	<b>Property Damage Only</b>	3	12%
<b>Initial Impact Type</b>	<b>Angle</b>	9	35%
	<b>Rear end</b>	4	15%
	<b>Sideswipe</b>	10	38%
	<b>Turning Movement</b>	2	8%
	<b>SMV Other</b>	1	4%
<b>Road Surface Condition</b>	<b>Dry</b>	19	73%
	<b>Wet</b>	3	12%
	<b>Loose Snow</b>	1	4%
	<b>Packed Snow</b>	2	8%
	<b>Ice</b>	1	4%
<b>Environment</b>	<b>Clear</b>	21	81%
	<b>Rain</b>	1	4%
	<b>Snow</b>	3	12%
	<b>Strong wind</b>	1	4%

The collision noted on South Market Street between Cambridge Place & Trunk Road has been classified as a non-reportable angle type collision that occurred during wet road surface conditions.

Based on the above summarized collision data, no mitigation measures are proposed within the Study Area as these collisions are typical for intersections and road segments with high volumes and multiple driveways.

## 4 Future Background Conditions

### 4.1 Planned Changes to the Area Transportation Network

At the time of this report, no changes to the area transportation network are anticipated.

## 4.2 Other Study Area Developments

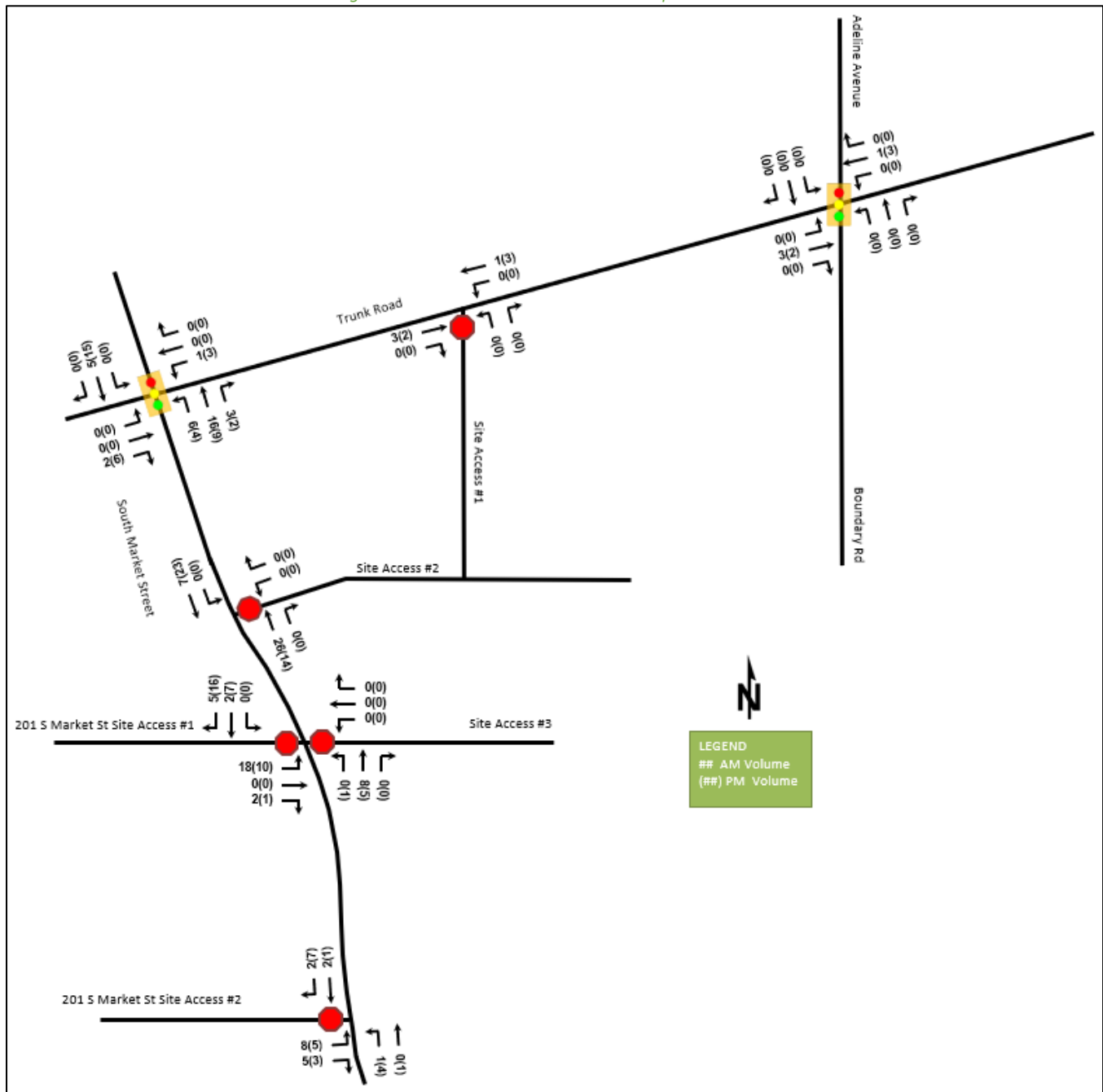
### 4.2.1 201 South Market Street

The proposed development at 201 South Market Street is located west of the subject development. 201 South Market Street will include three mid-rise apartment buildings each with 40 units for a total of 120 residential units. Two accesses will be located on South Market Street approximately 240 metres and 310 metres south of Trunk Road. Build-out is assumed to occur prior to the 2023 and 2026 build-out horizons of 204 South Market Street.

As indicated by City of Sault Ste. Marie staff, a transportation study was not prepared for this development, and as such no site traffic volumes were available for use. Therefore, site trips have been generated using the ITE Trip Generation Manual 11<sup>th</sup> Edition and mode shares, trip distribution and assignment has been based on the mode shares, distribution and assignment developed for 204 South Market Street, discussed below in Section 5. No reductions or volume adjustments have been applied given limited development information. The traffic generated by 201 South Market Street is shown in Figure 9.



Figure 9: 201 South Market Street Site Trip Generation



### 4.3 Background Growth

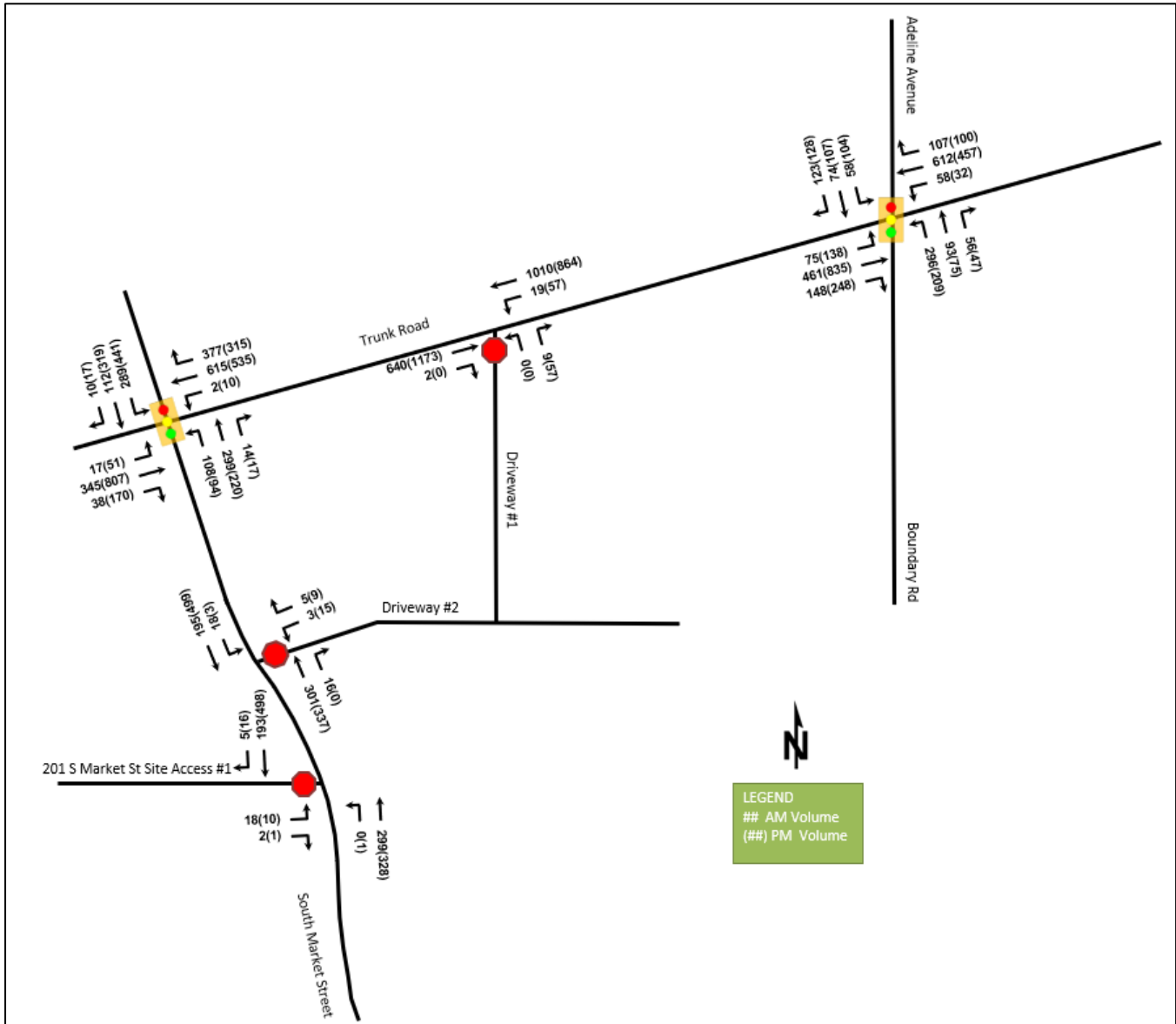
As discussed in Section 3.6 above, a 0% compound annual growth rate was approved by City of Sault Ste. Marie staff. As such a 0% growth rate has been applied to all Study Area intersection movements to determine both the 2023 and 2026 future background analysis horizon traffic volumes.

### 4.4 Future Background Traffic Volumes

Combining the background growth rate discussed in Section 4.3 above, the 2022 existing traffic volumes, and the site traffic generated by 201 South Market Street, future background traffic volumes were projected.

Figure 10 illustrates both the 2023 and 2026 future background traffic volumes as no volume changes between the two horizons are anticipated. All intersection lane configurations have been carried forward from the 2022 existing conditions as there are no anticipated changes for the 2023 or 2026 horizon.

Figure 10: 2023 and 2026 Future Background Traffic Volumes



## 5 Demand Forecasting

### 5.1 Site Trip Generation

The *ITE Trip Generation Manual 11<sup>th</sup> Edition* has been reviewed to determine the appropriate trip generation rates and trip generation rate equations for the proposed land uses. Trip generation rate equations were used to determine the vehicle trips generated for the townhouse units, apartment units, and the daycare area. Average trip generation rates were used to determine the vehicle trips generated for the self-storage units.

Phase 1 of the proposed development will include one self-storage buildings consisting of 172 storage units, and six townhouse units with an anticipated build-out and occupancy year of 2023. Phase 2, Phase 3, and Phase 4 of the proposed development will include an additional self-storage building with 124 storage units, 22 townhouse units, 280 mid-rise apartment units, and a daycare area with the capacity for 30 children on the ground floor of one of the apartment buildings with anticipated build-out and occupancy year of 2026.

Table 6 summarizes the vehicle trip rates and equations used for the proposed land uses.

Table 6: ITE Trip Generation Rate Equations

Land Use	Data Source	Trip Rates/Equations	
		AM Peak	PM Peak
Mini Warehouse	LUC 151	1.21	1.68
Single Family Attached	LUC 215	$T = 0.52(X) - 5.70$	$T = 0.60(X) - 3.93$
Multifamily Housing (Mid-Rise)	LUC 221	$T = 0.44(X) - 11.61$	$T = 0.39(X) + 0.34$
Day Care Center	LUC 565	$T = 0.66(X) + 8.42$	$\ln(T) = 0.87 \ln(X) + 0.29$
Notes: $T$ = Average Vehicle Trip Ends, $X$ = Independent Variable			

Using the above vehicle trip rates and vehicle trip rate equations, the total vehicle trip generation has been estimated for the 2023 Phase 1 and Phase 2 build-out horizon and the 2026 Phase 3 and Phase 4 build-out horizon as shown in Table 7 and Table 8, respectively.

Table 7: Vehicle Site Trip Generation – 2023 Phase 1

Land Use	Units	AM Peak (veh/hr)			PM Peak (veh/hr)		
		In	Out	Total	In	Out	Total
Mini Warehouse	172 units	1	1	2	1	2	3
Single Family Attached	6 units	1	1	2	2	1	3
<b>Total</b>		2	2	4	3	3	6

Table 8: Vehicle Site Trip Generation – 2026 Phase 2, 3 & 4

Land Use	Units	AM Peak (veh/hr)			PM Peak (veh/hr)		
		In	Out	Total	In	Out	Total
Mini Warehouse	124 units	1	1	2	1	1	2
Single Family Attached	22 units	2	5	7	5	5	10
Multifamily Housing (Mid-Rise)	348 units	33	110	143	83	53	136
Day Care Center	30 children	12	11	23	11	13	24
<b>Total</b>		48	127	175	100	72	172

The total vehicle trip generation is summarized in Table 9 below.

Table 9: Total Vehicle Trip Generation

Land Use	Units	AM Peak (veh/hr)			PM Peak (veh/hr)		
		In	Out	Total	In	Out	Total
Mini Warehouse	296 units	2	2	4	2	3	5
Single Family Attached	28 units	3	6	9	7	6	13
Multifamily Housing (Mid-Rise)	348 units	33	110	143	83	53	136
Day Care Center	30 children	12	11	23	11	13	24
<b>Total</b>		50	129	179	103	75	178

The ITE Trip Generation Manual 11<sup>th</sup> Edition, does not indicate that trip pass-by rates should be used for any of the above land uses with the exception of the day care centre. As only one day care centre has been surveyed to

develop the pass-by rate shown in the ITE Manual, the pass-by rate may not be accurate. Therefore, no pass-by trips have been accounted for to ensure accurate and conservative vehicle trip generation.

Therefore, as shown above, 179 AM, and 178 PM peak hour two-way vehicle trips are projected as a result of the proposed development.

## 5.2 Vehicle Traffic Distribution and Assignment

Traffic distribution was based on the existing volume splits at Study Area intersections and our knowledge of the surrounding area. The resultant distribution is outlined as follows:

- 25% to/from the north;
- 10% to/from the south;
- 10% to/from the east;
- 55% to/from the west;

Based on these distributions, new site-generated trips were assigned to the Study Area intersections for both the 2023 and 2026 future horizons, which are illustrated in Figure 11, and Figure 12, respectively.



Figure 11: 2023 New Site-Generated Traffic Volumes

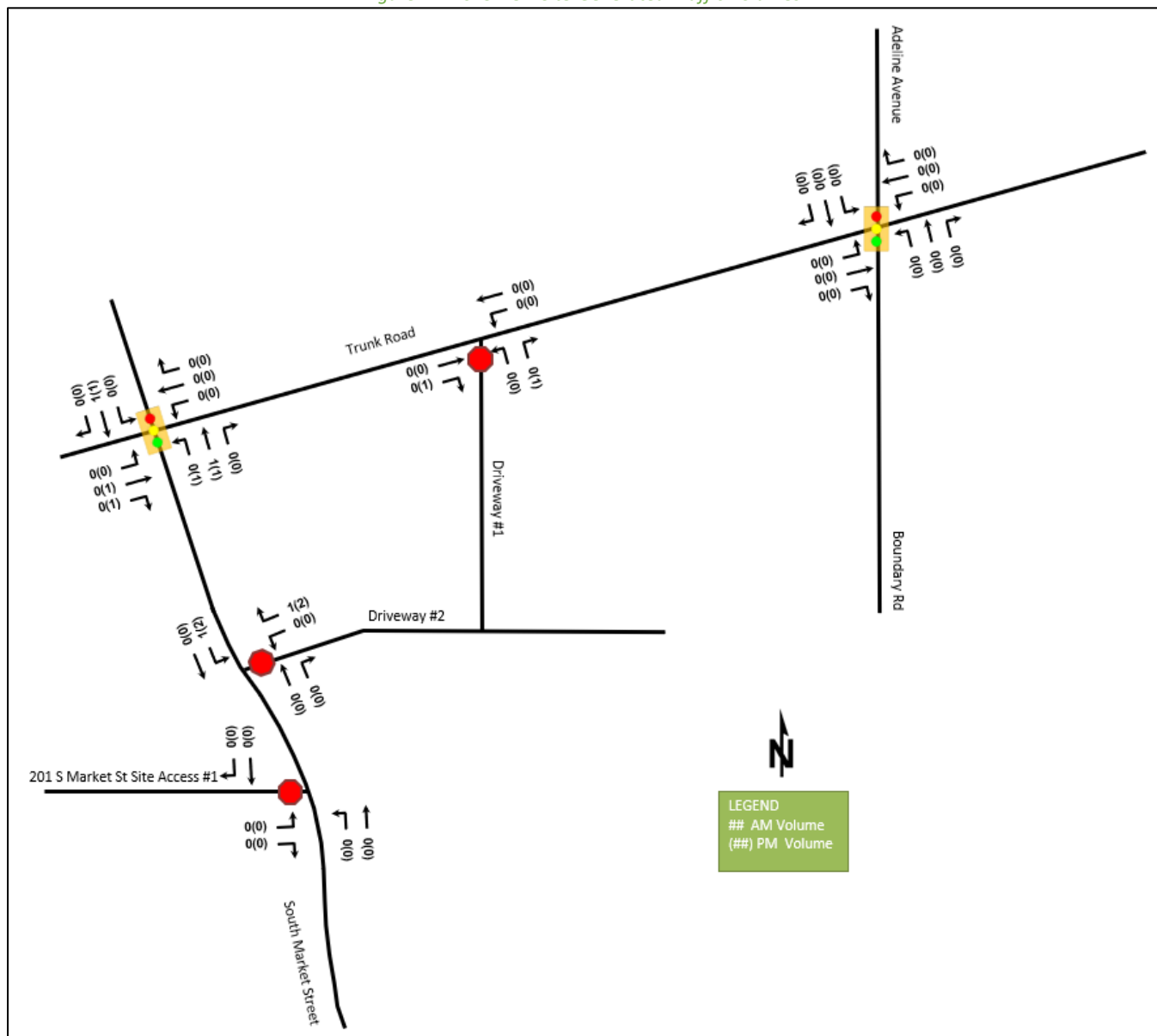
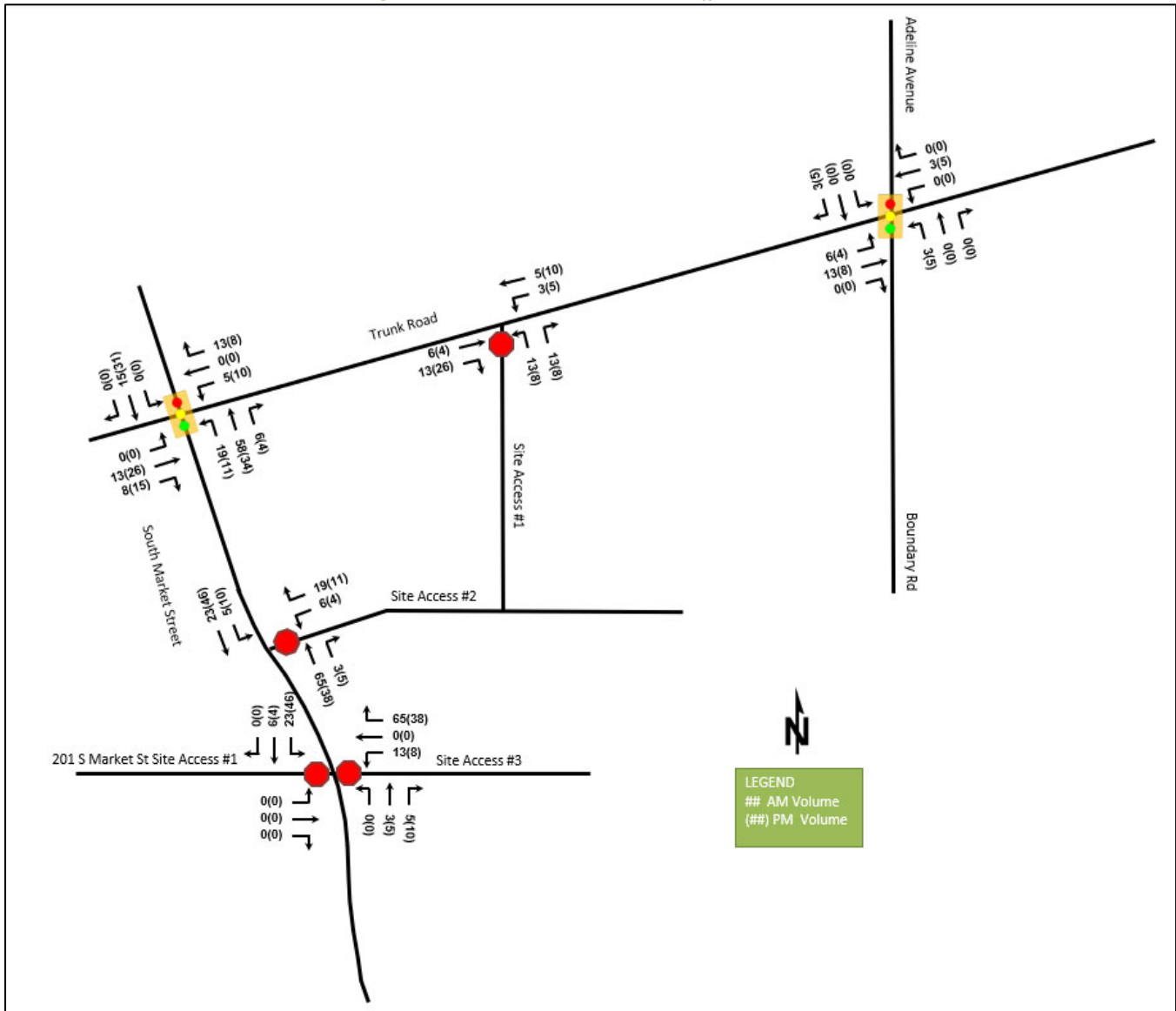


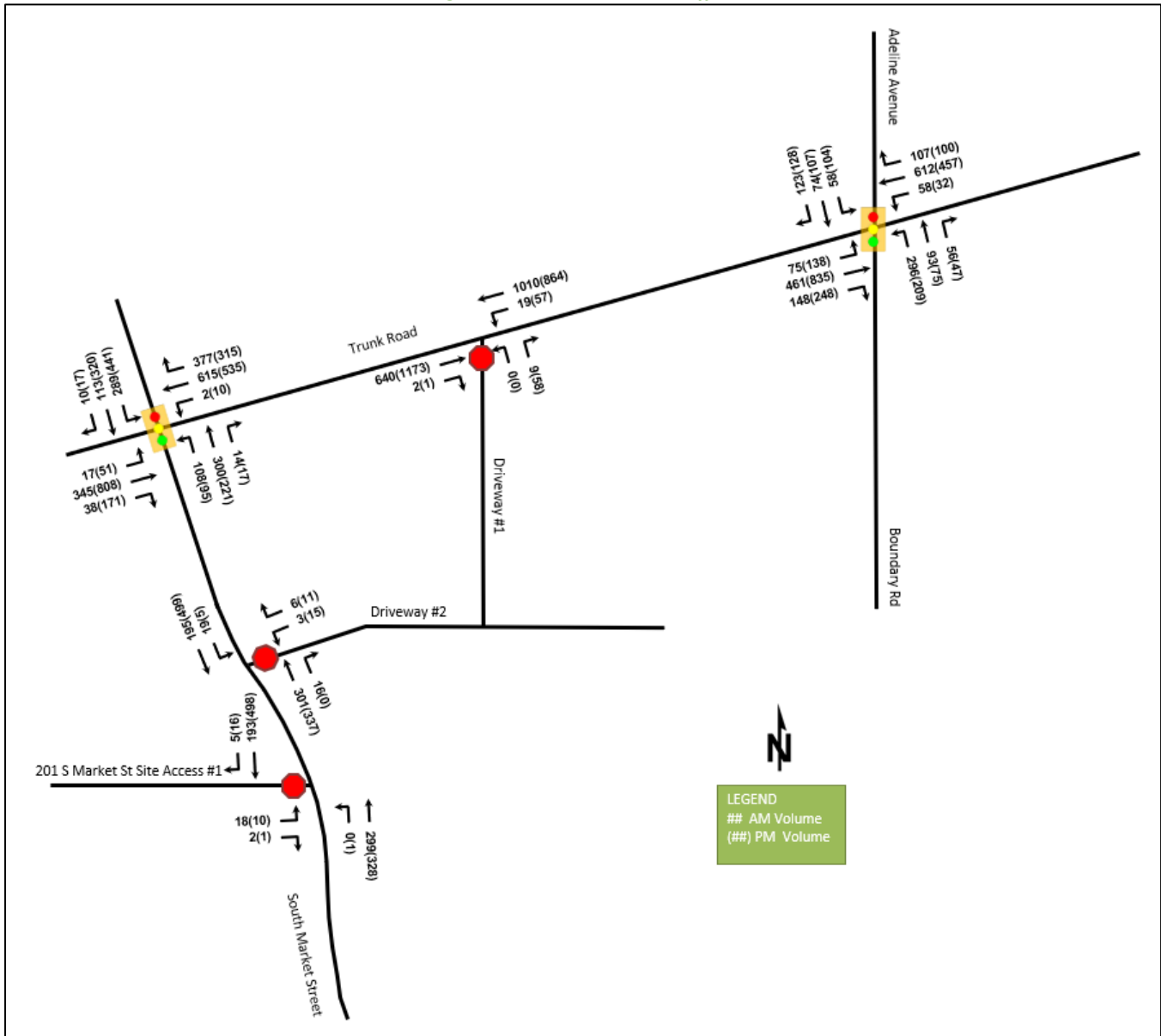
Figure 12: 2026 New Site-Generated Traffic Volumes



### 5.3 Future Total Travel Demands

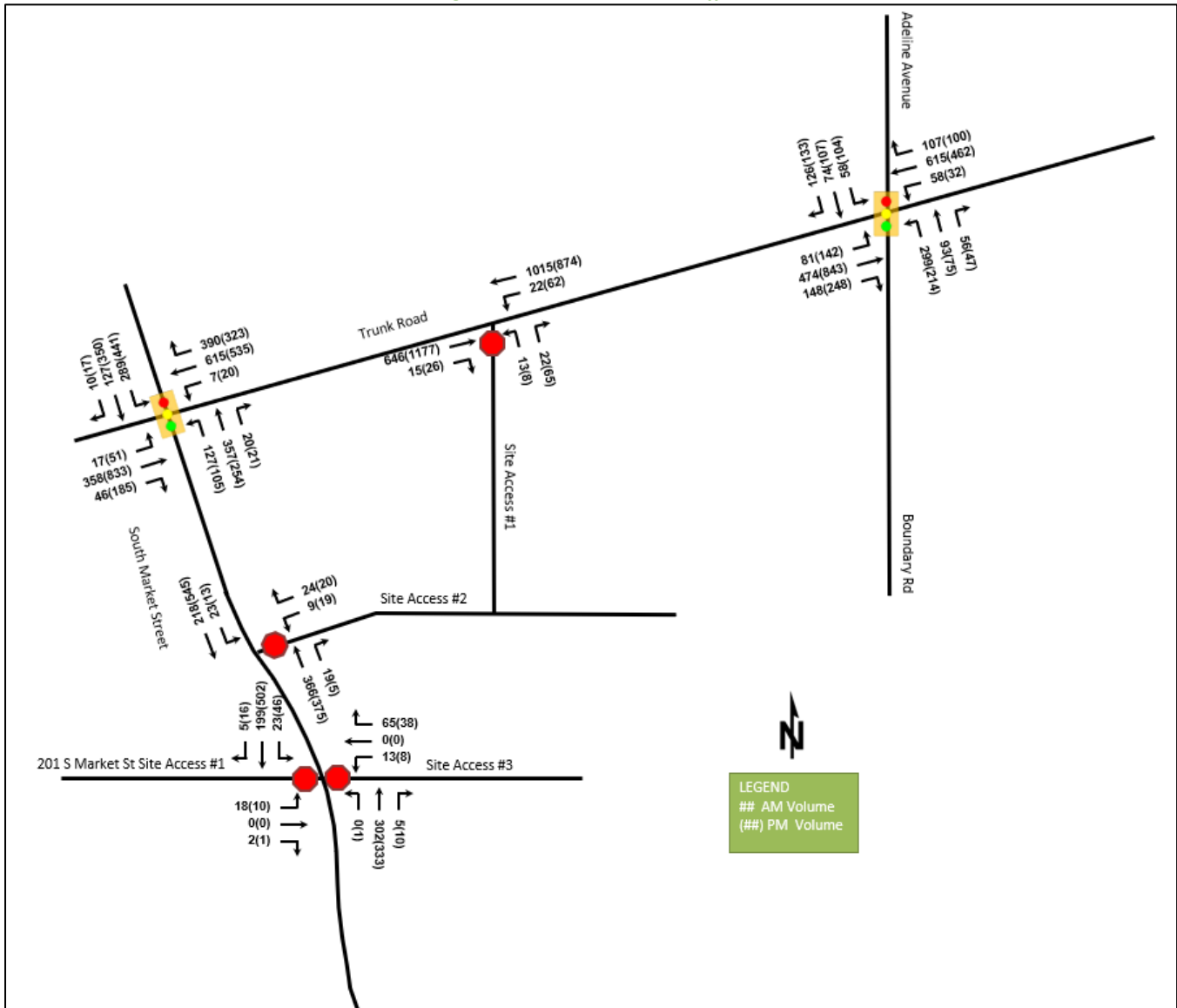
The 2023 site generated traffic has been combined with the 2023 future background traffic volumes to estimate the 2023 future total traffic volumes shown in Figure 13.

Figure 13: 2023 Future Total Traffic



The 2026 site generated traffic has been combined with the 2026 future background traffic volumes to estimate the 2026 future total traffic volumes shown in Figure 14.

Figure 14: 2026 Future Total Traffic



## 6 Operational Analysis

To understand the operational characteristics of the Study Area intersections, a Synchro model has been created using Trafficware's Synchro (Version 10).

Heavy Vehicle percentages (HV%) have been calculated for each movement based on the existing turning movement counts for the Study Area intersections and have been applied to both the existing and future analysis horizons. Any HV% calculated to be less than 2% was entered as 2% in Synchro to ensure a conservative analysis. At intersections where no Heavy Vehicle percentage is available, 2% has been used. Heavy Vehicle percentage calculations can be found in Appendix F.

Pedestrian and cyclist volumes were provided for those intersections with turning movement count information collected in 2022 and have been applied to the existing and future conditions analysis. Where no pedestrian volumes were provided, a conservative assumption of 5 pedestrians/h has been used for each intersection leg



with pedestrian facilities in both the existing and future analysis horizons. Where no cyclist volumes were provided, a conservative assumption of 5 cyclists/h has been used for each intersection leg in both the existing and future analysis horizons.

Peak Hour Factors (PHF) have been entered for each intersection based on the turning movement counts provided. At intersections where no 15-minute count data was available, the calculated Peak Hour Factors from adjacent intersections have been used. Peak Hour Factor Calculations can be found in Appendix G. The Peak Hour Factors used for each intersection are shown below in Table 10.

*Table 10: Peak Hour Factors*

Intersection	Peak Hour Factor	
	AM	PM
South Market St & Trunk Rd	0.95	0.98
Driveway #1 & Trunk Rd (Site Access #1)	0.93	0.97
Adeline Ave/Boundary Rd & Trunk Rd	0.91	0.97
Driveway #2 & South Market St (Site Access #2)	0.89	0.88
Driveway #3/201 South Market St Access #1 & South Market St (Site Access #3)	0.89*	0.88*

*\*PHF taken from adjacent intersection of Driveway #2 & South Market St*

All other parameters have been coded using accepted best practices and default parameters, where applicable.

LOS has been defined using the HCM 2010 definition for LOS at unsignalized intersections (Table 11) and signalized intersections (Table 12).

*Table 11: Level of Service Criteria for Unsignalized Intersections*

Delay (s)	LOS
≤10	A
>10 and ≤15	B
>15 and ≤25	C
>25 and ≤35	D
>35 and ≤50	E
>50	F

*Table 12: Level of Service Criteria for Signalized Intersections*

Average Control Delay (Seconds/Vehicle)	LOS
≤10	A
>10 – 20	B
>20 – 35	C
>35 – 55	D
>55 – 80	E
>80	F

Critical movements and critical intersections have been defined as individual movements with LOS F or a V/C ratio of 1.00 or greater, and intersections with an overall LOS F. Critical movements and critical intersections will be indicated in red below and require mitigation measures.

## 6.1 2022 Existing Operational Analysis

Table 13 summarizes the operational analysis for the 2022 existing conditions in both the AM and PM peak periods. Critical movements, as defined above, have been identified in red. Synchro worksheets for the 2022 existing traffic conditions are included in Appendix H.

The Study Area intersections have been designed based on aerial photos and turning lane storage lengths have been rounded to the closest five-metre. All other parameters have been coded using accepted best practices and default parameters where applicable. The Synchro model has been coded using the existing traffic signal timing, provided by City of Sault Ste. Marie staff and is included in Appendix D.

Table 13: 2022 Existing Intersections Operational Analysis

Intersection	Lane	AM Peak Hour				PM Peak Hour			
		LOS	Delay	V/C	Q (95 <sup>th</sup> )	LOS	Delay	V/C	Q (95 <sup>th</sup> )
South Market Street & Trunk Road <i>Signalized</i>	EBL	B	13	0.07	5	B	14	0.18	11
	EBT/R	B	14	0.24	31	B	19	0.61	88
	WBL	C	31	0.00	m<1	C	34	0.04	m3
	WBT/R	C	29	0.71	m#101	C	29	0.63	93
	NBL	B	19	0.24	21	B	20	0.29	19
	NBT/R	D	42	0.73	72	C	34	0.55	53
	SBL	<b>F</b>	<b>91</b>	<b>1.04</b>	<b>#83</b>	<b>F</b>	<b>166</b>	<b>1.26</b>	<b>#148</b>
	SBT	C	28	0.24	28	D	38	0.66	73
	SBR	A	<1	0.02	0	A	<1	0.03	0
<b>Overall</b>		<b>D</b>	<b>35</b>	-	-	<b>D</b>	<b>47</b>	-	-
<b>Mitigation Measure – FDW Adjustment, Cycle Length Increase to 120 seconds, Split Optimization, Offset Adjustment</b>									
South Market Street & Trunk Road <i>Signalized</i>	EBL	B	19	0.09	7	C	23	0.23	16
	EBT/R	B	20	0.25	43	C	31	0.69	132
	WBL	C	22	0.00	m<1	C	30	0.05	m4
	WBT/R	C	23	0.73	#91	C	33	0.74	#132
	NBL	C	22	0.26	24	C	22	0.27	19
	NBT/R	E	57	0.78	93	E	58	0.71	73
	SBL	D	38	0.78	64	D	37	0.83	95
	SBT	C	31	0.21	31	C	34	0.50	78
	SBR	A	<1	0.02	0	A	<1	0.03	0
<b>Overall</b>		<b>C</b>	<b>29</b>	-	-	<b>C</b>	<b>34</b>	-	-
Driveway #1 & Trunk Road <i>Unsignalized</i>	EBT/R	-	-	-	-	A	-	-	-
	WBL	A	9	0.02	1	B	12	0.10	3
	WBT	-	-	-	-	A	-	-	-
	NBL/R	B	11	0.02	0	B	15	0.13	4
	<b>Overall</b>	<b>A</b>	<b>&lt;1</b>	-	-	<b>A</b>	<b>1</b>	-	-

Intersection	Lane	AM Peak Hour				PM Peak Hour			
		LOS	Delay	V/C	Q (95 <sup>th</sup> )	LOS	Delay	V/C	Q (95 <sup>th</sup> )
<b>Boundary Road / Adeline Avenue &amp; Trunk Road Signalized</b>	EBL	A	6	0.19	m4	A	9	0.27	9
	EBT	B	12	0.34	m28	B	17	0.55	17
	EBR	A	2	0.21	m1	A	7	0.32	7
	WBL	A	9	0.12	10	A	9	0.09	9
	WBT	C	20	0.47	62	C	21	0.36	21
	WBR	A	2	0.16	6	A	2	0.15	2
	NBL	E	59	0.89	#100	C	34	0.60	34
	NBT	D	35	0.29	30	C	34	0.22	34
	NBR	A	1	0.15	0	A	1	0.11	1
	SBL	C	24	0.18	17	C	25	0.30	25
	SBT	D	35	0.27	25	D	37	0.36	37
	SBR	A	6	0.35	10	A	6	0.34	6
<b>Overall</b>		C	21	-	-	B	18	-	-
<b>Mitigation Measure – FDW Adjustment, Cycle Length Increase to 120 seconds, Split Optimization, Offset Adjustment</b>									
<b>Boundary Road / Adeline Avenue &amp; Trunk Road Signalized</b>	EBL	A	9	0.20	m10	A	6	0.25	m9
	EBT	B	16	0.33	45	B	15	0.48	98
	EBR	A	4	0.21	m9	A	4	0.29	m17
	WBL	B	13	0.13	13	B	10	0.09	7
	WBT	C	24	0.45	78	C	21	0.30	51
	WBR	A	2	0.15	6	A	1	0.13	3
	NBL	D	40	0.69	88	D	42	0.57	60
	NBT	D	38	0.22	34	D	44	0.24	29
	NBR	A	1	0.13	0	A	1	0.13	0
	SBL	C	30	0.24	20	C	35	0.32	32
	SBT	D	53	0.35	33	D	55	0.46	41
	SBR	A	8	0.41	11	A	7	0.39	10
<b>Overall</b>		C	21	-	-	B	19	-	-
<b>South Market Street &amp; Driveway #2 Unsignalized</b>	WBL/R	B	12	0.02	0	C	15	0.07	2
	NBT/R	-	-	-	-	A	-	-	-
	SBL/T	A	8	0.02	1	A	8	0.00	0
	<b>Overall</b>	A	1	-	-	A	1	-	-
<b>Notes:</b>		# indicates the volume for the 95 <sup>th</sup> percentile cycle exceeds capacity m indicates the volume for the 95 <sup>th</sup> percentile queue is metered by an upstream signal							

The existing Study Area intersections operate satisfactorily during the peak hours with the exception of the intersection of South Market Street and Trunk Road. In both the AM and PM peak period, the southbound left-turn movement operates with a LOS F and a V/C ratio greater than 1.00.

Additionally, it is noted that on some intersection legs, the Flash Don't Walk time of 20 seconds provided at both signalized intersections is not considered sufficient based on OTM Book 12 – Traffic Signals. Using the methodology provided in OTM Book 12 which calculates the Flash Don't Walk time based on the pedestrian crossing distance which is measured as the longest distance within the crosswalk divided by the walking speed of pedestrians assumed to be 1.0 m/s. The resulting proposed changes to the Flash Don't Walk intervals at both signalized intersections are shown in Table 14 below.

Table 14: Flash Don't Walk - OTM Book 12 Calculations

Leg	Current FDW	Pedestrian Crossing Distance	Proposed FDW
<b>South Market Street at Trunk Road</b>			
South	20 seconds	26 metres	26 seconds
<b>Adeline Avenue / Boundary Road at Trunk Road</b>			
East	20 seconds	29 metres	29 seconds
South	20 seconds	21 metres	21 seconds

As shown in Table 13 above, mitigation measures were applied as a result of the critical movements noted as well as the Flash Don't Walk deficiencies. At both signalized intersections, a cycle length of 120 seconds has been used, and the signal timing splits have been optimized. Additionally, offsets between the two intersections have been optimized. It is noted that the proposed AM and PM signal timing splits differ from one another in order to ensure optimal intersection performance in both peak periods. Further signal timing details can be seen in Appendix H. With the implementation of these mitigation measures, no critical movements are noted and pedestrians are expected to have adequate crossing times provided.

## 6.2 Future Background Conditions

### 6.2.1 Future Background Traffic Control Warrants

Using Ontario Traffic Manual (OTM) Book 12 Justification 7 methodology for examining traffic control signal warrants, the intersection of Driveway #1 and Trunk Road, Driveway #2 and South Market Street, and 201 South Market Street Access intersection #1 have been evaluated. In both the 2023 and 2026 future background analysis horizons signalization is not warranted. Traffic control warrant sheets have been included in Appendix I.

### 6.2.2 Future Background Intersection Design

The Ministry of Transportation Ontario (MTO) Geometric Design Standards for Ontario Highways (GDSOH) has been reviewed to determine the need for a southbound left-turn lane at the two-lane highway unsignalized intersection of Driveway #2 and South Market Street for the 2023 and 2026 future background horizons. Using the GDSOH methodology and 60 km/h design speed, it was found that a southbound left-turn lane will not be warranted. Left turn lane warrant analysis sheets have been included in Appendix J.

Therefore, all Study Area intersections have been analyzed with the same configuration as shown in existing conditions.

### 6.2.3 Future Background 2023 Conditions

The 2023 future background intersection volumes and the development traffic of 201 South Market Street has been analyzed to allow for a comparison of the future volumes with and without the proposed development.

Table 15 summarizes the operational analysis for the 2023 future background conditions in both the AM and PM peak periods. Critical movements, as defined above, have been identified in red where applicable. The intersections have been analyzed based on the identified signal control and intersection configurations in Section 6.2.1 and Section 6.2.2, respectively. Additionally, the recommended mitigation measures analyzed and identified in the existing conditions analysis in Section 6.1 above have been applied. Synchro worksheets for the 2023 future background traffic conditions are included in Appendix K.



Table 15: 2023 Future Background Conditions Operational Analysis

Intersection	Lane	AM Peak Hour				PM Peak Hour			
		LOS	Delay	V/C	Q (95 <sup>th</sup> )	LOS	Delay	V/C	Q (95 <sup>th</sup> )
<b>South Market Street &amp; Trunk Road</b> <i>Signalized</i>	EBL	B	19	0.09	7	C	24	0.24	16
	EBT/R	C	20	0.26	43	C	31	0.70	132
	WBL	C	23	0.00	m<1	C	30	0.07	m4
	WBT/R	C	23	0.74	#90	C	34	0.75	#132
	NBL	C	22	0.27	25	C	22	0.28	19
	NBT/R	E	58	0.80	100	E	59	0.73	73
	SBL	D	39	0.79	#68	D	38	0.84	95
	SBT	C	30	0.21	33	C	35	0.52	78
	SBR	A	<1	0.02	0	A	<1	0.03	0
	<b>Overall</b>	C	30	-	-	C	35	-	-
<b>Driveway #1 &amp; Trunk Road</b> <i>Unsignalized</i>	EBT/R	-	-	-	-	A	-	-	-
	WBL	A	9	0.02	1	B	12	0.10	3
	WBT	-	-	-	-	A	-	-	-
	NBL/R	B	11	0.02	0	B	15	0.14	4
	<b>Overall</b>	A	<1	-	-	A	1	-	-
<b>Boundary Road / Adeline Avenue &amp; Trunk Road</b> <i>Signalized</i>	EBL	A	9	0.20	m10	A	6	0.25	m9
	EBT	B	16	0.33	46	B	14	0.48	98
	EBR	A	4	0.21	m9	A	4	0.29	m17
	WBL	B	13	0.13	13	B	10	0.09	7
	WBT	C	25	0.45	78	C	21	0.31	51
	WBR	A	2	0.15	6	A	1	0.13	3
	NBL	D	40	0.69	88	D	42	0.57	60
	NBT	D	38	0.22	34	D	44	0.24	29
	NBR	A	1	0.13	0	A	1	0.13	0
	SBL	C	30	0.24	20	C	35	0.32	32
	SBT	D	53	0.35	33	D	55	0.46	41
	SBR	A	8	0.41	11	A	7	0.39	10
	<b>Overall</b>	C	21	-	-	B	19	-	-
<b>South Market Street &amp; Driveway #2</b> <i>Unsignalized</i>	WBL/R	B	12	0.02	1	C	16	0.08	2
	NBT/R	-	-	-	-	A	-	-	-
	SBL/T	A	8	0.02	1	A	8	0.00	0
	<b>Overall</b>	A	1	-	-	A	1	-	-
<b>South Market Street &amp; 201 South Market Street Access #1</b> <i>Unsignalized</i>	EBL/R	B	13	0.05	1	C	18	0.04	1
	NBL/T	A	0	-	0	A	9	0.00	0
	SBR/T	-	-	-	-	A	0	-	-
	<b>Overall</b>	A	1	-	-	A	<1	-	-
<b>Notes:</b>	#indicates the volume for the 95 <sup>th</sup> percentile cycle exceeds capacity m indicates the volume for the 95 <sup>th</sup> percentile queue is metered by an upstream signal								

Generally, the Study Area intersections are operating in a similar manner to the existing conditions with good overall LOS and low delays and no identified critical movements (V/C ratio equal to or greater than 1.00 or LOS F).

#### 6.2.4 Future Background 2026 Conditions

The 2026 future background intersection volumes and the development traffic of 201 South Market Street has been analyzed to allow for a comparison of the future volumes with and without the proposed development.

Table 16 summarizes the operational analysis for the 2026 future background conditions in both the AM and PM peak periods. Critical movements, as defined above, have been identified in red where applicable. The intersections have been analyzed based on the identified signal control and intersection configurations in Section 6.2.1 and Section 6.2.2, respectively. Additionally, the recommended mitigation measures analyzed and identified in the existing conditions analysis in Section 6.1 above have been applied. Synchro worksheets for the 2026 future background traffic conditions are included in Appendix L.

It is noted that as a compound annual growth rate of 0% has been applied to the Study Area intersection volumes, the 2023 and 2026 future background intersection volumes are the same, and therefore the analysis results shown in Table 15 above are the same as those shown in Table 16 below.

Table 16: 2026 Future Background Conditions Operational Analysis

Intersection	Lane	AM Peak Hour				PM Peak Hour			
		LOS	Delay	V/C	Q (95 <sup>th</sup> )	LOS	Delay	V/C	Q (95 <sup>th</sup> )
<b>South Market Street &amp; Trunk Road</b> <i>Signalized</i>	EBL	B	19	0.09	7	C	24	0.24	16
	EBT/R	C	20	0.26	43	C	31	0.70	133
	WBL	C	23	0.00	m<1	C	30	0.07	m5
	WBT/R	C	23	0.74	#90	C	34	0.75	#132
	NBL	C	22	0.27	25	C	22	0.28	20
	NBT/R	E	58	0.80	100	E	59	0.73	76
	SBL	D	39	0.79	#68	D	38	0.84	97
	SBT	C	30	0.21	33	C	35	0.52	82
	SBR	A	<1	0.02	0	A	<1	0.03	0
	<b>Overall</b>	C	30	-	-	C	35	-	-
<b>Driveway #1 &amp; Trunk Road</b> <i>Unsignalized</i>	EBT/R	-	-	-	-	-	-	-	-
	WBL	A	9	0.02	1	B	12	0.10	3
	WBT	-	-	-	-	-	-	-	-
	NBL/R	B	11	0.02	0	B	15	0.14	4
	<b>Overall</b>	<b>A</b>	<b>&lt;1</b>	-	-	<b>A</b>	<b>1</b>	-	-
<b>Boundary Road / Adeline Avenue &amp; Trunk Road</b> <i>Signalized</i>	EBL	A	9	0.20	m10	A	6	0.25	m9
	EBT	B	16	0.33	46	B	14	0.48	97
	EBR	A	4	0.21	m9	A	4	0.29	m16
	WBL	B	13	0.13	13	B	10	0.09	7
	WBT	C	25	0.45	78	C	21	0.31	51
	WBR	A	2	0.15	6	A	1	0.13	3
	NBL	D	40	0.69	88	D	42	0.57	60
	NBT	D	38	0.22	34	D	44	0.24	29
	NBR	A	1	0.13	0	A	1	0.13	0
	SBL	C	30	0.24	20	C	35	0.32	32
	SBT	D	53	0.35	33	D	55	0.46	41
	SBR	A	8	0.41	11	A	7	0.39	10
	<b>Overall</b>	C	21	-	-	B	19	-	-
<b>South Market Street &amp; Driveway #2</b> <i>Unsignalized</i>	WBL/R	B	12	0.02	1	C	16	0.08	2
	NBT/R	-	-	-	-	-	-	-	-
	SBL/T	A	8	0.02	1	A	8	0.00	0
	<b>Overall</b>	A	1	-	-	A	<1	-	-

Intersection	Lane	AM Peak Hour				PM Peak Hour			
		LOS	Delay	V/C	Q (95 <sup>th</sup> )	LOS	Delay	V/C	Q (95 <sup>th</sup> )
South Market Street & 201 South Market Street Access #1 Unsignalized	EBL/R	B	13	0.05	1	C	18	0.04	1
	NBL/T	A	0	-	0	A	9	0.00	0
	SBR/T	-	-	-	-	-	-	-	-
	Overall	A	1	-	-	A	<1	-	-
Notes:	#indicates the volume for the 95 <sup>th</sup> percentile cycle exceeds capacity m indicates the volume for the 95 <sup>th</sup> percentile queue is metered by an upstream signal								

As was described in the 2023 future background analysis, the Study Area intersections are operating in a similar manner to the existing conditions with good overall LOS and low delays and no identified critical movements (V/C ratio equal to or greater than 1.00 or LOS F).

### 6.3 Future Total Conditions

#### 6.3.1 Future Total Traffic Control Warrants

Using Ontario Traffic Manual (OTM) Book 12 Justification 7 methodology for examining traffic control signal warrants, the intersection of Driveway #1 and Trunk Road (Site Access #1), the intersection of Driveway #2 and South Market Street (Site Access #2), and the intersection of Driveway #3 / 201 South Market Street Access #1 and South Market Street (Site Access #3) has been evaluated. In both the 2023 and 2026 future total analysis horizons signalization is not warranted. Traffic control warrant sheets have been included in Appendix I.

#### 6.3.2 Future Total Intersection Design

The Ministry of Transportation Ontario (MTO) Geometric Design Standards for Ontario Highways (GDSOH) has been reviewed to determine the need for a southbound left-turn lane at the two-lane highway unsignalized intersection of Site Access #2 at South Market Street for the 2023 and 2026 future total horizons. Using the GDSOH methodology and a 60 km/h design speed, it was found that a southbound left-turn lane is technically warranted in the PM peak period at Site Access #2 on South Market Street. Given the low southbound left-turning volume in the AM and PM peak periods (23 vehicles in the AM and 13 vehicles in the PM), and that the warrant is barely met in the PM peak period, likely only as a result of rounding the left-turn % from 2.3% to 5%, a left-turn lane has not been considered. As shown below, the operational analysis of this intersection does not indicate the need for a left-turn lane. Left turn lane warrant analysis sheets have been included in Appendix J.

The Ministry of Transportation Ontario (MTO) Geometric Design Standards for Ontario Highways (GDSOH) has also been reviewed to determine the need for a northbound and southbound left-turn lane at the intersection of Site Access #3 on South Market Street for the 2026 future total horizons. Using the GDSOH methodology and a 60 km/h design speed, it was found that a northbound left-turn lane will not be warranted. A southbound left-turn lane is shown to be warranted as a result of the high advancing volumes in the PM peak period.

Preliminary storage and taper lengths for the proposed southbound left-turn lane have been developed for analysis purposes only and are summarized in Table 17.

Table 17: Southbound Left Lane - Preliminary Design Criteria

Design Standard	Design Speed	Storage	Parallel Lane	Taper Ratio	Taper	Total Lane Length
TAC	60 km/h	15 m (min.)	45 m	15:1	55 m	115 m

Using Transportation Association of Canada's Geometric Design Guide for Canadian Roads (TAC) the storage, parallel lane, and taper lengths were determined for a 60 km/h design speed. For the purposes of determining the

taper length it was assumed that this left-turn lane would be constructed as a left-turn centred on the centreline with a 3.5 metre turning lane width. The parallel lane length was calculated based on the following formula (TAC Formula 2.5.1):

$$d_b = 0.039 \frac{V^2}{a}$$

Where:

$d_b$  = Braking Distance (m)

$V$  = Design Speed ( $km/h$ )

$a$  = Deceleration rate ( $m/s^2$ ) =  $3.4 \text{ } m/s^2$

The storage length was calculated based on the following formula:

$$S = \frac{NL}{30}$$

Where:

$S$  = Storage Length (m)

$N$  = Design Volume of Turning Vehicles ( $veh/h$ )

$L$  = Length Occupied by Each Vehicle (m) = 5.6 m

As the calculated storage length is less than 15 metres, the minimum length of 15 metres has been considered. While a northbound left-turn lane is not warranted at this intersection, it has been included in the intersection design to match the southbound left-turn lane that is warranted. The southbound left-turn lane will not extend beyond any accesses, and the taper portion of the northbound left-turn lane will extend beyond the south access to 201 South Market Street.

### 6.3.3 Future Total 2023 Conditions

The proposed development's trip generation has been added to the 2023 future background traffic volumes to project the impact of the new traffic on the future road network.

Table 18 summarizes the operational analysis for the 2023 future total conditions in both the AM and PM peak periods. Critical movements, as defined above, have been identified in red where applicable. The intersections have been analyzed based on the identified signal control and intersection configurations in Section 6.3.1 and Section 6.3.2, respectively. Additionally, the recommended mitigation measures analyzed and identified in the existing conditions analysis in Section 6.1 above have been applied. Synchro worksheets for the 2023 future total traffic conditions are included in Appendix M.



Table 18: 2023 Future Total Conditions Operational Analysis

Intersection	Lane	AM Peak Hour				PM Peak Hour			
		LOS	Delay	V/C	Q (95 <sup>th</sup> )	LOS	Delay	V/C	Q (95 <sup>th</sup> )
<b>South Market Street &amp; Trunk Road</b> <i>Signalized</i>	EBL	B	19	0.09	7	C	24	0.24	16
	EBT/R	C	20	0.26	43	C	31	0.70	134
	WBL	C	23	0.00	m1	C	30	0.07	m6
	WBT/R	C	23	0.74	#90	C	34	0.75	#132
	NBL	C	22	0.27	25	C	22	0.29	20
	NBT/R	E	58	0.80	101	E	59	0.73	77
	SBL	D	39	0.79	#68	D	38	0.84	#99
	SBT	C	30	0.21	33	C	35	0.53	82
	SBR	A	<1	0.02	0	A	<1	0.03	0
	<b>Overall</b>	<b>C</b>	<b>30</b>	-	-	<b>C</b>	<b>35</b>	-	-
<b>Driveway #1 &amp; Trunk Road</b> <i>Unsignalized</i>	EBT/R	-	-	-	-	-	-	-	-
	WBL	A	9	0.02	1	B	12	0.10	3
	WBT	-	-	-	-	-	-	-	-
	NBL/R	B	11	0.02	0	B	15	0.14	4
	<b>Overall</b>	<b>A</b>	<b>&lt;1</b>	-	-	<b>A</b>	<b>1</b>	-	-
<b>Boundary Road / Adeline Avenue &amp; Trunk Road</b> <i>Signalized</i>	EBL	A	9	0.20	m10	A	6	0.25	m9
	EBT	B	16	0.33	46	B	14	0.48	96
	EBR	A	4	0.21	m9	A	4	0.29	m16
	WBL	B	13	0.13	13	B	10	0.09	7
	WBT	C	25	0.45	78	C	21	0.31	51
	WBR	A	2	0.15	6	A	1	0.13	3
	NBL	D	40	0.69	88	D	42	0.57	60
	NBT	D	38	0.22	34	D	44	0.24	29
	NBR	A	1	0.13	0	A	1	0.13	0
	SBL	C	30	0.24	20	C	35	0.32	32
	SBT	D	53	0.35	33	D	55	0.46	41
	SBR	A	8	0.41	11	A	7	0.39	10
	<b>Overall</b>	<b>C</b>	<b>21</b>	-	-	<b>B</b>	<b>18</b>	-	-
<b>South Market Street &amp; Driveway #2</b> <i>Unsignalized</i>	WBL/R	B	12	0.02	1	C	16	0.08	3
	NBT/R	-	-	-	-	-	-	-	-
	SBL/T	A	8	0.02	1	A	8	0.01	0
	<b>Overall</b>	<b>A</b>	<b>1</b>	-	-	<b>A</b>	<b>1</b>	-	-
<b>South Market Street &amp; 201 South Market Street Access #1</b> <i>Unsignalized</i>	EBL/R	B	13	0.05	1	C	18	0.04	1
	NBL/T	A	0	-	0	A	9	0.00	0
	SBR/T	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>A</b>	<b>1</b>	-	-	<b>A</b>	<b>&lt;1</b>	-	-
<b>Notes:</b>	#indicates the volume for the 95 <sup>th</sup> percentile cycle exceeds capacity m indicates the volume for the 95 <sup>th</sup> percentile queue is metered by an upstream signal								

Generally, the Study Area intersections are operating in a similar manner to the 2023 future background. Both the Study Area intersections as well as the site access intersections are shown to operate with good overall LOS and low delays and no identified critical movements (V/C ratio equal to or greater than 1.00 or LOS F). This indicates that the addition of site traffic from the proposed development will have a minimal impact on the Study Area intersection and therefore no additional mitigation is required.

#### 6.3.4 Future Total 2026 Conditions

Table 19 summarizes the operational analysis for the 2026 future total conditions in both the AM and PM peak periods. Critical movements, as defined above, have been identified in red where applicable. The intersections have been analyzed based on the identified signal control and intersection configurations in Section 6.3.1 and Section 6.3.2, respectively. Additionally, the recommended mitigation measures analyzed and identified in the existing conditions analysis in Section 6.1 above have been applied. Synchro worksheets for the 2026 future total traffic conditions are included in Appendix N.

Table 19: 2026 Future Total Conditions Operational Analysis

Intersection	Lane	AM Peak Hour				PM Peak Hour			
		LOS	Delay	V/C	Q (95 <sup>th</sup> )	LOS	Delay	V/C	Q (95 <sup>th</sup> )
South Market Street & Trunk Road <i>Signalized</i>	EBL	C	19	0.10	7	C	25	0.25	16
	EBT/R	C	20	0.29	46	C	34	0.75	142
	WBL	C	23	0.02	m2	C	35	0.17	m9
	WBT/R	C	23	0.79	#158	D	36	0.78	#133
	NBL	C	22	0.29	29	C	21	0.31	22
	NBT/R	E	58	0.87	#131	E	61	0.78	89
	SBL	D	39	0.83	#86	D	41	0.86	#115
	SBT	C	30	0.22	36	C	34	0.55	90
	SBR	A	<1	0.02	0	A	<1	0.03	0
	<b>Overall</b>	<b>C</b>	<b>33</b>	-	-	<b>D</b>	<b>37</b>	-	-
Site Access #1 & Trunk Road <i>Unsignalized</i>	EBT/R	-	-	-	-	-	-	-	-
	WBL	A	9	0.03	1	B	12	0.12	3
	WBT	-	-	-	-	-	-	-	-
	NBL/R	B	14	0.09	3	C	17	0.21	6
	<b>Overall</b>	<b>A</b>	<b>&lt;1</b>	-	-	<b>A</b>	<b>1</b>	-	-
Boundary Road / Adeline Avenue & Trunk Road <i>Signalized</i>	EBL	A	9	0.22	m11	A	5	0.26	m8
	EBT	B	16	0.34	m48	B	13	0.49	95
	EBR	A	3	0.21	m10	A	3	0.29	m14
	WBL	B	13	0.13	13	B	10	0.09	7
	WBT	C	26	0.47	79	C	21	0.31	52
	WBR	A	2	0.16	6	A	1	0.13	3
	NBL	D	40	0.69	89	D	42	0.58	62
	NBT	D	38	0.22	34	D	44	0.24	29
	NBR	A	1	0.13	0	A	1	0.13	0
	SBL	C	30	0.24	20	C	35	0.32	32
	SBT	D	53	0.35	33	D	55	0.46	41
	SBR	A	8	0.41	12	A	8	0.40	11
	<b>Overall</b>	<b>C</b>	<b>22</b>	-	-	<b>B</b>	<b>18</b>	-	-
South Market Street & Site Access #2 <i>Unsignalized</i>	WBL/R	B	12	0.07	2	C	17	0.13	3
	NBT/R	-	-	-	-	-	-	-	-
	SBL/T	A	8	0.02	1	A	8	0.01	0
	<b>Overall</b>	<b>A</b>	<b>1</b>	-	-	<b>A</b>	<b>1</b>	-	-

Intersection	Lane	AM Peak Hour				PM Peak Hour			
		LOS	Delay	V/C	Q (95 <sup>th</sup> )	LOS	Delay	V/C	Q (95 <sup>th</sup> )
<b>South Market Street &amp; 201 South Market Street Access #1 / Site Access #3 Unsignalized</b>	EBL/T/R	C	16	0.06	2	D	27	0.07	2
	WBL/T/R	B	12	0.14	4	B	14	0.12	3
	NBL	A	0	-	0	A	9	0.00	0
	NBT/R	-	-	-	-	-	-	-	-
	SBL	A	8	0.02	1	A	8	0.05	1
	SBT/R	-	-	-	-	-	-	-	-
	<b>Overall</b>	A	2	-	-	A	1	-	-
<b>Notes:</b>	#indicates the volume for the 95 <sup>th</sup> percentile cycle exceeds capacity m indicates the volume for the 95 <sup>th</sup> percentile queue is metered by an upstream signal								

Generally, the Study Area intersections are operating in a similar manner to the 2026 future background. Both the Study Area intersections as well as the site access intersections are shown to operate with good overall LOS and low delays and no identified critical movements (V/C ratio equal to or greater than 1.00 or LOS F). This indicates that the addition of site traffic from the proposed development will have a minimal impact on the Study Area intersection and therefore no additional mitigation is required.

## 7 Site Plan Review

This section provides an overview of site accesses, site circulation, parking and active mode facilities. The proposed concept Site Plan was previously illustrated in Figure 2.

### 7.1 Site Circulation

At this time, the Site Plan may be subject to future design changes and as such is to be considered a high-level depiction of the planned development. Therefore, the geometry of the driveways will be refined at the Site Plan approval stage to ensure safe fire routes and servicing access.

### 7.2 Site Access

Three accesses are proposed to support the subject site. Two of the accesses are existing driveways with the first access (Site Access #1) providing a connection to the retail lands to the north, and ultimately to Trunk Road, and the second access (Site Access #2) providing access to South Market Street. The third access (Site Access #3) is located on South Market Street. Site Access #1 is approximately 310 metres east of the intersection of South Market Street and Trunk Road, Site Access #2 is approximately 115 metres south of the intersection of South Market Street and Trunk Road, and Site Access #3 is approximately 240 metres south of the intersection of South Market Street and Trunk Road.

As discussed above, signal warrant analysis has been conducted for all access intersections in both the 2023 and 2026 future total horizon using the OTM Book 12 Justification 7 criteria. As it was found that a signal is not warranted at any of the three accesses the three site accesses have been analyzed as unsignalized intersections with stop-control on the minor legs. Appendix I includes the signal warrants for all three accesses.

As signals are not warranted, the left-turn lane warrant for unsignalized intersections has been examined at Site Access #2 and Site Access #3. To determine if a left-turn lane is warranted, the MTO Geometric Design Standards for Ontario Highways, Section E, left-turn lane nomographs have been examined. A southbound left-turn lane has been indicated to be warranted for the Site Access #3 intersection only. As such, both a northbound left-turn lane and a southbound left-turn lane have been considered at this intersection. Appendix J includes the left-turn lane warrant calculation sheets and nomographs.

### 7.3 Parking Supply

The proposed development will have a total of 404 residential parking spaces, 56 parking spaces for the self-storage buildings, nine spaces to support the daycare, and 47 additional parking spaces for mall employees. The City of Sault Ste. Marie Zoning By-law indicates the parking requirements for the subject site, and Table 20 below summarizes the provided and required parking spaces and parking rates.

*Table 20: Parking Statistics Summary*

	<b>Required Parking Rate (spaces/unit)</b>	<b>Provided Parking Rate (spaces/unit)</b>	<b>Required Parking Spaces</b>	<b>Provided Parking Spaces</b>	<b>Difference</b>
<b>Multiple Attached Apartments</b>	1.00 spaces/unit	1.00 spaces/unit	348	348	0
<b>Multiple Attached Townhouses</b>	1.00 spaces/unit	2.00 spaces/unit	28	56	+28
<b>Personal Storage</b>	No parking required for main use	0.19 spaces/unit	-	56	+56
<b>Day Care Facilities</b>	3.5 spaces/100 m <sup>2</sup>	3.5 spaces/100 m <sup>2</sup>	9	9	0
<b>Additional Mall Parking</b>	No parking required	-	-	47	+47
<b>Total</b>	-	-	385	516	+131

The number of parking spaces provided for the overall development is 131 more than what is required. As such, the amount of provided parking is sufficient. Additionally, while no residential visitor parking requirements have been identified in the City of Sault Ste. Marie Zoning By-law, visitor parking requirements may be satisfied by the excess parking spaces provided.

A total of 30 barrier-free parking spaces have been provided. The City of Sault Ste. Marie Zoning By-law indicates the parking requirements for the subject site, as summarized in Table 21 below.

*Table 21: Accessible Parking Space Summary*

	<b>Required Parking Spaces</b>	<b>Provided Parking Spaces</b>	<b>Difference</b>
<b>Residential</b>	1	30	+6
<b>Non-residential</b>	23		

As shown above, more barrier-free parking spaces have been provided than are required. It is also noted that City staff have indicated a minimum of 28 barrier-free spaces must be provided.

### 7.4 Active Mode Considerations

The proposed development will provide active mode facilities and connections within the development as well as connections to the surrounding road and trail network in the Study Area. Pedestrian facilities will be provided within the proposed development and will connect to the multi-use pathway on South Market Street. This will encourage active mode share trips to and from the proposed development.



## 8 Findings and Recommendations

- a) The development, referred to as 204 South Market Street, includes 348 apartment units composed of four five-storey residential buildings, 28 townhouse units, and 296 self-storage units composed of two one-storey buildings, and a 2670 square foot daycare area on the ground floor of one of the apartment buildings.
- b) The proposed development will have three unsignalized accesses. Two of the accesses are existing driveways with the first access (Site Access #1) providing a connection to the retail lands to the north, and ultimately to Trunk Road, and the second access (Site Access #2) providing access to South Market Street. The third access (Site Access #3) is located on South Market Street.
- c) Horizon years were analyzed for the Phase 1 build-out (2023) and the full build-out (2026).
- d) The proposed development is projected to generate new two-way vehicle volumes of approximately 179 AM, and 178 PM during the full build-out weekday morning and afternoon peak hours respectively.
- e) A COVID-19 volume adjustment factor, as well as volume balancing was applied to the collected turning movement data to develop the 2022 existing traffic volumes.
- f) A 0% compound annual growth rate was selected to generate the 2023 and 2026 future background traffic volumes.
- g) The 2022 existing traffic volumes were analyzed and some critical movements were identified. Signal timing changes were proposed to improve the operation of these movements, as well as ensure appropriate Flash Don't Walk times are provided.
- h) The 2023 and 2026 future background traffic volumes was analyzed and no critical movements were identified.
- i) With the addition of site traffic volumes to the Study Area intersections, the intersections operate with minimally worse LOS and higher delays in both the 2023 and 2026 future total horizons. These are minor and do not cause critical movements.
- j) Traffic volumes within the Study Area are relatively low, and as such, signalization is not warranted at any of the three accesses.
- k) A northbound left-turn lane was found to be warranted at Site Access #3 in the 2026 future total analysis horizon.
- l) Both standard and barrier parking spaces have been provided in accordance with the City of Sault Ste. Marie's Zoning By-law.
- m) The proposed development will encourage active transportation through the provision of active mode facilities on-site and through connections to the surrounding Study Area transportation network.

The 204 South Market Street development will have a minor impact on the Study Area road network. The proposed accesses will operate with reasonable LOS and delay on the turning movements into and out of the site. Additionally, through the provision of on-site and off-site facilities, this development will be supportive of active mode transportation. It is recommended that, from a transportation perspective, the proposed development application proceed.

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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

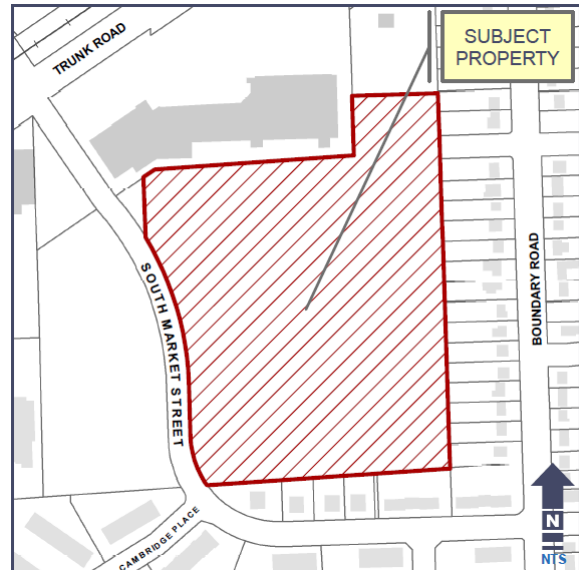
**204 South Market Street**  
**Application No.: A-8-22-Z.OP**  
**Applicant: ESC Land Development Corporation**

**Date: August 8, 2022**  
**Time: 5:30 PM**

**Location: City of Sault Ste. Marie**  
**Civic Centre, Council Chambers**  
**99 Foster Drive**

### PURPOSE

The applicant, ESC Land Development Corporation (C/O Todd Lisso) wishes to rezone the subject property to facilitate the construction of four 5-storey apartment buildings totaling approximately 280 dwelling units within the western portion of the property, 28 2-storey multiple attached (townhouse) dwelling units within the eastern portion of the property and a 3,600m<sup>2</sup> personal storage facility upon the northern portion of the property. Furthermore, the applicant is seeking Official Plan Amendments to permit a personal storage facility on lands designated 'Residential' and to waive the affordable housing requirements which would otherwise require at least 30% of all dwelling units to be affordable.



### PROPOSED CHANGE

- To amend the Official Plan by way of the following notwithstanding clauses:
  - 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.
  - 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.
- To 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 exceptions:
  - To permit a personal storage (self-storage) facility in addition to the uses permitted in the R4 Zone.
  - To permit a 1.8m fence, in association with the proposed accessory use daycare facility, to be located within a front yard.

### 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 8, 2022 at 5:30 p.m. to consider a proposed amendment to Zoning By-Law No. 2005-150 under Sections 17, 22, and 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](mailto: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 5, 2022 as part of City Council's Agenda. Please contact Peter Tonazzo at 705.759.2780 or [p.tonazzo@cityssm.on.ca](mailto:p.tonazzo@cityssm.on.ca) to request a digital copy. Please refer to the application file number.

### WRITTEN SUBMISSION

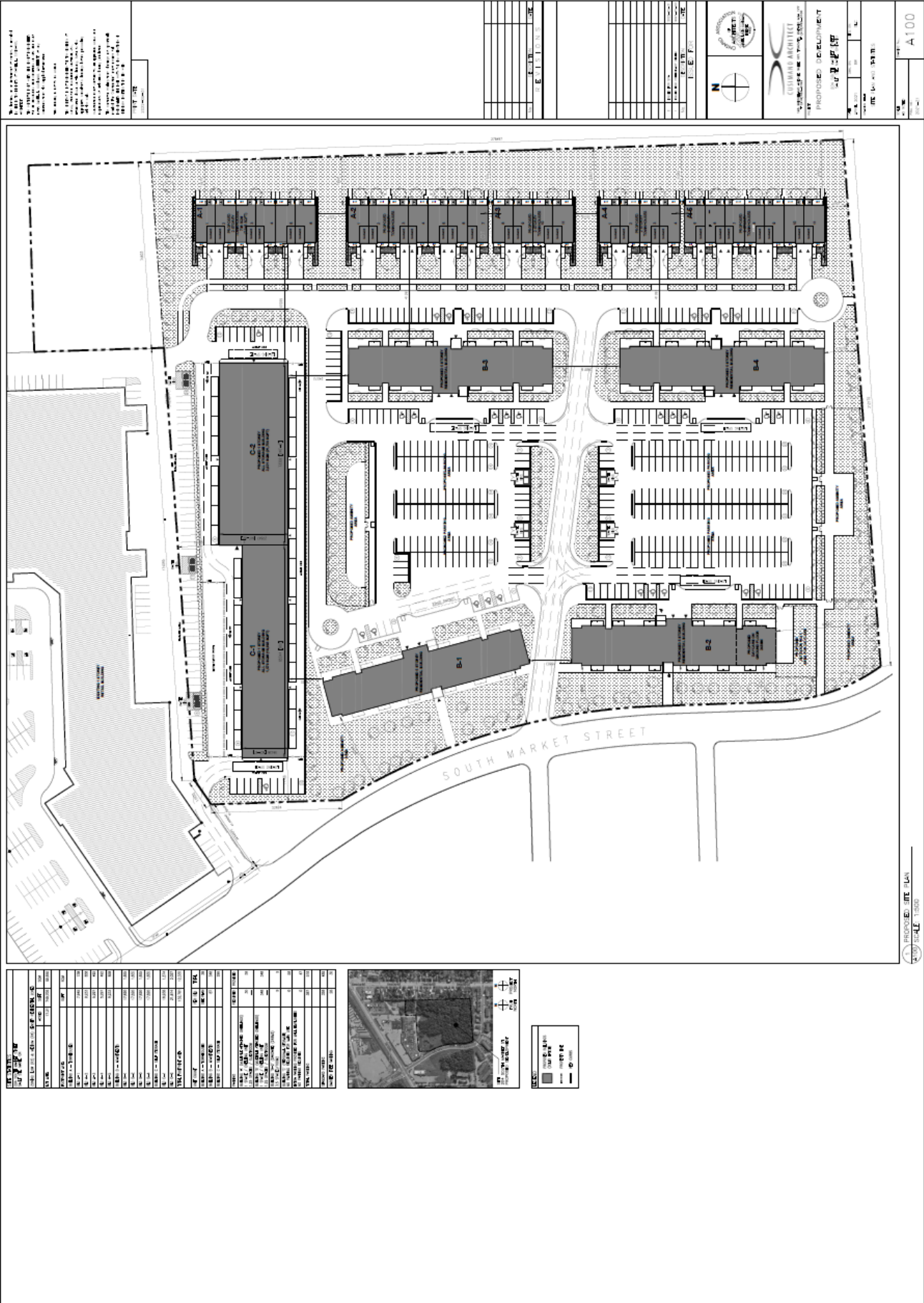
To provide input in writing, or request notice if the proposed application is approved, please submit a letter to Peter Tonazzo, 99 Foster Drive, Sault Ste. Marie, ON P6A 5X6, or e-mail to [p.tonazzo@cityssm.on.ca](mailto:p.tonazzo@cityssm.on.ca) with your name, address and application file number on or before **Monday, August 8, 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.





8 August 2022

Mayor Christian Provenzano  
Members of City Council  
City of Sault Ste. Marie

**Re: City Planning Proposed Amendment to Current Official Plan H.O.6 and  
Exemption to 204 South Market Street**

Dear Mayor Provenzano and Members of City Council,

Habitat for Humanity Sault Ste. Marie and Area has reviewed the proposed Official Plan Amendment to repeal Policy HO.6. under Section 2.5 Housing, which states:

*For all urban residential developments greater than 50 units, the developer shall be required to provide a statement of affordability ensuring that opportunities for creating a range of housing types are provided so that no less than 30% of the new dwellings are affordable. Wherever feasible 50% of all affordable housing provided shall be affordable to low-income households defined by the Ministry of Municipal Affairs and Housing*

A well-developed Official Plan (OP) will position the City to respond to current and future community needs in an effective manner. Policies in the OP can create an inclusive, healthy, sustainable, and livable community. Habitat for Humanity Sault Ste. Marie and Area (Habitat) believes that affordable and adequate housing is the foundation on which Sault Ste. Marie can build a brighter future for everyone.

Having received the Official Plan Amendment to repeal Policy HO.6., and accessed the exemption to HO.6. for 204 South Market Street, Habitat is requesting Council vote against the amendment to the 1996 Official Plan Policy HO.6., and to vote against the exemption to HO.6. for South Market Street.

**Official Plan Amendment - Definition of Affordability**

Habitat recognizes the amount of time the City has invested in determining the definition and price points of affordable units. While we understand the complexity of this process, we are concerned that the prices and target incomes outlined in the proposed Amendment do not adequately consider the many intricacies related to affordability. While there is an opportunity for the City to develop its own definition that is inclusive and considers Sault Ste. Marie's needs, we propose that the definition and price of affordable units is further reviewed and consulted on.

We support the component of the definition that relates affordability to the income of the occupants; however, we encourage a shift away from defining affordability of the “unit relative to the market”. If the “unit relative to the market” component is included in this redefinition of affordability, it may inadvertently lead to housing costs that are greater than the affordability target and income level requirements beyond those proposed. This would disadvantage low-income earners seeking affordable housing units.

The Ontario Provincial Policy Statement (2020) requires that planning authorities “provide an appropriate range and mix of housing options to meet the projected market-based and affordable housing needs of current and future residents, including establishing and implementing minimum targets for the provision of housing which is *affordable to low- and moderate-income households.*”

As required by the above Statement, the current OP (1996) is inclusive of low- and moderate-income households; however, the proposed Amendment refocuses the City’s attention away from low-income households and toward moderate-income households. While the OP Background Report utilizes housing affordability statistics based on Statistics Canada and Canada Mortgage and Housing Corporation, the Amendment seeks to redefine affordability based on provincial statistics and narrows the scope of the policy to the 60<sup>th</sup> income percentile. Accordingly, the proposed Amendment suggests that a \$315,600 house (or \$1,010 monthly rent) would be considered “affordable” in 2021. This definition excludes far too many households, particularly low-income households who are most in need of safe, decent, and affordable housing.

Redefining housing affordability in Sault Ste. Marie in relation to the 60<sup>th</sup> income percentile is detrimental to priority populations, such as single-parents, seniors, BIPOC<sup>1</sup> populations, and individuals with accessibility challenges. At a household level, it assumes there are two income earners with full time employment at an hourly rate of \$20.63. As for house prices, it assumes Harmonized Sales Tax and Land Transfer Tax are included in the purchase price of a home. It assumes that individuals purchasing a house on the market have a sufficient down payment as to not require mortgage insurance. Interest rates are not considered in this definition. It does not take into account property taxes in addition to the monthly mortgage payments. It also does not consider the average consumer debt of approximately \$20,000 owed by individuals in Canada.

The June 2022 average sale price based on Sault Ste. Marie Real Estate Board is \$318,874. According to 2020 Census data, the median household income of a single

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<sup>1</sup> Black, Indigenous, and people of colour (BIPOC)

mother is \$45,600. Based on our calculations and using the proposed definition of affordable housing, 54.7% of this individual's household income would need to be spent on housing costs when property taxes, mortgage principle and interest, and mortgage insurance are included. A purchase price below \$150,000-a market in which demand in Sault Ste. Marie is highest, and supply lowest, according to the Real Estate Board-would be required to keep housing costs below the 30% of income threshold for housing affordability. Based on this hypothetical household income, the rental costs would fall within the proposed OP definition of affordable at the 60<sup>th</sup> percentile, but homeownership (and the stability it provides) would be unattainable.

As a non-profit housing provider and advocate for equitable access to affordable housing, we believe that this proposed definition of affordability excludes systemically disadvantaged groups and low-income earners. We propose that the definition and price of affordable units is further reviewed and consulted.

### **Repercussions of Affordability Definition**

The OP provides the framework for which the City will identify and develop comprehensive long-term planning. If the OP Amendment – including its redefining of housing affordability in relation to the 60<sup>th</sup> income percentile - is approved by Council, then the City has, theoretically, already achieved their minimum affordability target of 30% of units being affordable. Considering the current crisis in housing affordability and the increasing number of unhoused/underhoused individuals, accepting that this target has already been met would be out of touch with the current economic climate in our city and would have multiple impacts on policies in the OP, including:

- Relying on developers to supply enough market housing to satisfy the demand, with the assumption that this will move citizens along the housing continuum thus freeing up affordable units for low-and-moderate-income earners.
- Refocusing the City's attention away from low-income households and towards moderate-income households, requiring low-income population's needs be sustained by non-profit housing providers (for which special consideration is not adequately provided in the OP Amendment nor the draft OP).
- Depending upon individual citizens to provide affordable housing through Accessory Dwelling Units – as opposed to encouraging larger, multi-unit builds to include affordable housing.
- Adding pressure on the affordable rental market to supply enough units to satisfy the demand, thereby incentivizing further development of affordable rental units because of funding availability, with less incentive for development at the other end of housing continuum.

At Habitat, we recognize that homeownership generates equity that can be passed on as intergenerational wealth which provides lasting economic uplift to the family and the community at large. While investments in affordable rental and supportive housing are a critical part of the equation and must continue, intentional action needs to be taken to create opportunities for equity-seeking groups to participate in wealth building and gain financial stability via homeownership. Otherwise, the result will be greater inequality and a more divided city and region.

### **Concerns regarding compliance with the proposed amendment and South Market exemption to HO.6.**

The Ontario Provincial Policy Statement sets policy direction on matters of provincial interest related to land use planning and development, including affordable housing.

The Ontario Planning Act requires that the council of a municipality, in carrying out their responsibilities under the Act, pay particular attention to matters of provincial interest, including affordable housing. The Act, as of 2018, pursuant to section 35.2 or of the Planning Act, allows inclusionary zoning as a tool for municipalities to develop affordable units in an effort to address affordability challenges.

The OP Amendment to HO.6. and the exemption to HO.6. for South Market Street. closely resembles inclusionary zoning.

Against a backdrop of extensive investments in affordable rentals, inclusionary zoning provides a practical and low-cost avenue to enable equity-seeking groups to move along the housing continuum with the goal of enjoying the advantages of homeownership that previous generations took for granted.

Habitat commends the Mayor and Council from 1996 for their innovative and inclusive policy HO.6.

Beyond our concerns with this proposed amendment, we are aware of other housing providers that are equally concerned. Habitat recommends the City develop the Housing Task Force prior to amending and/or approving any further exemptions to H.O.6..

Given the benefits of inclusionary zoning, and the socio-economic risks associated with its absence, it is critical that we get it right so that developers are incentivized to proceed with future projects rather than redirect energies to projects in other municipalities. Further consultation and review with for-profit and non-for-profit housing



providers is necessary to ensure that the intent of such amendments, being increased housing stock, do not disproportionately impact affordable housing providers and disadvantage the populations they serve.

There are strong recommendations, from the following levels of government and organizations:

- National Housing Strategy recommends developments that are mixed-income, mixed-use, accessible and sustainable.
- Provincial Policy Statement prioritizes, affordable housing for both, low- and moderate-income earners
- The Provincial, More Homes for Everyone Act in response to the housing crisis in Ontario.
- Ontario's Affordability Task Force 55 Recommendation's including those which relate to inclusionary zoning
- Association of Ontario Municipalities; An Integrated Approach to Address the Ontario Housing Crisis including applying inclusionary zoning to more communities in order to get more units built.
- Ontario's Professional Planners Institute recommendations to increase housing supply and affordability recommendations.
- Habitat for Humanity, Ontario Caucus; Supporting the full continuum of affordable housing including homeownerships.

All above recommendations, confirm the critical importance of ensuring an appropriate study is completed prior to confirming housing needs within our community.

The requirement for adequate and affordable housing is everyone's responsibility. It is the federal and provincial government's mandate and it is the City's mandate through the OP. There is clear policy and strategy provided by Provincial Policy Statement and the Planning Act that outlines the need for affordable housing that serves a wide range of households/populations and the city should not neglect this.

## **Conclusion**

In conclusion, the City has an affordability crisis and therefore a requirement for a range of housing that serves the growing needs of its community and is reflective of its changing demographics.

It is crucial that service providers of, and advocates for, affordable housing have a seat at the table when planning for the future of our community. Our relationships with hardworking, local families experiencing the ongoing crisis in housing affordability gives

us a perspective that should not be ignored. As a representative of a not-for-profit affordable housing provider in our community, I welcome, and trust Habitat will have the opportunity to participate in the Housing Task Force.

As per the Provincial Policy Statement, the City's OP must establish and implement a minimum target for housing that is affordable to both low-and-moderate-income earners. Given the inadequate consultation with service providers, lack of specific language relating to affordable housing targets and how they will be reached, and redefinition of affordability, we respectfully ask that this Amendment to HO.6. be deferred so that there is time for further research and consultation.

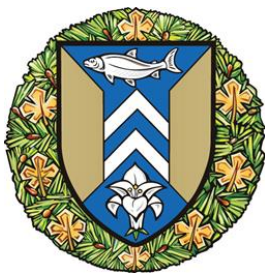
Thank you for your time and consideration,



Katie Blunt  
Executive Director,  
Habitat for Humanity Sault Ste. Marie and Area



Allyson Schmidt  
Board Chair  
Habitat for Humanity Sault Ste. Marie and Area



The Corporation of the  
City of Sault Ste. Marie

## COUNCIL REPORT

August 8, 2022

**TO:** Mayor Christian Provenzano and Members of City Council

**AUTHOR:** Peter Tonazzo, RPP, Director of Planning

**DEPARTMENT:** Community Development and Enterprise Services

**RE:** A-6-22-OP - Affordable Housing Official Plan Amendment

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### PURPOSE

The purpose of this report is to seek Council approval to amend the Official Plan by repealing and replacing the existing Housing Policies within the Official Plan.

### PROPOSED CHANGE

This Official Plan Amendment proposes to repeal the following housing policies within the existing OP: (note: The current OP does not have Policies HO. 3 and HO.5 – this appears to be a numbering issue.)

*HO.1 Opportunities for a full range of housing types shall be provided to meet the present and expected needs of the community.*

*HO.2 Innovative and alternative residential development standards supporting affordable housing and compact urban form shall be encouraged. However, climate (i.e. snowfall) and other local circumstances should not be neglected.*

*HO.4 Medium and high density – including affordable housing – will be encouraged to be built before or at the same time as low density units. - 14 –*

*HO.6 For all urban residential developments greater than 50 units, the developer shall be required to provide a statement of affordability ensuring that opportunities for creating a range of housing types are provided so that no less than 30% of the new dwellings are affordable. Wherever feasible 50% of all affordable housing provided shall be affordable to low income households as defined by the Ministry of Municipal Affairs and Housing.*

*HO.7 The inventory of affordable housing shall include the sale, resale and re-renting of existing units.*

*HO.8 Housing affordability levels (both new and resale) and projected housing types shall be monitored semi-annually.*

*HO.9 An inventory of multiple-residential zoned land shall be maintained in an effort to assist providers in finding sites for low-income and multiple-unit dwellings.*

It is further proposed that the aforementioned Housing Policies in the Official Plan be replaced with the following affordable housing policies:

Affordable Housing

Affordable housing plays a vital role in the City's housing supply. The City encourages and supports the provision of affordable housing throughout the community.

For the purposes of the Official Plan, affordable housing is defined as follows:

- a. In case of ownership housing, the least expensive of:
  - i. Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or,
  - ii. Housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area.
- b. In case of rental housing, the least expensive of:
  - i. A unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or,
  - ii. A unit for which the rent is at or below the average market rent of a unit in the regional market area.
- c. Low and moderate income households:
  - i. In the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the regional market area; or
  - ii. In the case of rental housing, households with incomes in the lowest 60 percent of the income distribution for renter households for the regional market area.



With the overall goal of encouraging and supporting the creation of additional affordable housing units, the City shall ensure that a minimum of 30% of all dwelling units throughout the community are affordable by:

- a. Providing additional incentives for the provision of affordable housing, through a Community Improvement Plan, which may include the waiving of planning application (rezoning, site plan control) fees, grants and tax rebates.
- b. Supporting a mixture of housing types, including infill development and residential intensification.
- c. Supporting the creation of Accessory Dwelling Units.
- d. Supporting innovative housing design, such as smaller units (tiny homes) and alternative development standards such as reduced lot frontages, setbacks and parking requirements.
- e. Conducting ongoing monitoring on affordability levels.
- f. Maintaining a current, comprehensive understanding of funding opportunities for the creation of affordable housing and assisting applicants in accessing such funding.
- g. Prioritizing the review and processing of development proposals that include affordable dwelling units.
- h. Working with non-profit stakeholders that provide affordable and supportive housing units.
- i. Making municipally owned lands available for affordable housing.
- j. Giving preference to locating major new residential developments with affordable units within walking distance of amenities such as public transit, grocery stores, parks and other public services.

**Subject Property:**

- Location: City Wide

**BACKGROUND**

On May 31, 2021, Council passed the following Resolution:

*Resolved that the report of the Senior Planner dated May 31, 2021 concerning Affordable Housing Information Report be received and that Council authorize staff to proceed with public outreach and formal public notice upon the intent to repeal Housing Policy 6 and replace with the policies described therein.*

The city's OP was approved in 1996 and policy HO.6 is the result of the relatively short-lived *Comprehensive Set of Policy Statements*, which was passed by Bob Rae's Provincial Government and later repealed by the Mike Harris Government.

While many of the policies contained within the *Comprehensive Set of Policy Statements* were carried forward in subsequent *Provincial Policy Statements*, the specific requirement that ‘*opportunities will be provided for no less than 30% of new dwelling units created through development, and intensification to be affordable housing*’ was not. It is likely that in 1996, achieving defined affordable prices may have been attainable without additional subsidies. Also at that time, more subsidies from senior levels of Government were available to achieve 30% affordability in new builds.

Housing affordability is a significant issue that is the culmination of a variety of complex social and economic factors. Demand side issues include rising levels of poverty, addiction and mental health issues. Supply side issues include inflation and labour shortages leading to significant increases in housing costs.

Housing is anticipated to be in short supply over the next decade or so, as evidenced by among others, the *Baby Needs a Home*<sup>1</sup> Report, released in October 2021 by the Smart Prosperity Institute.

## **ANALYSIS**

### Basis for the Proposed Amendment

The proposed affordable housing policies are generally intended to accommodate and have the most impact on the housing needs of those in the ‘missing middle’ – namely those in the 40-60<sup>th</sup> income percentiles. While this is not to say that the proposed approach would not have positive outcomes for those in the lowest income percentiles, it is generally understood that significant ongoing subsidies from all levels of government are, and will continue to be required, along with a full breadth of other services, in order to meet these needs.

On the basis that overall housing demand will require significant increases in supply, staff is of the opinion that requiring all housing developments of 50 or more dwelling units to provide at least 30% of those units at affordable rates (rental and ownership) is counterproductive. It is staff’s opinion that this policy could have the effect of either limiting residential developments to less than 50 units or reducing/eliminating residential development that might otherwise occur, thus lowering supply and driving up prices. Development costs, especially with new ‘greenfield developments’, are such that it is extremely difficult to construct new affordable units (owned and rented) without significant ongoing subsidies. Generally, the provision of affordable housing requires the efforts of all three levels of government and non-profit affordable housing providers, such as Sault Ste. Marie Housing Corporation, Ontario Aboriginal Housing and Community Living Algoma, which receive much of their funding from senior levels of Government.

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<sup>1</sup> <https://institute.smartprosperity.ca/sites/default/files/Baby-Needs-a-New-Home-Oct-1.pdf>

A more detailed discussion of the proposed Official Plan Policies can be found in the 'Proposed Approach' and 'Next Steps' Chapters of this report.

#### Affordable Housing Defined for Planning Purposes - 2021

Referring to the Provincial definitions outlined in the 'Proposed Change' Section of this Report, using the most recent data available, in 2021 housing affordability within Sault Ste. Marie<sup>2</sup> is defined as anything less than:

- Affordable Purchase Price – \$244,267
- Affordable Monthly Rent - \$960

In both cases, the Provincial definition for Planning purposes are based upon average house prices and rents which are lower than the corresponding prices associated with income levels.

Utilizing the 60<sup>th</sup> income percentile, which is by Provincial Policy definition a 'moderate' income level, results in an affordable house price of \$315,600 and an affordable monthly rent of \$1,010. Utilizing the 50<sup>th</sup> percentile results in an affordable house price of \$254,600 and an affordable monthly rent of \$830. This generally suggests that in spite of recent significant local home price increases, on average, purchase prices remain relatively affordable in relation to local income levels. The rental market appears to be less affordable in relation to renters' income levels.

#### Affordable Housing Trends – 2017-2021

Between 2018 and 2019, average home resale prices in Sault Ste. Marie increased from about \$180,000 to about \$251,000 which was the most significant increase. In 2021 the average resale price was about \$271,000, below the average resale price of homes in Northeastern Ontario and well below the Provincial Average. Furthermore, since 2019, the provincial average of home resale prices has increased at a significantly higher rate than that of Sault Ste. Marie or Northeastern Ontario.

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<sup>2</sup> The Regional Market Area includes Sault Ste. Marie and Prince Township

**Household Incomes and Corresponding Affordable House Prices in Sault Ste. Marie (2021).**

*Source: Ministry of Municipal Affairs and Housing, Common Local Indicators.*

<b>Income percentile</b>	<b>Income (all households)</b>	<b>Affordable house price</b>
10 <sup>th</sup>	\$ 21,200	\$ 78,000
20 <sup>th</sup>	\$ 31,700	\$ 116,600
30 <sup>th</sup>	\$ 43,500	\$ 160,000
40 <sup>th</sup>	\$ 54,800	\$ 201,600
<b>50<sup>th</sup></b>	<b>\$ 69,200</b>	<b>\$ 254,600</b>
60 <sup>th</sup>	\$ 85,800	\$ 315,600
70 <sup>th</sup>	\$ 105,300	\$ 387,400
80 <sup>th</sup>	\$ 132,100	\$ 486,000
90 <sup>th</sup>	\$ 169,700	\$ 624,300

**Renter Household Incomes and Corresponding Affordable Rents in Sault Ste. Marie (2021).**

*Source: Ministry of Municipal Affairs and Housing, Common Local Indicators.*

<b>Income percentile</b>	<b>Income (renter households only)</b>	<b>Affordable monthly rent</b>
10 <sup>th</sup>	\$ 13,600	\$ 340
20 <sup>th</sup>	\$ 18,600	\$ 470
30 <sup>th</sup>	\$ 23,100	\$ 580
40 <sup>th</sup>	\$ 27,600	\$ 690
<b>50<sup>th</sup></b>	<b>\$ 33,200</b>	<b>\$ 830</b>
60 <sup>th</sup>	\$ 40,500	\$ 1,010
70 <sup>th</sup>	\$ 49,400	\$ 1,240
80 <sup>th</sup>	\$ 62,400	\$ 1,560
90 <sup>th</sup>	\$ 83,300	\$ 2,080

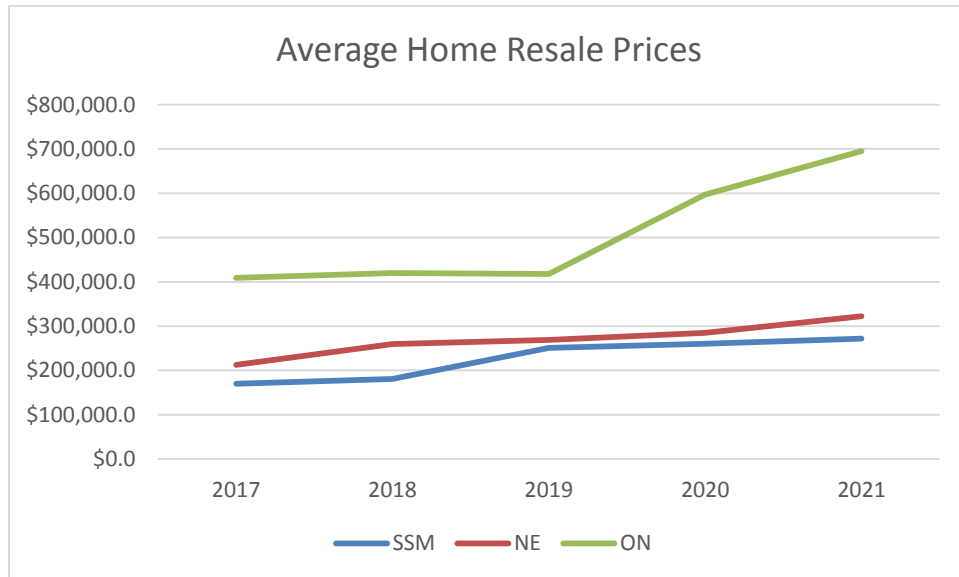
The above income levels and corresponding affordable house prices can be useful in determining local affordability levels. Utilizing the 50<sup>th</sup> income level percentile, just over half of all households could afford the defined 'affordable purchase price' and just under half of all renter households could afford the defined affordable monthly rents.

Therefore, approximately half of owned and rented housing stock is affordable, however it is critical to point out that this particular definition of affordability, which is utilized for planning purposes, is largely aimed at the 'missing middle'. It is also recognized that CMHC and other agencies utilize different definitions resulting in much lower affordable prices or rents.

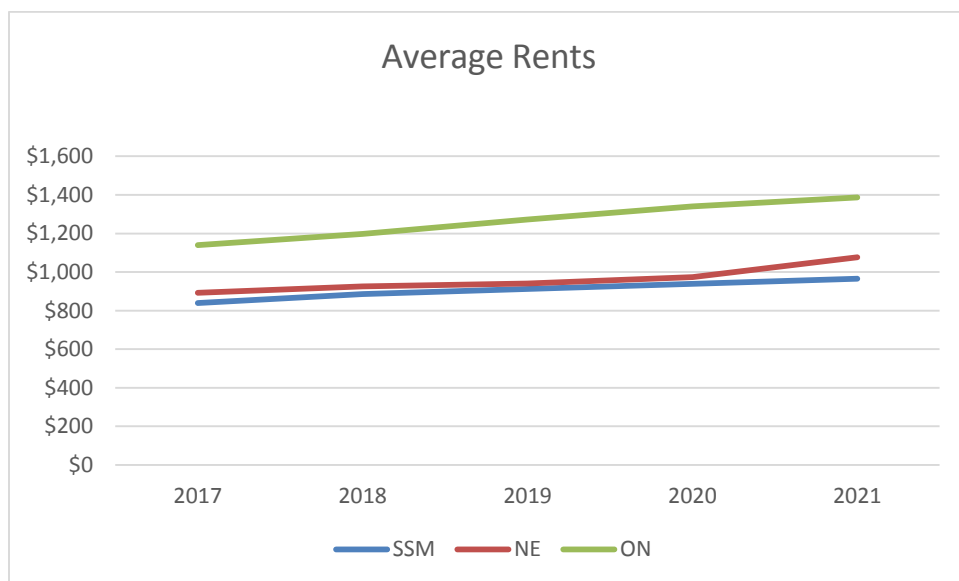
Affordable Housing Trends – 2017-2021



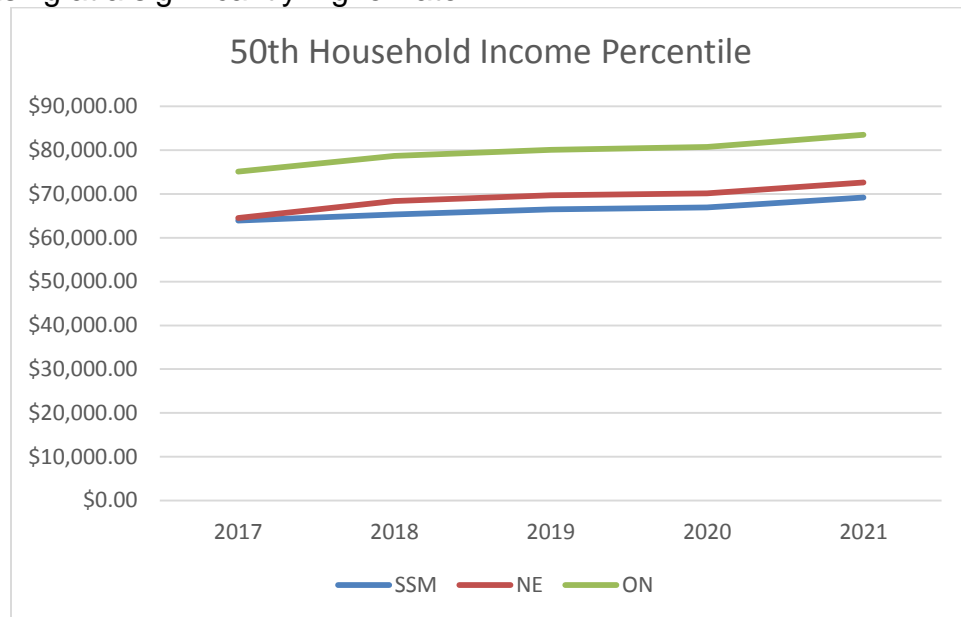
Between 2018 and 2019, average home resale prices in Sault Ste. Marie increased from about \$180,000 to about \$251,000 which was the most significant increase. In 2021 the average resale price was about \$271,000, below the average resale price of homes in Northeastern Ontario and well below the Provincial Average. Furthermore, since 2019, the Provincial average home resale prices have increased at a significantly higher rate than that of Sault Ste. Marie or Northeastern Ontario.



Average rents in Sault Ste. Marie have increased at a relatively constant and slightly lower rate than the Provincial Average. Local rents are also slightly lower than the Northeastern Ontario Average.



The median income in Sault Ste. Marie and Northeastern Ontario is below the Provincial Average and has been increasing at a slightly slower rate than that of the entire Province. It would generally appear that median income levels are keeping pace with average local rents, however average home resale prices are increasing at a significantly higher rate.



### **Proposed Approach**

#### **Mixing Housing Types, Residential Intensification and an Affordable Housing Target**

The housing policies contained within the existing OP relate primarily to the provision of a mixture of housing types and densities to meet the differing needs of the full range of residents and to ensure the provision of affordable housing units as part of the overall supply. The proposed policies will continue to address these particular matters.

#### **Accessory Dwelling Units**

The existing OP and Zoning By-law 2005-150 already speak to and permit, as a matter of right, 'second units' in association with a single, semi or townhouse dwelling. The Planning Act has been recently amended to require municipalities to also permit 'third units' in the same manner that 'second units' are permitted. Furthermore, Council recently passed a resolution requesting Planning Staff to review the potential for allowing 'fourth units' as a matter of right. This particular review is underway as part of the Shape the Sault New Official Plan Project.

Not only are accessory dwelling units often affordable in nature, but they also provide income generating opportunities for homeowners, thereby making home

ownership more affordable. Accessory dwelling units also provide significant age in place opportunities by providing living space for family members or caregivers, thereby allowing seniors to remain in their homes longer.

#### Supporting Innovative Design and Reduced Development Standards

Tiny homes are a good example of innovative design coupled with reduced development standards. Although current OP and Zoning regulations do not prohibit tiny homes or specify minimum house sizes, the alternative or reduced development standards that can be appropriately associated with tiny homes includes reduced setbacks, lot sizes and lot frontages. In this case, reduced development standards could result in appropriate intensification, given the relatively small size of the tiny home. Reduced parking requirements in association with affordable housing developments is another appropriate reduced development standard.

#### Prioritizing Applications that include Affordable Units

The overall impacts of this particular policy should not be understated. While local application timelines are relatively short in relation to other high growth parts of the Province, such as the GTA, a recent surge in the local development industry has resulted in longer timelines to obtain approvals. Such a policy would direct the various City Departments involved in housing approvals to put such projects at or near 'the top of the pile', which would speed up approvals for affordable housing projects.

#### Ongoing Monitoring

Proposed policies commit to ongoing monitoring and review of affordability levels, with the goal of providing Council with an annual update on local affordability levels. Policies are also proposed to ensure that Planning Staff maintain a thorough understanding of the various funding opportunities available. Finally, policy is proposed recommending the creation of a comprehensive local affordability strategy. It is noted that these efforts are not intended to duplicate the good work by various non-profit housing providers, but rather to complement the work they do, with a primary focus on satisfying the housing needs of the 'missing middle', whereas local non-profit groups tend to be more focused upon providing housing for those with the lowest income levels.

#### Incentives

The provision of financial incentives through a Community Improvement Plan (CIP) has the potential to be very impactful in creating additional affordable dwelling units. Incentives can include waiving applications fees, providing grants, loans and property tax rebates.

A preliminary review of Municipal affordable housing incentives found the following general approaches:

- In order to qualify for financial incentives, dwelling units must be maintained as affordable for 10-20 years.
- Most incentives were based upon annual budget approvals and allocations.
- In most cases, Planning application and Building permit fees are waived and where applicable, development charges are waived or rebated.
- For smaller scale projects, such as accessory dwelling units or projects consisting of less than 4 units, 'per-door' grants were provided.
- For larger scale projects, such as the creation of >4 dwelling units, tax increment equivalent grants (TIEG) were provided, generally for a period of 10-20 years, with 100% tax rebates for the first 5-15 years.
- About half of the Municipal CIPs reviewed allowed 'stacking' of multiple grants from various funding sources.
- Some municipalities provide low to no interest loans for the provision of affordable units.
- Some municipalities provided incentives for affordable units located anywhere in the community, while others required such units to be in the urban area or very specific areas. Sudbury has location criteria (distance from transit, commercial areas etc...).

#### Housing Task Force

It is recommended that Council establish 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 or working group 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.
3. Overseeing the ongoing monitoring and annual communication of important local housing indicators.

#### **Conformity with Provincial Policy Statement 2020**

From a high level, Section 1.4 of the Provincial Policy Statement (PPS) speaks to encouraging an appropriate range and mix of housing options and densities required to meet existing and projected needs of the community; Thus ensuring an appropriate supply of various types of housing, which is an important component to facilitating affordability.

As previously discussed, it is staff's opinion that the current approach, which requires 30% of all dwellings in any development greater than 50 units to be affordable, could impact the overall supply of housing, in that developers may reduce the overall size of their development or choose not to develop at all. Therefore, from a supply standpoint, Planning Staff is of the opinion that removing Policy HO.6 adheres to Section 1.4 of the PPS.



Section 1.4.3 of the PPS speaks specifically to affordable housing.

Section 1.4.3a requires municipalities to establish an affordable housing target. The proposed policies establish a target of 30%, which is generally consistent with what other municipalities have established.

Section 1.4.3b requires municipalities to permit a wide variety of housing options including but not limited to, singles, semis, townhouses, apartments and tiny homes, under a variety of tenures such as owned, rented and cooperative arrangements to name a few. Current and proposed Official Plan policies specifically permit a wide variety of housing options and tenures. Section 1.4.3b also speaks to residential intensification, which is also specifically permitted within current and proposed OP policies.

Sections 1.4.3c,d,e & f speak to various locational criteria, requiring new housing to be directed to locations where appropriate levels of infrastructure and public service facilities are or will be available to support such housing. Furthermore, municipalities shall promote densities that efficiently use land, resources and infrastructure, with special regard for higher residential densities in areas with easy access to transit and active transportation infrastructure. Existing and proposed OP policies contain a variety of provisions aimed at ensuring new housing, including denser forms of housing and affordable housing, are appropriately located to take advantage of available infrastructure, social services and other amenities.

As previously noted the current approach could result in smaller developments and potentially lower densities than might otherwise be appropriate, which would not be within the overall intent of Section 1.4.3 which aims to maximize development efficiencies where appropriate, through higher density development.

In closing, the PPS does not specifically require municipalities to force the provision of affordable units as part of new residential development, therefore, staff is of the opinion that specifically repealing HO.6 and replacing it with the proposed affordable housing policies conforms with the Provincial Policy Statement 2020.

**Conformity with Growth Plan for Northern Ontario 2011**

Sault Ste. Marie is an 'Economic Service Hub' with a 'Strategic Core Area', where a wide variety of land uses, including higher density residential development and affordable units can and should be located. To this end, approval of this application does not conflict with the Growth Plan for Northern Ontario.

## **CONSULTATION**

The notice was advertised on the City website and in the Sault Star on July 16, 2022. Up to the drafting of this report, no comments or objections have been received as a result of the public circulation.

### **Application Circulation**

As part of the application review, this proposal was circulated to City divisions and external agencies for review and comment. In addition to the regular departments and external agencies that are normally circulated, this report has been circulated to:

- District of Sault Ste. Marie Social Services
- Sault Ste. Marie Housing and Homelessness Committee – which has representation from a variety of local social service providers.
- The local Legal Aid Ontario office.

While DSSAB staff generally support the proposed Official Plan Amendment, previous consultation with local service providers has resulted in a general sentiment that the proposed approach does not adequately replace the ‘30% affordable unit requirement’ with specific requirements or incentives. Official Plan policies are intended to be high level in nature and such details are not appropriately located within an OP. Rather, the proposed Housing Policies support the implementation of a variety of additional requirements and/or incentives, which may be recommended for Council’s approval by the proposed Housing Task Force.

## **FINANCIAL IMPLICATIONS**

Approval of this Official Plan Amendment application will not result in any incremental changes to the budget, however in the future, staff will be reviewing and potentially recommending various programs to incentivize the creation of affordable dwelling units, which would be subject to future budgetary considerations and approvals.

## **STRATEGIC PLAN / POLICY IMPACT**

Approval of the proposed Official Plan Amendment relates to the following Focus Areas of the Corporate Strategic Plan:

- Quality of Life
  - One of Sault Ste. Marie’s quality of life advantages has and continues to be that of housing affordability, when compared to other parts of the Province, especially the Greater Toronto Area. It is Staff’s opinion that the requirements of policy HO.6 could be counter productive, reducing the size and number of new housing developments, which would reduce supply resulting in higher housing costs.
- Community Development

- The new Official Plan is listed as a key activity within the Community Development Focus Area, to maximize economic development and investment. Further to the discussion above, staff is of the opinion that repealing and replacing the existing housing policies will be more effective in facilitating the creation of more affordable housing units, without impacting the creation of additional market units, which are also required going forward.
- Another key activity is to develop partnerships with key stakeholders and reconciliation. Proposed policy recommends the creation of a local, comprehensive affordable housing strategy, which would certainly involve collaboration with key stakeholders.
- Service Delivery
  - Proposed policies will instruct staff to maintain a comprehensive understanding and communicate to applicants the various funding programs available in support of the creation of affordable housing. This is as a key customer service deliverable.

## **RECOMMENDATION**

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

Furthermore, 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 or working group 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.
3. Overseeing the ongoing monitoring and annual communication of important local housing indicators.

Respectfully submitted,

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

Peter Tonazzo, RPP  
Director of Planning  
705.759.2780

## APPENDIX A

### Affordable Housing

Affordable housing plays a vital role in the City's housing supply. The City encourages and supports the provision of affordable housing throughout the community.

For the purposes of the Official Plan, affordable housing is defined as follows:

- a. In case of ownership housing, the least expensive of:
  - iii. Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or,
  - iv. Housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area.
- b. In case of rental housing, the least expensive of:
  - iii. A unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or,
  - iv. A unit for which the rent is at or below the average market rent of a unit in the regional market area.
- c. Low and moderate income households:
  - iii. In the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the regional market area; or
  - iv. In the case of rental housing, households with incomes in the lowest 60 percent of the income distribution for renter households for the regional market area.

With the overall goal of encouraging and supporting the creation of additional affordable housing units, the City shall ensure that a minimum of 30% of all dwelling units throughout the community are affordable by:

- a. Providing additional incentives for the provision of affordable housing, through a Community Improvement Plan, which may include the waiving of planning application (rezoning, site plan control) fees, grants and tax rebates.
- b. Supporting a mixture of housing types, including infill development and residential intensification.
- c. Supporting the creation of Accessory Dwelling Units.



- d. Supporting innovative housing design, such as smaller units (tiny homes) and alternative development standards such as reduced lot frontages, setbacks and parking requirements.
- e. Conducting ongoing monitoring on affordability levels.
- f. Maintaining a current, comprehensive understanding of funding opportunities for the creation of affordable housing and assisting applicants in accessing such funding.
- g. Prioritizing the review and processing of development proposals that include affordable dwelling units.
- h. Working with non-profit stakeholders that provide affordable and supportive housing units.
- i. Making municipally owned lands available for affordable housing.
- j. Giving preference to locating major new residential developments with affordable units within walking distance of amenities such as public transit, grocery stores, parks and other public services.

**AMENDMENT NO. 242  
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 of the Plan.

**LOCATION**

This is a text amendment that applies throughout the entire Municipality of Sault Ste. Marie.

**BASIS**

This Amendment is necessary in view of concerns raised with the existing requirement that all new housing developments consisting of more than 50 units, provide at least 30% of those units at affordable prices.

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 by repealing the existing Housing Policies within the Official Plan and replacing them with the following:

Affordable Housing

Affordable housing plays a vital role in the City's housing supply. The City encourages and supports the provision of affordable housing throughout the community.

For the purposes of the Official Plan, affordable housing is defined as follows:

- a. In case of ownership housing, the least expensive of:
  - i. Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or,
  - ii. Housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area.
- b. In case of rental housing, the least expensive of:
  - i. A unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or,
  - ii. A unit for which the rent is at or below the average market rent of a unit in the regional market area.

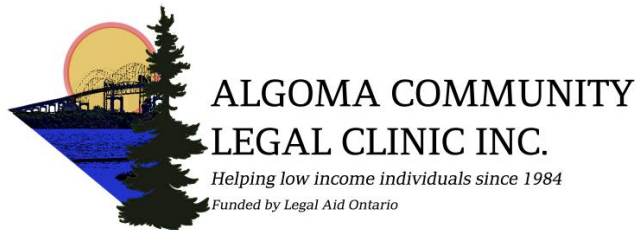
- c. Low and moderate income households:
  - i. In the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the regional market area; or
  - ii. In the case of rental housing, households with incomes in the lowest 60 percent of the income distribution for renter households for the regional market area.

With the overall goal of encouraging and supporting the creation of additional affordable housing units, the City shall ensure that a minimum of 30% of all dwelling units throughout the community are affordable by:

- a. Providing additional incentives for the provision of affordable housing, through a Community Improvement Plan, which may include the waiving of planning application (rezoning, site plan control) fees, grants and tax rebates.
- b. Supporting a mixture of housing types, including infill development and residential intensification.
- c. Supporting the creation of Accessory Dwelling Units.
- d. Supporting innovative housing design, such as smaller units (tiny homes) and alternative development standards such as reduced lot frontages, setbacks and parking requirements.
- e. Conducting ongoing monitoring on affordability levels.
- f. Maintaining a current, comprehensive understanding of funding opportunities for the creation of affordable housing and assisting applicants in accessing such funding.
- g. Prioritizing the review and processing of development proposals that include affordable dwelling units.
- h. Working with non-profit stakeholders that provide affordable and supportive housing units.
- i. Making municipally owned lands available for affordable housing.
- j. Giving preference to locating major new residential developments with affordable units within walking distance of amenities such as public transit, grocery stores, parks and other public services.

## **INTERPRETATION**

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



Peter Tonazzo, RPP  
Director of Planning  
Planning and Enterprise Services  
City of Sault Ste. Marie  
99 Foster Drive  
Sault Ste. Marie, ON  
P6A 5X6

Dear Mr. Tonazzo

**Re: A-6-22-OP- Affordable Housing Official Plan Amendment**

Thank you for providing me with a copy of the aforementioned Report to Council and the proposed Official Plan Amendment (OPA). I acknowledge the volume of work and effort that were needed to create such a fulsome and thoughtful report. The Algoma Community Legal Clinic enjoys a strong and collaborative relationship with City Planning. We are most grateful to have the opportunity to comment on the proposed OPA through the lens of poverty.

**Legal Clinic Mandate and Clients**

Community Legal Clinics provide a vital role in the city. Community legal clinics provide information, advice, and representation on various legal issues, including social assistance, housing, refugee and immigration law, employment law, human rights, workers' compensation, consumer law, and the Canada Pension Plan. Our services are free of charge to people who meet the provincially set financial eligibility threshold. In short, we serve the most vulnerable sector of the community. Burdened with poverty many clients also experience addiction, mental health and extreme prejudice. Despite these challenges, our clients are not immune from the everyday hardships of disease, unemployment, marital discord and the like.

The OPA concerning affordable housing expressly intends to accommodate people falling within the 40-60<sup>th</sup> income percentile. All of our clients and many other tenants fall well below this income range. The household income chart has been prepared by the Ministry of Municipal Affairs and Housing. The chart is a good visual aid in understanding income distribution but it is only capable of reflecting the data collected. Poverty thrives in the shadows. People who are struggling to find shelter and sustenance do not enjoy the luxury of participating in surveys or censuses. The result is many statistics relating to poverty are inaccurate. Moreover, the numbers are often much smaller on paper than they are in reality.



## **Impact of Inadequate Affordable Housing**

Eviction is the capital punishment of housing law. Once the province lifted the emergency order pausing evictions, enforcement resumed fervently. Worse, the sizzling real estate market resulted in fast and inflated housing sales. Tenants living in such accommodation were often overshadowed by the glimmer of elevated purchase funds. Many such tenants were evicted illegally, left without alternative housing and in some cases rendered homeless. Such trends are far from the enhanced quality of life envisioned and codified by the city's Official Plan.

## **Inadequate Housing**

The volume and condition of much of the existing rental housing stock is inadequate. A number of factors have contributed to the poor condition of affordable housing particularly in Northern Ontario. Some reasons include the age of the housing stock, the expense associated with maintenance and faster weathering due to the severity of the elements. Regularly, tenants report unsafe, poorly maintained and unsightly living conditions. Yet, they are reluctant to report these conditions to the municipality for fear that the unit will be ordered shut and they will be left without housing. Aside from the health and safety concerns associated with living in substandard conditions, there is a grave impact on one's emotional wellbeing. To say people are "housed" though living in substandard conditions is analogous to saying "the third world could be adequately fed with rotten food". The right to adequate housing and shelter is recognized in the United Nations Universal Declaration of Human Rights and International Covenant on Economic, Social and Cultural Rights. Housing must be people focused; not profit focused.

## **Use of Incentives**

The use of incentives can be an excellent tool in creating more affordable housing. It should not be the sole tool. The incentive contemplated in HO.6 of the Official Plan was marred by the practice of intentionally limiting development to less than 50 dwelling units and thereby further lowering overall supply. For incentives to work as intended they must be carefully drafted and properly administered.

Perhaps the incentives could be extended to the most important characters in the affordable housing ring – the tenants. There is very limited assistance available for the vulnerable tenants experiencing a housing crisis. The prospect of home ownership is beyond the scope for many and decidedly beyond reach for some who struggle managing the rigors of daily life under the yoke of poverty.

The proposed amendment suggests using a Community Improvement Plan (CIP) to offer financial incentives to developers. In no small way, this will make a difference to the creation and provision of affordable housing. However, the amendment contemplates only incentives to motivate developers. There is no disincentive. That is to say, it is all carrot and no stick. Affordable housing that is not properly maintained must be dealt with aggressively and effectively. That means landlords who are profiting from rental units must face legal consequences when the units are not maintained and any enforcement must mark the safety and accommodation of the tenants as a priority.

## **Housing Task Force**

The issues surrounding poverty and affordable housing are complex. Complex problems demand comprehensive solutions. The Algoma Community Legal Clinic respectfully requests to be a part of the proposed task force. Our work provides us with a unique perspective on housing a related issues. We would appreciate the opportunity to contribute.

Thank you again for the opportunity to comment on this important report.

Respectfully,



Nuala M. Kenny  
Executive Director/Lawyer

8 August 2022

Mayor Christian Provenzano  
Members of City Council  
City of Sault Ste. Marie

**Re: City Planning Proposed Amendment to Current Official Plan H.O.6 and  
Exemption to 204 South Market Street**

Dear Mayor Provenzano and Members of City Council,

Habitat for Humanity Sault Ste. Marie and Area has reviewed the proposed Official Plan Amendment to repeal Policy HO.6. under Section 2.5 Housing, which states:

*For all urban residential developments greater than 50 units, the developer shall be required to provide a statement of affordability ensuring that opportunities for creating a range of housing types are provided so that no less than 30% of the new dwellings are affordable. Wherever feasible 50% of all affordable housing provided shall be affordable to low-income households defined by the Ministry of Municipal Affairs and Housing*

A well-developed Official Plan (OP) will position the City to respond to current and future community needs in an effective manner. Policies in the OP can create an inclusive, healthy, sustainable, and livable community. Habitat for Humanity Sault Ste. Marie and Area (Habitat) believes that affordable and adequate housing is the foundation on which Sault Ste. Marie can build a brighter future for everyone.

Having received the Official Plan Amendment to repeal Policy HO.6., and accessed the exemption to HO.6. for 204 South Market Street, Habitat is requesting Council vote against the amendment to the 1996 Official Plan Policy HO.6., and to vote against the exemption to HO.6. for South Market Street.

**Official Plan Amendment - Definition of Affordability**

Habitat recognizes the amount of time the City has invested in determining the definition and price points of affordable units. While we understand the complexity of this process, we are concerned that the prices and target incomes outlined in the proposed Amendment do not adequately consider the many intricacies related to affordability. While there is an opportunity for the City to develop its own definition that is inclusive and considers Sault Ste. Marie's needs, we propose that the definition and price of affordable units is further reviewed and consulted on.

We support the component of the definition that relates affordability to the income of the occupants; however, we encourage a shift away from defining affordability of the “unit relative to the market”. If the “unit relative to the market” component is included in this redefinition of affordability, it may inadvertently lead to housing costs that are greater than the affordability target and income level requirements beyond those proposed. This would disadvantage low-income earners seeking affordable housing units.

The Ontario Provincial Policy Statement (2020) requires that planning authorities “provide an appropriate range and mix of housing options to meet the projected market-based and affordable housing needs of current and future residents, including establishing and implementing minimum targets for the provision of housing which is *affordable to low- and moderate-income households.*”

As required by the above Statement, the current OP (1996) is inclusive of low- and moderate-income households; however, the proposed Amendment refocuses the City’s attention away from low-income households and toward moderate-income households. While the OP Background Report utilizes housing affordability statistics based on Statistics Canada and Canada Mortgage and Housing Corporation, the Amendment seeks to redefine affordability based on provincial statistics and narrows the scope of the policy to the 60<sup>th</sup> income percentile. Accordingly, the proposed Amendment suggests that a \$315,600 house (or \$1,010 monthly rent) would be considered “affordable” in 2021. This definition excludes far too many households, particularly low-income households who are most in need of safe, decent, and affordable housing.

Redefining housing affordability in Sault Ste. Marie in relation to the 60<sup>th</sup> income percentile is detrimental to priority populations, such as single-parents, seniors, BIPOC<sup>1</sup> populations, and individuals with accessibility challenges. At a household level, it assumes there are two income earners with full time employment at an hourly rate of \$20.63. As for house prices, it assumes Harmonized Sales Tax and Land Transfer Tax are included in the purchase price of a home. It assumes that individuals purchasing a house on the market have a sufficient down payment as to not require mortgage insurance. Interest rates are not considered in this definition. It does not take into account property taxes in addition to the monthly mortgage payments. It also does not consider the average consumer debt of approximately \$20,000 owed by individuals in Canada.

The June 2022 average sale price based on Sault Ste. Marie Real Estate Board is \$318,874. According to 2020 Census data, the median household income of a single

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<sup>1</sup> Black, Indigenous, and people of colour (BIPOC)



mother is \$45,600. Based on our calculations and using the proposed definition of affordable housing, 54.7% of this individual's household income would need to be spent on housing costs when property taxes, mortgage principle and interest, and mortgage insurance are included. A purchase price below \$150,000-a market in which demand in Sault Ste. Marie is highest, and supply lowest, according to the Real Estate Board-would be required to keep housing costs below the 30% of income threshold for housing affordability. Based on this hypothetical household income, the rental costs would fall within the proposed OP definition of affordable at the 60<sup>th</sup> percentile, but homeownership (and the stability it provides) would be unattainable.

As a non-profit housing provider and advocate for equitable access to affordable housing, we believe that this proposed definition of affordability excludes systemically disadvantaged groups and low-income earners. We propose that the definition and price of affordable units is further reviewed and consulted.

### **Repercussions of Affordability Definition**

The OP provides the framework for which the City will identify and develop comprehensive long-term planning. If the OP Amendment – including its redefining of housing affordability in relation to the 60<sup>th</sup> income percentile - is approved by Council, then the City has, theoretically, already achieved their minimum affordability target of 30% of units being affordable. Considering the current crisis in housing affordability and the increasing number of unhoused/underhoused individuals, accepting that this target has already been met would be out of touch with the current economic climate in our city and would have multiple impacts on policies in the OP, including:

- Relying on developers to supply enough market housing to satisfy the demand, with the assumption that this will move citizens along the housing continuum thus freeing up affordable units for low-and-moderate-income earners.
- Refocusing the City's attention away from low-income households and towards moderate-income households, requiring low-income population's needs be sustained by non-profit housing providers (for which special consideration is not adequately provided in the OP Amendment nor the draft OP).
- Depending upon individual citizens to provide affordable housing through Accessory Dwelling Units – as opposed to encouraging larger, multi-unit builds to include affordable housing.
- Adding pressure on the affordable rental market to supply enough units to satisfy the demand, thereby incentivizing further development of affordable rental units because of funding availability, with less incentive for development at the other end of housing continuum.

At Habitat, we recognize that homeownership generates equity that can be passed on as intergenerational wealth which provides lasting economic uplift to the family and the community at large. While investments in affordable rental and supportive housing are a critical part of the equation and must continue, intentional action needs to be taken to create opportunities for equity-seeking groups to participate in wealth building and gain financial stability via homeownership. Otherwise, the result will be greater inequality and a more divided city and region.

### **Concerns regarding compliance with the proposed amendment and South Market exemption to HO.6.**

The Ontario Provincial Policy Statement sets policy direction on matters of provincial interest related to land use planning and development, including affordable housing.

The Ontario Planning Act requires that the council of a municipality, in carrying out their responsibilities under the Act, pay particular attention to matters of provincial interest, including affordable housing. The Act, as of 2018, pursuant to section 35.2 or of the Planning Act, allows inclusionary zoning as a tool for municipalities to develop affordable units in an effort to address affordability challenges.

The OP Amendment to HO.6. and the exemption to HO.6. for South Market Street. closely resembles inclusionary zoning.

Against a backdrop of extensive investments in affordable rentals, inclusionary zoning provides a practical and low-cost avenue to enable equity-seeking groups to move along the housing continuum with the goal of enjoying the advantages of homeownership that previous generations took for granted.

Habitat commends the Mayor and Council from 1996 for their innovative and inclusive policy HO.6.

Beyond our concerns with this proposed amendment, we are aware of other housing providers that are equally concerned. Habitat recommends the City develop the Housing Task Force prior to amending and/or approving any further exemptions to H.O.6..

Given the benefits of inclusionary zoning, and the socio-economic risks associated with its absence, it is critical that we get it right so that developers are incentivized to proceed with future projects rather than redirect energies to projects in other municipalities. Further consultation and review with for-profit and non-for-profit housing

providers is necessary to ensure that the intent of such amendments, being increased housing stock, do not disproportionately impact affordable housing providers and disadvantage the populations they serve.

There are strong recommendations, from the following levels of government and organizations:

- National Housing Strategy recommends developments that are mixed-income, mixed-use, accessible and sustainable.
- Provincial Policy Statement prioritizes, affordable housing for both, low- and moderate-income earners
- The Provincial, More Homes for Everyone Act in response to the housing crisis in Ontario.
- Ontario's Affordability Task Force 55 Recommendation's including those which relate to inclusionary zoning
- Association of Ontario Municipalities; An Integrated Approach to Address the Ontario Housing Crisis including applying inclusionary zoning to more communities in order to get more units built.
- Ontario's Professional Planners Institute recommendations to increase housing supply and affordability recommendations.
- Habitat for Humanity, Ontario Caucus; Supporting the full continuum of affordable housing including homeownerships.

All above recommendations, confirm the critical importance of ensuring an appropriate study is completed prior to confirming housing needs within our community.

The requirement for adequate and affordable housing is everyone's responsibility. It is the federal and provincial government's mandate and it is the City's mandate through the OP. There is clear policy and strategy provided by Provincial Policy Statement and the Planning Act that outlines the need for affordable housing that serves a wide range of households/populations and the city should not neglect this.

## **Conclusion**

In conclusion, the City has an affordability crisis and therefore a requirement for a range of housing that serves the growing needs of its community and is reflective of its changing demographics.

It is crucial that service providers of, and advocates for, affordable housing have a seat at the table when planning for the future of our community. Our relationships with hardworking, local families experiencing the ongoing crisis in housing affordability gives

us a perspective that should not be ignored. As a representative of a not-for-profit affordable housing provider in our community, I welcome, and trust Habitat will have the opportunity to participate in the Housing Task Force.

As per the Provincial Policy Statement, the City's OP must establish and implement a minimum target for housing that is affordable to both low-and-moderate-income earners. Given the inadequate consultation with service providers, lack of specific language relating to affordable housing targets and how they will be reached, and redefinition of affordability, we respectfully ask that this Amendment to HO.6. be deferred so that there is time for further research and consultation.

Thank you for your time and consideration,



Katie Blunt  
Executive Director,  
Habitat for Humanity Sault Ste. Marie and Area



Allyson Schmidt  
Board Chair  
Habitat for Humanity Sault Ste. Marie and Area



Peter Tonazzo, RPP  
Director of Planning  
Planning and Enterprise Services  
City of Sault Ste. Marie  
99 Foster Drive  
Sault Ste. Marie, ON  
P6A 5X6

Re: A-6-22-OP- Affordable Housing Official Plan Amendment

Dear Mr. Tonazzo

I am writing this letter from a place of extreme concern over the proposed changes to repeal and replace existing Housing Policies within the Official Plan that would negatively impact our cities most vulnerable people – those living in poverty. While the matter of affordable and accessible housing is not a new concern for those living in poverty in Sault Ste. Marie, we currently are seeing an overwhelming influx of visible homelessness that cannot be ignored. The lack of housing is a catalyst in a myriad of other issues impacting our community, including the overdose crisis.

The proposed amendment to the Official Plan, although it offers some suggestions for developments to be focused on affordability and tiny homes, it overlooks the importance of protected long-term housing units. Maintaining a responsibility to include 30% affordable units in new developments over 50 units acknowledges that those living in poverty are members of our community who deserve equal access to be housed.

Additionally, it should be considered that Sault Ste Marie is situated on the traditional lands of the Anishinaabe people, and should include the voices of Batchewana First Nation and Garden River First Nation, and therefore both communities should be consulted on this matter as well. The Truth and Reconciliation Commission of Canada Calls to Action include Health – which has direct links to housing and homelessness. It is imperative that deeper, critical conversations take place to include our Indigenous people around these issues as this amendment has an impact to those Indigenous people living off reserve within Sault Ste. Marie.

I urge the City to reconsider these proposed amendments, and consider the long-term impact on the community as a whole if we continue to put up more barriers for most vulnerable citizens. Healthy community ensure that it's citizens thrive, and access to affordable housing in a housing first model is the only way we can collectively work towards such a community.

I would request that you consider including myself, and community agencies with valuable information and perspectives be included in the reconsideration of these amendments.

Respectfully,

Desiree Beck  
705-987-4468

August 8, 2022

His Worship Christian Provenzano  
Members of City Council  
City of Sault Ste. Marie  
[mayor.provenzano@cityssm.on.ca](mailto:mayor.provenzano@cityssm.on.ca)

**Re: City Planning Department's Official Plan Amendment to repeal Policy HO.6**

Dear Mayor Provenzano and Members of City Council,

As a citizen of Sault Ste. Marie, I am writing to you about the affordable housing crisis in Sault Ste. Marie and my concerns regarding the Planning Department's, report requesting an Official Plan Amendment to repeal Policy HO.6.

Affordability is the key concern in the housing market across Canada. Sault Ste. Marie is not immune to this. COVID-19 rapidly exacerbated our region's affordable housing crisis, and due to factors such as Ontario's urban exodus, increasing building costs and low vacancy rates, the housing market we have today is very different than it was in early 2020.

I appreciate the City's commitment to affordable housing and its interest in implementing new housing solutions. However, my concerns with the amendment include:

- Suggesting that "affordability" should be defined in relation to the 60<sup>th</sup> income percentile, meaning that a \$315,600 house (or \$1,010 monthly rent) would be considered "affordable" in 2021. This definition excludes far too many households.
- MLS Home Price Index for a single-family benchmark price is \$313,600 in June 2022. This is a substantial increase of 32.9% compared to June 2021. (<https://creastats.crea.ca/board/saul>)
- Meanwhile, there is significant demand for housing under \$150,000 as reported by Sault Ste. Marie Real Estate Board. (<https://creastats.crea.ca/mls/saul-sales-by-price-range>) This indicates that the market does not have sufficient housing to support the demand at that price point.
- Refocusing the City's attention away from low-income households and toward moderate-income households, leaving non-profit housing providers to address the housing needs of the lowest income levels.
- Relying on individual citizens to provide affordable housing through laneway housing, secondary units and conversion housing – as opposed to encouraging larger multi-unit builds to include affordable housing.

- The recommendations outline what general approaches other municipalities use to incentivize affordable housing. It proposes that a Community Improvement Plan can potentially create affordable housing. It does not specifically outline what the City of Sault Ste. Marie will do to incentivize and create affordable housing, but it recommends repealing the only component of the Official Plan that does definitively create affordable housing.

While certain aspects of the Official Plan Amendment are positive, it would be irresponsible to relax the requirements for, and definition of, affordable housing amidst the ongoing crisis in housing affordability. Access to housing is the foundation to a better life.

I recognize that a large amount of work has already gone into developing this Official Plan Amendment and that there is a strong desire to confirm Council approval on August 8<sup>th</sup>, 2022. Beyond my concerns as a citizen of this community, I am aware that there are also considerable concerns amongst the service providers as indicated on page 12 of the report. Ultimately, these are the frontline workers addressing housing needs within our community. Their concerns indicate that further research and public engagement must be conducted by the City before making major changes to affordable housing policy.

I urge you to defer your decision on this Official Plan Amendment until adequate consultation has been done.

Sincerely,

A handwritten signature in cursive script that reads "Zachary Low".

Zachary Low

August 3, 2022

His Worship Christian Provenzano  
Members of City Council  
City of Sault Ste. Marie  
[mayor.provenzano@cityssm.on.ca](mailto:mayor.provenzano@cityssm.on.ca)

**Re: City Planning Department's Official Plan Amendment to repeal Policy HO.6**

Dear Mayor Provenzano and Members of City Council,

As a citizen of Sault Ste. Marie, I am writing to you about the affordable housing crisis in Sault Ste. Marie and my concerns regarding the Planning Department's report requesting an Official Plan Amendment to repeal Policy HO.6.

Affordability is the key concern in the housing market across Canada. Sault Ste. Marie is not immune to this. COVID-19 rapidly exacerbated our region's affordable housing crisis, and due to factors such as Ontario's urban exodus, increasing building costs and low vacancy rates, the housing market we have today is very different than it was in early 2020.

I appreciate the City's commitment to affordable housing and its interest in implementing new housing solutions. However, my concerns with the amendment include:

- Suggesting that "affordability" should be defined in relation to the 60<sup>th</sup> income percentile, meaning that a \$315,600 house (or \$1,010 monthly rent) would be considered "affordable" in 2021. This definition excludes far too many households.
- MLS Home Price Index for a single-family benchmark price is \$313,600 in June 2022. This is a substantial increase of 32.9% compared to June 2021. (<https://creastats.crea.ca/board/saul>)
- Meanwhile, there is significant demand for housing under \$150,000 as reported by Sault Ste. Marie Real Estate Board. (<https://creastats.crea.ca/mls/saul-sales-by-price-range>) This indicates that the market does not have sufficient housing to support the demand at that price point.
- Refocusing the City's attention away from low-income households and toward moderate-income households, leaving non-profit housing providers to address the housing needs of the lowest income levels.
- Relying on individual citizens to provide affordable housing through laneway housing, secondary units and conversion housing – as opposed to encouraging larger multi-unit builds to include affordable housing.



- The recommendations outline what general approaches other municipalities use to incentivize affordable housing. It proposes that a Community Improvement Plan can potentially create affordable housing. It does not specifically outline what the City of Sault Ste. Marie will do to incentivize and create affordable housing, but it recommends repealing the only component of the Official Plan that does definitively create affordable housing.

While certain aspects of the Official Plan Amendment are positive, it would be irresponsible to relax the requirements for, and definition of, affordable housing amidst the ongoing crisis in housing affordability. Access to housing is the foundation to a better life.

I recognize that a large amount of work has already gone into developing this Official Plan Amendment and that there is a strong desire to confirm Council approval on August 8<sup>th</sup>, 2022. Beyond my concerns as a citizen of this community, I am aware that there are also considerable concerns amongst the service providers as indicated on page 12 of the report. Ultimately, these are the frontline workers addressing housing needs within our community. Their concerns indicate that further research and public engagement must be conducted by the City before making major changes to affordable housing policy.

I urge you to defer your decision on this Official Plan Amendment until adequate consultation has been done.

I'll add that the impact of these changes will be negative on my family. My father is currently struggling to find affordable housing- I feel like we need to protect the infrastructure that upholds a collective duty to house and protect our most vulnerable.

Thank you,

Caceila Trahan  
256 Walnut St.  
Sault Ste Marie, ON  
P6B 2G5

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

**BY-LAW 2022-135**

**HUB TRAIL:** A by-law to authorize the execution of the Contract between the City and ELLISDON INDUSTRIAL INC. for the John Rowswell Hub Trail realignment. (Contract 2022-12E).

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

1. **EXECUTION OF DOCUMENT**

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Contract dated August 8, 2022 between the City and ELLISDON INDUSTRIAL INC., a copy of which is attached as Schedule "A" hereto. This Contract is for the John Rowswell Hub Trail realignment. (Contract 2022-12E).

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 8<sup>th</sup> day of August, 2022.

---

**MAYOR - CHRISTIAN PROVENZANO**

---

**CITY CLERK – RACHEL TYCZINSKI**

Schedule "A"  
CORPORATION OF THE CITY OF SAULT STE. MARIE  
CONTRACT 2022-12E  
FORM OF AGREEMENT

This Agreement made (in triplicate) this \_\_\_\_\_ day of \_\_\_\_\_ in the year **2022** by and between **ELLISDON INDUSTRIAL INC.** hereinafter called the "Contractor"

AND

The Corporation of the City of Sault Ste. Marie, Ontario hereinafter called the "Corporation".

WITNESSETH: That the Contractor and the Corporation undertake and agree as follows:

1. The Contractor will provide all the labour, equipment, and materials and all of the works shown and described in the Contract Documents entitled:

**John Rowswell Hub Trail Realignment  
Contract No. 2022-12E**

which have been signed in triplicate by both parties and which were prepared by WSP Canada Inc., acting as Agent and Contract Administrator and herein entitled, "the Contract Administrator".

2. The Contractor will do and fulfill everything indicated by the Agreement, the General Conditions, the Specifications, the Special Provisions, Information for Tenderers, Form of Tender, Addenda (if any), and the Drawings.
3. The Contractor will complete all the work under the supervision and direction and to the entire satisfaction of the Contract Administrator within the period of time specified.
4. The Corporation shall pay to the Contractor the contract price as set forth in the Form of Tender in accordance with the provisions as set forth in the General Conditions, and the Special Provisions. The quantities contained in the Form of Tender are approximate only and the final payment shall be made for the actual quantities that are incorporated in or made necessary by the work covered by the contract.
5. The Corporation shall pay the Contractor for work that is ordered in writing by the Contract Administrator and that cannot be classified as coming under any of the contract units and for which no unit price, lump sum, or other basis can be agreed upon, on a time and material basis as set out in the General Conditions, or as otherwise stipulated in Section FT.04 of the Form of Tender.
6. The Contractor shall indemnify and save harmless the Corporation, its officers, employees and agents, including the Contract Administrator, from all loss, damages, costs, charges and expenses of every nature and kind whatsoever which may be made or brought against the Corporation, its officers, employees and agents, by reason or in consequence of the execution and performance or maintenance of the work by the Contractor, its employees, agents or officers. The Contractor shall also indemnify The Public Utilities Commission of the City of Sault Ste. Marie, PUC Distribution Inc. and PUC Services Inc., its officers, employees, agents and affiliates, from all loss, damages, costs, charges and expenses of every nature and kind whatsoever which may be made or brought against The Public Utilities Commission of the City of Sault Ste. Marie, PUC Distribution Inc. and/or PUC Services Inc., its officers, employees, agents and affiliates, by reason or in consequent of the execution and performance or maintenance of the work by the Contractor, its employees, agents, officers, or those for whom at law the Contractor is responsible.
7. All communications in writing between the Corporation, the Contractor and the Contract Administrator shall be deemed to have been received by the Addressee if delivered to the individual, a member of the firm or an officer of the Corporation for whom they are intended, or if sent by post or by telegram addressed as follows:

**The Corporation:**

The Corporation of the City of Sault Ste. Marie  
P. O. Box 580, Civic Centre, 99 Foster Drive  
Sault Ste. Marie, Ontario, P6A 5N1

**The Contractor:**

ELLISDON INDUSTRIAL INC.  
132 Industrial Park, Court A  
Sault Ste. Marie, Ontario, P6B 0A8

**The Contract Administrator:**

WSP Canada Inc.  
185 East Street  
Sault Ste. Marie, Ontario, P6A 3C8

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement by the day and year first above written.

Signed, Sealed and Delivered  
in the presence of

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

---

MAYOR – Christian Provenzano

(seal)

---

City Clerk – Rachel Tyczinski

**THE CONTRACTOR**

---

ELLISDON INDUSTRIAL INC.

(seal)

---

SIGNATURE



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

**BY-LAW 2022-139**

**AGREEMENT**: 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.

**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 additional Donation Agreement dated August 8, 2022, between the City and The Kiwanis Club of Lakeshore Foundation, a copy of which is attached as Schedule "A" hereto. This additional Donation Agreement is to support the purchase of playground equipment and/or park amenities at Rosedale Park.

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 8<sup>th</sup> day of August, 2022.

---

**MAYOR - CHRISTIAN PROVENZANO**

---

**CITY CLERK – RACHEL TYCZINSKI**

**DONATION AGREEMENT**

This Donation Agreement made this 8th day of August 2022

**BETWEEN:**

**THE KIWANIS CLUB OF LAKESHORE FOUNDATION**

(hereinafter referred to as the "Kiwanis Club of Lakeshore Foundation")

**- and -**

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

(hereinafter referred to as the "City")

**"WHEREAS** the City is the registered owner of parkland in the City of Sault Ste. Marie known as Rosedale Park, which includes a portion of property legally described as LT 293-312, 315-350 PL 20146 ST. MARY'S; LANE PL 20146 ST. MARY'S ABUTTING ELY LIMIT OF LT 333 TO 352 PL 20146; LANE PL 20146 ST. MARY'S ABUTTING ELY LIMIT OF LT 293 TO 312 PL 20146; CALEDON ST PL 20146 ST. MARY'S LYING BTN CHAPPLE AV PL 20146 & MARWAYNE ST PL 20146; SAULT STE. MARIE, ON hereinafter referred to as "Rosedale Park";

**AND WHEREAS** the City is adding new playground equipment and amenities to a portion of Rosedale Park which will be located at the location of the existing playground equipment;

**AND WHEREAS** the Kiwanis Club of Lakeshore Foundation has agreed to assist the City in the acquisition of playground equipment and amenities by donating funds to the City for that purpose.

**NOW THEREFORE** the parties hereto agree as follows:

**1. DONATION**

The Kiwanis Club of Lakeshore Foundation agrees to donate funds in the amount of Seventy Five Thousand Five Hundred (\$75,500.00) Dollars to the City for the exclusive purpose of purchasing playground equipment and amenities for Rosedale Park.

The City acknowledges having received the said funds as referred in Section 1 of this agreement from the Kiwanis Club of Lakeshore Foundation and will purchase the playground equipment and amenities with said funds.

## **2. USE OF DONATION FUNDS**

The City covenants and agrees that the donation of funds provided to it by the Kiwanis Club of Lakeshore Foundation shall be used solely towards the cost of purchasing playground equipment and amenities at Rosedale Park and for no other purpose.

The City acknowledges that the Kiwanis Club of Lakeshore Foundation makes the said donation of funds towards purchasing playground equipment and amenities at Rosedale Park and the Kiwanis Club of Lakeshore Foundation does not make any representations or warranties as to the safety of said playground equipment and amenities or its appropriateness for use by any members of the public.

## **3. INSTALLATION & MAINTENANCE**

The City acknowledges and agrees that the purchase of playground equipment and amenities shall be the sole responsibility of the City.

The City acknowledges and agrees that all necessary maintenance of the playground equipment and amenities shall be the sole responsibility of the City.

The City shall indemnify and save harmless the Kiwanis Club of Lakeshore Foundation however caused, or costs incurred from defending action arising out of the installation, maintenance or the use of the playground equipment and amenities by any person or persons who may take claim against the Kiwanis Club of Lakeshore Foundation.

The parties hereto acknowledge and agree that if at any point in the future the playground equipment and/or amenities becomes unfit for use, the City may remove and/or replace it at its sole discretion and expense.

## **4. APPRECIATION**

The City agrees to purchase, install and maintain a plaque/sign at the Rosedale Park playground of which material, design and word composition is to the approval of the Kiwanis Club of Lakeshore Foundation acknowledging the generous donation of the Kiwanis Club of Lakeshore Foundation.

## **5. DEFAULT**

(1) In the event that the City breaches any provision of this Donation Agreement, the Kiwanis Club of Lakeshore Foundation shall notify the City in writing of the nature of said breach, and the City shall be given thirty (30) days to remedy the violation. If the City has not remedied the violation to the satisfaction of the Kiwanis Club of Lakeshore Foundation at the expiration of thirty (30) days from such notification, the Kiwanis Club of Lakeshore Foundation may:

- (a) Waive the breach;
- (b) Make any other mutually agreeable arrangement with the City; or

- (c) Terminate this Donation Agreement and provide the City with written notice of same.

**IN WITNESS WHEREOF** the parties hereto have affixed their hands and seals this 8<sup>th</sup> day of August 2022.

**THE KIWANIS CLUB OF LAKESHORE  
FOUNDATION**

Per: \_\_\_\_\_  
PRESIDENT– Jack Davidson

Per: \_\_\_\_\_  
SECRETARY-W. Lawrence Whalen

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

Per: \_\_\_\_\_  
MAYOR – CHRISTIAN PROVENZANO

Per: \_\_\_\_\_  
CITY CLERK – RACHEL TYCZINSKI



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

**BY-LAW 2022-140**

**ENGINEERING:** 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).

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

1. **EXECUTION OF DOCUMENT**

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Contract dated August 8, 2022, between the City and Cecchetto and Sons Ltd., a copy of which is attached as Schedule "A" hereto. This Contract is for the Pim Street Sewage Pump Station Repairs (Contract 2021-5E).

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 8<sup>th</sup> day of August, 2022.

---

**MAYOR - CHRISTIAN PROVENZANO**

---

**CITY CLERK – RACHEL TYCZINSKI**

**THE CORPORATION OF THE CITY OF SAULT STE. MARIE  
PIM ST. SEWAGE PUMP STATION REPAIRS  
Contract No 2021-5E**

**FORM OF AGREEMENT**

This Agreement, made (in triplicate) this 8th day of August in the year 2022, by and between

**Cecchetto and Sons Ltd.** hereinafter called the **"Contractor"**,

AND

**The Corporation of the City of Sault Ste. Marie**, hereinafter called the **"Owner"**.

WITNESSETH: That the Contractor and the Owner undertake and agree as follows:

1. The Contractor will provide all the materials and all of the works shown and described in the Contract Documents entitled:

**PIM ST. SEWAGE PUMP STATION  
2022 REPAIRS  
Contract No. 2021-5E**

which have been signed in triplicate by both parties and which were prepared by TULLOCH, acting as Agent and Contract Administrator and herein entitled, "The Contract Administrator".

2. The Contractor will do and fulfill everything indicated by the Agreement, the General Conditions, Supplemental General Conditions, the Specifications, the Special Provisions, Information for Tenderers, Form of Tender, Addenda (if any), and the Drawings.
3. The Contractor will complete all the work under the supervision and direction and to the entire satisfaction of the Contract Administrator within the period of time specified.
4. The Owner shall pay to the Contractor the contract price as set forth in the Form of Tender in accordance with the provisions set forth in the General Conditions, Supplemental General Conditions, and the Special Provisions. The quantities contained in the Form of Tender are approximate only and the final payment shall be made for the actual quantities that are incorporated in or made necessary by the work covered by the contract.
5. The Owner shall pay the Contractor for work that is ordered in writing by the Contract Administrator and that cannot be classified as coming under any of the contract units and for which no unit price, lump sum, or other basis can be agreed upon, on a time and material basis as set out in the General Conditions, or as otherwise stipulated in Section FT.04 of the Form of Tender.

The following indemnity provision (section 6) and insurance provision (section 7) shall prevail over any indemnity/insurance requirements within this Agreement, a former agreement for the work hereunder this agreement, the General Conditions, Supplemental General Conditions, the Specifications, the Special Provisions, Information for Tenderers, Form of Tender, Addenda (if any).

6. The Contractor, both during and after the term of this Agreement, shall at all times, and at its own cost, expense and risk, defend, indemnify and hold harmless the Owner and its municipal services boards (including any wholly owned municipal corporation), its elected officials, officers, employees, volunteers, agents, contractors, the Contract Administrator, all respective heirs and executors, successors and assigns, from all loss, damages, costs, charges and expenses of every nature and kind whatsoever which may be made or brought against them, their officers, employees and agents, by reason or in consequence of the execution and performance or maintenance of the work by the Contractor, its employees, agents or officers.
7. Without restricting the generality of the requirement to indemnify the Owner, the Contractor shall obtain, maintain, pay for and provide evidence of insurance coverage, taken out with insurance companies licensed to transact business in the Province of Ontario and acceptable to the Owner's Risk Manager. Listed below are the minimum insurance requirements deemed necessary for the Contract by the Owner's Insurance and Risk Manager.

**Commercial General Liability Insurance**

Commercial General Liability ("CGL") insurance must include the Owner as an Additional Insured, with limits of not less than five million dollars (\$5,000,000.00) inclusive per occurrence for bodily and personal injury, death and damage to property including loss of use. The CGL insurance will include Cross Liability and Severability of Interest Clauses, Products and Completed Operations coverage (twelve (12) months) and Standard Non-Owned Automobile liability endorsement. Sudden and Accidental pollution coverage with limits of not less than two million dollars (\$2,000,000) per occurrence (can also be provided under a separate Environmental Impairment or Pollution policy).

**Automobile Liability Insurance**

Automobile Liability Insurance in respect of licensed vehicles must have limits of not less than two million dollars (\$2,000,000.00) inclusive per occurrence for bodily injury, death and damage to property. Coverage shall be in the form of a standard owner's form automobile policy providing third party liability and accident benefits insurance and covering licensed vehicles owned and/or leased or operated by or on behalf of the Contractor.

**Professional Liability Insurance**

Professional Liability Insurance coverage must have limits of not less than two million dollars (\$2,000,000.00) inclusive per claim, covering services or activities that are professional in nature and excluded under the CGL policy.

The Owner will accept in place of the above-mentioned insurance coverage, a combination of primary liability limits and umbrella insurance or excess liability limits which meet the CGL and/or Automobile Liability coverage limits noted above.

Such coverage must in all respects be satisfactory to the Owner's Insurance and Risk Manager and shall be maintained continuously by the Contractor from either the commencement of the Services or the signing of the Contract, whichever is earliest. The policies must be endorsed to provide the Owner with not less than thirty (30) days' written notice in advance of cancellation, or any change or amendment restricting coverage.

All of the above insurance must be evidenced, by the Contractor only upon Contract award, on the C.S.I.O. standard Certificate of Insurance form or if on another form, one that is satisfactory to the Owner.

8. All communications in writing between the Owner, the Contractor and the Contract Administrator shall be deemed to have been received by the Addressee if delivered to the individual, a member of the firm or an officer of the Corporation for whom they are intended, or if sent by post or by telegram addressed as follows:

**The Corporation:**

The Corporation of the City of Sault Ste. Marie  
99 Foster Drive  
Sault Ste. Marie, Ontario  
P6A 5X6

**The Contractor:**

Cecchetto and Sons Ltd.  
6 Sutherland Avenue,  
Sudbury. ON  
P3C 3A6

**The Contract Administrator:**

TULLOCH  
71 Black Road, Unit 8  
Sault Ste. Marie, Ontario  
P6B 0A3

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement by the day and year first above written.

Signed, Sealed and Delivered  
in the presence of

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

(seal)

\_\_\_\_\_  
MAYOR – CHRISTIAN PROVENZANO

\_\_\_\_\_  
CITY ~~MUNICIPAL~~ CLERK – RACHEL TYCZINSKI

**THE CONTRACTOR**

CECCHETTO AND SONS LTD.

\_\_\_\_\_  
COMPANY NAME

(seal)

\_\_\_\_\_  
SIGNATURE



# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

## BY-LAW 2022-141

**DELEGATION TO DIRECTOR OF PUBLIC WORKS (Waste, Hazardous and Special Products (HSP), and Recycling (Blue Box)):** 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 of Waste, HSP, and Blue Box services to the new provincial system.

**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;

**AND WHEREAS** City Council considers it desirable for the purposes of efficiency and completion of the transition within the timelines set out to delegate the authority to enter into agreements on behalf of the City as required to complete the transitions in regards to Waste, HSP and Blue Box by the Director of Public Works, or her/his designate;

**AND WHEREAS** City Council considers it desirable for the purposes of efficiency to delegate the authority to the Director of Public Works, or her/his designate, on behalf of the City to enter into any required agreements with the newly activated PROs regarding collection of Waste, HSP, and Blue Box as required for operational servicing to complete the transitions in regards to Waste, HSP and Blue Box;

**AND WHEREAS** City Council considers it desirable for the purposes of efficiency to delegate the authority to the Director of Public Works, or her/his designate, on behalf of the City to enter into any required extension agreements with the current collectors of Waste, HSP, and Blue Box as required for operational servicing to complete the transitions in regards to Waste, HSP and Blue Box;

**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. **AUTHORITY TO ENTER INTO WASTE, HSP, AND BLUE BOX PROGRAM AGREEMENTS DELEGATED**

- (1) City Council hereby delegates to the Director of Public Works, or her/his designate, Council's power to enter into agreements dealing with the aforesaid recitals on behalf of the City of Sault Ste. Marie.
- (2) Prior to signing any agreement, the Director of Public Works, or her/his designate, shall consult with the Legal Department.

- (3) A copy of the signed agreement shall be filed with Clerks Department.

2. **EXECUTION OF DOCUMENTS**

The powers delegated to the Director of Public Works, or her/his designate, under Section 1 of this by-law include the power to solely execute the agreements on behalf of The Corporation of the City of Sault Ste. Marie.

4. **EFFECTIVE DATE**

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

**PASSED** in open Council this 8<sup>th</sup> day of August, 2022.

---

**MAYOR – CHRISTIAN PROVENZANO**

---

**CITY CLERK – RACHEL TYCZINSKI**

tm\\citydata\\LegalDept\\Legal\\Staff\\COUNCIL\\BY-LAWS\\2022\\2022-141 Director of PW Delegation.docx

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

**BY-LAW 2022-142**

**PROPERTY:** 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.

**THE COUNCIL** of The Corporation of the City of Sault Ste. Marie, pursuant to Section 270 of the *Municipal Act, 2001*, S.O. 2001, **ENACTS** as follows:

1. **BY-LAW 2018-148 AMENDED**

By-law 2018-148 is amended as follows:

Add the following after paragraph 2.(1)

<p><b>“NOTE:</b> Should the City Solicitor or her/his designate determine that the street should be sold for a value, then the procedure for the sale of the street should be dealt with as surplus property. Notice shall be given to all abutting owners.”</p>
--

2. **EFFECTIVE DATE**

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

**PASSED** in open Council this 8<sup>th</sup> day of August, 2022.

---

**MAYOR - CHRISTIAN PROVENZANO**

---

**CITY CLERK – RACHEL TYCZINSKI**

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

**BY-LAW 2022-144**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and Cubic Transportation Services, Inc. for the Transit Fare Collection System.

**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 21, 2022 between the City and Cubic Transportation Services, Inc., a copy of which is attached as Schedule "A" hereto. This Agreement is for Transit Fare Collection System.

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 8<sup>th</sup> day of August, 2022.

---

**MAYOR - CHRISTIAN PROVENZANO**

---

**CITY CLERK – RACHEL TYCZINSKI**



# Schedule "A"

## Umo<sup>®</sup> SERVICES AGREEMENT

This Umo Services Agreement (this "Agreement") is made and entered into as of the 21<sup>st</sup> day of July, 2022 (the "Effective Date") by and between [The Corporation of the City of Sault Ste. Marie] located at 99 Foster Drive, Sault Ste. Marie, Ontario, Canada ("Customer" or "AGENCY") and Cubic Transportation Systems, Inc.) with its principal place of business at 9233 Balboa Avenue, San Diego CA 92123 ("Cubic" or "Contractor"). Customer and Cubic are each a "Party" and together, the "Parties".

### RECITALS

Cubic provides a range of Umo-branded services as software-as-a-service applications and related support services.

The Customer desires to license certain of the Umo-branded services in accordance with the provisions of this Agreement.

This Agreement memorializes Cubic's response, dated November 17, 2021, to the requirements set forth in Customer's Transit Fare Collection System RFP 2021CDE-CS-TR-06-P

The Parties agree as follows:

### AGREEMENT

#### 1 DEFINITIONS

Capitalized terms not defined elsewhere in the Agreement have the following meanings:

- 1.1 "Back Office" means the elements of the Umo Services hosted in the public cloud.
- 1.2 "Bankcard Payments" means any credit, debit and prepaid debit card payments for Customer's products and services by Users.
- 1.3 "Business Day" means a day that is not a Saturday, a Sunday, a public holiday or bank holiday in Canada.
- 1.4 "Calendar Day" or "Day" means any day shown on the calendar beginning at 12:00 midnight Pacific Time, including Saturdays, Sundays, Holidays, and Non-Working Periods.
- 1.5 "Card" means Umo Pass Cards, as defined in Exhibit A1.
- 1.6 "Card Services" means the services set out in Exhibit A5.
- 1.7 "Contract Year" means each calendar year commencing on the Effective Date, or, where applicable, the anniversary of the Effective Date.
- 1.8 "Cubic Data" means the data, analytics, reporting, results, or other information made available to Customer in connection with the Umo Services, excluding Customer Data.
- 1.9 "Customer Data" means the data collected through the Umo Services relating to Users' use of Customer's transportation services and analytics, reporting, results, or other information that Cubic provides to Customer in respect of such data as part of the Services.
- 1.10 "Customer Managed Third-Parties" means any third-party, including equipment, services or technology providers or customer partners, that integrates with or utilizes the Umo Services under direction or under a contract with the Customer.
- 1.11 "Documentation" means the operating manuals, user manuals; guides, service descriptions, service specifications, training materials, technical manuals; and support material relating to the Umo Services provided or made available to Customer.

- 1.12 “Equipment” means the physical hardware described in Exhibit B and Exhibit E that is required to be delivered to Customer and is used in conjunction with the Software to provide the Services to the Users and the Customer.
- 1.13 “Fees” means the fees payable by Customer as described in Exhibit E.
- 1.14 “Implementation Services” means the services required to configure and implement the Umo Services on behalf of Customer as set forth in Exhibit B.
- 1.15 “Initial Authorized Mobility Services Provider” means those as set-out Exhibit B.
- 1.16 “Intellectual Property Rights” trade secret rights, rights in know-how, moral rights, copyrights, patents, trademarks (and the goodwill represented thereby), and similar rights of any type under the laws of any governmental authority, domestic or foreign, including all applications for and registrations of any of the foregoing.
- 1.17 “Authorized Mobility Services Provider” means the Customer, and any other local government entity, transit agency, or other mobility services provider authorized to utilize the Umo Services under this Agreement as listed in Exhibit B.
- 1.18 “Merchant of Record” means the Party that holds the contractual relationship with a Merchant Acquirer for the acceptance of credit and debit card payments as it relates to the Umo Services.
- 1.19 “Non-Working Periods” means the Days each year designated by Customer as excluded from the Business Days.
- 1.20 “Mobility Service Operator” means an organization that operates vehicles or transit services on behalf of an Authorized Mobility Services Provider under an agreement with such Authorized Mobility Services Provider.
- 1.21 “Operating Year” means the calendar year commencing on Operating Period Start Date for the first such year and anniversary of the Operating Period Start Date for each subsequent year.
- 1.22 “Marketing Tool Kit” means marketing materials, other than Cubic Marks, made available by Cubic to the Customer for use by the customer in its own marketing of the Umo Services including graphics, videos and similar materials.
- 1.23 “Merchant Acquirer” means an entity that provides acquiring or electronic payment processing services in respect of settling funds to the Customer’s account(s) for all User purchases in the Umo platform.
- 1.24 “Personal Information” means information that is restricted on a legal basis including payment card data and personally identifiable information. It does not include information that is lawfully obtained from publicly available information or from federal, state or local government records lawfully made available to the general public.
- 1.25 “Services” means the Implementation Services, Umo Services, the Support Services and related Documentation set out in the Services Appendices selected below and as set-out in the Proposal.
- 1.26 “Services Commencement Date” means the date at which an Umo Service is first utilized by the Customer for commercial purposes. The target Services Commencement Date for each in-scope Umo Service is set-out in Exhibit B (Implementation Services).
- 1.27 “Software” means the software applications provided by Cubic as part of the Services.
- 1.28 “Holidays” means public holidays observed by either Party.
- 1.29 “Support Services” means the support services for Umo Services as set forth in Exhibit A4.
- 1.30 “Term” means the term of the contract as defined in Section 11.1.
- 1.31 “Umo Services” means the Umo-branded services described in Exhibit A and Exhibit G to be provided or made available by Cubic under this Agreement.

- 1.32 “Umo Privacy Policy” means the privacy policy set out at <https://umomobility.com/app/privacy-policy/>; as updated from time-to-time by Cubic.
- 1.33 “CAD” means Canadian Dollars and is the currency for all prices and fees under this Agreement.
- 1.34 “Users” means the end-users of the Umo Services.
- 1.35 “User Terms and Conditions” means (a) the terms and conditions governing a User’s use of the Umo Services, as set out at <https://umomobility.com/pass/terms-and-conditions/>; as updated from time-to-time by Cubic.

## **ORDER OF PRECEDENCE**

- a) This Agreement excluding the Exhibits.
- b) The Exhibits A, B, E and F
- c) Exhibit G: The Proposal (“The Proposal”)

## **2 THE SERVICES; LICENSE GRANTS, AND RESTRICTIONS**

- 2.1 Cubic shall, during the Term, provide the Services as set out in Exhibit A and as set out in the Proposal attached at Exhibit G, and make available the Documentation to the Customer on and subject to the terms of this Agreement.
- 2.2 Cubic grants to Customer a non-exclusive, non-sublicensable right and license during the Term, to:
- 2.2.1 Use the Services during the Term solely in connection with Customer's transit operations including Authorized Mobility Services Providers; and
- 2.2.2 Use and copy the Documentation other than Documentation relating to the Equipment solely for Customer's internal business operations and as may be required by law, a non-exclusive, non-transferable, non-sublicensable right and license during the Term to use the Equipment Software and the Documentation related to the Equipment solely for Customer's internal business operations. Customer shall have no rights to copy, modify or decompile such Software but shall be entitled to copy the Documentation unless copying such Documentation is prohibited by a third-party copyright stated on or asserted by a third party in that document.
- 2.2.3 a non-exclusive, non-transferable, non-sublicensable right and license during the Term to use, modify and copy training material provided by Cubic pursuant to Exhibit B for Customer's internal business operations.
- 2.3 Cubic grants to Customer a limited, non-exclusive, non-transferable, non-sublicensable right and license during the Term to use and display Cubic’s trademarks, service marks, and logos, including the Umo trademarks and logos, as made available by such Cubic (the “Cubic Marks”) (i) solely in connection and as necessary to carry out its obligations under this Agreement and (ii) to market and promote the Umo Services. Any goodwill which may be acquired through the use of the Cubic Marks shall inure solely to the benefit of Cubic. Customer shall abide by such usage guidelines as Cubic may provide to Customer in writing. The Customer shall be entitled to use the “Umo” branding for the purposes of marketing the Services during the Term. Cubic reserves the right to update, replace, or retire any Cubic Marks or usage guidelines at any time upon sixty (60) Days’ prior notice. In such event, Customer shall cease use of the updated, replaced, or retired Cubic Marks as soon as commercially practical thereafter. Cubic shall have no liability for any costs incurred by the Customer in respect of its use of or changes to the Cubic Marks.
- 2.4 Cubic grants to Customer a limited, non-exclusive, non-transferable, non-sublicensable right and license during the Term to use and adopt for its own purposes the materials in the Marketing Tool Kit (other than the Cubic Marks) to market and promote the Umo Services. Customer shall comply with such usage guidelines as Cubic may provide to Customer in writing.
- 2.5 Except to the extent expressly permitted under this Agreement, Customer shall not, and shall not permit any third party under the Customer’s control to:

- 2.5.1 copy, modify, duplicate, create derivative works from, frame, mirror, republish, download, display, transmit, or distribute all or any portion of the Services, Software, and/or Documentation (as applicable) in any form or media or by any means, or attempt to do the same;
- 2.5.2 reverse compile, disassemble, reverse engineer or otherwise reduce to human-perceivable form all or any part of the Services or Software, or attempt to do the same;
- 2.5.3 access all or any part of the Services and Documentation in order to build a product or service which competes with the Services and/or the Documentation;
- 2.5.4 use any equipment other than the Equipment as described in Exhibit B in conjunction with the Services; or
- 2.5.5 license, sell, rent, lease, transfer, assign, distribute, display, disclose, or otherwise commercially exploit, use, or make available, the Services, Software, and/or Documentation to or on behalf of any third party other than Users.
- 2.6 Customer shall use all reasonable efforts to prevent any unauthorized access to, or use of, the Services and/or the Documentation. Customer shall promptly notify Cubic in the event of any such unauthorized access or use.
- 2.7 Cubic shall be entitled to make updates and changes to the Umo Services as follows, provided such update and change does not cause a material negative impact to the performance of the Umo Services to the Customer and the Customer continues to receive the existing and expected Services as per this Agreement and the Proposal:
  - 2.7.1 Cubic may update and change the Umo Services at its discretion.
  - 2.7.2 Cubic may from time to time, in its sole direction and with reasonable notice to the Customer, deprecate or replace programming interfaces, file formats or other interfaces to the Umo Services.
  - 2.7.3 Cubic may in its sole discretion change how the Umo Services are implemented, performed, or technically constructed.
  - 2.7.4 Use and enablement for the Customer of major new features made available in the Umo Services. New features may be subject to additional fees or services terms as determined by Cubic. No new features that are subject to additional fees will be enabled for Customers without the Customer's written consent. For the avoidance of doubt, Cubic shall not charge the Customer additional fees, other than the fees in Exhibit E, for features described in this Agreement, unless otherwise mutually agreed to by the Parties. For further clarity, even if Cubic develops new services, updates, enhancements, programming interfaces, file formats, implementation changes, etc. (hereinafter "New Features") and the Customer does not agree to acquire or enable such New Features.
- 2.8 Certain aspects of the Services may be performed by third-party subcontractors that are specific to the Services provided pursuant to this Contract ("Subcontractors"). Cubic will be responsible for the full and timely performance of such Subcontractors and the acts and omissions of each Subcontractor shall be deemed and treated as the acts and omissions of Cubic itself.
- 2.9 Cubic represents and warrants that it has exclusive title to the Software and Documentation or otherwise has the right to grant the license to Customer in accordance with this Contract.
- 2.10 Cubic warrants that (a) the Umo Services will be free from material defects and conform in all material respects to the descriptions set forth in Exhibits A and B as updated by Cubic from time-to-time; (b) the Equipment Software is free from all encumbrances and does not contain any disabling code, for the avoidance of doubt, the Equipment Software is designed for use solely with the Umo Services; (c) the Implementation Services will be performed in a professional and workmanlike manner by persons qualified and skilled in their occupations, in accordance with the terms set out herein, industry standards and requirements of law; and (d) it has and will maintain all necessary licenses, consents, and permissions necessary to perform its obligations under this Agreement.

- 2.11 Document Retention and Audit. Customer shall have the right to audit, at its own cost and expense, Cubic's performance of the contract during the Term and any Renewal Term, and for a period of seven (7) years thereafter and Cubic must retain all relevant documents to substantiate its performance of all Services other than where this Agreement requires Cubic to delete or return data related to the Services. Such audits shall be conducted no more than once in any twelve-month period (except as required by Federal, State, or local laws) by the personnel or designee of Customer during the normal office hours of Cubic and subject to reasonable notice.
- 2.11.1 Except as required by Federal, State, or local laws, Customer's audit rights shall not include entitlement to any physical or independent access to Cubic systems or any rights to audit (i) the financial books or accounts of Cubic, (ii) security (iii) in a manner that requires Cubic to disclose any information related to any other customer of Cubic or (iv) apply to any service provider used by Cubic including but not limited to Cubic's cloud hosting provider.
- 2.11.2 Cubic shall be paid its reasonable and substantiated costs and expenses of supporting any audit. Notwithstanding, at Customer's request, Cubic shall provide Customer a good faith estimate of costs and expenses prior to supporting such audit.
- 2.12 **Personnel.**
- 2.12.1 Contractor represents that its employees and subcontractors possess the necessary skill, expertise, and capability, including sufficient personnel with the necessary qualifications, to perform the services required by this Contract. Contractor shall provide, at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be the employees of, or have any other contractual relationship with the Customer.

### **3 EQUIPMENT**

- 3.1 Cubic shall provide Customer with Equipment as set forth in Exhibit B. Cubic warrants that all Equipment shall be of good quality and free of any material defects or faulty workmanship for a one-year period from delivery, or, if shorter with respect to Equipment from third-party suppliers, the OEM warranty period provided by the applicable manufacturer. Applicable warranties from third-party suppliers will be provided to the Customer. Customer may extend the warranty period set out in by purchasing extended warranty coverage in accordance with Exhibit A and subject to the fees set-out in Exhibit E.
- 3.2 Title to the Equipment and risk of loss shall transfer to Customer on delivery. For the purpose of this clause, Equipment shall be deemed delivered on the earlier of being received at a Customer controlled site or on installation, whichever first occurs.
- 3.3 Cubic may substitute or replace the Equipment at no cost to Customer with alternative equipment at any time during the Term provided that such alternative Equipment provides materially equivalent functionality as the replaced Equipment.

### **4 FEES AND PAYMENT**

- 4.1 Customer Fees and Payment.
- 4.1.1 The Fees payable for the provision of the Services are set forth in Exhibit E. Fees are exclusive of any taxes, duties or withholdings of any nature whatsoever and shall be added to the Fees unless Customer informs Cubic that Customer is exempt from such taxes. Unless otherwise stated in Exhibit E, Cubic shall invoice Fees monthly in arrears. Fees for Implementation Services shall be invoiced in accordance as set forth in Exhibit E. Unless otherwise stated in Exhibit E, Customer shall make payment for Equipment upon delivery.
- 4.1.2 Customer shall pay in full all invoices submitted by Cubic within 30 Days of the date of submittal. All fees are stated, and payment shall be made, in Canadian Dollars (CAD). Any undisputed amounts remaining unpaid following the payment due date and all payments disputed by Customer in good faith that are paid following the resolution of such dispute shall bear interest accruing from the original payment due date



through the date that such amounts are paid at the lower interest rate of (a) 1.0% per month and (b) the highest interest rate allowed by law. Without limitation of Cubic's other rights or remedies, in the event that Customer fails to timely pay any invoiced amounts that are not the subject of a good-faith dispute, Cubic may, after providing written notice to Customer and an additional 10 Business Days to pay such amounts, suspend access to all or part of the Services and Cubic shall be under no obligation to provide any or all the Services until all such undisputed amounts are paid.

- 4.1.3 The Fees shall be as set out in this Agreement for the Term. For each Renewal Term, if applicable, Cubic shall be entitled to increase the Fees for Umo Services upon One Hundred Twenty (120) Days prior notice to the start of each Renewal Term, unless otherwise mutually agreed to by the Parties. All other terms and conditions in this Agreement shall remain the same and be applicable for any Renewal Term.

#### 4.2 Payments to Customer.

- 4.2.1 If Customer is entitled to a share of revenue generated in connection with certain Services as indicated in the applicable Exhibit, Cubic shall pay Customer within thirty (30) Days of the calendar quarter during which the applicable revenue was collected by Cubic.
- 4.2.2 Each payment will be accompanied by a report stating in reasonable detail the basis upon which payment is made.

### 5 DATA AND SECURITY

- 5.1 Between the Parties, Customer shall own all right, title, and interest in and to the Customer Data. As between the Parties, Customer Data shall be treated as Customer's Confidential Information and Contractor Data shall be treated as Contractor's Confidential Information.
- 5.2 Cubic shall collect, use, process, and share Cubic Data in accordance with the User Terms and Conditions, the Umo Privacy Policy, and all applicable laws.
- 5.3 Cubic shall collect, use, process and comply with the Umo Privacy Policy respect of Customer Data. Cubic shall not disclose any personally identifiable data in any Customer Data without the prior written consent of Customer other than where such information is required to be disclosed in order to provide the Umo Services.
- 5.4 Cubic may use and disclose data derived from Customer's use of the Services, including Customer Data in accordance with the Umo Privacy Policy, in connection with (a) as part of Cubic's business operations, on an aggregate, anonymous basis such that any use or disclosure does not permit a third party to associate any particular data with Customer and (b) if required by court order, law or governmental agency. In addition, Cubic may use data derived from Customer's use of the Services, including Customer Data, for Cubic's internal business purposes, including to operate, manage, maintain, and improve Cubic's products and services, including the Services.
- 5.5 Cubic shall maintain and operate the Umo Services in compliance with the Cubic's security and information security management policies that at a minimum will address a.) Compliance with applicable statutory, regulatory, legal and contractual requirements, including PCI-DSS; b.) how Cubic implements and maintains security practices in compliance with industry best practice; c.) organizational and risk management context for the establishment and maintenance of the security management process; d.) and Security monitoring practices and policies.
- 5.6 Cubic must ensure that it takes reasonable pre-cautions to ensure that facilities and systems are protected from loss, damage or other occurrence, including fire and environmental hazards and power interruptions, that may result in any of those facilities and systems being unavailable when required to provide the Umo Services.
- 5.7 Cubic shall ensure that the platform components for any services related to this Agreement that handle personal information or transactional data shall be hosted on cloud hosting services located only in Canada.

Cubic shall further ensure that all transaction data and personal information shall only be stored in Canada, and that access to such information shall only be from Canada with the following exceptions:

- 5.7.1 Cubic may access transaction data and personal information as necessary from outside Canada for the purposes of diagnosing issues with the Services and providing support services to the Customer.
- 5.7.2 Cubic utilizes operational support tools hosted outside of Canada (including hosted email services) to track and manage support issues escalated to Cubic for resolution by the Customer. Cubic may store Umo end-user information (such as the account ID) as needed and provided by the Customer in any support requests.

## **6 WARRANTIES**

- 6.1 Cubic warrants that (a) the Umo Services will be free from material defects and conform in all material respects to the descriptions set forth in Exhibits A, as updated by Cubic from time-to-time; (b) the Implementation Services will be performed in a professional and workmanlike manner; and (c) it has and will maintain all necessary licenses, consents, and permissions necessary to perform its obligations under this Agreement.
- 6.2 EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES MADE BY CUBIC IN THIS AGREEMENT , AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER CUBIC NOR ITS LICENSORS MAKE ANY REPRESENTATIONS OR WARRANTIES. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE SERVICES ARE MADE AVAILABLE TO CUSTOMER "AS IS". TO THE MAXIMUM EXTENT PERMITTED BY LAW, CUBIC EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NONINFRINGEMENT, TITLE, OR IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE. WITHOUT LIMITATION OF THE FOREGOING CUBIC WILL HAVE NO LIABILITY FOR ANY: (A) ERRORS, MISTAKES OR INACCURACIES IN THE INFORMATION OR DATA PROVIDED TO IT (B) ANY UNAUTHORIZED ACCESS TO OR USE OF THE SERVICES (C) ANY INTERRUPTION OF OR TRANSMISSION TO OR FROM THE SERVICES (D) ANY BUGS, VIRUSES, TROJAN HORSES, OR THE LIKE, WHICH MAY BE TRANSMITTED ON OR THROUGH THE SERVICES BY ANY THIRD PARTY OR (E) ANY BREACHES OF DATA RESULTING IN THE DESTRUCTION, LOSS, ALTERATION, UNAUTHORIZED DISCLOSURE OF, OR ACCESS TO PERSONAL INFORMATION THAT MAY COMPROMISE ITS PRIVACY, CONFIDENTIALITY, INTEGRITY OR AVAILABILITY

THE EXCLUSION OF LIABILITY SET OUT IN B), C), D) AND E) OF THIS SECTION 6.2 SHALL NOT APPLY TO THE EXTENT CAUSED BY THE FAILURE OF CUBIC TO MAINTAIN SECURITY MEASURES CONSISTENT WITH GOOD INDUSTRY PRACTICES OR IF CUBIC IS IN BREACH OF THIS AGREEMENT.

## **7 CUSTOMER OBLIGATIONS**

- 7.1 Customer shall:
  - 7.1.1 provide Cubic with:
    - a) all necessary cooperation in relation to this Agreement; and
    - b) all necessary access to such information as may be required by Cubic in order to provide the Services, including but not limited to Customer Data, security access information and configuration services.
  - 7.1.2 comply with all applicable laws and regulations with respect to its activities under this Agreement;
  - 7.1.3 carry out all other Customer responsibilities set out in this Agreement in a timely and efficient manner. In the event of any delays in Customer's provision of such assistance as agreed by the Parties, Cubic may adjust any agreed upon timetable or delivery schedule as reasonably necessary and Customer shall be liable for any reasonable and demonstrable costs related to such adjustment;
  - 7.1.4 obtain and shall maintain all necessary licenses, consents, and permissions applicable to Customer that are required for Cubic, its sub-contractors and agents to perform their obligations under this Agreement, including without limitation the Services;

- 7.1.5 ensure that its network and systems comply with the relevant specifications provided by Cubic from time to time;
- 7.1.6 be solely responsible for procuring and maintaining its network connections and telecommunications links from its systems to Customer's data centers, and all problems, conditions, delays, delivery failures and all other loss or damage arising from or relating to Customer's network connections or telecommunications links or caused by the Internet;
- 7.1.7 Provide required data, approvals, and other deliverables in a timely fashion as reasonably required by Cubic to perform its obligations under this Agreement;
- 7.1.8 Implement and execute PCI-DSS practice as required by the responsibilities assigned to the Customer including but not limited to security policies and operational procedures, inspection of equipment for tampering, and personnel training;
- 7.1.9 Permit Cubic and its agents' reasonable access to Customer's buses, installation sites and to the premises in which Customer conducts its business and furnish to Cubic other information as Cubic may reasonably request for performance of the Services;
- 7.1.10 Unless specifically agreed otherwise in writing, provide and maintain the cellular data services required for the Validators to communicate with the Umo Services;
- 7.1.11 Unless otherwise specified in this agreement manage and be responsible for any Customer Managed Third-Parties; and
- 7.1.12 Public relations and marketing as it relates to services provided by the Customer that utilize the Umo Services.

## **8 PROPRIETARY RIGHTS**

Customer acknowledges and agrees that Cubic and/or its licensors own all intellectual property rights in the Services, the Documentation, and all modifications, improvements and derivative works thereof. Except to the extent expressly set forth in this Agreement, (a) Cubic does not grant to Customer any license, express or implied, to Cubic's Intellectual Property Rights and (b) nothing in these Terms or the performance thereof, or that might otherwise be implied by law, will operate to grant Customer any right, title, or interest, implied or otherwise, in or to Cubic's intellectual property. Cubic, on behalf of itself and its licensors, expressly reserves all Intellectual Property Rights not expressly granted under this Agreement.

## **9 INDEMNITY**

### **9.1 Intellectual Property Rights Indemnity.**

- 9.1.1 Subject to Section 9.1.3, if an action is brought by a third party against Customer, Authorized Mobility Services Providers, Mobility Service Operators or their respective directors, or employees (a "Customer Indemnified Party") claiming that Services, Software, Documentation or Equipment infringes a third-party Intellectual Property Right, Cubic will defend such Customer Indemnified Party at Cubic's expense and pay the damages and costs finally awarded against such Customer Indemnified Party in such action, but only if:
  - a) Customer notifies Cubic promptly and without delay upon learning of such claim;
  - b) Cubic has sole control over the defense of the claim and any negotiation for its settlement or compromise; and
  - c) Customer provides Cubic with all available information and assistance reasonably necessary for Cubic to defend such claim.
- 9.1.2 If a claim described in Section 9.1 has been asserted or Cubic reasonably determines such a claim may be asserted, Customer will permit, at Cubic's option and expense, and as the sole and exclusive remedy of Customer (but without limitation of Cubic's obligations under Section 9.1) to (a) procure the right to

continue using the affected materials, (b) replace or modify the affected materials while providing materially equivalent functionality, or (c) terminate the affected Services and refund to Customer any advance payment made by Customer for Services not received prior to the date of termination.

- 9.1.3 In no event shall Cubic have any obligations under Section 9.1, nor shall it or its employees, agents or sub-contractors be liable to Customer, to the extent that the alleged infringement is based on:
- a) a modification of the Services or Documentation by Customer or anyone under the Customer's direction; or
  - b) Customer's use of the Services in a manner contrary to the written instructions given to Customer by Cubic or in violation of this Agreement or any applicable Documentation; or
  - c) Customer's continued, unreasonable use of the Services or Documentation after reasonable notice of the alleged or actual infringement from Cubic or any appropriate authority.
- 9.1.4 The foregoing is Customer's sole and exclusive rights and remedies, and Cubic's (including Cubic's employees', agents' and Subcontractors') entire obligations and liability, for infringement of any patent, copyright, trademark, database right or right of confidentiality.
- 9.2 General Indemnity.9.2.1 Cubic shall indemnify and hold harmless Customer Indemnified Parties from and against any and all third-party claims, demands, actions, suits, damages, liabilities, losses, settlements, judgments, costs and expenses (including but not limited to attorneys' fees and costs), due to negligence or wilful misconduct of Cubic, or any of its Subcontractors' performance of this Agreement and specific responsibilities required by Global Payments' Merchant Agreement that Cubic acknowledges it is completing on behalf of the Customer, as specifically set out in Exhibit A2 herein . Cubic will defend such Customer Indemnified Party at Cubic's expense and pay the damages and costs finally awarded against such Customer Indemnified Party in such action, but only if: (a) Customer notifies Cubic promptly upon learning of such claim; (b)Cubic has sole control over the defense of the claim and any negotiation for its settlement or compromise and shall provide the Customer with updates on status of litigation and negotiations upon request by the Customer; and (c) Customer provides Cubic with all available information and assistance reasonably necessary for Cubic to defend such claim.

## **10 CORRECTIVE ACTION PLANS**

- 10.1 If Customer reasonably believes that Cubic is in material breach of this Agreement and such breach of default is capable of being cured, then prior to issuing written notice of such a breach, Customer shall notify Cubic that a plan is required to remedy such material breach (a "Corrective Action Plan").
- 10.2 If Cubic fails to provide a Corrective Action Plan within ten (10) Business Days of such notification or fails to comply with the Corrective Action Plan, then Customer shall be entitled to issue a Default Notice.

## **11 TERM AND TERMINATION**

- 11.1 This Agreement shall, unless otherwise terminated as provided in this Section 11, commence on the Effective Date and continue for a period of sixty (60) months from the Service Commencement Date (the "Initial Term"). This Agreement shall automatically renew for three (3) successive one (1) year periods (each, a "Renewal Term") unless either Party gives one hundred eighty (180) Days notice to the other party of its intention not to renew. "Term" means the Initial Term and any Renewal Terms that have been exercised. Notwithstanding the 180 Days notice requirement, if the Parties do not agree on pricing for a Renewal Term, then the Customer reserves the right, upon thirty (30) Days written notice from the date Cubic provides notice of increased Fees under Section 4.1.3, to terminate this Agreement.
- 11.2 Either Party may, subject to Section 10.1, terminate this Agreement if either Party breaches or defaults on any of the material provisions of this Agreement and such breach is not cured within thirty (30) Days after that Party receives written notice from the other Party (a "Default Notice"), then in addition to all other

rights and remedies of law or equity or otherwise, then the Party not in default shall have the right to terminate this Agreement without any charge or liability, at any time thereafter.

- 11.3 Either Party may terminate this Agreement by giving notice if the other Party does not make a payment to the other Party within sixty (60) Calendar Days of the date such amount is due.
- 11.4 Customer may terminate this Agreement for convenience at one hundred and twenty (120) Days notice subject payment in full for Services provided by Cubic to the date of such termination in the event that:
  - 11.4.1 The Services Commencement Date is delayed by more than six (6) months due to a delay wholly or partly caused by a Global Payment Dependency (as defined in Appendix A-2) and Cubic has been unable to resolve such Global Payment Dependency to reasonable satisfaction of Customer within thirty days of the Customer giving written notice Cubic requesting such resolution.
  - 11.4.2 Cubic has failed to maintain PCI-DSS certification in accordance with Appendix A2 Section 2.1.3(b) and has failed to rectify within a reasonable time period following notice by Customer.
- 11.5 Upon the expiration or termination of this Agreement for any reason:
  - 11.5.1 All rights and licenses granted under this Agreement to Customer shall immediately terminate;
  - 11.5.2 each Party shall return and make no further use of any equipment, property, Documentation and other items (and all copies of them) belonging to the other Party if requested to do so by the other Party;
  - 11.5.3 Cubic may destroy or otherwise dispose of any of the Customer Data in its possession unless Cubic receives, no later than thirty (30) Days after the effective date of the termination of this Agreement, a written request for the delivery to Customer of the then-most recent back-up of the Customer Data. Cubic shall use reasonable commercial efforts (and subject to Exhibit A4 Clause 6 – Transition Out Services) to deliver the back-up to Customer within thirty (30) Days of its receipt of such request, provided that Customer has, at that time, paid all fees and charges outstanding at and resulting from termination (whether or not due at the date of termination). Customer shall pay all reasonable expenses incurred by Cubic in returning Customer Data from the Umo Services. For the avoidance of doubt, the Customer will not be charged for utilizing the data export features provided by the Umo Services to export the Customer Data at the end of the Term in a self-service capacity;
  - 11.5.4 any rights, remedies, obligations, or liabilities of the Parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination shall not be affected or prejudiced; and
  - 11.5.5 Sections 2.10, 2.12, 4, 5, 6, 8, 9, 11, 14, 15, 26, and 27 will survive any termination or expiration of this Agreement.



## 12 SUSPENSION OF SERVICES

- 12.1 Cubic may suspend its provision of the Umo Services, in its sole discretion, if it reasonably believes that:
- a) Customer or a User is engaged in or has experienced any activity that materially harms Umo Services, or Cubic's ability to operate and maintain the same; or
  - b) a security incident has occurred; or
  - c) Customer has engaged in any fraudulent or illegal activity or any activity that could result in legal liability.
- 12.2 Cubic will use reasonable efforts under the circumstances to:
- 12.2.1 provide prior written notice of such suspension, which notice shall include a reasonable explanation and description of the basis for its intended suspension to allow Customer to respond (to the extent practicable), mitigate and/or cure the underlying circumstances, if curable; and
  - 12.2.2 limit such suspension to the extent necessary to mitigate the prospective harm. Any such suspension may continue until the event causing such suspension has been cured or until Cubic has received satisfactory assurances that such event will not recur. To the extent the issue that gave rise to a suspension is caused by Customer, Customer shall take all reasonable measures to remedy the issues as expeditiously as possible.

## 13 FORCE MAJEURE

- 13.1 Except for payment obligations, neither Party shall have any liability to the other under this Agreement if a Party is prevented from or delayed in performing its obligations under this Agreement, or from carrying on its business, by acts, events, omissions or accidents beyond its reasonable control, including, without limitation, strikes, lock-outs or other industrial disputes (whether involving the workforce of the Party or any other party), failure of a utility service or transport or telecommunications network, act of God, war, epidemic, pandemic, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default or service failures of suppliers or sub-contractors, provided that the other Party is notified of such an event and its expected duration.

## 14 LIMITS OF LIABILITY

- 14.1 **No Consequential Damages.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY WILL HAVE ANY LIABILITY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING, AS A RESULT OF ANY DELAY IN RENDERING SERVICE, LOSS OF DATA, LOSS OF USE, OR THE LOSS OF PROFIT OR REVENUE) ARISING OUT OF OR IN CONNECTION WITH THESE TERMS, HOWEVER CAUSED, AND UNDER WHATEVER CAUSE OF ACTION OR THEORY OF LIABILITY BROUGHT (INCLUDING UNDER ANY CONTRACT, NEGLIGENCE OR OTHER TORT THEORY OF LIABILITY) EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 14.2 **Liability Cap.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL CUBIC'S LIABILITY FOR ANY CLAIM ARISING OUT OF OR IN CONNECTION WITH THESE TERMS (WHEN AGGREGATED WITH ITS LIABILITY FOR ALL OTHER CLAIMS ARISING OUT OF OR IN CONNECTION WITH THESE TERMS) EXCEED THE MINIMUM AMOUNT OF EACH TYPE OF INSURANCE REQUIRED TO BE MAINTAINED BY CUBIC AS SET FORTH IN EXHIBIT F OF THIS AGREEMENT.
- 14.3 **Exceptions.** THE EXCLUSIONS AND LIMITATIONS OF LIABILITY IN THIS SECTION 14 SHALL NOT APPLY TO (A) A BREACH BY A PARTY OF ITS CONFIDENTIALITY OBLIGATIONS UNDER THIS AGREEMENT; (B) A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 9.1 OF THIS AGREEMENT (OR ANY AMOUNTS PAID OR PAYABLE IN CONNECTION WITH SUCH OBLIGATIONS); (C) A PARTY'S LIABILITY FOR PERSONAL INJURY OR PHYSICAL HARM; OR (D) CUSTOMER'S BREACH OF SECTION 2.2.

## **15 CONFIDENTIALITY**

- 15.1 Each Party may be given access to Confidential Information from the other Party in order to perform its obligations under this Agreement. A Party's Confidential Information shall not be deemed to include information that:
- 15.1.1 is or becomes publicly known other than through any act or omission of the receiving Party;
  - 15.1.2 was in the other Party's lawful possession before the disclosure;
  - 15.1.3 is lawfully disclosed to the receiving Party by a third party without restriction on disclosure; or
  - 15.1.4 is independently developed by the receiving Party, which independent development can be shown by written evidence.
- 15.2 Each Party shall hold the other's Confidential Information in confidence and, unless required by law, not make the other's Confidential Information available to any third party or use the other's Confidential Information for any purpose other than the implementation of this Agreement.
- 15.3 Each Party shall take all reasonable steps to ensure that the other's Confidential Information to which it has access is not disclosed or distributed by its employees or agents in violation of the terms of this Agreement.
- 15.4 Customer acknowledges that details of the Services, and the results of any performance tests of the Services, constitute Cubic's Confidential Information.
- 15.5 Cubic acknowledges that the Customer Data is the Confidential Information of Customer.
- 15.6 If a Party is required to disclose the Confidential Information of the other Party in accordance with judicial or governmental order or requirement, it shall promptly notify the other Party so that the other Party may contest the order or requirement or seek confidential treatment for such information.
- 15.7 No Party shall make, or permit any person to make, any public announcement concerning this Agreement without the prior written consent of the other Party (such consent not to be unreasonably withheld or delayed), except as required by law, any governmental or regulatory authority (including, without limitation, any relevant securities exchange), any court or other authority of competent jurisdiction.
- 15.8 The Parties acknowledge that breach of any confidentiality provisions (including but not limited to those relating to the protection of all personal information) may cause irreparable harm to the other Party or to any third-party to whom the other Party owes a duty of confidence, and that the injury to the other Party or to any third-party may be difficult to calculate and inadequately compensable in damages. The Parties each agree that the other is entitled to seek injunctive relief (without proving any damage sustained by it or by any third-party) or any other remedy against any actual or potential breach of such confidentiality provisions.

## **16 ASSIGNMENT**

- 16.1 Neither Party may, without the prior written consent of the other Party, assign or transfer its rights or obligations under this Agreement.
- 16.2 Notwithstanding Section 16.1, Cubic, in its discretion, may assign with notification to the Customer the Agreement in connection with the sale of all or substantially all its assets, equity interests or business or to any affiliated entity.
- 16.3 Subject to the foregoing, this Agreement will bind and inure to the benefit of the Parties, their respective successors and permitted assigns, as set out herein. Any attempted assignment in violation of this Section 16 shall be null and void.

## **17 NOT USED**

## **18 CONFLICT**

- 18.1 If there is an inconsistency between any of the provisions in the main body of this Agreement and the Exhibits, the provisions in the main body of this Agreement shall prevail.

## **19 VARIATION**

- 19.1 Except as otherwise provided herein, no amendment to, or waiver of, any provision of these Terms will be effective unless in writing and signed by both Parties.

## **20 NO WAIVER**

- 20.1 No failure or delay by a Party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

## **21 RIGHTS AND REMEDIES**

- 21.1 Except as expressly provided in this Agreement, the rights and remedies provided under this Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

## **22 SEVERANCE**

- 22.1 Each provision of this Agreement shall be viewed as separate and distinct, and in the event that any provision shall be deemed by a court of competent jurisdiction to be illegal, invalid or unenforceable, the court or arbitrator finding such illegality, invalidity or unenforceability shall modify or reform these Terms to give as much effect as possible to such provision. Any provision which cannot be so modified or reformed shall be deleted and the remaining provisions of these Terms shall continue in full force and effect.

## **23 ENTIRE AGREEMENT**

- 23.1 This Agreement, and any documents referred to in it, constitute the whole agreement between the Parties and supersede any previous arrangement, understanding or agreement between them relating to the subject matter they cover.
- 23.2 Each of the Parties acknowledges and agrees that in entering into this Agreement it does not rely on any undertaking, promise, assurance, statement, representation, warranty or understanding (whether in writing or not) of any person (whether party to this Agreement or not) relating to the subject matter of this Agreement, other than as expressly set out in this Agreement.

## **24 NO PARTNERSHIP OR AGENCY**

- 24.1 Nothing in this Agreement is intended to or shall operate to create a partnership between the Parties, or authorize either Party to act as agent for the other, and neither Party shall have the authority to act in the name or on behalf of or otherwise to bind the other in any way (including, but not limited to, the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

## 25 THIRD-PARTY RIGHTS

- 25.1 This Agreement does not confer any rights on any person or party (other than the Parties to this Agreement and, where applicable, their successors and permitted assigns).

## 26 NOTICES

- 26.1 Any notice required to be given under this Agreement shall be in writing and shall be delivered by hand or sent by pre-paid first-class mail or internationally recognized overnight courier to the other Party at its address set out below, or such other address as may have been notified by that Party for such purposes.

### Notices to Customer:

The Corporation of the City of Sault Ste. Marie  
Attn: Transit Manager  
111 Huron Street  
Sault Ste. Marie, ON P6A 5P9  
n.maione@cityssm.on.ca

### Notices to Cubic:

Cubic Transportation Systems, Inc.  
Attn: Legal Department  
c/o Cubic Transportation Systems Limited  
9233 Balboa Avenue  
San Diego, CA 92123  
Ab.jenkins@cubic.com

- 26.2 A notice delivered by hand or by internationally recognized overnight courier shall be deemed to have been received when delivered. A correctly addressed notice sent by pre-paid first-class mail shall be deemed to have been received three (3) Days after it is sent.

## 27 GOVERNING LAW

This Agreement and the rights and obligations of the Parties hereunder shall be construed in accordance with and governed by the laws of Ontario, Canada and the federal laws of Canada applicable therein. The Parties hereby agree that the United Nations Convention on Contracts for the International Sale of Goods will not apply to this Agreement or any related transaction between the Parties.

## 28 DISPUTES

If a dispute arises with regard to this Agreement which is not resolved informally by the Parties, the Parties will escalate such dispute to senior management, with the intention of reaching resolution within 30 Business Days. In the event of any dispute under this Agreement that cannot be resolved within such 30 Business Day period, by the Parties, after using commercially reasonable efforts to do so, the Parties unconditionally and irrevocably agree that the dispute will be resolved by arbitration (and accordingly they hereby consent to personal jurisdiction over them) in Ontario in accordance with the Arbitration Act, 1991 as amended and in the event either Party seeks injunctive or provisional relief, the Emergency Arbitrator Rules. The arbitration will be heard and determined by a single arbitrator. The arbitrator's decision in any such arbitration will be final and binding upon the Parties and may be enforced in any court of competent jurisdiction. Without limiting the foregoing, the Parties agree that any such arbitrator's decision may be enforced in, and accordingly submit to the nonexclusive jurisdiction and venue of, any court of competent jurisdiction sitting in Ontario. The arbitrator shall have the discretion to award the prevailing Party its reasonable attorneys' fees and arbitration costs from the other Party.

## 29 COMPLIANCE WITH LAWS

- 29.1 Each Party, in exercising its right and performing its obligations under this Agreement, shall comply with all applicable laws and governmental rules and regulations. Customer acknowledges and agrees that in event there is a change in law or regulation that causes a material change in cost to Cubic, then the Fees set out in Exhibit E may be adjusted to reflect a reasonable share of such change in costs that is reflective of the

volume of Services consumed by Customer compared to that consumed by all other customers of the Services.

### **30 INSURANCE**

- 30.1 During the Term, and at Cubic's sole expense, Cubic shall procure and maintain the insurance coverages described in Exhibit F.
- 30.2 If requested by Customer, Cubic shall furnish to Customer, once each calendar year, a Certificate of Insurance which shall certify Cubic's insurance policy adequately covers the insurance obligations under this Agreement.

### **31 MISCELANEOUS**

- 31.1 Both Parties will comply with the other Party's on-site access and COVID-19 procedures as applicable to performing work within sites. Each Party will provide such policies in advance as requested by the other Party.

### **32 COUNTERPARTS.**

This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.



The Parties have executed this Agreement by their duly authorized representatives in one or more counterparts, each of which shall be deemed an original, effective as of the Effective Date.

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

**Cubic Transportation Systems, Inc.**

By: \_\_\_\_\_  
(Authorized Signature)

Name: Christian Provenzano  
(Print or Type)

Title: Mayor


Date: \_\_\_\_\_

By: \_\_\_\_\_  
(Authorized Signature)

Name: Rachel Tyczinski  
(Print or Type)

Title: City Clerk

Date: \_\_\_\_\_

By:  \_\_\_\_\_  
(Authorized Signature)

Name: Frank Capone  
(Print or Type)

Title: Contracts Manager

Date: July 21, 2022

## **Exhibit A**

### **Umo® Services Description**

**The following services comprise the Umo Services in scope of this agreement:**

<b>Service</b>	<b>Included / Not Included</b>	<b>Services Definition</b>
<b>Umo Pass™ Services</b>	<b>Included</b>	<b>Exhibit A.1</b>
<b>Umo Pay™ Services</b>		
<b>E-Commerce</b>	<b>Included</b>	<b>Exhibit A2 1.2.1</b>
<b>Retail</b>	<b>Not Included</b>	<b>Exhibit A2 1.2.2</b>
<b>Open Payments</b>	<b>Included</b>	<b>Exhibit A2 1.2.3</b>
<b>Umo Rewards™ Services</b>	<b>Option</b>	<b>Exhibit A3</b>
<b>Umo Support Services</b>	<b>Included</b>	<b>Exhibit A4</b>
<b>Card Services</b>	<b>Included</b>	<b>Exhibit A5</b>

## **Exhibit A1**

### **Umo Services Description**

#### **1 UMO PASS SERVICE DESCRIPTION**

- 1.0 The Umo Pass Service is a cloud-based electronic fare collection service provided on an as-a-service basis.
- 1.1 The Umo Pass Service shall provide the following functionality:
  - 1.1.1 Process fare and other mobility transactions through Umo Pass compatible devices from a variety of Umo compatible fare media including Umo pass cards
  - 1.1.2 Configure products and fare rules including but not limited to:
    - a) Passes (Calendar, Time, Trip)
    - b) Closed-loop Stored Value
    - c) Transfers
    - d) Fare Capping
    - e) Special Fare Program Passes
    - f) Special Fare Program Positive List
    - g) Discount and Special Fare Program Benefit Codes
  - 1.1.3 Enable the purchase of fare and other supported mobility services products through a mobile application and end-user website;
  - 1.1.4 Enable the Customer to support end-users using web-based support and end-user account management functions;
  - 1.1.5 Enable the Customer to set-up and administer special fare programs and institutional program partners;
  - 1.1.6 Enable the Customer to create and export reports for financial reporting and service management including transaction level reports.

#### **2 UMO PASS SPECIFIC CUBIC OBLIGATIONS**

- 2.1 Configure product and fare rules on behalf of the Customer.
- 2.2 Configure any such other Umo Pass Service parameters that cannot be configured by the Customer itself through the Umo Pass Service configuration tools.
- 2.3 Manage the procurement of Umo Cards if requested by the Customer.
- 2.4 Manage the encoding of Umo Cards unless otherwise operationally agreed between the Parties.

#### **3 UMO PASS SPECIFIC CUSTOMER OBLIGATIONS**

- 3.1 Determine the fare rules and products to be configured on the Umo Pass Service.
- 3.2 Validate and in a timely manner approve fare rule and configuration changes
- 3.3 Unless otherwise specified in this Agreement, provide general User customer support services for the Umo Services including pass redemption, refunds, and instruction on use and troubleshooting common problems. Notwithstanding the foregoing, issues related to the Umo Services requirements that cannot be reasonably resolved by Customer shall remain the responsibility of Cubic.

- 3.4 Procure Cards. Customer will be responsible for purchase of Umo Pass Cards (“Card” or “Cards”) from Cubic (uniformly printed with Contractor “Umo Pass” graphics or any such successor acceptance mark) in addition to any Customer branding elements in accordance with Cubic’s published brand Umo brand usage guidelines and together with the Card specification (as updated from time to time by Cubic) included as Attachment 2.
- 3.5 Perform Card distribution to the extent distribution is not performed by Cubic under the Umo Services.
- 3.6 Perform fare product sales through physical sales locations (such as, but not limited to, Customer ticket windows).
- 3.7 Encourage and promote use of the Umo Pass Hosted Services through rider alerts, social media and demonstration events. The Customer will consider ways to incentivize the transition from cash to Umo Pass Hosted Services use.
- 3.8 Establish and implement a phased rollout schedule for introduction of fare products and fare media, to be supplied by Customer.
- 3.9 Operate and maintain an AVL system capable of providing driver login and bus route and location information (as per Attachment 3 to this Exhibit), or perform manual login of readers to routes to the Umo Pass Service via the Umo Pass administrative portal.
- 3.10 Provide the mobile data plans or network connections for use by the Validators and other equipment that need to communicate with the Umo Pass Service.
- 3.11 Enter into and maintain where applicable into inter-agency or inter-operator agreements with the Authorized Mobility Services Providers and Mobility Service Operators.

#### **4 ADDITIONAL UMO PASS SPECIFIC TERMS**

NOT USED

## **Umo Exhibit A2**

### **Umo Services Description - Umo Pay™**

#### **1 UMO PAY SERVICE DESCRIPTION**

- 1.0 The Umo Pay Service is a cloud-based tokenization and payment gateway provided on an as-a-service basis.
- 1.1 The Umo Pay Service shall provide the following functionality and as further described in the Umo Pay Feature Matrix (Attachment 1 to this Exhibit A2):
  - 1.1.1 E-commerce Transaction Processing
    - a) Process credit and debit card payment transactions from the Umo Pass Service mobile application, Umo Pass Service end-user web-site and Umo Pass Service customer service interface to the applicable merchant acquiring service for authorization and settlement
  - 1.1.2 Retail Transaction Processing
    - a) Process credit and debit card payment transactions from Umo Services certified Ticket Vending Machines and other retail payment devices.
  - 1.1.3 Open Payment Processing:
    - a) Process contactless EMV fare and mobility payment taps from physical or virtual (through compatible mobile wallets such as Apple Pay and Google Pay) bank and debit cards issued by compatible card schemes at Umo Pay certified devices (Mobility Payment Taps);
    - b) Route Mobility Payment Taps to the Umo Pass Service for fare calculation and recording;
    - c) Route resulting bank and debit card transactions to applicable merchant acquiring service for authorization and settlement.
    - d) Tokenization
    - e) Securely encrypt and store bank and debit card credentials in a PCI-DSS certified tokenization solution;
    - f) Maintain and make available to Umo Pay certified devices a list of blocked credit and debit card credentials;
  - 1.1.4 Other functionality detailed in the Umo Pay Feature Matrix.

#### **2 UMO PAY SUPPORTED MERCHANT ACQUIRERS**

- 2.1 Global Payments. The parties acknowledge and agree as follows as it relates to their respective obligations in connection with the Merchant Agreement between the Customer and Global Payments, a copy of which is appended as Tab 1 to this Appendix ("Global Payments Agreement"):
  - 2.1.1 As part of the Services provided under this Agreement, Cubic requires the use of Global Payments. The parties acknowledge and agree that many of the terms, conditions, requirements and compliance requirements are the responsibility of the "Merchant" in the Global Payments Agreement and that the "Merchant" is The Corporation of the City of Sault Ste. Marie (the "City"). The City is known as the "Customer" in the Agreement herein.
  - 2.1.2 Pursuant to the Agreement herein:
    - a) Cubic acknowledges and agrees that in providing the Services, it is actually completing many of the terms, conditions and requirements on behalf of the Merchant (ie. The Corporation of the City of Sault Ste. Marie) that are set out in the Global Payments Agreement.



- b) The Customer acknowledges and agrees that (i) Cubic's role with respect to the Customer's role as the Merchant in the Global Payments Agreement is solely that of a technology provider to the Customer that enables the Customer to utilize the financial services provided by Global Payments and the Services as set out in this Agreement; (ii) Cubic shall be fully responsible for PCI-DSS Compliance as it relates to the Services that Cubic is providing in this Agreement on behalf of the Customer; (iii) the Customer also has a role regarding PCI-DSS Compliance, specifically and solely, the Customer shall have direct contact with consumers of transit services and shall be required to ensure proper procedures are in place for Customer Staff to ensure confidentiality of consumer personal and financial (ie. credit card/transaction information) is not breached when consumer payments are accepted and processed by the Customer using Global Payments. The Customer does not have any role in the technology standpoint of the Services; (iv) the Customer is responsible for any fraud or other loss as it relates to the Global Payment Agreement and the Customer's role as set out in subsection (iii) herein.
- c) Cubic is responsible for any fraud and other loss as it relates to the Global Payment Agreement resulting from its role as set out in subsections (i) and (ii) to the extent it is Cubic's responsibility, in Section 2.1.2 b) above.
- d) Customer is responsible for any fraud and other loss as it relates to the Global Payment Agreement resulting from its role set out in subsections ii) to the extent it is Customer's responsibility, iii) and iv) in Section 2.1.2 b) above.
- e) Cubic represents and warrants that it has not experienced an account data compromise in the past and that it processes Sensitive Authentication Data (as defined in the Global Payments Agreement) in compliance with the PCI-DSS standard. Cubic shall promptly notify the Customer if there is an account data compromise or a lapse in the PCI-DSS certification of the Umo Services.
- f) Cubic shall promptly pay any such fees assigned to the Customer by Global Payments as a result of Cubic's PCI-DSS Non-Compliance and failure to validate PCI-DSS compliance. Cubic further acknowledges and agrees that in the event Cubic is PCI Non-Compliant at any time during the Term or Renewal Term(s), the Customer may terminate the Agreement in accordance with Article 11 of the Agreement. Cubic's responsibility to pay any fees assigned to the Customer as set out herein shall survive the termination of this Agreement.
- g) Cubic is providing the Customer with the Services set out in this Agreement. To that end, Cubic acknowledges and agrees that it shall be responsible, to the extent applicable to Cubic's provision of the Umo Pay Services, as set out in Article 1 of this Exhibit A-2 and, for adhering to/complying with the following requirements on behalf of the Merchant, as set out in Global Payments Agreement given that it has been retained by the Customer as a third party to provide the Services set out in the Agreement. as set-out in Article of this Exhibit A-2. :
- h) Pages 11-12 of Global Payments Agreement, as follows:

Merchant agrees to follow the Card Acceptance Guide and to be bound by the operating regulations and rules of VISA, Mastercard, American Express, Discover, Interac Corp. ("Interac"), UnionPay and any other payment network covered by the Agreement, as any of the above-referenced documents may be modified and amended from time to time (collectively, the "Payment Network Rules"). Without limiting the generality of the foregoing, Merchant agrees to comply with and be bound by, and to cause any third party who provides Merchant with services related to payment processing or facilitates Merchant's ability to accept credit and debit cards and who is not a party to this Agreement to comply with and be bound by, the rules and regulations of Visa, Mastercard, American Express, Discover, Interac, UnionPay and any other payment network or network organization related to cardholder and transaction information security including, without limitation, all rules and regulations imposed by the Payment Card Industry (PCI) Security Standards Council (including without limitation the PCI Data Security Standard), Visa's Cardholder Information Security Program, Mastercard's Site Data Protection Program, and Payment Application Best

practices, which, as may be modified and amended from time to time, will constitute Payment network Rules as used herein.

Without limiting the generality of the foregoing, Merchant agrees that it will use information obtained from a cardholder in connection with a card transaction solely for the purpose of processing a transaction with that cardholder or attempting to re-present a chargeback with respect to such transaction consistent with the Payment network Rules. Merchant will indemnify and hold Global and Member harmless from any liability assessments (sometimes referred to as “fines” and “penalties”) issued by Visa, Mastercard, American Express, Discover, Interac, UP or any payment network, and any other fees, costs and related losses arising out of or relating to the processing of transactions by Global and Member at Merchant’s location(s) and will reimburse Global for any losses incurred by Global with respect to any such liability assessments, fees, and costs. Merchant acknowledges that it has had the opportunity to request a review and/or review the Payment Network Rules in connection with its execution of this Agreement. Global may, from time to time, issue written directions (via mail, e-mail or posting to Global’s Internet site) regarding procedures to follow and forms to use to carry out the Agreement. These directions and the terms of the forms are binding as soon as they are issued and shall form part of these Terms & Conditions.

Without limiting the generality of any other provision of this Agreement, Merchant also agrees that it will comply with all applicable federal, provincial, and local laws, rules, ordinances, and regulations (collectively, “Applicable Laws”), including those related to both (a) the truncation or masking of cardholder numbers and expiration dates on transaction receipts from transactions processed at Merchant’s location(s), including all applicable provincial laws (“Truncation Laws”) and (b) the collection of personal information from a cardholder in connection with a card transaction, including all applicable provincial laws (“Laws on Collection of Personal Information”). As between Merchant, on the one hand, and Global and Member, on the other hand, Merchant shall be solely responsible for complying with all such laws, rules, ordinances, and regulations, including the Truncation Laws and Laws on Collection of Personal Information, and will indemnify and hold Global and Member harmless from any claim, loss or damage resulting from a violation the same as a result of transactions processed at Merchant’s location(s).

#### **4. DATA SECURITY.**

Merchant is responsible for keeping confidential all information relating to Merchant’s customers. Except as specifically required by law, Merchant may not use, disclose or remit to any third party the names or account numbers or other transaction information appearing on a card or contained on its magnetic stripe or chip (or recorded on any document or form evidencing such information) for purposes other than for the sole purpose of completing a credit or debit transaction, as applicable. Merchant agrees to store all tangible records of transaction information, including but not limited to sales drafts and transaction receipts, in a secure area limited to selected personnel, and, prior to discarding, to destroy the information in a manner rendering it unreadable. Furthermore, Merchant<sub>2</sub> agrees to cooperate with them in any investigation of suspected or confirmed loss or theft of cardholder names, account numbers or other transaction information.

Merchant agrees to comply with, and to cause any third party who provides Merchant with services related to payment processing or facilitates Merchant’s ability to accept credit and debit cards and who is not a party to this Agreement to comply with and be bound by, the rules and regulations of the payment networks related to cardholder and transaction information security including, without limitation, all rules and regulations imposed by the Payment Card industry (PCI) Security Standards Council, including the PCI Data Security Standard as it may be modified and amended from time to time (available at the PCI Security Standards Council web site [www.pcisecuritystandards.org](http://www.pcisecuritystandards.org)), VISA’s Account Information Security Standards, Mastercard’s Site Data Protection Program, the American Express Data Security Requirements (available at [www.americanexpress.ca/dsr](http://www.americanexpress.ca/dsr)), as well as all other payment network requirements related to cardholder and transaction information security. VISA, Mastercard, and American Express web sites provide merchants

with detailed information, which may be modified from time to time, regarding compliance with data privacy and security obligations. Merchant shall notify Global immediately of any suspected or actual data security incident.

Merchant is also responsible for security measures to protect customers' PINs and Member's cryptographic keys loaded on Merchant's point of sale terminals. Merchant is responsible for installing all equipment in such a way that customers can enter their PINs in a confidential manner. Merchant agrees never to ask a cardholder for his or her PIN, nor to use any other means of capturing his or her PIN. Merchant agrees to follow security procedures as advised by Global and to ensure that Merchant's employees are familiar with them.

Merchant is solely responsible and bears all liability for any losses arising from its relationship with third parties that provide products and/or services related to payment processing or that facilitate Merchant's ability to accept credit or debit cards. Without limiting the foregoing, if Merchant makes arrangements with a third party for the purpose of collecting, processing or storing cardholder names, account numbers or other transaction information, including but not limited to third party processors, equipment providers and/or value added resellers (VARs), Merchant is responsible for ensuring such third party's compliance with payment network requirements related to cardholder and transaction information, confidentiality and security, including but not limited to the PCI Data Security Standard. Merchant must execute with such third party a written contract that includes obligations substantially similar to the ones in this Agreement relating to cardholder and transaction information confidentiality and security, PCI compliance and the right to inspect the third party's premises, point of sale terminals, PIN pads, computers and any other applicable equipment to validate compliance.

Merchants and their third party service providers and data storage entities that use wireless LAN technology to connect networks or servers that process or store transactions, cardholder or account data must comply with all of the following requirements: (i) Wi-Fi protected access (WPA) technology must be implemented for encryption and authentication when the wireless LAN technology is WPA-capable, using the latest available version of the WPA security protocol. Use of a virtual private network (VPN) is also recommended. (ii) When the wireless LAN is not WPA-capable, a VPN must be implemented. (iii) Wireless Equivalent Privacy (WEP) must not be the sole method used to protect confidentiality and access to a wireless LAN.

i) Cubic represents and warrants that its Services integrate with the products, services and systems of Global Payments and shall throughout from the operational launch date through the Term and any Renewal Term(s).

- 2.2 Notwithstanding Clause 2.1 above, Clause 2.1 solely applies as it relates to the scope of services performed by Cubic to deliver the Umo Pay Services. Any liabilities and indemnities granted under Clause 2.1 are subject to Article 9 (Indemnity) and Article 14 (Limits of Liability) of this Agreement. For the avoidance of doubt, Cubic shall have no responsibility or liability to the Customer with respect to:
- a) The Customer's own operations and interactions with the Services or Global Payments;
  - b) Responsibilities of the Customer to Global Payments as it relates to the Customer's use of the Global Payments Agreement outside of the scope of the Cubic Services, for example the use by the Customer of Global Payment's provided payment terminals.

### **3 UMO PAY SPECIFIC CUBIC OBLIGATIONS**

- 3.1 Configure and maintain the configuration of the Umo Pay Service;
- 3.2 Ensure compatibility and maintain certification of the Umo Pay Service with the Umo Pay standard product supported merchant acquiring service;

- 3.3 Ensure the on-going compliance of the Umo Pay Service with the PCI-DSS standard;
- 3.4 Integrate and maintain the integration between the Umo Pay Service and the Umo Pass Service

#### **4 UMO PAY SPECIFIC CUSTOMER OBLIGATIONS**

- 4.1 The Customer shall establish and maintain, a merchant account with a payment acquirer supported by the Umo Pay Service (“Merchant Facility”) for the duration of the Term. The obligation under this clause will be performed by Cubic on behalf of the Customer where the Customer has elected to utilize the Merchant of Record Services.
- 4.1.1 Provide Cubic with any configuration information and other reasonably required assistance to configure and maintain the configuration of the Merchant Facility.

#### **5 ADDITIONAL UMO PAY SPECIFIC TERMS**

- 5.1 The Customer shall bear any fraud or revenue risk as it relates to the acceptance of credit and debit cards by the Customer on the Umo Services, subject to Section 9.2 of the Agreement.
- 5.2 To the extent the Customer requires, and Cubic agrees, to support a merchant acquirer not offered as part of the standard Umo Pay Service offering, the Customer shall pay the applicable merchant acquirer establish and maintenance fees as agreed between the Parties in accordance with Exhibit E.

**TAB 1 – GLOBAL PAYMENTS DOCUMENTS**

**The documented entitled Globalpayments Summary of Key Terms & Conditions Regarding Your Agreements for  
Payment Card Processing Services and/or Equipment**

**Separately Attached**



## **Exhibit A3**

### **Umo Services Description - Umo Rewards**

#### **1 UMO REWARDS SERVICE DESCRIPTION**

- 1.0 Umo Rewards is a cloud-based service that provides loyalty and content publishing specifically designed for Customer to securely monetize your transit devices for extra revenue while delivering a rewarding rider experience.
- 1.1 Umo Rewards offer three (3) main services, including hyper targeted content publishing, analytics-driven loyalty rewards campaigns, and Card-linked offers.
  - 1.1.1 Umo Rewards content publishing provides ad-serving capabilities to display personalized, location-based rich-media ads without disrupting user experience. Content includes third-party offers, ads, promotional messaging, links to third-party services, or other online commerce offerings on Customer devices or Cubic-owned devices in connection with Customer networks, including mobile app, website, ticket vending machines ("TVM"), and transit gates.
  - 1.1.2 Loyalty rewards campaigns allow Customer to launch data-driven campaigns to drive desired transit rider behavior with loyalty-based incentives. Eligible Users who opt-in to the loyalty rewards program and accept Customer's offerings will be awarded with loyalty points based on their riding activities.
  - 1.1.3 Card-linked offers is a feature that allows loyalty users to link their credit card with Umo Rewards. Users will get loyalty points credit for every dollar spent on their linked Card with participating merchants.
- 1.2 Loyalty rewards are earned from loyalty rewards campaigns, and/or from Card-linked offers on Umo Rewards platform.
- 1.3 Umo Rewards enables loyalty Users with self-service loyalty redemption capabilities, giving Users options to redeem for free transit passes, transit cash balance, or rewards Cards for shopping online, or at local stores and restaurants.
- 1.4 Umo Rewards provides Customer with revenue share generated from the content publishing activities.
- 1.5 Agencies or sponsors may purchase loyalty rewards value to give to Users.
- 1.6 Umo Rewards will provide Customer with ability to run their own promotional content in the Umo App consuming up to twenty-five percent (25%) of all impressions served provided there are three (3) ad spaces are enabled. There is no cost to the Customer for the consumption of the aforementioned impressions utilizing their own content.

#### **2 UMO REWARDS SPECIFIC CUBIC OBLIGATIONS**

- 2.1 Umo Rewards Loyalty and Advertising Product Package: Umo Rewards provides full loyalty and advertising platform functionalities.
- 2.2 Advertiser relationship and communications management: Umo Rewards manages the entire relationship and communications with advertisers, ranging from relationship building, ad platform sales and marketing, product feature updates, and all other communications.
- 2.3 Advertiser Contract, Billing, and Payment Collection Management: Umo Rewards secures a smooth advertiser activation process from advertiser contract signing, ad content fulfilling, billing, and payment collection. The entire legal and contract negotiation, closing, and billing are handled by Umo Rewards sales, contract specialists, and ad legal consultants, saving Customer extra resources to focus on other projects.
- 2.4 Ad Operation Management: Umo Rewards acts as the authorized agent on behalf of Customer in onboarding advertisers, reviewing ad campaign plan and content, activating, monitoring, and reporting campaign performance. Our ad operation management team ensures that advertisers can roll out their ad

campaigns to the market quickly, and all ad content meets industry's and Customer's advertising policy and editorial guidelines.

- 2.5 Loyalty Program Management: Umo Rewards fulfills loyalty awards when transit Users interact with the ads or use loyalty-based transit service offered by Customer and enables transit Users to redeem loyalty points for any available transit service products.
- 2.6 Umo Rewards provides all computation regarding the awarding, management, and redemption of loyalty points within the Umo Rewards platform.
- 2.7 Accounting Record Keeping and Financial Settlement Management: Umo Rewards manages accounting record keeping and financial settlement management services for all loyalty-based advertising programs for Customer. We keep track of ad campaign and loyalty revenue, ad operational costs, and prepare detail periodical financial settlement statements, breakdown by advertisers, campaigns, and revenue share calculations. Umo Rewards shall send Customer quarterly financial settlement statement via email within fifteen (15) Business Days since end of previous quarter.

### **3 UMO REWARDS SPECIFIC CUSTOMER OBLIGATIONS**

- 3.1 Send at least thirty (30) Days prior to the campaign launch to Umo Rewards a completed Customer account setup form for Umo Rewards to setup and onboard Customer in Umo Rewards system and process financial settlement payment for Customer. The form includes the following:
  - a) Bank account information (account name, bank name, routing number, account number, billing address, and billing notification contact). The bank account information must be put on the Customer letterhead and be sent to Umo Rewards from the Customer office email address;
  - b) Applicable tax registration details as required;
  - c) Address (mailing address, web address);
  - d) Consumer loyalty email address (The sender email name and address that Customer wants to display when Umo Rewards sends Users a loyalty campaign offer on behalf of Customer if email is used for the campaign; and
  - e) Internal loyalty campaign notification email address (The email sender name and address Customer wants to use for Umo Rewards to communicate when sending Customer notifications related to the loyalty campaigns such as campaign approval notice, or consumer loyalty email delivery notice.
- 3.2 Share Customer's advertising policy for alignment with Umo Rewards advertising policy.
- 3.3 Ensure that there is no conflict between Umo Rewards and any other advertising commitment made by Customer and, to the extent any conflict does arise, promptly resolve that conflict in a manner that does not detriment the revenue earned by Umo Rewards.
- 3.4 Market the Umo Rewards program to the Customer's Users to increase adoption, if desired.
- 3.5 Allow fare products to be redeemed for rewards value earned by Users.

## Exhibit A4

### Umo Support Services

The purpose of this Exhibit is to describe the support and warranty services provided by Cubic to the Customer for the Umo Services.

The following table sets-out which Umo Support Services described in this Exhibit C have been purchased and are included in this Agreement:

Umo Support Services Element	Included / Not Included
Support	Included
Software Maintenance Services	Included
Configuration Services	Included
Hardware Maintenance Services	Included
Warranty	Included
Extended Warranty	Not Included
Service Delivery Management	Included
Transition Out Services	Included

Table 1: Included Umo Support Services

For the purposes of this Exhibit, an “Incident” is an issue with the Umo Services impacting the availability of functionality or services.

#### 1 SERVICE DELIVERY MANAGEMENT

- 1.0 Cubic will assign a service delivery manager (“Service Delivery Manager”) to act as the primary person responsible for managing the service relationship between the Customer and Cubic under this Agreement.
- 1.1 The Service Delivery Manager has primary responsibility to:
  - 1.1.1 Track and manage to resolution configuration and other change requests in relation to the Umo Services;
  - 1.1.2 Manage and resolve service delivery issues as an escalated point of contact; and
  - 1.1.3 Meet regularly (monthly or as otherwise mutually agreed with the Customer) to review the Contractor’s service performance with the Customer.

#### 2 SUPPORT

- 2.1 Supplier’s Help Desk
  - 2.1.1 Support comprises of technical and knowledge support to the Customer including:
    - a) to escalate Incidents to relevant resolver groups and provide overall Incident management;
    - b) to assist the Customer with general enquiries in connection with the Umo Services; and
    - c) Launch the RMA process
  - 2.1.2 Where applicable any resolver groups will provide the Customer with:
    - a) instructions on how to resolve the issue being experienced; and/or
    - b) results of diagnostics and investigations with details on what actions will be carried out by Cubic to resolve the Incident; and/or
    - c) the deployment of a workaround; and/or
    - d) notify the customer that the Incident is to be resolved through the release of software.

### **3 SOFTWARE HOSTING AND MAINTENANCE SERVICES**

- 3.1.1 Cubic will provide updates and for the service as required ensuring the services continue to meet the requirements as defined herein. Cubic may schedule intentional downtime for system maintenance or upgrades. Cubic will strive to minimize downtime for maximum availability of the Services.
- 3.1.2 Cubic will be responsible for the operation and availability of the Back Office commercially reasonable efforts to downgrade any major issues in the Back Office to a minor issue within 24 hours. Major issues are defined as issues that prevent passengers from using the Umo Services or prevent the Customer from collecting revenue, that are not a Support Exclusion.
- 3.1.3 Cubic reserves the right to perform scheduled maintenance that may impact availability of the platform during non-core business hours. Non-core business hours are defined as 10:00 pm to 2:00 am (Pacific Time Zone) and which is most often performed Saturday night into Sunday once per month but may change as operational needs change. Cubic may schedule additional Scheduled Downtimes outside of the current once-a-month schedule by providing notification to Customer at least three (3) Business Days in advance. For urgent items, including to correct service-impacting issues and/or to maintain the security and integrity of the platform, Cubic may make updates at any time without advance notice though typically in these instances, communication and updates to all agencies is regular and timely. Other changes to the platform are made on an ongoing basis but do not impact service and platform availability and communication about these changes is not typically provided.
- 3.1.4 Additionally, any downtime caused by factors outside of Cubic's reasonable control do not factor in to the Monthly Uptime Percentage calculation, including any force majeure event, Internet service, cloud hosting, cellular or communications network provider availability outside of Cubic's platform, any downtime resulting from outages of third-party connections or utilities, and actions or inactions of the Customer ("Excluded Downtime").
- 3.1.5 "Support Exclusions" are those items that Contractor is not responsible for providing support hereunder for failures to the extent caused by: (a) Customer or third party supplied infrastructure or internet, communications or network failures; (b) modifications to the Equipment; (c) use of the Equipment or the Umo Services in combination with other products not intended to be so combined, or otherwise not specifically authorized in writing by Cubic; (d) use in violation of the Agreement or its Exhibits; (e) Force Majeure events; or (h) use of the Equipment or the Umo Services in a manner inconsistent with the Documentation.

### **4 CONFIGURATION SERVICES**

- 4.1.1 Cubic will be responsible for:
- 4.1.2 Configuration management and control;
- 4.1.3 Provision and maintenance of configuration Documentation; and
- 4.1.4 Coordination and management of the configuration of the services in conjunction with the Customer.
- 4.2 Hardware Maintenance Services
  - 4.2.1 Customer is responsible for all "first level" of support and maintenance to address hardware defects in accordance with any maintenance instructions issued by Cubic including but not limited to cleaning of the equipment, and protection of equipment from damage and temperatures above or below reader tolerances specifications, de-installation of faulty Equipment, replacement with a spare, and return of the faulty Equipment to Cubic if needed. The Customer shall return malfunctioning readers to Cubic for repair/replacement in accordance with Cubic's return maintenance authority processes.
  - 4.2.2 Cubic shall be responsible for repairing at the discretion of the Customer, all Equipment not repaired by the Customer through "first level" support at a Cubic designated facility.

- 4.2.3 Where Customer is unable to rectify and hardware fault, Customer may report any hardware failure to their assigned service manager with the following information:
- a) Date the Equipment defect was discovered;
  - b) Equipment type;
  - c) Equipment serial number;
  - d) Detailed description of the Equipment defect;
  - e) Detailed description of Customer first-level support steps taken to resolve the issue; and
  - f) A statement as to whether the Equipment repair should be covered under warranty
- 4.2.4 If the Equipment defect cannot be repaired remotely, Cubic shall provide a Return Merchandise Authorization Number ("RMA") to Customer authorizing the return of faulty/defective Equipment to be repaired or replaced under warranty as per the Warranty and Extended Warranty clause below.
- 4.2.5 Customer shall be responsible for all costs of shipping repairs to Cubic for Equipment not covered under a valid warranty, including Equipment returned with no fault found or with issues not covered by an applicable warranty. Cubic shall be responsible for all costs of shipping repaired or replaced units to Customer.
- a) Unless otherwise agreed between the Parties during the implementation phase, the assumed RMA model will involve returning Equipment for warranty service directly to Cubic on being issued a RMA. Cubic will then ship replacement units and repaired units to designated equipment management location
- 4.2.6 If the Equipment is under warranty and does not show signs of physical damage or tampering, Cubic will repair the Equipment at no cost to the Customer.
- 4.2.7 Cubic shall perform the following maintenance activities on all Equipment sent into Cubic for repair:
- a) Confirmation of whether the hardware is under warranty;
  - b) Take receipt of equipment sent to Cubic and verify an RMA number was issued;
  - c) Investigate the alleged Equipment defect;
  - d) Perform any necessary repairs on the Equipment as applicable; and
  - e) Test the Equipment to ensure it is in good working order.

## **5 WARRANTY AND EXTENDED WARRANTY**

- 5.1.1 Cubic proprietary equipment shall be covered by a one-year (1-year) warranty commencing from the date of delivery of such hardware ("Standard Warranty Period").
- 5.1.2 The TAG farebox equipment shall be covered by a one-year (1-year) warranty commencing from the date of delivery of such hardware and is not extendible.
- 5.1.3 All Cubic proprietary hardware shall be further covered by an Extended Warranty Period commencing from the end of the Standard Warranty Period for such period set out in Table 1 to this Exhibit C.
- 5.1.4 All other Equipment shall only be warranted to the extent there is an OEM warranty applicable, copies of which will be provided to Customer.
- 5.1.5 Cubic's warranty liability is limited to the repair or replacement of the defects not caused by misuse or abuse, normal wear and tear, or due to a failure to be maintained in accordance with the any written manuals, training materials or formal written maintenance instructions issued to Customer defined as defects in the materials and manufacturer's production of the product.



- 5.1.6 Warranty repairs may only be completed by Supplier.
- 5.1.7 Consumable parts including brackets, cables, batteries, and accessories are excluded from the warranty. Customer may purchase such parts from Cubic or a third party providing that Customer shall be responsible for costs of repairing any damage caused to the Equipment caused by the use of any non-conforming consumable part not purchased from Cubic.
- 5.2 Non-Warranty Repair
  - 5.2.1 All Equipment sent into Cubic for repair not under warranty will still require an RMA prior to shipping and will be subject to Cubic's then current and published repair fees and policies. A minimum fee will be charged even if the device is found to have no fault or defect.
  - 5.2.2 By submitting the non-warranty Equipment for repair, Customer agrees to pay Cubic's then current fees for parts, materials and labor needed for repairs.
  - 5.2.3 Cubic shall not be under any obligation to perform non-Warranty repairs under this Section. Where no Return Merchandise authorization is given, Cubic is not responsible for any unreceived, lost or misdirected Equipment.
- 5.3 Substitution. Cubic may substitute or replace the Equipment at no cost to Customer with alternative Equipment at any time during the Term providing such Equipment shall provide at least the same functionality as the original Equipment.

## **6 TRANSITION OUT SERVICES**

- 6.1 Cubic will support the Customer as reasonably required to transition the Customer out of the Umo Services on termination if required, including but not limited to:
  - 6.1.1 Preparing and delivering to the Customer in a mutually agreed data format an export of the Customer Data (where the Customer elects not to utilize tools built into the Umo Services to extract such Customer Data);
  - 6.1.2 Providing knowledge support as reasonably required by Customer staff or contractors to take receipt and utilize the exported Customer Data;
- 6.2 Transition out services will be provided on a time and materials basis using Cubic's then applicable rates for Cubic staff and the then applicable commercial standard rates for any external staff or service providers performing the transition out services; and
- 6.3 Transition out services are not available for such Customer Data of a highly PCI-DSS or privacy sensitive nature such as tokenized credit and debit card details.

**Exhibit A5**  
**Card Services**

**1 CARD SERVICES DESCRIPTION**

- 1.0 Card Services comprises of Card Procurement and Card Encoding.
- 1.1 Card Procurement comprises of Cubic ordering and managing the delivery of Umo Cards from qualified Card manufacturers ("**Card Orders**").
  - 1.1.1 Card orders will be placed by the Customer by placing a Card order request.
  - 1.1.2 Card orders will be delivery to Cubic's service facility for Card Encoding or, where encoded by the manufacturer to work the Umo Services directly to the Customer's nominated ship to location.
- 1.2 Card Encoding comprises Cubic encoding Umo Cards to be compatible with the Umo Services by placing a card image and associated security keys onto the Umo Cards.
  - 1.2.1 Card Encoding is a required service where Cards are not encoded by the Card manufacturer as part of the ordering process.

**2 CUBIC OBLIGATIONS**

- 2.1 With respect to Card Procurement:
  - 2.1.1 Make reasonable commercial efforts to process Card Orders in a timely fashion;
  - 2.1.2 Obtain quotes and place the order with the most appropriate manufacturer on obtaining authorization from the Customer; and
  - 2.1.3 Manage orders with manufacturers until received and make all reasonable commercial efforts to resolve issues with orders.
- 2.2 With respect to Card Encoding:
  - 2.2.1 Perform Card Encoding to agreed timelines for each Card Order taking into account the size of the Card Order, available staffing and Card Encoding obligations to other customers; and
  - 2.2.2 Ship the encoded cards on the completion of encoding in bulk to the AGENCY designated receiving location.

**3 CUSTOMER OBLIGATIONS**

- 3.1 With respect to Card Procurement:
  - 3.1.1 Monitor stock levels of Umo Cards and initiate Card Orders to maintain supply taking into account manufacturing and shipping lead-times; and
  - 3.1.2 Provide and approve Card designs with respect to printed images subject to the Umo Card Specification and brand Umo brand usage guidelines.

**4 ADDITIONAL CARD SERVICES TERMS**

- 4.1 For fare media procured by Cubic, title and risks shall pass to the Customer on the fare media being delivered to the Customer's specified delivery location.
- 4.2 For Umo Cards procured by the Customer and encoded by Cubic, Cubic shall not have title at any time to the procured cards. Cubic shall have risk in the cards while cards are encoded at Cubic's encoding facility. Risk in cards shall be with the Customer or the card manufacture as applicable at all other times.

## Attachments to Exhibit A

### 1 ATTACHMENT 1: UMO CARD SPECIFICATION

This attachment provides the preliminary Card specification for closed-loop Cards to be used with Umo Services. Cubic will provide a final specification prior to any Card orders.

#### Umo Card Specifications

##### Requirements:

1. Clean and free of burrs and sharp edges
2. Compliant with ISO/IEC 14443 parts 1-3 and ISO/IEC 18092
3. Dimensions compliant with ISO/IEC 7810 and ISO/IEC 7813
4. Encoded by Cubic for use in the Umo Pass System
5. Chip type: MIFARE® DESFire EV2 2K or other, compatible chip type approved by Cubic
6. Chip permanent unique identifier ("UID"), confirmed by Cubic as unique within the Umo Pass system
7. Card numbers: Unique Card number (sixteen (16) digits or longer), provided by Cubic (e.g., in Excel file), printed on Card in dimensions and format shown below
8. Bar code: Card number; printed within the dimensions shown below using the Code 128 bar code format
9. Cross-reference Table: Linking UID and printed Card number
10. Front of Card

Two-colour (2-colour) graphics extending to all four (4) edges. Any Card design with more than two (2) pantone colors are subject to additional fees

Umo Pass logo: within area shown below

Customer-approved logo ("Customer Logo") and design graphic ("Customer Design Graphic"): may be printed within the areas shown below; final printer-ready graphic file(s) prepared and approved by Cubic

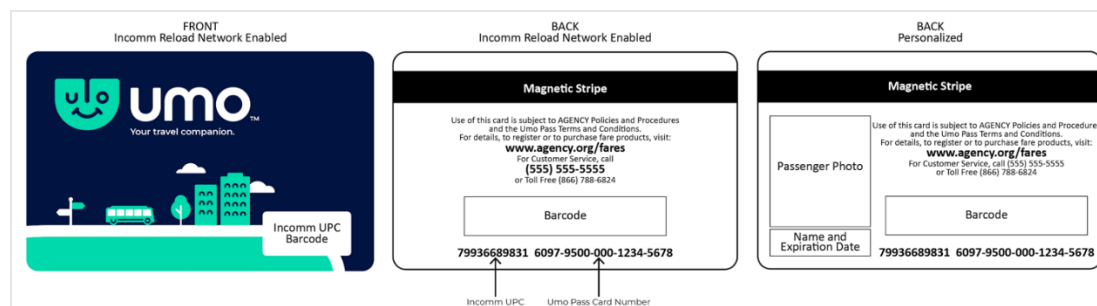
InComm enabled Cards require UPC Bar Code 2: UPC-A format printed on the Card face

11. Back of Card: Black, static text as shown below with Card number and corresponding bar code

InComm enabled Cards require the following

- a. Card printed bar code using Code 128-C bar code format
- b. Unique thirty-digit (30-digit) number and twelve-digit (12-digit) UPC
- c. HI-coercivity magnetic stripe encoded to use in InComm Reload Network (if utilized)

Note: All measurements in millimeters. Text shown on back of Card not to scale.



#### Umo Card specifications

## **2 ATTACHMENT 2: AVL COMPATIBILITY REQUIREMENTS**

2.1 The Umo Pass Services have the following requirements for integration with CAD/AVL systems:

2.1.1 Standard integration via GTFS and GTFS-RT:

The standard integration for the automatic import of route and bus location information from CAD/AVL systems into the Umo Pass Services is via data feeds conforming to the real-time and static General Transit Feed Specification (<https://gtfs.org/>) via an internet accessible location that enables Cubic to automatically look for an import updated files.

Compatibility requirements include:

2.2 Route identifiers, stop identifiers, and trip identifiers must be consistent across the GTFS Static and GTFS Realtime.

2.3 GTFS-RT must contain unique vehicle identifiers for each vehicle in the fleet.

2.3.1 Custom integration via the CAD/AVL system API.

Integration via GTFS is the preferred and most common integration. Alternatively, Cubic can integrate on professional services, directly with CAD/AVL systems where the CAD/AVL system provides a suitable API, and the Customer securing acceptable access to such API through the Customer's commercial agreement with the CAD/AVL vendor.

Compatibility requirements include:

2.4 Consistent naming of key data elements such route identifiers, stop identifiers, and trip identifiers across both the scheduled and real-time information available via the API; and

2.5 Where the CAD/AVL is utilized for real-time information only, naming convention to ensure such data elements are consistent between the GTFS static feed and the real-time API data.

### 3 ATTACHMENT 3

Element	Access-IS – VAL100
Display	Full color, 4.3" Antireflective/antiglare 480 x 272 resolution
Processor	1GHz Cortex
Umo Media Interfaces	<b>Umo Closed Loop Contactless Cards:</b> MIFARE® DESFire EV2 2K and other MIFARE® DESFire variants approved by Cubic <b>Positive List Cards:</b> ISO/IEC 14443, Types A & B compliant cards encoded to be compatible with Umo's positive list feature <b>Barcode:</b> QR Code <b>NFC:</b> ISO/IEC 18092, 21481 for use with mobile phone NFC presented contactless open payments cards <b>Open Payments:</b> EMVCo L1 certified secure board L2 certified by Visa, Mastercard, American Express and Discover
User Interfaces	Audio 4 x RGB LEDs
Connectivity	USB, Ethernet, RS232, GPS Wi-Fi; 3G/4G/LTE (via securely installed dongle)
Security	PCI SRED 5.1
Tolerances	Storage temperature: -40°C to 70°C Operating temperature: -20°C to 50°C Humidity: 0–90% RH, non-condensing IP54 Shock and Vibration: IEC 61373 Fire retardance: EN13501-1
OS	Linux OS
Voltage	Supports 10.5-33VDC
Dimensions	HxWxD 265x145.5x188 mm
Weight	1.7 kg without cellular components
Mounting	Pole mounted with vertical mount orientation attaching to 32mm or 35.5mm poles.



**Exhibit B**  
**Implementation Services**

**4 SERVICE DESCRIPTION**

- 4.0 Implementation Services are the activities executed to supply, install, configure, verify, and commission the Services:
- 4.0.1 Umo Services described in Exhibit A.
- 4.1 The Implementation Services will incorporate updates to the Umo Services hardware and features available prior to Services Commencement Date.
- 4.2 During the mobilization period Cubic will establish an implementation plan that defines the implementation approach and controls including, but not limited to:
  - 4.2.1 Communication protocol.
  - 4.2.2 Delivery of Documentation.
  - 4.2.3 Project execution and governance including variation management.
  - 4.2.4 Management of the farebox provider and installation subcontractors
- 4.3 As part of the implementation plan each Party will nominate personnel responsible for implementation as follows:
  - 4.3.1 Point of contact accountable for the day-to-day management, coordination, and execution of the Implementation Services.
  - 4.3.2 Executive sponsor.
  - 4.3.3 Steering committee membership.

**5 EQUIPMENT SUPPLY**

- 5.1 Cubic will supply Equipment as set out in Exhibit E:
- 5.2 The Bus Validator Mounting Assembly Kit includes mounts for either horizontal or vertical stanchions provided such stanchions are readily available. If maintaining hand-rail space is important to the Customer, installation may require additional parts which may include "T-Clamps" and a small pole so to lower the Validator under stanchions. Similarly, a "Figure-8" clamp can be used to put a second parallel stanchion to better control position and height. Such parts and associated installation scope if required would be added to scope through the agreed variation process.
- 5.3 In addition to the purchased Bus Validators and Validator Installation Kits, Cubic will be responsible for providing as reasonably required cabling, connectors, in-line fuses and other parts to connect the Bus Validators to the vehicle power systems.
- 5.4 An individual item of Equipment is deemed delivered in accordance of Clause 3.2 of the Agreement on the earlier of:
  - 5.4.1 The item being installed by Cubic on a vehicle; or
  - 5.4.2 The item behind delivered by Cubic to an Authorized Mobility Services Provider or Mobility Service Operator under the direction and agreement by the Customer; or
  - 5.4.3 The item having been received by the Customer at the Customer's nominated receiving location for such item.
- 5.5 Cubic will be responsible for:

- a) Specification of the Equipment.
- b) Execution of the hardware installation verification.
- c) Supply of the Equipment.
- d) Qualification of suppliers.
- e) Verification of the supplied equipment to the specification and required certifications, standards, and quality.
- f) Supply chain management.
- g) Logistics, receipt, and storage.

5.6 The Customer will be responsible for:

- a) Defining the representative sample of the fleet (“prototypes”).
- b) Assembling the prototype vehicles for the purpose of hardware installation verification.
- c) Providing access to Cubic to perform the hardware installation verification.

## 6 EQUIPMENT INSTALLATION AND COMMISSIONING

6.1 **Bus Installation:** Cubic will install and commission the Mobile Validator Equipment, Fareboxes and the other bus equipment specified in Exhibit E.

6.1.1 Cubic will be responsible for:

- a) In-person execution of the prototype hardware installation verification.
- b) Desktop Survey of the vehicle fleet.
- c) Development of the installation plan.
- d) Provision and maintenance of the installation drawings and guidelines.
- e) Qualification of the installation subcontractor including verification of required insurance, capability, experience, licensing, permits, and compliance to human and industrial resource requirements.
- f) Coordination and management of the subcontractor.
- g) Verification and quality assurance of the work performed by the subcontractor.
- h) Compliance with the Customer’s contractor safety program and requirements as it relates to any tasks performed on the Customer’s site. The Customer shall provide such requirements in advance as reasonably required by Cubic.

6.1.2 The Customer will be responsible for

- a) Coordinating and making buses available from the Mobility Service Operators in accordance with the quantities and locations defined in the Implementation Schedule.
- b) Provisioning of vehicles for installations. Vehicles will be made available after 7 pm and during weekends or as otherwise mutually agreed during the installation planning. If vehicle availability is materially different from what was set-out in the request for proposal, Cubic shall be entitled to reasonable commercial relieve to the extent such change impacts the cost of delivering the installation services.
- c) Providing photos and other information as reasonably required by Cubic to perform the Desktop Survey
- d) Provide a team to complete an ‘in-person’ survey of the fleet and collaborate on installation plans.
- e) Having onsite resources available to confirm that the installation and commissioning of the Equipment has been completed in accordance with the installation and commissioning Documentation.

- f) Where applicable, provision to Cubic, and enablement of cellular SIM cards in accordance with the installation plan and schedule.

## **7 CONFIGURATION**

- 7.1 Cubic will configure the Services, including but not limited to:
  - 7.1.1 Fare policy definition.
  - 7.1.2 Transport Network Topology (GTFS).
  - 7.1.3 Configurable branding elements.
  - 7.1.4 User accounts.
  - 7.1.5 Payment gateways and third-party interfaces.
  - 7.1.6 Asset definition and record keeping for Equipment.
- 7.2 The Customer will be responsible for:
  - 7.2.1 Provision of required configuration inputs that are the responsibility of the Customer, Authorized Mobility Services Providers and Mobility Service Operators or other third parties.
  - 7.2.2 Delivery of inputs according to schedule.
  - 7.2.3 Approval of configuration Documentation.

## **8 CERTIFICATION**

- 8.1 Cubic shall secure the necessary certifications required for the provision of the Services and the supply and installation of the Equipment.
- 8.2 Cubic will be responsible for:
  - 8.2.1 Application, verification, and remediation of required certifications.
  - 8.2.2 Providing PCI-DSS Attestation of Compliance for the applicable Umo Services.
- 8.3 The Customer will be responsible for:
  - 8.3.1 PCI-DSS certification for the Mobility Service Providers and Mobility Service Operators responsibilities, including compliance by Mobility Service Providers and Mobility Service Operator personnel.

## **9 SERVICE COMMISSIONING**

- 9.1 Cubic will coordinate the commissioning and enablement of the Services for each Authorized Mobility Services Provider.
- 9.2 Cubic will be responsible for:
  - 9.2.1 Verifying completion of the preceding or dependent configuration, installation, and commissioning activities.
  - 9.2.2 Delivery of train-the-trainer training to each Authorized Mobility Services Provider including all User manuals and training materials.
  - 9.2.3 Enablement of the Services.
  - 9.2.4 Post-commissioning monitoring and tuning of the configuration through to acceptance and transition to operations.
- 9.3 The Customer will be responsible for:

- 9.3.1 Manage the enrollment of passenger and staff participants.
- 9.3.2 Validating and approving that the Umo Services are ready for revenue service

## **10 TRAINING**

- 10.1 Cubic will provide training for the following roles:
  - 10.1.1 Fare program administrators including in the use of AGENCY configurable system parameters
  - 10.1.2 Back-office staff (including financial operations staff and on the use of reports)
  - 10.1.3 Front office/customer service personnel
  - 10.1.4 Bus operators
  - 10.1.5 Bus and station maintenance staff
- 10.2 The Customer may record training sessions and print or duplicate training materials for internal reference and use or incorporate the training materials and content into the Customer's own training materials and documents.
- 10.3 Cubic will be responsible for:
  - 10.3.1 Provision of training materials, which may be supplied in electronic format including recorded video presentations.
  - 10.3.2 Delivery of in-person or in-camera train-the-trainer format training.
- 10.4 The Customer will be responsible for:
  - 10.4.1 Provision of facilities for delivery of training, including but not limited to conference or meeting rooms, audio-visual equipment, Internet connectivity, consumables.
  - 10.4.2 Provision of suitability of qualified trainees.
  - 10.4.3 Provide general User customer support services for the Umo Services including pass redemption, refunds, and instruction on use and troubleshooting common problems. Notwithstanding the foregoing, issues related to the Umo Services requirements that cannot be reasonably resolved by Customer shall remain the responsibility of Cubic.
  - 10.4.4 Implement and execute PCI-DSS practice as required by the responsibilities assigned to the Customer including but not limited to security policies and operational procedures, inspection of equipment for tampering, and personnel training.
  - 10.4.5 Permit Cubic and its agents' reasonable access to Customer's buses, installation sites and to the premises in which Customer conducts its business and furnish to Cubic other information as Cubic may reasonably request for performance of the Services.
  - 10.4.6 Unless specifically agreed otherwise in writing, provide and maintain the cellular data services required for the modems to communicate with the Umo Services.

## **11 TRANSITION TO OPERATIONS**

- 11.1 Cubic will establish the Umo Services set out in Exhibit A prior to the earliest applicable Services Commencement Date.
- 11.2 Cubic will coordinate with the Customer to execute the soft launch prior to the go-live.
- 11.3 Cubic will support the Customer in the Customer's performance of configuration validation testing during the Soft Launch Period.

- 11.4 Cubic shall maintain a register of Incidents raised by the Customer. If there is an Incident deemed to be critical, urgent or moderate that impacts the completion of Soft Launch, Cubic shall resolve said Incident

## **12 DOCUMENTATION**

- 12.1 Cubic will submit implementation Documentation to the Customer during the Implementation Services. Standard Documentation is not subject to Customer review and approval.

- 12.2 Standard Documentation may include:

12.2.1 Installation and commissioning records for Equipment.

12.2.2 Configuration Documentation.

12.2.3 Certification Documentation.

12.2.4 Operator Implementation Checklist.

### **12.3 Non-Standard Documentation**

12.3.1 To the extent that Cubic provides any non-standard Documentation then such Documentation shall be subject to review and approval by the Customer. Documents shall be comprehensive, and include, where applicable, step-by-step instructions, explanatory pictures, required parts and components (with quantity, description, and part numbers), and relevant as-built wiring diagrams.

12.3.2 Customer shall complete any required review within ten (10) Business Days of submittal and to extent that any changes are required, Customer shall act reasonably in determining those changes and shall provide a detailed summary of the required changes.

12.3.3 Providing any subsequent submittal incorporates the proposed Customer changes or as otherwise agreed prior to that submittal, the Customer shall confirm approval of that Documentation within five (5) Business Days of re-submittal.



### **13 ACCEPTANCE**

- 13.1 “Final Acceptance” will be achieved on completion of the following conditions:
  - 13.1.1 Completion of the Soft Launch Period in accordance with Section 11 of this Exhibit;
  - 13.1.2 Cubic’s demonstration to the Customer’s reasonable satisfaction that Cubic’s standard operator checklist has been completed
- 13.2 The Customer shall within 30 days from the date Cubic notifies the Customer in writing that the Umo Services are ready for Final Acceptance either:
  - a) Confirm in writing that the Final Acceptance milestone has been achieved.
  - b) Disconfirm in writing Final Acceptance and provide a list of issues (“Draft Acceptance Issue List”) that in the Customer’s reasonable belief need to be resolved in order for the Customer to reach Final Acceptance.
- 13.3 The Parties will work together promptly in good faith to mutually review the Draft Acceptance and create a mutually agreed list of issues that require resolution for Final Acceptance (“Final Acceptance Issue List”). If there is a dispute on what issues constitute a failure to meet the requirements set-out in the Umo Services description, such dispute will be resolved as per Article 8 (Disputes) of this Agreement.
- 13.4 Cubic will then take reasonable steps to resolve issues in the Final Acceptance Issue List and notify the Customer, in writing, when, in Cubic’s opinion, such issues are resolved and request that the Customer confirm acceptance in accordance with 13.2 above.
- 13.5 Notwithstanding Clauses 13.1 and 13.2 above, the Implementation Services are deemed automatically accepted if the Customer fails to disconfirm acceptance in accordance with 13.2b) above.
- 13.6 To the extent that additional Umo Services features are enabled progressively over the contract Term, revenue service or beneficial use of that feature by AGENCY shall constitute acceptance of such new features.

### **14 SCHEDULE**

- 14.1 Cubic will be responsible for:
  - 14.1.1 Maintaining a register of implementation milestones reflecting the planned, forecast, and actual delivery dates.
  - 14.1.2 Maintaining a register of schedule integration milestones for management of alignment between Cubic master program and the Customer program of related or dependent work.
  - 14.1.3 Delivery of an implementation status report no more frequently than monthly including:
    - a) Milestone registers current as at the close of the preceding month.
    - b) Planned, forecast, and actual dates for enablement of Umo Services.

14.1.4 Scheduling the Implementation Services such that Holidays and Non-Working Periods are non-working Days for Customer and Operators except by mutual agreement between the Parties.

14.2 The Customer will be responsible for:

14.2.1 Maintaining the Customer's schedules, schedule data and scheduling procedures.

14.2.2 Providing content and inputs to the Cubic-maintained master program and planning registers when requested.

## 15 INITIAL AUTHORIZED MOBILITY SERVICE PROVIDERS

In addition to the Customer, the following Mobility Service Providers are agreed as Initial Authorized Mobility Service Providers.

The Customer
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## 16 PRELIMINARY MILESTONE SCHEDULE

16.1 The following table lists the Level 1 Project Milestones and target dates for completion based on an assumed contract effective date of June 30, 2022.

Project Milestone	Target Completion Date
MOBILIZATION – Agreement Execution	End June 2022
MOBILIZATION – Implementation Planning Completed	End July 2022
MOBILIZATION – Equipment Quantities Confirmed	End July 2022
MOBILIZATION - Configuration Data Gathering Completed	End July 2022
Preliminary Configuration Completed	End October 2022
Equipment Delivery	End December 2022
Installation Completed	End January 2023
Soft Launch Commenced	End January 2023
Closed Loop Launch	End February 2023
Bus Full Launch Completed	End June 2023
PROJECT COMPLETION	End June 2023

A baseline completion schedule will be agreed between the Parties on completion of the Implementation Planning Milestone and confirmation of delivery timeframes from equipment vendors and install subcontractor capacity. We note the schedule has dependencies on certain works that need to be completed between Global Payments and Mastercard ("Global Payments Dependencies").

**Exhibit C - Intentionally Omitted**

**Exhibit D - Intentionally Omitted**

## Exhibit E

### Fees

Unless otherwise specifically stated otherwise, all amounts are in CAD and exclusive of taxes as further set out in Article 4 of this Agreement.

## 17 CAPITAL COSTS

### 17.1 The following fees are payable for the Implementation Services and Equipment ("Capital Costs")

ID	Item	Qty	Unit	Unit Price (CAD)	Price (CAD)	Additional Information	Payment Terms
L1	Launch Services	1	one-off	40,595.73	40,595.73	as per Exhibit B	Launch Services
H1	Hardware Including installation including the following	39	per bus	12,622.53	492,278.82		Hardware And Install
	Umo EMV Validator (Mobile Validator 3)	39		included above			
	Validator Installation Kit	39		included above			
	Driver Console	39		included above		Getac ZX70 G2 or equivalent, vehicle dock, power supply	
	Driver Console Integration Kit	39		included above			
	Bus Modem	39		included above			
	Roof Mounted Antenna	39		included above			
	TAG Classic Cartridge farebox	39		included above			
	Installation	39		included above			
	Spares						
S1	TAG Safe Deposit	1	each	18,493.15	18,493.15		Spares
S2	Spare Bus Validators	4	each	1,650.00	6,600.00		Spares
S3	Spare Driver Console	4	each	1,924.53	7,698.11		Spares
S4	Spare Bus Modem	4	each	756.98	3,027.92		Spares
S5	Spare Bus Antenna	4	each	320.75	1,283.02		Spares
S6	Spare TAG Classic Carriage Farebox	5	each	5,068.49	25,342.47		Spares
S7	Set of TAG Classic Carriage Farebox Spare Parts	4	each	3,114.11	12,456.44		Spares
S8	Set of TAG Safe Deposit Spare Parts	2	each	595.89	1,191.78		Spares
	Consumables (initial order)						
C1	Umo Smartcards (encoded)	5,000	each	2.50	12,500.00	2 panton color	Fare Media
C2	Paper Tokens	10,000	each	0.06	600.00		Fare Media
C3	Paper Transfer Tickets	20,000	each	0.14	2,800.00		Fare Media
Total Capital Costs					624,867.43		

### 17.2 Payment terms

- 17.2.1 Launch Services are invoiceable and payable 50% on execution, 50% on use of the Umo Services for production purposes
- 17.2.2 Hardware and Installation fees are payable 40% on Cubic ordering the equipment, 30% on delivery, 30% on completing the installation works as per Exhibit B
- 17.2.3 Spares are payable 50% on Cubic ordering the equipment, 50% on delivery
- 17.2.4 Fare Media is invoiceable and payable on delivery



## 18 UMO SERVICES TRANSACTION, SUPPORT AND MAINTENANCE FEES

18.1 The following fees shall be payable on the Customer first utilizing the Umo Services for production purposes:

18.1.1 **“Transaction Fees”:**

a) Transaction Fees are calculated as per the following volume tier bands

Transaction Fee Schedule	
Monthly Tier Band	Transaction Fee
Tier 1: Transaction 1 to 39,500	\$0.100
Tier 2: Transaction 39,501 to 95,000	\$0.060
Tier 3: Transaction 95,001 to 127,000	\$0.040
Tier 4: Transaction 127,001 to rest	\$0.015

b) Transaction Fees are calculated based on the **“Billable Transactions”** in the calendar month being invoiced. A Billable Transaction is defined as an electronically recorded boarding utilizing the Umo Services.

c) Transaction tier bands are applied in a way that the number of Billable Transactions that fall into Tier 1 in any one calendar month get billed at the Tier 1 fee, the number of Billable Transactions that fall into Tier 2 in any one calendar month get billed at the Tier 2 fee etc

d) As an example, in a calendar month with 62,500 transactions, the math is:  $(39,500 \times \$0.100) + (23,000 \times \$0.060) + (0 \times \$0.040) + (0 \times \$0.015) = (\$3,950.00 + \$1,380.00 + \$0.00 + \$0.00) = \$5,330.00$

e) A monthly minimum Transaction Fee of \$3,000 applies (**“Monthly Minimum Transaction Fee”**). If in any one calendar month, the Transaction Fees as calculated on a per transaction basis above are less than the Monthly Minimum Transaction Fee, the Monthly Minimum Transaction Fee is charged instead.

18.2 Fees in this Clause 2 are invoiced monthly in arrears.

## 19 OPEN PAYMENTS (CONTACTLESS EMV ACCEPTANCE OPTION)

19.1 The Customer has the option to enable the Open Payments feature of the Umo Services

19.2 The following fees shall be payable on the Customer first utilizing the Open Payments feature for production purposes:

19.2.1 An Open Payments End-point Fee of \$28.00 per Validator per month.

19.2.2 An Open Payments Transaction Fee of \$0.015 per tap performed at a Validator using a contactless EMV payment card. This fee is in addition to the Transaction Fees

19.3 Fees in this Clause 3 are invoiced monthly in arrears.

## 20 OTHER RECURRING FEES

20.1 NOT USED

## 21 ADDITIONAL EQUIPMENT

21.1 The Customer may procure equipment under this Agreement, in addition to the quantities in the initial equipment order set-out in Clause 1.

21.2 The following table sets-out the pricing for additional Cubic equipment as of the Effective Date:

Item	Reference Price
Access IS Val 100	\$1,650

21.3 The reference pricing includes 1-year warranty, Cubic overhead, general and admin expenses, handling and margin. It excludes shipping and installation.

21.4 Pricing and lead Times. Additional equipment or services pricing and lead times are subject to change and will be confirmed by means of a quote for each additional order requested by the Customer. Lead times will be confirmed at time of quote.

## 22 ADDITIONAL FARE MEDIA

22.1 As of the Effective Date, the following reference pricing applies to additional orders of Fare Media procured by Cubic on behalf of the AGENCY in addition to the Fare Media included in Clause 1.1

Item	Price
Umo Card purchased and encoded by Cubic	\$2.50 per additional card. Minimum order of 5,000 cards.
Paper Tokens	\$0.06 per Paper Token. Minimum order of 1,000 Paper Tokens.

22.2 Umo Card pricing assumes 2 pantone color design and excludes any special packaging that is required for cards to be distributed through InComm. Pricing is inclusive of card encoding.

22.3 Pricing and lead Times. Additional fare media pricing is subject to change and will be confirmed by means of a quote taking into account then prevailing cards costs, card design and packaging requirements. Lead times will be confirmed at time of quote.

## 23 FEES ESCALATION AND INDEXATION

23.1 The following fees will automatically increase by 3% per year on the anniversary date of the Umo Services first being utilized for production purposes.

Open Payments End-point Fee
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## **24 PAYMENTS TO CUSTOMER FOR UMO REWARDS**

- 24.1 In respect of the optional Umo Rewards Services set out in Exhibit A3, Cubic shall pay Customer twenty-five percent (25%) of the Net Sponsored Content Revenue (the "Customer Revenue Share") where:
- 24.1.1 "Net Sponsored Content Revenue" means (i) the amount actually paid by sponsors calculated based on the number of impressions of Sponsored Content on the Umo App within the Customer's service area less (ii) any applicable third-party brokerage or commissions fees and
- 24.1.2 "Sponsor" means any entity that pays Cubic in respect of the display of Sponsored Content and
- 24.1.3 "Sponsored Content" means any content provided by Sponsors that is approved by Cubic and displayed on the Umo App in the Customer's service area
- 24.2 The Customer Revenue Share shall be payable no later than forty-five (45) Days from end of each quarter via cheque or electronic payment. The end dates for each quarter in each calendar year shall be 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September, and 31<sup>st</sup> December.

## **25 CHANGE ORDERS**

- 25.1 If Customer wishes to order any additional Equipment or extend the Services to additional Authorized Mobility Services Providers, then the pricing for such order shall be applicable as set out above. The additional requirement including the schedule for implementation shall be documented in a change order to be executed between the Parties. Cubic shall have no obligation to provide any such Services prior to execution of that change order.
- 25.2 Where the Parties mutually agree other changes to the Services provided under this Agreement, such changes, including any agreed changes to the Fees, schedule or scope, will be documented in the form of a written change order signed by both Parties in accordance with Clause 18 of the Agreement.
- 25.3 The Fees set out in this Exhibit E and the schedule set out in Exhibit B (Implementation Services) are based on Customer's performance of its obligations in a timely manner and the assumptions set out in this Agreement. To the extent that Customer fails to perform these obligations in a timely manner, or these assumptions are incorrect, schedule and price shall be adjusted in accordance with Clause 7.1.3 of the Agreement.

## **26 TERMINATION FEE**

- 26.1 If Customer terminates the Agreement in accordance with Section 11.4 of the Agreement, the following Fees shall be payable to Cubic on the termination date (the "Termination Fee"):
- 26.2 Payment in full for the cost for any Services performed or Equipment supplied or ordered prior to the date of termination that have not already been paid for.
- 26.2.1 Breakage costs related to early termination of any subcontract or supplier agreements including any committed costs.
- 26.2.2 Reasonable and demonstrable demobilization costs including any related to Cubic personnel.
- 26.2.3 Any costs related to any transition services required including but not limited to the Transition Services set out in Exhibit A5.
- 26.2.4 For the initial contract Term, the Customer will pay the 25% of the UMO SERVICES TRANSACTION, SUPPORT AND MAINTENANCE FEES remaining for the Term from when the contract was terminated for convenience. For any subsequent extensions, the Customer will pay fifteen percent (15%) of any fees that would have been payable for the remainder of the contract Term had the Contract not been terminated for convenience
- 26.2.5 Cubic shall be entitled to include direct costs, overheads, indirect costs allocation and a reasonable level of profit in any claim for costs.

## **Exhibit F**

### **Insurance Requirements**

#### **1 MINIMUM INSURANCE REQUIREMENTS**

- 1.0 Contractor shall provide evidence of the following coverages and minimum amounts. In no way do these minimum requirements limit the liability assumed elsewhere in the contract. The Contractor shall, at their sole expense, maintain the following insurance:

##### **Commercial General Liability**

The Contractor shall, at their expense obtain and keep in force during the term of the Agreement, Commercial General Liability Insurance satisfactory to the Risk Manager of the Customer and underwritten by an insurer licensed to conduct business in the Province of Ontario. The policy shall provide coverage for Bodily Injury, Property Damage and Personal Injury and shall include but not be limited to:

- (a) A limit of liability of not less than \$2,000,000 per occurrence with an aggregate of not less than \$5,000,000
- (b) Add The Corporation of the City of Sault Ste. Marie as an Additional Insured with respect to the operations of the Named Insured
- (c) The policy shall contain a provision for cross liability and severability of interest in respect of the Named Insured
- (d) Non-owned automobile coverage with a limit not less than \$2,000,000 and shall include contractual non-owned coverage (SEF 96)
- (e) Products and completed operations coverage
- (f) Broad Form Property Damage
- (g) Contractual Liability
- (h) Work performed on Behalf of the Named Insured by Sub-Contractors
- (i) The policy shall provide 30 days' prior notice of cancellation

##### **Technology Errors and Omissions Insurance and Network Security**

The Contractor shall, at their expense, obtain and keep in force during the term of the Agreement and as set in (c) below, Technology Errors and Omissions/Professional Liability Insurance satisfactory to the Risk Manager of the Customer and underwritten by an insurer licensed to conduct business in the Province of Ontario. The Policy shall provide coverage for financial loss arising out of an error, omission or negligent act in the rendering of the Services set out in this Agreement, and shall include by not be limited to:

- (a) a limit of liability of not less than \$5,000,000 per occurrence and \$10,000,000 in the aggregate
- (b) the Policy shall be on a claims made basis and shall provide coverage for damages and defence costs
- (c) the Contractor shall at their expense, obtain and keep in force during the term of the Agreement and in addition to a three (3) year time period after termination of this Agreement by way of annual policy renewal, or purchase of extended reporting period coverage the Technology Errors and Omissions/Professional Liability Insurance.

In addition, the Contractor shall, at their expense, obtain and keep in force during the term of the Agreement an insuring agreement for Cyber or Network Security and Privacy Liability Insurance, covering loss arising out of the transmission of malicious code, actual or potential unauthorized access, unauthorized use, data breaches, theft of

confidential information, invasion of privacy, destruction, alteration or damage to electronic information, intellectual property infringement such as copyright, trademarks, service marks and trade dress, and a failure to protect confidential information, including but not limited to personal and corporate information, which results in the loss or misappropriation of such information in both electronic and non-electronic format (both first party and third party coverage). The limits applicable to this coverage shall also be in an amount not less than \$5,000,000 per occurrence and \$10,000,000 in the aggregate and coverage and be satisfactory to the Risk Manager of the Customer and underwritten by an insurer licensed to conduct business in the Province of Ontario.

If the policies above are to be cancelled or non-renewed for any reason, 90-day notice of said cancellation or non-renewal must be provided to the Customer. The Municipality has the right to request that an Extended Reporting Endorsement be purchased by the Contractor at the Contractor's sole expense.

#### **Automobile Insurance**

The Contractor shall, at their expense, obtain and keep in force during the term of this Agreement, Standard Form Automobile Liability Insurance that complies with all requirements of the current legislation of the Province of Ontario, having an inclusive limit of not less than \$2,000,000 per occurrence for Third Party Liability, in respect of the use or operation of vehicles owned, operated or leased by the Contractor.

#### **Primary Coverage**

The Contractor's insurance referenced above shall be primary coverage and not additional to and shall not seek contribution from any other insurance policies available to the Customer.

#### **Certificate of Insurance**

The Contractor shall provide a Certificate of Insurance evidencing the coverages referenced above are in force at least 10 days prior to contract commencement and be in a form satisfactory to the Customer's Risk Manager.



### **Exhibit G – The Proposal**

**The following documents included by reference in the following order of precedence:**

- 2** The 2nd Clarification being the document submitted by Cubic Transportation Systems entitled “2nd Pricing Clarification: The Corporation of the City of Sault Ste. Marie, Transit Fare Collection System” dated the 8<sup>th</sup> of December 2021
- 3** The Price Clarification being the document submitted by Cubic Transportation Systems entitled “Pricing Clarification: The Corporation of the City of Sault Ste. Marie, Transit Fare Collection System” dated the 1<sup>st</sup> of December 2021
- 4** The Proposal being the document submitted by Cubic Transportation Systems entitled “Sault Ste. Marie I Transit Fare Collection System RFP 2021CDE-CS-TR-06-P” dated the 17<sup>th</sup> of November 2021.

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

**BY-LAW 2022-145**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and Global Payments Direct, Inc. for the Transit Fare Collection System.

**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 8<sup>th</sup>, 2022 between the City and Global Payments Direct, Inc., a copy of which is attached as Schedule "A" hereto. This Agreement is for Transit Fare Collection System.

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 8<sup>th</sup> day of August, 2022.

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**MAYOR - CHRISTIAN PROVENZANO**

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**CITY CLERK – RACHEL TYCZINSKI**



## Summary of Key Terms & Conditions Regarding Your Agreements for Payment Card Processing Services and/or Equipment

**Note:** This summary is provided for Merchant's reference only. It does not contain all of the terms & conditions of the Merchant Agreement or any other agreement(s) for credit and/or debit card processing, or the Point-of-Sale Equipment Agreement or any other agreement for terminals and/or equipment. Merchant should thoroughly review the terms of each agreement before signing and contact the relevant provider with any questions.

Information Summary Box									
Date of contract	Effective date of the Contract: Upon the earlier of the acceptance of this contract by Global and Member or the submission of a transaction by Merchant to Global hereunder. Length of term: 1 year Renewal term: 6 months								
Acquirer	Global Payments Direct, Inc., Attention: HSC Global, 1 Heartland Way, Jeffersonville, Indiana 47130 USA., Tel: 1.800.263.2970								
Cancellation of contract(s) and applicable penalties	<p>During the initial or any renewal terms of the Agreement, the merchant may cancel the Agreement without penalty, in the event of:</p> <ul style="list-style-type: none"> <li>an increase in the fees or charges for the Services provided to Merchant, except when made in accordance with a pre-determined fee schedule</li> <li>the introduction of a new fee</li> <li>a reduction in applicable interchange rates that is not passed through in full</li> </ul> <p>Merchant must give written notice to Global within ninety (90) days following notice of a fee increase or the introduction of a new fee, or within ninety (90) days following notice of a reduction in applicable interchange rates that is not passed through in full.</p> <p>To provide notice of non-renewal to Global, Merchant must give written notice of termination at least ninety (90) days prior to the expiration of the initial term or any extension of renewals thereof, in which case the Agreement will terminate at the end of the then-current term.</p> <p>If the merchant terminates the contract for any other reason, merchant will be charged either a cancellation fee of \$500 per location or an amount equal to the average monthly fees assessed to merchant under the Agreement (exclusive of interchange fees and other fees or assessments imposed by a third party in connection with Merchant's payment processing) multiplied by the number of months remaining in the then-current term of the Agreement.</p> <p>Additional information can be found in the "Term and Termination" section of the Agreement.</p>								
Complaint Handling Procedure	<p>Please contact Customer Care at tel: 1.800.263.2970.</p> <p>You may view additional information regarding complaint handling procedures at <a href="https://www.globalpaymentsinc.com/en/canada/complaint-procedure">https://www.globalpaymentsinc.com/en/canada/complaint-procedure</a></p>								
Information about payment terminal	<p>Global Payments Canada GP, Attention: Customer Care c/o P.O. Box 4010, Station B, Etobicoke, ON, M9W 7H8, Tel: 1.800.263.2970</p> <p>Terminal(s) is/are: rented</p> <p>List of main fees and charges under the contract:</p> <table border="1"> <tr> <td>Terminal Model: Desk 5000 Fee: \$21.79</td> <td>Terminal Model: Move 5000 Fee: \$41.98 (incl SIM card)</td> <td>Terminal Model: [enter model] Fee: [enter fee]</td> </tr> </table> <p>Effective date of the Contract: This contract shall become effective when signed by Global Canada. Length of term: 1 year Renewal term: 6 months</p> <p><b>Cancellation:</b> During the initial or any renewal terms of the Agreement, the merchant may cancel the Agreement without penalty, in the event of an increase in Global Canada's fees or charges (except when made in accordance with a pre-determined fee schedule) or the introduction of a new fee. Merchant must give written notice to Global Canada within ninety (90) days following notice of a fee increase or the introduction of a new fee. To provide notice of non-renewal to Global Canada, Merchant must give written notice of termination at least ninety (90) days prior to the expiration of the initial term or any extension of renewals thereof, in which case the Agreement will terminate at the end of the then-current term. Merchant agrees to contact Global Canada for instructions regarding return of the Equipment and to promptly comply therewith. You will be liable for late return fees for any rented Equipment (or purchased Equipment if Global Canada has not received full payment) that is not returned to Global Canada within thirty (30) days after the termination of this Agreement. In addition, you will be charged a retrieval fee if Global Canada takes action to recover Equipment that you fail to return in accordance with the Agreement. Additional information can be found in the "Term and Termination" section of the Agreement.</p>			Terminal Model: Desk 5000 Fee: \$21.79	Terminal Model: Move 5000 Fee: \$41.98 (incl SIM card)	Terminal Model: [enter model] Fee: [enter fee]			
Terminal Model: Desk 5000 Fee: \$21.79	Terminal Model: Move 5000 Fee: \$41.98 (incl SIM card)	Terminal Model: [enter model] Fee: [enter fee]							
Contactless payments acceptance	<p>Contactless payments have been enabled for the following payment card networks:</p> <table border="1"> <tr> <td><input checked="" type="checkbox"/> Visa</td> <td><input checked="" type="checkbox"/> Mastercard</td> <td><input checked="" type="checkbox"/> INTERAC Debit</td> </tr> <tr> <td><input checked="" type="checkbox"/> Amex/JCB</td> <td><input type="checkbox"/> Discover</td> <td><input type="checkbox"/> UnionPay</td> </tr> </table>			<input checked="" type="checkbox"/> Visa	<input checked="" type="checkbox"/> Mastercard	<input checked="" type="checkbox"/> INTERAC Debit	<input checked="" type="checkbox"/> Amex/JCB	<input type="checkbox"/> Discover	<input type="checkbox"/> UnionPay
<input checked="" type="checkbox"/> Visa	<input checked="" type="checkbox"/> Mastercard	<input checked="" type="checkbox"/> INTERAC Debit							
<input checked="" type="checkbox"/> Amex/JCB	<input type="checkbox"/> Discover	<input type="checkbox"/> UnionPay							
Transaction return policy	<p><input type="checkbox"/> Card acceptance fees will not be applied to transaction returns</p> <p><input checked="" type="checkbox"/> Card acceptance fees will be applied to transaction returns. The fees applicable to return transactions are equal to the discount and/or per item rate of that specific card type.</p>								
Code of Conduct	<p>The Code of Conduct can be accessed through the following link: <a href="http://www.fcac-acfc.gc.ca/Eng/forIndustry/publications/lawsReg/Pages/CodeofCo-Codedeco.aspx">http://www.fcac-acfc.gc.ca/Eng/forIndustry/publications/lawsReg/Pages/CodeofCo-Codedeco.aspx</a></p>								
Statements	<p>Merchant shall receive electronic statements unless otherwise indicated by your sales representative. E-statement fee: waived    Combo-statement fee: waived</p>								

**For questions regarding Card Services, contact**

Global Payments Direct, Inc. Attention: HSC Global, 1 Heartland Way, Jeffersonville, Indiana 47130 USA, or call 1.800.263.2970. Note: Billing disputes must be forwarded, in writing, to Customer Care within 60 days of the date on the statement.

61324.052722

## Fee Summary\*

\* This Fee Summary is provided to you solely as a representation of the fees associated with accepting a specific payment card type and method. It is intended as a guide and does not provide the complete cost of card acceptance across all card types. For a complete list of all transaction fees, interchange downgrade fees, and other fees associated with your card acceptance, please refer to the "Credit/Debit Card Services and Fee Schedule" section of the contract.

Transaction Fees		
Payment Card Type	Processing Method	
	Card/Device Present Means that the card/device was electronically read (contact or contactless interface or mag-stripe)	Card/Device Not-Present Means that the card/device was not electronically read. Generally, the card information is manually key-entered, e.g. mail/telephone order, online, recurring payment)
These are the most common types of domestically issued cards and their processing methods. They do not represent all the possible fees and variations that are charged to merchants		
American Express / JCB Cards	\$ / %	\$ / %
American Express / JCB Corporate Purchasing Cards	\$ / %	\$ / %
American Express / JCB Prepaid Cards	\$ / %	\$ / %
Interac Debit Cards	\$ / %	\$ / %
Interac Debit Cards – Contactless / In-App	\$ / %	\$ / %
Discover Cards	\$ / %	\$ / %
Discover Business Cards	\$ / %	\$ / %
Discover Debit Cards	\$ / %	\$ / %
Discover Premium Cards	\$ / %	\$ / %
Discover Prepaid Cards	\$ / %	\$ / %
Mastercard Business Cards	\$ / 1.75 %	\$ / 1.75 %
Mastercard Business Premium Cards	\$ / 1.75 %	\$ / 1.75 %
Mastercard Core Cards	\$ / 1.10 %	\$ / 1.10 %
Mastercard Corporate Cards	\$ / 1.75 %	\$ / 1.75 %
Mastercard Corporate Premium Cards	\$ / 1.75 %	\$ / 1.75 %
Mastercard Debit Cards	\$ / %	\$ / %
Mastercard Muse	\$ / %	\$ / %
Mastercard Prepaid Cards	\$ / 1.10 %	\$ / 1.14 %
Mastercard World Cards	\$ / 1.24 %	\$ / 1.45 %
Mastercard World Elite Cards	\$ / 1.60 %	\$ / 1.66 %
UnionPay Credit Cards	\$ / %	\$ / %
Visa Business Cards	\$ / 1.84 %	\$ / 1.98 %
Visa Business Premium Cards	\$ / 1.84 %	\$ / 1.98 %
Visa Corporate Cards	\$ / 1.84 %	\$ / 1.98 %
Visa Corporate Premium Cards	\$ / 1.84 %	\$ / 1.98 %
Visa Debit Cards	\$ / %	\$ / %
Visa Infinite Cards	\$ / 1.63 %	\$ / 1.82 %
Visa Infinite Privilege Cards	\$ / 1.97 %	\$ / 2.13 %
Visa Prepaid Cards	\$ / 1.40 %	\$ / 1.40 %
Visa Standard Credit Cards	\$ / 1.39 %	\$ / 1.50 %

### Other Fees

A comprehensive list of other fees and charges for the contract can be found in the contract, under the heading "Other Fees"

For questions regarding Card Services, contact:

Global Payments Direct, Inc. Attention: HSC Global, 1 Heartland Way, Jeffersonville, Indiana 47130 USA, or call 1.800.263.2970. Note: Billing disputes must be forwarded, in writing, to Customer Care within 60 days of the date on the statement.



# Merchant Application

GPDI

<b>Business Information</b>	
Merchant's DBA Name/Outlet Name: <u>Sault Ste. Marie Transit Corporation of the City of Sault Ste. Marie</u>	Merchant's Legal Name: <u>Sault Ste. Marie Transit Corporation of the City of Sault Ste. Marie</u>
Physical Street Address (No P.O. Box): <u>111 Huron St.</u>	Legal Address: (if different from Business Address) <u>99 Foster Drive</u>
City, Province, Postal Code: <u>Sault Ste. Marie, ON P6A5P9</u>	City, Province, Postal Code: <u>Sault Ste. Marie, ON P6A 5x9</u>
DBA Phone: <u>705-759-5434</u> Ext. <u>705-759-5834</u>	Corp. Phone: <u>705-759-2500</u> Ext. <u>705-759-2310</u>
Contact Name at this Address: <u>Nicole Maione</u> Email: <u>n.maione@cityssm.on.ca</u>	Contact Name at this Address: <u>Nicole Maione</u> Email: <u>n.maione@cityssm.on.ca</u>
Customer Service Phone #: (Required for MOTO and Internet merchants only): <u>705-759-5438</u> Ext. <u></u>	Website Address (Required for Internet merchants): <u>https://saultstemarie.ca/</u>
Merchant Number: <u></u>	Merchant Bank Account Transit and Account Number: <u></u>

<b>Merchant Profile</b>		<b>Payment Card Information</b>		<b>Sales Profile (Must Equal 100%)</b>
Type of Ownership: <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited (LTD) <input type="checkbox"/> Government <input type="checkbox"/> Non-Profit <input type="checkbox"/> Other: <u></u>	Type of Goods or Services Sold: <u></u> Municipality: <u>9399</u>	Market Type: <input type="checkbox"/> Retail <input type="checkbox"/> Supermarket <input type="checkbox"/> Restaurant <input type="checkbox"/> Emerging Mkt <input type="checkbox"/> Lodging <input type="checkbox"/> Auto Rental <input type="checkbox"/> MO/TO <input type="checkbox"/> Oil & Gas <input type="checkbox"/> E-commerce <input checked="" type="checkbox"/> Other: transit	Electronic Chip and PIN: <u>20</u> %	Internet Sales: <u>80</u> %
Current ownership start date: <u></u>	GST Number: <u>      RT    </u>	Card-Not-Present / Manually Keyed: <u>0</u> %	TOTAL Must = 100%	
Do you currently accept: Visa? <input type="checkbox"/> YES <input type="checkbox"/> NO Mastercard? <input type="checkbox"/> YES <input type="checkbox"/> NO American Express/JCB? <input type="checkbox"/> YES <input type="checkbox"/> NO Discover? <input type="checkbox"/> YES <input type="checkbox"/> NO		Deposit on future delivery: % of sales Day(s) in advance taken: <u></u>		
Custom work sold on terms of future delivery: % of sales / Day(s) delay on delivery: <u></u>		Delivery time of future delivery: 0-5 days: % 6-14 days: % 15-30 days: % >30 days: % Days of future delivery greater than 30? <u></u>		
Do you maintain the inventory of products (NOT drop shipped from another supplier?) <input type="checkbox"/> YES <input type="checkbox"/> NO		Batch Delay: Check box only if YES. <input type="checkbox"/> Merchant initials only if YES. <u>X</u>		
Ticket Price: Average: \$9.00 High: <u></u>		Annual Credit Card Sales Volume: \$1,000,000 Annual Debit Card Sales Volume: \$10,000 Annual Interac Debit Card Sales Volume: \$500,000		

**Services For Which You Subscribe**  
You hereby subscribe for the following services provided to you under the Terms & Conditions of Merchant Agreement:

<input checked="" type="checkbox"/> Visa Credit (face-to-face)	<input checked="" type="checkbox"/> Mastercard Credit (face-to-face)	<input checked="" type="checkbox"/> Interac Direct Payment Debit
<input checked="" type="checkbox"/> Visa Credit (card-not-present)	<input checked="" type="checkbox"/> Mastercard Credit (card-not-present)	<input checked="" type="checkbox"/> American Express / JCB Credit (face-to-face)*
<input checked="" type="checkbox"/> Visa Debit (card-not-present)	<input checked="" type="checkbox"/> Debit Mastercard (card-not-present)	<input checked="" type="checkbox"/> American Express / JCB Credit (card-not-present)*
<input type="checkbox"/> Tele-Deposit (Credit)	<input type="checkbox"/> UP (UnionPay) Credit and Debit	<input type="checkbox"/> Discover Card
<input type="checkbox"/> Pay@Pump (Credit and Debit)		

\* American Express/JCB Merchants: do you consent to receiving marketing communications related to American Express / JCB? ☐ YES ☐ NO Opting out of marketing messaging will not preclude you from receiving important transactional and relationship communications from American Express. Additionally, in the event that you choose to opt out, you may continue to receive marketing communications while American Express updates its records to reflect your choice.

**Push Funds Service Authorization and Direction**  
The merchant named below hereby authorizes and directs the Financial Institution named below, on receipt of request from Global Payments Direct, Inc. ("Global") or a member under the Merchant Agreement ("Member"), to debit the Account described below at any time and from time to time for any amounts specified by Global or Member and said to represent any adjustments, items charged back, and credit vouchers and any fees or charges the merchant may owe under the Merchant Agreement, in accordance with the provisions set forth in the Terms & Conditions of the Merchant Agreement, in the section of this Merchant Application regarding Pre-Authorized Debits, and the Card Acceptance Guide. The Financial Institution is not required to verify that any debit it receives from Global or Member is in accordance with this authorization.

Name of Financial Institution: <u>Royal Bank of Canada</u>	ATTACH "VOID" CHEQUE
Name of Merchant: <u>Corporation of the City of Sault Ste. Marie</u>	
Signature(s) of Authorized Signing Officer(s): <u>Christian Provenzano, Mayor</u> <u>Rachel Tyczinski, City Clerk</u>	Date: <u></u>

For questions regarding Card Services, contact:  
Global Payments Direct, Inc. Attention: Customer Care, c/o P.O. Box 4010, Station B, Etobicoke, ON, M9W 7H8, or call 1.800.263.2970. Note: Billing disputes must be forwarded, in writing, to Customer Care within 60 days of the date on the statement.

Merchant Initials

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## Pre-Authorized Debits (PADS)

A Pre-Authorized Debit (PAD) is a withdrawal that you authorize Global to make from your account at a financial institution. The requirements for PADs are set forth in Rule H1 of the Canadian Payments Association (CPA). Pursuant to CPA Rule H1, your signature below is your acknowledgement of the following: Global's Fees for the services provided to you under the attached Merchant Agreement, incorporated hereby, are payable to Global and will be debited from your merchant bank account on a monthly basis, unless otherwise indicated on the Credit/Debit Card Services and Fee Schedule of the Merchant Agreement. Chargebacks and adjustments will be debited on a daily basis. Debited amounts will vary and will be reported to you in the monthly merchant statement provided to you by Global. You agree that any withdrawals by Member or Global under the Merchant Agreement from your merchant bank account, as designated by you in writing, and/or from other accounts as permitted under the Merchant Agreement are pre-authorized debits (PADs) for business purposes, as defined under CPA Rule H1, and **you waive the right to receive advance notice from Member and/or from Global of such debits**. You have certain recourse rights if any debit does not comply with this PAD agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD agreement. To obtain more information on your recourse rights, you may contact your financial institution or visit [www.cdnpay.ca](http://www.cdnpay.ca).

Your authorization for PADs is to remain in effect while the Merchant Agreement remains in effect unless Global receives written notice from you of its change or termination. You may change the bank account you have designated for PADs by providing Global with 30 days' prior written notice. Pursuant to CPA rules, you have the right to revoke your authorization for PADs by providing Global with 30 days' prior written notice. To obtain a sample cancellation form, or for more information on your right to cancel a PAD agreement, you may contact your financial institution or visit [www.cdnpay.ca](http://www.cdnpay.ca). Upon receiving your cancellation notice, Global shall use best efforts to cancel the PAD in the next business, billing or processing cycle. Notwithstanding the foregoing, the Merchant Agreement is contingent upon your authorization for PADs, and if you revoke your authorization for PADs, it will be deemed to be a breach of the Merchant Agreement and grounds for Global's termination of the Merchant Agreement with immediate effectiveness.

### Authorized Signature

Name Christian Provenzano / Rachel Iyczinski Title Mayor / City Clerk  
Date \_\_\_\_\_

To contact Global regarding PADs:  
Global Payments Direct, Inc.  
Attention: HSC Global, 1 Heartland Way,  
Jeffersonville, Indiana 47130 USA Tel:  
1.800.263.2970

### Cardholder Data Storage — Compliance Statement

PCI DSS and Card Networks rules prohibit storage of sensitive authentication data after the transaction has been authorized (even if encrypted). If you or your POS system pass, transmit, store or receive full cardholder's data, then the POS software must be PA DSS (Payment Application Data Security Standards) validated and you (merchant) must validate PCI DSS compliance. If you use a payment gateway, they must be PCI DSS Compliant.

As required under the Payment Card Industry Data Security Standard (PCI DSS), I do hereby declare and confirm the following:

	Initial applicable answer
The signing merchant listed below has experienced an account data compromise.	YES _____ NO _____ N/A _____ (I have never accepted payment cards.)
The signing merchant listed below is storing Sensitive Authentication Data (even if encrypted) after the transaction has been authorized.	YES _____ NO _____ N/A _____ (I have never accepted payment cards.)

\*Sensitive Authentication Data is security related information (Card Verification Values, complete Magnetic Stripe Data, PINs, and PIN blocks) that is used to authenticate cardholders.

Please note that if you have indicated that your organization has experienced an account data compromise in the past, a PCI DSS Level 1 Compliance Certificate may be required upon Global's request. A compromise of cardholder data from your location(s) may result in the issuance of fines and/or penalties by the card brand, for which you will be responsible under your Merchant Agreement, notwithstanding this Compliance Statement.

It is imperative that you notify Global Payments immediately should the information on this Compliance Statement change.

### Owner/Officer Information (Please complete for every person who ultimately owns or controls the operation or on whose behalf the transactions authorized under this agreement will be conducted.)

Name: <u>Christian Provenzano / Rachel Iyczinski</u>	Address: <u>99 Foster Drive</u>
Title: <u>Mayor / City Clerk</u>	City, Province, Postal Code: <u>Sault Ste. Marie, ON P6A 5X9</u>
Phone Number: <u>705-759-5341 / 705-759-5391</u>	Years there: <u>See below</u> Own/Rent?: <u>N/A</u>
Former Address (if less than 1 year at current address): <u>N/A</u>	Date of Birth: _____
	City, Province, Postal Code: _____
	Years there: _____ Own/Rent?: _____
Is any owner, officer, director, employee, or agent a current or former official in the executive, legislative, administrative, military, or judicial branch of any government (elected or not); an official of a political party; an executive of a government-owned commercial enterprise; a family member of any of the foregoing officials; or a close personal or professional associate of any of the foregoing officials? <b>Initial applicable answer: Yes ___ No ___</b>	
If "yes," please attach details.	

Christian Provenzano, Mayor of The Corporation of the City of Sault Ste. Marie (Municipal Government) for 8 years  
Rachel Iyczinski, City Clerk of The Corporation of the City of Sault Ste. Marie (Municipal Government, Administrative Branch) for 16 years

For questions regarding Card Services, contact:

Global Payments Direct, Inc. Attention: HSC Global, 1 Heartland Way, Jeffersonville, Indiana 47130 USA, or call 1.800.263.2970. Note: Billing disputes must be forwarded, in writing, to Customer Care within 60 days of the date on the statement

Merchant Initials

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**Acceptance of Merchant Application and Terms & Conditions / Merchant Authorization**

Term of Merchant Agreement

Initial Term one (1) year

Renewal terms six (6) months

Your Merchant Agreement is between Global Payments Direct, Inc. ("Global"), the Merchant named above, and, if you have selected Visa or Mastercard services, the Member named below ("Member"). A copy of the Terms & Conditions of Merchant Agreement, revision number 61324.052722 has been provided to you. Please sign below to signify that you have received a copy of the Terms & Conditions of Merchant Agreement and that you agree to all terms and conditions contained therein. If this Merchant Application is accepted for card services, Merchant agrees to comply with the Merchant Application and the Terms & Conditions, as may be modified or amended in the future. If you disagree with any of the Terms & Conditions of Merchant Agreement, do not accept services. If Merchant elects to execute this Application by electronic means, Merchant acknowledges that this Application, the Terms and Conditions of Merchant Agreement and all electronically executed documents related hereto are legally binding in the same manner as are hard copy documents executed by hand signature. Merchant agrees (i) that the Application, the Terms and Conditions of Merchant Agreement and any related documents shall be effective by electronic means, (ii) to be bound by the terms all such documents, and (iii) that Merchant has the ability to print or otherwise store all such documents.

**IF MERCHANT SUBMITS A TRANSACTION TO GLOBAL HEREUNDER, MERCHANT WILL BE DEEMED TO HAVE ACCEPTED THE TERMS & CONDITIONS OF MERCHANT AGREEMENT.****Signing for Merchant**

Print Name <i>Christian Provenzano / Rachel Tyczinski</i>	Title or Capacity <i>Mayor / City Clerk</i>
Signature	Date

**Signing for Global Payments Direct, Inc.**

Print Name	Title or Capacity
Signature	Date

**Signing for GPC Financial Corporation, with respect to Visa and Mastercard transactions**

Print Name	Title or Capacity
Signature	Date

**For questions regarding Card Services, contact:**

Global Payments Direct, Inc. Attention: HSC Global, 1 Heartland Way, Jeffersonville, Indiana 47130 USA, or call 1.800.263.2970. Note: Billing disputes must be forwarded, in writing, to Customer Care within 60 days of the date on the statement.

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# Credit/Debit Card Services and Fee Schedule\*

Plan Type	New	Discount Rate	Per Item	Additional Auth. Fees
<input checked="" type="checkbox"/> VISA (V)*				
<input checked="" type="checkbox"/> VISA Credit	X <input type="checkbox"/>	Interchange +	%	\$ 0.05
<input checked="" type="checkbox"/> VISA Debit	X <input type="checkbox"/>	Interchange +	%	\$ 0.05
<input type="checkbox"/> VISA Corporate Card	<input type="checkbox"/> <input type="checkbox"/>		%	\$
<input type="checkbox"/> VISA Switch Transaction Fee	<input type="checkbox"/> <input type="checkbox"/>	N/A%	\$	\$
<input checked="" type="checkbox"/> VISA Assessment Fee	X <input type="checkbox"/>	0.09%	\$	\$
<input checked="" type="checkbox"/> VISA Cross Border CDN Assessment Fee	X <input type="checkbox"/>	0.80%	\$	\$
<input type="checkbox"/> VISA Cross Border INTL Assessment Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> Visa Infrastructure Fee	X <input type="checkbox"/>	0.01%	\$	\$
<input checked="" type="checkbox"/> Mastercard (MC)*				
<input checked="" type="checkbox"/> MC Credit	X <input type="checkbox"/>	Interchange +	%	\$ 0.05
<input checked="" type="checkbox"/> Debit MC (card-not-present)	X <input type="checkbox"/>	Interchange +	%	\$ 0.05
<input type="checkbox"/> MC Corporate Card	<input type="checkbox"/> <input type="checkbox"/>		%	\$
<input type="checkbox"/> MC Switch Transaction Fee	<input type="checkbox"/> <input type="checkbox"/>	N/A%	\$	\$
<input checked="" type="checkbox"/> MC Assessment Fee	X <input type="checkbox"/>	0.09%	\$	\$
<input checked="" type="checkbox"/> MC Cross Border CDN Assessment Fee	X <input type="checkbox"/>	0.80%	\$	\$
<input type="checkbox"/> MC Cross Border INTL Assessment Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> MC License Fee	X <input type="checkbox"/>	0.007%	\$ 0.018	\$
<input checked="" type="checkbox"/> MC Data Fee	X <input type="checkbox"/>	%	\$ 0.013	\$
<input checked="" type="checkbox"/> MC Digital Commerce Development Fee	X <input type="checkbox"/>	0.02%	\$	\$
<input type="checkbox"/> MC Pre-Authorization Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> MC Pre-Authorization Fee (minimum)	X <input type="checkbox"/>	%	\$ 0.02	\$
<input checked="" type="checkbox"/> MC Pre-Authorization Fee (maximum)	X <input type="checkbox"/>	0.075%	\$	\$
<input type="checkbox"/> Discover*				
<input checked="" type="checkbox"/> Discover Credit	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Discover Corporate Card	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> Discover Assessment Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> Discover Cross Border Assessment Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> American Express*				
<input checked="" type="checkbox"/> AMEX / JCB Credit	X <input type="checkbox"/>	%	\$ 0.05	\$
<input checked="" type="checkbox"/> AMEX / JCB Card-Not-Present	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> AMEX / JCB Assessment Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> AMEX / JCB Cross Border CDN Assessment Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> UP Card (UnionPay)	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input checked="" type="checkbox"/> Interac Direct Payment (Debit)*	X <input type="checkbox"/>	%	\$ 0.05	\$
<input checked="" type="checkbox"/> IDP Network Fee	X <input type="checkbox"/>	%	\$ 0.124	\$
<input type="checkbox"/> Interac In-App Assessment Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Interac Debit Surcharge**	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Private Label Cards	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Tele-Deposit Transaction Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Global Payments Ecommerce Authorization Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Authorize.Net Authorization Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Dial Authorization Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> IP Authorization Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Transaction Fee Other	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> PCI Non-Compliance Fee**	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> PCI Admin Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> PCI Protect Program	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Network Access Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> System Maintenance Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Risk Assessment Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Payment Network Compliance Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> GlobalShield End-to-End Encryption Authorization Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Alipay	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$
<input type="checkbox"/> Data Security Fee	<input type="checkbox"/> <input type="checkbox"/>	%	\$	\$

The discount rates, per item, authorization and other fees noted above are based upon Merchant's complying with all processing requirements, as established by the applicable governing authority, of the payment type which qualifies the merchant for the most favourable interchange rates available for such payment types.

\*\* The PCI Non-Compliance Fee shall be implemented immediately by Global Direct without prior notice in the event that Merchant fails to validate required PCI DSS compliance.

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## Merchant Initials

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**\* Downgrade Fees** Transactions that do not qualify for the most favourable interchange rates will be subject to the Interchange Downgrades indicated below, in addition to the rate quoted. See the Merchant Agreement section entitled "Interchange Downgrades & Cross-border Fees" for more information.

MC Table #		VISA Table #		DISC Table #	
MC FGN ELC	%	VIBS CDN ELC	%	DSCV BASE	%
MC FGN STD	%	VIBS CDN STD	%	DSCV TRAVEL	%
MC FGN PREM ELC	%	VIBS FGN	%	DSBS RWDS	%
MC FGN PREM STD	%	VISP FGN	%	DSPM RWDS	%
MCPP ELC	%	VISA FGN	%	DSPM OTHER	%
MCPP STD	%	VISA FGN PREM	%	DSPP RWDS	%
MC CDN UCP	%	VIPP CDN ELC	%	DSPP OTHER	%
MC CDN 3DS	%	VIPP CDN STD	%		
MC CDN CNP	%	VISA CDN ELC	%		
MC CDN STD	%	VISA CDN CNP	%	<b>AMEX/JCB Table #</b>	
MCEC CDN CTL	%	VISA CDN STD	%	AMEX T2 BASE	%
MCEC CDN CP	%	VISA CDN CNPP	%	AMEX T2 TNE	%
MCEC CDN UCP	%	VINF CDN EMER	%	JCB T2 BASE	%
MCEC CDN 3DS	%	VINF CDN ELC	%	JCB T2 TNE	%
MCEC CDN CNP	%	VINF CDN CNP	%		
MCEC CDN STD	%	VINF CDN CNPP	%		
MCEC CDN CHA	%	VINF CDN STD	%	<b>IDP Table #</b>	
MCBS CDN	%	VINF CDN PREF	%	IDP INAPP LOW TKT	%
MCBS CDN WE	%	VINF CDN REC	%	IDP INAPP HIGH TKT	\$
MCBS CDN CHA	%	VINF CDN HI-NET	%	IDP FLASH	\$
MCBS FGN	%	VINF CDN HI-NET CNP	%	IDP FLASH TIER1	\$
MCBS FGN STD	%	VINF CDN HI-NET CNPP	%	IDP FLASH LT	\$
MCHV CDN CTL	%	VINF CDN HI-NET STD	%		
MCHV CDN CP	%	VPVL INTL ENH	%		
MCHV CDN UCP	%	VPVL INTL PRM	%		
MCHV CDN 3DS	%	VPVL INTL SPC	%		
MCHV CDN CNP	%	VPVL INTL STD	\$		
MCHV CDN STD	%	VPVL INTL STD	%		
MCHV CDN CHA	%				
MCWC CDN CTL	%				
MCWC CDN CP	%				
MCWC CDN UCP	%				
MCWC CDN 3DS	%				
MCWC CDN CNP	%				
MCWC CDN STD	%				
MCWC CDN CHA	%				
MDBT SECURE	%				
MDBT STD	%				
	%				

**\*\*Note:** Imposition of a Debit surcharge is subject to Global's or Member's prior written consent.

**For questions regarding Card Services, contact:**

Global Payments Direct, Inc. Attention: HSC Global, 1 Heartland Way, Jeffersonville, Indiana 47130 USA, or call 1.800.263.2970. Note: Billing disputes must be forwarded, in writing, to Customer Care within 60 days of the date on the statement.

**Merchant Initials**

61324.052722

Other Fees			
Monthly Fees		Annual Fees	
Administration Fee	\$	Merchants EDGE	\$ 72.00
Analytics		PCI Admin Fee	\$
Core	\$	System Maintenance Fee	\$
Reputation	\$		
Analytics Bundle SaaS Fee (4 module bundle)	\$		
Analytics Core & Customer Intelligence SaaS Fee	\$	Per Item / Per Occurrence / Per Batch Fees	
Analytics Core & Benchmark SaaS Fee	\$	Authorize.Net (per batch)	\$
Analytics Core SaaS Fee	\$	Chargeback Fee (per occurrence)	\$
Analytics Core & Reputation SaaS Fee	\$	Non-Sufficient Funds Fee (per occurrence)	\$
Messaging SaaS Fee (Email Marketing)	\$	Retrieval Fee (per occurrence)	\$
Authorize.Net	\$	Settlement Fee	\$
Combo Statement Fee	\$	Settlement & Access Fee (per batch)	\$
Data Security Fee	\$	Settlement & Access Fee (per item)	\$
Debit Advantage	\$	Shipping Fee (per occurrence)	\$
eStatement Fee	\$		
Global Payments Ecommerce	\$	One Time Fees	
GlobalShield End to End Encryption	\$	Analytics Module Set-Up Fee	
Manual Fee	\$	Authorize.Net Set-Up Fee	\$
Mastercard Local Market Intelligence (per MID)	\$	Global Payments Ecommerce Set-up Fee	\$
Merchant Portal	\$	Mastercard Local Market Intelligence Set-Up Fee	\$
Minimum MDR*	\$	Merchant Portal Set-Up Fee	\$
Minimum Monthly Debit **	\$	Non-Refundable Application Fee	\$
Network Access Fee	\$	Rush Fee	\$
Payment Network Compliance Fee	\$	Set Up Fee	\$ 550.00
PCI Admin Fee	\$	Training Fee – On Site	\$
PCI Non Compliance Program***	\$	Chargeback Fee (transaction to Principal / Owner / Officer of Merchant) (per occurrence)	\$
PCI Protect Program	\$		
Push Funds (per account)	\$ 10.00		
Risk Assessment Fee	\$		
System Maintenance Fee	\$		
		Miscellaneous Fees	
		[fee name] [indicate billing frequency]	\$
		[fee name] [indicate billing frequency]	\$
Quarterly Fees		[fee name] [indicate billing frequency]	\$
Data Security Fee	\$		

\* Applies if merchant does not meet as set forth in the Merchant Agreement / \*\* Applies if merchant does not meet as set forth in the Merchant Agreement

\*\*\* The PCI Non-Compliance Program Monthly Fee shall be implemented immediately by Global Direct without prior notice in the event that Merchant fails to validate required PCI DSS compliance.

**For questions regarding Card Services, contact:**

Global Payments Direct, Inc. Attention: HSC Global, 1 Heartland Way, Jeffersonville, Indiana 47130 USA, or call 1.800.263.2970. Note: Billing disputes must be forwarded, in writing, to Customer Care within 60 days of the date on the statement.

**Merchant Initials**

61324.052722



## Credit Information – Owner/Officer Consent

WHEREAS, ("Merchant") is a merchant that has entered into, or desires to enter into, a Merchant Agreement with Global Payments Direct, Inc. ("Global") and an entity that is a member of the applicable payment network ("Member"); and

WHEREAS, in order to confirm the financial soundness of its merchant customers, Global and Member require certain business and financial information pertaining to Merchant and to Merchant's owners, principals, partners, proprietors, affiliates, and such other persons and entities having a material relationship to Merchant (each of the foregoing a "Principal" of Merchant); and

WHEREAS, the person or entity identified below has been identified by Merchant as a Principal: *having authority to bind the Merchant*

NOW, THEREFORE, in consideration of the foregoing recitals, the undersigned Principal hereby agrees as follows: *Merchant*

1. Principal agrees to provide Global with such financial statements and information concerning Principal as Global may request from time to time, and furthermore agrees that Global may obtain from any source whatever commercial and credit information about Principal that Global deems appropriate including a consumer credit report from any credit reporting agency, in each case for the purposes of verifying the Principal's identity and current and ongoing creditworthiness ("Purposes").

2. Principal authorizes Member or any other depository institution to release to Global any financial information concerning Principal: Principal acknowledges and agrees that subsequent commercial and credit information (including consumer credit reports from credit reporting agencies) may be ordered in connection with updating, reviewing or continuing Merchant's Merchant Agreement. *Merchant*

3. Global and/or the Member may exchange information about Principal with other financial institutions, payment networks, and any other persons for the purpose of providing Merchant with the services contemplated under the Merchant Agreement.

4. If Principal is the subject of a consumer credit report in connection with the Merchant Agreement, Principal shall have the right to obtain from Global the name and address of the consumer credit reporting agency furnishing the report, if any, upon Principal's written request.

5. Personal information will be used to verify your identity, assess your current and ongoing creditworthiness and eligibility for Services, detect and prevent fraud or other unlawful activity, and meet legal, regulatory and self-regulatory requirements. Personal information will be maintained at Global's offices or on its servers (or those of its service providers, including outside of Canada) and will be accessible by authorized employees, agents and service providers. To request access to or correction of personal information, or for more information about Global's personal information handling practices, write to our privacy office at [Privacy.Office@globalpay.com](mailto:Privacy.Office@globalpay.com). If you have provided personal information relating to another individual, you represent and warrant to Global that you have provided all required notices to, and obtained all necessary consents from, such individual to allow Global to collect, use and disclose their personal information as described above.

AGREED AND CONSENTED TO BY PRINCIPAL:

*on behalf of the Merchant*  
Christian Provenzano, Mayor / Rachel Tyczynski, City Clerk

Home Address: 99 Foster Drive, Sault Ste Marie ON P6A 5X9

Home Telephone Number: 705-759-5344 / 705-759-5391

Signature:

X

Date:

Printed Name:

Date of Birth:



TERMS & CONDITIONS OF MERCHANT AGREEMENT

PLEASE READ SECTION 17 ("DISPUTE RESOLUTION") CAREFULLY  
AS IT RELATES TO ARBITRATION AND CLASS ACTIONS

**1. GENERAL.** The Merchant Agreement (the "Agreement") includes these Terms & Conditions of Merchant Agreement ("Terms & Conditions"), the Merchant Application and the Card Acceptance Guide, which is incorporated into and made a part of the Agreement. The provisions in the Agreement are applicable to Merchant and, by submitting transactions hereunder, Merchant agrees to be subject to the same. References in this Agreement to payment networks shall mean, as applicable to the services selected by Merchant, Visa Inc., Mastercard Worldwide, Amex Bank of Canada, Discover Financial Services LLC, Interac Corp., China UnionPay Co., Ltd. ("UnionPay®") or any other similar payment card scheme, association or organization, GPCFC Financial Corporation ("GPCFC") is a financial institution client of VISA Canada and VISA Inc. ("VISA®") and a financial institution client of Mastercard Worldwide ("Mastercard®"). Global Payments Direct, Inc. ("Global") is a registered independent sales organization of VISA, a member service provider of Mastercard, a registered Program Participant for Amex Bank of Canada ("American Express"), and a registered acquirer for Discover Financial Services LLC ("Discover"). The Agreement is between Global, the merchant identified in the Merchant Application ("Merchant"), and GPCFC (only if Merchant is receiving VISA processing services and/or Mastercard processing services hereunder). GPCFC is a party to the Agreement for the sole purpose of complying with the rules and regulations of VISA and the rules and regulations of Mastercard. References to "Member" in the Agreement shall refer to GPCFC. GPCFC shall have no liability to Merchant with respect to matters relating to or arising out of any services provided hereunder except VISA processing services and Mastercard processing services. Global is the party responsible hereunder for American Express card services, Discover card services, Interac® Direct Payment services and UnionPay (UP) card services and, as such, will maintain appropriate connectivity to provide American Express card services, Discover card services, Interac debit service and UnionPay UP card transactions. To the extent Merchant accepts American Express cards, the provisions of this Agreement with respect to American Express apply if Merchant does not have a separate agreement with American Express. To the extent Merchant accepts American Express cards and has a separate agreement with American Express, American Express transactions shall be processed as Switched Transactions. To the extent Merchant accepts Discover cards, the provisions of this Agreement with respect to Discover apply if Merchant does not have a separate agreement with Discover. To the extent Merchant accepts Discover cards and has a separate agreement with Discover, Discover transactions shall be processed as Switched Transactions (as defined below).

Under the terms of the Agreement, Merchant will be furnished with the services described herein and in the Merchant Application and selected by Merchant therein (collectively and individually, as applicable, the "Services"). During the term of the Agreement, Global will be the sole and exclusive provider of all payment card processing services to Merchant with respect to transit transactions. In the event that Merchant wishes to obtain a payment card processing service with respect to transit transactions that is not then-currently available from Global, Merchant agrees to request such service from Global prior to contacting a third party, and Global shall have the right of first refusal regarding the provision of such service to Merchant. Merchant agrees to be bound by the Agreement, including the terms of the Merchant Application and these Terms & Conditions, as it may be modified or amended in the future pursuant to its and/or their terms. A MERCHANT'S SUBMISSION OF A TRANSACTION TO GLOBAL SHALL BE DEEMED TO SIGNIFY MERCHANT'S ACCEPTANCE OF THE AGREEMENT, INCLUDING THE TERMS AND CONDITIONS HEREIN.

**2. SERVICE DESCRIPTIONS.** The credit card processing services provided hereunder to Merchant consist of authorization and electronic draft capture of such payment transactions, outclearing of such transactions to the appropriate payment network and/or issuers (e.g., Visa, Mastercard, American Express, Discover, UP), funds settlement, certain dispute resolution with cardholders' banks and transaction-related reporting and statements. Debit card processing services hereunder consist of the transmission of such debit card payment transactions to the appropriate debit card payment network for authorization and approval (e.g., to Interac Corp., Visa, UP), funds settlement, and transaction-related reporting and statements. From time to time under this Agreement, upon Merchant's request, Global may facilitate the transmission of certain payment card transactions ("Switched Transactions") to the respective card issuers, including but not limited to gift cards, loyalty cards, and various fleet, private label and commercial cards. Switched Transactions require Global's prior written approval and are subject to applicable pricing; Global does not settle with the Merchant for Switched Transactions, and neither Global nor Member has any liability regarding the availability or capabilities of their respective card issuers. On the Merchant Application being completed contemporaneously herewith, Merchant shall select the card types that Merchant elects to accept for payment by cardholders. With respect to Visa and Mastercard products, (a) merchants that accept credit card payments from a particular payment network are not obligated to accept debit cards issued by Canadian issuers belonging to such payment network, and (b) merchants that accept debit card payments from a particular payment network are not obligated to accept credit cards issued by Canadian issuers belonging to such payment network; Merchant shall so indicate its preference on the Merchant Application. After the effective date of this Agreement, in the event that Global notifies Merchant about new products and/or services that may be available to Merchant pursuant to this Agreement, Merchant's express consent is required in order to indicate Merchant's acceptance of such new products and/or services prior to submitting a transaction that engages such new product/service. Furthermore, Merchant is required to provide its express consent to Global prior to accepting any new type of card not previously accepted by Merchant and issued by a Canadian card issuer, even if Merchant's POS equipment has the capability of accepting such card. For greater certainty, Merchant is not permitted to use any such new product or service or accept from a cardholder any such new Canadian-issued card unless Merchant has previously given its express consent to Global indicating acceptance thereof.

**3. PROCEDURES.** Subject to the terms set forth in Section 26 regarding Push Funds, Merchant will maintain an approved merchant bank account with its designated financial institution for its credit card and debit card receivables, subject to such financial institution's usual charges and conditions. If Merchant has elected to accept credit cards, Merchant will permit holders of valid credit cards bearing the symbols of the cards authorized to be accepted by Merchant hereunder to charge purchases or leases of goods and services, and the receivables resulting therefrom shall be purchased hereunder, provided that the transaction complies with the terms of the Agreement. If Merchant has elected to accept debit cards, Merchant will permit holders of valid debit cards bearing the symbols of the cards authorized to be accepted by Merchant hereunder to pay for goods or services by debiting



money directly from their accounts using a point of sale (POS) terminal with personal identification number ("PIN") verification. The procedures to be followed by Merchant for accepting credit and/or debit cards may be modified from time to time upon written notice. Merchant agrees to cooperate with Member in recovering payment cards that the Member requests Merchant to recover.

**Merchant will not process transactions relating to merchandise sold or services performed (or alleged to have been sold or performed) by parties other than Merchant.**

**Merchant will not offer telephone, mail order or Internet services without Global's prior written consent. Furthermore, Merchant will not process transactions relating to goods or services that Merchant does not provide to the customer at the point of sale without Global's prior written consent.**

Merchant is permitted to provide its customers a discount for different methods of payment (e.g., cash, debit card, credit card). Merchant is also permitted to provide differential discounts among different payment networks. All such discounts must be clearly marked at the point of sale where the transaction occurs.

If Merchant wishes to offer dynamic currency conversion (DCC) or any other currency conversion services to cardholders, Merchant must notify Global prior to offering DCC services; inform cardholders that DCC is optional; not impose any additional requirements on the cardholder to have the transaction processed in the local currency; not use any language or procedures that cause the cardholder to choose dynamic currency by default; not misrepresent, either explicitly or implicitly, that DCC is a service of the payment networks; comply with all transaction receipt requirements issued by Global and Member from time to time; and comply with any other requirements pertaining to dynamic currency conversion of which Merchant is notified by Global and/or Member.

Merchant agrees to follow the Card Acceptance Guide and to be bound by the operating regulations and rules of VISA, Mastercard, American Express, Discover, Interac Corp. ("Interac"), UnionPay and any other payment network covered by the Agreement, as any of the above-referenced documents may be modified and amended from time to time (collectively, the "Payment Network Rules"). Without limiting the generality of the foregoing, Merchant agrees to comply with and be bound by, and to cause any third party who provides Merchant with services related to payment processing or facilitates Merchant's ability to accept credit and debit cards and who is not a party to this Agreement to comply with and be bound by, the rules and regulations of Visa, Mastercard, American Express, Discover, Interac, UnionPay and any other payment network or network organization related to cardholder and transaction information security including, without limitation, all rules and regulations imposed by the Payment Card Industry (PCI) Security Standards Council (including without limitation the PCI Data Security Standard), Visa's Cardholder Information Security Program, Mastercard's Site Data Protection Program, and Payment Application Best practices, which, as may be modified and amended from time to time, will constitute Payment network Rules as used herein.

Without limiting the generality of the foregoing, Merchant agrees that it will use information obtained from a cardholder in connection with a card transaction solely for the purpose of processing a transaction with that cardholder or attempting to re-present a chargeback with respect to such transaction consistent with the Payment network Rules. Merchant will indemnify and hold Global and Member harmless from any liability assessments (sometimes referred to as "fines" and "penalties") issued by Visa, Mastercard, American Express, Discover, Interac, UP or any payment network, and any other fees, costs and related losses arising out of or relating to the processing of transactions by Global and Member at Merchant's location(s) and will reimburse Global for any losses incurred by Global with respect to any such liability assessments, fees, and costs. Merchant acknowledges that it has had the opportunity to request a review and/or review the Payment Network Rules in connection with its execution of this Agreement. Global may, from time to time, issue written directions (via mail, e-mail or posting to Global's Internet site) regarding procedures to follow and forms to use to carry out the Agreement. These directions and the terms of the forms are binding as soon as they are issued and shall form part of these Terms & Conditions.

Without limiting the generality of any other provision of this Agreement, Merchant also agrees that it will comply with all applicable federal, provincial, and local laws, rules, ordinances, and regulations (collectively, "Applicable Laws"), including those related to both (a) the truncation or masking of cardholder numbers and expiration dates on transaction receipts from transactions processed at Merchant's location(s), including all applicable provincial laws ("Truncation Laws") and (b) the collection of personal information from a cardholder in connection with a card transaction, including all applicable provincial laws ("Laws on Collection of Personal Information"). As between Merchant, on the one hand, and Global and Member, on the other hand, Merchant shall be solely responsible for complying with all such laws, rules, ordinances, and regulations, including the Truncation Laws and Laws on Collection of Personal Information, and will indemnify and hold Global and Member harmless from any claim, loss or damage resulting from a violation the same as a result of transactions processed at Merchant's location(s).

**4. DATA SECURITY.** Merchant is responsible for the security of all equipment utilized by Merchant and is liable for any unauthorized use of such equipment, regardless of whether such unauthorized use was made by Merchant, Merchant's employees, agents, customers or other third parties.

Merchant is responsible for reviewing the user documentation for all equipment and knowing the equipment's capabilities, including but not limited to the "returns" function. Upon receipt of point of sale equipment, Merchant must immediately replace any pre-programmed or default password with a personal and confidential password of Merchant's choosing and subsequently change the password on a regular basis. Any losses incurred in connection with misuse of Merchant's password will remain Merchant's responsibility. Global assumes that all debit transactions initiated at a point of sale station were authorized by Merchant. Merchant will ensure that all point of sale stations are monitored during business hours to prevent unauthorized use or device tampering and closed/turned off and unavailable for use after business hours. Merchant agrees to advise Global immediately if any point of sale terminal or PIN pad has been lost or stolen or if there is a suspicion that any point of sale station or PIN pad may have been tampered with. Merchant agrees to maintain accurate logs of employee shifts, keep such logs for a minimum of one (1) year and provide these logs to Global (with or without employee names) within 24 hours of a request to do so as part of an investigation of a payment card fraud incident.



Merchant is responsible for keeping confidential all information relating to Merchant's customers. Except as specifically required by law, Merchant may not use, disclose or remit to any third party the names or account numbers or other transaction information appearing on a card or contained on its magnetic stripe or chip (or recorded on any document or form evidencing such information) for purposes other than for the sole purpose of completing a credit or debit transaction, as applicable. Merchant agrees to store all tangible records of transaction information, including but not limited to sales drafts and transaction receipts, in a secure area limited to selected personnel, and, prior to discarding, to destroy the information in a manner rendering it unreadable. Merchant agrees that representatives of Global, Member, and/or the payment networks may inspect Merchant's premises, point of sale terminals, PIN pads and computers for the purpose of verifying that cardholder names, account numbers and other transaction information is securely stored and processed, and Merchant furthermore agrees to cooperate with them in any investigation of suspected or confirmed loss or theft of cardholder names, account numbers or other transaction information.

Merchant acknowledges and agrees that Global or its designated agents perform a due diligence review to determine that Merchant is able to comply with all applicable requirements for the debit services, including but not limited to security and technical standards specified by Global, Interac and/or additional debit networks. Merchant acknowledges that additional due diligence may be conducted by Global or its designated agents in the event of a change in control of Merchant's business. Global shall not be required to provide the debit services to Merchant if Global determines that to do so would pose a material risk to the security or integrity of the debit services.

Merchant agrees to comply with, and to cause any third party who provides Merchant with services related to payment processing or facilitates Merchant's ability to accept credit and debit cards and who is not a party to this Agreement to comply with and be bound by, the rules and regulations of the payment networks related to cardholder and transaction information security including, without limitation, all rules and regulations imposed by the Payment Card Industry (PCI) Security Standards Council, including the PCI Data Security Standard as it may be modified and amended from time to time (available at the PCI Security Standards Council web site [www.pcisecuritystandards.org](http://www.pcisecuritystandards.org)), VISA's Account Information Security Standards, Mastercard's Site Data Protection Program, the American Express Data Security Requirements (available at [www.americanexpress.ca/dsr](http://www.americanexpress.ca/dsr)), as well as all other payment network requirements related to cardholder and transaction information security. VISA, Mastercard, and American Express web sites provide merchants with detailed information, which may be modified from time to time, regarding compliance with data privacy and security obligations. Merchant shall notify Global immediately of any suspected or actual data security incident.

Merchant is also responsible for security measures to protect customers' PINs and Member's cryptographic keys loaded on Merchant's point of sale terminals. Merchant is responsible for installing all equipment in such a way that customers can enter their PINs in a confidential manner. Merchant agrees never to ask a cardholder for his or her PIN, nor to use any other means of capturing his or her PIN. Merchant agrees to follow security procedures as advised by Global and to ensure that Merchant's employees are familiar with them.

Merchant is solely responsible and bears all liability for any losses arising from its relationship with third parties that provide products and/or services related to payment processing or that facilitate Merchant's ability to accept credit or debit cards. Without limiting the foregoing, if Merchant makes arrangements with a third party for the purpose of collecting, processing or storing cardholder names, account numbers or other transaction information, including but not limited to third party processors, equipment providers and/or value added resellers (VARs), Merchant is responsible for ensuring such third party's compliance with payment network requirements related to cardholder and transaction information, confidentiality and security, including but not limited to the PCI Data Security Standard. Merchant must execute with such third party a written contract that includes obligations substantially similar to the ones in this Agreement relating to cardholder and transaction information confidentiality and security, PCI compliance and the right to inspect the third party's premises, point of sale terminals, PIN pads, computers and any other applicable equipment to validate compliance.

Merchants and their third party service providers and data storage entities that use wireless LAN technology to connect networks or servers that process or store transactions, cardholder or account data must comply with all of the following requirements: (i) Wi-Fi protected access (WPA) technology must be implemented for encryption and authentication when the wireless LAN technology is WPA-capable, using the latest available version of the WPA security protocol. Use of a virtual private network (VPN) is also recommended. (ii) When the wireless LAN is not WPA-capable, a VPN must be implemented. (iii) Wireless Equivalent Privacy (WEP) must not be the sole method used to protect confidentiality and access to a wireless LAN.

**5. MARKETING.** Merchant shall prominently display the card issuer service marks and promotional materials supplied by Global. Merchant shall cease to use or display such service marks immediately upon notice from Global or upon termination of the Agreement. Merchant agrees that all such displays and cessation of such displays shall be in accordance with the Payment Network Rules. Merchant is hereby granted a limited non-exclusive, non-transferable license to use Global brands, emblems, trademarks, and/or logos ("Global Marks") on acceptance-related materials or graphics provided to Merchant by Global, including without limitation window decals, or on Merchant's e-commerce website. Merchant is prohibited from using the Global Marks other than as expressly authorized in writing by Global. Merchant shall not use the Global Marks other than to display decals, signage, advertising and other forms depicting the Global that are provided to Merchant by Global pursuant to this Agreement or otherwise approved in advance in writing by Global. Merchant shall not use the Global Marks in such a way that customers could believe that the products or services offered by Merchant are sponsored or guaranteed by the owners of the Global Marks. Merchant recognizes that it has no ownership rights in the Global Marks and shall not assign to any third party any of the rights to use the Global Marks.

**6. PAYMENT, CHARGES AND FEES.** Fees and charges payable by Merchant are as set forth in the Merchant Application, which may be modified from time to time by mutual agreement of the parties or as otherwise set forth herein. Merchant will be paid for receivables purchased under the Agreement by provisional credit to Merchant's account(s). Merchant's account(s) will be provisionally credited for the gross amount of the receivables purchased less the amount of any credit vouchers deposited, minus any applicable discount, fees, provider service costs, chargebacks, and other fees and charges. Merchant shall not be entitled to credit for any receivables that arise out of a transaction not processed in accordance with the terms of this Agreement or the Payment Network Rules. Availability of any such funds shall be subject to the procedures of Merchant's financial institution. All deposit figures are subject to final review and, in case of any type of overpayment to Merchant or other inaccuracies, Merchant's account will be debited or credited without notice for any deficiencies or overages, as the case may be. Chargebacks and adjustments will be charged to Merchant's account(s) on a daily basis. Merchant will be charged a fee, called a discount rate, and/or a per-item charge on all transactions from Merchant's



location(s). Quoted fees apply to transactions that clear as priced. Transactions that do not clear as priced will be subject to Interchange Downgrade Fees ("IDF") that will be billed back to the Merchant and reflected on the Merchant's monthly statement. See the section of this Agreement entitled "Interchange Downgrades & Cross-Border Fees" for more information. Merchant agrees to pay and Merchant's account(s) will be debited for (a) the discount, fees, chargebacks, and other fees and charges described in the Agreement; (b) all fees, liability assessments, or any other amounts charged or assessed by the payment networks on account of or related to Merchant's processing hereunder, including, without limitation, with regard to any third party who provides Merchant with services related to payment processing or facilitates Merchant's ability to accept credit and debit cards and who is not a party to this Agreement; and (c) any charges related to deposit errors, including but not limited to batch error fees. All fees and charges for the Services are subject to change and may be amended by Global upon ninety (90) days' prior written notice. However, notwithstanding any provision to the contrary set forth herein, but without limiting Merchant's right to terminate for a price increase as described in Section 15 below, Global may increase any fees upon shorter notice if a payment network or a government entity increases the fees payable by Member and/or Global in connection with the processing of Merchant's transactions, and Global did not receive sufficient prior notice of such increase to reasonably permit Global to comply with the foregoing time frames; in such event, the amount of prior notice to Merchant shall be reasonable under the circumstances, and the increase shall become effective as to Merchant no later than such increase becomes effective as to Member and/or Global. Furthermore, Global has the right to modify Merchant's pricing at any time pursuant to a pre-determined fee schedule, provided that the applicable fee schedule for such modified pricing has been included as part of this Agreement; in the event of a pricing change pursuant to such pre-determined fee schedule, Merchant's right to terminate for a price increase as described in Section 14 of this Agreement does not apply.

Furthermore, cancellation fees as described in Section 14 below will be charged if Merchant terminates the Agreement, either expressly or as evidenced by Merchant's actions, and such termination does not comply with the terms set forth herein. Merchant is responsible for reviewing monthly billing statements, invoices and other billing-related information provided by Global. In the event of discrepancies or billing errors, Merchant must notify Global within 60 days of the date of the applicable statement, invoice or billing-related document; otherwise, Merchant is deemed to have accepted the fees and charges set out therein.

Merchant agrees that all amounts owed hereunder constitute a debt that is payable on demand and that Merchant's account(s) and/or other accounts maintained by you at any financial institution may be debited by Member or Global for this debt without prior notice. The provision of the services hereunder is contingent upon the foregoing, and any attempt by Merchant to revoke this consent shall be considered a default by Merchant hereunder. Merchant agrees not to directly or indirectly prevent, block or otherwise preclude any debit by Global or Member that is permitted under this Agreement. Merchant agrees that any withdrawals by Member or Global under the Agreement from Merchant's account(s) at any financial institution are pre-authorized debits ("PADs") that have been authorized under the PAD Agreement contained in the section of the Merchant Application titled "Push Funds Service Authorization and Direction". If there are insufficient funds in Merchant's account, Merchant will immediately pay Global the amount owed upon demand. If any such debit results in an overdraft in the Merchant's account, Global shall have no liability whatsoever for any such overdraft amounts resulting from any debits made in accordance with the terms of this Agreement. Merchant represents, warrants and covenants that no one other than Merchant has any claim against such receivables except as authorized in writing by Global on behalf of itself and Member. Merchant hereby assigns to Global all of its right, title, and interest in and to all receivables submitted hereunder.

**7. EQUIPMENT AND THIRD PARTY SERVICES.** Pursuant to a separate written agreement, Merchant may rent or purchase equipment from Global Payments Canada GP ("Global Canada") for all credit card authorization, draft deposit, and debit card transactions. Merchant must notify Global if Merchant elects to use any other provider's equipment/terminals (called "third party equipment"). Note: Global Canada equipment that Merchant leases through a leasing company referred by Global Canada is not considered to be "third party equipment" for purposes of this paragraph. If Merchant uses any third party equipment, such third party becomes Merchant's agent for the delivery of transactions to Global via the applicable processing network. Merchant assumes full responsibility and liability for any failure of such agent to comply with the operating regulations and rules of the applicable payment network, including any violation that results in a chargeback to Merchant. Merchant agrees to ensure that such third party equipment conforms to the PCI Data Security Standard and is installed in accordance with Global's standards, and Merchant agrees to comply with the other rules and regulations imposed by Global and by the applicable associations and networks from time to time in connection with such equipment. Merchant remains liable to Global and Member to process and submit sales drafts according to the Agreement. Global and Member are not liable for any losses arising out of the use of third party equipment.

Interac, VISA and Mastercard have mandated that all POS PIN Pad devices deployed by merchants after December 31, 2007 must be PCI-compliant and, in the case of Interac, such equipment must also be certified in accordance with Interac-specific technical specifications and testing requirements (TSTR). Merchant agrees to comply with the foregoing mandate.

Merchant is responsible for the layout costs of Merchant's place of business as well as the service charges for the installation and rental of the communication lines payable to the supplier of such services. In the event that Merchant requests Global to install the communication lines, Merchant agrees to pay the installation fees and service charges billed by Global in connection therewith.

Merchant acknowledges that some of the services to be provided to Merchant hereunder may be provided by third parties. Merchant agrees that, except for its right to use such services in connection with this Agreement, Merchant acquires no right, title or interest in any such services. Merchant further agrees that it has no contractual relationship with any third party providing services under this Agreement and that Merchant is not a third party beneficiary of any agreement between such third party and Global or Member, as applicable. Merchant may not resell to any other entity the services of any third party providing services under this Agreement.

**8. FINANCIAL INFORMATION.** Merchant agrees that Global or Member may obtain whatever commercial and credit information it deems appropriate with respect to Merchant. Merchant agrees to furnish Global and Member such financial statements and information concerning Merchant, its owners, principals, partners, proprietors or its affiliates as Global may from time to time request on behalf of itself and Member. In the event that Global requests financial statements and information concerning Merchant's owners, principals, partners, proprietors and affiliates to meet Global's and Member's criteria for such risk management evaluation, it shall be Merchant's responsibility to provide such information to Global, as well as all necessary legal consents from such persons and entities in a form provided by Global. In the event that such information and/or consents are not provided, Global and Member may elect, without liability or penalty, to cease or refuse to commence providing Services, and Merchant agrees that



Global and/or Member may seek injunctive relief in connection therewith. Merchant hereby authorizes Member or any depository institution to release any financial information concerning Merchant or its accounts to Global and/or Member. Merchant acknowledges that Global may require a credit report on Merchant or any owner, officer, shareholder, partner, proprietor or managing agent of Merchant, and Merchant agrees to obtain all necessary legal consents from such persons and entities in a form provided by Global. Subsequent credit reports may be ordered in connection with updating, renewing or continuing the Agreement, and Merchant shall assist Global in obtaining any necessary consents for such subsequent credit reports. Upon the written request of any individual who is the subject of a consumer credit report, Global will provide the name and address of the consumer credit reporting agency furnishing such report, if any.

Global, Member or their duly authorized representatives may examine the books and records of Merchant, including records of all receivables previously purchased or presented for purchase. Merchant agrees to retain copies of all paper and electronic sales drafts and credit vouchers submitted to Global for a period of one year from submission, or for such longer period of time as may be required by the Payment Network Rules, by applicable law, or by Global as specifically requested in writing in individual cases.

**9. CHANGE IN BUSINESS.** Merchant agrees to provide Global sixty (60) days prior written notice of its intent to (a) transfer or sell a substantial portion (10% or more) of the Merchant's stock or assets; or (b) change the basic nature of its business or the way it is conducted; or (c) convert all or part of the business to mail order sales, telephone order sales, Internet-based sales or to other sales where the card is not physically present and swiped through Merchant's terminal, unless Merchant has indicated on the Merchant Application that Merchant accepts such transactions; or (d) liquidate its business. Upon the occurrence of any such event, the terms of the Agreement may be modified by Member and/or Global to address issues arising therefrom, including but not limited to requirements of applicable Payment Network Rules and/or the fees associated with such transactions. If Merchant wishes to change its designated merchant bank account, Merchant shall provide written notice of the new bank and/or account number in accordance with the procedures set forth in Section 26 of this Agreement.

**10. TRANSFERABILITY.** This Agreement is binding upon the parties, their heirs, successors, and assigns. The Agreement is not transferable by Merchant without the written consent of Global. Any attempt by Merchant to assign its rights or to delegate its obligations in violation of this paragraph shall be void. Merchant agrees that the rights and obligations of Global hereunder may be transferred by Global without notice to Merchant. Merchant agrees that the rights and obligations of Member hereunder may be transferred to any other payment network member without notice to Merchant. Notice of any such assignment will be delivered to Merchant by Global within a reasonable time thereafter.

**11. WARRANTIES AND REPRESENTATIONS.** Merchant warrants, represents and covenants to Global and Member, both at the time of execution and the presentation of any transaction hereunder, that: (a) each sales transaction delivered hereunder will represent a bona fide sale to a cardholder by Merchant for the amount shown on the sales draft as the total sale and constitutes the binding obligation of the cardholder, free from any claim, demand, defence, setoff or other adverse claim whatsoever; (b) each sales draft or other evidence of indebtedness will accurately describe the goods and services that have been sold and delivered to the cardholder or in accordance with his/her instructions; (c) Merchant will comply fully with all Applicable Laws, including those applicable to its business; (d) Merchant will fulfill completely all of its obligations to the cardholder and will resolve any customer dispute or complaint directly with the cardholder; (e) the signature on the sales draft will be genuine and authorized by cardholder and not forged or unauthorized; (f) Merchant has taken all reasonable steps to verify the identity of the cardholder and the genuineness of the card and the transaction; (g) the sales transaction shall have been consummated and the sales draft prepared in full compliance with the Payment Network Rules; (h) provided that Merchant has not indicated on the Merchant Application that it accepts mail order, telephone order, or internet-based transactions, none of the sales transactions submitted hereunder represent sales by telephone, or mail, or Internet, or where the card is not physically present at the Merchant's location and swiped through Merchant's terminal, unless Merchant is specifically authorized on the Merchant Application to submit such sales drafts for purchase; (i) Merchant will not submit a transaction to Global and Member for processing until the goods are shipped or services performed, as applicable, unless otherwise permitted by the payment networks; (j) none of the sales transactions submitted hereunder for purchase represent sales to any principal, partner, proprietor, or owner of Merchant; (k) that, without limiting the generality of the foregoing, each sales transaction submitted hereunder and the handling, retention, and storage of information related thereto, will comply with the Payment network Rules; (l) all of the information contained in the Merchant Application is true and correct; and (m) Merchant is not a resident of the U.S. and is not subject to U.S. taxes. In the event that any foregoing warranty, representation or covenant is breached, the affected transaction may be refused, or prior acceptance revoked and charged back to the Merchant. Furthermore, if Merchant submits for purchase hereunder a transaction that is not the result of a sale of Merchant's goods or services offered to the general public, or if Merchant submits any transactions for purchase hereunder which represents a sale to any principal, partner, proprietor, or owner of Merchant, such sales transaction may be refused or charged back, and Merchant hereby agrees to pay, and Merchant's account(s) will be debited for, an additional fee (currently, \$100) for each such transaction.

If Merchant elects to use a third-party terminal provider, that provider becomes Merchant's agent for the delivery of card transactions to Global via the applicable card-processing network. Global and Member shall have no responsibility for or liability in connection with any hardware, software or services Merchant receives from a third party agent, even if Global collects monies with respect to such hardware, software or services. Neither Global nor Member makes any representation or warranty with respect to such agent's access to or ability to integrate with the products, services, and systems of Global and any such access or ability may terminate at any time and Global shall have no obligation to advise Merchant of such termination. Merchant agrees to assume full responsibility and liability for any failure of such agent to comply with the Payment network Rules, including without limitation any violation, which results in a chargeback to the Merchant. Global and Member have no responsibility for any card transactions until it receives data for the card transaction in the format required by Global. Merchant also agrees that the obligation hereunder to reimburse the Merchant for the value of the card transactions captured by an agent is limited to the value of the transactions (less applicable fees) received by the card-processing network from the agent.

NEITHER MEMBER, NOR GLOBAL, NOR ANY SUPPLIER MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY OF THE SERVICES FURNISHED HEREUNDER.

**12. INDEMNITY.** Merchant agrees to satisfy directly with the cardholder any claim or complaint arising in connection with the card sale, regardless of whether such claim or complaint is brought by the cardholder, Global, or another party. Merchant agrees to indemnify defend and hold Global,



Member and their respective parent companies, subsidiaries and affiliates (including, without limitation, the respective officers, directors, employees, attorneys, shareholders, representatives and agents of all of the foregoing) harmless from and against any and all liabilities, judgments, arbitration awards, settlements, actions, suits, claims, demands, losses, damages, costs (including, but not limited to, court costs and out of pocket costs and expenses), expenses of any and every type, litigation expenses, and attorneys' fees, including, but not limited to, attorneys' fees incurred in any and every type of suit, proceeding, or action, including but not limited to, bankruptcy proceedings, in connection with, by virtue of, or arising from, either directly or indirectly: (a) any card transaction that does not conform to the requirements of this Agreement, the Payment network Rules or Applicable Laws; (b) any card transaction or any act or omission of Merchant; (c) Merchant's breach or default or an alleged breach or default of or under any term, covenant, condition, representation, warranty, obligation, undertaking, promise or agreement contained in this Agreement or in any agreement (whether oral or written) with any cardholder, any agreement with any payment network, or in any other agreement with Member or Global, any breach or threatened breach by Merchant of the Payment network Rules or any violation by Merchant of Applicable Laws; (d) the rescission, cancellation or avoidance of any card transaction, by operation of law, adjudication or otherwise; (e) any claim, counterclaim, complaint, dispute or defense, including, without limitation claims brought by Merchant with respect to this Agreement or a card transaction on which Merchant is not the prevailing party; (f) damages, including, without limitation, those for death or injury caused by the good or service purchased with the card; (g) for all web based, Internet or electronic commerce transactions including Merchant's insecure transmission of card transaction data and/or storage of cardholder information; or (h) any compromise of card information or cardholder information resulting from, or for which any network organization or payment network determines resulted from, Merchant's failure to abide by applicable security standards, including those found in the Payment network Rules. For purposes of this Agreement, including the foregoing indemnities, Merchant is responsible and liable for the acts and omissions of its employees, agents and representatives (whether or not acting within the scope of their duties).

**13. LIMITATION OF LIABILITY.** Neither Member nor Global nor any independent sales organization referred to or providing services to Merchant ("ISO") shall be liable for failure to provide the Services if such failure is due to any cause or condition beyond such party's reasonable control. Such causes or conditions shall include, but shall not be limited to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, shortages of labour or materials, freight embargoes, unusually severe weather, breakdowns, operational failures, electrical power failures, communication failures, unavoidable delays, the errors or failures of third party systems, or other similar causes beyond such party's control.

To the maximum extent permitted by law, the liability, if any, of Global, ISO, and Member for any loss arising out of or relating in any way to this Agreement shall, in the aggregate, be limited to actual, direct, and general money damages in an amount not to exceed the lesser of (a) three (3) months' average charge paid by Merchant hereunder (exclusive of interchange fees, assessments and any other fees or costs that are imposed by a third party in connection with Merchant's payment processing) for Services during the previous twelve (12) months or such lesser number of months as shall have elapsed subsequent to the effective date of the Agreement, and (b) fifty thousand Canadian dollars (50,000 CAD). This shall be the extent of Global's, ISO's and Member's liability arising out of or relating in any way to this Agreement, including alleged acts of negligence, breach of contract, or otherwise, and regardless of the form in which any legal or equitable action may be brought against Global, ISO, or Member, whether contract, tort or otherwise, and the foregoing shall constitute Merchant's exclusive remedy. Under no circumstances shall Global, ISO, or Member be liable for any lost profits, lost interest, other economic loss due to the Agreement or for indirect, special, consequential, punitive or exemplary damages arising out of or relating in any way to this Agreement, even if Global, ISO, or Member has been advised of the possibility of such damages. Under no circumstances shall Global, ISO, or Member be liable for any settlement amounts pertaining to Switched Transactions; Merchant's sole recourse therefor shall be to the applicable card issuer.

It is agreed that in no event will Global or Member be liable for any claim, loss, billing error, imposition of any allegedly improper fee(s), damage, or expense caused by Global's or Member's performance or failure to perform hereunder which is not reported in writing to Global by Merchant within thirty (30) days of such failure to perform or, in the event of a billing error or the imposition of any allegedly improper fees, within 60 days of the date of the invoice or applicable statement, and Merchant expressly waives any such claim that is not brought within the time periods stated herein.

**14. TERM AND TERMINATION.** This Agreement shall remain in full force and effect for the initial term set forth in the Merchant Application that is part of this Agreement; provided, however, that if Merchant is receiving these Terms and Conditions as an amendment to an existing merchant agreement, the amendment shall not affect the then-existing term. This Agreement shall be automatically extended for successive renewal periods, the length thereof also set forth in the Merchant Application, on the same terms and conditions expressed herein, or as may be amended, unless Merchant gives written notice of termination at least ninety (90) days prior to the expiration of the initial term or any extension or renewals thereof, in which case this Agreement will terminate at the end of the then-current term.

If Merchant terminates this Agreement and such termination does not comply with the terms of this Section 14, Merchant will be charged, at Global's option, either a cancellation fee of \$500 per location or an amount equal to the average monthly fees assessed to Merchant under the Agreement (exclusive of interchange fees and other fees or assessments imposed by a third party in connection with Merchant's payment processing) multiplied by the number of months remaining in the then-current term of the Agreement. Such amount(s) shall be immediately due and payable to Global, and Merchant hereby authorizes Global to accelerate the payment of such applicable amount(s), and immediately on or after the effective date of termination, to deduct such total amount(s) from Merchant's bank account or to otherwise withhold the total amount(s) from amounts due to Merchant from Global. If such merchant bank account does not contain sufficient funds for the debit or the amount(s) cannot be withheld by Global from amounts due to Merchant, Merchant shall pay Global the amount due within ten (10) days of the date of Global's invoice for same. The parties have agreed that the payment as described in this paragraph is not a penalty, but rather an amount stipulated by the parties to be a reasonable amount of liquidated damages to compensate Global and/or member for termination expenses and all other damages under the circumstances in which such amounts would be payable. Such amount(s) shall not be in lieu of but in addition to any payment obligations for Services already provided hereunder (or that Global or Member may continue to provide), which shall be an additional cost, and any and all other damages and equitable remedies to which Global and/or Member may be entitled hereunder, apart from Merchant's breach of this Section 14.

Notwithstanding the foregoing, Global or Member may terminate or suspend performance of the Agreement or any portion thereof upon written notice to Merchant. The circumstances in which Global may choose to terminate include, but are not limited to, the following circumstances: (a) if Global or Member is required or requested by a payment network or government entity to terminate and/or suspend this Agreement, (b) if Merchant makes an



unauthorized conversion of thirty percent (30%) or more of its business to Internet, mail order, telephone order or future-delivery sales, or to any activity where the card is not physically present and swiped through Merchant's POS terminal, (c) if Merchant fails to follow any Payment Network Rules or any written directions or procedures provided to Merchant pursuant to the Agreement and Merchant does not remedy such failure within the time specified in Global's written notice to Merchant, (d) if Merchant makes any misrepresentation to Global or Member, (e) bankruptcy or insolvency proceedings are commenced by or against Merchant, or (f) if Merchant breaches any other term or condition of the Agreement and fails to remedy such breach within 30 days of receiving written notice thereof.

During the initial or any renewal term of this Agreement, in the event of an increase in Global's fees or charges for the Services, or a reduction in applicable interchange rates that is not passed through to the Merchant in full, Merchant may, by giving written notice to Global at any time within ninety (90) days following notice of a fee increase or the introduction of a new fee, or within ninety (90) days following notice of a reduction in applicable interchange rates that is not passed through in full, terminate this Agreement without having to pay a cancellation fee, either as of the effective date of the change or as of a later specified date. Failing such notice from Merchant, this Agreement shall remain in full force and effect. In any event, the increased charges shall apply to services performed by Global after the effective date of the change. The foregoing termination right for price increases is not applicable with respect to an increase made in accordance with a pre-determined fee schedule, provided that such fee schedule is included as part of this Agreement. In the event that Merchant has entered into a Point-of-Sale Equipment Agreement with Global Payments Canada GP ("Global Canada") for terminal and equipment services, Merchant may also, by giving written notice to Global Canada at any time within ninety (90) days following a fee increase or the introduction of a new fee, terminate the Point-of-Sale Equipment Agreement without having to pay a cancellation fee, either as of the effective date of the change or as of a later specified date. Failing such notice from Merchant, the Point-of-Sale Equipment Agreement shall remain in full force and effect.

In the event that Global/Member breach the terms and conditions hereof, Merchant may, at its option, give written notice to Global and Member of its intention to terminate the Agreement unless such breach is remedied within thirty (30) days of such notice. Failure to remedy such a breach shall make the Agreement terminable, at the option of the Merchant, at the end of such thirty (30) day period unless notification is withdrawn.

Any Merchant deposit of sales drafts or credit vouchers that is accepted by Global and Member or by a designated depository after the effective date of termination will be returned to Merchant and will not be credited (or debited) to its account(s). If the deposit has already been posted to Merchant's account(s), said posting will be reversed and the deposit returned to Merchant. Termination of the Agreement shall not affect the parties' rights and obligations which have accrued prior to termination or which relate to any receivables purchased hereunder prior to termination, including but not limited to chargebacks or liability assessments imposed, received, or processed after termination. Without limiting the foregoing, the provisions of Sections 4, 6, 8, 10-17, 19-23, 25-27, and 30-31 shall survive termination of the Agreement. In the event of termination, all supplies and/or advertising materials provided by Member or Global, Card Acceptance Guides and operating instructions must be returned immediately to Global at Merchant's expense, and Merchant shall not represent thereafter that it honours payment cards except to the extent Merchant subsequently enters into a separate agreement or agreements with another bank or banks, as applicable, for the processing of such payment cards.

**15. RETURNED ITEMS/CHARGEBACKS.** If a cardholder disputes any transaction, if a transaction is charged back for any reason by a cardholder or the card issuing institution, or if Global or Member has any reason to believe a receivable previously purchased is questionable, not genuine, or is otherwise unacceptable under payment network regulations, the amount of such receivable may be charged back and deducted from any payment due to Merchant or may be charged against any of Merchant's accounts or the Reserve Account (as defined below). Merchant acknowledges and agrees that it is bound by the Payment Network Rules with respect to any chargeback. Merchant further acknowledges that it is solely responsible for providing Global and Member with any available information to re-present a chargeback and that, regardless of any information it provides or does not provide to Global and Member in connection with a chargeback or for any other reason, Merchant shall be solely responsible for the liability related to such chargeback. If any such amount is uncollectible through withholding from any payments due hereunder or through charging Merchant's accounts or deducting it from the Reserve Account, Merchant shall, upon demand by Global, pay Global the full amount of the chargeback. If Merchant exceeds the thresholds for fraudulent transactions or chargebacks as established from time to time by Mastercard or VISA, Merchant will be subject to the appropriate Mastercard or VISA charges levied for non-compliance. American Express may, at its sole discretion, place Merchant in any of its chargeback programs. Merchant understands that obtaining an authorization for any sale shall not constitute a guarantee of payment, and such sales drafts can be returned or charged back to Merchant like any other item hereunder. Merchant acknowledges that all sales processed where the card is not physically present (telephone order, mail order and Internet sales) are subject to an increased risk of chargeback, for which the merchant is held responsible.



**16. RESERVE ACCOUNT; HOLDBACK RIGHTS.** Global and Member may, at their option, establish a reserve account ("Reserve Account") to secure the performance of Merchant's obligations under the Agreement to such party, and they may fund such reserve account in an amount not to exceed the amount of risk reasonably identified by Global upon the occurrence of one of the following events in any given month: (a) if Merchant exceeds, or if Global or Member in good faith believes that Merchant will exceed, a chargeback threshold of 1% of transactions processed, (b) if Merchant issues credits in excess of two percent (2%) of either transactions or amounts processed, (c) if Merchant issues credits to a card without an offsetting sale transaction, (d) an event of fraud by Merchant or Merchant's customers, (e) if Merchant exceeds the Visa or Mastercard threshold for a single transaction, (f) if Global or Member reasonably believes that a payment network will issue a fine or penalty arising out of transactions processed at Merchant's location, (g) if Merchant violates the rules or regulations of a payment network or (h) if Global or Member is unable to debit Merchant's account(s) for amounts owed by Merchant to Global and Member under the Agreement or if there are insufficient funds in such account(s) to satisfy any such amounts owed by Merchant. The Reserve Account may be funded, at Global's sole discretion, through any or all of the following: (a) Direct payment by Merchant - At the request of Global or Member, Merchant will deposit funds to be held as a Reserve Account; (b) The proceeds of receivables presented for purchase; or (c) The transfer by Global and Member of funds withdrawn from any of the accounts referred to in Section 6 or any other accounts, including certificates of deposit, maintained by Merchant or, if applicable, Merchant's guarantor (subject to the terms of the relevant guarantee document) with any designated depository or other financial institution. Merchant's obligations under the Agreement may be satisfied from any such account. Merchant authorizes Global or Member to make such withdrawals at such times and in such amounts as it may deem necessary hereunder. This Agreement may be terminated immediately by Global or Member without notice if Merchant revokes such authorization. Merchant hereby agrees that Global and Member may deduct from the Reserve Account any amount owed to such party in accordance with the Agreement. Any Reserve Account may be held until the later of (a) the expiration of any potentially applicable chargeback rights in respect of purchased receivables under the Payment network Rules or (b) the period necessary to secure the performance of Merchant's obligations under this Agreement, which holding period may extend beyond termination of the Agreement. Merchant shall have no ownership interest or property rights in the Reserve Account or the funds therein, will not receive any interest on funds being held in a Reserve Account, and has no right to access the funds being held in the Reserve Account or otherwise transfer, pledge, or use these funds for its own purposes. Without limiting the generality of the foregoing, upon termination of the Agreement, Global Direct and/or Member may maintain the sum of at least five percent (5%) of gross sales for the 90 day period prior to termination to be held as a Reserve Account in accordance with the terms of the Agreement.

In addition to any of the other rights granted to the Global and Member hereunder, in the event that Global and/or Member, at any time during the term of this Agreement, determine in its or their commercially reasonable discretion that it may be prudent or necessary to do so as a result of any unusual, suspicious, or risk-exposing activity (including, without limitation, money laundering, invalid sales transactions, counterfeit transactions, altered or duplicate transactions, activity related to a suspected data compromise event or other breach of security standards, or excessive chargebacks), then Member or Global on behalf of Member may, without notice, hold funds otherwise payable to Merchant for such period as Global and/or Member, in its or their commercially reasonable discretion, deem necessary, to provide security against liability for such activity, plus other costs or liabilities reasonably anticipated to be due to Global and/or Member related to the same. To the extent (i) the investigation conducted by Global and/or Member with respect to the unusual, suspicious, or risk-exposing activity determines that such activity is reasonably likely to result in amounts being due from you to Global and/or Member, and (ii) Global and/or Member require the establishment, replenishment, or increase of a Reserve Account in connection therewith, then the funds held may be used to fund such Reserve Account.

Merchant hereby irrevocably authorizes Global and Member to instruct any financial institution holding any of the accounts described in the preceding paragraph to transfer funds to Member from any of Merchant's accounts at such financial institution, and Merchant agrees that such financial institution shall be unconditionally authorized to act upon such instruction without any further confirmation or authorization from Merchant. Merchant will hold harmless Global, Member and the financial institutions and indemnify them for any claims or losses they may suffer as a result of honouring withdrawal requests from Global or, when applicable, Member under the terms of this Agreement.

## **17. DISPUTE RESOLUTION – ARBITRATION AND CLASS ACTION WAIVER**

**NOTE: PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS YOUR RIGHTS AND THE RESOLUTION OF DISPUTES**

**A. MANDATORY ARBITRATION:** ANY AND ALL DISPUTES BETWEEN MERCHANT AND/OR GUARANTOR, ON ONE HAND, AND GLOBAL AND/OR MEMBER, ON THE OTHER HAND, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, OR IN RESPECT OF ANY LEGAL RELATIONSHIP BETWEEN MERCHANT AND/OR GUARANTOR, ON ONE HAND, AND GLOBAL AND/OR MEMBER, ON THE OTHER HAND, ASSOCIATED WITH OR DERIVED FROM THIS AGREEMENT, SHALL BE FINALLY RESOLVED BY ARBITRATION UNDER THE ARBITRATION RULES OF THE ADR INSTITUTE OF CANADA, INC. IN EFFECT AT THE TIME THE ARBITRATION IS COMMENCED (<http://www.adric.ca>). Such arbitration will be administered by the ADR Institute of Canada, Inc. The seat of arbitration will be in Toronto, Ontario, Canada, unless the arbitrator determines that justice or fairness requires otherwise. The language of the arbitration will be English. The parties will maintain the confidential nature of the arbitration proceeding except as may be necessary to enforce any award or to comply with applicable law. If the amount of the claim is CA\$10,000.00 or less, the arbitration shall be conducted under the simplified procedure rule of the ADR Institute of Canada, Inc. Arbitration Rules. The arbitrator may award relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted that party's individual claim and, as such, will not affect issues or claims involving any person or entity who is not a party to the arbitration. Any decision rendered in any arbitration proceeding shall be final and binding on each of the parties to the arbitration and judgment may be entered thereon in any court of competent jurisdiction.

**B. Class Action Waiver:** MERCHANT AND GUARANTOR (IF APPLICABLE) ACKNOWLEDGE AND AGREE THAT ALL DISPUTES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL BE RESOLVED ON AN INDIVIDUAL BASIS WITHOUT RESORT TO ANY FORM OF CLASS ACTION AND SHALL NOT BE CONSOLIDATED WITH THE CLAIMS OF ANY OTHER PARTIES. MERCHANT AND GUARANTOR (IF APPLICABLE) FURTHER AGREE TO WAIVE, AND HEREBY WAIVE, ANY RIGHT THEY MIGHT HAVE TO COMMENCE OR TO PARTICIPATE IN ANY CLASS ACTION OR TO LITIGATE OR ARBITRATE ON A CLASS-WIDE BASIS AGAINST GLOBAL AND/OR MERCHANT RELATED TO ANY CLAIM.



C. Choice of Law. This Agreement, as well as the Dispute Resolution provisions contained herein, will be governed by and interpreted solely in accordance with the laws of Ontario and the laws of Canada applicable therein, without regard to any conflicts of laws provisions.

D. Commencement of Proceedings. No arbitration, action, or proceeding maybe commenced, and no claim may be asserted or any relief sought, more than one (1) year after the claim or cause of action occurred.

E. Miscellaneous. Merchant and Guarantor hereby agree that any and all disputes arising out of or in connection with American Express shall be resolved through arbitration as further described in the American Express Merchant Operating Guide (the "American Express Guide"). A court, not the arbitrator, will decide any questions regarding the validity, scope and/or enforceability of this Section 17. Any litigated action (as opposed to an arbitration) regarding, relating to or involving the validity, scope and/or enforceability of this Section 17, or otherwise, shall be brought in the courts of the city of Toronto, province of Ontario, and Merchant and guarantor (if applicable) expressly agree to the exclusive jurisdiction of such courts. Merchant and guarantor (if applicable) hereby agree and consent to the personal jurisdiction and venue of such courts, and expressly waive any objection that Merchant or guarantor might otherwise have to personal jurisdiction or venue in such courts.

18. **DEFAULT/SECURITY INTEREST**. Upon failure by Merchant to meet any of its obligations under this Agreement (including funding the Reserve Account), any of the accounts referred to in Section 6 or any other accounts belonging to Merchant, Merchant's affiliated entities, or Merchant's guarantor held by any designated depository (or by any other financial institution) may be debited without notice to Merchant, and Merchant (on behalf of itself and its affiliated entities) hereby grants to Member and Global a lien and security interest in all of Merchant's right, title and interest in or to any of the following assets or properties, if any: (a) all of the accounts referenced in the preceding sentence, (b) the Reserve Account (without in any way suggesting that Merchant has ownership interest or property rights in the Reserve Account or the funds therein), (c) any rights to receive credits or payments under this Agreement and (d) all deposits and other property of Merchant that Member or its affiliates possess or maintain (including all proceeds of the foregoing). Merchant shall execute, acknowledge or deliver any documents or take any actions Member, Global may from time to time request to better assure, preserve, protect, perfect, maintain or enforce this security interest. To the extent permitted by law, Merchant irrevocably authorizes Member, Global to file any financing statements (at Merchant's expense) in any relevant jurisdiction or any other documents or instruments related to this security interest. Except as provided in Section 16 (relating to the Reserve Account), Merchant represents and warrants that (a) Merchant has good and valid rights and title to the property described herein, (b) Merchant has full power and authority to grant to Member the security interest pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other person or entity, (c) no other person or entity has a security interest or lien in any of the property described herein and (d) this security interest is a first lien security interest and secures Merchant's obligations to Member under this Agreement. Member shall have all rights of a secured party and Merchant must obtain the prior written consent of Member before granting any subsequent security interest or lien in the property described herein. Merchant agrees that it is Merchant's intent that these accounts and secured property shall to the extent allowed by applicable law not be subject to any preference, claim, or stay by reason of any bankruptcy or insolvency law. Merchant agrees to act consistently with the understanding that said accounts and secured property under this Agreement are free of all such preferences, claims or stays by reason of and as allowed by any such law. The scope of the security interest, and Merchant's (on behalf of itself and its affiliated entities) and Merchant's guarantor's instructions to its financial institutions to accept withdrawal requests from Global, Member and Merchant's agreement to hold such institutions harmless and to indemnify them are described above in Section 16.

Merchant agrees that, in the event of a default by Merchant under the terms of the Agreement, Member has a right of set off and compensation, and may apply any amounts owing to Merchant hereunder, towards the payment of any amounts owing by Merchant under the terms of the Agreement. Merchant agrees that Member's right of set off and compensation is in addition to any other rights Global and Member may have under applicable laws.

19. **AMENDMENTS**. Global shall have the right to modify or amend the terms and conditions of this Agreement or the Card Acceptance Guide, including, without limitation, the right modify, amend, or supplement applicable fees, charges, and/or discounts. Modifications and amendments related to changes to the Payment network Rules, changes to the fees charged by the payment networks, Member, or other third parties, or in response to changes in applicable laws or regulations (collectively, a "Third Party Change") may be made effective immediately, with or without notice. Modifications or amendments unrelated to a Third Party Change shall be effective upon the date specified in a notice to the Merchant (the "Change Notice"), provided that the date shall not be fewer than five business days after the date of such Change Notice. Following the Effective Date, in the event of any modification or amendment not related to a Third Party Change, Merchant shall have the right to terminate this Agreement, without liability for premature termination pursuant to Section 14, by providing written notice thereof to Global Direct, provided that such notice must be given within five business days following the date of the Change Notice. Other than the amendments set forth above, this Agreement may be amended only in writing signed by Global, Member, and Merchant. Notwithstanding anything to the contrary, all fees, charges, and/or discounts charged to Merchant hereunder may be changed in accordance with Section 6 of this Agreement.

20. **WAIVER**. No provision of the Agreement shall be deemed waived by any party unless such waiver is in writing and signed by the party against whom enforcement is sought. No failure to exercise, and no delay in exercising on the part of any party hereto, any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

21. **EXCHANGE OF INFORMATION**. Merchant hereby authorizes Global and/or Member to exchange information about Merchant (and about its partners, owners, principals, proprietors, officers, shareholders and managing agents that have provided their written consent pursuant to the Agreement) with other financial institutions, payment networks, and any other persons for the purpose of providing the services contemplated in the Agreement. Merchant authorizes Global to use information concerning Merchant for data collection and aggregation for statistical analysis, marketing purposes and any other purposes relating thereto, and to disclose such information to any payment network, financial institution, or other third party. From time to time, Global may make information about Merchant's business available to entities that have products or services that may be of interest to Merchant. It is understood, however, that personal information regarding Merchant's customers ("Personal Data") shall not be used in any way by Global or Member contrary to any applicable laws. Global shall take all reasonable means and precautions to keep Personal Data confidential, and after the Personal Data is no longer needed to fulfil the purposes of this Agreement, such Personal Data shall be deleted or destroyed, as applicable,



according to Global's regular established data retention schedule. Global agrees to promptly respond to all inquiries from Merchant relating to the processing of Personal Data.

**22. MISCELLANEOUS.** Notwithstanding anything to the contrary contained herein, Global may conduct such information searches or reviews as may be required by the laws of Canada or the U.S. an arbitrator or by a court of competent jurisdiction, such provision, as to that jurisdiction, shall be ineffective to the extent of such invalidity, illegality or unenforceability and shall be severed from the balance of the Agreement, all without affecting the remaining provisions of the Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Paragraph headings are included for convenience only and are not to be used in interpreting the Agreement.

**23. NOTICES.** All notices and other communications required or permitted to be sent to Merchant under this Agreement may be made by: (1) written communication sent to the Merchant at the address stated on the Merchant Application or as updated by the Merchant thereafter; (2) electronic communication sent to the Merchant at the electronic mail address stated on the Merchant Application or as updated by the Merchant thereafter; (3) an electronic posting or notification on Global's website located at <http://www.globalpaymentsinc.ca>; or (4) an electronic posting or notification accessible to the Merchant on its Merchant account portal (which may be known as BusinessView or Merchant Portal or any successor product). All notices and other communications required or permitted to be sent to Global or Member under this Agreement shall be in writing, shall be sent by overnight carrier or mail, and shall be effective upon actual receipt by the Corporate Secretary of Global Payments Direct, Inc., 3550 Lenox Road NE, Suite 3000, Atlanta, Georgia 30326. Any notices sent to Merchant shall be effective upon the earlier of (1) actual receipt, (2) upon the sending of such notice to the email or physical address provided by Merchant in the Merchant Application or to any other e-mail or physical address to which notices, statements and/or other communications are sent to the Merchant hereunder, or (3) upon the actual posting thereof on Global's website identified above and/or the Merchant account portal. The parties hereto may change the name and address of the person to whom notices or other documents required under this Agreement may be sent at any time by giving written notice to the other party.

**24. MERGER.** This Agreement, including these Terms & Conditions, the Merchant Application, and the Card Acceptance Guide, constitutes the entire agreement between Merchant, Global and Member with respect to the subject matter hereof, and supersedes all prior memoranda or agreements relating thereto, whether oral or written, express or implied.

**25. EFFECTIVE DATE.** If Merchant is receiving these Terms and Conditions as an amendment to an existing agreement, the Terms and Conditions shall be effective upon receipt. Otherwise, this Agreement shall become effective only upon acceptance by Global and Member, or upon the submission of a transaction by Merchant to Global hereunder, whichever event shall first occur. In either event, such date is referred to herein as the "Effective Date".

**26. DESIGNATION OF DEPOSITORY.** The financial institution set forth in the Merchant Application is designated by Merchant as a depository institution for debits and credits hereunder. Merchant agrees that it must maintain an account with such depository at all times during the term of the Agreement and thereafter until all obligations of Merchant are paid in full hereunder. Merchant authorizes payment for receivables purchased hereunder to be made by paying such depository therefor with instructions to credit Merchant's account. Depository, Member, and/or Global may charge any of Merchant's accounts at such depository for any amount due under the Agreement in accordance with the PAD Agreement contained in the section of the Merchant Application titled "Push Funds Service Authorization and Direction". Global must approve in writing any proposed changes to the account numbers or to the designated depository institution. If Merchant wishes to change its designated merchant bank account, Merchant shall provide written notice of the new bank and/or account number by registered mail to: Global Payments Direct, Inc., Attention: HSC Global, 1 Heartland Way, Jeffersonville, Indiana 47130 USA, or to such other address as provided by Global. Such account change shall be effective on a date to be scheduled by Global within thirty (30) days after Global's receipt of such notice. In the event that Merchant wishes to have payment for receivables purchased hereunder to be transferred at the end of each banking day to an account specified at a different financial institution specified by Merchant ("Push Funds"), Merchant will execute and deliver to Global a Push Funds amendment, in the form specified by Global, which will include a Push Funds Authorization and Direction document to be provided by Global or Member to the newly designated financial institution.

**27. FINANCIAL ACCOMMODATION.** The acquisition and processing of sales drafts hereunder is a financial accommodation and, as such, in the event Merchant becomes a debtor in bankruptcy or becomes subject to restructuring or insolvency proceedings, the Agreement cannot be assumed or enforced, and Global and Member shall be excused from performance hereunder.

**28. INTERCHANGE DOWNGRADES & CROSS-BORDER FEES.** Merchant pricing appears in the fee schedule of the Merchant Application. Transactions that do not clear as priced will be subject to Interchange Downgrade Fees ("IDF") that will be billed back to Merchant and reflected on Merchant's monthly statement. IDF can be minimized by using a product that supports the authorization and market data requirements established by the payment networks, which are subject to change from time to time. (An example of such a requirement is to process a transaction fully electronically rather than manually keying the transaction.) Some IDF may also occur on specific types of cards (including without limitation Visa and/or Mastercard commercial cards (i.e.: Business Cards, Corporate Cards, Fleet Cards, Purchase Cards), Visa Rewards Cards, Visa Signature Cards, Visa Signature Preferred Cards, Visa Infinite Cards, Mastercard Rewards Cards, Mastercard World Cards, Mastercard World Elite Cards and some "foreign" cards issued outside Canada). For more information concerning IDF, Merchant may wish to check the Global Payments Inc. website ([www.globalpaymentsinc.com/canada](http://www.globalpaymentsinc.com/canada)) for best practices information and to license BusinessView for transaction detail review.

The items listed in this Section 28 are not, nor are they intended to be, a comprehensive list of all instances in which IDF may apply. Interchange Downgrade Fees may apply in additional situations. All IDF include additional fees assessed by Global and the applicable payment network.

Merchant will also be assessed Cross-Border fees for international transactions. Any transactions between Merchant and a cardholder outside Canada will be assessed an additional fee. Such assessments are reflected on Merchant's monthly statement.

**29. AUTHORIZED USERS.** To the extent Merchant is granted electronic access to any systems or portals of Global, Merchant shall be responsible for (i) ensuring that only authorized users of such systems or portals access the same; (ii) keeping all logins, user names, and passwords confidential; and



(iii) promptly notifying Global of any unauthorized access of such logins, user names, or passwords; and (iv) all actions taken by anyone using such access, logins, user names, or passwords, even if such actions were not authorized by Merchant.

**30. TAXES.** Merchant shall be solely responsible for the calculation, collection, and remittance of any sales tax imposed by any government authority in connection with the provision of Merchant's goods or services. Unless Merchant is otherwise exempt (and can prove such exemption to Global and/or Member's satisfaction), Merchant agrees to pay all taxes imposed on the services, equipment, or other property provided to Merchant pursuant to this Agreement.

**31. REPORTING.** Merchant acknowledges that, under the Payment network Rules, certain merchant activity and terminations of merchant processing agreements may result in Global or Member reporting merchants and their principals for inclusion on a terminated merchant file (e.g., the "MATCH" list). Merchant, on behalf of itself and its principals, hereby consents to such reporting and waives any claim related to the same, even in instances where Merchant or its principals believe that reporting to have been improper or in error.

**32. RELATIONSHIP OF THE PARTIES.** Merchant designates Global and Member as its agent to receive payments for transactions processed pursuant to this Agreement. Neither Global nor Member, however, shall be considered a partner or fiduciary to Merchant, and nothing in this Agreement or the rendition of services related to this Agreement shall be deemed to create a joint venture, partnership, or fiduciary relationship between or among the parties. Rather, the relationship among the parties to this Agreement is an arm's length commercial relationship.

**33. DISCOVER PROGRAM MARKS.** Merchant is hereby granted a limited non-exclusive, non-transferable license to use Discover brands, emblems, trademarks, and/or logos that identify Discover cards ("Discover Program Marks"). Merchant is prohibited from using the Discover Program Marks other than as expressly authorized in writing by Global. Merchant shall not use the Discover Program Marks other than to display decals, signage, advertising and other forms depicting the Discover Program Marks that are provided to Merchant by Global pursuant to this Agreement or otherwise approved in advance in writing by Global. Merchant may use the Discover Program Marks only to promote the services covered by the Discover Program Marks by using them on decals, indoor and outdoor signs, advertising materials and marketing materials; provided that all such uses by Merchant must be approved in advance by Global in writing. Merchant shall not use the Discover Program Marks in such a way that customers could believe that the products or services offered by Merchant are sponsored or guaranteed by the owners of the Discover Program Marks. Merchant recognizes that it has no ownership rights in the Discover Program Marks and shall not assign to any third party any of the rights to use the Discover Program Marks.

**34. AMERICAN EXPRESS/JCB CARD ACCEPTANCE.** For the avoidance of doubt, Merchant hereby acknowledges and agrees, for the purposes of this Section 34, references to American Express cards shall also apply to JCB cards. Merchant hereby acknowledges and agrees that for purposes of acceptance of American Express, the American Express Operating Guide (available at [www.americanexpress.ca/optblueguide](http://www.americanexpress.ca/optblueguide)) is hereby incorporated by reference into this Agreement. In addition, Merchant hereby authorizes Global to submit American Express transactions to, and receive settlement from, American Express on behalf of Merchant. Merchant must accept the American Express card as payment for goods and services sold (other than those goods and services prohibited under the American Express Operating Guide, or (if applicable) for charitable contributions made, at all of its establishments, except as expressly permitted by law. Merchants that accept American Express cards are not obligated to accept JCB cards; Merchant shall so indicate its preference on the Merchant Application. Merchant's refund policy shall be compliant with all applicable law, rule, and regulation, and shall be disclosed to cardholders at the time of purchase. Merchant's refund policy for transactions made using an American Express card must be at least as favorable as its refund policy for purchases using any other payment card. Merchant is jointly and severally liable for the obligations of Merchant's establishments under the Agreement. For the avoidance of doubt, "cardholder" as used in this Agreement shall include Cardmembers as defined in the American Express Guide.

Merchant hereby acknowledges and agrees that (i) Global may disclose American Express Transaction Data (which for purposes of this Section 34 shall have the same definition as "Transaction Data" in the American Express Guide), Merchant Data (as defined below), and other information about Merchant to American Express, (ii) American Express may use such information to perform its responsibilities in connection with the American Express OptBlue™ Program, promote the American Express Network, perform analytics and create reports, and for any other lawful business purpose, including marketing purposes, and (iii) American Express may use the information obtained in this application at the time of setup to screen and/or monitor Merchant in connection with American Express Card marketing and administrative purposes. If Merchant has provided a wireless phone number in connection with this Agreement, Merchant hereby agrees that it may be contacted at that number and the communications sent may include autodialed text messages or automated prerecorded calls. If Merchant has provided a fax number, Merchant hereby agrees that it may be sent fax communications. To opt out of American Express-related marketing communications, Merchant may contact Global customer service as described in this Agreement. For purposes of this Section 34, "Merchant Data" means names, postal and email addresses, and names of the authorized signer of Merchant and similar identifying information about Merchant. For clarification, Merchant Data does not include American Express Transaction Data.

Merchant hereby agrees that, in the event that Merchant becomes a High Charge Volume Merchant (as defined below), Merchant will be converted to from the American Express Program to a direct American Express Card acceptance relationship with American Express, and upon such conversion, (i) Merchant will be bound by American Express' then-current card acceptance agreement, and (ii) American Express will set pricing and other fees payable by Merchant for American Express Card acceptance. "High Charge Volume Merchant" for purposes of this Section 34 means an American Express Program Merchant with either (i) greater than \$500,000 in American Express charge volume in a rolling twelve (12) month period or (ii) greater than \$100,000 in American Express charge volume in any three (3) consecutive months. For clarification, if Merchant has multiple establishments, the American Express charge volume from all establishments shall be summed together when determining whether Merchant has exceeded the thresholds above.

Merchant shall not assign to any third party any American Express-related payments due to it under this Agreement, and all indebtedness arising from American Express Charges (as defined below) will be for bona fide sales of goods and services (or both) at its establishments (as defined below) and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that Merchant may sell and assign future American Express transaction receivables to Global, its affiliated entities and/or any other cash advance funding source that partners with Global or its affiliated



entities, without consent of American Express.

Merchant hereby agrees that American Express shall have third party beneficiary rights, but not obligations, to enforce the Agreement against Merchant to the extent applicable to American Express processing. Merchant's termination of American Express card acceptance shall have no direct or indirect effect on Merchant's rights to accept other card brands. To terminate American Express acceptance, Merchant may contact Global customer service as described in this Agreement.

Without limiting any other rights provided herein, Global Direct shall have the right to immediately terminate Merchant's acceptance of American Express cards upon request of American Express. Merchant may not bill or collect from any American Express Cardmember for any purchase or payment on the American Express card unless a chargeback has been exercised, Merchant has fully paid for such charge, and it otherwise has the right to do so. Merchant shall use the American Express brand and marks in accordance with the requirements set forth in the American Express Guide. In the event that Global shall cease to be a Participant of the American Express OptBlue™ Program, the rights and obligations of Global hereunder with respect to American Express card acceptance may be transferred to American Express without notice to Merchant.

**35. GLOBAL PAYMENTS ECOMMERCE GATEWAY: ADDITIONAL TERMS AND CONDITIONS.** This Section applies if a Merchant has elected to receive Global Payments Ecommerce gateway services ("Gateway Services") pursuant to this Agreement. Merchant understands that Member is not involved in providing such Gateway Services and agrees to look solely to Global or Global's partners for remedies, losses or damages related to such services.

A. Definitions. The following terms as used herein shall be given the following meanings herein:

"Authorized User" means any of Merchant's employees or others whom Merchant authorizes from time to time to issue Customer Instructions.

"Customer Instruction" means any request, transaction or instruction sent through the Gateway Services.

"Primary User" means an Authorized User entrusted with the ability to appoint further Authorized Users.

B. License. Global grants Merchant a non-exclusive, non-transferable license to use the Gateway Services during the term of the Agreement. Except for the specific rights granted to Merchant by this license, Merchant shall acquire no rights whatsoever in relation to the Gateway Services. Where any software is supplied and/or configured by Global pursuant to this Section 35 and this Agreement for use by Merchant, Global grants Merchant a limited, personal, non-exclusive, non-transferable license to install and use the software for use solely for the purpose of availing itself of the Gateway Services pursuant to the terms hereof and for no other purpose whatsoever.

C. Gateway Services.

- i. Merchant shall receive the Global Payments Ecommerce Gateway Services and such other Gateway Services as agreed upon by Global and the Merchant from time to time.
- ii. In order to utilize the Gateway Services, Merchant shall, at its sole cost, integrate Merchant's internet website and other systems in accordance with the reasonable technical instructions provided by Global in connection herewith. Merchant may access certain technical instructions, application programming interfaces (APIs) and other software from its Global representative.
- iii. Global and Merchant shall agree on a timetable for the installation, acceptance and launch of the Gateway Services. Both parties shall use reasonable endeavors to perform their obligations under this Section 35 and this Agreement in accordance with the mutually-agreed upon timetable. However, the parties agree that time shall not be of the essence with respect to this Section 35.
- iv. From time to time, Global may release upgrades or enhancements which must be implemented by Merchant. Global will notify Merchant of such mandatory upgrades or enhancements and will not charge Merchant for the use thereof. Any optional upgrades or enhancements offered by Global shall be available to Merchant at Global's then applicable pricing.

D. Registration; Authorized Users. As part of the registration process Merchant must nominate a Primary User who will have full authority to request access or control rights to other Authorized Users. Merchant agrees to ensure that each of its Authorized Users will comply with the terms of this Section 35 and any policies, procedures and/or guidelines provided by Global in connection herewith. Merchant will ensure that all passwords are secure and secret at all times and Merchant shall prevent the unauthorized use of any passwords utilized in connection with the Gateway Services. For the avoidance of doubt, Merchant is responsible for the acts and omissions of all Authorized Users and agrees to immediately notify Global of any unauthorized use of or access to the Gateway Services. Merchant shall never reveal any passwords utilized in connection with the Gateway Services to anyone else, including without limitation Global or its employees.

E. Merchant Obligations. Merchant assumes full and sole responsibility for the following:

- i. Ensuring Merchant's systems and sales application(s) are capable of collecting all transaction information;
- ii. Ensuring the Merchant's systems and sales application(s) are secure and contain appropriate legal terms, conditions of use, and an appropriate and accurate privacy policy;
- iii. Ensuring that all necessary regulatory or other consents or authorizations are in place prior to utilizing the Gateway Services;
- iv. Any representations Merchant makes to its customers concerning the Gateway Services, including without limitation, any communications relating to the availability or non-availability of funds;
- v. Storing and making back-ups of all data; and
- vi. Registering, administering, managing and removing RealControl user accounts Merchant employs.



F. Acceptance of Cards; Authentication; Chargeback

- i. For each transaction that Merchant submits, Merchant must follow all the relevant steps and procedures described in this Section 35, the Agreement and any and all customer guides, notices, guidelines provided by Global as well as the rules and regulations of any applicable payment network. Submitting transactions via the Gateway is solely at Merchant's own risk, regardless of the amount of the transaction or whether any requests for authorization or other enquiries have been made to Global. Merchant is prohibited from sending Global unencrypted transaction information; transaction information must be encrypted at a 128-bit minimum.
- ii. Merchant acknowledges that the use of the authentication process for transactions utilizing Mastercard and Visa branded payment devices via the Gateway Services reduces certain risks associated with electronic payment acceptance. If a cardholder's identity is successfully authenticated through Mastercard's "SecureCode" or Visa's "Verified by Visa" offerings using the Gateway Services, then a chargeback will not occur solely because the cardholder denies undertaking a transaction. If the cardholder's identity cannot be authenticated, including due to a failure of the Gateway Services or Merchant's equipment, or any inputting error or omission by Merchant or the cardholder, Merchant will be at greater risk of receiving a chargeback, including chargebacks resulting from a cardholder's denial that the transaction was undertaken. Authentication and its effect on liability for relevant transactions is governed by and subject to Mastercard and Visa rules (as applicable), which change from time to time. Among other things, these rules exclude certain cards and transactions from the authentication service. Merchant acknowledges that its election to receive the Gateway Services does not remove all risk of chargeback and that a transaction may be charged back for various reasons. For further information, please refer to Mastercard and Visa.

G. Customer Instructions

- i. Merchant shall send a Customer Instruction through the Gateway Services using the appropriate password in accordance with all Gateway Services customer guides and the Agreement and this Section 35 or as otherwise instructed by Global in writing. By sending a Customer Instruction, Merchant explicitly requests and authorizes Global to process all Customer Instructions so received even if to do so would contravene any other mandates given by Merchant at any time concerning Merchant's accounts and/or its receipt of services under the Agreement or this Section 35. Global shall be under no obligation to ensure the authenticity of the origin of the Customer Instruction or the authority of the person or persons providing a Customer Instruction.
- ii. Merchant is responsible for the accuracy and completeness of Customer Instructions and for ensuring that the Customer Instruction will achieve its intended purpose. Global is not liable for any loss or delay if the contents of a Customer Instruction are inaccurate or incomplete.
- iii. Merchant acknowledges that transaction processing is not always simultaneous with Global's receipt of a Customer Instruction from Merchant. Certain transactions may be delayed in processing and certain Customer Instructions may only be processed during Global's normal business hours, notwithstanding that the Gateway may be online and accessible outside such hours.

H. Security Provisions

- i. Gateway Services are accessed through the internet, which is a public system of which Global has no control. It is Merchant's obligation to continuously ensure that any computer, hardware and software that Merchant uses to access the Gateway Services is free from and adequately protected against computer viruses and other destructive or disruptive components. Merchant is liable for any telephone, internet or other communication provider charges from Merchant's providers resulting from Merchant's use of the Gateway Services.
- ii. Merchant and all Authorized Users agree to comply with the terms of this Section 35 and any other reasonable instructions or recommendations Global may issue regarding the Gateway Services. Merchant agrees that it is Merchant's sole responsibility to set-up, maintain and regularly review all security arrangements concerning access to, and use of the Gateway Services, as well as all information stored on Merchant's IT, computing and communications systems, including, without limitation, all Authorized Users' control and use of passwords and access to the Gateway Services. Merchant hereby confirms that it has assessed and reviewed the security features associated with the Gateway Services and has determined that such features are adequate.
- iii. Merchant is solely responsible for the performance and protection of any browser used in connection with the Gateway Services including without limitation the prompt adoption by Merchant of all security patches and other security measures issued or recommended from time to time by the suppliers of such browsers, and Global shall not be liable for any damage to or reduction in the performance of Merchant's computer system or any part thereof by the installation or use of any browser version required to use the Gateway Services. From time to time Global may publish details of any restrictions relating to certain browser versions used in conjunction with the Gateway Services.

I. Information. Global shall take reasonable care to ensure that any information provided to Merchant is an accurate reflection of the information contained in its computer systems or, if the information is provided by a third party, accurately reflects the information Global receives from that third party. Due to the nature of the product and circumstances beyond Global's control, in addition to the other disclaimers contained herein and in the Agreement (which terms are incorporated herein by reference), Global does not warrant the information provided through the Gateway Services is accurate or error free.

J. Delay of Service; Service Interruption. Global may suspend the Gateway Services and any services associated therewith without notice in the event Global considers it necessary or advisable to do so, including without limitation, in order to protect Merchant in the event of a suspected security breach or in the event of emergency maintenance. Global will use reasonable efforts to inform Merchant in the event that the Gateway Services are suspended or are unavailable. Global may, at its absolute discretion and without liability, refuse to act on or delay acting on a Customer Instruction if Global knows of or suspects a breach of security in respect of or in connection with the operation of one or more of Merchant's Authorized User accounts or the Gateway in general. In such instance, Global will provide prompt notice of such refusal or delay in acting.

K. Agents. Global may appoint third party agents, subcontractors and other third parties to provide some or all of the Gateway Services.

L. **Miscellaneous.** Except as expressly provided herein, nothing in this Section 35 or the Agreement shall be interpreted as granting Merchant a license in or to any of the intellectual property of Global.

**36. MASTERCARD LOCAL MARKET INTELLIGENCE SERVICES: ADDITIONAL TERMS AND CONDITIONS.** This Section applies if a Merchant has elected to receive Mastercard Local Market Intelligence services (the "LMI Services") pursuant to this Agreement. Merchant understands that Member is not involved in providing such LMI Services and agrees to look solely to Global or Global's partners for remedies, losses or damages related to such services.

A. Merchant shall receive the LMI Services in accordance with this Section 36 and the Mastercard Local Market Intelligence Report Subscription Terms and Conditions (the "Mastercard LMI Terms and Conditions"), as may be updated from time to time in Mastercard's sole discretion.

B. In order to receive the LMI Services, Merchant shall access the Mastercard Local Market Intelligence online portal located at <https://www.mastercardadvisors.com/lmi>, and shall review and agree to be bound by the Mastercard LMI Terms and Conditions, as may be updated from time to time.

**37. AUTHORIZE.NET: ADDITIONAL TERMS AND CONDITIONS.** This Section applies if a Merchant has elected to receive Authorize.Net services (the "Authorize.Net Services") pursuant to this Agreement. Merchant understands that Member is not involved in providing such Authorize.Net Services and agrees to look solely to Global or Global's partners for remedies, losses, or damages related to such services.

Merchant acknowledges that the Authorize.Net services are administered by a third party, Authorize.Net. Merchant hereby authorizes Global and/or Member to disclose information concerning Merchant's business and processing data to Authorize.Net, which shall include, without limitation, Merchant's transaction processing volume and other information regarding the transactions processed by Global for the Merchant ("Merchant Data"). Merchant acknowledges and agrees that neither Global nor any affiliate of Global, nor Member, shall have any liability whatsoever to Merchant arising from or related to the provision of the Merchant Data to Authorize.Net, including without limitation for any failure by Authorize.Net to collect, process, or store the Merchant Data in compliance with payment network requirements related to cardholder and transaction information, confidentiality and security, including but not limited to the PCI Data Security Standard.

**38. MASTERCARD AUTHORIZATION REQUIREMENTS.** The following Mastercard requirements apply to the processing of pre-authorizations and final authorizations. Pre-authorizations must be reversed or settled within thirty (30) days (excluding MCC 5542), and final authorizations (a completion or sale) must be settled within seven (7) days. Settlement amounts and currency codes must match the authorization, and valid Trace ID data (a Banknet reference number) must be provided with the settlement.

Mastercard will assess a global Transaction Processing Excellence program fee for excessive account testing of a single account number, from the same card acceptor, within a 24-hour period. A fee will be assessed for each authorization after 20 previously issuer declined attempts on the same account. Mastercard will assess a global Transaction Processing Excellence program fee for any approved nominal amount authorization with a subsequent reversal for transactions under 1 full unit of currency or the equivalent of 1 USD. This will apply only to Card Not Present transactions.

Pre-authorizations and authorizations that do not comply with Mastercard's requirements will be assessed the following penalty fees: (i) for authorized amounts of sixteen US dollars (16.00 USD) or greater, the penalty fee shall be CAD 0.068 for pre-authorizations and 0.25 percent of the authorized amount; (ii) for authorized amounts less than sixteen US dollars (16.00 USD), the penalty fee shall be CAD 0.06; (iii) for excessive authorization attempts, the penalty fee shall be CAD 0.15; (iv) for nominal amount authorizations, the penalty fee shall be CAD 0.068.

Any such penalty fees shall be due and payable by Merchant in accordance with the terms of this Agreement.

**39. MPOS, POWERED BY MOBEEWAVE: ADDITIONAL TERMS AND CONDITIONS.** This Section applies if a Merchant has elected to receive the mobile point-of-sale solution powered by Mobeewave, which may be known as the Mobeewave MPOS or EasyPay MPOS (the "MPOS Solution") pursuant to this Agreement.

A. Merchant acknowledges and agrees that the MPOS Solution is being provided by a third party, Mobeewave Inc. ("Mobeewave"). Merchant understands that Member is not involved in providing such MPOS Solution and agrees to look solely to Global or Global's partners for remedies, losses or damages related to such services.

B. In order to receive the MPOS Solution, Merchant shall download the Mobeewave application onto Merchant's Android-powered mobile device, and shall review and agree to be bound by the Mobeewave End User License Agreement, as may be updated from time to time. Merchant acknowledges that Merchant is solely responsible for obtaining its Android-powered device and for any and all carrier fees associated with its operation in connection with the MPOS Solution.

C. Merchant shall receive the MPOS Solution in accordance with this Section 39, the End User License Agreement, and any other terms and conditions required by Mobeewave, as may be updated from time to time in Mobeewave's sole discretion.

**40. VISA INTEGRITY PROGRAM.** Visa has introduced new rules and related non-compliance fees to ensure merchants properly use and action declined transaction response codes that will serve to improve authorization and mitigate invalid transactions. A Visa Integrity fee of 0.150 for domestic transactions and 0.230 for cross-border transactions will be assessed, on a per transaction basis, in the following instances: i) in response to declined transaction resubmission in excess of the allowable re-try limit of 15 reattempts in a 30-day period, and/or ii) when a merchant resubmits an authorization with changed data elements following a decline. Additionally, a fee of 1.50 per transaction, will apply to any recurring payment



attempt following three previous declines on the same card by the same stop instruction; a fee of 7.50 per transaction will apply for returned transactions in conjunction with the Visa Stop Payment Service (VSPS).

**41. LANGUAGE.** The parties hereby acknowledge that they have required these agreements and all related documents to be drawn up in the English language. Les parties reconnaissent avoir demandé que le présent contrat ainsi que les documents qui s'y rattachent soient rédigés en langue anglaise.

VISA - Registered Trade-mark of VISA Inc.; GPCFC, licensee of mark.  
Mastercard - Registered Trade-mark of Mastercard International Incorporated; GPCFC, licensee of mark.  
American Express / JCB - Registered Trade-mark of Amex Bank of Canada; Global Payments, licensee of mark.  
Discover - Registered Trade-mark of Discover Financial Services LLC; Global Payments, licensee of mark.  
Interac - Registered Trade-mark of Interac Corp.; Global Payments, licensee of mark.  
UnionPay - registered trademark of China UnionPay Co., Ltd.; Global Payments, licensee of mark.

# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

## BY-LAW 2022-146

**AGREEMENT**: 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.

**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 Amending Agreement dated August 8, 2022 between the City and Molson Canada 2005, a copy of which is attached as Schedule "A" hereto. This Amending Agreement is for the Pouring Rights of the GFL Memorial Gardens.

### 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 8<sup>th</sup> day of August, 2022.

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**MAYOR - CHRISTIAN PROVENZANO**

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**CITY CLERK - RACHEL TYCZINSKI**

lv \\citydata\LegalDept\Legal\Staff\COUNCIL\BY-LAWS\2022\2022-146 Molson Pouring Rights Amending Agreement.docx

## Schedule "A"

### EXTENSION AGREEMENT

**THIS EXTENSION AGREEMENT** made this 8<sup>TH</sup> day of August, 2022.

**BETWEEN:**

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

(the "City")

OF THE FIRST PART

-and-

**MOLSON CANADA 2005**

("Molson")

OF THE SECOND PART

**WHEREAS** the City and Molson entered into an Agreement dated the 17<sup>th</sup> day of June, 2019 for Molson to receive the Exclusive Beer Pouring Rights for the GFL Memorial Gardens and to set out the terms and conditions for same (the "Agreement");

**AND WHEREAS** the Agreement was amended by Amending Agreement entered into by the parties dated the 31<sup>st</sup> day of May, 2021 (the "Amending Agreement");

**AND WHEREAS** collectively the Agreement and Amending Agreement are referred to as the "Agreements" for the purpose of this Extension Agreement;

**AND WHEREAS** pursuant to the Agreements, the Term is for a period of four (4) years commencing July 1, 2018 and ending on June 30, 2022 (the "Term");

**AND WHEREAS** pursuant to the Agreements, the City reserved the right to negotiate with Molson for one or two additional one (1) year periods at its discretion (the "Renewal Terms") and the City has further exercised and negotiated with Molson the terms and conditions for such two additional one year Renewal Terms, which the parties hereto acknowledge and agree are reflected in this Extension Agreement;

**NOW THEREFORE** in consideration of the rents, covenants and agreements herein contained and hereby assumed, the parties for themselves and their respective successors and assigns do hereby covenant and agree with one another as follows:

#### **1. EXTENDED TERM**

The parties acknowledge and agree that the City has exercised its right to pursue both one (1) year Renewal Terms and therefore, the Term shall be extended as follows:

- (a) First Renewal Term shall commence July 1, 2022 and end on June 30, 2023; and
- (b) Second Renewal Term shall commence July 1, 2023 and end on June 30, 2024.

## **2. POURING RIGHTS FEES**

Molson shall pay the City a Pouring Rights Fee as follows for the Extended Term:

- (a) With respect to the First Renewal Term, Molson shall pay the City a Pouring Rights Fee of Thirty Seven (\$37,000.00) Thousand Dollars plus applicable HST on July 1, 2022; and
- (b) With respect to the Second Renewal Term, Molson shall pay the City a Pouring Rights Fee of Thirty Seven (\$37,000.00) Thousand Dollars plus applicable HST on July 1, 2023.

## **3. MISCELLANEOUS**

- (a) Molson shall supply cups for the draft volume purchased by the venue through the Extended Term, which includes both the First Renewal Term and the Second Renewal Term, estimated at \$4,000 for each year in the Extended Term.
- (b) Molson further agrees to purchase one (1) additional one-night Suite Rental per year in the Extended Term, which includes both the First Renewal Term and Second Renewal Term.
- (c) The remaining terms and conditions of the Agreement remain in place and full force and effect.

**IN WITNESS WHEREOF** the parties hereto have signed this Extension Agreement this 8<sup>th</sup> day of August, 2022.

### **MOLSON CANADA 2005**

**PER:**

\_\_\_\_\_  
**NAME:**

Authorized Representative for Molson Canada 2005  
*I have authority to bind the Corporation*

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

**PER:**

\_\_\_\_\_  
**MAYOR – CHRISTIAN PROVENZANO**

**PER:**

\_\_\_\_\_  
**CITY CLERK – RACHEL TYCZINSKI**

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

**BY-LAW 2022-147**

**AGREEMENT**: 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.

**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 8, 2022, between the City and Sault College of Applied Arts and Technology, a copy of which is attached as Schedule "A" hereto. This Agreement is 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.

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 8<sup>th</sup> day of August, 2022.

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**MAYOR - CHRISTIAN PROVENZANO**

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**CITY CLERK – RACHEL TYCZINSKI**



## Schedule "A"

1

**THIS AGREEMENT** made in duplicate this 8<sup>th</sup> day of August 2022.

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

(Hereinafter called the "City")

- And -

### **SAULT COLLEGE OF APPLIED ARTS and TECHNOLOGY**

(Hereinafter called the "Sault College")

**WHEREAS** the City is the owner and operator of the Northern Community Centre ("NCC") located at 556 Goulais Avenue, Sault Ste. Marie,

**AND WHEREAS** the City is expanding the NCC to include a new Twin Pad Ice Surface, dressing rooms, storage room areas and common areas for users and spectators ("Ice Surfaces and Related Areas");

**AND WHEREAS** Sault College includes various Departments, specific and exclusive to this Agreement being the Sault College Department of Athletics Hockey Program (the "Club") which operates a female and male Varsity hockey team in the American Collegiate Hockey Association;

**AND WHEREAS** the City and Sault College have come to an agreement in respect to the Club's use of the NCC's Ice Surfaces and Related Areas.

**NOW THEREFORE** the parties agree as follows:

#### **1. TERM OF AGREEMENT**

This Agreement shall be in force for the term beginning February 1, 2023 and ending June 1, 2028 (the "Term") provided that Sault College has an option to renew this Agreement for a three-year extension ending June 1, 2031 subject to successful negotiations between the City and Sault College on a renewal, both parties acting reasonably. Sault College shall provide at least ninety (90) days' written notice to the City of its intent to renew.

#### **2. PREMISES**

(a) The City agrees to provide the Club of Sault College with the use of the NCC's Ice Surfaces, dedicated dressing rooms and a storage room area (collectively the "Premises"), along with use of the common areas for users and spectators, and related areas at the NCC for the Club's games. The City will confirm game dates by way of issuing a permit. Sault College acknowledges and agrees that it may not alter any scheduled games after:

- (i) February 1, 2023 for any games between February 1, 2023 to August 31, 2023;
- (ii) September 1, 2023 for any games between September 1, 2023 and August 31, 2024;
- (iii) September 1, 2024 for any games between September 1, 2024 and August 31, 2025;
- (iv) September 1, 2025 for any games between September 1, 2025 and August 31, 2026;
- (v) September 1, 2026 for any games between September 1, 2026 and August 31, 2027
- (vi) September 1, 2027 for any games between September 1, 2027 and June 1, 2028,

unless accepted by both parties. In the event of an Extended Term as per Section 1 of this Agreement, the parties shall set out the relevant dates and time frames for making any changes to permits issued by the City for game dates.

(b) The Club's practices will be at the NCC Arena one (1). However, the parties acknowledge that practices may be required to be held elsewhere if there is a special event being held at the Ice Surface(s) at the NCC. The City will confirm practice times through the issuing of a permit. This permit will initially consist of a paid 9:00 pm to

10:30 pm time slot at the NCC from Monday to Thursday of each year in the Term. Sault College acknowledges and agrees that it may not alter any scheduled practices after:

- (i) February 1, 2023 for any practices between February 1, 2023 to August 31, 2023;
- (ii) September 1, 2023 for any practices between September 1, 2023 and August 31, 2024;
- (iii) September 1, 2024 for any practices between September 1, 2024 and August 31, 2025;
- (iv) September 1, 2025 for any practices between September 1, 2025 and August 31, 2026;
- (v) September 1, 2026 for any practices between September 1, 2026 and August 31, 2027;
- (vi) September 1, 2027 for any games between September 1, 2027 and June 1, 2028;

unless accepted by both parties. In the event of an Extended Term as per Section 1 of this Agreement, the parties shall set out the relevant dates and time frames for making any changes to permits issued by the City for practice dates.

(c) Notwithstanding this section, Sault College acknowledges and agrees that the GFL Memorial Gardens and John Rhodes Community Centre, which is owned and operated by the City, are suitable alternatives to the Club's use of the Premises in the event that the Premises are not available for a game or practice, and that the terms contained herein shall apply to the Club's use of the GFL Memorial Gardens or John Rhodes Community Centre with necessary modifications. Sault College acknowledges and agrees that the City shall not be responsible for any losses or damages as a result of the Club's use of either of the two facilities as an alternative to the Premises, as required.

### 3. **ICE CONDITION**

The City agrees to keep the Ice Surfaces in the Premises in a reasonable playing condition at its expense and to provide attendants to resurface the ice at normal times for games.

### 4. **GAME TIMES**

Game times are subject to the consent of the City, such consent not to be unreasonably withheld. The City agrees to block out 3.0 hours for games.

### 5. **NO CHARGE PRACTICE TIMES**

The Club shall be allowed to practice at the Premises between 3:30 p.m. and 5:00 p.m. four (4) times per week between Monday and Friday at no additional cost to Sault College except for Section 7(b) herein. Regular rental rates apply outside of this timeframe.

### 6. **STAFFING AND SECURITY**

- (a) Sault College shall, at its sole responsibility and expense, provide staff for selling and taking tickets, for security and for ushers.
- (b) , If the City determines, at its sole discretion acting reasonably, that additional security is necessary, it shall be provided by Sault College at its expense and shall be arranged between the City and Sault College through the City's Community Development and Enterprise Services (Arena Division).
- (c) Sault College shall, at its sole expense, provide Police Officers for security purposes whenever same is recommended by the City or required by the American Collegiate Hockey Association Hockey League's by-laws.

## 7. **RENT TO CITY**

### (a) **Ice Rental Rate**

Except for those "No Charge Practice Times" as set out in Section 6 above, Sault College agrees to pay to the City rent for games and practices at the normal hourly ice rental rate charged by the City for "organized hockey".

### (b) **Payment Terms for Practice Time**

With respect to the costs for No Charge Practice Times as set out in Section 6 above, Sault College agrees to pay the following cost for practice time on an annual basis within 30 days upon programs end of season (being August 30 each year of the Term) as follows:

- First \$35,000.00 of gate receipts - no charge.
- Next \$5,000.00 of gate receipts - 10% to the City and 90% to the Club.
- Next \$5,000.00 of gate receipts - 15% to the City and 85% to the Club.
- Remaining gate receipts - 20% to the City and 80% to the Club

### (c) **Payment Terms for Outstanding Debt, Ice Time, and Services**

Sault College agrees to pay the City for the game and practice ice time used as follows:

- Sault College agrees to remain current concerning their invoices. Specifically, Sault College shall pay their invoices, in full, within 30 days of receiving same, as required by the City.
- In the event that Sault College does not abide by the Agreement with regards to the payment for its current invoice, staff will report to Council for its consideration.

### (d) **Financial Transparency**

Sault College agrees that its financial records and accounting statements shall be submitted to the City upon request for the purposes of determining when the costs of the practice time are paid for by the revenues as well as for determining advertising revenue.

## 8. **ADVERTISING REVENUE**

(a) Sault College may sell advertising in NCC Arena 1 on Rink Boards, walls, Ice Logos, and banners.

(b) Sault College agrees to remit to the City 10% of any revenue derived from advertising.

(c) All advertising on ice ("Ice Logos") is also subject to the following conditions:

- All costs related to the installation, maintenance and de-installation of Ice Logos will be charged to Sault College by the City and the City shall not be responsible for any damage caused to same;
- Ice Logos shall be purchased from Jet Ice;
- All Ice Logos and a plan for the layout of same shall be submitted to the Manager of Community Centres by February 1, 2023 for the period February 1, 2023 to May 31, 2023 and thereafter June 1<sup>st</sup> for each year in the Term thereafter (for June 1 each year for approval); and
- Additional Logos installed for other groups will be allowed upon the Club securing permission(s) from the owner of the logo(s) to use them within the facility.

(d) All advertising on hanging banners ("Banners") is also subject to the following condition:

- All installation, maintenance, and de-installation of Banners shall be completed at a time and by a means that are agreeable to the City.

(e) In addition to the aforementioned conditions, all advertising is also subject to the following conditions:

- A mockup of each advertisement must be presented for approval to the Manager of Community Centres prior to the sale of advertising space;
  - Each advertisement shall be installed by a contractor that is pre-qualified with the City's Contractor Pre-Qualification Program;
  - All equipment required for the safe installation, maintenance, and de- installation of advertisements will be charged to Sault College;
  - All materials and costs related to the installation, maintenance, and de- installation of advertisements are the sole responsibility of Sault College and the City shall not be responsible for any damage caused to same; and
  - Advertisements may from time to time be covered by the City to accommodate Regional, Provincial, and National events without compensation to Sault College. The City agrees to provide reasonable notice of same to Sault College, remove the covering material at its sole expense upon the respective events' conclusion, and to pay for any damage caused to advertisements as a result of the covering and uncovering. Sault College shall give notice of the covering to each advertiser affected.
- (f) Sault College agrees that no advertising will be sold for a period that extends beyond the Term of this Agreement unless the agreement between the advertiser and Sault College allows for annual billings and contains a termination provision that is satisfactory to the City.
- (g) Sault College shall retain all revenue derived from ticket sales (except as provided in Section 7(b) above) and program sales as well as any revenue derived from the sale of souvenirs and novelty items.

#### **9. CONCESSION SALES**

The City shall retain all revenues derived from concession sales for Club events and Club use of the NCC pursuant to this Agreement.

#### **10. EQUIPMENT AND DRESSING ROOMS**

- (a) The City shall provide Sault College with a permanent dressing room - Change Room 9 (120) and storage area (109F) at the Premises for the Club's exclusive use (Schedule A). It shall be the responsibility of Sault College to furnish and equip the Premises' dressing room #9 at its expense in addition to normal standard dressing room finishings. (Schedule A). Costs for the connection of the dressing room and storage space shall be the responsibility of Sault College. (Initial cost of a swing door at construction build time at approximately \$2,000-\$3,000.)
- (b) It is understood and agreed that any and all equipment, which the Club may store at the Premises, shall be stored at the risk of Sault College and the City shall not be responsible for any loss of or damage to the equipment.
- (c) Sault College agrees to ensure the Club maintains all areas provided by the City for use by the Club under this Agreement in a neat and tidy condition and to be responsible for any maintenance or renovations not ordinarily provided by the City for other groups in the Premises.

#### **11. BROADCAST AND TELEVISION RIGHTS**

All radio and television broadcasting rights are the property of Sault College.

#### **12. CHARITABLE ORGANIZATIONS OPERATING DRAWS AND RAFFLES**

- (a) The right of any organization to operate charitable fund raising draws during a Club game shall be at the sole discretion of Sault College and shall be negotiated between Sault College

and the charitable organization in question in accordance with applicable laws, regulations and by-laws.

- (b) If the Club wishes to hold any type of lottery scheme such as a raffle Sault College shall obtain the appropriate lottery license and comply with applicable laws, regulations and by-laws. A "raffle" is a lottery scheme where tickets are sold for a chance to win a prize in a draw. The different types of raffle schemes are usually identified by the method of determining the winner. Raffle prizes may consist of merchandise, cash, or a combination of the two. Please refer to the City of Sault Ste. Marie's "Alcohol Risk Management Policy - Section C Lottery License Requirements" for additional details.

### 13. **UNFORESEEN CAUSES**

Sault College agrees that the City shall incur no liability to Sault College for failure to perform any of the covenants or conditions herein contained if such failure is due to acts of God, strikes, equipment failure, required repairs and renovations or other causes beyond the control of the City.

Sault College agrees on its own behalf and shall also ensure the Club follows any Provincial Regulations, Algoma Public Health Unit Orders, or City policies that may pertain to the NCC that may be enacted from time to time after the signing of this agreement for the safety and wellbeing of the community.

### 14. **INSURANCE AND LIABILITY**

- (a) Both parties hereto covenant and agree to provide for the protection of each other and the general public, public liability and property damage insurance policies in the amount of at least \$5,000,000.00 each at its own expense. Written proof of said insurance shall be provided to the City's Legal Department before the commencement of the Term. The Insurance Certificate shall be the CSIO Form and satisfactory to the City Risk Manager.
- (b) Subject to Section 23, Sault College will from time to time and at all times hereafter well and truly save, defend and keep harmless and fully 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, or any of them and of, from and against all loss, costs, charges, damages, liens and expenses which may be sustained, incurred, or paid by the City, its respective officers, servants or agents, or any of them, by reason of or on account of loss or damage to property or injury (including death) to any person who enters, occupies or uses a part of the Premises for the purpose of attending or participating in any event in respect of which the Club occupies the Premises, except where such loss or damage arises out of the gross negligence or willful misconduct of the City.
- (c) The City will from time to time and at all times hereafter truly save, defend and keep harmless and fully indemnify Sault College from and against all actions, suits, claims, executions and demands of any nature whatsoever which may be brought against or made upon Sault College from and against all losses, costs, charges, damages, liens and expenses which may be sustained, incurred, or paid by Sault College by reason, or on account, or in consequence of, or arising out of any act or omission by the City under this Agreement or the gross negligence or willful misconduct of the City.

### 15. **TAXES**

- (a) The City shall, if engaged by Sault College to sell game tickets, pay Sault College any money collected pursuant to the Harmonized Sales Tax and it shall be the sole responsibility of Sault College to remit that money to the Federal Government.



- (b) Any realty taxes that may be assessed against the City as a result of this Agreement and the Club's use of the Premises shall be paid by Sault College.
- (c) The City is licensed to collect and submit music tariffs for the Society of Composers, Authors and Music Publishers of Canada ("SOCAN"), and the cost of SOCAN fees shall be the responsibility of Sault College. Sault College shall pay all other entertainment tariffs directly to the applicable group or agency and provide the City with confirmation of same upon request. Sault College shall accept complete responsibility for any performance of copyright-protected music and agrees that the City will be in no way responsible for any infringement of copyright, which may occur on the premises during the Event and/or Club's Use of the Premises.

**16. SMOKE-FREE FACILITY**

Sault College acknowledges that the Premises is a smoke-free facility. It shall be the responsibility of the Sault College to assist the City in enforcing this by-law with respect to any employees or personnel associated with the Club.

**17. CANCELLATION**

The City, acting reasonably, reserves the right to reschedule any date and time allotted to the Club of Sault College upon giving the Sault College reasonable notice. In the event that the Club of Sault College has to cancel a game or practice, Sault College is required to provide at least fourteen (14) days' notice to the City to allow the City to rent the facility to another interested group(s). In the event that Sault College fails to give notice as required and the City is unable to rent the facility, regular rental charges set out in this Agreement will apply. The Club of Sault College is required to play games and perform practices at only a City owned facility when scheduled within the City of Sault Ste Marie, Ontario, provided that an appropriate City owned facility is available for use by the Club of Sault College.

**18. NOTICES**

Any notice required or permitted to be given by one party to the other pursuant to the terms of this Agreement may be given:

**CITY**

ROB SANTA MARIA  
Manager Community Arenas  
The Corporation of the  
City of Sault Ste. Marie  
99 Foster Drive  
Sault Ste. Marie, ON P6A 5X6  
[r.santamaria@cityssm.on.ca](mailto:r.santamaria@cityssm.on.ca)

**SAULT COLLEGE**

PAUL ORAZIETTI  
Manager\_Athletics  
Sault College  
443 Northern Ave.,  
Sault Ste. Marie, ON P6B 4J3  
[Paul.orazietti@saultcollege.ca](mailto:Paul.orazietti@saultcollege.ca)

**19. APPLICATION OF LEGISLATION**

Neither the City nor Sault College shall incur any liability in the event that legislation is enacted by a provincial or federal government, which has the effect of frustrating the intent of the parties as evidenced by this Agreement.

**20. BINDING EFFECT**

The parties hereto agree that every covenant, provision and agreement herein shall ensure to the benefit of and be binding upon the parties hereto, and their executors, administrators and permitted assigns, that all covenants herein shall be construed as being joint and several, and that, when the context so requires or permits the singular number shall be read as if the plural were expressed, and the masculine gender as if the feminine or neutral, as the case may be, were expressed.

**21. ASSIGNMENT OF AGREEMENT**

The parties hereto covenant and agree that this Agreement shall not be assigned without the consent of the City, such consent not to be unreasonably withheld. The transfer of a controlling interest in the shares of Sault College shall be considered an assignment of this Agreement.

**22. TERMINATION**

- a) Sault College may terminate this agreement upon at least ninety (90) days' written notice to the City.
- b) The termination of the Term by expiry or otherwise shall not affect the liability of either party to this Agreement to the other with respect to any obligation under this Agreement which has accrued up to the date of such termination but not been properly satisfied or discharged.
- c) Sault College acknowledges that there are no covenants, representations, warranties, agreements or conditions expressed or implied, collateral or otherwise forming part of or in any way affecting or relating to this agreement other than as set out in this agreement which constitutes the entire agreement between the parties concerning the Premises.

**23. Limitation of Liability.**

Notwithstanding anything to the contrary in this Agreement, the City acknowledges and agrees that:

- a) the remedies, recourse or rights of the City shall be limited to Sault College and to the right, title and interest owned by Sault College in and to all of the Sault College's personal property and assets;

the City unconditionally and irrevocably waives and releases all other claims, remedies, recourse or rights against the Crown in right of Ontario in respect of this Agreement, and agrees that it shall have no remedies, recourse or rights in respect of this Agreement against the Crown in right of Ontario, any Ministry, Minister, agent, agency, servant, employee or representative of the Crown or any director, officer, servant, agent, employee or representative of a Crown agency or a

corporation in which the Crown owns a majority of the shares or appoints a majority of the directors or members, other than Sault College and its assets.

**IN WITNESS WHEREOF** the parties hereto have hereunto set their hands and seals as of the day and year first above written.

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

\_\_\_\_\_  
**CHRISTIAN PROVENZANO**  
**MAYOR**

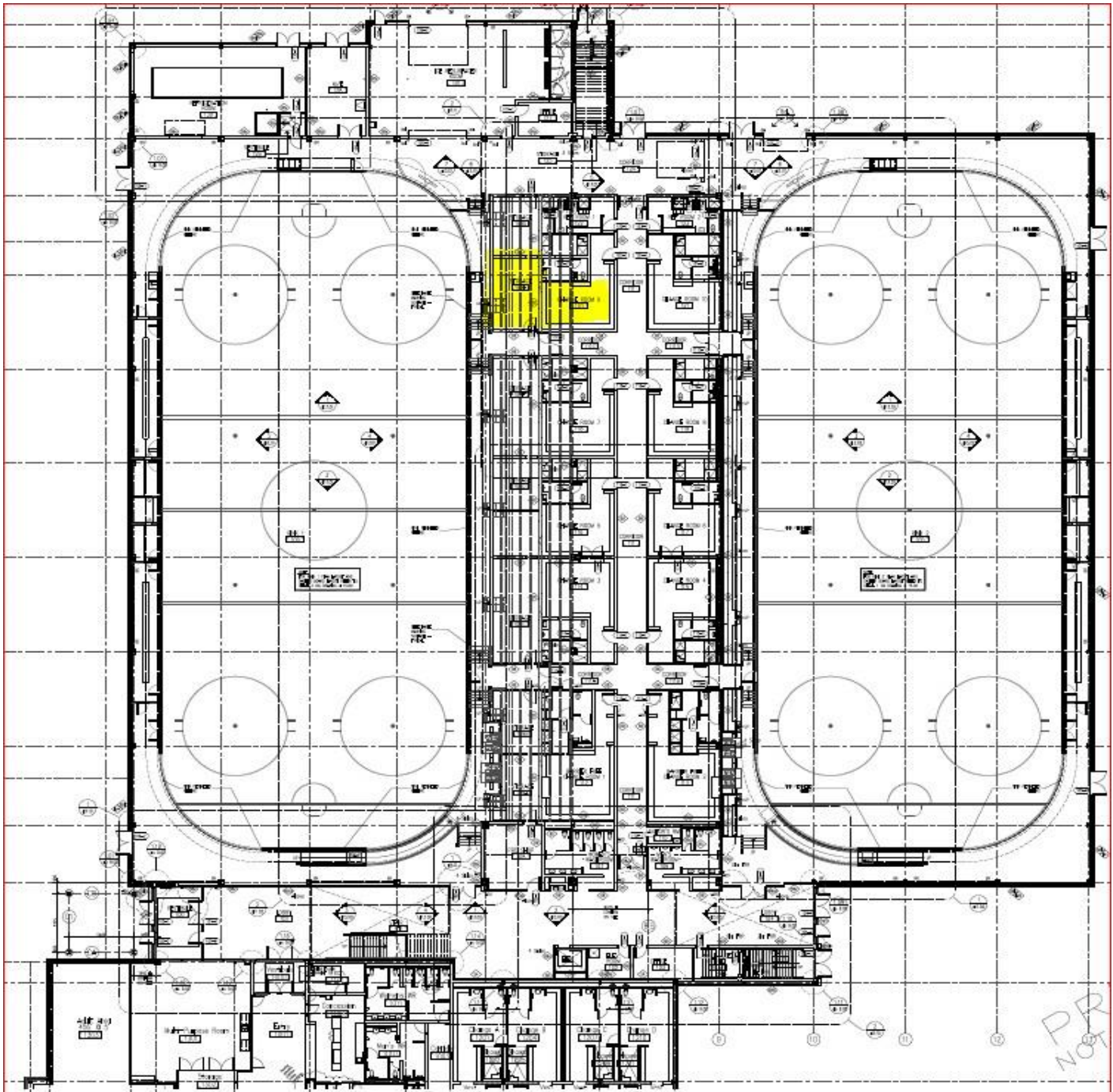
\_\_\_\_\_  
**RACHEL TYCZINSKI**  
**CITY CLERK**

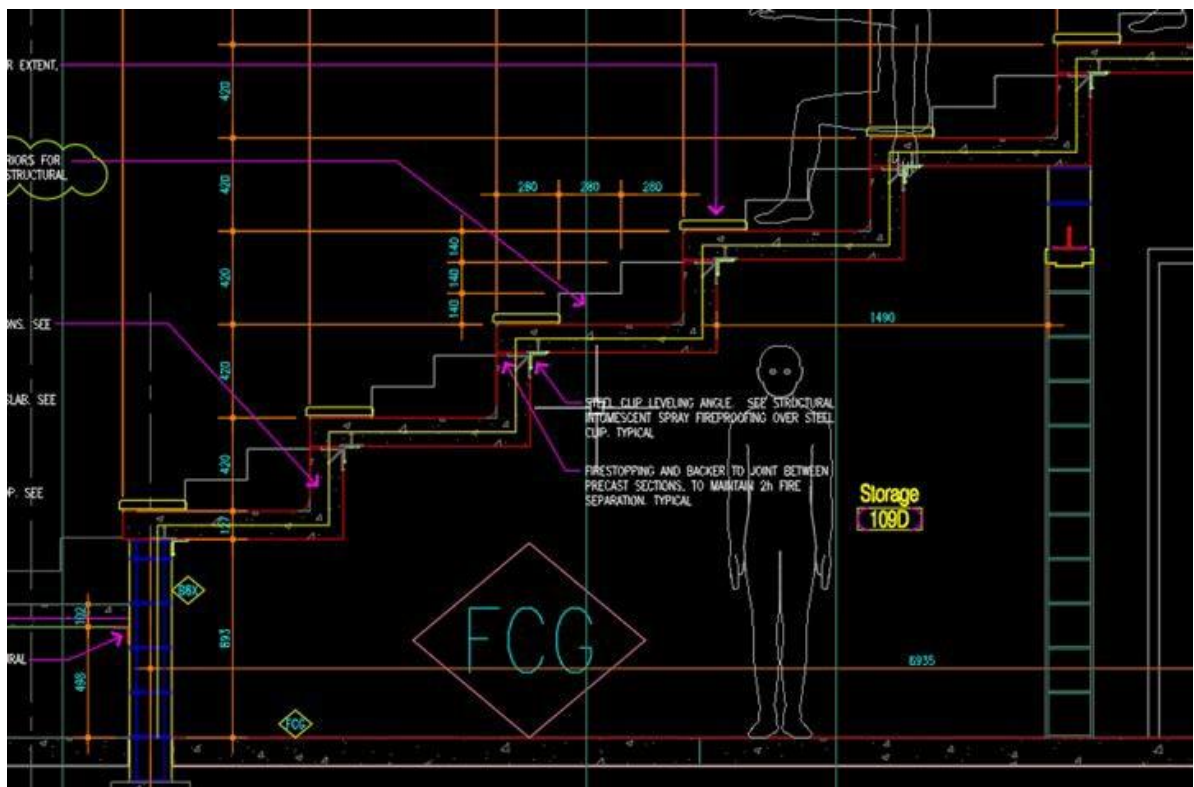
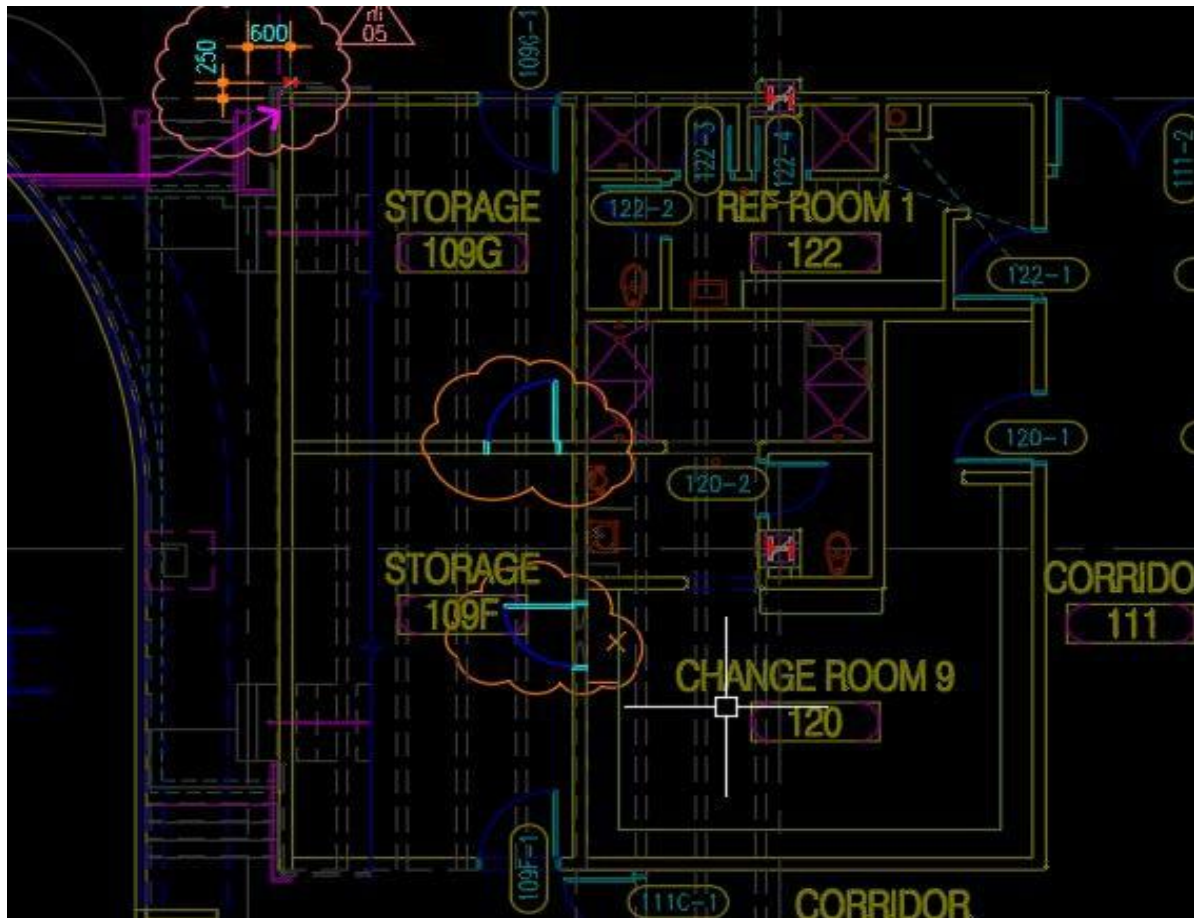
**THE SAULT COLLEGE of APPLIED ARTS and TECHNOLOGY**  
**(I have the authority to bind the Corporation.)**

\_\_\_\_\_

## Schedule A

Draft Drawings for Change Room 9 (120) and Storage Room 109F at Northern Community Centre  
dedicated for Program







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

**BY-LAW NO. 2022-148**

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

**WHEREAS** from time to time persons have been appointed by-law enforcement officers;

**THEREFORE THE COUNCIL** of the Corporation of the City of Sault Ste. Marie pursuant to section 15 of the *Police Services Act*, R.S.O. 1990, chapter p. 15 and amendments thereto, **ENACTS** as follows:

1. **SCHEDULE “A” TO BY-LAW 93-165 REPEALED**

Schedule “A” to By-law 93-165 is hereby repealed and replaced with Schedule “A” attached to this by-law.

2. **EFFECTIVE DATE**

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

**PASSED** in open Council this 8<sup>th</sup> day of August, 2022.

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**MAYOR - CHRISTIAN PROVENZANO**

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**CITY CLERK – RACHEL TYCZINSKI**

## **SCHEDULE "A"**

<b>Alan Smith</b>	<b>81</b>
<b>Dave Devoe</b>	<b>84</b>
<b>Edward Pigeau</b>	<b>89</b>
<b>George Robinson</b>	<b>94</b>
<b>Bill Long</b>	<b>96</b>
<b>Jason Levesque</b>	<b>101</b>
<b>Timothy Lanthier</b>	<b>103</b>
<b>Brian Ford</b>	<b>104</b>
<b>Sean Miller</b>	<b>107</b>
<b>Timothy Moreland</b>	<b>108</b>
<b>Arian Finlayson</b>	<b>109</b>
<b>James Kemp</b>	<b>110</b>
<b>Anthony McCoy</b>	<b>111</b>
<b>Edward Thorold</b>	<b>112</b>
<b>Lovedeep Sidhu</b>	<b>113</b>
<b>Abhishek Verma</b>	<b>115</b>
<b>Brady Bishop</b>	<b>125</b>
<b>Orrette Robinson</b>	<b>126</b>
<b>Anthony Rocca</b>	<b>127</b>
<b>Chelsea Dokis</b>	<b>129</b>
<b>Ryan Vendramin</b>	<b>130</b>
<b>Ravi Kumar</b>	<b>131</b>
<b>Daniel Roussain</b>	<b>132</b>
<b>Aashmeen Thind</b>	<b>133</b>
<b>Cody Poirier</b>	<b>134</b>
<b>Jordan Gregorini</b>	<b>135</b>
<b>Michael Steinburg</b>	<b>136</b>
<b>Marc Flumian</b>	<b>137</b>
<b>Michael Heptbourne-Fletcher</b>	<b>138</b>
<b>Rajneesh Kumar</b>	<b>139</b>
<b>Anthony Gallagher</b>	<b>140</b>
<b>Liam Thibault</b>	<b>141</b>
<b>Jason Merrifield</b>	<b>142</b>
<b>Jasinder Singh</b>	<b>143</b>
<b>Riley Higgins</b>	<b>144</b>
<b>Paul Hillier</b>	<b>145</b>
<b>Mikaela Hinz</b>	<b>146</b>
<b>Tyler Stoutenburg</b>	<b>147</b>
<b>Hailey Harris</b>	<b>148</b>
<b>Alexander Pilot</b>	<b>149</b>
<b>Kieran O'Brien</b>	<b>150</b>
<b>Samuel Elliott</b>	<b>152</b>
<b>Pushkar Dhanekar</b>	<b>153</b>
<b>Davis Fleming</b>	<b>154</b>
<b>Kristen Kirk</b>	<b>155</b>
<b>Mohit Mehta</b>	<b>156</b>
<b>Keely Rainville</b>	<b>157</b>
<b>James Roach</b>	<b>158</b>

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

**BY-LAW 2022-149**

**AGREEMENT**: 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.

**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 8, 2022 between the City and Meyers Munchies, a copy of which is attached as Schedule "A" hereto. This Agreement is for the vending commission from vending equipment for a period of three (3) years.

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 8<sup>th</sup> day of August, 2022.

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**MAYOR - CHRISTIAN PROVENZANO**

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**CITY CLERK - RACHEL TYCZINSKI**

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# Schedule "A"

## AGREEMENT

**THIS AGREEMENT** made this 8<sup>TH</sup> day of August, 2022.

**BETWEEN:**

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

(the "City")  
OF THE FIRST PART

-and-

**MEYERS MUNCHIES**

("Meyers")  
OF THE SECOND PART

**WHEREAS** the parties hereto acknowledge and agree that City and PEPSICO CANADA ULC ("Pepsi") has entered into an agreement dated August 8, 2022 which grants Pepsi exclusive rights to make all "beverages" available for sale and distribution within the City's "Outlets" as defined and set out in that Agreement, which is appended as Schedule "A" to this Agreement (the "City/Pepsi Agreement");

**AND WHEREAS** pursuant to Exhibit "C" to the City/Pepsi Agreement, Meyers has the following obligation:

"Vending Commissions – Meyers Munchies (TPO) will pay to the Customer a vending commission (the "Vending Commission") in an amount equal to \$9,000.00 of net revenue actually collected by Meyers from vending equipment placed on the premises of the Outlets by PBC in each Year. The Vending Commission shall be calculated and paid by Meyers Munchies (TPO) to the Customer on a Meyers Munchies quarterly basis within thirty (30) days of the end of the applicable Meyers Munchies quarter. A detailed report outlining the calculation of the Vending Commission, the volume of Products sold through each piece of vending equipment by Outlet and an overall summary of the Vending Commission paid to date shall be delivered to the Customer on or about the same time as paying the Vending Commission."

**AND WHEREAS** Meyers is not a party to the City/Pepsi Agreement, the parties hereto desire to enter into this Agreement to formalize the commitment and obligation of Meyers as set out above;

**AND WHEREAS** Meyers and Pepsi also entered into an Agreement which sets out roles/responsibilities that are relevant to Meyers' and Pepsi's obligations to the City in the City/Pepsi Agreement, which Agreement is appended as Schedule "B" to this Agreement (the "Meyers/Pepsi Agreement") and which Meyers acknowledges is therefore relevant herein;

**NOW THEREFORE** in consideration of the rents, covenants and agreements herein contained and hereby assumed, the parties for themselves and their respective successors and assigns do hereby covenant and agree with one another as follows:

### 1. TERM

The term (the "Term") of this Agreement shall commence on August 1, 2022 and shall expire on July 31, 2025. The City may extend the Term of the Agreement by a period of two (2) years on the same terms and conditions upon providing Meyers with sixty (60) days prior written notice before the expiry date (the "Renewal Terms").

## **2. VENDING COMMISSIONS**

Meyers acknowledges and agrees to pay the City the Vending Commissions in accordance with the terms and conditions set out in the City/Pepsi Agreement during the Term and any Renewal Terms. Specifically, Meyers shall:

pay to the Customer a vending commission (the "Vending Commission") in an amount equal to \$9,000.00 of net revenue actually collected by Pepsi from vending equipment placed on the premises of the Outlets by Pepsi in each Year of the Term. The Vending Commission shall be calculated and paid by Meyers Munchies (TPO) to the City on a Meyers Munchies quarterly basis within thirty (30) days of the end of the applicable Meyers Munchies quarter. A detailed report outlining the calculation of the Vending Commission, the volume of Products sold through each piece of vending equipment by Outlet and an overall summary of the Vending Commission paid to date shall be delivered to the City on or about the same time as paying the Vending Commission.

The parties acknowledge and agree that the Vending Commissions shall be payable by Meyers to the City for the duration of the City/Pepsi Agreement including the Term and any Renewal Terms. Meyers shall provide the City with any financial information or documentation to support the vending commissions paid/collected as may be requested by the City's Finance Department.

## **3. OTHER AGREEMENTS**

Meyers acknowledges and agrees that it is a "Third Party Operator" as defined in the City/Pepsi Agreement and shall be responsible for all obligations that are set out in the City/Pepsi Agreement as it relates to the Third Party Operator.

Meyers further acknowledges and agrees to comply with all obligations as set out in the Meyers/Pepsi Agreement.

## **4. TERMINATION**

The City may terminate this Agreement upon giving Meyers thirty (30) days' written notice.

## **5. CITY'S CONTRACTOR PREQUALIFICATION PROGRAM**

Meyers shall comply with the terms and conditions of the City's Contractor Prequalification Program at all times during the Term and Renewal Term of this Agreement.

## **6. INSURANCE AND INDEMNITY**

- (a) Meyers shall provide and maintain comprehensive general liability insurance coverage in an amount not less than Five Million (\$5,000,000) Dollars per occurrence during the Term of this Agreement naming the City as an "Additional Named Insured". Upon execution of this Agreement, Meyers shall provide the City with evidence of such insurance coverage in the form of a Certificate of Insurance.
- (b) Meyers shall provide fire, theft, vandalism and liability insurance to cover their equipment or property (if any) while on any City Property. Upon execution of this Agreement, Meyers shall provide the city with evidence of such insurance coverage in the form of a Certificate of Insurance. Meyers further covenants that it shall not make a claim against the City nor shall it hold the City responsible for loss or damage caused by fire, vandalism, or theft to such equipment or property.
- (c) During the Term and thereafter, Meyers agrees to indemnify and save harmless the City, its officers, directors, agents or employees, from and against all actions, causes of action, interest, claims, demands, costs, damages, expenses or loss whatsoever (including attorney's fees and expenses)



which the City may bear, suffer, incur, become liable for, or be put to by reason of, arising out of or in consequence of:

- i. the breach and/or violation of non-performance by Meyers, its partners, licensed brands and affiliates and their respective directors, officers, employees and agents of any provision of this Agreement, its breach of its obligations as a Third Party Operator pursuant to the City/Pepsi Agreement that causes damages/injuries to the City or its breach of its obligations pursuant to the Meyers/Pepsi Agreement that causes damages/injuries to the City;
- ii. any act, neglect or default by Meyers or any of its partners, licensed brands and affiliates and their respective directors, officers, employees and agents.

Meyers further covenants that the indemnity herein contained shall extend to all claims, losses, costs and damages by reason of or arising out of improper or faulty erection of equipment or property erected or installed in connection with this Agreement by Meyers, its servants or agents, whether or not these have been approved by the City, its servants or agents. The rights to indemnity contained in this paragraph shall survive any termination of this Agreement notwithstanding anything in this Agreement to the contrary.

- (d) Meyers shall obtain all necessary approvals and authorizations and comply with all laws, by-laws, rules and regulations of any governing body with respect to the work required to be performed by Meyers and any other matters arising directly and indirectly from this Agreement. Meyers shall save harmless and fully indemnify the City from and against all losses, costs, damages and expenses, of every kind or nature (including attorney's fees and expenses) which the City may suffer, incur, become liable for, or be put to by reason of, arising out of or in consequence of noncompliance by Meyers with such laws, by-laws, rules and regulations and failure by Meyers to obtain such approvals and authorizations.

## **7. NOTICES AND ADDRESSES**

All notices required to be given under this Agreement shall be given by personal delivery or email and service shall be deemed given same day as given by email or personal delivery.

In the case of notice to Meyers:

Meyers Munchies  
Attention: Curtis Meyers  
696 Old Garden River Road, Sault Ste. Marie, ON P6A 6J8

In the case of notice to the City:

Mr. Brent Lamming  
Director, Community Services  
The Corporation of the City of Sault Ste. Marie  
99 Foster Drive, Sault Ste. Marie, Ontario P6A 5X6  
Email: [b.lamming@cityssm.on.ca](mailto:b.lamming@cityssm.on.ca)

## **8. INTERFERENCE, WASTE OR NUISANCE**

Meyers shall not do or cause to be done, any action which would damage, waste disfigure or injure any property owned by the City. Meyers shall further conduct itself and perform the work set out in this Agreement in a manner which does not interfere with the operation of the City or otherwise cause a nuisance.

Any costs incurred by the City to repair any property owned by the City resulting from such waste and nuisance as set out herein shall be payable by Meyers to the City immediately upon demand by the City.

## **9. PROPRIETARY RIGHTS**

The parties hereto acknowledge and agree that this Agreement in now way confers any rights, benefits or title in any property owned by the City to Meyers and that any and all property and part thereof owned by the City is the property, title and right of the City.

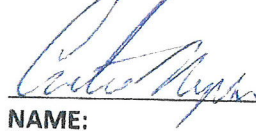
## **10. GENERAL**

- (a) Meyers acknowledges that the City is bound by the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*, which may require the release of this Agreement or the terms thereof upon request. The Act gives persons a right of access to information held by the City. The right of access is subject to the exemptions contained in the Act.
- (b) The parties shall not assign or transfer this Agreement without the prior written consent of the other party.
- (c) The parties hereby acknowledge and agree that any future amendments to this Agreement must be made in writing and signed by both parties.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and to their respective successors and permitted assigns.
- (e) In the event that any provision of this Agreement or the schedules attached thereto is found to be illegal or be unenforceable under the law now or hereafter in effect, such illegality or unenforceability shall not affect the validity of the remaining provisions of this Agreement.
- (f) This Agreement, including schedules, contains the entire understanding of the parties with respect to the subject matter contained herein and supersedes all previous agreements or understandings between the parties with respect to the subject matter herein, whether written or oral, expressed or implied.
- (g) Each party hereto is an independent contractor and has no authority or right to incur obligations of any kind in the name of or for the account of the other party. Neither party is or shall be deemed to be an associate, partner, principal or agent of the other party.
- (h) Meyers covenants that he has good right, full power, and absolute authority to grant this Agreement to the City and this Agreement shall be binding upon and shall ensure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, assigns and subsequent purchasers.
- (i) This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The Courts in the Province of Ontario shall have the exclusive jurisdiction to adjudicate any matter which may arise in connection with this Agreement, and the parties hereby accept, submit and attorn to the non-exclusive jurisdiction of such courts and all courts competent to hear appeals therefrom.

IN WITNESS WHEREOF the parties hereto have signed this Extension Agreement this 8<sup>th</sup> day of August, 2022.

MEYERS MUNCHIES

PER:



NAME:

Authorized Representative for MEYERS MUNCHIES  
*I have authority to bind the Corporation*

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

PER:

MAYOR – CHRISTIAN PROVENZANO

PER:

CITY CLERK – RACHEL TYCZINSKI





### **BEVERAGE SALES AGREEMENT**

This sets forth the agreement ("**Agreement**") between PepsiCo Beverages Canada, a business unit of PepsiCo Canada ULC, and its affiliates and subsidiaries ("**PBC**") and The Corporation of the City of Sault Ste Marie] (the "**Customer**"), on its own behalf and on behalf of its affiliates and subsidiaries, and on behalf of its individual franchisees and licensees, if any, relating to the purchase by the Customer from PBC of the Products.

Customer represents and warrants that it has full authority to bind all Outlets (as defined below) to the terms and conditions of this Agreement throughout the Term.

#### **Definitions**

As used in this Agreement, the following capitalized terms have the meanings set out below, and terms defined elsewhere in this Agreement shall have the meanings ascribed to them in this Agreement.

"**Authorized FS Distributor**" if applicable, shall mean a food service distributor as designated by Customer and prior approval by PBC.

"**Beverage**" or "**Beverages**" means all carbonated and non-carbonated, non-alcoholic beverages, however dispensed, during the Term including but not limited to, (i) colas and other flavored soft drinks; (ii) fruit juice, fruit juice containing other ingredients and fruit flavored drinks; (iii) chilled coffee drinks; (iv) chilled tea products; (v) hypertonic, isotonic and hypotonic drinks (sports drinks and fluid replacements); (vi) milk based drinks; (vii) protein drinks and smoothies; (viii) energy drinks; (ix) water (including but not limited to: flat, plain, sparkling, carbonated, spring, mineral and/or purified); (x) kombucha and sparkling fermented beverages; and (xi) any future categories of nonalcoholic beverage products that may be distributed by PBC.

"**Cases**" shall mean the number of "raw" cases of Packaged Products purchased by the Customer from PBC, delivered in quantities of 8, 12, 15 and 24 bottles/cans, and thereafter in such other size, quantity and type of containers as determined by PBC, from time to time.

"**Gallons**" shall mean the number of US gallons of the Fountain Products purchased by the Customer from PBC during the Term and used to prepare the Fountain Products.

"**Fountain Products**" shall mean Beverages sold and/or distributed by PBC and used to create and dispense fountain beverages and/or frozen carbonated and non-carbonated beverages. A current list of PBC's Fountain Products is listed in the attached Exhibit B which may be amended by PBC from time to time.

#### **"Outlets"**

shall mean the existing Customer facilities owned, operated or managed by the Customer under the trade name/trademark in the attached Exhibit A (and/or any related or similar trademarks, including any successor trademarks/tradenames) in Canada operated by duly authorized franchisees of Customer, a current list of which is attached as Exhibit A, and shall include any other outlet or other facility in Canada in the Customer's system that may be opened, acquired, operated, owned, managed, controlled or franchised by the Customer under such trademarks during the Term. In the event that Customer acquires, owns or operates facilities under a different concept and/or trademark during the Term, Customer will purchase Products pursuant to the terms of this Agreement for service in such facilities, which will be considered Outlets under this Agreement. In the event that new Outlets are added during the Term of this Agreement, the parties shall create an updated Exhibit A and attach it hereto. The Outlets shall include the parking garages or other Customer-owned/controlled/operated surrounding areas located at or within those facilities.

OR buying groups: "means customers of or facilities operated, managed, licensed, by (i) Customer or any of its Affiliates, (ii) companies with whom Customer or any of its Affiliates have entered into an agreement to provide procurement services, and (iii) such additional operations of Customer or any of its licensees, franchisees, or affiliates as Customer may choose to add from time to time.

OR Use for Golf course type of customer: "Outlet" shall mean the existing Customer facilities operated under in Exhibit A trade name/trademark or related trade names/trademarks, located at in Exhibit A and shall include (without limitation) all areas thereof, whether indoors or outdoors, sit-down and take out locations, concessions, restaurants, banquet rooms, clubhouse, carts and kiosks, which are now or in the future opened, acquired, operated, owned managed, controlled or franchised by the Customer during the Term

"Packaged Products" shall mean Beverages that are sold and/or distributed by PBC in pre-packaged form (e.g., bottles and cans) by PBC. A current list of PBC's Packaged Products is listed in the attached Exhibit B which may be amended by PBC from time to time.

"Products" shall mean Fountain Products and Packaged Products manufactured, bottled, sold and/or distributed by PBC.

"Third Party Operator", if applicable, includes those persons or entities operating businesses selling or otherwise distributing Products from a location within the Outlets.

"Year" will mean a term of 13 financial periods coinciding with PBC's financial periods (each a "Financial Period" typically consisting of four weeks) during the Term, beginning the first day of the Term and each period of 13 Financial Periods thereafter. Term "quarter" or "quarterly" will mean a consecutive period of approximately 3 months coinciding with PBC's Financial Periods each Year during the term of this Agreement.

## 1.0 Term

1.1. The term (the "Term") of this Agreement shall commence on **August 1, 2022** (the "Effective Date") and shall expire on **July 31, 2025**. The Customer may extend the Term of the Agreement by a period of (2) years, on the same terms and conditions, upon providing PBC with sixty (60) days prior written notice before the expiry date.

## 2.0 Exclusivity

2.1. Exclusive Beverage Rights. During the Term of this Agreement, PBC shall have the exclusive right to make all Beverages (including Fountain Products and Packaged Products) available for sale and distribution within the Customer's Outlets, including at all locations located within the Outlets where beverages are sold and catering operations for Customer or its Outlets. Accordingly, the Products shall be the only Beverages of their respective type sold, dispensed or served anywhere at the Outlets, and Customer will cause the purchasing representative for each of the Outlets to purchase all its respective requirements (including a Third Party Operator, if applicable) for such Products directly and exclusively from PBC. In no event shall there be served, dispensed or otherwise made available Beverage products licensed, produced or otherwise distributed by Nestle S.A., Nestle Canada Inc., Coca-Cola Ltd. or Coca-Cola Enterprises or any of their respective affiliates.

2.2. Ancillary Products. During the Term, Customer will cause the purchasing representative for each of the Outlets to purchase all its respective requirements for carbon dioxide and branded disposable cups ("Ancillary Products") exclusively from PBC, provided that the Ancillary Products comply with municipal, provincial and federal legislation. PBC shall ensure the Ancillary Products comply with all applicable municipal, provincial and federal legislation.

## 3.0 Pricing and Distribution

3.1. PBC shall sell and provide the Products set forth in Exhibit B either directly to Customer or to Customer's Authorized FS Distributors (as applicable) for resale at Customer's Outlets.

3.2. The prices for the Products (the "Prices") as of the Effective Date, are listed in Exhibit B and are exclusive of any applicable product deposits, fees or sales/excise taxes (local, provincial or federal). Pricing may vary in territories where PBC bottler rights apply.

3.3. PBC shall increase Prices by 3% each Year during the Term of the Agreement upon (30) days written notice to Customer.

3.4. Price increases exceeding and/or in addition to those referred to above may be made by PBC, in the event of significant demonstrable increase in production or distribution costs to PBC, including without limitation, raw material costs (e.g. sweeteners, aluminum, plastic) and energy/utility costs (e.g. fuel, hydro).

3.5. During the term, if Customer is receiving Products through Direct to Store delivery and would like to move to



purchase the Products through an Authorized FS Distributor, Customer must first obtain PBC's prior written approval. If approval is granted, then all sales of Products by PBC to Authorized FS Distributors shall be made on terms determined by PBC. PBC expressly reserves the right to withhold shipment of any new order at any time that existing invoices to an Authorized FS Distributor are outstanding beyond terms. Customer agrees to use commercially reasonable efforts to cause the Authorized FS Distributors to make timely payment for the Products.

3.6. Subject to Section 3.5 above, if Customer is purchasing Products through an Authorized FS Distributor then such Authorized FS Distributor shall report and submit to PBC velocity reports indicating volume of and type of products purchased by Outlet and name of Outlet's supplying distributor (the "Purchase Summary Report"). The Purchase Summary Report shall be submitted to PBC for each quarter not later than 60 days past the close of that quarter.

3.7. During the term, if Customer is purchasing Products through an Authorized FS Distributor and would like to move to purchase the Products through Direct Store Delivery, Customer must first obtain PBC's prior written approval. If approval is granted, then PBC will use reasonable commercial efforts to transfer Customer to its Direct Store Delivery system in a timely fashion, in its sole discretion.

3.8. Notwithstanding delivery of Products to any Outlet(s) via a distributor, Customer shall remain subject to all of its obligations pursuant to this Agreement for the Term.

#### **4.0 Funding, Rebates and Financial Commitments**

4.1. In consideration of the rights granted to PBC by Customer during the Term of this Agreement, and provided Customer is not in breach of this Agreement, PBC shall provide Customer with the funding and support set out in the attached Exhibit C.

4.2. PBC will not accrue, pay or otherwise provide any funding or support set out in Exhibit C in respect of: (i) any Products for which PBC has not received payment in full; or (ii) any Outlet that is in breach of any of the terms this Agreement.

#### **5.0 Additional Customer Performance Requirements**

5.1. This Agreement, including all of PBC's support to the Customer as described herein, is contingent upon the Customer complying with the terms of this Agreement.

5.2. Customer will use its commercially reasonable efforts to ensure that all PBC Products maintain continuous or increased presence and exposure within the Outlets following implementation of this Agreement.

5.3. Customer acknowledges that funding is generally being made available to Customer under this Agreement to enable Customer to promote and encourage sales of PBC Products at the Outlets. All marketing and promotional activities relating to the Products will be as mutually agreed to by the parties and will specifically include the following:

##### **Branding on menu boards & custom P.O.S.**

5.4. Unless otherwise authorized by PBC, the Customer shall purchase all of their requirements for Product directly from PBC or the Authorized FS Distributor during the Term. The Customer and the Outlets will only sell those PBC Products purchased in accordance with this Agreement from the equipment provided to the Outlets by PBC, as applicable.

5.5. The Customer and its Outlets shall have appropriate brand identification, as identified by PBC, for each PBC Product served on all menus (including catering), menuboard and postmix dispensing valves at each of the Outlets throughout the Term.

5.6. At all times during the Term, the Customer agrees to maintain a reasonable distribution of all PBC Products and to mandate the distribution of a minimum of the following skus of PBC Products, as applicable, at each of the Outlets ("Required SKUS"): *Pepsi, Diet Pepsi, 7UP, Mountain Dew, Crush, Mug Root Beer, Dr Pepper, Dole, Gatorade, Brisk, Lipton Iced Tea, Aquafina, Evian, Frappuccino, Naked, Rockstar, Tropicana*, and such other beverage products, whether in addition to or in substitution therefor, as PBC may offer for sale from time to time. Customer will reinforce compliance with agreed upon PBC plan-o-grams at all Outlets., which may include, without limitation, the addition of listings of new and/or innovative Products."

5.7. Customer understands that the Products provided hereunder are perishable. PBC will not replace stale or spoiled Products. Customer agrees that no Product shall be sold past the code date, and that it shall abide by policies on product handling and quality control periodically advised by PBC.

#### **6.0 Equipment and Service**

6.1. PBC will loan each Outlet, at no charge, appropriate equipment for dispensing and cooling the Products during the Term ("**Equipment**"). Customer agrees that the Equipment shall be exclusively used to display and merchandise the

Products, and the Customer shall not use the Equipment to display, stock, advertise, sell or maintain any other products (including on the exterior of the Equipment). Title to all Equipment will remain vested in PBC or its affiliate and all such Equipment will be returned to PBC upon expiration or earlier termination of this Agreement. Customer shall not, and shall not allow any Outlet or any other party to, repair, service, maintain, replace, relocate, move or remove any Equipment. PBC shall have the exclusive right to repair, service, maintain, replace, relocate, move and remove any Equipment.

6.2. Each Year during the Term or at PBC's request, Customer shall provide PBC with a written Equipment verification list indicating the asset number, Equipment type and location of the Equipment loaned to the Customer pursuant to this Agreement. Failure to provide such verification list to PBC shall be deemed a material breach of this Agreement.

6.3. PBC will provide, at no charge to the Customer, preventative maintenance and service to the Equipment during the Term. PBC will also provide Customer with a telephone number to request emergency repairs and receive technical assistance related to the Equipment after business hours. PBC will promptly respond to each applicable Customer request, and will use reasonable efforts to remedy the related Equipment problem as soon as possible. Customer will be responsible for all Equipment costs (including service fees) resulting from Customer's willful or negligent damage or abuse.

6.4. Except to the extent attributable to the intentional and/or negligent acts or omissions of Customer, its employees, or its agents, PBC will be responsible for and will bear the risk of loss or damage to unit(s) of Equipment placed and installed upon Outlets and arising as a result of theft and/or vandalism upon the Outlets; provided, however, that in the event of repeated (defined as two or more occurrences) or significant theft, vandalism, destruction or loss, without limitation, PBC will have the right, at its sole discretion, to move or remove any applicable unit of such Equipment from the Outlets.

6.5. The Customer shall supply and install, or cause to be supplied and installed, at the Customer's cost and expense, all facilities, as may be reasonably necessary, for the use and operation of the Equipment in the Outlets, including, but not limited to, electrical outlets and wiring, drains, conduits, water outlets and cut-off valves.

6.6. In respect of all Equipment that is vending equipment, if applicable, PBC shall have the exclusive right to stock and re-stock, at no cost to Customer, Products in each of the vending machines and to collect the monies that each vending machine generates. Title to all monies and Products located in such vending equipment will remain vested in PBC or its affiliate. The Product mix offered in each such vending machine shall be determined by PBC.

6.7. Customer acknowledges and agrees that PBC shall have the right to delegate its obligations in respect of the administration, installation and maintenance of vending services, including payment of vending commissions, to a third party vending operator ("Third Party Vending Operator"), which as of the date of agreement is [insert name] PBC shall have the right to change its Third Party Vending Operator at any time during the Term, subject to Customer's prior approval, which approval shall not be unreasonably withheld. Notwithstanding such delegation, PBC shall remain subject to all of its obligations pursuant to this Agreement for the Term. All Third-Party Vending Operator shall comply with the terms and conditions of the City's Contractor Prequalification Program before being permitted to be a Third-Party Vending Operator.

6.8. Upon termination or expiration of this Agreement, if Customer has not entered into a further agreement with PBC for the purchase of the Products, Customer shall surrender to PBC all Equipment installed in the Outlets, whether leased, loaned or otherwise made available by PBC. PBC shall have the right to deduct the full value of the Equipment from any and all funds owing to Customer and/or the applicable Outlet(s) in the event PBC is prevented from removing such Equipment within thirty (30) days of the expiration or earlier termination of this Agreement.

6.9. Customer and/or each Outlet, as applicable, shall be responsible for the full replacement cost of all Equipment not returned, damaged, lost, or stolen while in its possession.

6.10. The Customer and its Outlets shall only use the Fountain Products for use in preparing the fountain beverage products (i) in accordance with the standards established by PBC; and (ii) only for immediate or imminent consumption and shall not resell the Fountain Products either to nonaffiliated outlets or to consumers in any form other than the Fountain Products.

## **7.0 General Terms**

### **7.1. Termination.**

- (a) Either party may terminate this Agreement: (i) if the other commits a material breach of this Agreement, provided, however, that the terminating party has given the other party written notice of the breach and the other breaching party has failed to remedy or cure the breach within thirty (30) days of such notice; or (ii) if the other party takes any action with respect to its liquidation or winding-up, or makes an assignment for the benefit of creditors, or any proposal under the Bankruptcy and Insolvency Act (Canada), or any comparable statute, or if a bankruptcy petition is filed or presented by such party, or if a court of competent jurisdiction enters a judgment or order approving any such petition or any petition seeking reorganization, arrangement or composition of such party or its debts or obligations, or if a custodian or receiver or receiver and manager or similar official is appointed for such party or any



of its assets. If for any reason the Customer's volume declines by more than 25% from the average annualized volumes, for a period of sixty (60) business days or more, then such event shall be deemed a material breach of this Agreement, and PBC shall have the right to renegotiate funding in Exhibit C and/or terminate this Agreement upon five (5) days prior written notice.

- (b) Without prejudice to any other remedy available to PBC at law or in equity in respect of any event described above, this Agreement may be terminated in whole or in part by PBC upon thirty (30) days' advance written notice to Customer if (i) any of the Products are not made available at the Outlets as required in this Agreement, (ii) any of the rights granted to PBC herein are materially restricted or limited during the Term; or (iii) a final judicial opinion or governmental regulation prohibits, or materially impacts or impairs (e.g., beverage tax or package size restriction) the availability or cost of Beverages, whether or not due to a cause beyond the reasonable control of Customer. Before PBC exercises its right to terminate as described in this Section, PBC agrees to engage in good faith renegotiations with Customer to adjust the funding offered to Customer herein on an equitable basis to neutralize any negative impact such change may have on the economics of the original Agreement.
- (c) In the event of breach of this Agreement by one or more Outlet(s), the parties agree that PBC shall have the option, in lieu of termination of the entire Agreement, to terminate the Agreement only as it pertains to the applicable breaching Outlet(s) and to obtain an equitable reimbursement for the portions of funding and other costs attributable to such breaching Outlet(s).
- (d) From time to time, factors outside of PBC's control may lead to certain Products being out of stock, which shall not be deemed as breach of this Agreement.

7.2. **Remedies / Expiration.** Without limiting any of the other remedies available to PBC, if this Agreement is terminated before its expiration for any reason other than uncured material breach by PBC, then Customer will immediately make the following payments by no later than 30 days following the effective date of such termination:

- I. an amount reflecting reimbursement for all funding previously advanced by PBC but not earned by Customer and/or the Outlets pursuant to the terms of this Agreement in respect of the unexpired portion of the Term, or the Year for which it was paid, as the case may be, on a pro rata basis; and
- II. an amount reflecting reimbursement for the cost of installation, service and PBC Equipment that has been installed in the Outlets, if applicable.

7.3. **Transition Period.** Upon termination or expiration of this Agreement, if Customer has not entered into a further agreement with PBC for the purchase of Products, PBC may, upon request by the Customer, continue to provide Products to the Customer to ensure the uninterrupted supply of beverages, for a transition period not to exceed 120 days (unless otherwise mutually agreed upon) following expiration or termination of the Agreement (the "Transition Period"). During the Transition Period, the parties will continue to perform pursuant to the terms and conditions of this Agreement, except that Customer shall not be required to comply with any exclusivity requirements set forth herein and PBC shall not be obligated to provide any funding or other consideration as set forth in this Agreement. During the Transition Period, Customer will provide PBC with reasonable access to the Outlets, free from any claims of trespass and on a mutually agreed upon schedule, for the purposes of removing Equipment. For clarity purposes, although Customer shall no longer be required to comply with the exclusivity requirements of this Agreement, Customer acknowledges and agrees that, except as specifically agreed by PBC in writing, Equipment must be used exclusively to display and/or dispense PBC beverage products, even during the Transition Period.

7.4. **Right of Offset.** PBC reserves the right to withhold payments due hereunder as an offset against amounts not paid by Customer pursuant to this Agreement.

7.5. **Trademarks.** PBC reserves the right to final approval, in its sole discretion, of any and all promotional or other materials utilizing PBC trademarks, and no documents, point of sale, coupons, sell sheets, etc. shall be released without PBC's prior written approval. Any and all trademarked, copyrighted or other material in which a party claims or has proprietary rights shall remain the sole and exclusive property of that party and shall be used by the other solely for the purposes listed and to the extent allowed by this Agreement. Upon termination or expiry of this Agreement each party shall immediately cease all use of the other trademarks, trade names, slogans, and or other identification of the other party or its products.

7.6. **Payment.** Payment of PBC invoices shall be in accordance with their stated terms which, if credit is granted, are currently the thirtieth (30th) day from date of invoice. All payments to PBC shall be rendered without deduction or set off. Customer and each Outlet shall, upon request, complete a PBC credit application and shall be subject to PBC's credit policies. Customer acknowledges that in the event PBC ceases to sell Products to Customer or any Outlet in accordance with PBC's credit policies, PBC shall not be in breach of this Agreement.

7.7. **Product Changes.** PBC reserves the right to change or supplement Products offered for sale to Customer at its

discretion, upon notice.

7.8. **Confidentiality.** The Customer and PBC agree to keep this Agreement and its terms, as well as the information which is disclosed to it by the other party in connection with the performance of this Agreement, confidential and not to disclose this Agreement or its terms to any third party without the prior written consent of the other party, subject only to disclosure of such information to the party's auditors and legal counsel and as required by law or legal process. The Customer further acknowledges and agrees that the disclosure of the terms of this Agreement could reasonably be expected to significantly harm the competitive position and/or significantly interfere with the general negotiating and business position of PBC. The parties acknowledge and agree that details of any public announcements, statements or disclosure concerning this Agreement shall be jointly agreed to prior to the making of any such public announcements, statements or disclosure by either party.

7.9. **Assignment/Acquisition.** In the event that a third party acquires Customer or all or a group of the Outlets, or if Customer merges with a third party, Customer will, in connection with such transaction, cause the acquiring party/merged entity, in writing, to ratify this Agreement and assume all of the obligations of Customer hereunder. In the event that Customer does not deliver written evidence of such ratification and assumption of this Agreement by the acquiring party/merged entity within ten (10) days following the closing of the transaction, PBC may, at its option, terminate this Agreement effective immediately. The Agreement shall not be otherwise assignable without the express written consent of PBC. In the event the transferee has an existing local agreement with PBC (which agreement covers the purchase of Products), then, PBC shall have the right to determine which Agreement shall continue in force and effect. PBC may assign this Agreement at any time to any PBC affiliate without any prior consent. This Agreement shall ensure to the benefit of, and be binding upon, the successors and permitted assigns of PBC and Customer.

7.10. **Governing Law.** This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to conflict of laws principles.

7.11. **Tax.** Customer will remain responsible for any applicable taxes, fees or other tax liability incurred in connection with Customer's receipt of funding and/or Equipment provided by PBC under this Agreement. In addition, Customer will neither assess nor impose upon PBC any common area maintenance fees, taxes or other charges based on occupation of the space allocated to Equipment, nor with respect to the ownership or usage thereof.

7.12. **Force Majeure: Impossibility of Performance.** Neither party shall be responsible to the other or to any third party for any failure, in whole or in part, to perform any obligations hereunder, to the extent and for the length of time that performance is rendered impossible or commercially impractical, owing to acts of God, public insurrections, floods, fires, pandemic/epidemic, strikes, lockouts, or other labor disputes, disruptions in supply, shortages or scarcity of materials, crop failures, freezes, and other circumstances of substantially similar character beyond the reasonable control of the affected party (collectively, a "Force Majeure Event"). Any party so affected shall (i) use all reasonable efforts to minimize the effects thereof and (ii) promptly notify the other party in writing of a Force Majeure Event and the effect of a Force Majeure Event on such party's ability to perform its obligations hereunder. The affected party shall promptly resume performance after it is no longer subject to a Force Majeure Event. In the event Customer's performance obligations are suspended pursuant to a Force Majeure Event as set forth herein, PBC's funding obligations will be suspended for the duration of Customer's nonperformance; once the Force Majeure Event has concluded and Customer resumes performance or in the event Customer is able to perform some but not all of its obligations herein, any fixed or guaranteed funding will be adjusted commensurate with the decline in volume associated with the suspended or partial performance.

7.13. **Right of First Negotiation/Refusal.** As of the commencement of this Agreement until six(6) months prior to the expiration of the Term, Customer hereby grants PBC exclusive negotiation rights with respect to extending the current Agreement or entering into a new agreement for the supply of beverage products to the Customer and/or its Outlets upon expiration of the current Term. Thereafter, if the parties have not entered into a new agreement, the Customer shall be free to enter into discussions/negotiations with third parties.

7.14. **Dispute resolution.** If a dispute arises out of or relates to this Agreement, including any dispute about the existence of a breach of this Agreement, and if the dispute cannot be settled through direct discussions, the parties agree to attempt to settle the dispute in an amicable manner by mediation pursuant to the National Mediation Rules of the ADR Institute of Canada, Inc. Such mediation must occur within sixty (60) days after a party's request for mediation. The place of mediation shall be Toronto, Ontario and the language of the mediation shall be English. Thereafter, any unresolved controversy or claim shall be settled by arbitration under the Arbitration Rules of the ADR Institute of Canada, Inc., and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Any arbitration brought under the terms of this Agreement shall be conducted in Toronto, Ontario, in the following manner: Each party shall appoint one person as an arbitrator. The two arbitrators so chosen shall select a third impartial arbitrator within ten (10) days of the date on which the second arbitrator is selected. If the arbitrators selected by the parties are unable or fail to agree upon the third arbitrator, such arbitrator shall be selected by the ADR Institute of Canada, Inc. The three arbitrators shall determine all questions presented to them by majority vote. The language of the arbitration shall be English. The decision of a majority of the arbitrators shall be final and conclusive on the parties hereto and shall be accompanied by written findings of fact and conclusions of law.

7.15. **Release, Discharge or Waiver.** No release, discharge or waiver of any provision hereof shall be enforceable against or binding upon either party hereto unless in writing and executed by both parties hereto. Neither the failure to insist upon strict performance of any of the agreements, terms, covenants or conditions hereof, nor the acceptance of monies due hereunder with knowledge of a breach of this Agreement, shall be deemed a waiver of any rights or remedies that either party hereto may have or a waiver of any subsequent breach or default in any of such agreements, terms, covenants or conditions.

7.16. **Insurance.** Each party shall, at its sole cost and expense, place and maintain insurance throughout the Term that it deems adequate, sufficient and consistent with prudent industry standards to insure its activities and obligations in connection with this Agreement. Without limiting the generality of the foregoing, Customer shall name PBC as a loss payee under its applicable insurance policies and shall notify PBC of any loss or damage to the Equipment.

7.17. **Indemnity.** The Customer shall protect, indemnify and hold harmless PBC and its parent(s), subsidiaries and affiliates, and its and their officers, directors, employees, franchisees, licensees, representatives and agents, from and against any and all losses, liabilities, costs, expenses (including, without limitation, reasonable legal fees), damages, claims, actions, judgments and suits whatsoever arising from, based upon, in any way connection with or relating to: (a) the acts or omissions of the Customer and its franchisees and licensees, and its and their employees, servants, agents or representatives; (b) the breach by the Customer of any of its obligations, covenants, representations or warranties hereunder; or (c) any dispute of a third party in respect of the payments made by PBC to the Customer hereunder.

PBC will indemnify and hold Customer harmless against (i) any claim, loss or expense arising out of the death, disease or bodily injury of a consumer resulting from or caused by the chemical composition of the Products sold to Customer or any ingredient included by PBC in the Products; or (ii) any claim, loss or expense arising out of any patent or trademark infringement suit based on Customer's proper use or sale of the Products; to the extent that any such claim, loss or expense set forth under subsections (i) and (ii) was caused by the fault or negligence of PBC and further provided that the Products were handled under normal conditions of sale, and in accordance with applicable product handling requirements by Customer from the time of delivery until final sale to the consumer, and provided further that (1) Customer gives PBC timely written notice of the assertion or pendency of any such claim, (2) PBC has the right to defend any such claim, and (3) PBC has the right of approval prior to settlement of any such claim.

7.18. **Title.** Title and risk of loss to the Products purchased for the Outlets shall pass to the Customer immediately upon delivery of same.

7.19. **Relationship of the Parties.** Each party hereto is an independent contractor and has no authority or right to incur obligations of any kind in the name of or for the account of the other party. Neither party shall be deemed to be an associate, partner, principal or agent of the other.

7.20. **Construction.** If any covenant, obligation or provision contained in this Agreement or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each covenant, obligation and provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

7.21. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

7.22. **Notices.** All notices and other communications by the parties will be in writing and deemed to have been duly given when delivered in person, via an overnight courier delivery service of general commercial use and acceptance (such as Federal Express or UPS) or via certified or registered mail with return receipt (each, a "Primary Delivery Method"), in each case, with a confirmatory copy by email, addressed as follows (unless notification of change of address is given in writing by means of this Notice provisions), and shall be effective upon receipt via the Primary Delivery Method:

**If to PBC:**

PepsiCo Beverages Canada 2095  
Matheson Blvd E Mississauga,  
Ontario L4W 0G2 Attn: Director,  
Foodservice

With a copy to (which shall not constitute notice) the PBC Legal Department at the same address.

**If to Customer:**

The Corporation of the City of Sault Ste Marie  
Attn: Karen Marlow (Manager of Purchasing)  
99 Foster Drive – Level 2



Sault Ste Marie, Ontario, P6A 5X6

**7.23. Representations and Warranties.** Each party represents and warrants to the other that it has full power and authority, corporate and otherwise, and has been duly authorized, to enter into and perform its obligations under this Agreement and that neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with or performance of any of the provisions hereof, will: (a) violate or conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with the giving of notice or the passage of time or otherwise, would constitute such a default) under any of the terms, conditions or provisions of any existing agreement or other instrument or obligation to which it is a party, or by which it or any of its properties, assets or operations may be bound or affected; (b) violate any order, writ, injunction, decree, or any statute, rule or regulation, applicable to it or any of its properties, assets, or operations; or (c) require any action, or consent or approval of, or review by, any other party, including without limitation any third party, court or governmental body or other agency, instrumentality or authority, except as shall have been duly obtained and effective as of the date of this Agreement. There are no representations and warranties or conditions of sale other than those expressly set out herein.

**7.24. Entire Agreement.** This Agreement contains the entire agreement between the parties hereto regarding the subject matter hereof and supersedes all other agreements between the parties. This Agreement may be amended or modified only by a writing signed by each of the parties.

7.20 At the request of all parties, this Agreement has been drawn up in the English language. A la demande expresse des parties, ce contrat a été rédigé en langue anglaise.

**IN WITNESS WHEREOF**, the undersigned have caused this Agreement to be duly executed as of the date set forth below.

**PEPSICO BEVERAGES CANADA,**  
a business unit of PEPSICO CANADA ULC

**The Corporation of the City of Sault  
Ste Marie – Community Development  
& Enterprise Services**

By: \_\_\_\_\_

Print Name: Matthew Miller

Title: Unit Sales Manager

Date: June 3, 2022

By: \_\_\_\_\_

Print Name: Christian Provenzano

Title: Mayor

Date: \_\_\_\_\_

(I have authority to bind the company)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: Rachel Tyczinski

Title: City Clerk

Date: \_\_\_\_\_

**Exhibit A  
Customer Outlets**

1.	GFL Memorial Gardens	14 Towers equipped with auto-pour heads; 4 Concourse Level Concessions each equipped with 3 towers; 1 Event Level Concession equipped with 1 tower; 1 Suite Level Concession equipped with 1 tower
2.	Northern Community Centre	2 Single Door Floor Model Coolers (main concession & upstairs concession); 2 Towers equipped with auto-pour heads (main concession & upstairs concession)
3.	Bellevue Park	1 Single Door Counter Top Model Cooler; 1 Single Door Floor Model Cooler
4.	Roberta Bondar Park	2 Towers equipped with auto-pour heads; 1 Single Door Counter Top Model Cooler; 1 Double Door Floor Model Cooler
5.	John Rhodes - Field House	1 Double Door Floor Model Cooler
6.	John Rhodes - Pool	1 Single Door Floor Model Cooler
7.	John Rhodes - Community Centre	<b>Concession -</b> 1 Post Mix Machine with 2 towers (auto pour); 1 Single Door Counter Top Model Cooler;

**Exhibit B  
Products and Prices**

Product	Package Price	Unit Price
355ml 24pk CSD/NCB	\$10.08	\$.42
591ml 24pk CSD Bottles	\$26.76	\$1.12
591ml 24pk NCB Bottles	\$26.76	\$1.12
591ml 24pk Aquafina Bottles	\$17.28	\$0.72
591ml 12pk Gatorade and G2	\$15.66	\$1.31
710ml 24pk Gatorade and G2	\$47.73	\$1.99

Product	Price	Unit Price
547ml 12pk Pure Leaf	\$23.27	\$1.94
405ml 12pk Starbucks Frappuccino	\$33.87	\$2.82
450ml 12pk Dole Juice	\$18.66	\$1.56
473ml 12pk Rockstar	19.44	\$1.62

Product	Price
20L Bag of Syrup (CSD) Pepsi	\$72.46
12L Bag of Syrup (CSD)	\$43.50
12L Bag of Syrup (NCB)	\$55.74
CO2 -20LB Tank	\$33.67
22oz Cups (1200 units)	\$83.39
32oz Cups (480 units)	\$65.32
22ozLids (2400 units)	\$83.39
32oz Lids (960 units)	\$58.37

**Exhibit C**  
**Funding and Support**

**Exclusivity Rebate** – PBC will accrue the amount specified in Exhibit "B" under the "Rebate" column (the "**Exclusivity Rebate**") for each "raw" Case of Product, as specified in Exhibit "B", purchased by the Customer and the Outlets. The Exclusivity Rebate shall be calculated and paid by PBC to the Customer on a PBC quarterly basis, within sixty (60) days of the end of the applicable PBC quarter. Where Products are purchased from an Authorized FS Distributor, the Exclusivity Rebate shall be paid after receipt and verification of the Purchase Summary Report (as defined in section 3.6). PBC shall not accrue or pay any Exclusivity Rebates for sale to Outlets that are in breach of the terms of this Agreement.

**Signing Bonus** – PBC will pay to the Customer a one-time signing bonus of \$5,000.00 (the "**Signing Bonus**"). The Signing Bonus shall be earned pro rata and shall be paid within sixty (60) days of execution of this Agreement.

**Annual Exclusive Beverage Rights Fee** – PBC will pay to the Customer an annual exclusive beverage rights fee of \$12,000.00 (the "**Exclusive Beverage Rights Fee**") each Year during the Term. The Exclusive Beverage Rights Fee shall be earned pro rata over the applicable Year in which it is paid and shall be paid within sixty (60) days of the first (1<sup>st</sup>) day of the applicable Year.

**Managed Marketing Support Funds** – PBC will allocate an annual marketing support fund in the amount \$3,000.00 (the "**Marketing Support Funds**") each Year during the Term, which shall be used for such marketing programs as may be mutually agreed by PBC and the Customer with the objective of increasing Product sales in the Outlets. The Marketing Support Funds shall be managed by PBC on a declining basis each applicable Year. Proof of performance and invoice are required in order for PBC to remit any Marketing Support Funds to Customer. Any unspent portion of the Marketing Support Funds in any Year may not be carried over to a subsequent Year.

**Vending Commissions** – Meyers Munchies (TPO) will pay to the Customer a vending commission (the "**Vending Commission**") in an amount equal to \$9,000.00 of net revenue actually collected by PBC from vending equipment placed on the premises of the Outlets by PBC in each Year. The Vending Commission shall be calculated and paid by Meyers Munchies (TPO) to the Customer on a Meyers Munchies quarterly basis within thirty (30) days of the end of the applicable Meyers Munchies quarter. A detailed report outlining the calculation of the Vending Commission, the volume of Products sold through each piece of vending equipment by Outlet and an overall summary of the Vending Commission paid to date shall be delivered to the Customer on or about the same time as paying the Vending Commission.



Schedule "B"



June 2, 2022

BETWEEN:

PepsiCo Beverages Canada, a business unit of PEPSICO CANADA ULC, with its head office located at 5205 Statellite Drive, Mississauga, Ontario L4W5J7

- And -

Meyer Munchies, located at 696 Old Garden River Road, Sault Ste. Marie, Ontario P6A 6J8 ("TPO")

Attention: Curtis Meyers, Owner

Dear Sirs:

**Re: Vending Supply Arrangements**

The following summarizes the terms of our agreement regarding the supply of carbonated and non-carbonated, non-alcoholic beverages and vending equipment:

1. PepsiCo Beverages Canada, a business unit of PepsiCo Canada ULC ("**PBC**") shall sell and provide the carbonated and non-carbonated, non-alcoholic beverages (the "**Products**") to **Meyers Munchies** ("**Customer**") for resale by Customer through vending equipment loaned by PBC to Customer.
2. The term (the "**Term**") of this agreement shall commence on August 1, 2022 (the "**Commencement Date**") (notwithstanding the date of this letter) and, unless earlier terminated in accordance herewith, shall terminate on July 31, 2025.
3. PBC will loan to Customer, at no charge, appropriate equipment for dispensing the Products during the Term (the "**Equipment**"). Customer acknowledges and agrees that the Equipment shall be used solely to display and merchandise PBC's Products. Title to all Equipment shall remain vested in PBC or its affiliate and all Equipment will be returned to PBC upon expiration or termination of this agreement. Customer will be responsible for the full replacement cost of all Equipment not returned, damaged, lost or stolen.
4. PBC will annually provide Customer with a written listing of all Equipment supplied by it. Upon receipt of such listing, Customer will review and verify the location of all Equipment, in writing, to PBC. Failure to provide such verification of the location of all Equipment shall constitute a material breach of this agreement.
5. Meyers Munchies shall have the exclusive right to stock and re-stock, at no cost, Products in each of the vending machines and to collect the monies that each vending machine generates. Title to all monies and Products located in such vending equipment will remain vested in Meyers Munchies or its affiliate. The Product mix offered in each such vending machine shall be determined by Meyers Munchies.
6. Either party may terminate this agreement prior to the expiration of the Term: (i) if the other commits a material breach of this agreement, provided, however, that the terminating party has given the other party written notice of the breach and the other breaching party has failed to remedy or cure the breach within thirty (30) days of such notice; or (ii) if the other party takes any action with respect to its liquidation or winding-up, or makes an assignment for the benefit of creditors, or any proposal under the *Bankruptcy and Insolvency Act* (Canada), or any comparable statute, or if a bankruptcy petition is filed or presented by such party, or if a court of competent jurisdiction enters a judgment or order approving any such petition or any



petition seeking reorganization, arrangement or composition of such party or its debts or obligations, or if a custodian or receiver or receiver and manager or similar official is appointed for such party or any of its assets. From time to time, factors outside of PBC's control may lead to certain Products being out of stock, which shall not be deemed as breach of this Agreement.

7. Customer shall, at its sole cost and expense, place and maintain insurance throughout the Term in such amounts and types as are sufficient and consistent with prudent industry standards. Customer shall name PBC as a loss payee under its applicable insurance policies and will notify PBC of any loss or damage to the Equipment.
8. Each of PBC and Customer is an independent contractor and has no authority or right to incur obligations of any kind in the name of or for the account of the other party. Neither party shall be deemed to be an associate, partner, principal or agent of the other.
9. This agreement constitutes the entire agreement between the parties with respect to the subject matter hereof.
10. This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Please confirm your agreement to the above terms and conditions by signing and returning a copy of this letter. We look forward to working with you.

Yours truly,

**PEPSICO BEVERAGES CANADA, a business  
unit of PEPSICO CANADA ULC**

Per:

Matthew Miller



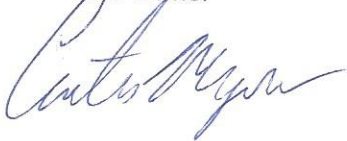
The undersigned hereby confirms its agreement to the above terms and conditions this 2 day of June, 2022.

**Meyers Munchies ("TPO")**

Per:

Curtis Meyers

Title: Owner



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

**BY-LAW 2022-150**

**EMPLOYEES:** A by-law to amend By-law 2004-234 (being a by-law to adopt hiring policies).

**THE COUNCIL** of the Corporation of the City of Sault Ste. Marie, pursuant to section 270(2) of the *Municipal Act*, 2001, **ENACTS** as follows:

1. **BY-LAW 2004-234 AMENDED**

By-law 2004-234 is amended by deleting Schedule “B” and inserting the new Schedule “B” attached to By-law 2022-150 hereto.

2. **EFFECTIVE DATE**

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

**PASSED** in open Council this 8<sup>th</sup> day of August, 2022.

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**MAYOR - CHRISTIAN PROVENZANO**

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**CITY CLERK – RACHEL TYCZINSKI**



**Subject: Fire Fighter Selection Process**  
**Service Area: Corporate Services**  
**Source: Human Resources**  
**Original Date: August 8, 2022**  
**Revised Date:**  
**Approved by: By-law 2022-150**

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**Purpose:**

The Corporation of the City of Sault Ste. Marie ("the City") supports the hiring of Fire Fighters on the basis of merit. The Fire Fighter Selection Process is designed to select the best candidates to serve and protect the citizens of Sault Ste. Marie. When filling all vacancies the City's hiring process is conducted in a fair, open, transparent and equitable manner.

**Scope:** Fire Fighter New Recruits

**Policy:**

The Fire Chief will initiate the Fire Fighter Selection Process, based on current staffing, operational needs and potential vacancies.

A Fire Fighter Recruitment Guide will be created by the Fire Chief and Human Resources, outlining all steps of the Fire Fighter Recruitment Process.

Fire Fighter Recruitment Guide will be provided by Human Resources and made available to the public. Providing a clear understanding of requirements and process.

The Fire Fighter Selection Committee will consist of Fire Chief, Deputy Fire Chief, and Human Resources.

To be initially considered as a candidate in the Fire Fighter Selection Process, current mandatory qualifications must be met. (These may be subject to change.)

- Secondary School Diploma; or equivalent
- Valid Ontario Class 'DZ' License, unrestricted
- Current Drivers Abstract, acceptable to the City
- First Aid and CPR certification, minimum Level C
- Completion of NFPA 1001 Firefighter Level I and II, IFSAC or PRO-Board
- If applicable - OFMEM Grandfathering Letter stating that the requirements for NFPA 1001, Level I & Level II



Fire Fighter Selection Committee will review candidate qualifications and score candidates based on overall qualifications, skills and experience.

Selected candidates will be notified to move forward to next steps.

Additional steps may include, but not limited to:

- Physical Testing
- Written Testing
- Psychological / Aptitude Assessment
- Interview(s)

❖ Physical & Written Testing and Psychological / Aptitude Assessment are conducted by a third party.

Upon review of candidate overall scores, a Fire Fighter Reserve List will be confirmed.

The Fire Fighter Reserve List does not guarantee the candidate employment.  
The Fire Fighter Reserve List may be valid for up to 3 years, or at the discretion of the City.

Candidates will be selected from Fire Fighter Reserve List as vacancies occur.  
Fire Fighter Selection Committee will meet to review candidates and their current status.  
Selection will be based on overall results from the Fire Fighter Recruitment Process, additional certifications and experience may be considered.

Offer of employment will be extended, including pre-employment criteria.

Pre-Employment criteria may include, but not limited to:

- Current Drivers Abstract (within last 30 days)
- Swim / Tread Water Test
- Criminal record check, including vulnerable sector search, acceptable to the City. (within last 90 days)
- Medical / Fitness
- Clinical Assessment
- Hearing assessment
- References

❖ All costs associated with the selection process will be incurred by the candidate.

➤ The C.A.O. must specifically approve any exceptions to this policy.



**Related Policies:**

Hiring of Relatives 1-3

Vacancy Review Policy 1-4

Criminal Reference Checks Guidelines 1-10

Equal Employment Opportunity 1-1



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

**BY-LAW 2022-135**

**HUB TRAIL:** A by-law to authorize the execution of the Contract between the City and ELLISDON INDUSTRIAL INC. for the John Rowswell Hub Trail realignment. (Contract 2022-12E).

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

1. **EXECUTION OF DOCUMENT**

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Contract dated August 8, 2022 between the City and ELLISDON INDUSTRIAL INC., a copy of which is attached as Schedule "A" hereto. This Contract is for the John Rowswell Hub Trail realignment. (Contract 2022-12E).

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 8<sup>th</sup> day of August, 2022.

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**MAYOR - CHRISTIAN PROVENZANO**

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**CITY CLERK – RACHEL TYCZINSKI**

Schedule "A"  
CORPORATION OF THE CITY OF SAULT STE. MARIE  
CONTRACT 2022-12E  
FORM OF AGREEMENT

This Agreement made (in triplicate) this \_\_\_\_\_ day of \_\_\_\_\_ in the year **2022** by and between **ELLISDON INDUSTRIAL INC.** hereinafter called the "Contractor"

AND

The Corporation of the City of Sault Ste. Marie, Ontario hereinafter called the "Corporation".

WITNESSETH: That the Contractor and the Corporation undertake and agree as follows:

1. The Contractor will provide all the labour, equipment, and materials and all of the works shown and described in the Contract Documents entitled:

**John Rowswell Hub Trail Realignment  
Contract No. 2022-12E**

which have been signed in triplicate by both parties and which were prepared by WSP Canada Inc., acting as Agent and Contract Administrator and herein entitled, "the Contract Administrator".

2. The Contractor will do and fulfill everything indicated by the Agreement, the General Conditions, the Specifications, the Special Provisions, Information for Tenderers, Form of Tender, Addenda (if any), and the Drawings.
3. The Contractor will complete all the work under the supervision and direction and to the entire satisfaction of the Contract Administrator within the period of time specified.
4. The Corporation shall pay to the Contractor the contract price as set forth in the Form of Tender in accordance with the provisions as set forth in the General Conditions, and the Special Provisions. The quantities contained in the Form of Tender are approximate only and the final payment shall be made for the actual quantities that are incorporated in or made necessary by the work covered by the contract.
5. The Corporation shall pay the Contractor for work that is ordered in writing by the Contract Administrator and that cannot be classified as coming under any of the contract units and for which no unit price, lump sum, or other basis can be agreed upon, on a time and material basis as set out in the General Conditions, or as otherwise stipulated in Section FT.04 of the Form of Tender.
6. The Contractor shall indemnify and save harmless the Corporation, its officers, employees and agents, including the Contract Administrator, from all loss, damages, costs, charges and expenses of every nature and kind whatsoever which may be made or brought against the Corporation, its officers, employees and agents, by reason or in consequence of the execution and performance or maintenance of the work by the Contractor, its employees, agents or officers. The Contractor shall also indemnify The Public Utilities Commission of the City of Sault Ste. Marie, PUC Distribution Inc. and PUC Services Inc., its officers, employees, agents and affiliates, from all loss, damages, costs, charges and expenses of every nature and kind whatsoever which may be made or brought against The Public Utilities Commission of the City of Sault Ste. Marie, PUC Distribution Inc. and/or PUC Services Inc., its officers, employees, agents and affiliates, by reason or in consequent of the execution and performance or maintenance of the work by the Contractor, its employees, agents, officers, or those for whom at law the Contractor is responsible.
7. All communications in writing between the Corporation, the Contractor and the Contract Administrator shall be deemed to have been received by the Addressee if delivered to the individual, a member of the firm or an officer of the Corporation for whom they are intended, or if sent by post or by telegram addressed as follows:

**The Corporation:**

The Corporation of the City of Sault Ste. Marie  
P. O. Box 580, Civic Centre, 99 Foster Drive  
Sault Ste. Marie, Ontario, P6A 5N1

**The Contractor:**

ELLISDON INDUSTRIAL INC.  
132 Industrial Park, Court A  
Sault Ste. Marie, Ontario, P6B 0A8

**The Contract Administrator:**

WSP Canada Inc.  
185 East Street  
Sault Ste. Marie, Ontario, P6A 3C8

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement by the day and year first above written.

Signed, Sealed and Delivered  
in the presence of

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

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MAYOR – Christian Provenzano

(seal)

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City Clerk – Rachel Tyczinski

**THE CONTRACTOR**

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ELLISDON INDUSTRIAL INC.

(seal)

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SIGNATURE