The Corporation of the City of Sault Ste. Marie

Regular Meeting of City Council ;

Revised Agenda

Monday, July 15, 2024

5:00 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** 13 - 38

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that the Minutes of the Regular Council Meeting of June 24, 2024 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 L. Vezeau-Allen

Seconder Councillor S. Kinach
Resolved that the Agenda for July 15, 2024 City Council Meeting as presented be approved.

## 6. Presentations

### 6.1 Algoma Steel Inc.

Michael Garcia, Chief Executive Officer

### 6.2 KPMG

39 - 50

Oscar Poloni, Audit Partner and Chris Pomeroy, Senior Manager

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

Mover Councillor L. Dufour

Seconder Councillor S. Kinach
Resolved that all the items listed under date July 15, 2024 – Agenda item 7 – Consent Agenda be approved as recommended.

### 7.1 Corporate Strategic Plan 2024-2027

51 - 66

A report of the CAO is attached for the information of Council.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that the report of the CAO dated July 15, 2024 concerning Corporate Strategic Plan 2024–2027 be received as information.

### 7.2 Indigenous Policy and Process Renewal Advisor

67 - 73

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

Mover Councillor L. Vezeau-Allen

Seconder Councillor S. Kinach
Resolved that the report of the CAO dated July 15, 2024 concerning Indigenous Policy and Process Renewal Advisor be received and that Council authorize an increase in complement to establish this new position and authorize a budget increase for the salary related to this position.

### 7.3 Canada Community Building Fund

74 - 75

A report of the Chief Financial Officer and Treasurer is attached for the consideration of Council.

The relevant By-law 2024-92 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

### 7.4 Advertising Opportunities on the Hub Trail

76 - 130

A report of the Deputy CAO of Community Development and Enterprise

Services is attached for the information of Council.

Mover Councillor L. Dufour

Seconder Councillor S. Kinach
Resolved that the report of the Deputy CAO of Community Development and Enterprise Services dated July 15, 2024 concerning Advertising on the Hub Trail be received as information.

## 7.5 Tourism Development Fund Applications July 2024

131 - 137

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

Mover Councillor L. Vezeau-Allen

Seconder Councillor S. Kinach
Resolved that the report of the Director of Tourism and Community Development dated July 15, 2024 be received and that the recommendation of the Tourism Sault Ste. Marie Board of Directors to allocate $86,000 as detailed below be approved:

1. Ermatinger Clergue National Historic Site – Tourism Growth Project $20,000;

2. Sault Ste. Marie Cricket Club Soo North Cup – $4,500;

3. Sault Ste. Marie Airport Development Corporation – Canadian Demonstration Snowbird Squadron Airshow $18,000;

4. Soo Minor Baseball Association – 9U Selects Provincial Championships $3,500; and

5. Entomica Insectarium – $40,000.

## 7.6 Ontario's North Economic Development Consortium Funding

138 - 140

A report of the Director of Economic Development is attached for the consideration of Council.

Mover Councillor L. Vezeau-Allen

Seconder Councillor M. Bruni
It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Business Development dated July 15, 2024 concerning Ontario's North Economic Development Consortium (ONEDC) be received and that Council approve the investment of $21,000 total over three years through the Community Development Fund – Economic Development Stream to support ONEDC and the Northern Ontario Revenue Accelerator Program.

## 7.7 Arts and Culture Assistance Grant – Late Intake 2024

141 - 158

A report of the Manager of Recreation and Culture is attached for the consideration of Council.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that the report of the Manager of Recreation and Culture dated July 15, 2024 concerning Arts and Culture Assistance Grant – Late Intake 2024 allocation of funds be approved as follows:

- Thinking Rock Community Arts – $5,000;
- Musical Comedy Guild – $5,000;
- Over the Rainbow Children's Entertainment – $3,050;
- Rebeka Herron – $2,452.52;
- Riley Greco – $2,439.29;
- Sault Blues Society – $1,726.19;
- Sault Potters Guild – $1,432; and
- The Klub Community Centre – $5,000.

## 7.8 Adopt-A-City-Property Policy 159 - 166

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

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that the report of the Director of Public Works dated July 15, 2024 concerning Adopt-A-City Property Policy be received and that the policy be approved.

The relevant By-law 2024-112 repealing By-laws 99-91 and 2011-170 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

### *7.8.1 Adopt-A-City-Property Policy and Amended Application Form* *167 - 170*

## 7.9 Five Year Capital Transportation Program (2025–2029) 171 - 178

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

Mover Councillor L. Vezeau-Allen

Seconder Councillor S. Kinach
Resolved that the report of the Director of Engineering dated July 15, 2024 concerning the 2025–2029 Five-Year Capital Transportation Program be received and that:

- Council approve the 2025-2029 programs in principle;

- that the Engineering Division proceed with any local improvement notices for 2025 works;
- that staff procure consulting engineering services for projects not to be completed by in-house staff; and
- that the resurfacing of Great Northern Road between Third Line and Wigle Street be the designated project for the City's application to the 2025 Connecting Link Program.

**7.10 Amend Noise Control By-law 80-200 (Wedding)** 179 - 179

A request for exemption from the Noise By-law is attached for the consideration of Council.

The relevant By-law 2024-99 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

**7.11 Wawa Reciprocal Emergency Assistance Agreement** 180 - 181

A report of the Community Emergency Management Coordinator is attached for the consideration of council.

Mover Councillor L. Vezeau-Allen

Seconder Councillor M. Bruni
The agreement and relevant By-law 2024-98 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

**7.12 Wawa Court Licence of Occupation (Provincial Offences)** 182 - 183

A report of the Court Liaison Supervisor is attached for the consideration of Council.

The relevant By-law 2024-105 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.13 Building Faster Fund Investment Plan** 184 - 191

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

Mover Councillor L. Vezeau-Allen

Seconder Councillor M. Bruni
Resolved that the Report of the Junior Planner dated July 15, 2024 concerning the Building Faster Fund Investment Plan be received and that Council:

- approve the municipal Build Faster Fund Investment Plan for 2024; and
- enter into a Transfer Payment Agreement with the Ministry of Municipal Affairs and Housing.

The relevant By-law 2024-110 is listed under Agenda item 12 and will be read with all by-laws under that item.

**7.14 Association of Municipalities of Ontario** 192 - 208

AMO's Homelessness Encampments policy document is attached for the information of Council.

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

### 8.1 Administration

#### 8.1.1 Appointment of Deputy CAO Public Works and Engineering Services

A report of the CAO will appear on an Addendum.

##### *8.1.1.1 Council Report* *209 - 210*

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

The relevant By-law 2024-97 is listed under Agenda item 12 and will be read with all by-laws under that item.

### 8.2 Corporate Services

#### 8.2.1 2023 Audited Financial Statements 211 - 271

A report of the Chief Financial Officer and Treasurer is attached for the consideration of Council.

Mover Councillor L. Dufour

Seconder Councillor S. Kinach

Resolved that the report of the Chief Financial Officer and Treasurer dated July 15, 2024 concerning 2023 Audited Financial Statements be received and that the financial statements be approved.

### 8.3 Community Development and Enterprise Services

#### 8.3.1 YMCA Agreements 272 - 276

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

The relevant By-laws 2024-113, 2024-114, 2024-115, and 2024-116 are listed under Agenda item 12 and will be listed with all by-laws under that item.

##### *8.3.1.1 Insurance Requirement for YMCA Lease Agreements* *277 - 278*

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

The relevant By-law 2024-117 is listed under item 12 of the Agenda and will

be read with all by-laws under that item.

*8.3.1.2 Correspondence Received* *279 - 279*

8.4 Public Works and Engineering Services

8.5 Fire Services

8.6 Legal

8.7 Planning

8.8 Boards and Committees

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

9.1 Physician Assistant Recruitment

Mover Councillor S. Hollingsworth

Seconder Councillor S. Spina
Whereas in January 2024 the Council of the City of Sault Ste. Marie passed a resolution seeking staff feedback on adding nurse practitioner recruitment to the scope of the Physician Recruitment Committee; and

Whereas Council is awaiting a recommendation on that issue; and

Whereas the City of Sault Ste. Marie is pushing for the development of a distributed-model third campus for NOSM-U which could include, among other things, the training of allied healthcare professionals; and

Whereas the shortage of family physicians in Sault Ste. Marie and province-wide is impacting the health and well-being of residents; and

Whereas opportunities exist to alleviate the caseload of routine family medicine treatment through the targeted use of allied healthcare professionals;

Now Therefore Be It Resolved that staff be requested to include recruitment of Physician Assistants and any other allied healthcare professionals deemed beneficial to the well-being of the community into their investigation on a potential widening of the scope of the Physician Recruitment Committee.

9.2 Goose Management Proposal

Mover Councillor A. Caputo

Seconder Councillor R. Zagordo
Whereas it is important to maintain a healthy balance of wildlife and people in our community; and

Whereas according to Environment Canada temperate-breeding Canada geese can damage grass, plants, parks, crops, and other green spaces, while goose droppings foul footpaths, docks, beaches, lawns, parks and contribute to contamination of nearby water with parasites and coliform bacteria; and

Whereas both geese with nests or young are known to be aggressive toward humans and pets; and

Whereas geese are particularly attracted to grass near water, which leads to conflict between humans and geese at places like the boardwalk, Bellevue Park, Clergue Park and many other main City attractions; and

Whereas these attractions have been put in place for the use of citizens and to encourage tourism to our city, but the presence of geese and goose droppings deters people from being able to utilize these areas to their full potential; and

Whereas municipalities such as Orillia, Barrie, Simcoe, and Ramara have successfully implemented goose management plans;

Now Therefore Be It Resolved that staff be requested to report back to Council regarding the cost and feasibility of a goose management plan in Sault Ste Marie;

Further Be It Resolved that the report include the current amount being spent to manage geese, including clean-up, and any current tactics being used to curb goose and human interaction.

## 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 L. Vezeau-Allen

Seconder Councillor M. Bruni
Resolved that all By-laws under item 12 of the Agenda under date July 15, 2024 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 2024-92 (Agreement) Canada Community-Building Fund (AMO) 280 - 304

A report from the Chief Financial Officer and Treasurer is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-law 2024-92 being a by-law to authorize the execution of the Agreement between the City and The Association of Municipalities of

Ontario for access to the Canada Community-Building Fund be passed in open Council this 15th day of July, 2024.

**12.1.2 By-law 2024-98 (Agreement) Municipality of Wawa Reciprocal Emergency Assistance Agreement** 305 - 312

A report from the Community Emergency Management Coordinator is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-law 2024-98 being a by-law to authorize the execution of the Agreement between the City and the Municipality of Wawa to enhance emergency management capabilities through shared resources and mutual aid during emergencies be passed in open Council this 15th day of July, 2024.

**12.1.3 By-law 2024-99 (Regulations) Amend Noise Control By-law 80-200 (Wedding)** 313 - 313

Correspondence from Meggie Opala is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-Law 2024-99 being a by-law to exempt the wedding of Meggie Opala and Lucas Virtanen at 151 Simpson Street on Saturday, August 24, 2024 from 11:00 p.m. to 12:30 a.m. from Noise Control By-law 80-200 be passed in open Council this 15th day of July, 2024.

**12.1.4 By-law 2024-105 (Agreement) Wawa Provincial Offences Court Licence of Occupation** 314 - 319

A report from the Court Liaison Supervisor is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-law 2024-105 being a by-law to authorize the execution of the Agreement between the City and the Municipality of Wawa for the City's use of office space to conduct Provincial Offences Court be passed in open Council this 15th day of July, 2024.

**12.1.5 By-law 2024-110 (Agreement) Building Faster Fund** 320 - 354

A report from the Junior Planner is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-Law 2024-110 being a by-law to authorize the execution of the Agreement between the City and His Majesty the King in right of Ontario

as represented by the Minister of Municipal Affairs and Housing for the Building Faster Fund Transfer Payment Agreement be passed in open Council this 15th day of July, 2024.

12.1.6 **By-law 2024-111 (Agreement) James L. McIntyre Exterior Cladding Replacement** 355 - 498

Council Report was passed by Council resolution on June 24, 2024.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-law 2024-111 being a by-law to authorize the execution of the Agreement between the City and Everest Masonry Corp. 1000378194 for the exterior cladding at the James L. McIntyre Centennial Library as required by Sault Ste. Marie Public Library be passed in open Council this 15th day of July, 2024.

12.1.7 **By-law 2024-112 (Adopt-a-Street/Adopt-a-Park) Repealing By-law 99-91 and Amending By-law 2011-170** 499 - 499

A report from the Director of Public Works is on the Agenda.

Mover Councillor L. Vezeau-Allen

Seconder Councillor S. Kinach
Resolved that By-law 2024-112, being a by-law to repeal By-law 99-91 (a by-law to authorize the standard form Adopt-A-Street and Adopt-a-Park agreements) and to repeal Amending By-law 2011-170, be passed in open Council this 15th day of July, 2024.

12.1.8 **By-law 2024-113 (Agreement) YMCA Grant Agreement** 500 - 514

A report from the Deputy CAO, Community Development and Enterprise Services is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-Law 2024-113 being a by-law to authorize the execution of the Grant Agreement between the City and Young Men's Christian Association of Sault Ste. Marie for the Community Development Fund Grant for the building at 235 McNabb Street, Sault Ste. Marie, Ontario be passed in open Council this 15th day of July, 2024.

12.1.9 **By-law 2024-114 (Agreement) Lease Agreement YMCA** 515 - 536

A report from the Deputy CAO, Community Development and Enterprise Services is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni

Resolved that By-Law 2024-114 being a by-law to authorize the execution of the Lease Agreement between the City and 1000943321 Ontario Inc. for the YMCA building at 235 McNabb Street, Sault Ste. Marie, Ontario be passed in open Council this 15th day of July, 2024.

12.1.10 **By-law 2024-115 (Agreement) YMCA Sublease** 537 - 565

A report from the Deputy CAO, Community Development and Enterprise Services is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-law 2024-115 being a by-law to authorize the execution of the Agreement between the City and Young Men's Christian Association of Sault Ste. Marie for the Sublease for the building at 235 McNabb Street in Sault Ste. Marie, Ontario be passed in open Council this 15th day of July, 2024.

12.1.11 **By-law 2024-116 (Agreement) YMCA Memorandum of Understanding** 566 - 576

A report from the Deputy CAO, Community Development and Enterprise Services is on the Agenda.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-law 2024-116 being a by-law to authorize the execution of the Agreement between the City and Young Men's Christian Association of Sault Ste. Marie for the Memorandum of Understanding for the building at 235 McNabb Street in Sault Ste. Marie, Ontario be passed in open Council this 15th day of July, 2024.

*12.1.12* ***By-law 2024-97 (Appointment) Appointment of Deputy CAO Public Works and Engineering Services*** *577 - 577*

A report of the CAO is on the Addendum.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-law 2024-97, bring a by-law to appoint Susan Hamilton Beach as Deputy CAO, Public Works and Engineering Services be passed in open Council this 15th day of July 2024.

*12.1.13* ***By-law 2024-117 (Delegation) YMCA Lease Agreements*** *578 - 578*

A report from the City Solicitor is on the Addendum.

Mover Councillor L. Dufour

Seconder Councillor M. Bruni
Resolved that By-law 2024-117 being a by-law to delegate authority to the

Chief Administrative Officer to execute changes to the agreements with the Young Men's Christian Association and 1000943321 Ontario Inc. be passed in open Council this 15th day of July, 2024.

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

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

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

## 14. Closed Session

Mover Councillor L. Vezeau-Allen

Seconder Councillor M. Bruni
Resolved that this Council move into closed session to discuss:

- one item concerning proposed acquisition of land; and
- one item concerning a position, plan, procedure, criteria or instruction to be applied to negotiations

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

*Municipal Act R.S.O. 2002 – section 239 2 (c) a proposed or pending acquisition or disposition of land by the municipality or local board and section 239 2 (k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality*

## 15. Adjournment

Mover Councillor L. Vezeau-Allen

Seconder Councillor S. Kinach
Resolved that this Council now adjourn.

# REGULAR MEETING OF CITY COUNCIL

# MINUTES

Monday, June 24, 2024
5:00 pm
Council Chambers and Video Conference

Present: Mayor M. Shoemaker, Councillor S. Hollingsworth (by video until approximately 7:30 p.m.), Councillor S. Spina, Councillor L. Dufour, Councillor L. Vezeau-Allen, Councillor A. Caputo, Councillor R. Zagordo, Councillor M. Bruni, Councillor S. Kinach, Councillor C. Gardi, Councillor M. Scott

Officials: T. Vair, R. Tyczinski, L. Girardi, K. Fields, S. Schell, P. Johnson, S. Hamilton Beach, B. Lamming, M. Borowicz-Sibenik, P. Tonazzo, C. Rumiel R. Van Staveren, N. Thibeault, M. Oliverio F. Coccimiglio, T. Vecchio, M. Zuppa

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**6.1 Mayor for a Day – Elise Hopper**

**1. Land Acknowledgement**

**2. Adoption of Minutes**

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor C. Gardi

Resolved that the Minutes of May 13, 2024 meeting, June 3, 2024 Special Council meeting and June 3, 2024 Joint Council meeting be approved.

**Carried**

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

**4. Declaration of Pecuniary Interest**

**4.1 Mayor M. Shoemaker – A-8-24-HP – 10 Huron Street, 0 Huron Street, 29 Bay Street (1188004 Ontario Inc.) Removal of Holding Provision – Gateway Site**

Applicant is a client of law firm.

**4.2 Mayor M. Shoemaker – Parking Agreement – North Shore Tribal Council and Social Services**

One of the parties to the agreement is a client of law firm.

**4.3 Mayor M. Shoemaker – By-law 2024-96 (Agreement) Parking Lot Lease North Shore Tribal Council and Social Services (March/Spring Street & Brock/Albert Street East)**

One of the parties to the agreement is a client of law firm.

**4.4 Councillor L. Dufour – Parking Agreement – North Shore Tribal Council and Social Services**

Employee of District of Sault Ste. Marie Social Services Administration Board.

**4.5 Councillor L. Dufour – By-law 2024-96 (Agreement) Parking Lot Lease North Shore Tribal Council and Social Services (March/Spring Street & Brock/Albert Street East)**

Employee of District of Sault Ste. Marie Social Services Administration Board.

**5. Approve Agenda as Presented**

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that the Agenda for June 24, 2024 City Council meeting as presented be approved.

**Carried.**

**8.1.1 Deputy CAO, Community Development and Enterprise Services Appointment**

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

**8.1.1.2 By-law 2024-104**

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that By-law 2024-104, being a by-law to appoint Brent Lamming as Deputy CAO, Community Development and Enterprise Services be passed in open Council this 24th day of June, 2024.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | X | | | |
| Councillor S. Hollingsworth | X | | | |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | X | | | |
| **Results** | **11** | **0** | **0** | **0** |

**Carried**

## 6. Presentations

### 6.2 Long Term Financial Plan

Sean-Michael Stephen, Managing Partner, Watson & Associates Economics Ltd. was in attendance (virtually).

### 6.3 Community Risk Assessment and Fire Master Plan Update

Suzanne Charbonneau-Dent, Tayport Limited was in attendance.

### 6.4 PUC Group of Companies – Report to Shareholder 2023

Andy McPhee, Chair, and Rob Brewer, President and CEO were in attendance.

### 6.5 Physician Recruitment

Dr. John Heintzman, Sault Area Hospital Chief of Staff and Carrie Stewart, Manager Physician Recruitment and Retention Program were in attendance.

### 6.6 Parking Agreement – North Shore Tribal Council and Social Services

Mayor M. Shoemaker declared a conflict on this item. (One of the parties to the agreement is a client of law firm)

Councillor L. Dufour declared a conflict on this item. (Employee of District of Sault Ste. Marie Social Services Administration Board)

Joe Fratesi was in attendance.

Don Mitchell, Interim CEO, Sault Ste. Marie Chamber of Commerce was in attendance.

Rev. Wilson, Westminster Presbyterian Church was in attendance.

Allan Moffatt, Executive Director, North Shore Tribal Council was in attendance.

Mike Nadeau, Chief Executive Officer, Sault Ste. Marie District Social Services Administration Board was in attendance.

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

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that all the items listed under date June 24, 2024 – Agenda item 7 – Consent Agenda save and except Agenda item 7.5 be approved as recommended.

**Carried**

## 7.1 2025 Budget Schedule

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

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor M. Scott

Resolved that the report of the Chief Financial Officer and Treasurer dated June 24, 2024 concerning 2025 Budget Schedule be received as information.

**Carried**

## 7.2 Cancellation of Vacant Unit Rebate

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

The relevant By-law 2024-91 is listed under item 12 of the Minutes.

## 7.3 Two Eight-Metre Low Floor Parabus – Transit

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

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that the report of the Manager of Purchasing dated June 24, 2024 concerning acquisition of two eight-metre low floor parabuses be received and that the purchase from Creative Carriage Ltd. at $480,655 plus HST be approved with funding of $240,000 reallocated from the Transit 2022 budget for passenger vans.

The relevant By-law 2024-100 is listed elsewhere on the Agenda and will be read with all by-laws under that item.

**Carried**

### 7.4 RFP for Professional Collection Services – Provincial Offences

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

The relevant By-law 2024-101 is listed under item 12 of the Minutes.

### 7.6 RFP Professional Engineering Services – John Rhodes Community Centre Arena Roof Replacement

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

The relevant By-law 2024-109 is listed under item 12 of the Minutes.

### 7.7 RFP for Playground Equipment – Westwood and Parkland Parks

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

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that the report of the Manager of Purchasing dated June 24, 2024 concerning the supply and installation of playground equipment for the Westwood and Parkland Parks as required by CDES and PWES be received and that the proposal submitted by Park N Water Ltd. at their proposed price of $300,162 plus HST be approved.

**Carried**

### 7.8 Tender for Equipment Purchase – Public Works

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

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that the report of the Manager of Purchasing dated June 24, 2024 concerning equipment purchase as required by Public Works be received and that the tender for the supply and delivery of one articulated wheeled loader be awarded to Brandt Tractor Ltd. at their bid price, meeting specifications, of $620,840 plus HST.

**Carried**

### 7.9 Tender for Equipment Purchase – Public Works

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

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor M. Scott

Resolved that the report of the Manager of Purchasing dated June 24, 2024 concerning equipment purchase as required by Public Works be received and that the tender for the supply and delivery one 16,500 lb. GVW gasoline service truck be awarded to Maitland Lewis Enterprise Ltd. at their bid price, meeting specifications, of $175,222 plus HST.

**Carried**

### 7.10 Library Cladding Project

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

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that the report of the Manager of Purchasing dated June 24, 2024 concerning Exterior Cladding – James L. McIntyre Library be received and that the tender be awarded to Everest Masonry Corp. 100378194 at their low tendered price, meeting specifications, of $279,650 plus HST.

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

**Carried**

### 7.11 Property Tax Appeals

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

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor C. Gardi

Resolved that the report of the Manager of Taxation dated June 24, 2024 concerning Property Tax Appeals be received and that the tax records be amended pursuant to section 354, 357 and 358 of the *Municipal Act.*

**Carried**

### 7.12 Transit Pass to Knowledge Program

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

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor C. Gardi

Resolved that the report of the Director of Community Services dated June 24, 2024 concerning Transit Pass to Knowledge Program be received and that the Program be adopted on a permanent basis.

**Carried**

### 7.13 YMCA Agreement Update

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

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that the report of the Director of Community Services dated June 24, 2024 concerning YMCA agreements be received as information.

**Carried**

### 7.14 Federation of Canadian Municipalities Brownfield Funding Approval

The report of the Director of Economic Development was received by Council.

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that the report of the Director of Economic Development dated June 24, 2024 concerning Federation of Canadian Municipalities Brownfield Funding Approval (portions of Gateway property) be received as information.

**Carried**

### 7.15 Financial Assistance for National Sport Competition – Marty Dimma

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

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that the report of the Manager of Recreation and Culture dated June 24, 2024 concerning Financial Assistance for National Sport Competition – Marty Dimma be received and that the recommendation of the Parks and Recreation Advisory Committee that Council approve a grant in the amount of $200 to attend the 2024 Canadian Armwrestling Championships being held in Gatineau, Quebec on June 29 and 30, 2024 be approved.

**Carried**

### 7.16 Heritage Property Tax Rebate Application – 54 Summit Avenue

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

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that the report of the Manager of Recreation and Culture dated June 24, 2024 concerning Heritage Property Tax Rebate Program Application for 54 Summit Avenue be received and that 54 Summit Avenue be enrolled in the Heritage Property Tax Rebate Program.

**Carried**

### 7.17 Ermatinger Clergue National Historic Site Capital Funding Reallocation

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

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that the report of the Manager of Recreation and Culture dated June 24, 2024 concerning Ermatinger Clergue National Historic Site Capital Funding Reallocation be received and that the reallocation of funds from the Old Stone House roof replacement to other capital projects at the Ermatinger Clergue National Historic Site be approved.

**Carried**

### 7.18 Delegated Authority Funding Agreements

The report of the Solicitor was received by Council.

The relevant By-law 2024-108 is listed under item 12 of the Minutes.

### 7.19 Curb and Sidewalk Program 2024

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

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor C. Gardi

Resolved that the report of the Director of Public Works dated June 24, 2024 concerning Curb and Sidewalk Program 2024 be received as information.

**Carried**

### 7.20 2024 Ditching Program

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

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor M. Scott

Resolved that the report of the Director of Public Works dated June 24, 2024 concerning Public Works 2024 Ditching Program be received as information.

**Carried**

**7.21 Resurfacing Contract**

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

The relevant By-law 2024-106 is listed under item 12 of the Minutes.

**7.22 Miscellaneous Construction Paving**

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

The relevant By-law 2024-107 is listed under item 12 of the Minutes.

**7.23 Third Party Cost Recovery – Fire Services 2024**

The report of the Fire Chief was received by Council.

The relevant By-law 2024-102 is listed under item 12 of the Minutes.

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

Correspondence was received by Council.

The relevant By-law 2024-103 is listed under item 12 of the Minutes.

**7.5 RFP for White Goods and Scrap Metal Recycling – Public Works**

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

Moved by: Councillor L. Dufour
Seconded by: Councillor S. Spina

Resolved that the report of the Manager of Purchasing dated June 24, 2024 concerning white goods and scrap metal recycling as required by Waste Management – Public Works be received and that the proposal for the services be awarded to American Iron and Metal at the return rates quoted.

**Postponed**

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

**8.1 Administration**

**8.2 Corporate Services**

### 8.2.1 Long Term Financial Plan

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

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that the report of the Chief Financial Officer and Treasurer dated June 24, 2024 concerning Long Term Financial Plan be approved.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | X | | | |
| Councillor S. Hollingsworth | X | | | |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | X | | | |
| **Results** | **11** | **0** | **0** | **0** |

**Carried**

## 8.3 Community Development and Enterprise Services

### 8.3.1 Parking Agreement – North Shore Tribal Council and Social Services

Mayor M. Shoemaker declared a conflict on this item. (One of the parties to the agreement is a client of law firm)

Councillor L. Dufour declared a conflict on this item. (Employee of District of Sault Ste. Marie Social Services Administration Board)

Acting Mayor S. Spina assumed the chair.

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

Moved by: Councillor S. Kinach
Seconded by: Councillor S. Hollingsworth

Resolved that the rules of procedure be suspended to allow Rev. Wilson to delegate.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | | | **X** | |
| Councillor S. Hollingsworth | X | | | |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | | | **X** | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | X | | | |
| **Results** | **9** | **0** | **2** | **0** |

**Carried**

### 8.3.2 By-law 2024-96 (Agreement) Parking Lot Lease North Shore Tribal Council and Social Services (March/Spring Street & Brock/Albert Street East)

Mayor M. Shoemaker declared a conflict on this item. (One of the parties to the agreement is a client of law firm.)

Councillor L. Dufour declared a conflict on this item. (Employee of District of Sault Ste. Marie Social Services Administration Board.)

**Postponement**:
Moved by: Councillor M. Bruni
Seconded by: Councillor S. Hollingsworth

Resolved that By-law 2024-96 be postponed to July 15, 2024 to allow for consultation with businesses in the surrounding area.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | | | **X** | |
| Councillor S. Hollingsworth | X | | | |
| Councillor S. Spina | | X | | |
| Councillor L. Dufour | | | **X** | |
| Councillor L. Vezeau-Allen | | X | | |
| Councillor A. Caputo | | X | | |
| Councillor R. Zagordo | | X | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | | X | | |
| Councillor M. Scott | X | | | |
| **Results** | **4** | **5** | **2** | **0** |

**Defeated**

Moved by: Councillor A. Caputo
Seconded by: Councillor M. Scott

Resolved that By-Law 2024-96 being a by-law to authorize the execution of the parking lot lease agreement between the City and Sault Ste. Marie Housing Corporation and Mamaweswen, The North Shore Tribal Council Secretariat for parking spaces in the March/Spring Street Parking Lot and Brock/Albert Street East Parking Lot be passed in open Council this 24th day of June, 2024.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | | | **X** | |
| Councillor S. Hollingsworth | X | | | |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | | | **X** | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |

| | | | | |
|---|---|---|---|---|
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | | X | | |
| Councillor S. Kinach | | X | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | | X | | |
| **Results** | **6** | **3** | **2** | **0** |

**Carried**

**8.4 Public Works and Engineering Services**

**8.5 Fire Services**

**8.5.1 Community Risk Assessment Update 2024**

The report of the Fire Chief was received by Council.

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor M. Scott

Resolved that the report of the Fire Chief dated June 24, 2024 concerning Community Risk Assessment Update 2024 be received as information.

| | **For** | **Against** | **Conflict** | **Absent** |
|---|---|---|---|---|
| Mayor M. Shoemaker | X | | | |
| Councillor S. Hollingsworth | X | | | |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| **Results** | **11** | **0** | **0** | **0** |

**Carried**

**8.6 Legal**

**8.7 Planning**

**8.7.1 A-8-24-HP – 10 Huron Street, 0 Huron Street, 29 Bay Street (1188004 Ontario Inc.) Removal of Holding Provision – Gateway Site**

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

Acting Mayor L. Dufour assumed the chair.

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

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor C. Gardi

Resolved that the report of the Director of Planning dated June 24, 2024 concerning A-8-24-HP be received and that Council postpone this application to the August 15, 2024 Council meeting.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | | | **X** | |
| Councillor S. Hollingsworth | X | | | |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | X | | | |
| **Results** | **10** | **0** | **1** | **0** |
| | | | | **Carried** |

**8.8 Boards and Committees**

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

**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, 2023, 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.

*Appointment of Board Members*

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

- Ila Watson is recommended for appointment to commence a second 3-year term on the Board.

Board members currently within their term limits are Andy McPhee, Elaine Pitcher, Bob Giroux, Scott Seabrook, Carla Barone and Paul Skeggs.

**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, 2023, 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.

*Appointment of Board Members*

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

- Ila Watson is recommended for appointment to commence a second 3-year term on the Board.

Board members currently within their term limits are: Andy McPhee, Elaine Pitcher, Bob Giroux, Scott Seabrook, Carla Barone and Paul Skeggs.

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor M. Scott

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 Matthew Shoemaker as Council's proxy to vote on the resolutions of the shareholder of PUC Inc. and PUC Services Inc.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | X | | | |
| Councillor S. Hollingsworth | X | | | |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | X | | | |
| **Results** | **11** | **0** | **0** | **0** |

**Carried**

### 8.8.2 PUC Inc. and PUC Services Inc. Shareholders 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, 2023, 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.

*Appointment of Board Members*

Be It Resolved That the following individual(s) are recommended for appointment for a

3-year term:

1. Ila Watson is recommended for appointment to commence a second 3-year term on the

Board.

Board members currently within their term limits are Andy McPhee, Elaine Pitcher, Bob Giroux, Scott Seabrook, Carla Barone and Paul Skeggs.

**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, 2023, 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.

*Appointment of Board Members*

Be It Resolved That that the following individual(s) are recommended for appointment for a 3-year term:

1. Ila Watson is recommended for appointment to commence a second 3-year term on the Board.

Board members currently within their term limits are: Andy McPhee, Elaine Pitcher, Bob Giroux, Scott Seabrook, Carla Barone and Paul Skeggs.

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

**9.1 Clean-up of Waterfront and Marinas**

Moved by: Councillor S. Spina
Seconded by: Councillor A. Caputo

Whereas the waterfront and local marinas are an important part of our community; and

Whereas garbage, plastic waste, discarded cigarette butts, and other debris find their way into our water systems by various means including littering, blowing winds, and accidental means; and

Whereas it is said that 8 million tonnes of plastic waste end up in our oceans every year and it is incumbent on us to protect our local water systems to keep them clear of garbage, plastic waste, cigarette butts, and other debris; and

Whereas the waterfront and marinas in Sault Ste. Marie are often prone to collecting garbage, plastic waste, cigarette butts, and other debris that floats in the water systems causing potential damage to the ecosystem; and

Whereas “Seabins” are floating trash skimmers that take in debris and trash-filled water through a pump to retain the trash in a catch bag while returning clean water to the waterway; and

Whereas “Seabins” are a known product that, when used strategically can help to keep garbage out of the environment by intercepting trash that has made its way into the water ecosystem; and

Whereas Oceans Plastic Clean Up . Com advises that “Seabins” can help capture approximately 3.9 kgs of trash per day or 1.4 tons per year, eliminating the waste from our waterways to help protect our environment

Now Therefore Be It Resolved that staff be requested to review the process of installing “Seabins” at local marinas and strategic waterfront areas and report back with a plan and cost to implement the installation before the end of the 2024 season.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | X | | | |
| Councillor S. Hollingsworth | | | | X |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |

| | | | | |
|---|---|---|---|---|
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | | | | X |
| **Results** | **9** | **0** | **0** | **2** |

**Carried**

**9.2 Bike Valets**

Moved by: Councillor A. Caputo
Seconded by: Councillor S. Spina

Whereas bike valets provide a secure, supervised areas to leave bicycles; and

Whereas The Soo Moves Plan aims to help make it easier to walk or bike in the City, providing residents and visitors with new ways to connect with the community at a human scale; and

Whereas many people cite bike theft as a reason they do not bike to destinations in the downtown; and

Whereas according to Square One Insurance Services, bicycle thefts increased by 429 per cent in Victoria, Vancouver, Calgary, Regina, Winnipeg, Toronto, and Montreal; and

Whereas quality of life is listed as a pillar in the City's strategic plan and increasing the opportunity to safely bike within our city increases quality of life advantages while also contributing to having vibrant downtown areas

Now Therefore Be It Resolved that staff be requested to research and report back on a pilot project of bike valets in key downtown areas in Sault Ste. Marie during the summer months.

| | **For** | **Against** | **Conflict** | **Absent** |
|---|---|---|---|---|
| Mayor M. Shoemaker | X | | | |
| Councillor S. Hollingsworth | | | | X |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |

| | | | | |
|---|---|---|---|---|
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | | | | X |
| **Results** | **9** | **0** | **0** | **2** |

**Carried**

**9.3 Ronald A. Irwin Civic Centre Seventh Floor Space**

Moved by: Councillor L. Vezeau-Allen
Seconded by: Councillor C. Gardi

Whereas the Ronald A. Irwin Civic Centre is located on our waterfront, and whereas the property hosts beautiful views of our river and surrounding naturescape; and

Whereas the property has panoramic views from its seventh floor; and

Whereas vacant space exists on the property; and

Whereas the City currently holds third party leases with several businesses on its properties; including the Ice Breaker Bar and Grill at the John Rhodes Community Centre; and

Whereas much consultation and consideration is currently underway to improve and develop economically our most treasured asset; and

Whereas multiple celebrations and events have been held in the existing spaces at the Ronald A. Irwin Civic Centre; and

Whereas the potential to have a multi-use event space available to public enterprise has not been examined;

Now Therefore Be It Resolved that staff be requested to undertake an inspection of the seventh floor space and bring a report to Council regarding a possible business plan to create a commercial space within the Ronald A. Irwin Civic Centre.

| | **For** | **Against** | **Conflict** | **Absent** |
|---|---|---|---|---|
| Mayor M. Shoemaker | X | | | |
| Councillor S. Hollingsworth | | | | X |

| | | | | |
|---|---|---|---|---|
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | X | | | |
| Councillor C. Gardi | X | | | |
| Councillor M. Scott | X | | | |
| **Results** | **10** | **0** | **0** | **1** |

**Carried**

**9.4 Self-Cleaning Public Toilets**

Moved by: Councillor L. Vezeau-Allen
Seconded by: Councillor A. Caputo

Whereas in our community and many others the populations of those who are homeless or precariously housed have been on the increase, adding pressures on agencies that serve the most vulnerable; and

Whereas the reality of having access to clean and safe toileting facilities has been identified as need across our service agencies; and

Whereas while our City has publicly accessible washrooms at various locations, including: Dennis Street Bus Terminal, GFL Memorial Gardens, Downtown Plaza, Roberta Bondar Pavilion and through our District Social Services at the Community Resource Centre, these facilities are not open or available on a 24-hour, 7-day a week basis; and

Whereas the general public and tourists alike also need access to washroom facilities outside regular business hours of public facilities; and

Whereas since 1992 vandal-proof, self-cleaning toilets have been available in Europe; and

Whereas in cities such as Montreal, Valemount, B.C. and soon, Waterloo, Ontario, have public accessible free self-cleaning toilets

Now Therefore Be It Resolved that staff be requested to research and connect with social services agencies and others to seek broad input and plan for possible self-cleaning toilet

facilities in our community and provide Council with a report, including potential locations, cost and maintenance responsibilities.

| | For | Against | Conflict | Absent |
|---|---|---|---|---|
| Mayor M. Shoemaker | X | | | |
| Councillor S. Hollingsworth | | | | X |
| Councillor S. Spina | X | | | |
| Councillor L. Dufour | X | | | |
| Councillor L. Vezeau-Allen | X | | | |
| Councillor A. Caputo | X | | | |
| Councillor R. Zagordo | X | | | |
| Councillor M. Bruni | X | | | |
| Councillor S. Kinach | 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 S. Spina
Seconded by: Councillor M. Scott

Resolved that all By-laws under item 12 of the Agenda under date June 24, 2024 save and except By-law 2024-104 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 2024-91 (Tax) Cancellation of Vacant Unit Rebates**

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that By-law 2024-91 being a by-law to suspend the provision of vacant unit rebates be passed in open Council this 24th day of June, 2024.

**Carried**

### 12.1.2 By-law 2024-100 (Agreement) Metrolinx Parabus Purchase

Moved by: Councillor S. Hollingsworth
Seconded by: Councillor C. Gardi

Resolved that By-law 2024-100 being a by-law to authorize the execution of the Agreement with Creative Carriage Ltd. for the acquisition of two (2) eight (8) metre low floor parabuses be passed in open Council this 24th day of June, 2024.

**Carried**

### 12.1.3 By-law 2024-101 (Agreement) POA Collections

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that By-law 2024-101 being a by-law for awarding Professional Collection Services as required by the POA Division of the Legal Department be passed in open Council this 24th day of June, 2024.

**Carried**

### 12.1.4 By-law 2024-102 (Agreement) Fire Services Cost Recovery Extension Fire Marque

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that By-Law 2024-102 being a by-law to authorize the execution of the Extension Agreement between the City and Fire Marque Inc. for the provision of cost recovery services be passed in open Council this 24th day of June, 2024.

**Carried**

### 12.1.5 By-law 2024-103 (Vendors Prohibited Licencing) Rotaryfest 2024

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that By-law 2024-103 being a by-law to prohibit vendors from locating on or near the grounds of Rotaryfest 2024 be passed in open Council this 24th day of June, 2024.

**Carried**

**12.1.7 By-law 2024-106 (Engineering) Wallace Terrace Resurfacing Pioneer Construction Inc.**

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that By-law 2024-106 being a by-law for the resurfacing of Wallace Terrace from Goulais Avenue to Korah Road (Contract 2024-7E) be passed in open Council this 24th day of June, 2024.

**Carried**

**12.1.8 By-law 2024-107 (Engineering) Miscellaneous Construction/Paving Ellwood Robinson Inc.**

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that By-law 2024-107 being a by-law for miscellaneous construction/paving and surface treatment to various locations within the City (Contract 2024-8E) be passed in open Council this 24th day of June, 2024.

**Carried**

**12.1.9 By-law 2024-108 (Delegation) Deputy CAO CDES Funding Agreements**

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that By-law 2024-108 being a by-law to authorize the Deputy CAO, or their designate, to execute on behalf of The Corporation of the City of Sault Ste. Marie funding agreements for contributions approved by City Council and in the form prescribed herein be passed in open Council this 24th day of June, 2024.

**Carried**

**12.1.10 By-law 2024-109 (Agreement) John Rhodes Community Centre Roof Replacement (Rimkus Consulting Canada Inc.)**

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that By-Law 2024-109 being a by-law to authorize the execution of the Agreement between the City and Rimkus Consulting Group Canada Inc. for engineering services for the roof replacement at John Rhodes Community Centre be passed in open Council this 24th day of June, 2024.

**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. Consideration and Passing of By-laws**

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

**12.1.6 By-law 2024-104 (Appointment) Deputy CAO Community Development and Enterprise Services**

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

**14. Closed Session**

Moved by: Councillor S. Spina
Seconded by: Councillor M. Scott

Resolved that this Council move into closed session to discuss:

- one item concerning proposed acquisition of land; 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 continue to discuss the same without the need for a further authorizing resolution.

*Municipal Act R.S.O. 2002 – section 239 2 (c) a proposed or pending acquisition or disposition of land by the municipality or local board and section 239 2 (d) labour relations or employee negotiations*

**Carried**

**15. Adjournment**

Moved by: Councillor S. Spina
Seconded by: Councillor C. Gardi

Resolved that this Council now adjourn.

**Carried**

_____

Mayor

_____

City Clerk



# City of Sault Ste. Marie

## Year-end Audit Report

**Presentation to City Council**

—

July 15th, 2024

# 01 Audit Highlights

- Our audit procedures were executed in accordance with Canadian Auditing Standards and are based on a materiality of $4.2 million
  - Calculated as 2.0% of prior year expenses
  - Results in a posting threshold of $210,000 (0.08% of current year's revenues)

- We are prepared to issue an unqualified audit opinion on the City's financial statements pending:
  - Council approval of the financial statements
  - Receipt of the management representation letter
  - Finalization of our file documentation, including completion of any remaining audit procedures and final review of all working papers

- Our audit opinion refers to the adoption of new accounting standards for asset retirement obligations
  - Prior year comparative figures have been restated as a result of the new standard

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# 02 New Accounting Standards

- The Public Sector Accounting Board has introduced new accounting standards for the 2023 fiscal year:
  - PS1201 Financial Statement Presentation
  - PS2601 Foreign Currency Translation
  - PS3041 Portfolio Investments
  - PS3450 Financial Instruments

  } No impact on the City's financial statements

  - PS3280 Asset Retirement Obligations

- The new accounting standard for asset retirement obligations (AROs) changes the City's approach to

| Old Standards | New Standards |
|---|---|
| • Assets that are in productive use do not require a provision for remediation<br>• Landfill closure and post-closure costs were reported based on the percentage of landfill capacity utilized | • Exemption for productive use no longer applies, requiring AROs that were not previously recognized<br>• Landfill AROs are recorded at the full amount |

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# 02 New Accounting Standards

- The 2023 financial statements reflect asset retirement obligations for two categories of assets:
  - Asbestos abatement for buildings constructed prior to 1995 $8.6 million
  - Landfill sites (portion was previously recognized under the former standards) $35.6 million

- The adoption of the new standard has been applied on a retrospective basis, resulting in a change to the City's prior year's financial statements

- For Council's information, we suggest the following perspectives with respect to AROs:
  - The realization of these liabilities is expected to occur in the future as assets are retired from useful life
    - For landfill liabilities, closure is expected approximately five years in the future, with the costs to be paid over 60 years from closure, not including potential expansion plans which may extend the closure date
  - AROs are accounting related estimates and are not typically included in the municipal levy

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# City of Sault Ste. Marie

# Indicators of Financial Performance

**Presentation to City Council**

—

July 15th, 2024

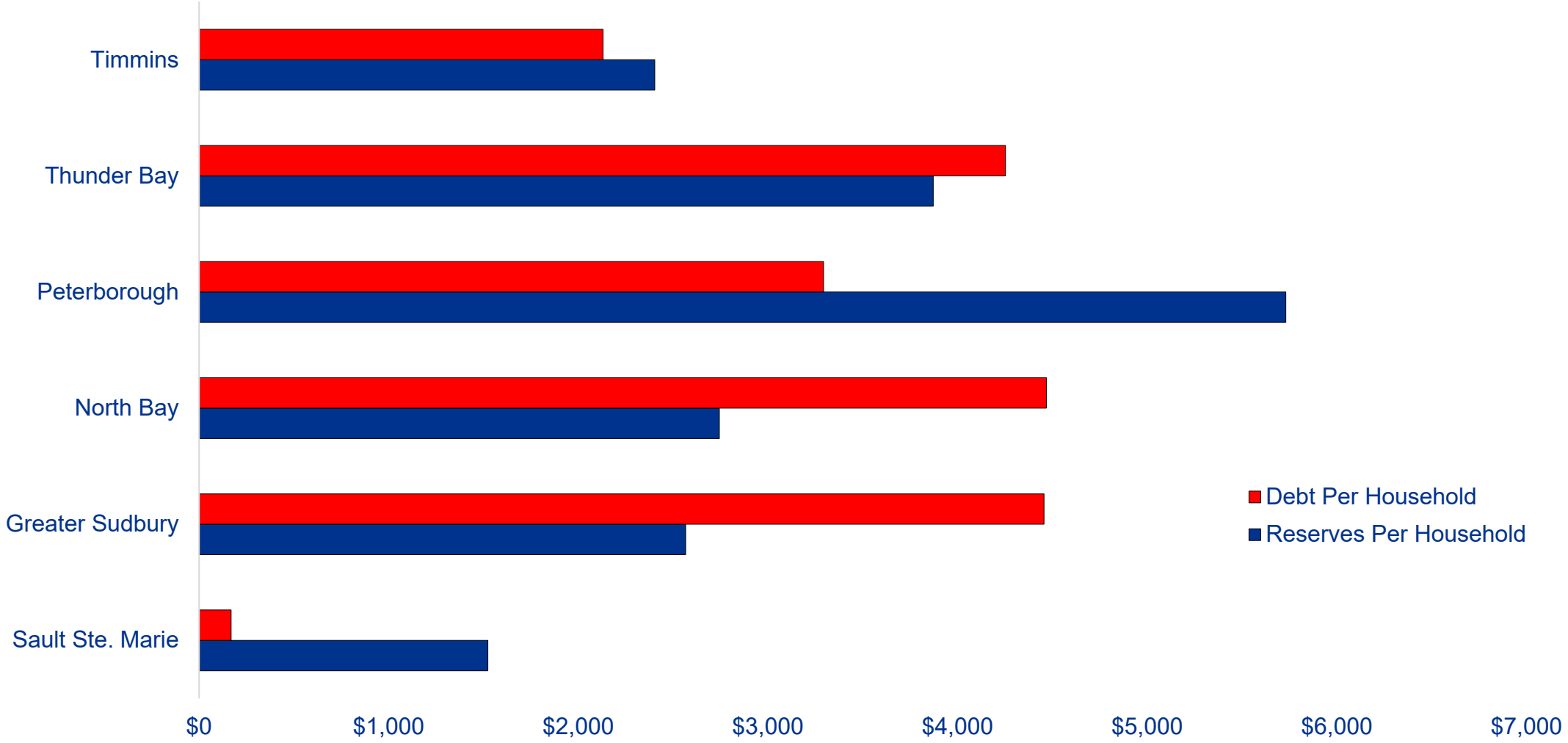
# 04 Financial Indicators (2022 Fiscal Year)

| Financial Indicators | Sault Ste. Marie Indicator | Comparator Municipalities | | |
|---|---|---|---|---|
| | | Low | High | Average |
| Total reserves and reserve funds per household | $1,523 | $2,403 | $5,731 | $3,463 |
| Total long-term debt per household | $169 | $2,130 | $4,468 | $3,720 |
| Residential taxes per household | $2,693 | $2,736 | $3,156 | $2,966 |
| Residential taxes as a percentage of household income | 3.01% | 2.71% | 3.59% | 3.15% |
| Compound annual growth rate in operating costs and capital additions (2017 to 2022) | +5.42% | +3.98% | +6.86% | +5.10% |
| Compound annual growth rate in tax levy (2017 to 2022) | +4.01% | +2.01% | +4.52% | +3.41% |
| Net book value of capital assets as a percentage of historical cost | 41.2% | 42.1% | 58.2% | 48.0% |

| | |
|---|---|
| Annual rate of increase in the consumer price index (2017 to 2022) | +3.19% |
| Annual rate of increase in the non-residential building price index – Canada (2017 to 2022) | +7.18% |
| Annual rate of increase in the non-residential building index – Toronto (2017 to 2022) | +9.57% |

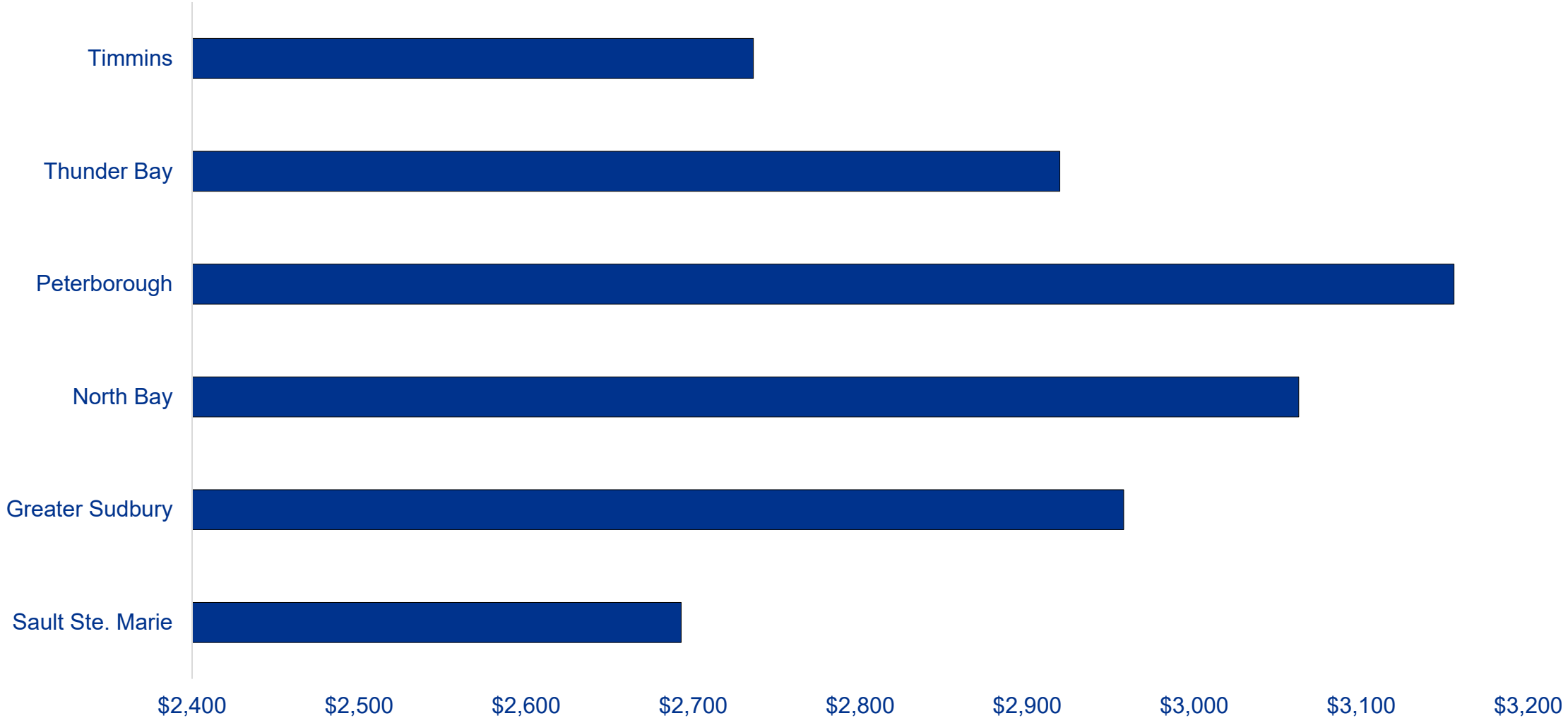
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# 04 Debt and Reserves Per Household (2022 Fiscal Year)



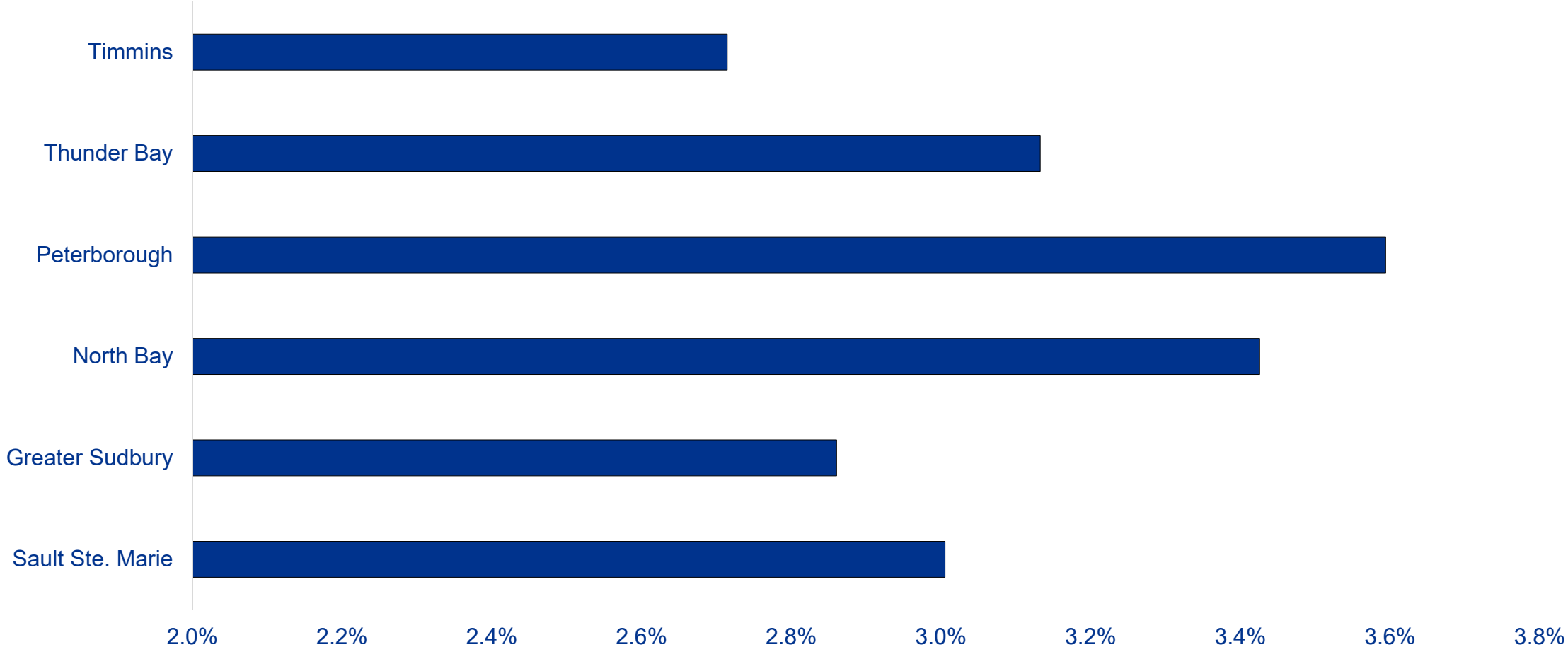

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# 04 Average Residential Taxes per Household (2022 Fiscal Year)



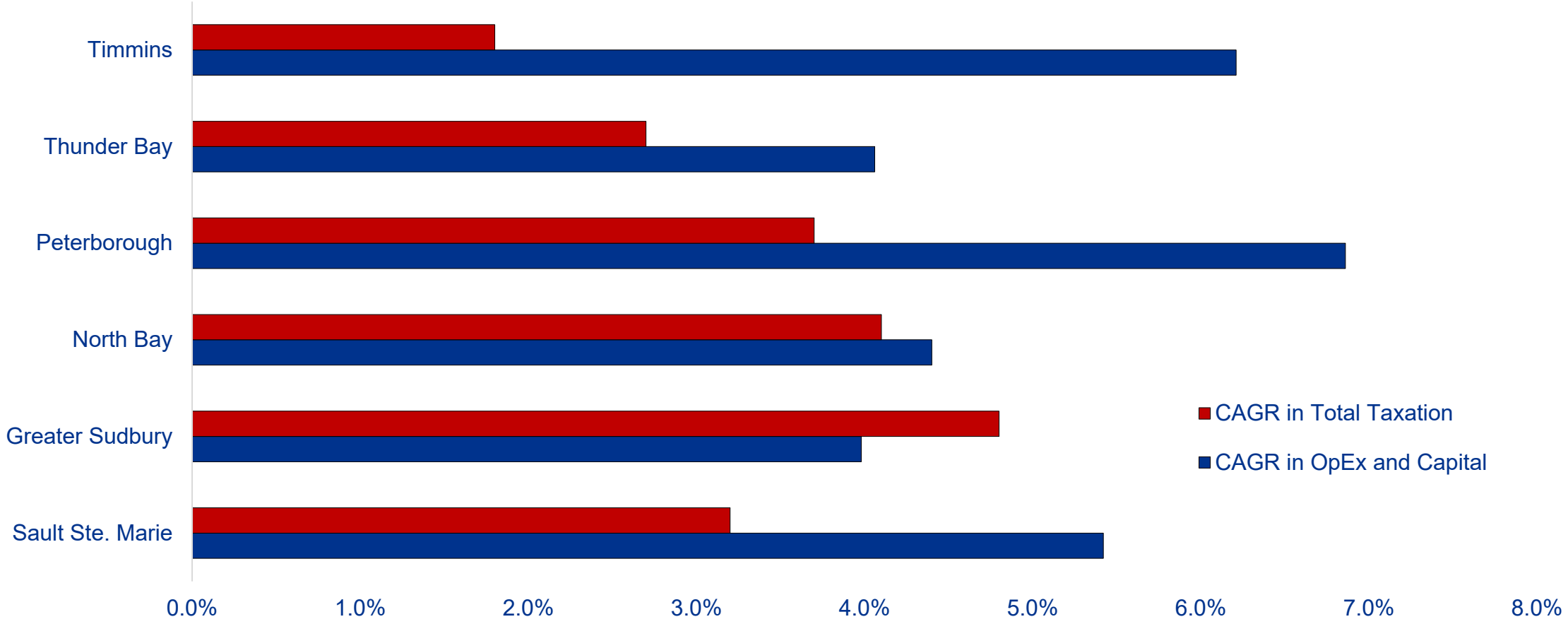

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# 04 Residential Taxes as a Percentage of Household Income (2022 Fiscal Year)



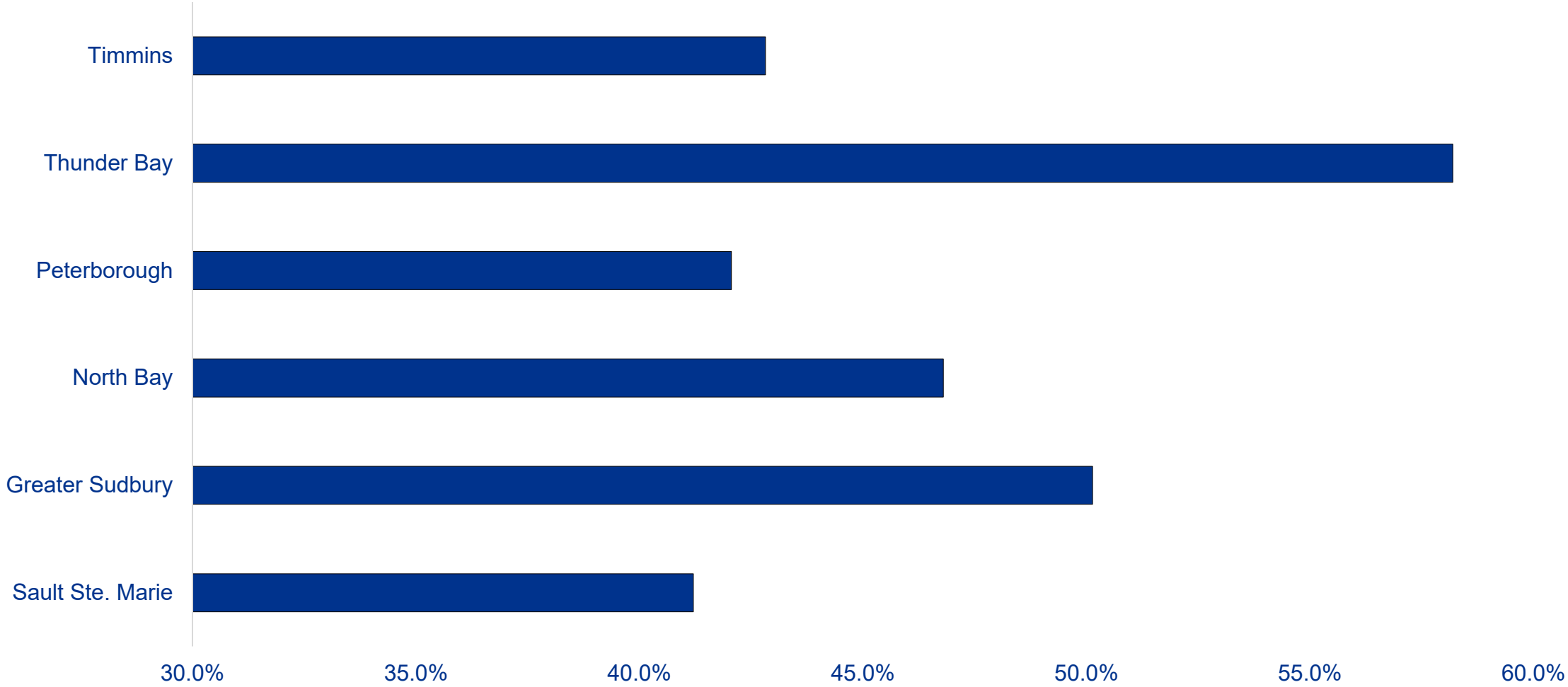

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# 04 Average Annual Increase in Taxation vs. Operating Expenses and Capital Additions (2017 to 2022)




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# 04 Net Book Value of Capital Assets as a Percentage of Historical Cost (2022 Fiscal Year)




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**Document Classification: KPMG Public**

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

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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Tom Vair, CAO |
| DEPARTMENT: | Chief Administrative Officer |
| RE: | Corporate Strategic Plan 2024-2027 |

---

## Purpose

The purpose of this report is to provide Council and the community with a draft Corporate Strategic Plan 2024-2027.

## Background

Since the 2000–2003 term of City Council, the City has developed corporate strategic plans to guide the initiatives and activities of the service areas, departments, and functional areas under the direct control of Council. The plans consist of a vision statement, mission statement, corporate value statements and the strategic focus areas containing the projects, initiatives, and activities that the corporation will prioritize to achieve the stated vision.

Throughout the term of the plan, the projects, initiatives, and activities will be updated to keep current with the completion and implementation of items and to respond to new legislation and circumstances that require action.

The preparatory work in developing this plan took place in fall 2023 and included a workshop style Special Council meeting on November 15, 2023. Based on Council feedback and input from staff, a draft Corporate Strategic Plan for the term 2024-2027 is being provided for Council input and broader community input (Attachment A – Draft Corporate Strategic Plan 2024-2027).

## Analysis

The Corporate Strategic Plan serves as an important document that will guide City Council and staff in strategic, operational, and capital decisions. This iteration of the Corporate Strategic Plan covers the period for the remainder of this term of Council and into the first year of the next Council term.

Updates to the previous Corporate Strategic Plan have been made based on the feedback of Council and staff including:

- A land acknowledgement;

- Revised vision and mission statements;
- A narrative describing what the City wants people to say about our community;
- Updated Corporate Values;
- Updates to the items contained within the four Focus Areas:
    - Community Development
    - Quality of Life
    - Infrastructure
    - Service Delivery;
- High-Level Goals within each Focus Area – these high-level goals will be accompanied by metrics and sub-activities that will be updated and reported on regularly to Council

The Corporate Strategic Plan serves as an over-arching document that will inform the Long-Term Financial Plan and priorities of staff. A number of documents were utilized as reference points to create the Corporate Strategic Plan including the FutureSSM Community Development Strategy, Official Plan, Housing Action Plan, Parks and Recreation Master Plan, Asset Management Plan, Community Greenhouse Gas Reduction Plan, Community Culture Plan, Tourism Strategy, and Economic Development Strategy.

Staff welcomes Council input on the draft Corporate Strategic Plan 2024-2027 and will seek input from community stakeholders and residents in order to finalize the document and return to Council in the Fall for final approval.

**Financial Implications**
The development of the 2024 – 2027 plan is being completed on an in-house basis with nominal costs being incurred.

**Strategic Plan / Policy Impact / Climate Impact**
The development of a new Corporate Strategic Plan will guide City Council and staff in strategic, operational and capital decisions, and serve as a guide to community stakeholders concerning the strategic focus areas of the City.

**Recommendation**
It is therefore recommended that Council take the following action:

Resolved that the report of the CAO dated July 15, 2024 concerning the Corporate Strategic Plan 2024-2027 be received as information.

Respectfully submitted,

Tom Vair
CAO
705.759.5347
cao.vair@cityssm.on.ca

# CORPORATE STRATEGIC PLAN

2024-2027

DRAFT

SAULT STE. MARIE

We 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, and the Historic Sault Ste. Marie Metis Council.



## Message from the Mayor

City Council and the City of Sault Ste. Marie are committed advocates for positive change, and the Corporate Strategic Plan outlines a structure for effective governance that will position us to address the immediate needs of residents while laying the groundwork for long-lasting prosperity. The City has a key role to play in developing a thriving and inclusive place to live, and we will continue to use every tool at our disposal to build the community I know we can become. We are making progress – Sault Ste. Marie's population has reached a level we haven't seen since the 90s driven by growth we haven't experienced since the 70s. This plan reflects our aspirations to build on recent success, address challenges and unlock our community's full potential.

## Message from the CAO



I am pleased to present the Corporate Strategic Plan for the City of Sault Ste. Marie. This plan guides decision-making, resource allocation, and operational priorities, to drive our community forward.  Our vision is clear: to be a safe, inclusive, and thriving community where everyone belongs. The plan focuses on:

**Community Development**. Support economic diversification, foster a healthy and safe community, support fair access for all, and strengthen relationships with First Nations and Métis communities.
**Quality of Life**. Support our ongoing development as a welcoming community with a vibrant downtown, strong arts and culture, and four-season recreational opportunities.
**Infrastructure**. Invest in modern, sustainable infrastructure to support our growth.
**Service Delivery**. Streamline processes, leverage technology, enhance customer service, and collaborate with community partners.

The success of this plan relies on the collective effort and commitment of the entire community. I invite you to share your ideas and be part of the exciting future we are building together. Thank you for making Sault Ste. Marie an exceptional place to live, work, and play.

# City of Sault Ste. Marie Council



Matthew Shoemaker
Mayor



Sandra Hollingsworth
Ward 1



Sonny Spina
Ward 1



Luke Dufour
Ward 2



Lisa Vezeau-Allen
Ward 2



Angela Caputo
Ward 3



Ron Zagordo
Ward 3



Marchy Bruni
Ward 4



Stephan Kinach
Ward 4



Corey Gardi
Ward 5



Matthew Scott
Ward 5

Our Corporate Strategic Plan outlines the organization's direction and goals through 2027 and the strategies and actions that will guide the direction and allocation of resources for years to come.

# Strategic Plan

Vision | Mission | Our Narrative | Values

Focus Area 1:

## Community Development

Economic Development • Well-being
Social Equity • Truth and Reconciliation

Focus Area 2:

## Quality of Life

Work. Life. Balance. • Welcoming
Vibrant Downtown • Arts and Culture

Focus Area 3:

## Infrastructure

Current Assets • Future Assets
Environment

Focus Area 4:

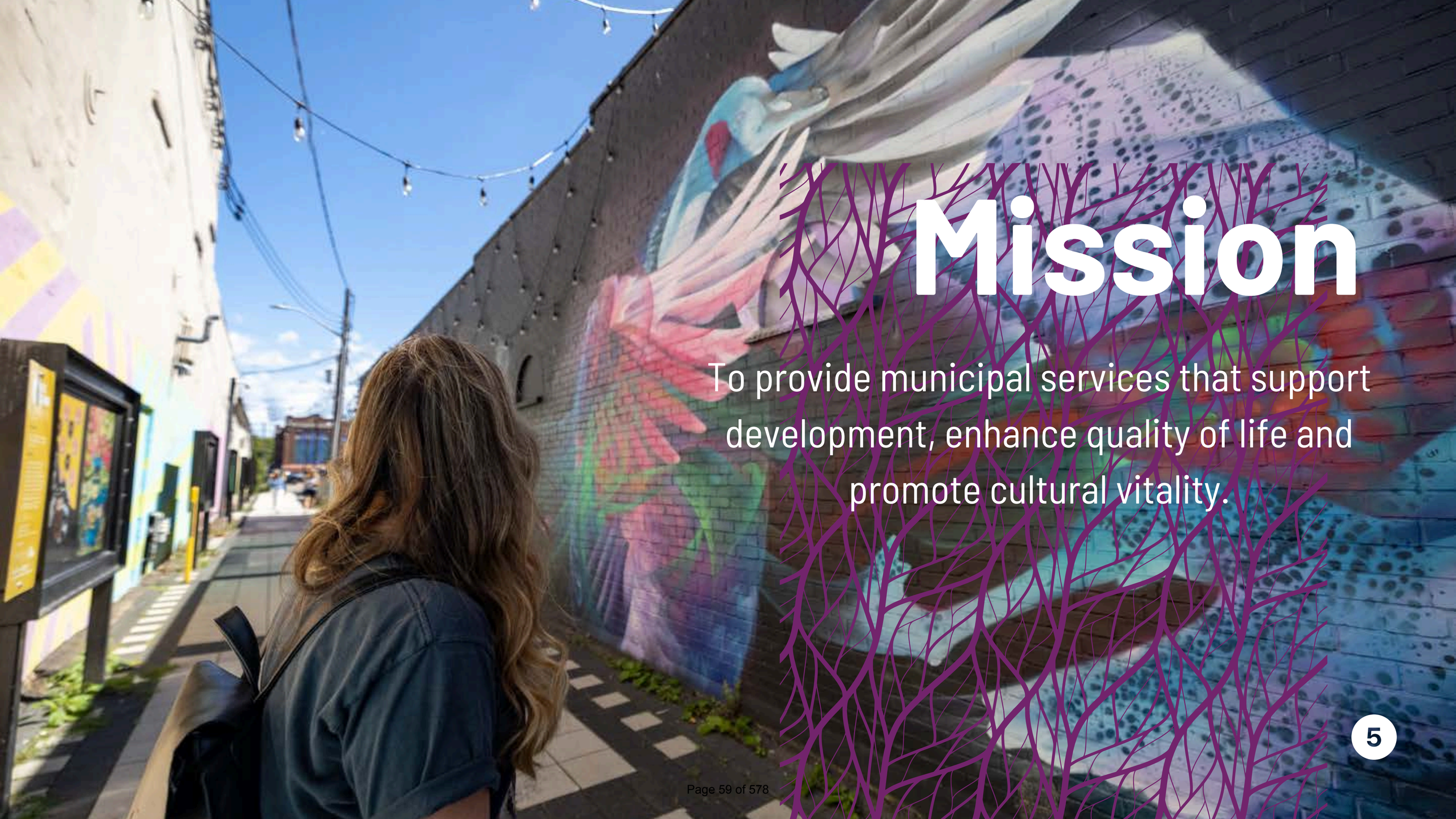
## Service Delivery

Customer Service • Develop Employees
Eliminate Barriers • Community Partnerships

# Vision

Sault Ste. Marie is a thriving, safe and inclusive community where you belong.





# Mission

To provide municipal services that support development, enhance quality of life and promote cultural vitality.

# Our Narrative

## We want people to say the following things about Sault Ste. Marie:

- I receive exceptional service from the City of Sault Ste. Marie
- I trust that my local government has my best interest in mind
- My voice is heard
- I am proud to work for the City of Sault Ste. Marie
- I feel safe living here
- Sault Ste. Marie has everything a community can offer and is like nowhere else
- It's easy to do business in Sault Ste. Marie

**We will know that our community is thriving when people make these statements.**

# Values

## Customer Service Driven

We will provide high quality and responsive customer service.

## Employee-Centred

We commit to providing a dynamic work experience where staff feel valued and appreciated.

## Responsible Growth

We will grow responsibly to ensure a sustainable and prosperous community for future generations.

## Diversity and Inclusion

We are committed to inclusion, diversity, equity and access, including the pursuit of collaborative relationships.

## Integrity

We will be accountable, transparent, and fiscally responsible to meet the needs of our community.

## Focus Area 1:

# Community Development

## Economic Activity

**Support the growth of a diversified economy.**

### High Level Goals:

- Develop shovel-ready projects to access available funding
- Ensure sufficient supply of industrial land
- Support entrepreneurs
- Increase tourism visitor spending and occupancy rates

## Well-being

**Take a collaborative approach towards a healthy and safe community.**

- Advocate for addiction and mental health services
- Advocate for improved health-care facilities and personnel
- Foster collaboration and coordination of health and social services
- Invest in allied healthcare recruitment and innovative labour force solutions

## Social Equity

**Support fair access and opportunities for everyone.**

- Implement housing action plan to deliver affordable housing
- Commit to support the full participation of user groups of all abilities
- Support programs that foster a safe, welcoming and inclusive community

## Truth and Reconciliation

**Establish respectful and meaningful relationships with First Nations and Métis communities.**

- Implement Municipal Calls to Action from Truth and Reconciliation Commission
- Expand cultural competency training throughout the Corporation
- Take a proactive approach to ‘reconcili-action’

# Focus Area 2:

# Quality of Life

## Work. Life. Balance.

**Maintain an affordable community with exceptional four-season recreational opportunities.**

### High Level Goals:

- Promote Sault Ste. Marie as a municipality of choice
- Exceed Provincial housing targets annually
- Maximize external media opportunities
- Invest in recreational infrastructure

## Welcoming

**Instill a strong sense of community that embraces and celebrates diversity and culture.**

- Attract newcomers
- Promote multi-cultural events
- Establish diverse, equitable, inclusive and accessible community spaces

## Vibrant Downtown

**Create a hub of activity and excitement through shops, events, promotion and amenities.**

- Increase participation and grow the number of events in the Downtown year over year
- Increase assessment value and growth rate in the Downtown
- Continue to develop world-class waterfront destinations

## Arts and Culture

**Support and grow the creative economy and celebrate arts and culture.**

- Celebrate diversity in public art
- Promote and conserve heritage assets
- Enhance funding support for cultural initiatives

## Focus Area 3:

# Infrastructure

### Current Assets

**Monitor, maintain, and redevelop existing infrastructure.**

### High Level Goals:

- Maintain a robust asset management plan
- Transit fleet age in line with Provincial average
- Leverage funding opportunities
- Improvements to transportation network
- Accessible and barrier-free

### Future Assets

**Strategically build and acquire infrastructure to support a growing community.**

- Invest in maintaining an attractive and vibrant downtown core with a world-class waterfront
- Expand active transportation network
- Ensure community parks and recreation infrastructure needs are met

### Environment

**Be a leader in environmental sustainability.**

- Net zero emissions by 2050
- Enhance and protect our public green spaces
- Seek opportunities to implement new, sustainable solutions

## Focus Area 4:

# Service Delivery

### Customer Service

**Provide accessible communications, timely resolution of concerns, and fair treatment for all.**

**High Level Goals:**

- Standardize customer service practices and policies
- Regularly collect and review customer feedback for continuous improvement
- Develop new methods of collecting and analyzing customer feedback

### Develop Employees

**Create a supportive workplace that invests in employees.**

- Explore technology that supports innovation and efficiency
- Maximize investment in training
- Implement strategies to attract and retain talent
- Advance diversity, equity, and inclusion in the workplace
- Foster civic pride and team building

### Eliminate Barriers

**Identify obstacles that hinder growth and development, and streamline processes.**

- Implement and enhance online tools for applications and permits
- Review processes, policies, and procedures to identify efficiencies
- Reduce red tape and accelerate timelines for responses and approvals
- Remove physical and digital barriers to enhance accessibility

### Community Partnerships

**Build collaborative relationships to enhance service delivery options.**

- Facilitate collaboration with neighbouring communities and community groups to achieve shared goals
- Liaise with community groups to improve communications
- Strategic partnerships with post-secondary education institutions for labour force and economic development

# Where you belong.

saultstemarie.ca



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

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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Tom Vair, CAO |
| DEPARTMENT: | Chief Administrative Officer |
| RE: | Indigenous Policy and Process Renewal Advisor |

---

**Purpose**
The purpose of this report is to seek Council approval to create a new position within the City for an Indigenous Policy and Process Renewal Advisor.

**Background**
On November 20, 2023, City Council passed the following resolution:

> Whereas Bawaating is the historical sacred gathering place of all Anishinaabe (Indigenous) people since time immemorial; and
>
> Whereas the First Peoples (Ojibway, Metis and Inuit) of this area have for centuries sought peace and friendship with settlers and shared resources and ways of knowing; and
>
> Whereas the City of Sault Ste. Marie is committed to pillars of a progressive community, including improving respectful relations, inclusion, and the prosperity of Indigenous community members; and
>
> Whereas outreach to neighbouring communities and partner agencies has been ongoing throughout this and previous terms of Council through various channels, including the Bawaating Indigenous Advisory Council and the Community Economic Development Initiative facilitated economic development training program; and
>
> Whereas in an effort to enhance the pillars of a progressive community, the City of Sault Ste. Marie wishes to engrain improvements to the processes and policies at City Hall into the corporate structure of the municipality;
>
> Now Therefore Be It Resolved that the Chief Administrative Officer be requested to develop a job description for an Indigenous Policy and Process Renewal Advisor that reports directly to the CAO, and that the Bawaating Indigenous Advisory Circle be requested to review and provide feedback on

the job description before it returns to Council for further discussion and direction on implementing such an advisory position.

**Analysis**

City staff worked to gather information from other municipalities across Ontario with related Indigenous advisor positions. Further, the Mayor and Staff were involved in discussions with the Bawaating Indigenous Advisory Circle to engage in dialogue regarding this position and review drafts of the job description. The Bawaating Indigenous Advisory Circle has asked to be consulted in the hiring process which staff will work to accommodate within HR procedures.

A job description has been finalized (Attachment A – JD CDES Indigenous Policy and Process Renewal Advisor), which outlines the job purpose, goals and objectives, duties and accountabilities, and reporting structure. The education, experience, and knowledge required for the position as well as the skills/abilities and the competencies for the role are also included.

The position will carry on the history and tradition of sharing knowledge of the area (as has been the tradition since the time of first contact) and provide expertise and guidance to the Corporation in developing, enhancing, and implementing effective municipal policies, programs, services and/or other initiatives to advance the City's commitments to reconciliation and the Calls to Action of the Truth and Reconciliation Commission of Canada.

The role establishes and builds upon existing relationships between the City and area First Nations, Indigenous groups, organizations, agencies, and individuals in the community and will provide advice and guidance to support equality of opportunity, proper training and education, and to recommend improvements to systems and processes to improve outcomes.

It is recommended the position report directly to the Director of Tourism and Community Development.

**Financial Implications**

The position is expected to fall within a Job Grade 5 which includes a salary range of $84,692 to $100,834.

It is recommended that the current-year salary costs, if approved by Council, are covered within salary gapping for 2024 and the position will need to be included in budget 2025 moving forward.

**Strategic Plan / Policy Impact / Climate Impact**

Establishing the new role aligns with the Corporate Strategic Plan in the Community Development Focus Area – Develop partnerships with key stakeholders and reconciliation.

**Recommendation**

It is therefore recommended that Council take the following action:

Resolved that the report of the CAO dated July 15, 2024 concerning Indigenous Policy and Process Renewal Advisor be received and Council authorize an increase in complement to establish this new position and authorize a budget increase for the salary related to this position.

Respectfully submitted,

Tom Vair
CAO
705.759.5347
cao.vair@cityssm.on.ca

# City of Sault Ste. Marie
# Job Description / Non - Union

| | | | |
|---|---|---|---|
| **Job Title:** | Indigenous Policy and Process Renewal Advisor | | |
| **Department:** | Community Development & Enterprise Services | | |
| **Division:** | Tourism and Community Development | | |
| **Job Grade:** | TBD | | |
| **Date Prepared:** | February 2024 | **Date Revised:** | |

**Job Purpose**:

- To carry on the history and tradition of sharing knowledge of the area, as has been the tradition since the time of first contact
- This role within the City of Sault Ste. Marie team will provide expertise, and guidance to the Corporation in developing, enhancing and implementing effective municipal policies, programs, services and/or other initiatives to advance the City's commitments to reconciliation and the Calls to Action of the Truth and Reconciliation Committee;
- Establishes and builds upon existing relationships between the City and area First Nations, Indigenous groups, organizations, agencies, and individuals in the community;
- Provides advice and guidance to support equality of opportunity, proper training and education, and to recommend improvements to systems and processes to effect those outcomes.

**Goals and Objectives**:

- Renewal of municipal policies with a focus on removing barriers to service for by Indigenous community members
- Promote an awareness and understanding of Indigenous cultural protocols and sensitivities amongst/within staff and operations of the Corporation;
- Provide advice to, and maintain ongoing collaborative relationships with other City staff to support inclusive program design and effective engagement approaches relating to Indigenous peoples;
- Provie advice to the public on Indigenous service delivery opportunities and issues;
- Raise awareness locally of the Robinson Huron Treaty, the Truth and Reconciliation Commission Calls to Action, the recommendations of the National Inquiry into Missing and Murdered Indigenous Women and Girls, and other recommendations that may arise from Commissions of Inquiry, Inquests or other such judicial or quasi-judicial bodies.

**Duties and Accountabilities**:

1. Reviews, recommends changes and advises City departments as policies and service delivery programs are reviewed, altered, and established; seeks opportunities for innovative service initiatives that meet the needs of the Indigenous community.
2. Establishes, maintains, and supports, working relationships with diverse local Indigenous community groups, organizations, orders of government, and individuals in order to develop and enhance relationships between the City, area First Nations and the Indigenous community. This position will be a catalyst to making connections between the City and First Nations, Metis, Inuit and Urban Indigenous.
3. Foster the relationship between the City and its treaty neighbours in Batchewana First Nation and Garden River First Nation to help the City understand the responsibilities and intricacies of being on treaty lands.
4. Supports Administration and City Council in establishing and maintaining working relationships with area First Nations, Indigenous organizations and groups within the City and region.
5. Opens a dialogue and exchange of views and ideas with area First Nations, the Indigenous community in an effort to identify issues and priorities with respect to services of the City and its relationship with the Indigenous community.
6. In consultation with City Administration, provides and promotes an awareness and understanding of cultural protocols and information about the needs and priorities of area First Nations and the Indigenous community.
7. Promotes awareness of City services, programs, and employment opportunities within area First Nations and the Indigenous community.
8. Supports and advises City Administration on the creation and implementation of an Indigenous Liaison Strategy; monitors Strategy progress, prepares progress reports, and maintains records.
9. Ensures cultural awareness training and learning opportunities are carried out throughout the Corporation.
10. Represents The City of Sault Ste. Marie at various functions and events.
11. Provides advice to the Executive Management Team and City Departments on corporate strategic and service planning processes in accordance with the principles of the United Nations Declaration on the Rights of Indigenous Peoples.
12. Sustains knowledge of regulatory requirements through research, attending events, and networking with partners in other organizations in order to develop and implement best practices in line with the City's strategic goals, strategic plans and human rights legislation.
13. Liaises with colleagues within the Corporation to advance the implementation of joint initiatives on improved Indigenous relations.
14. Establishes and maintains good relationships with Indigenous governments, organizations and individuals.
15. Maintains up to date knowledge and awareness of legislation, regulations, best practices, emerging trends and developments as it pertains to Indigenous relations and reconciliation.
16. Conducts research and prepares reports to committees and Council on a timely basis.
17. Supports municipal committees at City Hall by either directly participating in committees, or recommending Indigenous candidates or ensuring Indigenous viewpoints are considered at municipal committees.
18. Supports the municipal Corporate Communications team to ensure Indigenous content is being updated and maintained through the City's online channels ( (City website, Facebook, Twitter & Instagram).
19. Develops reports, presentations and training materials, as well as content for online and print publications, as required.
20. Maintains a thorough working knowledge of the City's health and safety policies and procedures.
21. Other related duties, as assigned.

The above statement reflects the general details considered to describe the principal functions of the job and shall not be construed as a detailed description of all the work that may be inherent in the job or any other duties of a minor nature.

**Reporting Structure:**:

- Direct Report to Director – Tourism & Community Development

**Education, Experience and Knowledge**:

- University Degree in a political, social science or humanities field, or similar related field, and 3 years of experience working with Indigenous peoples, government and/or community organizations in roles that support community development processes, capacity building, collaborations, partnerships and organizational change; **OR**
  College Diploma in a political, social science or humanities field, or similar related field, and 5 years of experience working with Indigenous peoples, government and/or community organizations in roles that support community development processes, capacity building, collaborations, partnerships and organizational change;
- Must be proficient in the use of computers and current related software
- Knowledge of and understanding of Indigenous lived experience and a commitment to support truth and reconciliation with Indigenous peoples is preferred
- Experience that may include knowledge gained from training with Indigenous knowledge keepers and Elders
- In-depth knowledge of the history and present-day context of Indigenous governments, organizations and peoples in Sault Ste. Marie (Bawaating) and region
- Experience building partnerships and working with Indigenous governments, organizations and peoples to improve access to services and employment in a complex political environment
- Experience in implementing strategies to increase Indigenous inclusion (i.e. education, intervention, programs)
- Knowledge of Canadian and international human rights legislation, , Truth and Reconciliation Commission Calls to Action, United Nations Declaration on the Rights of Indigenous Peoples Has a relationship with traditional Elders, knowledge keepers and language keepers
- Knowledge of Indigenous agencies and organizations in the community
- Knowledge of municipal governance structures, services and programs, and municipal relationships with other levels of government

**Skills / Abilities:**

- Superior ability to communicate effectively and concisely, both orally and in writing in a cross cultural environment
- Superior ability to deliver presentations to a variety of audiences and to skillfully handle on-the-spot questions from senior officials, members of City Council, special interest groups, and the media
- Political acumen and the ability to establish and maintain effective working relations, and manage advisory and consultation processes, with members of City Council, private and public officials, subordinates, co-workers, and the general public
- Proven ability to think and act strategically and identify opportunities to develop and implement initiatives to encourage cultural change
- Excellent ability to display sensitivity and commitment to human rights and equity issues
- Proficient project/time management, analytical/critical thinking, problem-solving, and decision-making skills

- Effective leadership skills, together with the ability to motivate, evaluate, and recognize staff; proven ability to share skills and knowledge with others
- Proven conflict management abilities and mediation skills
- Ability to analyze complex issues and develop practical solutions/strategies
- Ability to take initiative and be agile and responsive to changing priorities and circumstances.
- Position requires the ability to work and attend meetings outside of core business hours, travel to various work locations utilizing own transportation and travel out of town (by land and air) from time to time.

**Competencies**:

**Decision Making/Problem Solving -** Breaks down problems into components and recognizes interrelationships; makes sound, well-informed, and objective decisions. Compares data, information, and input from a variety of sources to draw conclusions; takes action that is consistent with available facts, constraints, and probable consequences.

**Strategic Focus -** Understands how an organization must change in light of internal and external trends and influences; keeps the big, long range picture in mind; builds a shared long-range organizational vision with others. Committed to a course of action to achieve long-range goals and influences others to translate vision into action.

**Cultural Competence –** Cultivates opportunities through diverse people; respects and relates well to people from varied backgrounds, understands diverse worldviews, and is sensitive to group differences; sees diversity as an opportunity, challenges bias and intolerance.

| **APPROVALS:** | **Name** | **Signature** | **Date** |
|---|---|---|---|
| Executive Management | | | |
| Director Human Resources | Nicole Ottolino | | |
| CAO | Tom Vair | | |

Finalized by Joint Job Evaluation Committee:

| | **Name** | **signature** | **date** |
|---|---|---|---|
| City Chair: | | | |

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

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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Shelley J. Schell, CPA, CA Chief Financial Officer and Treasurer |
| DEPARTMENT: | Corporate Services |
| RE: | Canada Community-Building Fund Agreement |

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**Purpose**
The purpose of this report is to seek Council approval of the municipal funding agreement for the Canada Community-Building Fund (CCBF).

**Background**
The Canada Community-Building Fund is a permanent source of federal funding for local infrastructure. Canadian municipalities receive over $2 billion from the CCBF each year with Ontario municipalities receiving over $800 million.

The funds may be used to make strategic investments across 18 different project categories:

- public transit
- wastewater infrastructure
- drinking water
- solid waste management
- community energy systems
- local roads and bridges
- capacity building
- local and regional airports
- short-line trail
- short-sea shipping
- resilience
- broadband and connectivity
- culture
- tourism
- sport
- recreation
- fire halls
- brownfield redevelopment

The Association of Municipalities of Ontario (AMO) administers the CCBF to all municipalities in Ontario except for the City of Toronto.

**Analysis**

The municipal funding agreement term is from April 1, 2024 to March 31, 2034. Allocations to municipalities for this agreement are based upon the 2016 census population data. Census data reflects a total population increase of 6.7%. The City's population per the census decreased by 1.8%. This resulted in the City's allocation for the CCBF for 2024 decreasing by $325,508 from the 2023 allocation under the previous agreement. The chart below shows the allocation for the City.

| 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| $4,856,092 | $4,530,584 | $4,419,359 | $4,908,133 | $4,908,133 | $4,908,133 |

From 2005 to 2023, the City has received $85,770,260 from the CCBF and its predecessor fund, Federal Gas Tax. Current and previous capital budgets have directed the funding to local roads and bridges. Top-up funds, when received, are typically directed to other eligible project categories such as recreation and transit.

Some changes have been made to the new agreement. Key items are:

- A housing needs assessment is required by March 31, 2025. (s 8.1)
- There is an expectation to prioritize projects that support the growth of the housing supply using the housing needs assessment to prioritize, where possible (s.8.3)
- Housing outcomes resulting from CCBF investment will need to be reported for each project that ended construction in the reporting year. (Schedule D)

**Financial Implications**

The decrease in the 2024 CCBF allocation was reflected in the approved 2024 Capital Budget. The use of the fund will be reviewed and prioritization will include the requirement to consider housing outcomes.

**Strategic Plan / Policy Impact / Climate Impact**

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

**Recommendation**

It is therefore recommended that Council take the following action:

The relevant By-law 2024-92 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

Respectfully submitted,

Shelley J. Schell, CPA, CA
Chief Financial
Officer/Treasurer
705.759.5355
s.schell@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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Brent Lamming, Deputy CAO Community Development & Enterprise Services |
| DEPARTMENT: | Community Development and Enterprise Services |
| RE: | Advertising Opportunities on the Hub Trail |

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## Purpose

The purpose of this report is to provide Council with information concerning advertising opportunities on the Hub Trail to reduce future tax increases.

## Background

At the March 18, 2024 Council meeting, the following resolution was passed:

> Whereas the City of Sault Ste. Marie maintains benches, garbage cans, signs other permanent structures and clear areas on the hub trail and throughout the City; and
>
> Whereas these structures and areas are available to be used for advertising opportunities that can generate revenue for the City of Sault Ste. Marie; and Whereas the revenue generated can be used to maintain the areas on the hub trail and other walkways or build new infrastructure; and
>
> Whereas such revenues can be used to reduce or eliminate future tax increases; and
>
> Whereas the City must look at every opportunity to generate new revenues that can offset future municipal tax increases
>
> Now Therefore Be It Resolved that staff be requested to investigate the ability for these structure, objects and areas to be used as advertising revenue generating tools and that staff report on any restrictions to the implementation of this policy, such as restricting the creation of any structure that may obstruct views and restricting any advertisements on the waterfront, and that the revenue generated from such advertising be used for hub trail maintenance, the maintenance of other walkways and the

development of new such trails or walkways in order to reduce any future municipal tax increases.

**Analysis**

Staff from Community Services, Parks and Planning met to review the resolution. There were some concerns presented which were in alignment with a prior report on signage in the downtown core dated December 2, 2019, namely:

1. Aesthetics and impact to natural beauty of the area;
2. Competition with existing advertising;
3. Placement and type of signage.

City staff have contacted other municipalities to investigate how City assets are utilized in terms of advertising and have confirmed the following:

| | Ads on City Park Benches | Ads at City Bus Stops |
|---|---|---|
| **Sudbury** | • **No** | • **No** |
| **Timmins** | • **No** | • **Yes**<br>• Shelter & benches<br>• Third Party |
| **North Bay** | • **No** | • **Yes**<br>• Transit benches<br>• Third Party |
| **Thunder Bay** | • **No** | • **Yes**<br>• Shelter & benches<br>• Third party |
| **London** | • **No** | • **Yes**<br>• Shelter & benches<br>• Third party |

A survey was conducted by Planning to gain public input (Appendix A). 376 respondents completed the survey. The majority of respondents (84%) stated that they did not want to see advertising on public property or along the Hub Trail. 77% of respondents said they used the Hub trail on at least a monthly basis.

Current advertising methods in place within the municipality:

*Transit Services*

- Bus advertising contract with Northern Transit and Arena Advertising Agency
  - Five (5) year term expiring February 28, 2029 (2-year extension clause)
  - $64,000 per year ($320,000 for term)
  - In addition to licencing fee 5% of the Company's annual gross billings

*Community Centres*

- GFL Memorial Gardens (In partnership with the Soo Greyhounds). Advertising amounted to approximately $410,000 for the 2023/24 season of which the City shared in 10% (approximately $41,000 to the City).
- John Rhodes Arena #1 – rink board and wall advertising
- John Rhodes Arena #2 – rink board, wall and lobby advertising (partnership with the Soo Thunderbirds-City shares in 10%).
- Northern Community Centre Arena #1 – rink board, wall and lobby advertising (partnership with Sault College-City shares in 10%).
- Northern Community Centre Arena #2 – rink board and wall advertising
- Pool advertising

*Parks*

- Naming or re-naming of Parks and Sports Complexes or Facilities within City-Owned and Operated Parks and Sports Complexes Policy
- Adopt-a-Park – New Policy

Future Advertising Opportunities:

- Screens redeployed from GFL Memorial Gardens clock to John Rhodes Community Centre and Northern Community Centre;
- On-demand transit app powered by VIA;
- Mobile payment app powered by Passport Inc.;
- Bus bench and shelter advertising;
- Northern Community Centre – wall advertising (specific areas);
- Expand commemorative bench program to include covered picnic tables and trees;
- Introduction of a flowerbed sponsorship program.

Feedback noted below on this topic has remained consistent from City Departments.

**Planning** – A major goal when drafting Signs By-law 2017-35 was to reduce the overall ‘sign clutter’ in the community. Reducing off-site advertising and advertising within the public right of way (ROW) was viewed as an appropriate way of achieving this goal. The first draft of the by-law exempted any signage erected by the City (bus shelters, benches, etc.) from the by-law. The Sign By-law Committee made a conscious decision to remove this clause. At that time, the billboard industry was lobbying for more locations and aesthetic issues were raised with countless portable signs throughout the community. The Committee was of the opinion that it would not be fair to propose a more restrictive by-law, yet at the same time exempt the City. If the City were to start ‘off-site advertising’ upon structures within the ROW, such as benches and bus shelters, it is anticipated that there would be a backlash from the billboard and portable sign industries.

**Recreation and Culture** – Historically, the City has been very restrictive in parks locations and has only allowed the commemorative bench program. This is reflective of what is in practice in the five other municipalities that were contacted.

If reconsideration of this practice were to be undertaken, it should be brought to the Parks and Recreation Advisory Committee for further comment. Parks are a tangible reflection of the quality of life in a community and provide places for families and social groups to gather and play. They are designed for individuals of all ages and economic status, regardless of their ability to pay for access. Nature-based recreation fosters a better understanding and appreciation for all aspects of nature. Introduction of advertising signage into these spaces may affect the natural feel of space and intended experience of the user.

**Public Works** – Public Works supports the comments made by the Recreation and Culture and Planning Departments and has been committed to reducing sign pollution. Public Works is excited to move forward with the wayfinding project to provide a cleaner, more organized method of getting the message out to our Parks and Recreational space. In general, they do not recommend signage on benches, bus shelters, etc. Furthermore, most benches in parks do not have backs to advertise on, thus eliminating this as a current option.

Should Council decide to move forward with a pilot in park space for advertising the following is an option.

**Pilot Option – New Bench Advertising**
Bench advertising along defined areas of the Hub trail would provide for areas of rest and generate advertising dollars to reinvest into park amenities. A three-year commitment would be required which would include the cost of the bench and an annual fee. The up-front cost is approximately $2,000 for purchase and installation plus an annual fee of $2,000. The total received per bench would be $8,000 over three years which would offset $6,000 in operational costs.
The recommended areas to permit the signage are as follows:

1. Fort Creek Corridor to Third Line
2. Hospital Corridor
3. Northern Avenue to Finn Hill Corridor

Advertising is not being recommended in any of the seventy-eight parks or along the waterfront.

**Financial Implications**
Should the three-year pilot be approved, any incremental sales revenue and margin will be tracked. If there is a substantial change it would be reflected in future Operating budgets.

**Strategic Plan / Policy Impact / Climate Impact**
The recommendation supports the focus area of the Corporate Strategic Plan for 2021-2024 in several ways. It supports the Community Development and Partnership focus of Maximizing Economic Development and Investment with the commitment to maintain financial viability.

**Recommendation**

It is therefore recommended that Council take the following action:

Resolved that the report of the Deputy CAO of Community Development & Enterprise Services dated July 15, 2024 concerning Advertising Opportunities on the Hub Trail be received as information.

Respectfully submitted,

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

Appendix A

# Advertising on the Hub Trail

## Project Engagement

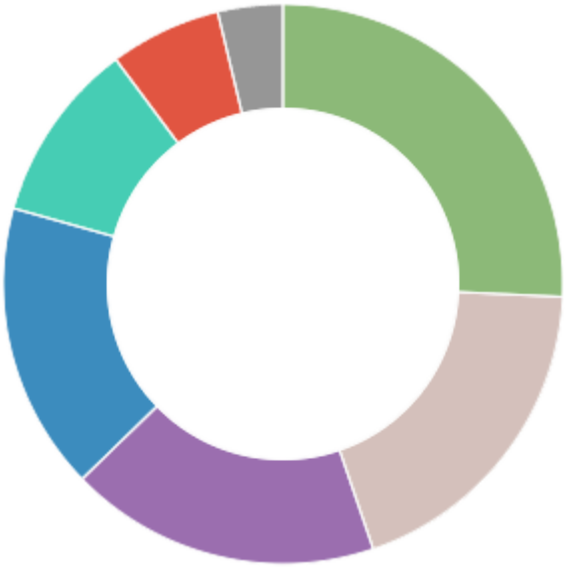
| VIEWS | PARTICIPANTS | RESPONSES | COMMENTS |
|---|---|---|---|
| 582 | 376 | 2,295 | 520 |

### * 1. Which of the following choices best describes you?




373 respondents

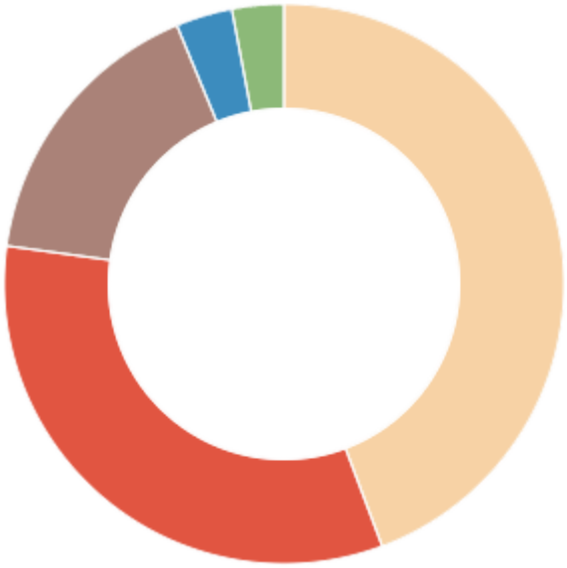
## 2. What is your age?



26 % **35-44**
19 % **25-34**
18 % **55-64**
17 % **45-54**
10 % **65+**
6% **18-24**
4% **Others**

373 respondents

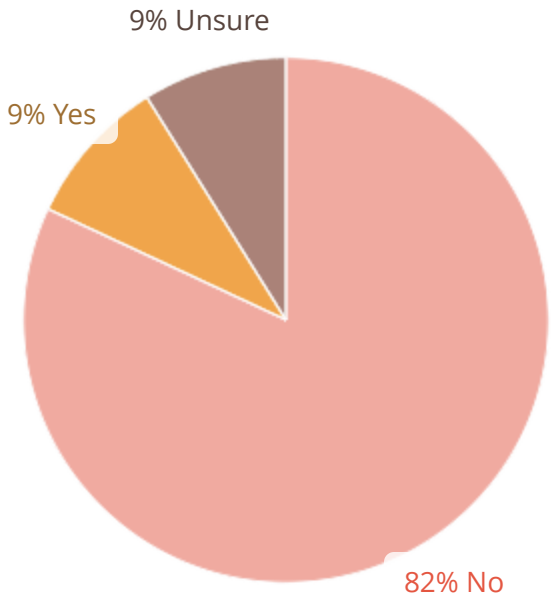
## * 3. How often do you use the Hub Trail?



44 % **At least weekly**
33 % **At least monthly**
17 % **At least once per year**
3% **I never use the Hub Trail**
3% **Less than once per year**

368 respondents

## * 4. Do you feel that allowing advertisements on Public property along the Hub Trail is a good way for the City to generate revenue?




360 respondents

The natural beauty of the trail will be spoiled.

37 minutes ago

One of the claims to fame for our city is the beautiful nature that surrounds us. You put restrictions on those black advertising road signs, why on earth would you now allow advertising to invade these green spaces?

45 minutes ago

It will spoil the natural beauty that is intended to be enjoyed

11 hours ago

Using the city's green space as an advertising venue is idiotic and I would be very interested to see how much revenue could be realistically generated over time based on similar "investments" in other municipalities. Green spaces should be free of advertisement of any sort.

18 hours ago

Advertising will ruin the natural beauty and take away the peacefulness that comes with being in nature.

19 hours ago

keep it natural - if anything is put up, make it informative regarding the natural habitat that is around the hub trail. no advertising.

20 hours ago

The natural beauty of the hub trail is one of it major attractions. People are bombarded with advertising on a daily basis. This is a place to get away from that bombardment and be at peace with yourself and nature

20 hours ago

Let's light up the woods, let's have vehicles on the trail to change the ads, let's block the nature beauty with an ad. Is there a problem with appreciating natural beauty without business being involved. I am un shock. Maybe we could put billboards blocking the view of the river from the boardwalk or along the shores of Lake Superior or all through Hiawatha Park. Ridiculous. So is this idea.

20 hours ago

Green natural space is meant to stay green and natural. Filling this space with advertisements is peak consumerism attacking the nature of what makes the trails worth walking.

No advertisements are not a good way to generate income. Atleast not in public green spaces. Keep consumerism out of parks, public land and green spaces. That’s why they are beautiful. The calm of the natural environment.

2 days ago

It’s about nature not advertising

2 days ago

Who & what will the cost be to maintain it?

2 days ago

Advertising would be an eyesore. We draw people in with the natural beauty of SSM. Advertising would detract from that.

2 days ago

There’s too much advertising everywhere, and I suspect the revenue would be minimal and not worth degrading the trail for.

2 days ago

Leave it alone

2 days ago

This is supposed to be an outdoor, nature area. Advertising would take away from it’s natural state and environment.

2 days ago

People use the trail for scenery not to see advertisements.

2 days ago

Can nothing be left untouched? There's absolutely NO NEED WHEN THE HUB TRAIL GOES THROUGH OUR DOWNTOWN. Stop with this rubbish.

2 days ago

Why would anyone want to see advertisements on a nature trail? It completely defeats the purpose.

2 days ago

To even consider this you must be the most reprehensible type of person imaginable. I cannot fathom someone even tabling this.

2 days ago

It is supposed to be a place to enjoy the beauty
of nature in the city no one want to have advertisements while trying to enjoy nature

2 days ago

It is meant to be a peaceful green space why litter the landscape with more ads for stupid products. I want to see the landscape not stupid billboards

2 days ago

The city can get revenue elsewhere without cutting into scenery.

2 days ago

I feel the Hub Trail is a chance to get away from the noise, and advertising would ruin the experience.

2 days ago

I have used many multi-use trails all over Ontario and Michigan. Some really nice trails in Michigan use advertisers as a way to generate revenue to maintain and further beautify their trails.

2 days ago

No just no! Why does someone think this is a good idea?

3 days ago

The signs will be trashed as soon as you're done putting them up! Why have advertisements on a nature trail!

3 days ago

Leave nature alone

3 days ago

Natural green space doesn’t need advertising

3 days ago

Takes away from green space

3 days ago

Will council listen to residents for a change.

3 days ago

Advertising is not appropriate for a nature trail. Graffiti would be added in a day.

3 days ago

I believe there's a good chance the signs would be vandalized. Besides looking poor, the upkeep could be costly to repair and replace vandalized/broken signage.

3 days ago

Sure, you might generate some revenue, but you would upset a lot of people in the process. Awful idea.

3 days ago

The hub trail is for serenity while you walk putting up advertising signs would ruin that aspect. It also could get written on spray painted which makes the whole idea of a trail be nul and void

3 days ago

Advertisers will buy anything, but sometimes just because you can, doesn't mean you should.

3 days ago

It's a public space, not a commercial space. Keep the clutter away from the hub.

3 days ago

It's a nature trail enjoy the nature.Not advertising

4 days ago

Escape to nature and exercise includes escape from advertising and commercialism.

4 days ago

THIS IS THE MOST RIDICULOUS THING I HAVE EVER HEARD, DO NOT DO THIS. THIS CITY IS MAKING ME WANT TO RELOCATE MY YOUNG FAMILY OUT OF THIS CITY- PLEASE DON'T GIVE ME MORE REASONS TO WANT TO MOVE, THE LIST IS ALREADY GETTING LONG ENOUGH

4 days ago

absolutely not

4 days ago

It might be on public property, but it cheapens the experience of the Hub trail. I would hate to see it happen. There are numerous other public properties to advertise on. Leave the Hub trail alone.

4 days ago

It may spoil the beauty of the trail. Honestly, we want to get away from things when we're on the trail, not look at things to buy.

4 days ago

Seriously - you need an answer to this dumb idea?????????????

4 days ago

Having advertising would deter and distract from the natural scenery - the main draw of people using the hub trail. Quite frankly, it would make it ugly. Advertising would make it “busy” like city street. Preserve the nature, the reason why people live and visit here.

4 days ago

It should be left to natural beauty

4 days ago

Signs will likely be destroyed, leading to additional repetitive costs for the city.

4 days ago

Don’t destroy the beauty with advertisements

4 days ago

In a controlled way

4 days ago

The trail is not a place for advertising.

4 days ago

I go for walks along the trail to get away from that.

4 days ago

Enjoyment of the Hub Trail is largely due to the natural element of it. Please do not ruin the beauty of our natural area by polluting it with advertisements. Getting out into nature is a way to unplug from media - do not put it into the natural area.

4 days ago

Ruins the "nature" aspect of the trail. However, there may be some spots that it may not be so bad such as the urban spots downtown.

4 days ago

The hub trail is to be part of nature, not turned into the GFL memorial gardens that is just one big advertisement from wall to wall. The idea the city is even considering this is absurd. Must be Mr. Mayor or Councillor Caputos brain wave!

4 days ago

The hub trail is meant for relaxation, exercise, togetherness, meditation, and most of all nature! Please don't clutter with advertising!

5 days ago

Advertising along the hub trail creates distractions. People use the hub trail to go out in nature, not to look at ads. People will use the trail less, and the ads will have been for nothing

5 days ago

It may be a good way, as long as it is done in an unobtrusive way. Most of us use the trail to escape for a while. As a therapist, I can say that we absolutely need to preserve spaces where we can restore, with FEWER stressors and more nature. Maybe just in certain places, not all the way along?

5 days ago

I believe many trail users, including myself, utilize the trail as a way to relax and escape the business of day to day activities. The addition of advertising along the trail would take away from the relaxing and disconnecting aspect of enjoy the hub trail.

5 days ago

This is up there with some of the worst ideas I have ever heard.
The entire point of the hub trail is to allow residents a break from the urban feel and to provide a little piece of natural saupt ate Marie beauty.
If you want to ruin it, go ahead and allow ads to take over and watch more people leave town regularly for hikes outside of the city. I thought we wanted to encourage people to use the downtown but yet again city counsel gets in the way.

5 days ago

Leave nature walks as they are. It's an escape for me and others. Why be bombarded with advertising!!! Silliest idea ...

5 days ago

I think there are better ways and this is desperate and reaching out of desperation . Why would you place advertisements on a trail? I think we need better city representation

5 days ago

Bob

5 days ago

Please don't! We don't want ads there where we go to be near nature and not comercial ads

5 days ago

When I use the Hub Trail, I look forward to nature and honestly it allows for a healthy disconnect from all the stimulation including advertising. I am sure there are other ways to generate revenue.

5 days ago

It's a peaceful area in nature that would be ruined with advertisements.

5 days ago

Leave the hub trail to be a peaceful, nature friendly place

5 days ago

Leave nature alone. We walk to be mindful and rest our busy brains. Please let us continue to do that.

5 days ago

Sign sign everywhere a sign

5 days ago

Absolutely not! That's a good way to ruin a beautiful place

5 days ago

We used to be Naturally Gifted. Try continuing to embrace that old promo line and not clutter the landscape. This idea indicates a total lack of judgement.

5 days ago

It's supposed to be a trail where people escape the urban environment.

5 days ago

The Hub Trial is supposed to be a relaxing place of peace and an opportunity for residnts and visitors to appreciate our city in its natural setting. Advertisements will take away from this.

5 days ago

Believe advertising would clutter the environment the hub trail is preserving. We are fortunate to have this trail that allows solitude in the wilderness in areas and lovely, safe pathway through neighborhoods and downtown. Signage/advertising is a distraction.

5 days ago

I don't want advertising along what is supposed to be a step away from everyday life. When I go on the hub trail, I'm trying to get away from the 24/7 bombardement of ads every which way.

5 days ago

When I use.to visit the hub trail I went to see the beauty of nature it provides is with. Putting up advertisements would clutter the beautiful surroundings.

5 days ago

Looks cluttery and takes away from the whole idea and enjoyment of most of the hub trail being in nature.

5 days ago

Do not ruin our limited nature areas to be infiltrated by marketing. What an asinine idea.

5 days ago

You already have to dodge junkies while traveling 1/2 the hub trail. Let the people that are using the trail escape. It hurts the purpose of the trail to jam in advertisements. Also as a side note. They are just going to be defaced.

5 days ago

People go to nature to escape. Ads can be triggering, distracting, privy to vandalism etc.

5 days ago

no one wants to look at ads on a nature walk

5 days ago

it's too serene to ruin the aesthetic. let's leave this alone and preserve it's natural beauty. Advertise on dump trucks and city busses, on the walls of municipal buildings, but don't wreck nature for the sake of advertising. This is absolutely the worst idea I've heard in a while and I can't believe it got to the point of public input. Total waste of taxpayers dollars

5 days ago

I feel the Hub Trail should be left as a natural environment free of advertising clutter. Let people just enjoy nature and all that it has to offer, sounds , sights etc.

5 days ago

It’s visual pollution generated by consumeristic ideology. Niagara on the Lake has strict regulations for all signage and the city is so much pleasant because of it.

5 days ago

this is a public area, yes, however, it is recreational, not meant for advertising one's business. will encourage more grafetti and vandalism

5 days ago

This is a horrible idea. Adding advertising to beautiful outdoor areas would simply make them grotesque.

5 days ago

The hub trail is a great chance for residents to enjoy nature while exercising and/or getting where they need to go. Advertising would ruin the beautiful natural areas the trail passes through.

5 days ago

Terrible idea. We use the trail for enjoyment.

5 days ago

I go to the hub trail to enjoy its natural beauty. Advertising would surely ruin it all!

5 days ago

I go to be with nature not look at ads. I WILL NEVER GO AGAIN IF ADS ARE ADDED.

5 days ago

The Hub Trail is used to enjoy. No one wants advertising to ruin their enjoyment of nature. Just a bad idea!

5 days ago

The Hub Trail is used to enjoy. No one wants advertising to ruin their enjoy of nature. Just a bad idea!

5 days ago

The trail is meant to be a way to enjoy the natural beauty of our city. Advertising would spoil this experience. We are bombarded enough with advertising in many other ways.

5 days ago

You’re there to enjoy the walk and the surrounding. Not read advertising

5 days ago

The Hub Trail is about experiencing nature, beautiful scenery, etc. Having advertisements in the middle of that takes you right out of the experience. It's garish, it definitely does not belong there...it undermines the whole purpose of the Hub Trail, in my opinion.

5 days ago

Let people enjoy the outdoors. We get enough advertising every day we don't need it when we're trying to enjoy nature.

5 days ago

The hub trail allows me to get into nature to unwind and relax within city limits. Having advertisements along the trail will ruin the natural experience for me. The Hub Trail should continue to be a place for residents to relax and enjoy the many mental, physical, and emotional benefits time in nature brings, not a place for more exposure to the advertising we experience all throughout the city and on our phones.

5 days ago

We go to the hub trail to ESCAPE all that stuff. I feel like it's just asking for trouble. Start with ads and then what?! Stores along the hub?! Then trash and druggies, etc...i think like others have said it's a gross idea. We see enough ads EVERYWHERE!!!

6 days ago

My biggest concern would be the look and feel of the advertising. I'm all for finding revenue sources but the hub trail is one way for the public to connect with nature. Signage may take away from natures beauty.

6 days ago

Although I feel that the Hub Trail should be an opportunity to avoid the onslaught of advertising from various sources, designated areas that are outside of more "natural" stretches of trail is OK if revenue was to go back to the city, ideally earmarked to Hub Trail maintenance.

6 days ago

City could generate revenue however i feel that it would not generate a profit as it would succumb to vandals and graffiti, the upkeep and clean up would cost more than the income generated

6 days ago

The Hub Trail is where people go to connect with nature - relax and create healthy habits - there are plenty of places to advertise - this does not need to be on the trail!

6 days ago

I feel that it would totally commercialize a beautiful natural part of the city. People are out there enjoying the nature - they don't need the stress that advertising brings.

6 days ago

Let's keep it as natural as possible

6 days ago

People are using the Hub for piece of mind and to breath fresh air and clear their minds. We/myself do not need to be reminded every second of the day how to spend our money or shove advertisement in our face!! We have enough of it in the City and along Highways. Please consider letting the People and Visitors and Tourists seek the Beautiful Tranquil Moments we deserve and have at our back doors and leave Social Media(Media), Advertising out of the Bush(nature)!!! Let's not forget our other Nature's Beauty.....Animals!!

6 days ago

I like to enjoy the nature without distraction

6 days ago

Advertising is in direct contrast with the main purpose of the hub trail which is to be outdoors and away from devices and screens.

6 days ago

I prefer not to see advertisements when in the hub trail. People use that to walk, run, bike, etc. and use the hub trail to enjoy nature. Adversements are not a good idea. Also, some could be vandalized. The trail is beautiful and advertisements would take away from it.

6 days ago

I go on the hub trail to look at nature and get away from it all. I do not want to be bombarded by ads in yet another place in my life. I get enough of that on my phone and tv.

6 days ago

We walk the hub trail to be close to nature. Advertisements will ruin it. I would not support the businesses that ruin it.

6 days ago

I believe it should be “tastefully placed”. An appeal to the hub is that for its “nature”. By including advertisement, you were commercializing some thing that should be peaceful and tranquil, and take people out of the commercial life and put them into nature and activity.

6 days ago

The city should stop spending money on frivolous projects and it wouldn’t need to generate more revenue, unless we are using the money to buy them some common sense.

6 days ago

Intrusion on the natural environment

6 days ago

Leave Sault Ste. Marie “ naturally gifted”. Hub trail so beautiful in many areas with its natural beauty of trees, woodlands, etc. Artificial advertising and signage is distracting and just gross. Opens the trail to more unwanted vandalism. Definitely a bad and negligent idea!!!

6 days ago

you could make money some where else why ruin and beautiful spot for families too walk, the city can make money and do that somewhere else

6 days ago

Why ruin a good thing? Build a beautiful trail and destroy it for a dollar. The trail should be a place to get away from it all, relax and unwind. It also makes the city look desperate.

6 days ago

I see enough advertising throughout the city, i don't think it's necessary to pollute the hi trail with more signs

6 days ago

No. The Hub Trail is a place of solace, free from the bombardment of advertisements, social media and the commanding of my attention for profit.

6 days ago

This space is meant to showcase the natural beauty of SSM - advertisements would be completely counterintuitive to this. I imagine this would also come off as bad taste for tourists too. I would however, support sponsored mountain bike trails or hiking trails, as this is a common practice in other communities.

6 days ago

Are you literally kidding me?? Who's crazy idea is this?? The hub trail is a nature walk, run, cycle etc ESCAPE from the "noise" and stress of daily life, work, etc. We do not need to be bombarded with brainwashing advertisements when we are trying to relax, exercise or blow off steam. How ridiculous to even suggest such a contradictory use of the beloved hub trail. Talk about subliminal brainwashing all in the name of money!! Shame on you!!

6 days ago

just need a walk in plain nature, we are bombarded with ads daily everywhere

6 days ago

Because it's ridiculous. People don't go on the hub trail to see ads. They will be vandalized at the very least

6 days ago

I use the hub trail so I don't have to think about the constant bombardment of ads.

6 days ago

I think of the Hub Trail as a calming place to be in most areas. Don't need to see advertising along the way

6 days ago

Seriously I go to the bush to get away. Relax. Please don't do this. How are qe supposed to enjoy nature with advertising. I will also be contacting my city counselor .

6 days ago

I feel nature should be allowed to be enjoyed without marketing. It would take away from the natural beauty of enjoying the trail for what it is. It would also be distracting, and could limit space to pass to get around people on busy sections on the trail.

6 days ago

Cost to the city and people would just vandalize them

6 days ago

It feels like advertising would cheapen the outdoor experience. No other trail I've encountered anywhere has this on their trail systems

6 days ago

Generally No. Inability to manage type and extent of advertising inevitably leads to degradation of the visual environment.

6 days ago

We're constantly being advertised to. It's half the reason we go into the trails for a walk instead of the streets. Are you for real with this?! End it right now.

6 days ago

The Hub trail is unique and mostly a natural trail through nature. A place to get away from the cities hustle and bustle without having to leave the city.

6 days ago

Interfering with nature

6 days ago

Leave the advertising for out of the trails . It’s a getaway from the reality of life and how commercial life is .

6 days ago

Will junk it up.

6 days ago

It’s nature , that what it was made for.. natural areas in the city. No idea why this would even be an option for you to consider. Advertising on the hub trail is ridiculous.

6 days ago

I am on the trail to enjoy nature - not to view advertising. This notion is ridiculous

6 days ago

The city has an overspending problem on projects that are unnecessary.

6 days ago

Will make people not want to use the hub trail any longer and use other trails. They come to relax and enjoy nature this would destroy the scenery.

6 days ago

Absolutely not, you are defacing the natural scenery which is why people use the Hub Trail.

6 days ago

The hub trail for the most part is a beautiful peaceful place to get out and away from the hectic mess of life. We don’t need it polluted with ads. The city has lots of other ways it’s already generates revenue. It’s can put up ads in other locations.

6 days ago

People are bombarded with 500+ ads a day. Nature and trees lower your stress and rates of depression. Put ads along the trail at the risk of our mental health, which is already suffering due to not enough trees in the city! You go on the Hub Trail to zone out not to look at ads. And I'm a Realtor who would benefit from advertising there!! No way!!

6 days ago

I think if the signs are not sturdy then they will be vandalized and create garbage on the hub trail. It would depend on what the format of the advertising is. It would be a shame to see it trashed and garbage around when I go with my dogs several times a week.

6 days ago

No do not commercialize this property

6 days ago

there are other ways to generate revenue

6 days ago

I enjoy the hub trail because it is an escape into nature.

6 days ago

I prefer to not have billboards or advertising on the trail. Maybe an option is to have sponsors such as corporately sponsored treeplants to add variety to the trees?along the trail. Or, trail sections sponsored by businesses or organizations.

6 days ago

This feels inappropriate. The hub trail is a place to enjoy the outdoors, participate in physical activity and get away from daily stressors. We see adds in every other part of our day, we don't need to ruin this beautiful trail by including them here as well.

6 days ago

I get that it is a urban trail but also I use it to get away from the "clutter"

6 days ago

Destroys the peace of nature and wild spaces. The roads are packed with so many billboards you dont even have time to read them all. The hub trail is a peaceful break from that

6 days ago

I use the hub trail to relax, get away quickly from the city and enjoy nature. How are we suppose to enjoy nature if the hub trail is filled with billboards and advertisements??

6 days ago

We are subjected to marketing in so many areas of our life. It’s nice to have a break from consumerism while enjoying the outdoors and the hub trail.

6 days ago

People have enough to focus on while using the trails; other users, dogs, children, traffic, their own safety. Adding advertising and signs is an unwelcome distraction.

6 days ago

Advertising on the hub trail may foster a relationship of resentment between constant users. The advertising wouldn't complete it job.

6 days ago

Really? It’s supposed to be about nature/beauty, enjoying the city. Not advertising.

6 days ago

No - this will not be a significant source of revenue. There will be maintenance costs (graffiti removal) and a new staff activity of administering the advertising agreements. This will not have any significant impact on the levy.

6 days ago

The hub trail is supposed to be an escape, getting out and being active and being in nature. We don’t need advertising in our face every moment we get.

6 days ago

The whole purpose of the trail is to get away from nonsense like this. However, if it's too encourage visitors or residents to visit other historical or worthy sites within the city or Algoma region then it might be okay. But I don't want to see advertisements for Jack's chicken and fish or a new furniture store opening up.

6 days ago

No - we are sacrificing the beauty of our greenspaces for a miniscule potential of revenue.

6 days ago

Not on trails to read ads!!!! There to enjoy the outdoors.

6 days ago

I don't need to see more advertisements

6 days ago

on city property sure but not private pro

6 days ago

I don't see how advertising along the hub trail will drive any more traffic to the businesses being advertised. It would just be an eyesore. I use the hub trail to enjoy the outdoors and especially the less built up sections like third line, Finn hill, and Fort creek. Why would I want that interrupted by ads?? Cyclists will also likely be going too fast to read the ads anyway.

6 days ago

Because it's supposed to be a trail that shows the natural scenery of the city.

6 days ago

This is not the las vegas strip. It is canada, and we live around trees and nature that calms me when i'm anxious or nervous. I use the hubtrail to exercise and relax and imagine seeing an advertisement that is triggering for someone and the walk is no longer useful. I would have to go elsewhere, which defeats the purpose of the hub trail

6 days ago

We are surrounded my advertising. Let us view the natural environment when we are in the natural environment.

6 days ago

The hub trail is a space for the community to experience nature and all of the benefits that go along with it. Adding commercial advertising would counteract the entire purpose of the hub trail - absolutely do not support advertisements along the hub trail

6 days ago

Where would the proceeds go?

6 days ago

If you are for the environment….less is more. Stop spending money frivolously.

6 days ago

This is an appalling idea. The Hib trail is a chance to escape and relax. Not be bombarded with ads

6 days ago

Do you allow for it in public parks? No. The spaces is meant for tranquility and enjoyment of the outdoors. If we begin to advertise this will disrupt the whole point about creating this space.

6 days ago

Do not spoil the beauty of the trail with advertisements

6 days ago

Maybe it will generate revenue but it will take away from the peace of nature

6 days ago

It’s a nature walk
Not for advertising

6 days ago

I feel like the whole point in the Hub Trail is to reconnect with nature in the city. This legacy for John Rowswell will run the purpose of the trail. The city has been built up in the north end for years now. Use that space for advertising and leave the trail alone.

6 days ago

Im there to enjoy the watefront, or nature. I dont want to see ads or signage that will VERY likely get defaced and look like garbage within days of it being installed. Have them maybe at the openings of trails, but not throughout the trail. AND keep them maintained!! Otherwise, leave them off.

6 days ago

the hub trail is an escape in our city into nature don’t ruin that

6 days ago

People use the hub trail as a way to get a break from the daily grind of life. There is enough signage and advertising in this city. Leave the hub trail free from any advertising

6 days ago

We do not need to have advertisements along the trail. It would tarnish the tranquility many seek by utilizing the trail daily to go for walks or a bike ride to clear one’s head. It would become a distraction and an eyesore.

6 days ago

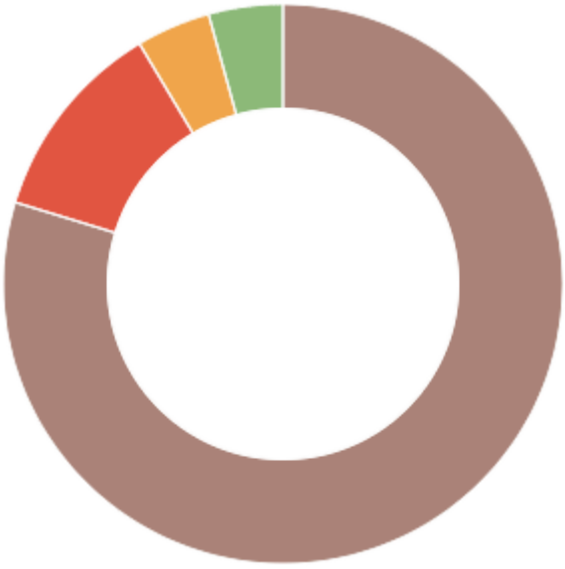
We use the hub trail to enjoy nature within our city. The adveraround town gets vandalized. I would not like to see graffiti on my walks or bike rides when we see enough just driving around our city.

6 days ago

I use the hub to disconnect and reconnect with nature . I don’t want to see billboards and company logos

6 days ago

## * 5. Do you support advertising along the Hub Trail?



- 80 % **No**
- 12 % **Yes, but only if ads are restricted to certain parts of the trail**
- 4% **Yes, anywhere along the trail**
- 4% **Unsure**

350 respondents

One of the claims to fame for our city is the beautiful nature that surrounds us. You put restrictions on those black advertising road signs, why on earth would you now allow advertising to invade these green spaces?

44 minutes ago

Green spaces should be free of advertisement of any sort. I would support finding cost-saving measures elsewhere in the municipal budget (ie abandonment of performative/politicized “diversity” committees, etc)

18 hours ago

No I don’t want to see adds when I’m out in nature

19 hours ago

For the same reason as above. People are bombarded with advertising elsewhere. People are going into nature to get away from the business of life and are going to relax, rejuvenate, get back to nature.

20 hours ago

See answer to question 5

20 hours ago

The hub trail is nature. Advertising would ruin it’s beauty.

2 days ago

See above, use your heads for a change?

2 days ago

Because this is a safe place for people to go and relax and enjoy and be peaceful and away from the perpetual inundation of advertising and consumerism.

2 days ago

Ads are everywhere we go now. The hub trails suppose to be a slice of nature within the city not to be littered with advertisements. There is so many other places to do this the hub trail needs to be keep scenic.

2 days ago

The people of the city rarely have areas to go and the youth hate the city as it is, this will force more people from going out more, being that people already see this city as unenjoyable and bleak as it is. Do not add adverts on what is supposed to be a great place to walk or bike.

2 days ago

I think messaging could be shown on the bus shelters, garbage cans etc.

2 days ago

Yes I support advertising along the Hub Trail only if the revenue is used for making the trails better/bigger and more attractive. I do not think that advertising along the Hub Trail should generate revenue for anything other than multi-use upkeep.

2 days ago

The entire purpose of the hub trail is to encourage physical activity in nature. An opportunity to connect with nature. I think adding ads is a horrible and tacky idea that will take that connection away

3 days ago

Visual pollution.

3 days ago

The hub trail is an excellent way to enjoy activities and nature within the city and ad signage would take away from that. If signs are vandalized it would also look terrible.

3 days ago

I use the Hub trail to unplug and disassociate with the stressors of daily life. Not to be inundated with ads. I would discontinue using the trails and utilize more walking/biking trails in areas outside the city.

3 days ago

The reason the HUB trails are so nice is because they highlight our best feature, the beautiful environment we live in. Work, live, play. If you blur those lines, it weakens the entire concept.

3 days ago

Part of the reason the hub trail is desirable is because it is an escape away from the city to see the beauty of the area. I would expect advertisements only in areas that are not “in nature” (e.g., hospital-stretch along third line, carmen’s way). If there are ads blocking your view of the nature in fort creek, that’s going to decrease nature part of the experience. At that point, I might as well use any sidewalk in the city because it will feel like it’s not untouched.

4 days ago

there is nothing i want less

4 days ago

Not in natural area - the last thing I want to see while walking in a wooded or natural area (eg Fort Creek section) is a freaking billboard sign.

4 days ago

It should not be obnoxious. No billboards please. Maybe small ads on the wayfinding markers, but no bigger please. No ads should be allowed to detract from the natural beauty of the trail. The idea is to "get away" when on the trail and to get in touch with nature, not be inundated with ads. Think about how obnoxious the rink side of the John Rhodes Arena looks like compared to the pool side.

4 days ago

Advertising does not belong in a spot where individuals are trying to escape to nature. It completely misses the point of having the trail in the first place.

4 days ago

I let you know where in the question below

4 days ago

I don't want to be bombarded with advertisements in nature. Do not ruin the environment.

4 days ago

Per above!

4 days ago

People use the hub trail as a nature escape, not to be bombarded with ads. Some things are best left NOT to be taken advantage of as a "business opportunity"

5 days ago

Downtown Boardwalk to help bring people to downtown businesses

5 days ago

This is up there with some of the worst ideas I have ever heard.
The entire point of the hub trail is to allow residents a break from the urban feel and to provide a little piece of natural saupt ate Marie beauty.
If you want to ruin it, go ahead and allow ads to take over and watch more people leave town regularly for hikes outside of the city. I thought we wanted to encourage people to use the downtown but yet again city counsel gets in the way.

5 days ago

They should be restricted from certain areas that require more focus, for example the Finn hill downhill section, as it may be a distraction in that particular location. aswell as overly large signs that obstruct the natural view in some of the more nature oriented areas, IE Fort creek sectoon

5 days ago

Only in areas that are not wooded areas. For example, no advertising in the fort creek area.

5 days ago

Not in the wooded natural areas.

5 days ago

Do not clutter up what is supposed be a relaxing place to walk, bike , run and be one with nature

5 days ago

Nature loses its impact when commodified

5 days ago

Not one bit

5 days ago

We're already inundated with advertising and information in all other aspects of our lives. Give our minds an opportunity for peace and rest.

5 days ago

no one wants to look at ads while trying to enjoy nature, would be very stupid

5 days ago

It's a place to enjoy nature and the beauty of the city! There is enough space other places to advertise.

5 days ago

Visual pollution degrades our public spaces.

5 days ago

Advertising would ruin the natural beauty of the trail and it's surroundings.

5 days ago

Because it's supposed to be a nature walk if i wanted to see ads id watch tv!!

5 days ago

It does not belong on the trail for my previously stated reasons.

5 days ago

Same answer as above: The Hub Trail is about experiencing nature, beautiful scenery, etc. Having advertisements in the middle of that takes you right out of the experience. It's garish, it definitely does not belong there...it undermines the whole purpose of the Hub Trail, in my opinion.

5 days ago

Same as my response to question 4. To repeat: The hub trail allows me to get into nature to unwind and relax within city limits. Having advertisements along the trail will ruin the natural experience for me. The Hub Trail should continue to be a place for residents to relax and enjoy the many mental, physical, and emotional benefits time in nature brings, not a place for more exposure to the advertising we experience all throughout the city and on our phones.

5 days ago

Garbage cans, benches, and bus shelters no free standing signage.

5 days ago

Its a terrible idea

6 days ago

Although I feel that the Hub Trail should be an opportunity to avoid the onslaught of advertising from various sources, designated areas that are outside of more "natural" stretches of trail is OK if revenue was to go back to the city, ideally earmarked to Hub Trail maintenance

6 days ago

Advertising along the way will take away the natural beauty of the scenery. Individuals in our community use the trail as part of a mindful getaway. They do not need advertising along the way.

6 days ago

We are bombarded with advertising in so many aspects of our lives, we need to be able to enjoy the hub trail as an “advertisement free” zone.

6 days ago

I believe we should enjoy the beautiful nature and animals that hide within it. Signage unfortunately will more than likely be damaged with vandalism. There are plenty of other spots to promote advertising like park entrances or bus stops

6 days ago

It will ruin the peaceful, back to nature feel. An eyesore.

6 days ago

Let us enjoy nature the way it was intended.

6 days ago

Not the place for advertising

6 days ago

Leave Sault Ste. Marie “naturally gifted”. The Hub Trail is so beautiful in many areas with its natural beauty of trees, woodlands etc. Artificial advertising in any form is distracting and just gross. It opens the trail to more unwanted vandalism. Definitely a bad and negligent idea.

6 days ago

the hub trail is supposed to fell like you are AWAY for the busy city, with signs all up. It will take away the beauty of the hub trail and make it more city. It will ruin the Beauty of it all!

6 days ago

Advertisements could take place on initial trail signage OR on maps for the hub trail, but should not exist anywhere else. Don’t ruin a good thing by slapping an advertisement on it.

You might also consider hosting an event or supporting an existing event that promotes the hub trail and then advertising could be sold linked to the event.

6 days ago

Again... it's a trail that people use to get away from ads. Waste of resources.

6 days ago

I could support certain parts of the trail having ads like along carmens way or across from lock city dairy, but would Like certain areas like fort creek, waterfront, and finn hill area kept more pristine

6 days ago

As stated in number 4

6 days ago

We do not go into the bush and nature to be sold stuff. Stop it. Stop it right now. Hard pass.

6 days ago

Interferes with nature

6 days ago

We use this trail to enjoy nature. This is just more over saturation that we need not be encouraging.

6 days ago

No need to junk up the views on the trail with advertising. This is not the USA

6 days ago

At the entrance locations only

6 days ago

There are better spots for advertisements elsewhere. The boardwalk for example

6 days ago

Keep this beautiful natural space as intact and natural as possible. We are bombarded with advertising, text and images everywhere else. The intention of the trail is to get away from all of this and enjoy the beauty of our natural surroundings!

6 days ago

absolutely not

6 days ago

No the hub trail is a place of peace and beauty, not a billboard.

6 days ago

People are bombarded with 500+ ads a day. Nature and trees lower your stress and rates of depression. Put ads along the trail at the risk of our mental health, which is already suffering due to not enough trees in the city! You go on the Hub Trail to zone out not to look at ads. And I'm a Realtor who would benefit from advertising there!! No way!!

6 days ago

Same as above. It would need to be a good plan for it to work.

6 days ago

The hub trail is a glorious urban connection with nature…I support advertising for revenue generation but it should not be on the green sections of the trail!!

6 days ago

No, because it is a haven of nature in the city. Let's keep it that way

6 days ago

As above

6 days ago

I want to enjoy my walks in peace. I want to see the trees and the flowers and mushrooms. The birds and squirrels. I dont want to see WE HAVE THE MEATS! Everywhere

6 days ago

If the hub trail promotes advertising a lot of people are going to stop using it all together.

6 days ago

I don’t agree with marketing all over natural areas used for recreation

6 days ago

Most people I know, including myself, choose to use places like the hub trail to escape from being inundated with signs, information and ads. Advertising in natural spaces is detrimental to our mental health.

6 days ago

The hub trail is a beautiful way to enjoy nature, do we really need to be bombarded with ads when we're trying to enjoy nature? The hub trail is an escape from everyday life, and you're gonna take that away by pulling us back into the consumerism society of our daily lives?

6 days ago

Only in parts that are in town near business areas nowhere near nature (fort creek, Finn hill) or the residential area stretches

6 days ago

Not along the woodland areas. They should be left alone. I enjoy them as is.

6 days ago

Don’t have new spots for ads. Use existing spaces

6 days ago

The idea of filling our green spaces with advertisements is appalling to me. People choose the Hub Trail to enjoy time in nature, to exercise, and to disconnect from a world where we are already inundated with advertisements and images. People do not choose the Hub Trail to see which real estate agent can afford the largest mugshot.

6 days ago

Same response as above

6 days ago

See previous comment. It's not where the content is but what type of content is being proposed.

6 days ago

See previous comment. It's not where, but the content.

6 days ago

See above. Keep our green spaces green!

6 days ago

There to enjoy trails not to read ads!!!

6 days ago

Please do not ruin the natural beauty of the hub trail with advertisements

6 days ago

We walk the hub trail to enjoy nature within the city... NOT to be forced fed adds.

6 days ago

We're bombarded with enough advertising every single day. We should be preserving opportunities to get a break.

6 days ago

My above answer answers this as well.

6 days ago

No, advertising with ruin the scenery

6 days ago

Absolutely not. We are forced in our every day lives to see advertising. Lets not add to that

6 days ago

Parking lots, start of trail, not throughout, will take away from our natural beauty.

6 days ago

As mentioned - I dins this idea appalling. The Hub trail is a great asset to the City. Don’t destroy it by marketing along it. What an incredibly horrible idea

6 days ago

Not an appropriate venue

6 days ago

We're barraged with advertising all day as it is. Let us have some peace from it on the hub trail.

6 days ago

The last thing we need is further commercialization of our minimal green spaces. Nobody wants to see it if they're walking through somewhere like Fort Creek or near Finn Hill, and I'm sure residents don't want ads in front of their houses on those parts of the Hub Trail.

6 days ago

Should be limited to existing sign posts. Otherwise could be a sponsorship- ie if a company chose to sponsor additional facilities such as water bottle refill stations, bike repair stations, or washrooms

6 days ago

Keep them in the more urban locations so as not to ruin the feel of fort creek etc.

6 days ago

I would recommend adverting at the head of the trails (parking lot etc) but not on the trail. The whole point of these trails is to enjoy nature so I would not want to see advertisements. Plus signage would need to be erected and affect the local wildlife.

6 days ago

Urban portions only. Serene, wooded, and remote parts have no need for an advertisement. There would be opportunities along more urban portions of the trail, like downtown and near roadways

6 days ago

Only the non scenic sections. No one wants to be taking a beautiful bike ride through the forest and be bombarded with advertisements

6 days ago

you'll ruin the nature

6 days ago

See aforementioned comment. In addition, any installations along the trail that would be of any value could be the introduction of information/history pedestals, like the ones that were recently installed along the trails on Whitefish Island.

6 days ago

## * 6. In your opinion, what are the most appropriate spots for advertisements along the Hub Trail? Select all that apply:




327 Respondents

## 7. Do you have any other comments or feedback regarding advertising along the Hub Trail?

Benches should be placed in appropriate areas along the trail for resting spot. And a lot of them too..

38 minutes ago

The Hub Trail was developed to help residents and visitors have a healthy option in the city for body, mind and spirit ~ why are we suggesting to move away from that with clutter of advertising? Medical professionals suggest to immerse yourself in nature where you can ~ if we fill the nature we have with more marketing and advertising how will we ever get a rest from it? Once it starts when do the guidelines get blurred and expand? I understand revenue is extremely important ~ but so is a chance to have a place the mind can rest.

an hour ago

No

11 hours ago

Find other revenue generation measures. Green spaces do not need corporate propaganda.

18 hours ago

As per mentioned above

19 hours ago

the only signage that should he there are directional, informative for distance, safety issues, and information about natural environment along the hub trail

20 hours ago

Don’t do it

20 hours ago

This is a proposal with no merit.

20 hours ago

NO. NO. NO. you keep talking about our natural beauty and then want to junk it up, with advertising?! A resounding NO! Leave the beauty of our natural bounty alone.

23 hours ago

Dont do it!

yesterday

Keep green spaces geeen and natural. The environment is beautiful on its own.

2 days ago

Maintenance COSTS

2 days ago

I think there are many other opportunities within the city and through social media to advertise. It would take from the beautiful experience if you put ads up along the hub trail.

2 days ago

I think without ads makes it more relaxing.

2 days ago

Against advertising there.

2 days ago

Ads do not need to be placed everywhere to drum up revenue. If the city focused on our actual issues we would have an easier time gaining tourism.

2 days ago

Leave what outdoor beauty is left without commercializing it

2 days ago

This should not have even been considered. Use the brains, you’re being paid to have useful thoughts!

2 days ago

We're bombarded with advertising literally everywhere else in our daily lives. Leave the Hub Trail alone.

2 days ago

Do. Not.

2 days ago

Keep the hub trail free from advertisements

2 days ago

If I see an advertisement on the hub trail
I will
Make a point of not to buy that product or service for there are plenty of other spaces to advertise them the beautiful scenery of the hub trail.

2 days ago

I do agree with looking for opportunities to generate revenue but not in this way.

2 days ago

Please use revenue generated to further the trail system we have!! It would be great to have the trails kept in great condition and have some water fountains and solitary bike repair stations along the way.

2 days ago

.

3 days ago

Just don't do it!

3 days ago

No just no!

3 days ago

No

3 days ago

No

3 days ago

Any messaging put along the trail should be encouraging and supportive of being active, social and spending time in nature.

3 days ago

I think that a separate wayfinding type document (paper and or electronic map and or pdf and or digital download ) where businesses can buy in to advertise their services for Hub Trail users from out of town would be good. It would be great for local businesses to be able to advertise their services (like ice-cream) would be helpful- but not physical advertising on the trail.

3 days ago

The amount of revenue does not offset the tackiness of the idea.

3 days ago

No further comments

3 days ago

No nothing

3 days ago

Do not put signs up on the hub trail

3 days ago

This is a terrible idea. Yes, more money is always helpful, but not at the cost of weakening one of our best features.

3 days ago

get commercial advertising out of public spaces, including roads/lines of sight, parks, and rec centres. Public service messages would be fine. Get the city out of business and regressive policies that depend on generating revenue/profit.

3 days ago

Not a great idea

4 days ago

Homeless people are living in bush, at Hub Trail, get them into housing

4 days ago

If the city decides to put freestanding signs, I caution again putting these in natural areas. The beauty of going for a stroll on the hub trail in these spots is to experience the quiet that the Sault can bring. It personally increases my quality of life to have “escape pockets” of nature nearby. I think tainting this pocket could be a deterrent for future use.

4 days ago

Needs to be as non intrusive as possible

4 days ago

Worst idea i've ever heard

4 days ago

I think this is a pretty low risk id a to generate revenue! Good idea! Could we also maybe have some security somehow in the hubtrail? Myself and my family have been using the hub trail significantly less in the past two years due to scary encounters with undesirable individuals. I know that there isn't a silver bullet for this issue, but it really is a shame

4 days ago

Not a great idea

4 days ago

It is a horrible idea.

4 days ago

OMG - the City is trying to advertise itself as green and eco aware etc. and you think this would fall in line? How pathetic is this Council??????

4 days ago

Terrible that this is even being considered.

4 days ago

Those against it will be more inclined to answer. Those for it won't care to fill it out.

4 days ago

Please don't do that. Leave it as natural as possible.

4 days ago

Please nothing obnoxious. Don't ruin the beauty of the trail. Don't overwhelm us like the case of the rink side of the John Rhodes.

4 days ago

Rediculous to tarnish the pristine trails with manufactured ads that belong on billboards on main streets.

4 days ago

No.

4 days ago

Isn't the Hub Trail about nature?

4 days ago

It should be done so that there are not too many signs, put them on things that are already there, like trash cans, don't let signs block any of the scenery, which to me is more the point of the trail. It would also be nice to see a couple that were available for use by charities or nonprofits free of charge.

4 days ago

People want to use trails for peace and a break from ads.

4 days ago

Don’t do it. I say put them all I front of city hall.

4 days ago

Leave the advertisements out of the natural beauty of the Hub Trail!

4 days ago

Don't do it

4 days ago

nothing additional - I don't believe advertising is appropriate in a space that is designed for recreation and access to nature.

4 days ago

Not at this time.

4 days ago

Cannot believe this even came up as an option. This has to be a joke, right?

4 days ago

I don’t believe Mayor Roswell would approve. Advertising is clutter along a trail meant for leisure not business.

5 days ago

It's a silly idea to even propose!

5 days ago

Don't do it. It would be stupid.

5 days ago

Don’t do it!!

5 days ago

HARD NO to advertising anything anywhere on hub trail. It such a peaceful ride/ walk, mess up the view.

5 days ago

You are actually considering this…. This post on facebook is a real testament to to see how much you actually listen to community members.

5 days ago

The hub trail is one of the only places roller blades and roller skates can use comfortably. It's beautifully paved in many sections. It's much appreciated by skaters! Thank you and I hope to see more encouragement of locals and tourists skating our beautiful water front

5 days ago

No

5 days ago

No

5 days ago

City council do better . Seriously

5 days ago

I would expect portions of the revenue generated from hub trail advertising go into expanding the hub trail as well as provide additional amenities to the trail.

5 days ago

Put your advertising on your vacant downtown buildings, buses or on line. Leave the HubTrail to nature. Pristine and natural

5 days ago

Keep your advertising to buildings, buses and online. Leave the beautiful spaces the Hub Trail weaves through as they are. Nature, untouched, pristine

5 days ago

Don’t do that please!!!

5 days ago

Please do not consider this at all

5 days ago

It takes away from the natural beauty that the Hub is ment for

5 days ago

Not sure who raised this at Council but they are very badly advised

5 days ago

Do not ruin a good thing

5 days ago

Don’t ruin a good thing

5 days ago

Please don’t do it. I’m interested in the responses and what decision you make, taking into consideration, the public input.

5 days ago

.

5 days ago

Banish this and any other similar future concept. Review with staff the significance and meaning of The Hub Trail and that nature shouldn’t be defaced. Ask staff why the review was necessary and suggest they consider if they are in the right job.

5 days ago

It's a bad idea.

5 days ago

The Hub Trail is a wonderful way for many in our city, even those with mobility issues, to enjoy nature, peace and relaxation. The income generated from advertisements can't replace that feeling.

5 days ago

No

5 days ago

everywhere you look, there is advertising. Leave the hub trail as it is so people have the ability to have a short escape from advertising and let them enjoy nature. Mental health breaks are needed for people and constant stimulation from advertisements will not allow people to relax

5 days ago

What about having advertisments posted on the very white city hall building. A lot of empty space that could be used wisely here.

5 days ago

There is more than enough advertising throughout town, buses, etc. Leave the hub alone.

5 days ago

They will be vandalized.
Let people enjoy their nature walks and downtown strolls without being subjected to ads.

5 days ago

No. Totally against more signs for advertising!

5 days ago

Again, the fact that this even got to the public input portion is absurd. not one person at city hall vito'd this before it got this far? I'm actually more upset that you even asked for public input on this rather than just saying no. Absolutely ridiculous.

5 days ago

No

5 days ago

Put the same effort into making better use of the revenue we have. Keep our time in nature, natural.

5 days ago

Please don't do it. Leave advertising out of our natural spaces!

5 days ago

If you go to cities and countries that significantly limit all types of signage and advertising both on private and public lands, they are much more pleasant and attractive. Niagara on the Lake is a classic example.

5 days ago

I think this is a great option, especially if the raised funds go back to maintaining the trail/outdoor maintenance! Something cool to consider may be targeted content via gps tracker. People could scan a qr to turn it on and as they travel get notifications about things theyre seeing with fun facts (where norgoma was, the locks, st.marys, history of finn hill, etc) but as well local establishments can pay to have content pop up as they draw near ( eg. Youre near the waterfront centre try out paddle boarding, or youre coming up to montanas, 2 for 1 drinks today)

5 days ago

No

5 days ago

Just a bad idea all day long!

5 days ago

Keep the trail the way nature intended its already stupid cause its paved!!

5 days ago

For the love of nature, PLEASE DON'T DO IT!!!

5 days ago

PLEASE DON'T DO IT!

5 days ago

Worst idea ever.

5 days ago

Its maintenence needs to remain fully funded regardless of whether you sell out to corporate greed and advertise.

5 days ago

Please stop wasting time and effort on nonsense like this and clean up our city so that it is a safe and enjoyable place to live, work, play or visit.

5 days ago

My comments apply to both residents and tourists. If you want to go for a relaxing walk or bike ride, you don't expect to see advertising.

5 days ago

No

5 days ago

Just don't do it.

5 days ago

No

5 days ago

Make it classy and fit in with the setting.

5 days ago

My recommendation would be to make signage blend in with atmosphere.

5 days ago

BOOOOO

5 days ago

NO. Big BIG nope.

6 days ago

The only appropriate place it belongs is on the garbage. We get enough trash ads

6 days ago

No

6 days ago

The Hub Trail is where people go to connect with nature - relax and create healthy habits - there are plenty of places to advertise - this does not need to be on the trail!

6 days ago

The Hub trail is there to get away from things that are city based! A small connection with nature for a time of your day. Leave it alone.

6 days ago

Please it’s a beautiful tray cluttering up.

6 days ago

Give it a rest

6 days ago

Leave well enough alone, Please and Thank-You!! Our freedom in Nature!

6 days ago

The last thing we need is for more advertising, it engulfs us...tv...print...radio...road signs...what clutter. We can't let this scourge invade our remaining natural spaces. We are supposed to be "forest bathing" whilst on the hub trail. We are supposed to be connecting with nature. If you need revenue, put a toll on a busy road, or put a speed camera or two on Black Road....that'll generate far more revenue, from a deserving population of travel way users.

6 days ago

I don’t think the city should pursue this further.

6 days ago

I am very much against this invasion of natural settings. Good way to spoil it.

6 days ago

I really don't think this os a good idea. Please think of other ways to generate money for this city.

6 days ago

Please don't do this.

6 days ago

Please don't.

6 days ago

It will probably be a lot of work for not much revenue.

6 days ago

Stop spending money foolishly.

6 days ago

Pretty sure we don't need advertising on the "nature trails"... RIDICULOUS!!!

6 days ago

NO ADVERTISING ON HUB TRAIL!!!!

6 days ago

Don’t add signs that clutter up nature.

6 days ago

No advertising in nature!

6 days ago

The city is not supposed to be about making money. It's about providing services for it's constituents.

6 days ago

why ruin one of the only spots in sault ste marie by putting signs up, maybe stop spending all of the cities money on the crack heads and we would never have this problem

6 days ago

This is inappropriate for the trail. This is a way for ssm citizens to enjoy a tranquil experience in our beautiful city without being bombarded. Mental health is benefited by nature exposure and exercise and interestingly advertisements are shown to increase anxiety. It’s so unbelievable this is even in question.

6 days ago

No bright neon's signs or typical glaring ads. Minimal Creative advertising suited to the environment could be tolerated.

6 days ago

Enjoy the trail and keep it free of distraction.

6 days ago

I invite you to hike the trails in Coquitlam, Port Moody, The Braiden Powel in North Van, the tunnels in Hope. They are not polluted with sales gimmicks.

6 days ago

Advertising at any juncture along our Hub Trail is an I'll advised pursuit. It is an outright distraction from the natural beauty, and mental health benefits of it's vistas. Please keep it's pure and rugged natural landscapes, free from corporate and social agendas.

6 days ago

Ideally, sponsors should be connected somehow to the hub trail. Having something that is the opposite of being environmentally friendly would be a poor choice to approach for sponsorship for example.

6 days ago

Stop ruining what works and fix what is broken! Advertising on the hub trail is an invasion of peace and tranquility for the users!! You should be ashamed of yourselves to even bring this idea forward! It’s disgusting what you will come up with in order to generate money! How about coming up with ways to SAVE money or use tax dollars more responsibly? Leave the hub trail alone and let us enjoy it in the way it was intended—to get away from the hustle and bustle and the pressures of everyday life. Enough brainwashing and subliminal advertising as it is, I don’t want it while on a therapeutic walk or bike ride!

6 days ago

I am unable to use it due to mobility but strongly believe that a nature walk is more peaceful and calming than more advertising

6 days ago

Just no, it's meant to be a nature trail. Stop shoving consumerism down out throats

6 days ago

Ads need to fit into a city of ssm designed template / format

6 days ago

Advertising needs to be tasteful and similarly styled … from company to company … muted colours that blend into the natural surroundings… be present but not full of colours and loud … simple advertising

6 days ago

This is a stupid idea. Do better

6 days ago

The hub trail is about connecting with nature. Ads ruin the experience. This is my time away from the constant bombardement of ads

6 days ago

no

6 days ago

Unbelievable.

6 days ago

Please no.

6 days ago

Please don't. We are so overstimulated and bombarded with messages in this day and age. The trail offers a place for escape in the city. The is the purpose of the trail for many users is a place to clear your mind and take a break. Marketing will ruin that.

6 days ago

The advertising beats the purpose of the original idea for the hub trail

6 days ago

No further comments

6 days ago

No

6 days ago

There needs to be better signage at the bottom of McNabb and near the International bridge

6 days ago

Don't do this. Advertise on your building if you're that desperate for revenue, but don't ruin the nature trails.

6 days ago

If ads go ahead make sure they are restricted in size and location.

6 days ago

I like the trail for being able to see nature in town. Just don't wreck the portions of wilderness like Finn Hill, boardwalk, Fort Creek. No ads there.

6 days ago

I would like to see what the final outcome of this survey is when complete.

6 days ago

No ads please

6 days ago

Leave the trails as is .

6 days ago

This would be very disappointing

6 days ago

I dislike everything about this idea. I understand that it may bring in some extra money, but it is inappropriate. Perhaps we should be looking at wasteful spending and finding ways to curb it.

6 days ago

Who thought of this?

6 days ago

N/a

6 days ago

No no and no

6 days ago

Terrible idea

6 days ago

I think the trails in the woods should be left untouched as much as possible.

6 days ago

Maintain the hub trail as is. Don't ruin it via
Commercializing it.

6 days ago

No

6 days ago

The Hub Trail is a way to enjoy the city and mostly, the nature. People are there to take in the beauty, not look at unsightly advertisements!

6 days ago

I think there is a place for advertisement and that place is not where people go to be in nature for their mental and physical health.

6 days ago

The city doesn't need to generate revenue along the hub trail. You make well enough money every year. If you better budget the money your acquire, maybe you wouldn't need to suggest advertisements to make up for loss and misused funds.

6 days ago

It will destroy the nature vibe of Hub Trail. Then, it can be renamed to Hub Sidewalk.

6 days ago

It's a great idea for making money. It's a horrible idea for our health, and the beauty of our trails.

6 days ago

Do not deface the natural scenery of the Hub Trail with advertising

6 days ago

Perhaps using buildings where they are vandalized may be a better use for advertising. May also just be better for social media to be an advertising avenue.

6 days ago

No

6 days ago

Excellent revenue generating opportunity but again, be selective in the locations and leave the green spaces alone ie Fort Creek, Finn Hill sections etc…

6 days ago

no

6 days ago

No

6 days ago

Plenty of adverting through out city! I go on trail to connect with nature…not ads!!! I oppose!

6 days ago

As above.

6 days ago

Host more community fun days for fundraising. A field of boucy houses & the proceeds go to fixinh potholes & painting lines on the road. A food truck event. Car shows. Fill the parks with games like cornhole, bucket toss, egg races, shuffleboard, high jump, long jump; just a bunch of simple competition games that cost like $2 or $5 to join in & raise money that way. Engage the community, build trust and relationships & rapport. Dont just blindly advertise to them

6 days ago

Please don’t

6 days ago

This is a very bad idea. If this goes forward there will be many extremely disappointed people. The hub trail is a place for us to go to find refuge from the business and clutter of every day life. Please don’t ruin it by junking it up with ads.

6 days ago

If this is the starting point, where does it end? I don't want to see nature overcome by advertisements.

6 days ago

Solve the dogs off leash problem, solve the racing cyclist running walkers off the trail in a hail of obscenities, solve the litter problem - it's not like you don't have a list of other issues this trail could benefit from fixing. Get your heads out of your bums.

6 days ago

The Hub Trail is for walking, biking, etc. Added clutter with free-standing advertisements would ruin the natural environment.

6 days ago

The term “advertising” is vague. It would be helpful to know what sort of advertising is being considered. Free standing signage and Billboards - no. Signage on bus stops or benches in urban parts of the trail - maybe. And what is the benefit - where (what services / programs) would the revenue generated from this initiative support?

6 days ago

Honestly, I feel it would cheapen the whole experience/vibe

6 days ago

I don’t think there should be signs with ads along the Hub Trail. It would be tacky and you don’t usually see ads in municipal parks/trails. It could be a good idea to have places to put City news/notices. If ads were to be done, they would be best done through ads in maps or with directional signage from the Hub Trail to businesses (with the existing directional signage staying). People want to enjoy nature, they don’t want to see ads along the trail.

6 days ago

no

6 days ago

Don’t allow advertising. Very “tacky” like what Crimson Ridge has done not appealing. Keep the trail natural. Soon there will be no green spaces left if allowing all new development.

6 days ago

Please do not add free standing signs to NATURE! The last thing people suffering in this economy need is more push for capitalism. If signs are added to preexisting structures so be it. But there is no need to tarnish the beauty of the hub trail with more “stuff”

6 days ago

Don’t destroy our beautiful trails!

6 days ago

Do not put advertisements because it is like a nature walk

6 days ago

None - allow our green spaces to remain green spaces. Find other benches or methods to make a few inconsequential dollars.

6 days ago

fix parts of the fort creek area asphalt, lots of it is cracking it would be nice to see sections pulled out and re done in the future. maybe a better base before laying it again.

6 days ago

Definite no to advertising. Leave advertising to local businesses and highways

6 days ago

Who's the idiot that came up with this idea... moron. Don't do it.

6 days ago

Do not install any commercial advertising. If information is being put up along the hub trail it should be of value to the environment or socially impactful. Small information kiosks with helplines for IPV, Algoma environmental facts (how much forested land, types of vegation that is non invasive, invasive, areas to put up upcoming outdoor events, tourism related (non commercial)

I dont want to see ads for coca cola or Algoma Steel.

Appealing, informative signage/ kiosks that blend into the natural environment.

6 days ago

Parks and Natural spaces like the hub trail were created for enjoyment and healthy communities - advertising does not belong in these spaces

6 days ago

Don’t do it. It’s a dumb idea. Did you want it to look like the Las Vegas strip?

6 days ago

Perhaps raise funds for the Hub Trail by offering people the option to pay to put a memorial plaque ( small and tasteful) on a bench or oicnic table along the trail. This is very common in the parks in Vancouver BC

6 days ago

Strategically place washrooms at points for people to access.

6 days ago

.

6 days ago

If a company wishes to 'sponsor or adopt' a section of the hub trail, where they provide volunteer time to pick up garbage, perform minor maintenance work, etc. This would be appropriate for the specific section to have pedestrian scale signage that shares their logo.

6 days ago

On the fence about this one other than on benches etc - signage would take away from the natural beauty - I do the hub trail mainly in the fall and a few other times in summer on cooler days

6 days ago

Please don’t take away from the beauty of our trails.

Just like noise pollution, there is a such a things as visual pollution too

6 days ago

Put advertisements at bus shelters like everywhere else in the world. And use that money to fund more shelters, to protect people from the heat in the summer and the cold in the winter.

6 days ago

Advertising on already existing installments is acceptable to me as it does not interfere with the natural aesthetic of the hub trail as erecting new signage would.

6 days ago

Additional washrooms and water bottle refill stations would improve the Hub Trail experience and provide additional advertising/sponsorship opportunities

6 days ago

Funds should be put directly back into the trail (improvement, expansion and maintenance)

6 days ago

The hub trail for me is to enjoy the beautiful scenery not to be inundated with advertising!! We get enough of the EVERYWERE else. Can not wven see out of the city bus windows anymore cause of this.

6 days ago

how about interesting facts about the hub trail or points of interest along the trail and have that sign sponsored by a business?

6 days ago

The hub trial is for the enjoyment of the beautiful landscape not for the city to make money already cant see out of thw buses due to the over advertising wrap on them!!

6 days ago

Don't do it.

6 days ago

No.

6 days ago

N/A

6 days ago

Let us keep the one spot that allows us to enjoy nature without advertisements, graffiti and vandalism.

6 days ago

Advertising is fine but I suggest council or city hall employees ride the hub trail (especially those who have never done it) and see if they can follow it.

I've lived in the Soo for most of my life and the hub trail still confuses me. I know how to get around in the Soo using roads but when I attempt to do the entire hub trail, I seem to get lost, or unsure if I'm going off course the actual trail.

It's very poorly marked, those old brown signs have been faded by the sun, they don't stand out, and they're not even clear on where you're supposed to go.

The hub trail needs to be marked better, and sure, as some advertisements, as this may also confirm to riders or runners that they're on the right path. This will be especially helpful to new people trying the trail or new residents to the Soo.

The hub trail is a beautiful but underutilized part of our city. It would great to see the city even host a half marathon using the hub trail (if it was actually marked properly)

Thanks

6 days ago

No data to display...

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

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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Travis Anderson, Director Tourism and Community Development |
| DEPARTMENT: | Community Development and Enterprise Services |
| RE: | Tourism Development Fund Applications July 2024 |

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## Purpose

The purpose of this report is to provide recommendations to Council from 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:

- Develop quality tourism products and 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 Sault Ste. Marie.

Upon receipt of a TDF application, tourism staff review the application for eligibility and asseSault Ste. Marieent criteria and brings forth a recommendation 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 on an ongoing intake and are reviewed monthly at the Tourism Sault Ste. Marie Board of Directors meetings. Funds are expensed by the recipient and then claimed through the Tourism Development Fund after the completion of the event.

At the Tourism Sault Ste. Marie Board of Director's meeting held May 28, 2024, four applications were reviewed with the following recommendations:

1. Ermatinger Clergue National Historic Site – Tourism Growth Project $20,000
2. Sault Ste. Marie Cricket Club Soo North Cup $4,500
3. Sault Ste. Marie Airport Development Corporation – Canadian Demonstration Snowbird Squadron Airshow $18,000
4. Soo Minor Baseball Association – 9U Selects Provincial Championships $3500

At the Tourism Sault Ste. Marie Board of Director's meeting held June 18, 2024, one application was review with the following recommendation:

1. Entomica Insectarium $40,000

*Ermatinger Clergue National Historic Site – Tourism Growth Project*

The Ermatinger Clergue National Historic Site (ECNHS) offers a historical experience to visitors through the preservation and interpretation of significant artifacts and events throughout Sault Ste. Marie's history. The site includes attractions such as the Ermatinger Old Stone House, the Clergue Blockhouse, the Heritage Discovery Centre, heritage gardens, and a gift shop. By fostering dialogue and engaging visitors ECNHS creates an immersive atmosphere for visitors to experience the history of Sault Ste. Marie. The site attracts a variety of visitors through planned tourism itineraries, including bus tours, cruise ships, and group tours, resulting in a total visitation of 30,823 (~6,800 tourists) in 2023.

In 2023 the ECNHS completed a Digital Strategy with a goal to transform programming and operations in a more modern and relevant way. The strategy recommended the development of a standalone website as well as enhancing visitor experiences with digital and augmented exhibits and tours. Currently, the ECNHS does not have a stand-alone website and is not capable of accommodating the required needs to support visitors (ticket sales, itineraries, video, etc.).

To support the implementation the new Digital Strategy, in combination with additional tourism related projects, the ECNHS has applied to FedNor (Tourism Growth Projects) for funding. If successful in the funding, the ECNHS plans to:

- Create a new stand-alone website;
- Develop self guided tours/ content through innovative AI and QR coding;
- Install heating systems in seasonal buildings

with a goal to:

- Enhance ECNHS tourism product;

- Enhance visitor experience;
- Increase visitation resulting in increased economic activity.

Total funding required for the project is $255,000. Tourism Development funds are requested to meet the matching fund requirement of the applicant so that ECNHS can access federal funding.

In recognition of the positive impact the Ermatinger Clergue National Historic Site has on the local tourism industry the Board of Tourism Sault Ste. Marie passed the following resolution:

“Be it resolved that the Tourism Sault Ste. Marie Board of Directors recommend a contribution of $20,000 through the Tourism Development Fund – Product Development Stream to support the Ermatinger Clergue National Historic Site Product Development plan, a report be submitted to City Council for consideration and approval.”

*Sault Ste. Marie Cricket Club Soo North Cup*

The Sault Ste. Marie Cricket Club was established in 2013 with a goal to play the sport and bring together locals and newcomers to Sault Ste. Marie. The Club has seen continued growth and is an integral part of new resident attraction and promotion for the newcomer community. The Sault Ste. Marie cricket team has travelled across Northern Ontario competing in (and winning) multiple tournaments over past seasons. In 2023, the club participated in the Northern Ontario Cricket League bringing families from Thunder Bay, Timmins, North Bay and Sudbury to Sault Ste. Marie for gameplay. The success of the club and the league has inspired the Sault Ste. Marie Cricket Club to create the Soo North Cup, an annual cricket event within the regularly seven hosted league matches. The tournament is designed to attract teams from across Ontario to compete in Sault Ste. Marie. The event takes place over three days on June 14-16, 2024. There will be seven out-of-town teams competing and each team consists of 15-16 players plus family members/spectators.

Participants/ Visitation Projections

Based on registration and number of teams in the Northern league

Local: 80 participants + spectators
Regional:0
Ontario: 150 participants+ families and spectators (~350)
Canada: 0
USA: 0
Economic Impact (out of town visitation only)

350 out-of-town visitors x 3 days x $150 per person per day = $105,000

In recognition of the positive impact of the Soo North Cup and continued growth of the Sault Ste. Marie Cricket Club have on the local tourism industry the Board of Tourism Sault Ste. Marie passed the following resolution:

"Be it resolved that the Tourism Sault Ste. Marie Board of Directors recommend a contribution of $4,500 through the Tourism Development Fund – Conferences and Special Events Stream to support the growth of the Sault Ste. Marie Cricket Club and the Soo North Cup to be hosted June 14-16, 2024, and that a report be submitted to City Council for consideration and approval."

*Sault Ste. Marie Airport Development Corporation – Canadian Demonstration Snowbird Squadron Airshow*

The 2024 Canadian Airforce Snowbird Demonstration is an iconic symbol of Canadian aviation excellence. Serving as ambassadors of the Canadian Armed Forces (CAF), the CF Snowbirds showcase the high level of skill, professionalism, teamwork, discipline, and dedication inherent in the men and women of the CAF. Their performances inspire the pursuit of excellence throughout North America.

In early 2024 representatives from the CAF Snowbirds Demonstration Squadron reached out to the Sault Ste. Marie Airport Development Corporation, Sault College, and the City of Sault Ste. Marie to inform them of a cancellation in their program for the 2024 show season. This year marks the centennial anniversaries of both the Canadian Air Force and the Ontario Provincial Air Service (OPS) with OPS having deep roots in Sault Ste. Marie. These combined anniversaries present a unique occasion to commemorate aviation history. The proposed airshow, aligning with the annual Bushplane Days, will be a featured event for this special anniversary celebration scheduled for September 21, 2024. The show will take place downtown over the St. Mary's River providing visitors and locals with an incredible view of the aircrafts in formation along the waterfront.

Due to the significance of these centennial anniversaries, the strong connections to Sault Ste. Marie's aviation history, and the exposure generated by these celebrations, there is an excellent opportunity to attract out-of-town visitors and generate awareness of Sault Ste. Marie's role in aviation history.

The host Community is responsible for paying the following costs associated with the Airshow. No profit is generated by the Snowbirds.

Crew Accommodations: 30 hotel rooms x 3 nights @ $200 per night = $18,000

Transportation: Rental vehicles for pilots 13 cars @ $54.99 per day x 3 days = $2200

Rental cube van @ $110 per day x 3 days = $350

In recognition of the significance of the 100th Anniversary of the Ontario Provincial Air Service and the 100th Anniversary of the Canadian Airforce, Board of Tourism Sault Ste. Marie passed the following resolution:

"Be it resolved that the Tourism Sault Ste. Marie Board of Directors recommend a contribution of $18,000 through the Tourism Development Fund – Conferences and Special Events Stream to support the 2024 Snowbirds Demonstration Squadron Airshow on September 21st, 2024 and that a report be submitted to City Council for consideration and approval."

*Soo Minor Baseball Association- 9U Selects Provincial Championships*

The Ontario Baseball Association (OBA) has granted Soo Minor Baseball the rights to host the 9U Select Youth Provincial Championships at Sinclair Yards for a third consecutive year. This is a testament to the success of the previous tournaments, the local sporting organization, facilities and community. This event will bring an estimated 11 teams from Ontario to Sault Ste. Marie on Labour Day Weekend (August 30 – September 4, 2024). The OBA Provincial Tournaments are up for bid annually. Soo Minor Baseball has bid for and been awarded the event thus boosting recognition of the community and the sport of baseball in the North. The championship event is a double knockout tournament with the final four teams competing for the championship title. There are opening ceremonies on Friday including a colour guard, welcome speeches and honorary pitches.

Previous TDF Applications

2022
$3500
Projected attendance: 816
Actual attendance: 1,200
Projected visitors: 680
Actual visitors:1,100
Total Economic Impact $660,000

2023
$3,000
Projected attendance: 3,855
Actual attendance: 2,267
Projected visitors: 3,500
Actual visitors: 2,007
Total Economic Impact $1,204,000

Attendance Projections for 2024
Local: 262
Regional: 0
Ontario:2,005
Canada:0
USA:0
Total: 2,267

Economic Impact

2005 visitors x 3 days x $150 per person per day= $902,250

In recognition of the positive impact the Soo Minor Baseball Association – 9U Selects Provincial Championships will have on the local tourism industry the Board of Tourism Sault Ste. Marie passed the following resolution:

“Be it resolved that the Tourism Sault Ste. Marie Board of Directors recommend a contribution of $3,500 through the Tourism Development Fund – Conferences and

Special Events Stream to support the 9U Select Ontario Baseball Provincial Championships and that a report be submitted to City Council for consideration and approval."

*Entomica Insectarium*

Entomica, a not-for-profit charitable organization, is an insect-focused science centre and natural history museum, located in the Canadian Bushplane Heritage Centre (Bushplane). Founded in in 2014, Entomica' s mission is to inspire and connect visitors of all ages with science and nature through education and community outreach programs, events, and interactive experiences. The organization promotes tourism, education appreciation, conservation, and preservation of biodiversity. In 2023 Entomica reported 32,000+ visitors including 6,300 students. Entomica is one of four insectariums in Canada, and the first Federally approved to move exotic insects outside of their secure location.

Entomica has had a challenging road to financial sustainability, attempting to address annual financial shortfalls by applying for numerous grants; however, the grants are typically short-term in nature, providing only temporary relief. In 2023, staff worked with Entomica to prepare an application to Tourism Sault Ste. Marie (TSSM) to assist with 2023 operations. TSSM granted Entomica $75,000 to assist with operating costs and the hiring of one full-time manager for 2023. Despite the grant from TSSM, Entomica is projecting a $33,000 shortfall for 2024.

To help address the critical financial constraints of Entomica' s operations, the organization has entered into a one-year Management Agreement with the Canadian Bushplane Heritage Centre. The goal of the agreement is to streamline Entomica operations, improve partnering capability and pursue new and more consistent revenue streams. The new agreement will also assist Entomica with improving purchasing policies, ledger management, resource sharing and increased revenue through the CBHC partnership.

In recognition of the positive impact Entomica Insectarium has on the local tourism industry, the newly implemented Management Agreement with the Canadian Bushplane Heritage Museum and identified efforts to improve longer-term financial sustainability the Board of Tourism Sault Ste. Marie passed the following resolution:

"Be it resolved that the Tourism Sault Ste. Marie Board of Directors recommend a contribution of $40,000 through the Tourism Development Fund – Product Development Stream to support 2024 operations and staffing at Entomica Insectarium and a report be submitted to City Council for consideration and approval. Further be it resolved that this recommendation be conditional upon the signing of a Management Agreement between the Canadian Bushplane Heritage Centre and Entomica Insectarium as presented to the Board."

**Financial Implications**

No new funds would be required. The Tourism Development Fund currently has $550,324 uncommitted for the purposes of financial assistance within the tourism sector.

**Strategic Plan / Policy Impact / Climate Impact**

This item supports the Corporate Strategic Plans Focus Area:

- Community Development and Partnership focus of Maximizing Economic Development and 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 July 15, 2024 be received and that the recommendation of the Tourism Sault Ste. Marie Board of Directors to allocate $86,000 as detailed below be approved:

1. Ermatinger Clergue National Historic Site – Tourism Growth Project $20,000;

2. Sault Ste. Marie Cricket Club Soo North Cup $4,500;

3. Sault Ste. Marie Airport Development Corporation- Canadian Demonstration Snowbird Squadron Airshow $18,000;

4. Soo Minor Baseball Association – 9U Selects Provincial Championships $3,500;

5. Entomica Insectarium $40,000.

Respectfully submitted,

Travis Anderson
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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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Graham Atkinson, Manager of Business Development |
| DEPARTMENT: | Community Development and Enterprise Services |
| RE: | Ontario's North Economic Development Consortium Funding |

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## PURPOSE

The purpose of this report is to request Council approval to continue to support Ontario's North Economic Development Consortium (ONEDC) and implementation of the new Northern Ontario Revenue Accelerator Program.

## BACKGROUND

Since inception in 2005 the ONEDC Board of Directors has been made up of representatives from each of the five economic development organizations in the five large urban northern Ontario centres.

The mandate of Ontario's North Economic Development Consortium (ONEDC) is to create, promote, and implement economic development partnership between the Cities of North Bay, Timmins, Greater Sudbury, Thunder Bay and Sault Ste. Marie and other regional development organizations in northern Ontario. This project will build capacity and economic growth from a pan-Northern perspective.

ONEDC is establishing the Northern Ontario Revenue Accelerator Program (NORAP) which will be operated by the City of Greater Sudbury on behalf of ONEDC. Economic Development is requesting $7,000 per year (payable to ONEDC) for three years beginning August 2024 and concluding July 2027 for a total investment of $21,000. ONEDC is also seeking $10,000 in-kind support for program promotion and support. The $21,000 is being requested from the Community Development Fund – Economic Development Stream. In-kind support will be provided by Economic Development staff.

## ANALYSIS

In 2020 the City of Sault Ste Marie approved $26,000 ($8,666) per year for three years) in cash support for the Northern Ontario Exports Program – Phase 4, a pan-Northern collaborative initiative also delivered by the City of Greater Sudbury on behalf of Sault Ste Marie and Ontario's North Economic Development Consortium

(ONEDC). As a result of participation in NOEP, companies from Sault Ste Marie forecasted generation of $19M in new sales and creation of over 17 new jobs per the Phase 4 Northern Ontario Exports Program Results (2020-2024).

With the new NORAP program, small and medium enterprises (SMEs) will be supported through training and conditional contribution grants to accelerate and diversify their revenue growth. The grants and training provided will improve sales effectiveness and productivity and reduce barriers to entering new markets and supply chains. As a result, participating companies will expand their customer base, generate new revenue, and create jobs in communities across Northern Ontario.

While companies across Northern Ontario have unique business development needs and objectives, they are also impacted by the same sales-related skills shortages, capacity gaps, and under-investment in productivity tools. To encourage business growth and scaling, programming is required to support private sector investment in the training, skills and technologies best suited to accelerate revenue growth and diversification.

ONEDC has designed the NORAP program to address this gap and serve small and medium enterprises with the potential to grow.

The program is anticipated to deliver to the City:

- Minimum 10 companies supported over the term of the program;
- Grants to be awarded to Sault Ste Marie SME's – $250,000;
- Induced private sector spending $500,000;
- Minimum two in person training sessions providing training for up to 100 participants.

City of Sault Ste Marie participation is conditional on approval of funding by NOHFC and FedNor. Final applications have been submitted to both agencies.

The following resolution was passed at the July 3, 2024 Sault Ste. Marie Economic Development Corporation Board meeting:

Resolved that the EDC Board endorses the request from the ONEDC in the amount of $21,000 and recommends that city Council approve this request.

**FINANCIAL IMPLICATIONS**

The current balance of the Community Development Fund – Economic Development Stream is $746,298.

**STRATEGIC PLAN / POLICY IMPACT**

This project supports the Strategic Focus Area of Community Development by contributing to economic growth and training of small and medium size businesses in Sault Ste Marie.

**RECOMMENDATION**

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Business Development dated July 15, 2024 concerning Ontario’s North Economic Development Consortium (ONEDC) be received and that Council approve the investment of $21,000 total over three years through the Community Development Fund – Economic Development Stream to support ONEDC and the Northern Ontario Revenue Accelerator Program.

Respectfully submitted,

Graham Atkinson
Manager of Business Development
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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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Virginia McLeod, Manager of Recreation and Culture |
| DEPARTMENT: | Community Development and Enterprise Services |
| RE: | Arts and Culture Assistance Grant – Late Intake 2024 |

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## Purpose

The purpose of this report is to provide recommendations to City Council from the Cultural Vitality Committee for the distribution of the 2024 Community Development Fund, Arts and Culture Assistance stream grants for the late intake period.

## Background

The Community Development Fund, Arts and Culture Assistance grants stream was approved in 2021 and is commonly referred to as the Arts and Culture Assistance Program (ACAP). The total funding available annually is $104,500 which is divided between the two intake periods. The late intake for 2024 funding closed on April 2, 2024. The guidelines provide funding support in line with the priorities identified in the Community Culture Plan 2019-2024 to foster growth and development of the local arts and culture sector.

The Cultural Vitality Committee (CVC) on behalf of City Council evaluates the applications using the criteria outlined in the City's Arts and Culture Assistance Program guidelines and makes a recommendation to City Council for the distribution of the grant funds.

## Analysis

Twenty-four applications were received for the 2024 late intake period totalling $155,118.16. A summary of the applications is attached. The ACAP identifies four types of grants: project, operational, festival/event and cultural diversity or combination.

CVC members scored each of the applications out of 15 using one of the two evaluation rubrics, each have three assessment criteria:

Incorporated non-profits:
1. Organizational and financial health;
2. Artistic and/or cultural merit;
3. Community impact.

Unincorporated collective/individual:
1. Artistic and/or cultural merit;
2. Community impact;
3. Viability or project/activity.

The Cultural Vitality Committee met to review and assess the applications on five occasions; May 2, 2024, May 13, 2024, May 27, 2024, June 17, 2024 and June 24, 2024. The following resolutions were passed at the June 24, 2024 meeting:

Resolved that the Cultural Vitality Committee recommend to City Council the following grants for the 2024 Arts and Culture Assistance Program – Late Intake as follows:

Thinking Rock Community Arts – $5,000
Musical Comedy Guild – $5,000
Over the Rainbow Children's Entertainment – $3,050
Rebeka Herron – $2,452.52
Riley Greco – $2,439.29

Resolved that the Cultural Vitality Committee recommend to City Council the following grant for the 2024 Arts and Culture Assistance Program – Late Intake as follows:

Sault Blues Society – $1,726.19

Resolved that the Cultural Vitality Committee recommend to City Council the following grant for the 2024 Arts and Culture Assistance Program – Late Intake as follows:

Sault Potters Guild – $1,432

Resolved that the Cultural Vitality Committee recommend to City Council the following grant for the 2024 Arts and Culture Assistance Program – Late Intake as follows:

The Klub Community Centre – $5,000

**Financial Implications**
An amount of $104,500 is included in the Community Development Fund, Arts and Culture grants stream annual operating budget. A total of $78,299.77 will be distributed during the first intake and $26,100 is to be distributed during the second intake.

**Strategic Plan / Policy Impact / Climate Impact**
Corporate Strategic Plan Focus Area: Quality of Life – Promote, grow and support cultural activities identified in the cultural plan implementation as a key activity.

**Recommendation**
It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Recreation and Culture dated July 15, 2024, concerning 2024 Arts and Culture Assistance Program Grants Late Intake allocation of funds be approved as follows:

- Thinking Rock Community Arts – $5,000;
- Musical Comedy Guild – $5,000;
- Over the Rainbow Children's Entertainment – $3,050;
- Rebeka Herron – $2,452.52;
- Riley Greco – $2,439.29;
- Sault Blues Society – $1,726.19;
- Sault Potters Guild – $1,432;
- The Klub Community Centre – $5,000.

Respectfully submitted,

Virginia McLeod
Manager of Recreation and Culture
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# Arts and Culture Assistance Program Application Summaries

## Sault Film Festival

### Organization/Applicant Information:

This application details a 5th anniversary season for the Sault Film Festival, with signature events taking place August 7 & 21 as Sault Film Festival in the Park, and SFF event date of November 29-December 1, 2024. Events will be at the Grand Theatre, and partnerships have been developed that include the Queen of Hearts Club (Dennis Street).

### Activities/Programming Planned:

The applicant has added a gala event as a kickoff immediately before SFF in response to feedback. This event will welcome creators, sponsors and the public to enjoy a special evening together and an exciting preview of Sault Film Festival's 5th Anniversary. Creating a wonderful "book end" event, they will also be closing with a larger event featuring SFF award presentations.

SFF is honoured to continue the legacy of the former Shadows of the Mind Film Festival and will host two "SFF In the Park" at Bellevue Park this summer. SFF 5 will continue to offer a range of workshops, allowing local folks and attendees access to learning opportunities that would not otherwise be available. Dovetailing this, they will continue to build connections with other local artists and creators, including the theatre community, to develop the human infrastructure - and local opportunities - for folks to work in film

## Black Fly Jam

### Organization/Applicant Information:

Black Fly Jam is a 'not for profit' community events organization, presenting professional touring alternative and acoustic original live music concerts and performing arts for audiences in Sault Ste. Marie, Ontario. Their mandate is to provide the community with world class contemporary arts, within an intimate and convivial listening atmosphere, and to that ability they also provide an equally reciprocal arrangement for independent original performers.

Their goals include facilitating learning and educational opportunities; encouraging performers to offer school presentations and when applicable, workshops for other interested professional creators.

### Activities/Programming Planned:

Activities are anticipated to take place September 1st, 2024 - May 1st, 2025 – mostly at the Loft at the Algoma Conservatory of Music. The group does not present in December, or the months May-August.

## Sault Blues Society

**Organization/Applicant Information:**

The Sault Blues Society (SBS) is an incorporated not for profit group of Blues fans and musicians who work to keep the Blues happening in and around the Northern Ontario city of Sault Ste. Marie, Ontario Canada. They do their best to promote ALL Blues performances that happen in or near the Soo, and host 3 or 4 of their own featured events each year. They also present and or support at least one Blues music based fundraiser in each calendar year hiring great local musicians to be presented at the fundraiser. Every year the group recognizes one of their local Blues musicians at a featured presentation with the "Dedicated to the Blues Award" given to a recipient who has personally contributed in assisting the SBS with their musical presentations.

**Activities/Programming Planned:**

Activities slated to take place May 2, 2024- February 28, 2025. The event season is planned to include 6 separate events:

1. Miss Emily (May 2024)
2. Rotaryfest 2024 (July 2024)
3. Little Magic Sam Band (Oct 2024) TBD
4. Blues for Food (Dec 2024)
5. Secondary Fundraiser partnered with SSM Chamber of Commerce (Dec 2024)
6. Bon Soo 2025 (Feb 2025)

## Living Out Loud

**Organization/Applicant Information:**

Jessa Nisbett is a 42-year old woman multi-disciplinary artist of transgender experience with a primary focus on performing and media arts. For her live music shows she incorporates sounds that represent my past and present in Sault Ste. Marie. For 2023 she produced a track which sampled the locally iconic Station Mall 90's jingle which she played for audiences with rave reviews. For media arts she constructed a computer controlled light pyramid featuring 3 panels of art. For visual art she created a piece which represents my feelings of living as transgender in Sault Ste. Marie.

**Activities/Programming Planned:**

Sault Ste. Marie has a well-represented LGBTQIA+ community, however the applicant indicates a lack of social events to congregate and feel supported. The idea behind Living Out Loud! is to host social dance and community nights with a focus on the LGBTQIA+ and ally community. The plan is to make these events available with as low of a barrier to entry as possible. Keeping costs low means not renting equipment on a regular basis. As part of hosting these events the applicant will be providing their own sound system, lighting, performance equipment and most importantly their time for free. They also plan

to coordinate space that is free of charge at these events for LGBTQIA+ vendors to offer their products and have space for organizations to provide outreach information.
Successful implementation of Living Out Loud! with ANGELAZURA will mean ongoing social events occurring roughly every second month. The schedule would run June, August, October, December for 2024.

## Tea with Dee

**Organization/Applicant Information:**

Deanna Naveau is a multi-talented individual from the Mattagami First Nation, known for her roles as an Indigenous advocate, entrepreneur, and artist. With over 30 years of dedication to promoting Indigenous rights, Deanna has bridged cultural gaps and fostered understanding. As a gifted artist, she creatively expresses Indigenous perspectives and cultural heritage, using her artwork as a means to raise awareness and spark dialogue.

**Activities/Programming Planned:**

Recently, she launched the Indigenous podcast "Tea with Dee," engaging in insightful conversations about various Indigenous topics, showcasing her passion for dialogue and education.
Deanna Naveau's artwork primarily focuses on expressing Indigenous perspectives and cultural heritage. Through her art in various mediums, she aims to raise awareness about Indigenous issues, spark dialogue, and celebrate the rich traditions of Indigenous communities. Her pieces often convey themes such as identity, resilience, connection to the land, and the ongoing struggle for Indigenous rights and recognition. By capturing the essence of Indigenous experiences, Deanna's artwork serves as a powerful medium for storytelling and cultural expression. Activities would run June 2024-June 2025

## The Klub

**Organization/Applicant Information:**

The Klub’s vision is to support the diversity and vibrancy of the community by hosting inclusive and brave safe(r) spaces for connection, education, celebration, and wellness. They aim to foster a community where all individuals, regardless of sexual orientation, gender identity, or expression, feel valued, respected, and empowered.
Mission: At The KLUB, we nurture community pride, solidarity, and wellness by hosting public programs, events, and an inclusive and accessible gathering space for intergenerational 2SLGBTQIA+ community members and allies in Bawating (Sault Ste. Marie) and across the Algoma District. Through building bridges and connections, advocating for queer liberation, and promoting 2SLGBTQIA+ inclusion, acceptance, education, and advocacy, we strive to create a supportive and nurturing environment where everyone can thrive.

**Values**

Queer Liberation - We are committed to encouraging, uplifting, and celebrating the diverse identities within the 2SLGBTQIA+ community. Our events and programs promote queer liberation and empowerment, fostering a sense of pride and joy.

Inclusivity - We are dedicated to creating anti-racist, anti-oppressive, accessible, and accepting spaces where everyone feels welcome and valued. Our commitment to inclusivity extends to providing accessible programs and advocating for the rights and concerns of the 2SLGBTQIA+ community in local policy.

Accessible Space & Programs - We prioritize providing accessible, safe spaces for meeting and connecting, ensuring that everyone can participate fully in our programs and events.

Wellness - We are committed to empowering, strengthening, comforting, and supporting the physical, mental, emotional, and social wellness of the 2SLGBTQIA+ community. Through our programs and events, we promote queer/trans joy and foster a happier, healthier community.

**Activities/Programming Planned:**

Activities would take place June 1, 2024- July 15, 2024, at the Queen Street Klub location, Ponte Des Chenese and Roberta Bondar Pavilion or Downtown Plaza.

1. Beach Day and Canoeing with Thrive Tours:
2. Dance Class and Showcase with local artists and performers
3. Paint Night with Lucia LaFord
4. Lip Sync Battle

Overall, each activity contributes to the project's goals of fostering community pride, solidarity, and wellness by providing inclusive and engaging experiences that celebrate diversity and promote connection.

## Algoma Fall Festival (Algoma Arts Festival Association)

**Organization/Applicant Information:**

Algoma Arts Festival Association will is celebrating 52 years in 2024. AAFA is the producer and presenter of the Algoma Fall Festival, a multi-disciplinary arts celebration held each year in Sault Ste. Marie, Ontario, Canada in October. The Festival presents a range of programming that includes music, theatre, dance, literature, culinary arts and the visual arts. The Association also delivers the Festival of Learning; an extensive regional arts outreach and education program that had a positive impact on 5000 youth annually.

**Activities/Programming Planned:**

This year’s program will feature approximately 10 ticketed and 6 non ticketed events, 2024 programming will feature musical and artistic performances and also the return of iconic speaking series bringing authors and poets to the Algoma region.

The events will take place throughout the month of October 2024 and span across many venues which include: - The Machine Shop, The LOFT at the Algoma Conservatory of Music, The Pavilion at The Water Tower Inn. Other venues, including many schools as part of the classroom program are to be announced. Artists for the Fall of 2024 have not been announced and will be in the coming months.

## Over the Rainbow

**Organization/Applicant Information:**

The Sault Community Theatre Centre is mandated to provide community performance space for our citizens, and they are pleased to host Over the Rainbow Children's Entertainment Series in the community. The goal of Over the Rainbow Children's Theatre is to demonstrate the importance of arts in the lives of children and to provide a varied audience with an entertaining experience. This is the only program of its kind within our city and surrounding communities.

Over the Rainbow Children's Entertainment provides a five-show season. The variety of their programming consists of artistic productions created in Ontario, other provinces or territories or outside Canada. Their community engagement activities, including audience development and presenting opportunities to professional artists. By forming community partnerships that strengthen the contribution the arts make to community life the group is able to bring in variety and professional artistic presentations from outside the region.

**Activities/Programming Planned:**

Activities for the upcoming season are planned to take place September 15, 2024- June 15, 2025, at either the Sault Community Theatre Centre or Korah Collegiate Theatre locations. The 2024/25 season will include *Carnival of Animals, Evolution of B Boying, Circus Incognitus, Perruche, and Kattan and his Tam Tams.*

By forming many community partnerships with businesses and organizations within the community, Over The Rainbow strengthens the contributions and offerings that this type of arts programming brings to the members of this community.

They hope to reach their goals of increasing the number of passport holders (season ticket holders) and supplying a theatre experience to other community groups.

They are in negotiation with a media/graphic Designer who will help update their marketing strategy. The committee will be meeting to implement some of the following proposed changes which should help us achieve their goal:

1.Promotional Support
2. Website Redevelopment
3. Social Media Management
4. School Board Engagement
5. Video Creation

## Sault Theatre Workshop

**Organization/Applicant Information:**

This applicant has requested support under the operations stream. The Sault Theatre Workshop promotes and encourages participation in theatre, primarily drama.

Established in 1948, the Sault Theatre Workshop continues to present quality theatre in Sault Ste. Marie. Now in its 75th season, STW is proud to be a community theatre group, driven by passionate and creative volunteers. Their membership have a wealth of experience in the field and those who can train on how to use the Lights, Sound, Stage Management, Directing, Acting, Costumes, Prop Collection, Set Construction, Front of House duties, which includes canteen operation and greeting customers during show times. Volunteering with the Sault Theatre Workshop prepares participants for any future endeavor they might wish to undertake in the future.

**Activities/Programming Planned:**

The Sault Theatre Workshop has been presenting a four-to-five show seasons since 1948. They are an advocate of community theatre in Northern Ontario and throughout Ontario. Our audiences have always enjoyed the wide variety of theatre we provide, from Shakespeare, to dramas, to comedies, to melodramas and children's productions. They have also hosted many QUONTA Drama Festivals and Theatre Ontario Festivals, bringing the best of theatre to Sault Ste. Marie audiences. This provides training for our theatre community as well.

## Brendan Christie – Yellow Room Studios

**Organization/Applicant Information:**

Yellow Room Studios is an audio production, mixing and mastering business providing affordable services for new and emerging artists within Sault Ste. Marie and the surrounding area. The business aims to provide high quality audio production for artists of all genres allowing them to achieve professional sounding music and jump starting their musical careers. For new artists and bands, getting music to a professional level can be both stressful and expensive, causing many to give up on their dreams. With their help, musicians from this great city and around the country can get a foothold in the music industry without breaking the bank. Yellow Room Studios loves the musicians of our city, the music programs provided by our great schools, and wishes to help them take that next step.

**Activities/Programming Planned:**

Many artists in Sault Ste. Marie need to search out Mixing and Mastering services outside of our city which can be costly and time-consuming. By having a local business take care of these services we keep that money and the artist within our community. Secondly, professional sounding, radio-ready local music not only makes the artist happy but can

also foster a sense of local pride by those who hear it. Artists and listeners can see just how much talent our city truly holds. Beyond this, a third point would be that we can create further connections within the different arts of Sault Ste. Marie as professional music tends to require professional artwork, or video services to promote it.

## Piecing it Together Shows

**Organization/Applicant Information:**

Piecing It Together Shows wishes to incorporate as a non-profit and continue the work of Nicole Dyble and their business, Dryer Fire, presenting small and medium size culturally diverse, accessible, and sustainable live music programming featuring and supporting local and touring artists.

**Activities/Programming Planned:**

Dyble will take on the role of Executive / Artistic Director of the organization and recruit 3-5 individuals to become board members. An effort will be made to recruit a diverse board with youth, LGBTQ2S+, and BIPOC representation. In addition to establishing, branding, and promoting this new organization, PITS will run 8 small live music events at various venues in Sault Ste. Marie and a day long festival in Leeburn, Ontario, featuring a diverse selection of local and touring artists with a focus on BIPOC, LGBTQ2S+ representation and drawing on the contacts and booking history established by Nicole Dyble and Dryer Fire over the past decade Shows will be presented for a nominal admission fee or free of charge depending on funding. There is a list of programming that is confirmed or in the planning stages for the PITS 2024 concert season. PITS wishes to maintain working relationships with these entities. By the end of 2024, Piecing It Together Shows aims to be established as a nonprofit arts organization with an Executive/Artistic Director, board of 3 to 5, and 5 to 10 regular volunteers, present 9 small to medium size live music events in various venues, pay fair artist fees to 16 - 30 bands, ensembles, or solo musicians for performances, and engage at least 1000 people as audience members.

## Soolebrity Theatre

**Organization/Applicant Information:**

Soolebrity theatre aims to help you develop skills in acting and theatre to become more confident, social and flexible humans and contributing citizens. They are working to create an avenue where everyone can feel accepted and important.

**Activities/Programming Planned:**

Start date June 12 with an end June 14, 2024, at the Community Theatre Centre ‘Hilarity Ensues’. The group is planning a 3-day show where youth aged 6-18 will perform 3 one-act plays as well as various skits with the intent to establish as a legitimate local theatre group while entertaining audiences.

Local, tourism, and regional audiences are intended, seeking to reach 0-18 years of age demographics, approximately 251-500 audience members with 26-50 participants in running the show/festival.

## Musical Comedy Guild

**Organization/Applicant Information:**

The Musical Comedy Guild intends to provide the community-at-large with opportunities for developing interests in, and appreciation and knowledge of, all facets of musical theatre production. In addition to providing opportunities to training, developing, and promoting talent and interests, in performing in amateur musical theatre. Provide opportunities for developing and providing opportunities for developing and exercising skills involved in all aspects of directing and producing amateur theatre.

**Activities/Programming Planned:**

The Musical Comedy Guild of Sault Ste. Marie has experienced wear and tear and are not producing the same sound quality as they previously, when purchased in 2013 for the community to use (Soo Sings for Kids and The Northland Barbershop Chorus). The base of the microphones has experienced less wear and tear than the headset portion of the microphone. The organization is looking at purchasing new headsets for the existing microphones to ensure that the performances we produce are to the same standards from the last 60 plus years. These new headsets will help to ensure that sound quality increases as well as to help us keep up and meet with industry standards. Potential income has been eliminated due to past COVID restrictions and having a new location for volunteer to practice has caused trouble with finances. Assistance from the city would provide a stable year during which time we can rebuild our financial situation with ticket sales from two successful, large scale musical productions and providing excellent musical theatre entertainment for the good citizens of Sault Ste. Marie and area.

## Thinking Rock Community Arts

**Organization/Applicant Information:**

Based in Thessalon, Algoma District, Northern Ontario, we co-create art with and for the people living along the North Shore of Lake Huron to various First Nations and those in between. A team of artists and community members of Indigenous and settler descent who co-create spaces for dialogue, mutual understand and social change through community art projects.

This free and inclusive artistic programming invites people of all ages and backgrounds to reflect on the place they call home (as it was, is and might yet be). To learn more about what the invitation, the spaces they hold together and the ways we show up for each other can and must look like and bringing this understanding to grow the work. They believe that if these community art projects are created, relationships can be built across cultures.

**Activities/Programming Planned:**

The group is requesting funding in support of Thinking Rock Community Arts' 2024 community-engaged programming. This includes Interwoven: An Intergenerational Community Arts Project (which connects our community-engaged ways of working and Social Fabric themes to the powerful metaphor of interwovenness; together, we'll collaborate with artists within our geographic and creative communities to design, lead, deliver and evaluate [hybrid delivery] skill- and community-building, art and craft-based creative workshops over one year that will culminate in the production of a co-created community artwork, installed on our building, which reflects project learnings about interweaving); and in-person drop-ins (which bring people together for artful activities and collaboration on participatory art projects) that will take place in-person in Sault Ste. Marie and across Algoma.

As the only dedicated community arts organization serving the rural Algoma District, they act as community connectors, creating opportunities for people across the North Shore to participate in surfacing and artfully celebrating stories of the regional community. All programming is open to residents of Sault Ste. Marie and Algoma and is free of cost to participants of all nations, ages, backgrounds, abilities and identities.

## DJ Seith – Planet Rock

**Organization/Applicant Information:**

Planet Rock is hot! The combination of St. James' clever lyricism over production culled from Seith's dusty vinyl, peppered with a good helping of turntable cuts, is one that must be seen to be believed. Planet Rock loves pleasing crowds of all sizes and isn't afraid to let that shine through. Coming from the streets of outer space to rock-shock the boogie, this rap duo is rooted firmly in old school and will give you something to step to.

Performing arts, musical arts - Planet Rock has a large focus on live performance techniques culled from the history books of some of the greatest performances from the rich cultural history of hip-hop, which comes through in their electric shows meant to inspire community-building.

**Activities/Programming Planned:**

The applicant intends to have artwork created during 2024 for album with end goal being the release of a full album on vinyl and digital platforms for mid-2025.Currently working on re-recording of vocals with Unsalted Studios and have plans to work with Aaron Alessandrini to prepare album artwork.

## Handsome Sandwich

**Organization/Applicant Information:**

They are a local alternative rock band that has gained attention and support throughout both the city and province over the past three years. Their strategic objective is to continue expanding reach and fostering collaborations with local bands and artists, thereby contributing to the enrichment of the arts and tourism landscape in northern Ontario and Sault Ste. Marie. Their musical compositions speak to the local population and addresses real life difficulties that audiences can relate to.

**Activities/Programming Planned:**
Last year marked the release of their inaugural full-length album, which was warmly embraced by both our local community and online followers. This accomplishment afforded the band numerous performance opportunities at various shows and festivals, consequently amplifying our fan base and digital footprint. Encouraged by this success, they have resolved to sustain momentum by unveiling an EP featuring seven new original compositions. These 7 new songs portraits their evolution towards a more mature and refined band sound.
This forthcoming EP signifies Handsome Sandwich's second released record. Following the success of their debut full-length album, made possible through the same grant, they recognized its pivotal role in our artistic journey. The acclaim received from both the album and subsequent live performances prompted a collective determination to further their musical exploration. Consequently, they have chosen to return to the studio, this time at the Algoma Conservatory of Music, to craft and record their first EP.
After years of gradual self-investment, they hope to use this project to build a stronger economic footing with the long-term goal being sustainability. They plan to promote the EP in a similar manner as their first album, with strategic regional touring, which they hope will enhance their economic outlook while shining a light on the arts and culture of the community they are coming from.

## Joseph Kargiannakis - Singer-Songwriting Course for Underserved High School Students

**Organization/Applicant Information:** As an artist with a background in the musical arts, this applicant indicates that they offer a diverse skill set and extensive experience in various aspects of the industry. Proficient as a singer, songwriter, and pianist, they have dedicated themselves to honing their craft through years of practice and performance.
The applicants musical journey began in Sault Ste. Marie, where they cultivated a deep appreciation for the power of music, as a student of the Algoma Conservatory and as a music student at Algoma University. From composing; delivering performances; or teaching; they have consistently strived for excellence in all aspects of their artistic expression.

Based full-time in Sault Ste. Marie this applicant is eager to leverage their talents and experience to enrich the local cultural landscape. With a commitment to professionalism and artistic integrity, they look forward to collaborating with fellow musicians and contributing to the vibrant arts community in their hometown and beyond.

**Activities/Programming Planned:**

This project proposal seeks to address the gap of high school students having difficulty accessing extracurricular music lessons by offering a free specialized singer-songwriter course tailored to the needs of underserved students, providing them with a platform to explore their musical talents and develop essential skills in songwriting, singing, and performance.

- Develop a comprehensive curriculum tailored to the needs and interests of high school students, focusing on songwriting, vocal techniques, and performance skills.
- Implement the singer-songwriter course at Cases Music, a local music hub, providing a conducive learning environment equipped with necessary resources
- Offer a three-week course that covers fundamental aspects of songwriting, singing, and performance, free of charge to participants
- The curriculum will be carefully crafted to cater to the unique needs and interests of high school students, balancing theoretical knowledge with practical skills. It will include modules on: Song writing technique, Vocal training, Performance skills

## Kurt Stone – Mural Project

**Organization/Applicant Information:**

The artist describes their graffiti-style art as a celebration of urban culture, a vibrant tapestry woven into the fabric of the city streets. Through bold colors, intricate designs, and dynamic compositions, they transform mundane surfaces into captivating works of art. Whether painting on legal walls or reclaiming forgotten spaces, their aim is to inject color, creativity, and vitality into the urban landscape, exploring the intersections of art, culture, and identity, one spray at a time.

The intent is to paint the proposed wall with a dance of colors and shapes, a symphony of expression on a blank canvas of concrete. Each stroke of the spray can tell a story, from the rhythmic hiss of paint to the vibrant explosion of hues, transforming urban spaces into vibrant works of art.

As our environments reflect our inner worlds, the artist hopes to add to the space in a way that subtly adds to the space in a positive way.

**Activities/Programming Planned:**

Any good mural directly contributes to the development of arts, culture and heritage because public art can be seen by anyone for free. Even if the person isn't into art, it subconsciously influences them. depending on the art in a positive or negative way. The goal here is to make a positive impact with art. This mural will also hopefully make people begin a discussion on a multitude of topics, ranging from "What is art?" to "Does art really have an impact on a place".
Proposed wall – 79 Brock Street – The Country Way (large East white wall faces the plaza).

## Mike Naphan - Creaturehood

**Organization/Applicant Information:**

The core of the applicant's artistic goals is to continue the legacy of their two heroes: cosmologist and revered science educator Carl Sagan and Humanitas award-winning writer David Milch. From Sagan the applicant learned how to marry scientific literacy to spiritual fulfillment, and from Milch, that all stories should, on some level, express the secret oneness of all living things. Lastly, they want to share with the world the underappreciated beauty of North Ontario's geographic and geologic history.

**Activities/Programming Planned:**

This project in its fullest is a series of five (minimum) short films (30 sec - 2 mins each) edu-tainment video series. They are hosted and narrated by an animated moose of the applicant's creation (who first appeared in their 2009 short film 'XING'), voiced by Michael Naphan, and accompanied by various motion graphics and animation. Each video's topic is a resolution of understanding of our place on the Tree of Life, the Earth, the universe and existence. It will be told with wit and humour, and always with an eye toward how our future as a species depends on greater cooperation and understanding of ourselves. What will be delivered as a part of possible ACAP funding will be the FIVE animated shorts uploaded to Facebook, Instagram, TikTok and YouTube accounts. Videos will be posted on YouTube, Vimeo and a separate website. Postcards, links and posters will be distributed.

## Nick Luck - Music Recording, Distribution, and Community Engagement Project

**Organization/Applicant Information:**

As a composer, the applicant strives to create work that entertains and is dynamic. Their intent with sound is to uplift and celebrate community and create transformative songs, moods, and movements through precision, and form. Abstractly, to transfer and share the inspiration, which is passed through the artist, to the audience.

**Activities/Programming Planned:**

The project is to record and distribute original works by Nicholas Luck. The works include a Sault Ste. Marie downtown jingle as well as an EP of Songs. The works will be recorded at the Loft studio at the Conservatory. Local musicians will be contracted, and the music will be recorded and mixed at the Loft. A video and complimentary content will be prepared to assist in the promotion of the project.

- Applicant has selected audiences that are local, from the region, international and include tourists.
- The project will be promoted on the applicant's social media accounts and website, on video distributing websites and through the Algoma Conservatory of Music's social media accounts and website. Additional media releases will complement the performance announcements as well as release announcements. The downtown jingle will also be promoted via community and provincial organizations.

## Rebeka Herron – The Sharing Game

**Organization/Applicant Information:**

The applicant's mandate as a mixed-race Latina filmmaker is to create diverse and inclusive content that reflects my experiences and perspectives while amplifying marginalized voices in the film industry. With over 10 years of experience in the film and TV industry, her goal is to produce high-quality productions that challenge stereotypes and inspire positive social change. As an alumna of Capilano University's Motion Picture Program, Women in the Director' s Chair, and the Producers' Lab at the Canadian Film Centre, she brings a wealth of knowledge and expertise to her work. She is committed to pushing boundaries in storytelling, utilizing different formats and mediums to create unique and innovative content. The applicant's objective is to continue to grow and evolve as a filmmaker while fostering a supportive and inclusive environment for underrepresented creatives and produce content that elevates diverse perspectives and supports emerging talent.

**Activities/Programming Planned:**

The applicant will be creating a low budget romance/sci-fi experimental film about a man and woman enter the lab through separate doors. They sit face to face and answer a series of increasingly personal questions. Then they stared silently into each other 's eyes for four minutes. Six months later, the participants are married. The applicant will work with local actors, local film and theatre crew, post team will be done with Parka Pictures and all costs will be spent in the Sault. By creating this project, the applicant indicates that she will be able to further hone her skills as a writer/director and build more of my portfolio in YA/Adult content.

## Riley Greco – A Room Full of Flowers

**Organization/Applicant Information:**
Riley Greco is a female entrepreneur, florist and visual artist based in Northern Ontario. She has created art throughout her lifetime. Having obtained her Bachelor of Fine Arts from Algoma University in 2010, Riley has since received several Canadian artist grants, and exhibited her work within Northern Ontario and abroad. Her visual arts focus has been on large-scale, tactile and immersive paintings in which she manipulates both the medium as well as the canvas. Over the past decade, Riley honed the skills of a creative floral designer, and this blend of art forms has been a natural progression in her artistic career. The main discipline of focus is in the visual and public arts. Using a mix of organic materials, Riley's art places an emphasis on the temporal aspect of objects and beauty - ideally, evoking the sense of being present and in the moment for audiences.

**Activities/Programming Planned:**
The proposed event location for the floral art installation is the Downtown Plaza building. This is the ideal location for the installation because it is fully accessible, temperature controlled and is in a centralized location that sees high foot traffic from local and new visitors of all ages.

The proposed project is to create an immersive, week-long floral installation that will take place alongside Summer Moon festival. The idea for this project is to create a bright and colourful installation that can be enjoyed at any age. The proposed project will take place over the duration of one week (1 October - 7 October 2024).

Throughout the creation and installation of this work, the public is invited to come and watch the installation take shape, as well as take part in scheduled workshops that are aimed to spark creativity in making floral art using natural materials.

For the remaining three days of the installation, the space will be open to the public for enjoyment. There will be areas to sit in, paths to walk through where visitors will be encouraged to touch and smell the flowers.

The workshops throughout the week will be an interactive, educational experience with the goal of promoting creativity and further interest in the arts. The workshops will serve as an introduction to the world of floral design, and will also focus on the connection between art, creation and nature and how these activities can improve overall mental health and well-being. This project will also compliment the ethos of The Summer Moon Festival, which promotes and features the creation of large-scale public art combined with musical performances and professionally-led community programming that celebrates the city, making this installation and workshop project a natural fit during the festival's programming. Additionally, there are plans to collaborate with other local businesses and

organizations (i.e., nursing homes, senior activity centers, educational institutions, gyms and wellness centers and youth-oriented organizations) that will help promote the installation, as well as provide an opportunity for people of all ages and abilities to learn about and take part in the workshop portion. Additional collaborations between local organizations will take place in the lead up to the installation to encourage interest and promotion of the event.

## Sarah Skagen - “I Love You, You’re Nothing”

**Organization/Applicant Information:**

The applicant has indicated that the project acknowledges that Intimate Partner Violence as a current issue that plagues our society with negative impacts. Often the victim voices are silenced due to the requirement to maintain anonymity. During Fringe North 2024 a piece will be performed that is written by the applicant and performed by other community members in an effort to give these victims back their voices and to demonstrate to the community the impacts that IPV has on our society. Victims stories will be told in a safe, yet truthful way that will empower them but maintain their anonymity, and at least one mental health support will be available for the cast at all times.

## Sault Potters Guide – Air Purifier System Installation

**Organization/Applicant Information:**

The Sault Potters Guild is an evolving group of local ceramic artists established in 1969. They support an environment of learning and volunteering and have historically offered classes and workshops at various skill levels. Their work typically supports hand building and wheel throwing ceramic art and pottery as well as glaze making and kiln operations.

**Activities/Programming Planned:**

Within this application the group seeks a new air purifying system to assist in the removal of high levels of respiratory carcinogens. Through the installation of this equipment the group hopes to in turn offer more programming to community members.

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

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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Susan Hamilton Beach, P. Eng., Director of Public Works |
| DEPARTMENT: | Public Works and Engineering Services |
| RE: | Adopt-A-City-Property Policy |

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## Purpose

The purpose of this report is to update the Adopt-A-Park/Street process and provide a means for community groups and residents to adopt different types of public lands (ie. parks, streets, laneways, Hub Trail, etc.).

This policy, although having a much broader scope than the resolution, does hope to partially address the Council resolution dated June 13, 2022, which reads:

> *"Whereas City-owned and maintained laneways provide important access for properties immediately abutting them, for both owners and emergency vehicles; and*
>
> *Whereas litter, discarded drug paraphernalia and a lack of lighting are common neighbourhood concerns regarding many laneways; and*
>
> *Whereas Public Works does its best to respond to complaints in a reactive manner; and*
>
> *Whereas the City of Sault Ste. Marie has a Downtown Security Pilot program with security vehicles patrolling some downtown laneways;*
>
> *Now Therefore Be It Resolved that staff be requested to report on how a proactive system could be developed with relevant partners to ensure that laneways are clean, maintained and well lit, not just in downtown but across all neighbourhoods, including the James Street neighbourhood of the City."*

## Background

Historically, there has been an Adopt-A-Park and Street program, which allowed groups or residents to take on clean-up responsibilities for an area through an agreement approved by Council.

In more recent years, regular requests have been received for a wide variety of locations for clean-up efforts (i.e. parks, laneways, street boulevards, Hub Trail, etc.). Staff took to expand the parameters of the program in order to satisfy as many of the needs of the groups and the overall community. Often based on the past process, interested groups abandoned their project because the requirements were deemed too onerous for their organization.

**Analysis**

Upon completing some research, the City of Sarnia had a program in place that streamlined the application process and had a policy in place which seemed reasonable and yet comprehensive at the same time.

CDES, Legal and Public Works staff have collectively established a Sault Ste. Marie process to allow for the adoption of City property. A team leader will submit the application which will include the desired location for the clean up. The application will be assessed by Public Works staff and depending on which Division (i.e., Works or Parks) currently has maintenance responsibilities, the request will be reviewed and approved. A commitment of three years minimum is required with no less than two clean-up efforts per year planned.

A waiver and release form must be completed by each member participating in the clean-up for the team.

A sign will be erected by the City at an appropriate location on the site following the official adoption.

The Policy, Application Form, Waiver and Release, and Permit Terms and Conditions are attached to this report for review and approval.

Staff will work with Corporate Communications to ensure the City website details the new process and includes an application form for ease to commence the adoption.

Both Public Works and Parks will remain responsible for standard clean-up efforts of properties with those requests directed to 705-759-5201 at any time.

The resolution speaks to potential improvements in lighting etc. Any such recommended improvements will be estimated and brought forward at the time of budget deliberations.

This report seeks Council approval of a new Adopt-A-Property Policy and shall repeal all existing by-laws associated with historical agreements related to this matter.

**Financial Implications**

The topic of this report is an operational item; however, there is the ability of the community group or resident to make a donation to the Corporation within the

Policy that may be directed to offset the cost of parkland equipment. This would financially benefit the City in its effort to update existing park infrastructure.

**Strategic Plan / Policy Impact / Climate Impact**
The topic of this report establishes a process through a new policy, which will assist staff in the maintenance of existing infrastructure and properties throughout the City.

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 focus area of infrastructure, as it will assist in Maintaining Existing Infrastructure; and
- 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.

**Climate Impact:**

Relating to climate impact the Adopt-A-City Park aligns with the green spaces pillar of the City's Greenhouse Gas Reduction Plan. The program seeks to enhance quality of life of residents, while also supporting sustainability. In addition to supporting the need for increased resiliency including a growing interest in unstructured outdoor activities due to increased awareness and concern about climate change.

**Recommendation**
It is therefore recommended that Council take the following action:

Resolved that the report of the Director of Public Works dated July 15, 2024 concerning Adopt-A-City Property Policy be received and that the policy be approved.

The relevant By-law 2024-112 repealing By-laws 99-91 and 2011-170 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

Respectfully submitted,

Susan Hamilton Beach, P. Eng.
Director, Public Works
705.759.5207
s.hamiltonbeach@cityssm.on.ca

## PERMIT TERMS AND CONDITIONS

This Permit is granted subject to the following terms and conditions:

1. As Permit Holder, the City grants you and your Team and/or Organization as set out in the Permit the permission to Adopt the City Property as defined in the Permit (the "City Property") pursuant to The Corporation of the City of Sault Ste. Marie's Adopt-A-City-Property Policy (the "Policy").

2. As Permit Holder, you acknowledge you have read the Policy, you agree with the terms and conditions set out therein, and you agree to complete the "Adopt-A-City-Property Team Responsibilities" set out in the Policy. Further, you acknowledge that you and anyone participating under this Permit has completed the required City Waiver and Release and that you have provided copies of the signed City's Waiver and Release to the City's Public Works Department prior to any attendance at the City Property as part of this Policy.

3. As Permit Holder, it is your responsibility to inspect the City Property prior to any attendance on the City Property that relates to the Policy to ensure it is suitable for your purposes.

4. As Permit Holder, you agree that you and your Team and/or Organization as set out in the Permit shall use the City Property consistent with the Policy. Further:

(a) No buildings or structures will be erected on the City Property; and
(b) No other "events" will be arranged on the City Property other than the Clean Up's contemplated in the Policy without the Permit Holder and/or Team/Organization entering into a Licence Agreement with the City in advance of same.

5. As Permit Holder, you shall advise the City's Director of Public Works or their designate of the dates for the two (2) or more Property Clean Up Projects to ensure that there are no conflicts with any other events on the City Property. You shall provide fifteen (15) business days' notice of same to avoid any conflicts. The City's Director of Public Works or their designate shall confirm in writing if the date desired is satisfactory.

6. As Permit Holder, you will directly supervise the activities carried on the City Property pursuant to this Permit.

7. The City Property is a smoke free area and governed under City Bylaw #2019-200.

8. The City assumes no responsibility for loss/damage to any equipment or material belonging to you as Permit Holder, or any member of your Team and/or Organization as a result of your use of City Property pursuant to this Permit and the Policy.

9. The sale of souvenirs, food, refreshments or any other items is strictly prohibited on any City Property without the expressed permission of the City's Director of Public Works or their designate.

10. Personal information on the Application Form for the Policy is collected under the authority of the *Municipal Freedom of Information and Protection of Privacy Act* R.S.O. 1990, c.M.56 and will be used solely to determine applicable information necessary for application. Questions about the collection should be directed to the address noted on the Permit.

11. The Permit may not be assigned without the prior written permission of the City's Director of Public Works or their designate.

12. In the event that at any time during the Term of the Permit the use the City Property becomes unacceptable for the purpose intended, the City reserves the right to cancel this Permit or suspend the use of City Property until the issue is resolved, if that is possible.

13. As Permit Holder, you shall ensure that the Team and/or Organization adheres to parking restrictions, if applicable. Further, at no time shall the travelled portion of any City Street be entered into as part of the Clean Up Initiatives or other use of City Property as part of this Permit.

14. As Permit Holder you shall ensure that if any sharps are discovered during the Clean Up Initiatives or any inspections or other uses of the City Property pursuant to this Permit, that no participant picks-up the sharp and that they complete the following:

(a) document the location of the sharp; and
(b) call the Public Works and Engineering Department at 705-759-5201 to report and arrange for pick-up and property disposal by trained personnel.

15. The Permit Holder shall ensure that the Permit Holder and Team/Organization complies with all laws, by-laws, rules and regulations of any governing body respecting the use, maintenance, inspection, presence and removal of the event supplies and material for the Clean Up Initiatives and use of City Property pursuant to this Permit, and further, shall save harmless and fully indemnify the City from and against all losses, costs, damages and expenses of every kind or nature which the City may suffer, be at or be put to by reason of or in consequence of the noncompliance by the Permit Holder and Team/Organization and any participants with such laws, by-laws, rules and regulations.

16. The Permit Holder and the Team/Organization hereby agrees to release the Corporation of the City of Sault Ste. Marie from all claims, demands or causes of action arising directly or indirectly from the use of City Property pursuant to this Permit and the Policy.

17. The Permit Holder agrees and shall ensure that the Team/Organization shall not to do or cause to be done, any action which would damage, waste, disfigure, or injure the City Property or any part thereof, or otherwise cause a nuisance. Any such action to the City Property by the Permit Holder, or any of the Team/Organization's participants as part of this Permit and/or in relation to or in connection with the use of the City Property or any other matters under this Permit, shall be the financial responsibility of the Permit Holder and the Team/Organization as set out in the Permit. The Permit Holder agrees that the City will immediately undertake all work that the City, in its sole view, deems necessary to repair the City Property. Any costs incurred by the City to repair the City Property for such waste and nuisance as set out in this paragraph shall be payable by the Permit Holder and Team/Organization immediately upon demand by the City.

_____
Permit Holder

_____
Date

Application Form

# Adopt-A-City Property Program

## Applicant Information

| | | |
|---|---|---|
| Team Contact | | |
| Organization/Team Name Representation | | |
| Street Number / Street Name | | Suite/Unit Number |
| City | Province | Postal Code |
| Telephone Number | Mobile Number | Email |

## Section of Land to Adopt

| |
|---|
| Adoption Period (minimum of three years) |
| Name of Preferred Location (1st Choice) |
| Name of Preferred Location (2nd Choice) |

## Financial Contribution ☐ Y ☐ N * *You will be contacted by City Staff*

## Terms & Conditions

| | |
|---|---|
| A sign with your Community Member Team name, recognizing your commitment and efforts, will be displayed for the adoption period. | |
| I have read and agree with the Adopt-A-City Property Policies & Procedures the Terms & Conditions, and all team members have completed the Waiver. | Yes ☐ No ☐ |
| Applications can be submitted to SSM City Hall or by email at pwt@cityssm.on.ca.<br>For more information, please call Public Works at (705) 759-5201 or email pwt@cityssm.on.ca. | |
| Applicant Signature | Date (DD-MM-YYYY) |

## For Office Use Only

| | | |
|---|---|---|
| Date (DD-MM-YYYY) | Approved By | Signature |

**Permit No. _____ / Sign Installed: _____**

# WAIVER AND RELEASE

**RELEASE OF LIABILITY, WAIVER OF CLAIMS,
ASSUMPTION OF RISKS AND INDEMNITY AGREEMENT
(Hereinafter referred to as the "Release Agreement")**

**BY SIGNING THIS DOCUMENT YOU WILL WAIVE OR GIVE UP CERTAIN LEGAL RIGHTS, INCLUDING THE RIGHT TO SUE OR CLAIM COMPENSATION FOLLOWING AN ACCIDENT**

***PLEASE READ CAREFULLY!***

_____
SIGNATURE OF PARTICIPANT or GUARDIAN IF PARTICIPANT IS UNDER AGE OF MAJORITY

## PARTICIPANT DETAILS

| | | | |
|---|---|---|---|
| **Name** | Last | First | Middle Initial |
| **Address** | Street | | |
| | City | Prov./State | Postal/ZipCode |

## ASSUMPTION OF RISKS

I hereby desire to participate in the Adopt-A-City-Property Policy related to Permit# _____ on ***City Property*** known as _____ ("City Property") as set out in the Permit applied for by _____ ("Permit Holder"), hereinafter collectively referred to as the "Activity".

I UNDERSTAND AND ACKNOWLEGDE that there are many inherent risks, dangers and hazards associated with the Activity, including bodily injury, death and loss or damage to the property. I AM AWARE OF THE RISKS, DANGERS AND HAZARDS ASSOCIATED WITH THE ACTIVITY AND I FREELY ACCEPT AND ASSUME ALL SUCH RISKS, DANGERS AND HAZARDS AND THE POSSIBILITY OF PERSONAL INJURY, DEATH, PROPERTY DAMAGE OR LOSS RESULTING THEREFROM.

## RELEASE OF LIABILITY, WAIVER OF CLAIMS AND INDEMNITY AGREEMENT

In consideration of the City agreeing to my participation in the Activity and permitting my use of the City Property as part of the Activity, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and the Permit Holder organizing same, I hereby agree as follows:

1. TO WAIVE ANY AND ALL CLAIMS that I have or may in the future have against the City and their respective directors, councilors, officers, employees, instructors, guides, agents, representatives, independent contractors, subcontractors, suppliers, sponsors, successors and assigns (all of whom are hereinafter referred to as "the RELEASEES"), AND TO RELEASE THE RELEASEES from any and all liability for any loss, damage, expense or injury, including death, that I may suffer or that my next of kin may suffer as a result of my participation in the Activity, DUE TO ANY CAUSE WHATSOEVER, INCLUDING NEGLIGENCE, BREACH OF CONTRACT, OR BREACH OF ANY STATUTORY OR OTHER DUTY OF CARE, INCLUDING ANY DUTY OF CARE OWED UNDER THE OCCUPIERS LIABILITY ACT, ON THE PART OF THE RELEASEES , AND FURTHER INCLUDING THE FAILURE ON THE PART OF THE RELEASEES TO SAFEGUARD OR PROTECT ME FROM THE RISKS, DANGERS AND HAZARDS OF PARTICIPATING IN THE ACTIVITY;

2. I agree that if any sharps are discovered during the Clean Up Initiatives or any inspections or other uses of the City Property pursuant to this Permit, that I shall not pick-up the sharp. I agree to (a) document the location of the sharp; and (b) call the Public Works and Engineering Department at 705-759-5201 to report and arrange for pick-up and property disposal by trained personnel.

3. TO HOLD HARMLESS AND INDEMNIFY THE RELEASEES for any and all liability for any property damage, loss or personal injury to any third party resulting from my participation in the Activity;

4. This Release Agreement shall be effective and binding upon my heirs, next of kin, executors, administrators, assigns and representatives, in the event of my death or incapacity;

5. This Release Agreement and any rights, duties and obligations as between the parties to this Release Agreement shall be governed by and interpreted solely in accordance with the laws and Courts of the Province of Ontario and no other jurisdiction; and

6. Any litigation involving the parties to this Release Agreement shall be brought solely within the Province of Ontario and shall be within the exclusive jurisdiction of the Courts of Ontario.

In entering into this Release Agreement I am not relying on any oral or written representations or statements made by the Releasees with respect to the safety of participating in the Activity, other than what is set forth in this Release Agreement.

I CONFIRM THAT I HAVE READ AND UNDERSTOOD THIS RELEASE AGREEMENT PRIOR TO SIGNING IT. I CONFIRM THAT I AM AWARE THAT BY SIGNING THIS RELEASE AGREEMENT, I ASSUME ALL RISKS AND AM RESPONSIBLE FOR MY OWN SAFETY, AND THAT I AM WAIVING CERTAIN LEGAL RIGHTS WHICH I OR MY HEIRS, NEXT OF KIN, EXECUTORS, ADMINISTRATORS, ASSIGNS AND REPRESENTATIVES MAY HAVE AGAINST THE RELEASEES.

I confirm I have been offered a copy of this Release Agreement and I have been advised to read it carefully. INITIALS:_____

Signed this _____ day of _____, 20_____.

**SIGNED IN THE PRESENCE OF WITNESS:**

_____
Signature of Witness

_____
Print Name Clearly of Witness

**PARTICIPANT (IF PARTICIPANT IS AGE OF MAJORITY):**

_____
Signature of Participant

_____
Print Name Clearly of Participant

**GUARDIAN (IF PARTICIPANT IS UNDER AGE OF MAJORITY)**

_____
Signature of Guardian

_____
Print Name Clearly of Guardian

_____
Address of Guardian

**Subject:** Adopt-A-City Property Policy
**Service Area:** Public Works & Engineering Services
**Approved:** July 15, 2024
**Supersedes:** N/A

## Policy Statement

The primary objective of the Policy is to provide the parameters and guidelines for community organizations, businesses, service clubs and groups of families, friends, neighbors or colleagues (“applicant”) to participate in an Adopt-A-City Property Program within the City’s owned land. This policy will provide appropriate oversight and understanding of the approval process, applicant responsibilities and administration responsibilities.

Promoting a sense of ownership and pride in the City's Parks, Streets, Laneways, or Hub Trails, this program enlists community-minded, environmentally conscious applicants to assist with keeping the City's properties inviting, safe and clean through voluntary efforts.

## Purpose and Scope

The purpose of the policy is to provide the guidelines that allow for the provisions of this program within City owned and maintained properties by the City of SSM and as agreed upon by the Public Works.

This document will provide the foundation for a proactive citizen-friendly approach and will encourage applicants to become actively involved in the preservation, beautification and enhancement of our many great parks, streets, laneways, and hub trails promoting environmental stewardship and civic pride.

This policy will identify the roles and responsibilities of the City of SSM and program participants.

## General Guidelines and Criteria

To protect our resources, values and visitor experience, the Adopt-A-Property applicants shall respect this policy, as well as the priorities, purpose and integrity of City land. This program is designed to increase public enjoyment through active and inclusive participation in the City’s maintenance of these properties.

## Procedures

The following criteria and procedures shall apply when submitting an application for the adoption:

- Applicants wishing to participate in the Adopt-A-City Property Program may do so by completing an application form available on-line at the City of Sault Ste. Marie website and included as Schedule "A";
- Applications shall be submitted at any point throughout the year;
- Applications shall clearly identify the desired property to adopt;
- Applications will be received, reviewed and approved by the Director of Public Works and/or their designate;
- On-Site meeting with the applicants to identify and discuss the parameters as outlined in this document will be arranged prior to final approval.

Notwithstanding the general requirements, all requests will be received and evaluated on their own merits in terms of the positive contribution the adoption may have on the community.

## General Guidelines and Responsibilities

Location Consideration

Applicants are requested to make two choices of preferred location. The staff shall make the final determination of the space available for adoption. A complete list of parks and hub trail available for adoption can be found at saultstemarie.ca. A map of all available laneways can also be found at saultstemarie.ca. Should a roadway be selected, it must be understood that the travelled portion of the street shall not be entered and the extent of the adoption must be included in the application, i.e. Pine Street from McNabb Street to MacDonald Avenue.

Term

This program requires a minimum commitment of three (3) years providing consistency and continuity to the program.

Adopt-A-City Property Team Responsibilities

- Work in partnership with Public Works (Parks or Operations) in monitoring the conditions of the adopted park, hub trail or green space, or if involving part of the road or laneway networks;
- Participate in a minimum of two (2) property cleanup projects annually (Summer & Fall) and provide such dates to the Director of Public Works or their designate;
- Provide routine inspections of your adopted space and report any maintenance requirements or issues directly to Public Works at (705) 759-5201;
- Complete the Informed Waiver and release form available online on the City Of Sault Ste. Marie website supplied by the City of SSM and included as part of Schedule "A" and provide the City with Waivers signed by each volunteer member;
- Record volunteer commitment hours and report to Public Works annually;

- On-site meeting to discuss parameters of this program with Public Works staff prior to the adoption period beginning. This shall be arranged by calling (705) 759-5201.

Public Works Responsibilities

- Work in partnership with the Community Member team to help determine an appropriate and desired space to adopt;
- Staff will supply and erect a sign with the team name on it, recognizing the commitment and efforts to the chosen space for the duration of the adopting period;
- Assist in coordinating initiatives and projects the team may wish to undertake;
- Provide clean-up kits consisting of garbage/recycling bags, gloves, First Aid kits, PPE, sharps markers and safety information for each clean-up;
- Pick up and dispose of collected garbage and or yard waste as required.

Community Member teams are encouraged to engage in a variety of additional activities which may include hosting team events within the park or adopted space.
The City of SSM and Public Works will publicly recognize the teams and the space the team has adopted. A sign will be erected in each adopted park, street, laneway, or hub trail featuring the team name, and a 'Certificate of Recognition' from the City of SSM will be provided. An annual report to Council will include those participating teams and recognize their efforts as well as any challenge in the year.

**Monetary Donations by Community Member Team**

The Manager of Recreation and Culture is responsible for working with any Community Member Team wanting to provide a monetary donation to the City for investment in parkland equipment or any other capital item approved by the City for the adopted property.

- Receipts shall be provided for any monetary donation greater than $25.00;
- Nothing in this policy shall limit the ability of any individual, organization or corporation to make a monetary donation to the City for the purpose of park or hub trail enhancement at the discretion of the City or to be held in a reserve for future park or hub trail improvements.
- Possible purchases shall be noted on the City's website and through discussions with City staff

Application Form

# Adopt-A-City Property Program

## Applicant Information

| | | |
|---|---|---|
| Team Contact | | |
| Organization/Team Name Representation | | |
| Street Number | Street Name | Suite/Unit Number |
| City | Province | Postal Code |
| Telephone Number | Mobile Number | Email |

## Section of Land to Adopt

| |
|---|
| Adoption Period (minimum of three years) |
| Name of Preferred Location {1st Choice) |
| Name of Preferred Location {2nd Choice) |

## Financial Contribution D V D N * *You will be contacted by City Staff*

## Terms & Conditions

**The City reserves the right to refuse any applications if the organization making the request is not deemed to represent the interests of the community.**

| | |
|---|---|
| A sign with your Community Member Team name, recognizing your commitment and efforts, will be displayed for the adoption period. | |
| I have read and agree with the Adopt-A-City Property Policies & Procedures the Terms & Conditions, and all team members have completed the Waiver. | Yes ☐ No ☐ |
| Applications can be submitted to SSM City Hall or by email at pwt@cityssm.on.ca.<br>For more information, please call Public Works at {705) 759-5201 or email pwt@cityssm.on.ca. | |
| Applicant Signature | Date {DD-MM-YYYY) |

## For Office Use Only

| | | |
|---|---|---|
| Date (DD-MM-YYYY) | Approved By | Signature |

**Permit No. _____/ Sign Installed: _____**

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

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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Carl Rumiel, Director of Engineering |
| DEPARTMENT: | Public Works and Engineering Services |
| RE: | Five Year Capital Transportation Program (2025-2029) |

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## Purpose

The purpose of this report is to present an updated five-year capital transportation program.

## Background

The yearly capital transportation budget is brought to Council for approval with the annual budget in December after a capital priorities assessment is completed. Council is not being asked to approve the 2025 capital roads budget this evening; however, it is necessary to procure engineering services to proceed with field data acquisition and begin design of 2025 capital road projects to ensure timely tenders in the new year.

Capital road improvements for the City of Sault Ste. Marie are carried out under various programs including capital road construction, infrastructure improvement programs and the Connecting Links program. The capital transportation program prioritizes reconstruction of arterial and collector streets, which are critical to the movement of traffic while at the same time attempting to address some of the numerous needs of local residential streets as well as to make improvements to key areas of the community.

## Analysis

Road sections are recommended for the Capital Transportation Program based primarily on pavement condition index scores which are tabulated based on road condition in the Asset Management program. All road sections are evaluated and scored based on many factors, including, but not limited to, road surface condition, road structure, surface drainage, etc. Age and condition of water mains, sanitary and storm sewers, level of maintenance, and traffic volumes are also considered when selecting a road section for reconstruction. An attempt is made to keep the mix between arterials, collectors and local streets balanced. In the 2025-2029 plan there are significant improvements recommended through previous environmental assessments and improvements to the downtown which affects the number of projects, particularly residential roads that can be completed on a yearly basis.

This plan is presented based on two funding assumptions. The Ministry of Transportation (MTO) Connecting Link fund is applied for on a yearly basis and the assumed maximum allocation of $3M is included in the yearly allocation to road resurfacing. Annually, the MTO announces this program in the spring. The second funding assumption is the Housing Enabled Water System Fund (HEWSF). Staff have applied for a grant of approximately $7.3M towards the reconstruction of Peoples Road. The Ministry of Infrastructure has indicated that the announcement is anticipated in the summer of 2024. Should the City be unsuccessful in either of these funding applications, the program will be amended by cancelling other capital transportation projects in order to align with available funding.

Two other funding sources currently contributing to the program include $400,000 from the Northern Ontario Resource Development Fund (NORDS) and an added Ontario Community Infrastructure Fund (OCIF) allowance of $2.5M. These funding sources will be no longer available after 2025 and 2026, respectively.

**Bridges and Aqueducts**

Considerable capital funds have necessarily been diverted to bridges and aqueducts in past programs. Currently the Central Creek aqueduct on Central Street has been under construction for the past few years rebuilding small sections at a time. Aqueducts and bridges are evaluated by a professional structural engineer every two years who makes these recommendations.

**Active Transportation – Hub Trail and Future Spokes**

In past years, cycling lanes, 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. The Sackville Road and Peoples Road Projects both include significant active transportation connections with multi-use paths being included.

**Update – 2024 Program**

The following projects are currently underway:

- Queen Street Improvements – Elgin Street to Brock Street
- Stanley Street – Pine Street to Elizabeth Street
- Spruce Street – Railroad Avenue to Wilcox Avenue
- Lower Lake Street – Queen Street to Civic 24 Lake Street
- Bridges and Aqueduct
- 2024 Road Resurfacing and Miscellaneous Construction

Due to the Ministry of Transportation not approving the City’s Connecting Link application in 2024, the resurfacing of Great Northern Road between Third Line to Wigle Street was cancelled for 2024 and is recommended for the 2025 program.

**Recommended 2025 Program**

The attached Five-Year Transportation Program represents the proposed 2025-2029 programs.

Approval is sought for the 2024 portion of engineering for 2025 projects. An allowance was included in the 2024 capital budget for this purpose. Approval for the balance of engineering and construction costs will be sought during 2025 budget deliberations. 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 proposed list of 2025 projects are as follows:

**Reconstruction of Peoples Road Phase 1 – Churchill Avenue to Penno Road:** As identified in the Peoples Road Drainage Environmental Assessment, this road section requires sanitary sewer upgrades to increase sewer capacity. While replacing the sanitary sewer, it is recommended that the entire road undergo reconstruction including storm sewer, watermain, road base, sidewalks and curb. Increasing the sanitary sewer capacity is a critical recommendation from the Peoples Road Drainage Environmental Assessment to alleviate the recurrence of basement flooding. Further, increased sewer capacity will open development of lands north of Third Line which are currently on hold due to the Peoples Road sewer being at capacity. The City has applied for a $7.3M grant for this project under the Housing Enabled Water System Fund. Should the City be unsuccessful in this grant Peoples Road will remain a priority however, a revised program with other projects being cancelled will be brought back to Council for consideration.

**Sackville Road Extension – Early Works Filling the Ravine:** The extension of Sackville Road from the current north limit to Third Line was the recommended preferred solution to address traffic capacity concerns in the Great Northern Road corridor, between Second Line and Third Line. This was completed as a Schedule C Municipal Class Environmental Assessment (EA) in 2012 but construction did not commence due to other priorities. In April of 2024, Council approved posting of an addendum to the original Sackville Road EA document to confirm that the project met the current environmental regulations to ensure that the planning and mitigation measures are still valid. This review found that there are no changes to the proposed project conditions and that the recommended solution, the extension of Sackville Road, is still valid.

The early works contract focuses on a ravine crossing which includes installing a large box culvert and required fill placed above the culvert to build the road on. The second phase constructing the services and the road is proposed for 2026.

The Sackville Road extension is a critical City improvement creating the following benefits to the community:

- Elimination of an aged sewage pumping station on Industrial Court B. If the road is not extended as planned, the City will be required to reconstruct this sewage pumping station and forcemain;
- Opening of developable residential lands west of the Sackville Road Extension;
- Extension of a multi-use trail adjacent to the new road to provide a north-south connection to the Hub Trail;
- Recommendations from the Great Northern Road/Second Line Traffic Network EA are all based on the assumption that Sackville Road was to be extended to Third Line;
- Drainage improvements at the Sackville Road and Mary Avenue intersection.

If the Sackville Road extension was postponed further, the City would have to construct permanent drainage improvements on Sackville Road and a new sanitary pump station with forcemain. The immediate financial implications of not proceeding with Sackville would be in the range of $4-5M. The extension of Sackville provides the most cost-effective solution to a number of community needs.

**East Street – Bay Street to Wellington Street:** This road section requires full replacement of underground services and road structure. This section of road also requires some traffic related lane geometry improvements as well as replacement of the traffic signals at Wellington Street with a pedestrian cross-over.

**Great Northern Road – Third Line to Wigle:** This section of road is the City's next highest Connecting Link priority and will be the project that is applied for in the 2025 Connecting Link program application.

**Bridges and Aqueduct:** Replace failing cross culvert on Fourth Line, east of Old Goulais Bay Road - near Civic 340 Fourth Line and continue with small sections of the Central Street aqueduct replacement.

**Engineering 2026:** An allocation for 2026 engineering must be included in the 2025 budget to ensure tenders are on schedule.

**Resurfacing – Various Roads:** An allocation is required in the 2025 capital roads budget for resurfacing. Arterials roads such as Wallace Terrace and Second Line West 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 is required in the 2025 capital roads budget for replacement of aged traffic signal controllers.

Professional design services for 2025 projects will be retained in accordance with the procurement policies and procedures by-law, and a report recommending engineering firms for projects not being done in-house will be brought to Council in the near future.

**2026-2029 Programs**

The potential 2026 through 2029 programs are shown on the attached plan based on needs identified in the City's asset management plans. The Engineering Division will be updating the five-year capital transportation program on an annual basis and individual programs will be recommended to Council for approval with the capital budgets.

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

**Financial Implications**

The 5-year Capital Transportation Program is based upon the recommended priorities within the City's asset management plans. Funding availability will be assessed along with other corporate capital priorities and presented to Council with the 2025 Capital Budget. This report has no impact on the approved 2024 capital transportation program. An allowance of $200,000 was allotted in the 2024 budget for the purposes of commencing design work for 2025 projects. Additional funds for completion of design and contract administration, and for construction of 2025 projects will be brought to Council with the 2025 capital budget.

**Strategic Plan / Policy Impact / Climate Impact**

Improvements to capital infrastructure including roads, storm and sanitary sewers, aqueducts, and bridges are linked to the infrastructure and quality of life components 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 July 15, 2024, concerning the 2025-2029 Five-Year Capital Transportation Program be received and that Council approve the 2025-2029 programs in principle; that the Engineering Division proceed with any local improvement notices for 2025 works; that staff procure consulting engineering services for projects not to be completed by in-house staff; and that the resurfacing of Great Northern Road between Third Line and Wigle Street be the designated project for the City's application to the 2025 Connecting Link Program.

Respectfully submitted,

Carl Rumiel, P. Eng.
Director of Engineering
705.759.5379
c.rumiel@cityssm.on.ca

| 2025-2029 CAPITAL TRANSPORTATION PROGRAM | | | | | |
|---|---|---|---|---|---|
| **Year** | **Street** | **From** | **To** | **Cost** | **Comments** |
| | | | | | |
| | | | | | |
| 2025 | Peoples Road - Phase 1 | Churchill Avenue | Penno Road | | Reconstruction |
| 2025 | Sackville Road Extension | Near Third Line | early works in ravine | | Ravine crossing - to induce settlement |
| 2025 | East Street | Bay Street | Wellington Street | | Reconstruction |
| 2025 | Great Northern Road | Third Line | Wigle Street | | Resurfacing - assume 90% CL grant |
| 2025 | Bridges and Aqueducts | | | | Rehabilitation - aqueducts, bridges and culverts |
| 2025 | Engineering - 2026 | | | | Engineering for next year capital |
| 2025 | Various Roads | | | | Road Resurfacing ($400k to Second Line West) |
| 2025 | Traffic Signal Upgrades | | | | Trafiic Signal Controller Replacements |
| | | | **Total** | **$ 27,357,054** | |
| | | | | | |
| | | | | | |
| 2026 | Peoples Road - Phase 2 | Penno Road | Third Line | | Reconstruction |
| 2026 | Sackville Road Extension | North Limit | Third Line | | New construction |
| 2026 | Connecting Link | | | | Resurfacing - assume 90% CL grant |
| 2026 | Bridges and Aqueducts | | | | Rehabilitation - aqueducts, bridges and culverts |
| 2026 | Engineering - 2026 | | | | Engineering for next year capital |
| 2026 | Various Roads | | | | Road Resurfacing (Road Diet - Wellington) |
| 2026 | Traffic Signal Upgrades | | | | Traffic Signal Controller Replacements |
| | | | **Total** | **$ 25,617,870** | |
| | | | | | |
| | | | | | |
| 2027 | Queen Street - Phase 2 | TBD | TBD | | Queen Street Streetscaping |
| 2027 | Church Street | Queen Street | Wellington Street | | Reconstruction |
| 2027 | Local Road Rehabilitation | | | | Reconstruction of road surface only |
| 2027 | Connecting Link | | | | Resurfacing - assume 90% CL grant |
| 2027 | Bridges and Aqueducts | | | | Rehabilitation - aqueducts, bridges and culverts |
| 2027 | Engineering - 2026 | | | | Engineering for next year capital |
| 2027 | Various Roads | | | | Road Resurfacing |
| 2027 | Traffic Signal Upgrades | | | | Traffic Signal Controller Replacements |
| | | | **Total** | **$ 18,766,542** | |

| 2025-2029 CAPITAL TRANSPORTATION PROGRAM | | | | | |
|---|---|---|---|---|---|
| **Year** | **Street** | **From** | **To** | **Cost** | **Comments** |
| | | | | | |
| | | | | | |
| 2028 | Elgin Street | Bay Street | Wellington Street | | Reconstruction |
| 2028 | The Drive | The Crescent | Simpson Street | | pair with Putney Road |
| 2028 | Putney Road | The Drive | Forest Avenue | | pair with The Drive |
| 2028 | Brown Street | Cathcart Street | Wellington Street | | Reconstruction |
| 2028 | Local Road Rehabilitation | | | | Reconstruction of road surface only |
| 2028 | Connecting Link | | | | Resurfacing - assume 90% CL grant |
| 2028 | Bridges and Aqueducts | | | | Rehabilitation - aqueducts, bridges and culverts |
| 2028 | Engineering - 2026 | | | | Engineering for next year capital |
| 2028 | Various Roads | | | | Road Resurfacing |
| 2028 | Traffic Signal Upgrades | | | | Traffic Signal Controller Replacements |
| | | | **Total** | **$ 19,553,451** | |
| | | | | | |
| | | | | | |
| 2029 | Queen Street - Phase 3 | TBD | TBD | | Queen Street Streetscaping - Phase 2 |
| 2029 | Local Road Reconstruction Project | | | | Local Road |
| 2029 | Spring Streetscaping | | | | Streetscaping |
| 2029 | Connecting Link | | | | Resurfacing - assume 90% CL grant |
| 2029 | Bridges and Aqueducts | | | | Rehabilitation - aqueducts, bridges and culverts |
| 2029 | Engineering - 2026 | | | | Engineering for next year capital |
| 2029 | Various Roads | | | | Road Resurfacing ($400k to Second Line West) |
| 2029 | Traffic Signal Upgrades | | | | Traffic Signal Controller Replacements |
| 2029 | Herkimer Bridge | | | | Municipal Bridge 18 replacement |
| | | | **Total** | **$ 18,145,808** | |
| | | | | | |
| **Notes:** | | | | | |
| - Estimated costs are very preliminary and could differ considerably from detailed design cost estimates, consequently, project timing may change | | | | | |

**From:** Meggie Opala [redacted]
**Sent:** Friday, February 23, 2024 12:09 PM
**To:** Orsalina Naccarato <o.naccarato@cityssm.on.ca>
**Subject:** RE: Request for Noise Bylaw Exemption- [redacted] Simpson Street Sault Ste. Marie

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.

Good afternoon,
Further to our conversation this morning, please find requested information below:

**Applicant Information**
1. Meggie Opala and Lucas Virtanen
2. Address for Service: [redacted] Simpson Street Sault Ste. Marie, Ontario P6A 3V5
3. [redacted]

**Event Information**
1. Event: Wedding of Meggie Opala and Lucas Virtanen
2. Date: August 24, 2024
3. Location: [redacted] Simpson Street Sault Ste. Marie, Ontario P6A 3V5 (Backyard)
4. Time: 4:30 pm to 12:30 am (wedding reception)
5. Noise Description: Music and amplified sounds via microphone and speakers (ie, speeches)
6. Equipment: 2 speakers and microphone system
7. Number of Guests: Approx. 65 people

In addition, we are having our wedding ceremony at Bishops Court Park located on Victoria Avenue. We will be obtaining a permit through the City of Sault Ste. Marie, which I have already confirmed with the appropriate department. Since we will also be playing subtle music (ie, aisle procession) at this location, will we require the exemption for this as well?

Please see those details below:

**Ceremony Information**
1. Location: Bishops Court Park (Victoria Avenue- courtyard)
2. Time: Approx. 4 pm to 4:45 pm

Please let me know if you have any other questions and the fee associated for the within application.

Thank you!
**Meggie M. E. Opala**
[redacted]

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

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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Lauren Perry, Community Emergency Management Coordinator |
| DEPARTMENT: | Fire Services |
| RE: | Municipality of Wawa Reciprocal Emergency Assistance Agreement |

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## Purpose

The purpose of this report is to seek approval from Council to enter into a Reciprocal Emergency Assistance Agreement with the Municipality of Wawa to enhance emergency management capabilities through shared resources and mutual aid during emergencies.

## Background

The City of Sault Ste. Marie and the Municipality of Wawa recognize the importance of collaboration and mutual support in times of emergency. Both municipalities have unique strengths and resources that, when combined, can significantly enhance their ability to respond to and recover from emergencies and disasters.

Key provisions of this agreement include:

- Mutual Support: Either municipality can request assistance from the other in the event of an emergency that exceeds local capabilities.
- Resource Allocation: The providing municipality will make resources available to the requesting municipality as soon as practicable, subject to availability.
- Diligence and Care: Both municipalities commit to exercising due diligence and care in the provision of assistance to ensure the safety and effectiveness of emergency response efforts.
- Reimbursement: The requesting municipality will reimburse the providing municipality for the cost of resources and assistance provided, including personnel, equipment, and materials.
- Indemnity: Each municipality agrees to indemnify and hold harmless the other for any claims, damages, or liabilities arising from the provision of assistance.

- Termination: The agreement can be terminated by either party with 60 days written notice.

This agreement represents a step forward in regional emergency preparedness and response. By formalizing co-operation with the Municipality of Wawa, both municipalities can better protect their communities and ensure a more effective and efficient response to emergencies.

**Analysis**
NA

**Financial Implications**
The financial impact of this agreement is anticipated to be minimal under normal circumstances. Costs will be incurred only when assistance is requested and provided, at which point the requesting municipality will reimburse the providing municipality. This cost-sharing approach ensures financial fairness and accountability.

**Strategic Plan / Policy Impact / Climate Impact**
The Reciprocal Emergency Assistance Agreement supports Community Development and strengthens partnerships with our key stakeholders.

**Recommendation**
It is therefore recommended that Council take the following action:

The agreement and relevant By-law 2024-98 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

Respectfully submitted,

Lauren Perry
Community Emergency
Management Coordinator
705.971.5930
l.perry@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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Nicole Grisdale, Court Liaison Supervisor |
| DEPARTMENT: | Legal Department |
| RE: | POA Wawa Court Licence of Occupation |

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## Purpose

The purpose of this report is to request Council approval of a Licence of Occupation (the "Agreement") between the City and The Corporation of the Municipality of Wawa (the "Municipality") for the City's use of office space to conduct Provincial Offences Court.

## Background

As Council is aware, the City is responsible for Provincial Offences administration and prosecution. In addition to the court facility at the Civic Centre in Sault Ste. Marie, the City operates a satellite court in Wawa. Since March 21, 2001, the City has entered into Licence of Occupation agreements with the Municipality to lease space in its Municipal Office to hold court approximately once per month.

## Analysis

The Agreement is for a term of two years, commencing July 14, 2024, and terminating on July 14, 2026. The cost of renting the facility is $268.14 per day for each in-person Court attendance at the POA facilities payable by the City immediately upon demand by the Municipality of Wawa.

The Agreement requires that the City's Court Liaison Supervisor and the Clerk of the Municipality arrange court dates and times as soon as same are provided by the Senior Regional Justice of the Peace. The Agreement also requires that the Municipality make reasonable efforts to accommodate the City in the event that the Agreement is terminated.

## Financial Implications

The amounts quoted above shall be increased by the annual change in the Consumer Price Index (CPI) for Canada from the previous year on March 16th of each year in the Term.

Additionally, the costs under the agreement will only be billed to the City by the Municipality of Wawa for physical use of the facility. This will reduce costs in

situations where the satellite court is conducted from the Sault Ste. Marie courtroom.

**Strategic Plan / Policy Impact / Climate Impact**
Not applicable

**Recommendation**
It is therefore recommended that Council take the following action:

The relevant By-law 2024-105 is listed under Agenda item 12 and will be read with all by-laws under that item.

Respectfully submitted,

Nicole Grisdale
Court Liaison Supervisor
705.759-5903
n.grisdale@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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Steve Zuppa, Junior Planner |
| DEPARTMENT: | Community Development and Enterprise Services |
| RE: | Building Faster Fund Investment Plan |

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## Purpose

The purpose of this report is to request Council approval for the City's Building Faster Fund (BFF) Investment Plan (IP) for 2024 and to enter into a Transfer Payment Agreement (TPA) with the Ministry of Municipal Affairs and Housing (MMAH).

## Background

The BFF is a provincially funded program designed to reward municipalities for meeting their provincially assigned housing targets. The City of Sault Ste. Marie was assigned a target of 110 new housing starts in 2023, as well as an overall target of 1,500 new homes between 2022 and 2031.

On December 13, 2023 Council adopted the Housing Action Plan 2023-2028 and endorsed it as the City's Municipal Housing Pledge to accelerate housing supply to meet the provincially assigned housing target.

On April 5, 2024 the Provincial government announced that the City of Sault Ste. Marie will be provided $600,000 in BFF funding for exceeding its 2023 housing target, breaking ground on a total of 213 new housing units.

On June 24, 2024 the Province sent a letter to the City indicating that in order to receive the BFF funding, the City must enter into a TPA with MMAH and submit an IP for ministry approval. Both of these requirements are due on July 19, 2024. If approved, staff will submit both prior to the deadline.

## Analysis

IPs are required to identify each activity/initiative to be undertaken with BFF funding, as well as associated expenditures planned for the program year.

Eligible expenditures for BFF funding include:

- Capital expenditures on housing-enabling core infrastructure and site servicing to accommodate future residential development;
- Operating or capital expenditures that support the creation of new affordable housing; and
- Operating or capital expenditures that support the creation of attainable ownership housing, including through modular construction.

The City is currently drafting a Housing Community Improvement Plan (CIP) to establish financial grant programs for new housing, including a per-door grant, a tax increment equivalent grant, and a feasibility study grant. This CIP is expected to be brought before Council at a future meeting.

As shown in Appendix A, City staff recommended that 50% ($300,000) of the BFF funding be used for the per-door grant program, specifically for the creation of new affordable housing units within the Urban Settlement Area of the City.

Per-door grants are intended for developments that create up to four new units on a single property. Grants will assist in offsetting project development costs and/or covering some of the lost revenue from renting or selling the unit at an affordable rate, rather than at market-rates. Incentivized units must remain affordable for a period of at least 20 years. Further eligibility criteria for this grant program will be established in the Housing CIP.

City staff also recommend that the remaining 50% ($300,000) of the BFF funding be allocated to the road restoration portion of the Peoples Road reconstruction project. This is a housing-enabling core infrastructure project to reconstruct approximately 1.4 km of sanitary sewer including sewer lateral replacement to property line and road restoration of Peoples Road. The sewer on Peoples Road is undersized under current flow conditions. This causes periodic basement flooding and has put a hold on residential development of lands north of Third Line between Peoples Road and Old Goulais Bay Road. This project has the potential to enable the creation of 400 new residential units in the area.

It is important to note that the Housing CIP will propose that new market-rate units within the First Neighbourhoods be incentivized as well, albeit at a lesser value than affordable units. A market-rate grant is not an eligible expense of the BFF, nor is the feasibility study grant program.

As 70% of this funding will be received up to 30 business days after MMAH approval of the IP, as well as the anticipated 2025 start of Peoples Road, it is reasonable to expect that a significant portion will be set aside for the 2025 construction year.

**Financial Implications**

Approval of this investment plan allows for the City to be flexible in respect to funding opportunities. Given the eligibility criteria, it is recommended to use half of

these funds for per-door grants, as part of the Housing CIP, and the other half to be utilized to reduce the City's portion of Peoples Road. These funds are included within the 2025-2029 roads transportation program as well.

The funds available as a result of this funding plan will return to Council in future budgets.

**Strategic Plan / Policy Impact / Climate Impact**
The IP aligns with several strategic focus areas of the City's Corporate Strategic Plan.

Promote Quality of Life Advantages: Adequate and affordable housing is a key quality of life indicator. The IP promotes the construction of new affordable housing units as well as an increase in the overall housing supply; thereby providing more housing options to a broader range of income levels.

Welcome and Seek Immigration: Migrants from other parts of Ontario and Canada, international immigrants, and non-permanent residents are responsible for the City's recent population growth. It is critical that the city has enough housing supply (both affordable and market rate) to accommodate this growth.

Vibrant Downtown Areas: A per-door grant encourages infill development in the First Neighbourhoods, which includes the Downtown. An increase in residential density in the Downtown can help create a vibrant, complete community where people want to live and work.

Environment and Climate Change: A per-door grant encourages infill development and intensification, resulting in complete communities which can be more efficient to service with infrastructure and have the potential to reduce greenhouse gas (GHG) emissions associated with transportation.

**Recommendation**
It is therefore recommended that Council take the following action:

Resolved that the Report of the Junior Planner, dated July 15, 2024 concerning the Building Faster Fund Investment Plan be received and that Council:

- approve the municipal Build Faster Fund Investment Plan for 2024; and
- enter into a Transfer Payment Agreement with the Ministry of Municipal Affairs and Housing.

The relevant By-law 2024-110 is listed under Agenda item 12 and will be read with all by-laws under that item.

Respectfully submitted,

Steve Zuppa
Junior Planner
705.759.5279
s.zuppa@cityssm.on.ca

## 2024 BFF Investment Plan Instructions

Section A: Contact Information

Please provide the contact information of a representative from your municipality that can answer follow-up questions from the Ministry of Municipal Affairs and Housing regarding any of the information provided in the template below.

Section B: Proposed BFF Activities

This section provides an opportunity to describe your municipality's focus, actions and plans for use of BFF funding, including intended outcomes such as how the funding will contribute to increasing housing supply, housing development and/or address issues of housing affordability. Information on progress to date and future plans is welcome, but focus should be on activities planned for the coming year/immediate funding cycle.

Section C: Proposed Building Faster Fund (BFF) Expenditures

Please itemize how BFF funds will be used by activity/initiative as related to the eligible expenditures section.

Section D: Attestation

Attest that the information provided on Housing Plans and progress (Section B) and Proposed Expenditures for BFF funding (Section C) are true and correct, with approvals by municipal Council/ or their delegated authority.

## Section A – Municipality Contact Information

| | |
|---|---|
| Name (First & Last) | Steve Zuppa |
| Title | Junior Planner |
| E-mail | s.zuppa@cityssm.on.ca |
| Phone | 705-759-5279 |

## Section B – Proposed BFF Activities

**Please describe the actions that will be supported with BFF funding, including how these actions support increasing housing supply, housing development, including issues of housing affordability and any identified risks to achieve housing targets.**

The City of Sault Ste. Marie is proposing two activities that will be supported with BFF funding:

1) **Per-door grant program for new affordable units**

The grant program will apply to smaller developments of up to 4 units within the Urban Settlement Area of the City. Eligible affordable units will be awarded a grant of up to $40,000 (grant values are subject to change). The “affordable housing” definition used by the City of Sault Ste. Marie is the same as the definition set out in section 4.1 of the *Development Charges Act, 1997*. Developers must commit to a 20-year affordability period for each unit. This grant will be available for private and non-profit developers.

It is anticipated that the BFF funding will result in the creation of 8 to 12 new affordable units within the City by the end of 2025.

There is some risk that the uptake will be low on this program for reasons that eligibility criteria is too stringent or that the incentive values are perceived as too low for private-developers to commit to a 20-year affordability requirement.

2) **Peoples Road reconstruction**

This proposed reconstruction of approximately 1.4 km of sanitary sewer including sewer lateral replacement to property line and road restoration of Peoples Road. The sewer on Peoples Road is undersized under current flow conditions. This causes periodic basement flooding and has put a hold on development of lands north of Third Line between Peoples Road and Old Goulais Bay Road.

Calculations have shown that this project will enable approximately 400 new residential units in the immediate area. The funds will be applied to the road restoration portion of this project. This project will assist the City in meeting the Provincially assigned target.

There is risk that the project may not proceed if the City is unsuccessful in its (Housing-Enabling Water Systems Fund) HEWSF application.

## Section C – Proposed BFF Expenditures

Please enter detailed information in the table below on the planned expenditures for your BFF funding this year. Auditable detail will be requested for BFF expenditures at the end of each year which should directly connect to the activities/expenditures outlined in this section.

| Proposed Activity | Eligible Expenditure Category | Funding Type (Capital/ Operating) | Description (including anticipated outcomes) | Amount to be Committed/ Spent | Other Sources of Funding (please specify amounts and sources) |
|---|---|---|---|---|---|
| Per-door grants | Creation of new affordable housing | Capital | A one-time grant for the creation of a new affordable unit. Developments of 1 to 4 new units will be eligible, provided all new units are affordable. This includes ADUs that meet the definition of affordable.<br>The BFF is expected to incentivize 8 to 12 new affordable units.<br>Per unit grant value is proposed to be a maximum of $40,000. | $300,000 | No other sources at this time.<br>This program is proposed to be included in an upcoming Housing CIP. Additional funding for this program is uncertain at this time.<br>The City was unsuccessful in its HAF application of which this program was an identified initiative in the City's Action Plan. However, top-up funding may be available. |
| Peoples Road Reconstruction | Housing-enabling core infrastructure | Capital | Sewer and road reconstruction project to address undersized infrastructure that has put a hold on upstream residential development.<br>This project is expected to enable 150 shovel-ready units between 2025 and 2029. There is also potential for another additional 248 housing units that may require a Planning Act application before being considered shovel ready. | $300,000 | The City has applied for the Housing-Enabling Water Systems Fund. Eligible portion of the costs of this project are ~$10m<br>HEWSF funding will cover 73%, City capital budget will cover the remaining 27% |

| | |
|---|---|
| Total Funds to be Saved/Banked this Program Year | $500,000 |

## Section D – Attestation

☐ I declare that, to the best of my knowledge and belief, the information provided in this report is true and correct, with authorization/approval by local Council/Board or their delegated authority.

**Prepared by (Name and Title):**

**Date:**

**Approved by (Name and Title):**

**Date:**

Questions on the Building Faster Fund and Building Faster Fund implementation can be directed to**: BuildingFasterFund@ontario.ca**

**Rachel Tyczinski**

**Subject:** AMO Advocacy on Homelessness Encampments




# AMO Advocacy on Homelessness Encampments

Dear Clerks and Heads of Council of Municipal Governments Across Ontario:

The AMO President and Board is requesting that this letter be shared with all elected council members and administrative heads (i.e., CAO, City Manager) in your municipality. Please post as an information item in your next council meeting agenda.

On behalf of its municipal members, the Association of Municipalities of Ontario (AMO) is urgently calling for provincial and federal leadership and action to address the growing crisis of homelessness encampments in communities across Ontario.

On July 2nd, AMO released a new policy paper Homeless Encampments in Ontario: A Municipal Perspective detailing the state of this crisis and evidence-based actions that must be taken.

Municipal governments are at the front lines of the homelessness crisis without the resources or tools to support our residents and communities. We are asking the provincial and federal governments to work collaboratively with each other and municipalities. These are complex issues that require comprehensive responses from all orders of government working together.

For further resources and information, please visit www.amo.on.ca

Colin Best, President, Association of Municipalities of Ontario (AMO)

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Association of Municipalities of Ontario

July 2, 2024



# Homeless Encampments in Ontario:

## A Municipal Perspective

# Introduction

As homelessness escalates in its scope, visibility, and complexity, communities in Ontario are seeing a rise in homeless encampments. In 2023, at least 1400 homeless encampments existed in Ontario's communities.[1] Their existence is not unique to large urban centres and can now be found in all types of communities including urban, small town, rural, and northern Ontario.

Encampments are the latest expression of a homelessness crisis decades in the making. These encampments are a tragic result of cracks in the foundations of our housing, health, and social systems and are a public policy failure by successive provincial and federal governments. A lack of intergovernmental cooperation and integration of effort, and insufficient supply of affordable housing have compounded matters.

While municipalities did not create the homelessness crisis, they are being forced to manage it without the resources or tools to sufficiently respond. Municipalities are often caught balancing the important needs of unsheltered people living in encampments, who deserve to be treated with empathy and respect, and a responsibility to ensure our communities are safe and vibrant places for all residents.

Concrete solutions to this crisis are needed now. Provincial and federal governments need to take responsibility for the policy decisions that have led to this crisis and take a leadership role in finding solutions. This must include substantial new investments and policy changes to address the root causes of homelessness, stave off the growth in encampments, and connect people already living in encampments with the supports they need right now.

This abdication of leadership has meant that municipalities and citizen groups are increasingly looking to the courts for guidance. This leads to adversarial approaches and increases complexity in a way that puts us farther behind. Municipalities need clear guidance from the provincial government regarding how to address encampments when resource realities and the rights of groups and individuals appear to be at odds.

In a province as prosperous as Ontario, homeless encampments cannot be the best we can do for our residents, communities, and businesses. We know we have the capacity to solve this problem. All that we need is the resolve.

[1] AMO Survey of Municipal Service Managers and DSSABs, December 2023

## Ontario Municipalities Are Committed to Meeting Rights Obligations

Municipalities have long understood the critical importance of housing in the health, safety, and well-being of individuals and families.

Ontario's municipalities are also fully committed to meeting all their obligations under the *Charter* and the *Ontario Human Rights Code*. But in the context of substantial growth in needs and declining resources, interpretations of what these obligations are, and how to meet them are increasingly at odds.

In responding to homeless encampments, many municipalities are following guidelines provided by experts in rights-based approaches[2], including the importance of:

- Meaningfully engaging with individuals living in encampments, including ongoing good faith discussions with as many encampment residents as possible to understand concerns and provide supports;
- Exploring viable alternatives to encampment evictions or removals, such as offering alternative housing solutions – like tiny homes, shelters, rent supplements or re-locating encampments from dangerous or inappropriate sites;
- Supporting encampment residents' access to essential services, such as drinking water, waste management, and sanitation facilities;
- Respecting encampments residents' belongings; and
- Working with encampment residents and police forces to develop and implement encampment safety protocols.

Many municipalities across Ontario have implemented innovative approaches to encampments that have improved circumstances for both encampment residents and the broader community.

[2] The Shift Municipal Engagement Guidance, Homeless Encampments – The Shift, 2023

## Case Study 1:

Municipality A – a regional municipality – found an alternative to a large encampment on municipal land. There were health and safety risks resulting from fires, pests, unsanitary conditions and serious criminal activity and unsanitary conditions. To protect the residents and to prevent further damage to the property, the upper tier municipality worked with a lower tier municipality and participating community partners to find an interim housing solution. A supervised transitional housing site was established on municipal land with 50 cabins to provide temporary shelter. On-site services help residents meet basic needs, connect to services and permanent housing options. These efforts are complemented by a new Council-approved and funded plan to end chronic homelessness.

## Case Study 2:

Municipality B – a northern municipality with a large Indigenous population – implemented a protocol to manage encampments on public property with an explicit commitment to a rights-based approach. It requires that the municipality exhaust options for engaging with and moving each individual to a safer indoor space before encampment removal is considered. Respect for and protection of Indigenous rights is a key commitment. The protocol outlines the roles and responsibilities of various municipal players, centering the provision of services around the principles of housing first and the safety of encampment and broader community residents. The local District Social Services Administration Board collaborates to provide support services such as outreach, emergency shelter and housing help assistance.

## Case Study 3:

Municipality C – a large municipality – focused on a human rights-based outreach to meet the basic needs of high acuity unsheltered homeless individuals through an innovative service hub and mobile depot model. This approach was implemented within the context of a Whole of Community System Response, building upon a robust existing emergency shelter and housing supports system and provision of new mental health and addictions services plus 600 highly supportive housing units. Encampment health and safety review protocols are in place to guide municipal staff and community partners when supporting and managing encampments in a way that balances the public and private interests of public spaces while allowing for temporary shelter. This includes identifying situations where encampments are able to remain with supports and situations where they are restricted or significant interventions including removal are required. It also sets out rules for inhabitants of encampments to ensure health and safety (e.g. limiting the size and not allowing open fires or combustibles). These protocols also allow for identification of any challenges, unmet needs and/or resources required to respond to and support social and health service care planning.

But almost five years out from the beginning of the pandemic, many municipalities with long-term encampments are experiencing an erosion of community will, trust and buy-in for solutions. Tensions arise between individual and community obligations when municipalities respond to encampments. There is often a lack of consensus between what encampment residents need, what community members want, what human rights advocates are calling for, and what municipalities believe they must do to fulfill their roles and responsibilities to all residents.

Some people living in encampments refuse offers of shelter or housing options, opting to continue living in an outdoor encampment for various reasons. There are situations when it is necessary to re-locate and/or remove encampments and find other alternative options.

It is not a sustainable, long-term solution for municipalities to allow the normalization of encampments. Municipalities need to act in the best interests of the homeless and their communities to find other solutions.

## Municipalities Need Flexibility to Respond to Complexity

Municipalities recognize the challenging circumstances that lead people to end up in encampments. These community members have complex needs that municipalities do their best to meet, with the same respect, dignity, and compassion afforded to all municipal residents.

But municipal responsibilities go beyond supporting encampment residents. Municipal governments are responsible for ensuring community health and safety through public health, by-law enforcement, paramedicine, fire, and policing services.

Homeless encampments are mostly unplanned environments without the infrastructure and amenities to make them healthy and safe places for the inhabitants residing there. As a result, the proliferation of homeless encampments can result in substantial risks to both encampment residents and the broader community.

This is why municipalities have by-laws to prohibit certain activities on properties that may cause personal injury or damage to the lands. This often includes bans on camping and erecting unauthorized structures. Municipalities are also obligated to exercise powers under the *Fire Protection and Prevention Act* to remove or reduce an immediate threat to life. Municipally-led public health agencies work to prevent transmission of infectious diseases, while municipal police forces must enforce the Criminal Code to ensure public safety.

Meeting all these obligations in a way that respects everyone's rights and needs is not always straight forward, and frequently requires significant judgement as situations can quickly become complex:

## Case Study 1:

Municipality X – a mid-sized city with a significant student population – had a significant encampment in a major public park for over two years. At its largest, the site housed over 100 residents and included many unsafe structures. Violence and illegal activity, including fentanyl trafficking, became common place as policing became dangerous and ineffective. Numerous serious fires created threats to life and inflicted major damage. Outreach workers continued to provide health and support services and repeatedly offered alternative housing options to all individuals in the encampment. While many residents were successfully transitioned into housing, a number refused to leave unsafe structures.

## Case Study 2:

Municipality Y – a large upper tier municipality – experienced an encampment of approximately 50 people established on municipal land used to support public transit. The municipality quickly mobilized intensive community social service resources and incurred significant costs to provide security and regular site clean-up. Despite efforts to meet the needs of residents, it was determined that the conditions at the encampment, including fires, pests, unsanitary conditions, and serious criminal activity posed a risk to health and safety as well as damage to the land, so removal was sought. Alternative shelter and housing solutions to the encampment were provided, including 50 new transitional housing units.

## Case Study 3:

Municipality Z – a northern urban community – had many encampments in parks, roads and private property. After an encampment resident tragically died after creating a fire inside their tent, municipal fire services educated residents about how to stay warm in a safe manner, but the risks remained. Municipal law enforcement officers work together with social services staff first to connect with the residents to seek a resolution. The approach is open, transparent, and outlined publicly in a municipal protocol. In addition, a guidance document was developed by a third-party expert in homelessness service delivery planning. There is an emphasis on finding solutions through housing and other support services to resolve encampment situations. Council is going further to implement a plan to end chronic homlessness by 2030.

Municipal governments across Ontario experience challenges ensuring the health and wellness of inhabitants of encampments. First responders such as paramedics are often called in response to emergency situations or to provide community paramedicine services. Encampment inhabitants have had serious health conditions including life threatening ones. People have been hospitalized and, in a few cases, even died. Health risks come from extreme weather exposure, carbon monoxide poisoning, fires, and from smoke inhalation because of the use of heating and cooking devices within tents and other structures. Others have suffered from frostbite, resulting in amputations of fingers and toes.

In many of these circumstances, removal of encampments was deemed necessary to preserve the safety of both the residents of the encampments and the broader community.

Municipalities understand that alternative shelter options must be identified before removing encampments. They understand that in some circumstances, the ongoing existence of an encampment might be the best option – regardless of implications for others' access to parks, manageable safety concerns, or impacts on businesses and community quality of life. They understand the need to educate their staff, officials, and the broader public on the rights that all residents have.

However, a categorical ban on encampment removals under any circumstance or a sense that enforcement does not have a role in encampments management simply doesn't reflect the complex situation in which Ontario finds itself. Pretending otherwise does a disservice to the many dedicated municipal staff and officials who find themselves trying to rectify an untenable situation.



# Federal and Provincial Government Leadership Is Needed Now

Municipalities have an important role to play contributing to solutions to homelessness and supporting those in encampments. But the scope of action and investment required to adequately address encampments far outstrips municipal fiscal capacity and jurisdiction.

## Provincial Action Required

Progress on encampments depends primarily on action and leadership from provincial government to address the root causes of homelessness, namely:

- **Growing Income Insecurity:** Across the province, a growing number of Ontarians can no longer afford the basic necessities of life. In Ontario, 45% of tenant households spend 30% or more of their total income on shelter. This is the highest rate across the country. By 2025, approximately 160,000 households will spend more than 50% of their income on rent, putting their housing at risk and increasing the likelihood of them becoming homeless. Food bank use in Ontario has skyrocketed, increasing 42% over the past 3 years alone. One-third of these visitors were using food banks for the first time, including growing numbers of workers.[3] When people can't afford to pay rent and feed themselves and their families, they aren't able to work, take care of their kids, or contribute to the community. Despite recent increases to the Ontario Disability Support Program (ODSP) rates, in real terms ODSP and Ontario Works rates have never been lower, having not kept up with inflation for decades. Outdated and overly complicated rules keep people in poverty. Increasing social assistance rates and transforming social assistance to better help people to get back on their feet and fully participate in the economy will be a critical part of making progress on homeless encampments.

**Social Assistance** – Currently, because they do not have shelter costs, people who are homeless are not entitled to receive shelter benefits. This means that homeless people on ODSP/OW receive around $500/$400 less per month than the average monthly rates ($1308/$733). Amending OW and ODSP policies to provide the shelter allowance to homeless individuals is a key way that the province can make progress on homelessness.

[3] Feed Ontario – The Hunger Report (2022).

- **Insufficient supply of deeply affordable housing:** Deeply affordable housing includes a range of approaches – from government-owned buildings, to rent subsidies, to non-profit housing and co-operative developments — to provide housing for individuals who are unable to afford market rents. It is a smart way to invest tax dollars in community well-being and economic prosperity by providing people with dignity, opportunity, and a better quality of life. The wait list for government subsidized housing assistance in 2018 was 215,000 people. According to recent Canada Housing Renewal Association study, an additional 143,225 units of deeply affordable community housing is needed in Ontario by 2030 just to meet the OECD average.[4]

  Most social housing stock in Ontario has been made possible by past significant federal and provincial investments, primarily between the 1960s and 1990s. However, provincial commitment has been limited since downloading responsibility for social housing to municipalities in the 1990s. Ontario remains the only jurisdiction in Canada where social housing is a municipal responsibility. Each year, municipalities spend approximately $1 billion in connection with provincial housing programs.[5] During the pandemic, many municipalities invested in additional deeply affordable housing assistance to meet demand. Property taxpayers, including people on fixed incomes, cannot support the kinds of investments needed to keep up with demand.

**The National Housing Strategy** lays a good foundation for action. However, the recent temporary federal-provincial disagreement on the proposed Ontario provincial action plan put over $350 million in NHS funding at risk, highlighting a fundamental lack of intergovernmental alignment and the overall disconnect between community housing needs, targets, and resources. There is a need to fundamentally re-think the way that community housing is funded in Ontario. Collaboration and integration of effort to a shared commitment to end homelessness is absolutely required.

[4] Deloitte, Canadian Housing and Renewal Association and Housing Partnership Canada: The Impact of Community Housing on Productivity, 2023.

[5] Financial Accountability Office of Ontario – Ontario's Housing and Homelessness Programs (2021)

- **Inadequate Approach to Mental Health and Addictions:** Ontario is also experiencing a mental health and addictions crisis that intersects with and contributes to homelessness. People with poor mental health are more vulnerable; homelessness exacerbates mental illness – a tragic and costly cycle. Approximately 30-35% of those experiencing homelessness and up to 75% of women experiencing homelessness struggle with mental illnesses.[6] Ontario's Roadmap to Wellness program was a step forward in addressing mental health and addictions challenges in Ontario. But progress has been slow, waitlists for addictions treatment programs remain far too long, and government action has not focused enough on people with complex social needs and the importance of integrating health and social supports. Inconsistent access to mental health and addictions services across the province results in gaps for many rural and northern communities that prevent progress on homelessness.

**Supportive Housing** – Supportive Housing is deeply affordable housing with on-site supports that helps individuals achieve housing stability, preventing a return to homelessness, especially for people with mental health conditions and addictions. Significantly more supportive housing units are need urgently. Estimates of the shortfall of units in 2017 range from between 30,000 to 90,000.[7]



[6] www.homelesshub.ca/about-homelessness/topics/mental-health#:~:text=People%2520with%2520mental%2520illness%2520experience,experiencing%2520homelessness%252C%2520have%2520mental%2520illnesses

[7] Wellesley Institute – Supportive Housing in Ontario: Estimating the Need (2017)

It will take years to reverse the systemic issues created by decades of policy choices made by successive provincial governments. In the interim, provincial leadership and investment is required to:

- **Expand the emergency shelter system:** Emergency shelters already under strain are ill-equipped to respond to increasing demands driven by growing numbers of asylum-seekers and sky-rocketing rents.

- **Establish Homeless Encampment Guidance:** Provincial guidance is urgently needed to ensure an appropriate and consistent approach to encampments in a complex and evolving legal and policy landscape. The abdication of leadership by the provincial government and resulting adjudication by the courts is costly and slow, creating unclear and unrealistic expectations, and feeding divisions at the community level. Establishing and reinforcing principles and parameters at a provincial level, consistent with the statutory obligations, will allow municipalities to focus on what they do best – providing services to citizens aligned with local needs and circumstances – without the impossible task of reconciling provincial policy choices at odds with group or individual rights.

- **Cost-match federal encampment funding:** The 2024 Federal Budget announced an additional $250 million in dedicated funding to addressing encampments with a call out to provinces and territories to cost match this investment. The provincial government must heed this call and provide the matching funds.

## Federal Government

AMO applauds important demonstrations of federal government leadership on non-market housing and homelessness, including the 2018 National Housing Strategy, the 2019 Reaching Home Initiative, and most recently elements of the 2024 Canada's Housing Plan, including the Affordable Housing Fund, the Rapid Housing Initiative and the Rental Protection Fund.

Sustained, concerted, significant action across all governments is needed, however, to truly make progress. The federal Parliamentary Budget Officer has determined that the funding is still insufficient to meet the target of reducing chronic homelessness by 50%. This will require additional investments of $3.5 billion a year across Canada. This is 7 times the current funding level. Recent federal-provincial disagreements in the context of the National Housing Strategy highlight the need for stronger inter-governmental collaboration on community housing and homelessness across all three orders of government.

AMO supports the federal Housing Advocate's call for a federally-led National Encampments Response Plan. This Plan must, however, preserve municipal flexibility and respect provincial (and in turn, municipal) heads of power, jurisdiction and rights. This is necessary to meet broader responsibilities and respond to specific circumstances

effectively. It cannot include recommendations from the federal Housing Advocate's report such as a ban on forced removals in any circumstances.

## How Can Municipalities Navigate in the Interim?

While provincial and federal action is urgently required, municipal governments are responding to immediate needs in their community that cannot be delayed by insufficient support from other orders of government.

An evolving legal landscape and the proliferation of guidance from different sources about how municipalities should respond to homeless encampments can create challenges for municipalities and service partners trying to assess options.

Individuals do not have a right to camp anywhere they choose on public lands, at any time. Nor do those who decline appropriate alternative shelter options have a right to continue to reside in encampments.

Municipal governments must implement solutions that are effective, appropriate, feasible, practical, and in compliance with Ontario and Canadian law including but not limited to human rights legislation. For example, in contrast to some guidance, municipal police forces cannot be ordered by municipal councils to stop enforcing the Criminal Code by decriminalizing drug use in encampments. Municipal police forces also cannot abdicate their public safety responsibilities, which is incompatible with suggestions to fully de-centre policing as a municipal response.

Some guidance has stated categorically that municipalities must stop all removals on public lands, going beyond current legal obligations. The Shift's Homeless Encampments: Municipal Engagement Guidance was developed in collaboration with municipalities, housing and health experts and provides helpful and practical advice.

While each municipality faces unique facts and circumstances that require independent legal assessments and advice, considering these key factors as they make hard decisions about the best options for their communities can help municipalities to mitigate legal risks:

- **Alternative shelter options for individual encampment residents are critical:** Removing encampments from public lands when there is no alternative shelter space for encampment residents has been found to violate the *Charter* right to life, liberty and security of the person. Alternative shelter options include spaces in emergency shelters or alternative tenting locations, among others. It is not the case that municipalities must demonstrate capacity for all homeless individuals within a municipality to clear an encampment, but it is important that each individual in the encampment under consideration for removal have a specifically identified shelter option.

- **Location of alternative shelter options:** An important factor in whether alternative shelter locations are appropriate is their accessibility to services – such as food banks, health services, or sanitation facilities – that provide the basic necessities of life. Ways to enable access to these services – such as public transit or mobile service delivery options – should be considered.

- **Public use of occupied space:** How public lands where encampments have arisen are designated for use is an important factor. Encampments located in major parks that are heavily accessed by the public are different from encampments located on empty lots. The degree to which the presence of an encampment impedes public use of space may be a relevant factor, particularly from a public safety perspective.

- **Protected groups and homeless encampments:** *The Ontario Human Rights Code* prohibits actions that discriminate against people based on protected grounds like race, disability, and sex in social areas that include housing and services. Because of the over-representation of groups such as Indigenous people, people with mental health and substance use conditions, or gender-diverse individuals in homeless encampments, there is an elevated risk that actions related to homeless encampments can create or exacerbate disadvantage based on prohibited grounds.

Ultimately, municipalities should be:

- Assessing risk to the unsheltered homeless, community residents and the municipality and identify actions to mitigate them.
- Assessing compliance of planned actions with the *Charter* and the *Ontario Human Rights Code* by consulting legal counsel.
- Providing outreach to people living in homeless encampments and engaging them about solutions about their individual circumstances.
- Engaging and developing solutions with people with lived experience of homelessness to ensure the proposed approach is appropriate and responsive to the needs and experiences of people experiencing homelessness.
- Focusing on the needs of and appropriately engaging Indigenous People in the community, given their over-representation in the homeless population, must inform the response.

## Conclusion

Homeless encampments are the most recent symptom of much deeper system failures that are compromising the foundations of our social and economic prosperity.

It's time for the provincial and federal governments to play a leadership role in solving this crisis and addressing the root causes of homelessness.

Ontario's municipalities are ready to work with provincial and federal partners to end both homeless encampments and chronic homelessness in Ontario.




**Disclaimer:** This document is not to be construed as the provision of specific legal advice for local situations. Municipalities and organizations should seek legal counsel's advice on questions regarding compliance with applicable laws. This document does not attempt to comprehensively cover every possible situation that may arise with encampments and is timely at the date of its publication. Municipal governments should endeavour to keep apprised of developments in law, and to learn from each other what works and what does not with the circumstances of their local situation.

**Association of Municipalities of Ontario (AMO)**
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|---|---|
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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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Tom Vair, CAO |
| DEPARTMENT: | Chief Administrative Officer |
| RE: | Deputy CAO, Public Works and Engineering Services Appointment |

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## Purpose

The purpose of this report is to inform Council of a pending retirement and seek Council approval for the appointment of the Deputy CAO, Public Works and Engineering Services (DCAO, PWES) position.

## Background

The current DCAO, PWES, Larry Girardi, will be retiring from the position as of September 1, 2024.

It is recommended that the City appoint Susan Hamilton Beach in this role. Susan Hamilton Beach has served the City for over 23 years, the last 13 as the Director of Public Works.

Within the policy for hiring members of the Senior Management Team (SMT), it is contemplated that an appointment process can be undertaken. Given the experience and dedication Susan Hamilton Beach brings to the role, the CAO recommends an appointment.

## Analysis

The hiring of individuals for the SMT is an important task requiring a thoughtful approach. In most instances, the City would undertake a public recruiting process for a senior role. In this case, it is recommended an appointment be made.

First and foremost, the recommendation is being made based on the strength and experience of Susan Hamilton Beach. She is an ideal candidate for this role and will bring continuity and continued leadership to the position. As mentioned above, Susan Hamilton Beach has served the City for over 23 years, the last 13 as the Director of Public Works.

A secondary factor is the efficient use of staff resources in undertaking a recruitment and hiring process. With an obvious candidate in-house, it is not

recommended to proceed through a time-intensive job posting and interview process.

Staff would like to recognize Larry Girardi for his years of service to the Corporation and thank him for all his efforts in the role of DCAO, PWES.

**Financial Implications**
The financial impact can be accommodated within the current budget for salaries and benefits.

**Strategic Plan / Policy Impact / Climate Impact**
This is an operational matter not articulated in the corporate Strategic Plan.

**Recommendation**
It is therefore recommended that Council take the following action:

Resolved that the report of the CAO dated July 15, 2024 concerning Deputy CAO, Public Works and Engineering Services Appointment be received and that Council authorize the appointment of Susan Hamilton Beach to the Deputy CAO, Public Works and Engineering Services position.

The relevant By-law 2024-97 is listed under Agenda item 12 and will be read with all by-laws under that item.

Respectfully submitted,

Tom Vair
CAO
705.759.5347
Cao.vair@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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Shelley J Schell, CPA, CA, Chief Financial Officer and Treasurer |
| DEPARTMENT: | Corporate Services |
| RE: | 2023 Audited Financial Statements |

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## Purpose

The purpose of this report is to approve the attached draft Audited Consolidated Financial Statements and Trust Fund Statements for the year ended December 31, 2023.

## Background

The *Ontario Municipal Act, 2001*, section 294.1 requires a municipality to prepare annual financial statements for each fiscal year in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of Chartered Professional Accountants of Canada.

The *Ontario Municipal Act, 2001* also requires the City of Sault Ste. Marie to appoint an independent auditor to express an opinion as to whether the financial statements present fairly, in all material respects regarding the financial position and operating results.

On September 19, 2023, Council appointed KPMG as the municipal auditor for five years, effective with the 2002 fiscal year. The 2023 fiscal year is year two of the five-year appointment.

## Analysis

The 2023 consolidated financial statements have received a clean audit opinion by the municipal auditor.

The Ontario Ministry of Municipal Affairs and Housing (MMAH) has prepared a guide that provides examples and explanations of some of the typical information contained in the municipality's annual audited financial statements. The common language guide may assist councillors and other users of the financial statements in better understanding the information presented. Below is the link to the guide:

https://www.ontario.ca/document/tools-municipal-budgeting-and-long-term-financial-planning/common-language-guide-municipal-financial-statements

New for 2023 is the introduction of asset retirement obligations. The appendix to the financial statements outlines the work completed by KPMG and explains the accounting change for 2023 as well as the retroactive restatement of 2022 information. In summary, asset retirement obligations are a recognized liability on the financial statements where we are aware that there is a legal obligation or a past event highlighting that a liability is required. For example, landfill closure and asbestos abatement are two types of obligations that staff are aware of that need to be remediated when an asset is retired. Given that we can estimate the remediation of these assets, a liability is therefore recorded. This accounting exercise does not affect current or future surpluses. The costs to address these obligations will form part of future budgets.

**Financial Implications**
Not applicable.

**Strategic Plan / Policy Impact / Climate Impact**
This is not an activity directly related to the Strategic Plan.

**Recommendation**
It is therefore recommended that Council take the following action:

Resolved that the report of the Chief Financial Officer and Treasurer dated July 15, 2024 concerning the 2023 Audited Financial Statements be received and that the financial statements be approved.

Respectfully submitted,

Shelley J. Schell, CPA, CA
Chief Financial Officer/Treasurer
705.759.5355
s.schell@cityssm.on.ca

Consolidated Financial Statements of

# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Year ended December 31, 2023

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# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Financial Statements

Year ended December 31, 2023

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**Management's Responsibility for the Consolidated Financial Statements**

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

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

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

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

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| | |
|---|---|
| _____ | _____ |
| Chief Administrative Officer | Chief Financial Officer / City Treasurer |

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

# INDEPENDENT AUDITOR'S REPORT

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

## *Opinion*

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

- the consolidated statement of financial position as at December 31, 2023
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2023 and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## *Basis for Opinion*

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

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

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

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KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
KPMG Canada provides services to KPMG LLP.

## *Emphasis of Matter – Comparative Information*

We draw attention to Note 2 to the financial statements ("Note 2"), which explains that certain comparative information presented for the year ended December 31, 2022 has been restated as a result of the modified retroactive adoption of the asset retirement obligation standard. Note 2 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

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

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

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

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

## *Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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

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

We also:

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

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

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override of internal control.

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

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Canada
July 15, 2024

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# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Financial Position

December 31, 2023, with comparative information for 2022

| | 2023 | 2022 (Restated - note 2) |
|---|---|---|
| **Financial assets** | | |
| Cash and cash equivalents | $ 69,850,134 | $ 40,106,539 |
| Temporary investments (note 3) | 21,876,416 | 20,932,517 |
| Taxes receivable (note 4) | 8,070,397 | 6,148,436 |
| Accounts receivable | 41,615,336 | 55,628,229 |
| Investment in government business enterprises (note 9) | 92,927,631 | 87,799,185 |
| | 234,339,914 | 210,614,906 |
| **Financial liabilities** | | |
| Accounts payable and accrued liabilities | 31,222,745 | 33,422,578 |
| Temporary advances from trust funds | 571,584 | 160,930 |
| Deferred revenue - obligatory reserve funds (note 5) | 7,667,246 | 11,130,606 |
| Net long-term liabilities (note 6): | | |
| The Corporation of the City of Sault Ste. Marie | 14,152,543 | 1,013,087 |
| Net long-term liabilities (note 7): | | |
| Public Utilities Commission of the City of Sault Ste. Marie | 4,877,477 | 2,736,414 |
| Net long-term liabilities (note 8): | | |
| Sault Ste. Marie Public Library | 2,302,680 | 1,915,026 |
| Employee future benefit obligations (note 15) | 38,618,149 | 39,119,022 |
| Asset retirement obligations (note 16) | 44,080,256 | 42,389,019 |
| | 143,492,680 | 131,886,682 |
| Net financial assets | 90,847,234 | 78,728,224 |
| Non-financial assets: | | |
| Tangible capital assets (note 17) | 641,230,972 | 600,892,984 |
| Prepaid expenses | 651,427 | 362,271 |
| Inventories | 3,987,788 | 3,750,561 |
| | 645,870,187 | 605,005,816 |
| Contingent liabilities (note 14) | | |
| Accumulated surplus (note 18) | $ 736,717,421 | $ 683,734,040 |

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

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# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

| | Budget (note 10) | 2023 | 2022 (Restated - note 2) |
|---|---|---|---|
| Revenue: | | | |
| Property taxation | $ 136,832,579 | $ 137,833,445 | $ 131,230,262 |
| Taxation from other governments | 4,573,680 | 4,694,249 | 4,578,570 |
| Fees and user charges | 55,736,491 | 57,891,478 | 53,196,971 |
| Government grants (note 19) | 38,496,073 | 46,214,483 | 51,574,549 |
| Interest income | 6,290,000 | 7,988,459 | 6,495,029 |
| Other | 2,020,274 | 8,914,267 | 6,602,580 |
| Developer contributions (note 17) | - | 7,642,877 | 2,445,091 |
| Gain on disposal of tangible capital assets | - | 49,924 | - |
| Net income of government business enterprises (note 9) | - | 6,828,604 | 4,793,114 |
| Total revenue | 243,949,097 | 278,057,786 | 260,916,166 |
| Expenses: | | | |
| General government | 19,645,405 | 19,704,275 | 15,270,234 |
| Protection services | 53,904,148 | 54,141,929 | 50,349,372 |
| Transportation services | 38,593,620 | 42,823,319 | 45,891,822 |
| Environmental services | 28,016,140 | 29,808,711 | 29,588,791 |
| Health services | 4,119,455 | 4,443,403 | 5,958,542 |
| Social and family services | 22,069,208 | 21,046,669 | 19,951,518 |
| Recreation and cultural services | 22,762,100 | 22,471,886 | 16,568,623 |
| Planning and development | 3,296,207 | 4,646,222 | 8,219,080 |
| Amortization of tangible capital assets | 24,257,807 | 24,296,754 | 22,581,694 |
| Loss on disposal of tangible capital assets | - | - | 381,631 |
| Total expenses | 216,664,090 | 223,383,168 | 214,761,307 |
| Annual surplus before the undernoted | 27,285,007 | 54,674,618 | 46,154,859 |
| Asset retirement obligation accretion expense (note 16) | - | 1,691,237 | 1,610,702 |
| Annual surplus | 27,285,007 | 52,983,381 | 44,544,157 |
| Accumulated surplus, beginning of year | 683,734,040 | 683,734,040 | 639,378,484 |
| Adjustment on adoption of the asset retirement obligation standard (note 2) | - | - | (188,601) |
| Accumulated surplus, end of year | $ 711,019,047 | $ 736,717,421 | $ 683,734,040 |

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

# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2023, with comparative information for 2022

| | Budget (note 10) | 2023 | 2022 (Restated - note 2) |
|---|---|---|---|
| Annual surplus | $ 27,285,007 | $ 52,983,381 | $ 44,544,157 |
| Acquisition of tangible capital assets | (59,057,717) | (64,658,261) | (63,379,290) |
| Amortization of tangible capital assets | 24,257,807 | 24,296,754 | 22,581,694 |
| Loss (gain) on sale of tangible capital assets | - | (49,924) | 385,603 |
| Proceeds on sale of tangible capital assets | - | 73,443 | 139,593 |
| | (7,514,903) | 12,645,393 | 4,271,757 |
| Change in prepaid expenses | - | (289,156) | 70,859 |
| Change in inventories | - | (237,227) | (511,384) |
| Change in net financial assets | (7,514,903) | 12,119,010 | 3,831,232 |
| Net financial assets, beginning of year | 78,728,224 | 78,728,224 | 78,813,543 |
| Adjustment on adoption of the asset retirement obligation standard (note 2): | | | |
| Adjustment to opening financial liabilities | - | - | (1,053,071) |
| Adjustment to opening tangible capital assets | - | - | (2,863,480) |
| Net financial assets, end of year | $ 71,213,321 | $ 90,847,234 | $ 78,728,224 |

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

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# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

| | 2023 | 2022 (Restated - note 2) |
|---|---|---|
| Cash provided by (used in): | | |
| Operating activities: | | |
| Annual surplus | $ 52,983,381 | $ 44,544,157 |
| Items not involving cash: | | |
| Amortization of tangible capital assets | 24,296,754 | 22,581,694 |
| Loss (gain) on sale of tangible capital assets | (49,924) | 385,603 |
| Developer contributions | (7,642,877) | (2,445,091) |
| Change in future employee benefit obligations | (500,873) | (445,979) |
| Change in landfill closure and post-closure liability | 1,691,237 | 1,610,702 |
| Gain on settlement of long-term debt | (513,087) | - |
| Net income of government business enterprise | (6,828,604) | (4,793,114) |
| | 63,436,007 | 61,437,972 |
| Change in non-cash assets and liabilities: | | |
| Taxes receivable | (1,921,961) | (3,236,220) |
| Accounts receivable | 14,012,893 | (18,625,088) |
| Prepaid expenses | (289,156) | 38,969 |
| Inventories | (237,227) | (511,384) |
| Accounts payable and accrued liabilities | (2,199,835) | 3,788,532 |
| Deferred revenue - obligatory reserves | (3,463,360) | 2,027,378 |
| Temporary advances from (to) trust funds | 410,654 | (182,095) |
| | 69,748,015 | 44,738,064 |
| Capital activities: | | |
| Proceeds on sale of tangible capital assets | 73,443 | 139,593 |
| Cash used to acquire tangible capital assets | (57,015,384) | (60,934,197) |
| | (56,941,941) | (60,794,604) |
| Investing activities: | | |
| Dividends received from government business enterprises | 1,700,160 | - |
| PUC Inc. previous year correction | - | 200,000 |
| | 1,700,160 | 200,000 |
| Financing activities: | | |
| Proceeds from long-term liabilities | 17,500,000 | - |
| Repayment of long-term liabilities | (1,318,740) | (1,017,046) |
| | 16,181,260 | (1,017,046) |
| Net change in cash | 30,687,494 | (16,873,586) |
| Cash and cash equivalents, beginning of year | 61,039,056 | 77,912,642 |
| Cash and cash equivalents, end of year | $ 91,726,550 | $ 61,039,056 |
| Cash position consists of: | | |
| Cash and cash equivalents | $ 69,850,134 | $ 40,106,539 |
| Temporary investments | 21,876,416 | 20,932,517 |
| | $ 91,726,550 | $ 61,039,056 |

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

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

**1. Significant accounting policies:**

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

(a) Basis of consolidation:

(i) Consolidated entities:

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

These entities and organizations include:

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

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

(ii) Investment in Government Business Enterprises:

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

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**1. Significant accounting policies (continued):**

(a) Basis of consolidation (continued):

(iii) Related entities:

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

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

(iv) Trust funds:

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

(b) Basis of accounting:

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

(c) Revenue recognition:

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

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

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

(d) Temporary investments:

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

(e) Inventories:

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

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**1. Significant accounting policies (continued):**

(f) Deferred revenue:

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

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

(g) Non-financial assets:

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

i. Tangible capital assets:

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

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

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

ii. Contributions for tangible capital assets:

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

iii. Leased tangible capital assets:

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

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**1. Significant accounting policies (continued):**

iv. Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, tangible capital assets are recognized at a nominal value.

v. Works of art and historical treasures:

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

(h) Use of estimates:

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

Actual results could differ from these estimates.

(i) Employee future benefits:

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

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

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

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

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**1. Significant accounting policies (continued):**

(i) Employee future benefits (continued):

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

(j) Financial instruments:

All financial instruments are initially recorded on the statement of financial position at fair value.

All investments held in equity instruments that trade in an active market are recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis. Freestanding derivative instruments that are not equity instruments that are quoted in an active market are subsequently measured at fair value.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operation. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from accumulated remeasurement gains and recognized in the statement of operations. Financial instruments are classified into fair value hierarchy Levels 1, 2 or 3 for the purposes of describing the basis of the inputs used to determine the fair market value of those amounts recorded a fair value, as described below:

Level 1 Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 Fair value measurements are those derived from market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly

Level 3 Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

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**1. Significant accounting policies (continued):**

(k) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

(i) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;

(ii) The past transaction or event giving rise to the liability has occurred;

(iii) It is expected that the future economic benefits will be given up; and

(iv) A reasonable estimate of the amount can be made.

The liability for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the City has also been recognized based on estimated future expenses on closure of the site and post-closure care.

The liability is discounted using a present value calculation and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in note 1(g) i.

**2. Change in accounting policies:**

The City adopted the following standards concurrently beginning January 1, 2022 prospectively: *PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments* and *PS 3450 Financial Instruments*.

*PS 1201 Financial Statement Presentation* replaces *PS 1200 Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in *PS 2601 Foreign Currency Translation, PS 3450 Financial Instruments*, and *PS 3041 Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

*PS 2601 Foreign Currency Translation* replaces *PS 2600 Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses. *PS 3041 Portfolio Investments* replaces *PS 3040 Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to *PS 3450 Financial Instruments*. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, *PS 3030 Temporary Investments* no longer applies.

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**2. Change in accounting policies (continued):**

*PS 3450 Financial Instruments* establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

Establishing fair value

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date.

Fair value hierarchy

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. There was no impact from the adoption of this standard.

*PS 3280 Asset Retirement Obligations*:

On January 1, 2022, the City adopted *Public Accounting Standard PS 3280 Asset Retirement Obligations*. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The new accounting standard has resulted in a withdrawal of the existing *Section PS 3270 Solid Waste Landfill Closure and Post-Closure Liability*. The standard was adopted on the modified retrospective basis at the date of adoption. Under the modified retrospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard.

The City removed the landfill liability that had been recognized to date and recognized an asset retirement obligation upon adoption of *PS 3280* on January 1, 2022, using the modified retrospective method. The liability represents the required closure and post-closure care for the landfill site owned by the City. The liabilities were measured as of the date of purchase of the site, when the liability was assumed. As of the date of adoption of the standard, the relevant discount rate is 4.36% per annum.



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**2. Change in accounting policies (continued):**

*PS 3280 Asset Retirement Obligations (continued)*:

On January 1, 2022, the City recognized an additional asset retirement obligation relating to several buildings that contain asbestos owned by the City. The buildings were originally purchased between 1972 and 1990, and the liability was measured as of the date of purchase of the buildings when the liability was assumed. The buildings had an expected useful life of 40 years, and the estimate has not been changed since purchase.

In accordance with the provisions of this new standard, the City reflected the following adjustments at January 1, 2022:

- Landfill obligation:
  - A decrease of $36,861,764 to Landfill closure and post closure liability to remove the liability recognized to date under the old standard, and an accompanying increase of $36,861,764 to opening Accumulated Surplus.
  - An asset retirement obligation in the amount of $32,214,030, representing the original obligation discounted to the present value amount using a rate of 4.36%, with the following corresponding adjustments:
    - An increase of $7,098,667 to the Landfill and land improvements capital asset account, representing the original estimate of the obligation as of the commencement of the use of the landfills.
    - An accompanying increase of $5,678,933 to Accumulated Amortization, representing the years of increased amortization for the 5th Line landfill site had the liabilities originally been recognized.
    - Adjustments for previously booked landfill expenses of $864,472 adjusted through opening Accumulated Surplus.
    - A decrease to opening Accumulated Surplus of $29,929,824, as a result of the recognition of the liability, accompanying increase in depreciation expense and accretion expense and landfill expenses for the years since purchase of the landfill sites.
- Asbestos obligation:
  - An asset retirement obligation in the amount of $8,564,287, representing the original obligation discounted to the present value amount using a rate of 4.36%.
  - An increase of $8,466,987 to the buildings and building improvements tangible capital asset account, representing the original estimate of the obligation as of the date of purchase, and an accompanying increase of $7,023,241 to the accumulated amortization, representing the years of increased amortization had the liability originally been recognized.
  - A decrease to opening accumulated surplus of $7,120,541, as a result of the recognition of the liability, accompanying increase in amortization expense and accretion and other expenses for the years since purchase.

On a combined basis, the implementation of the new standard has resulted in a decrease in opening accumulated surplus of $188,601, an increase in net tangible assets of $2,863,470 and an increase in financial liabilities of $1,053,071 effective January 1, 2022.

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**3. Temporary investments:**

Temporary investments consist of GIC's with interest rates between 4.4% to 5.2% with maturity dates ranging from February 2024 to June 2024.

**4. Taxes receivable:**

Property tax billings are prepared by the City based on an assessment roll prepared by the Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government. All assessed property values in the City were established based on a common valuation date which was used by the City in computing the property tax bills for 2023. However, the property tax revenue and tax receivables of the City are subject to measurement uncertainty as a number of significant appeals submitted by ratepayers have yet to be heard.

The City has established an allowance for tax appeals and other items in the amount of $1,150,000 (2022 - $1,100,000). Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined.

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**5. Deferred revenue – obligatory reserve funds:**

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

| | 2023 | 2022 |
|---|---|---|
| Federal Gas Tax | $ 3,438,126 | $ 6,803,209 |
| Other programs | 454 | 485 |
| Parkland | 586,733 | 453,358 |
| Building permits Bill 124 | 1,957,443 | 1,907,320 |
| Provincial Gas Tax | 26,434 | 24,074 |
| OCIF | 1,637,504 | 1,581,533 |
| NORDS | 20,552 | 360,627 |
| | $ 7,667,246 | $ 11,130,606 |

Continuity of deferred revenue is as follows:

| | 2023 | 2022 |
|---|---|---|
| Balance, beginning of year: | | |
| Federal Gas Tax | $ 6,803,209 | $ 7,562,035 |
| Other programs | 485 | 62,897 |
| Parkland | 453,358 | 391,553 |
| Building permits Bill 124 | 1,907,320 | 1,086,743 |
| Provincial Gas Tax | 24,074 | – |
| OCIF | 1,581,533 | – |
| NORDS | 360,627 | – |
| | 11,130,606 | 9,103,228 |
| Other revenue | 64,790 | 126,309 |
| Interest earned | 485,407 | 249,293 |
| Total revenue | 550,197 | 375,602 |
| Contributions received and deferred | 50,123 | 2,786,079 |
| Contributions taken into revenue | (4,063,680) | (1,134,303) |
| Balance, end of year | $ 7,667,246 | $ 11,130,606 |

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**6. Net long-term liabilities – The Corporation of the City of Sault Ste. Marie:**

| | 2023 | 2022 |
|---|---|---|
| Net long-term liabilities incurred by: | | |
| The Corporation of the City of Sault Ste. Marie | $ 14,152,543 | $ 1,013,087 |

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

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

On May 29, 2023 long-term liabilities with zero percent interest and specified principal repayment terms were settled for $500,000, resulting in a gain on settlement of $513,087 recognized in other revenue.

During the year a term loan of $14,500,000 was approved through Ontario Infrastructure and Loans Corporation for the twin pad arena. The loan was approved on May 15, 2023 at an interest rate of 4.36% over 15 years resulting in semi-annual draws of $663,557 which includes both principal and interest payments.

Interest paid on long-term debt in the year and included in current expenditures was $316,100 (2022 - $1,114).

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**7. Net long-term liabilities – Public Utilities Commission of the City of Sault Ste. Marie:**

| | 2023 | 2022 |
|---|---|---|
| Net long-term liabilities incurred by: | | |
| Public Utilities Commission of the City of Sault Ste. Marie: | | |
| (i) Line of credit facility | $ 3,000,000 | $ – |
| (ii) Term loan | 1,877,477 | 2,736,414 |
| | $ 4,877,477 | $ 2,736,414 |

(i) Public Utilities Commission of the City of Sault Ste. Marie has an authorized line of credit facility available in the amount of 6,200,000. The credit facility bears interest at prime plus 0.5% and is secured by a general security agreement. At December 31, 2023, $3,000,000 (2022- $Nil), was drawn or outstanding under the facility.

(ii) The term loan is non-revolving, repayable in blended monthly principal and interest payments of $77,660 at 3.11% and matures on January 12, 2026.

The City guarantees payment to the lender of all present and future debts and liabilities, including interest due at any time by the Commission to the lender. Under the guarantee, the City shall be limited to the sum of $8,000,000 together with interest from the date of demand for repayment.

Principal repayments recoverable over the next five years are as follows:

| | |
|---|---|
| 2024 | $ 886,035 |
| 2025 | 913,987 |
| 2026 | 77,455 |

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**8. Net long-term liabilities – Sault Ste. Marie Public Library:**

| | 2023 | 2022 |
|---|---|---|
| Net long-term liabilities incurred by: | | |
| Sault Ste. Marie Public Library | $ 2,302,680 | $ 1,915,026 |

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

| | |
|---|---|
| 2024 | $ 210,556 |
| 2025 | 214,767 |
| 2026 | 219,062 |
| 2027 | 223,443 |
| 2028 | 227,912 |
| 2029 – 2044 | 2,153,221 |
| Total minimum lease payments | 3,248,961 |
| Less amount representing interest at 4% | (946,281) |
| Present value of net minimum capital lease payments | $ 2,302,680 |

The current minimum monthly lease payments are $17,075 plus harmonized sales tax for the first 10 years and $10,100 plus harmonized sales tax for the final 10 years, expiring in March 2044 after the first optioned renewal period and additional renewal options available. Minimum monthly payments are subject to annual inflationary increases not to exceed 2% in any year.

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**9. Investment in government business enterprises:**

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

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

| | 2023 | 2022 |
|---|---|---|
| Financial Position: | | |
| Current assets | $ 39,047,819 | $ 36,225,053 |
| Notes receivable | 8,642,329 | 8,540,329 |
| Future income tax assets | 5,555,000 | 3,376,000 |
| Capital assets | 177,335,849 | 129,757,771 |
| Goodwill | 3,596,271 | 3,596,271 |
| Regulatory assets | 2,035,390 | 20,285,714 |
| Total assets | $ 236,212,658 | $ 201,781,138 |
| Current liabilities | $ 39,581,591 | $ 32,720,567 |
| Deferred revenue | 10,113,479 | 10,568,482 |
| Deferred tax liability | 4,083,000 | 2,877,000 |
| Employee future benefit obligation | 1,573,623 | 1,453,180 |
| Long-term debt | 1,445,802 | 1,720,937 |
| Deferred revenue | 102,031,953 | 89,255,619 |
| Lease liabilities | 18,991 | 47,978 |
| Regulatory liabilities | 16,156,588 | 7,058,190 |
| Total liabilities | 175,005,027 | 145,701,953 |
| Shareholder’s equity | 61,207,631 | 56,079,185 |
| Total liabilities and equity | $ 236,212,658 | $ 201,781,138 |

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**9. Investment in government business enterprises (continued):**

| | 2023 | 2022 |
|---|---|---|
| Results of operations: | | |
| Revenues | $ 136,179,999 | $ 130,248,598 |
| Expenses | (128,562,965) | (125,513,157) |
| Provision for payment in lieu of taxes | (764,262) | (241,786) |
| Other comprehensive gain | (24,168) | 299,459 |
| Net income for the year | $ 6,828,604 | $ 4,793,114 |

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

| | | |
|---|---|---|
| Common shares | $ 15,668,248 | $ 15,668,248 |
| Special shares | 15,513,300 | 15,513,300 |
| Accumulated other comprehensive income | 930,064 | 954,230 |
| Retained earnings | 29,096,019 | 23,943,407 |
| Equity, end of year | 61,207,631 | 56,079,185 |
| Notes receivable | 31,720,000 | 31,720,000 |
| Investment in government business enterprises | $ 92,927,631 | $ 87,799,185 |

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

*Related Party Transactions*

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

(i) At December 31, 2023, the City has the following amounts included in the consolidated statement of financial position:

A receivable of $3,298,707 (2022 - $3,079,696) for sewer surcharges, interest and dividends.

A payable of $1,394,841 (2022- $831,497) for street lighting and various electricity and water invoices.

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

| | 2023 | 2022 |
|---|---|---|
| Interest on note receivable | $ 1,934,920 | $ 1,934,920 |
| Other interest | 357,529 | 241,471 |
| Dividends | 1,700,160 | – |
| Property taxes | 336,746 | 331,193 |
| | $ 4,329,355 | $ 2,507,584 |

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**9. Investment in government business enterprises (continued):**

*Related Party Transactions (continued)*

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

| | 2023 | 2022 |
|---|---|---|
| Management fees charged | $ 7,893,187 | $ 6,451,711 |
| Electricity and electricity services | 3,814,766 | 3,573,302 |
| Water and wastewater services | 4,277,986 | 3,470,529 |
| Electricity charged for streetlights | 532,780 | 551,672 |
| Streetlight maintenance | 418,623 | 520,700 |
| Sewer administration charge | 337,223 | 316,494 |
| | $ 17,274,565 | $ 14,884,408 |

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

**10. Budget figures:**

The Budget By-law adopted by Council for the 2023 year was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of reserves to reduce current year expenses in excess of current year revenues to $Nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the Consolidated statements of operations and accumulated surplus and change in net financial assets represent the financial plan adopted by Council with adjustments as follows:

| | 2023 | 2022 |
|---|---|---|
| Adopted budget by-law for the year | $ – | $ – |
| Adjustments to adopted budget: | | |
| Debt principal repayments | 855,448 | 1,079,729 |
| Investment in tangible capital assets | 59,057,717 | 48,530,850 |
| Amortization of tangible capital assets | (24,257,807) | (22,078,042) |
| Net transfer to/from reserves and other | (8,370,351) | (2,330,987) |
| Budget surplus per consolidated statement of operations and accumulated surplus | $ 27,285,007 | $ 25,201,550 |

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**11. Pension agreements:**

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

The amount contributed to OMERS for 2023 was $7,150,066 (2022 - $6,677,258) is included as an expense on the consolidated statement of operations and accumulated surplus.

**12. Operations of school boards:**

During 2023, the City collected and transferred property taxes totaling $18,411,779 (2022 - $18,265,805) on behalf of area school boards.

**13. Trust funds:**

The trust funds administered by the City amounting to $9,847,968 (2022 - $9,145,470) are presented in a separate financial statement of trust fund balances and operations. Balances are held in trust by the City for the benefit of others, and as such they are not presented as part of the City's financial position or financial activities. At December 31, 2023, the trust fund balances are comprised of:

| | 2023 | 2022 |
|---|---|---|
| Cemetery Care and Maintenance funds | $ 6,742,450 | $ 6,386,824 |
| Pre-need assurance | 2,892,930 | 2,559,654 |
| Transit employees' pension | 87,136 | 82,823 |
| Historic Sites | 79,991 | 73,560 |
| Heritage Sault Ste. Marie | 32,236 | 30,707 |
| Ontario Home Renewal Program | (2,848) | (2,848) |
| Cultural Endowment | 16,073 | 14,750 |
| | $ 9,847,968 | $ 9,145,470 |

**14. Contingent liabilities:**

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

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**15. Employee future benefit obligations:**

Employee future benefits are liabilities of the City to its employees and early retirees for the following benefits earned but not taken as at December 31, 2023 are as follows:

| | 2023 | 2022 |
|---|---|---|
| Future payments required to WSIB | $ 11,948,316 | $ 12,360,098 |
| Post-employment and post-retirement benefits | 14,610,762 | 15,366,791 |
| Vacation pay | 9,410,423 | 8,698,432 |
| Non-vesting sick leave benefits | 2,648,648 | 2,693,701 |
| Employee future benefit obligations | $ 38,618,149 | $ 39,119,022 |

*(i) Post employment and post retirement benefits*

The City provides non-pension benefits to employees and retirees until they reach 65 years of age. The values that follow have been estimated based upon employee data available during the actuarial review which was completed as at December 31, 2023.

The benefit liability continuity is as follows:

| | 2023 | 2022 |
|---|---|---|
| Accrued benefit liability, January 1 | $ 15,366,791 | $ 16,299,033 |
| Expense | 490,284 | 596,532 |
| Payments | (1,246,313) | (1,528,774) |
| Accrued benefit liability, December 31 | $ 14,610,762 | $ 15,366,791 |

*Significant assumptions*

| | |
|---|---|
| Discount rate | 5.00% |
| Health cost increase | 4.0% - 6.50% |

*(ii) Non-vesting sick leave benefits*

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

*(iii) Accrued vacation pay*

Accrued vacation pay represents the liability for vacation entitlements earned by employees but not taken as at December 31, 2023.

*(iv) Future payments required to WSIB*

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

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**16. Asset retirement obligation:**

The City's asset retirement obligation consists of several obligations as follows:

a) Landfill closure:

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

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance.

The City owns and operates one primary landfill site, the 5th Line Landfill. The liability for the closure of operational sites and post-closure care has been recognized under PS 3280 Asset Retirement Obligation. The reported liability is based on estimates and assumptions with respect to events extending over a sixty-year period using the best information available to management. Future events may result in significant changes to the estimated total expenditures capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The site has capacity of approximately 3,000,000 metric tons with approximately 300,000 metric tons of remaining capacity. At current average fill rates, the site has a remaining operating life of approximately 5.0 years.

Post-closure care for the landfill sites is estimated to be required for 25 years from the date of site closure. These costs were discounted to December 31, 2023 using a discount rate of 5.0% per annum.

b) Asbestos removal obligations:

The City owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove or remediate these items. Following the adoption of PS3280 – Asset retirement obligations, the City recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at January 1, 2022. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation.

The transition and recognition of asset retirement obligations involved an accompanying increase to the landfill and building capital assets and the restatement of prior year numbers (see note 2).

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**16. Asset retirement obligation (continued):**

Changes to the asset retirement obligation in the year are as follows:

| Asset Retirement Obligation | Landfill closure | Asbestos removal | Balance at December 31, 2023 |
|---|---|---|---|
| Opening balance | $ 33,824,732 | $8,564,287 | $ 42,389,019 |
| Accretion expense | 1,691,237 | – | 1,691,237 |
| Closing balance | $ 35,515,969 | $ 8,564,287 | $ 44,080,256 |

| Asset Retirement Obligation | Landfill closure | Asbestos removal | Balance at December 31, 2022 |
|---|---|---|---|
| Opening balance | $ – | $ – | $ – |
| Adjustment on adoption of the asset retirement obligation standard (note 2) | 32,214,030 | 8,564,287 | 40,778,317 |
| Opening balance as restated | 32,214,030 | 8,564,287 | 40,778,317 |
| Accretion expense | 1,610,702 | – | 1,610,702 |
| Closing balance | $ 33,824,732 | $ 8,564,287 | $ 42,389,019 |

Obligations related to landfill closure will be funded from future taxation revenues. The City has established a reserve to contribute to the cost of closing and maintaining the landfill site of $13,643,243 (2022 - $12,449,387).

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**17. Tangible capital assets:**

| | | | | | | | | | 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | Land | Landfill and Land Improvements | Buildings and Building Improvements | Infrastructure | Machinery and Equipment | Vehicles | Assets under Capital Lease | Assets under Construction | Total |
| Cost | | | | | | | | | |
| Balance, beginning of the year | $ 28,699,218 | $ 24,648,640 | $ 106,314,613 | $ 662,956,375 | $ 37,164,765 | $ 47,589,455 | $ 2,507,319 | $ 87,422,442 | $ 997,302,827 |
| Additions | 368,607 | 1,001,549 | 45,649,914 | 43,384,123 | 3,897,188 | 3,747,190 | 432,572 | 17,040,944 | 115,522,087 |
| Disposals and transfers | (6,623) | - | (515,925) | (4,916,029) | (1,231,862) | (643,363) | - | (50,931,828) | (58,245,630) |
| Balance, end of year | 29,061,202 | 25,650,189 | 151,448,602 | 701,424,469 | 39,830,091 | 50,693,282 | 2,939,891 | 53,531,558 | 1,054,579,284 |
| Accumulated Amortization | | | | | | | | | |
| Balance, beginning of the year | - | (19,738,379) | (54,606,728) | (275,792,564) | (20,924,909) | (24,878,990) | (468,275) | - | (396,409,845) |
| Disposals/transfers | - | - | 515,925 | 4,915,448 | 1,215,549 | 643,363 | 68,002 | - | 7,358,287 |
| Amortization expense | - | (618,174) | (2,748,257) | (14,743,665) | (2,324,443) | (3,703,910) | (158,305) | - | (24,296,754) |
| Balance, end of year | - | (20,356,553) | (56,839,060) | (285,620,781) | (22,033,803) | (27,939,537) | (558,578) | - | (413,348,312) |
| Net book value, end of year | $ 29,061,202 | $ 5,293,636 | $ 94,609,542 | $ 415,803,688 | $ 17,796,288 | $ 22,753,745 | $ 2,381,313 | $ 53,531,558 | $ 641,230,972 |
| Net book value, beginning of year | $ 28,699,218 | $ 4,910,261 | $ 51,707,887 | $ 387,163,811 | $ 16,239,656 | $ 22,710,465 | $ 2,039,244 | $ 87,422,442 | $ 600,892,984 |

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**17. Tangible capital assets (continued):**

| | | | | | | | | | 2022 |
|---|---|---|---|---|---|---|---|---|---|
| | Land | Landfill and Land Improvements | Buildings and Building Improvements | Infrastructure | Machinery and Equipment | Vehicles | Assets under Capital Lease | Assets under Construction | Total |
| Cost | | | | | | | | | (Restated - note 2) |
| Balance, beginning of the year | $ 27,889,767 | $ 24,596,641 | $ 105,979,849 | $ 649,643,120 | $ 36,129,206 | $ 43,423,275 | $ 2,507,319 | $ 53,086,578 | $ 943,255,755 |
| Additions | 809,451 | 51,999 | 334,766 | 18,899,863 | 4,099,872 | 4,847,472 | - | 43,445,274 | 72,488,697 |
| Disposals and transfers | - | - | - | (5,586,608) | (3,064,313) | (681,292) | - | (9,109,410) | (18,441,623) |
| Balance, end of year | 28,699,218 | 24,648,640 | 106,314,615 | 662,956,375 | 37,164,765 | 47,589,455 | 2,507,319 | 87,422,442 | 997,302,829 |
| Accumulated Amortization | | | | | | | | | |
| Balance, beginning of the year | - | (19,129,295) | (52,304,523) | (267,296,380) | (21,376,357) | (22,185,902) | (342,709) | - | (382,635,166) |
| Disposals/transfers | - | - | - | 5,558,524 | 2,637,248 | 611,243 | - | - | 8,807,015 |
| Amortization expense | - | (609,084) | (2,302,205) | (14,054,708) | (2,186,000) | (3,304,331) | (125,366) | - | (22,581,694) |
| Balance, end of year | - | (19,738,379) | (54,606,728) | (275,792,564) | (20,925,109) | (24,878,990) | (468,075) | - | (396,409,845) |
| Net book value, end of year | $ 28,699,218 | $ 4,910,261 | $ 51,707,887 | $ 387,163,811 | $ 16,239,656 | $ 22,710,465 | $ 2,039,244 | $ 87,422,442 | $ 600,892,984 |
| Net book value, beginning of year | $ 27,889,767 | $ 5,467,346 | $ 53,675,326 | $ 382,346,740 | $ 14,752,849 | $ 21,237,373 | $ 2,164,610 | $ 53,086,578 | $ 560,620,589 |

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**17. Tangible capital assets (continued):**

a) Assets under construction:

Assets under construction having a value of $53,531,558 (2022 - $87,422,442) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Developer contributions:

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year was $7,642,877 (2022 - $2,445,091) comprised of water infrastructure, land and roads infrastructure.

**18. Accumulated surplus:**

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

| | 2023 | 2022 (Restated – Note 2) |
|---|---|---|
| Surplus: | | |
| Invested in tangible capital assets | $ 641,230,972 | $ 600,892,984 |
| Invested in government business enterprises | 92,927,631 | 87,799,185 |
| Sanitary sewer | 22,609,723 | 19,537,428 |
| Operating fund | 24,278,550 | 11,693,317 |
| Unfunded | | |
| Net long-term liabilities | (21,332,700) | (5,664,527) |
| Asset retirement obligations | (44,080,256) | (42,389,019) |
| Employee benefits | (38,618,149) | (39,119,022) |
| Total surplus | 677,015,771 | 632,750,346 |
| Reserves set aside for specific purpose by Council: | | |
| Acquisition of tangible capital assets | 4,311,159 | 4,757,951 |
| Planning and development | 792,899 | 724,880 |
| Other programs | 38,587,755 | 31,341,744 |
| Waste disposal site | 13,643,243 | 12,449,387 |
| Total reserves | 57,335,056 | 49,273,962 |
| Reserve funds set aside for specific purpose by Council: | | |
| Senior's Advisory Council | 112,946 | 112,946 |
| Cemetery development | 542,519 | 21,927 |
| Industrial land | 369,355 | 339,218 |
| Property purchases | 1,202,848 | 1,111,166 |
| Hospital development | 138,926 | 124,475 |
| Total reserve funds | 2,366,594 | 1,709,732 |
| | $ 736,717,421 | $ 683,734,040 |

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**19. Government grants:**

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

| | 2023 | 2022 |
|---|---|---|
| Provincial grants | $ 35,580,399 | $ 44,599,061 |
| Federal grants | 10,630,669 | 6,957,564 |
| Other grants | 3,415 | 17,924 |
| Total | $ 46,214,483 | $ 51,574,549 |

**20. Comparative figures:**

Certain of the prior year's comparative figures have been reclassified to conform to the current year's presentation

**21. Segmented information:**

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

General Government

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

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

Corporate Services

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

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

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

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

Legal Services

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

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**21. Segmented information (continued):**

Fire Services

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

Public Works and Engineering

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

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

Community Development and Enterprise Services

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

Outside Agencies

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

Levy Boards

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

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

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

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**21. Segmented disclosure:**

| | | | | | | | | | | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| | General Government | Corporate Services | Legal Services | Fire Services | Public Works and Engineering | Community Development and Enterprise Services | Outside Agencies | Levy Boards | Government Business Enterprises | Total |
| Revenue: | | | | | | | | | | |
| Taxation | $ 6,767,840 | $ 8,859,276 | $ 2,335,814 | $ 13,399,055 | $ 35,099,838 | $ 16,305,555 | $ 36,274,029 | $ 23,486,287 | $ - | $ 142,527,694 |
| Fees and user charges | - | 138,286 | 1,385,635 | 974,442 | 43,488,504 | 11,295,623 | 608,988 | - | - | 57,891,478 |
| Government grants | 627,007 | 1,612,937 | 437,350 | 2,450,128 | 26,263,990 | 6,624,409 | 8,198,662 | - | - | 46,214,483 |
| Interest income | 8,092,413 | - | 21,656 | - | (56,987) | (68,623) | - | - | - | 7,988,459 |
| Gain (loss) on disposal of tangible capital assets | - | - | (6,622) | 10,142 | 52,412 | - | (6,008) | - | - | 49,924 |
| Other | 2,788,058 | 703,427 | - | 12,295 | 11,076,840 | 1,670,509 | 306,015 | - | - | 16,557,144 |
| Net income of government business enterprise (note 6) | - | - | - | - | - | - | - | - | 6,828,604 | 6,828,604 |
| | 18,275,318 | 11,313,926 | 4,173,833 | 16,846,062 | 115,924,597 | 35,827,473 | 45,381,686 | 23,486,287 | 6,828,604 | 278,057,786 |
| Expenses: | | | | | | | | | | |
| Salaries, wages and employee benefits | 1,338,605 | 6,845,283 | 1,648,643 | 14,441,143 | 26,878,693 | 19,482,205 | 33,231,298 | - | - | 103,865,870 |
| Materials | 1,477,621 | 559,109 | 85,781 | 1,261,153 | 28,735,322 | 8,205,671 | 5,438,540 | - | - | 45,763,197 |
| Contracted services | 1,253,751 | 1,627,331 | 220,968 | 390,083 | 12,395,802 | 4,351,875 | 1,436,344 | - | - | 21,676,154 |
| Rents and financial | 356,845 | 1,404,744 | 70,492 | 6,015 | 12,151 | 406,974 | 174,577 | - | - | 2,431,798 |
| Grants to others | 167,974 | - | - | - | - | 52,589 | 1,642,545 | 23,486,287 | - | 25,349,395 |
| Amortization of tangible capital assets | 14,949 | 247,659 | - | 513,724 | 19,488,567 | 2,312,939 | 1,718,916 | - | - | 24,296,754 |
| | 4,609,745 | 10,684,126 | 2,025,884 | 16,612,118 | 87,510,535 | 34,812,253 | 43,642,220 | 23,486,287 | - | 223,383,168 |
| Landfill closure and post closure liability expense | - | - | - | - | 1,691,237 | - | - | - | - | 1,691,237 |
| Annual surplus (deficit) | $ 13,665,573 | $ 629,800 | $ 2,147,949 | $ 233,944 | $ 26,722,825 | $ 1,015,220 | $ 1,739,466 | $ - | $ 6,828,604 | $ 52,983,381 |

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**21. Segmented disclosure:**

| | General Government | Corporate Services | Legal Services | Fire Services | Public Works and Engineering | Community Development and Enterprise Services | Outside Agencies | Levy Boards | Government Business Enterprises | 2022 (Restated - note 2) Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue: | | | | | | | | | | |
| Taxation | $ 8,898,394 | $ 7,919,373 | $ 2,331,658 | $ 14,261,128 | $ 32,498,290 | $ 14,230,556 | $ 33,162,576 | $ 22,506,857 | $ - | $ 135,808,832 |
| Fees and user charges | - | 133,483 | 1,031,234 | 566,651 | 41,270,436 | 9,640,122 | 555,045 | - | - | 53,196,971 |
| Government grants | 308,917 | 1,511,134 | 399,197 | 1,725,242 | 20,403,862 | 20,149,767 | 7,076,430 | - | - | 51,574,549 |
| Interest income | 5,833,415 | - | 7,942 | - | 458,341 | 195,331 | - | - | - | 6,495,029 |
| Other | 5,187,352 | 210,829 | - | 8,958 | 3,327,073 | (51,577) | 365,036 | - | - | 9,047,671 |
| Net income of government business enterprise (note 6) | - | - | - | - | - | - | - | - | 4,793,114 | 4,793,114 |
| | 20,228,078 | 9,774,819 | 3,770,031 | 16,561,979 | 97,958,002 | 44,164,199 | 41,159,087 | 22,506,857 | 4,793,114 | 260,916,166 |
| Expenses: | | | | | | | | | | |
| Salaries, wages and employee benefits | 1,097,418 | 6,220,126 | 1,491,689 | 14,912,015 | 26,634,603 | 17,920,168 | 30,745,788 | - | - | 99,021,807 |
| Materials | 1,533,965 | 243,302 | 1,891,421 | 780,043 | 25,479,527 | 12,283,124 | 4,503,609 | - | - | 46,714,991 |
| Contracted services | 68,668 | (22,500) | 313,708 | 291,886 | 13,392,230 | 4,045,280 | 1,478,030 | - | - | 19,567,302 |
| Rents and financial | 380,006 | 1,205,302 | 73,213 | 4,214 | 12,643 | 273,135 | 203,385 | - | - | 2,151,898 |
| Grants to others | 5,130 | 884 | - | - | - | 228,289 | 1,600,825 | 22,506,857 | - | 24,341,985 |
| Loss on disposal of tangible capital assets | - | - | - | 364,118 | (47,092) | - | 64,604 | - | - | 381,630 |
| Amortization of tangible capital assets | - | 256,385 | - | 450,926 | 18,524,510 | 1,944,611 | 1,405,262 | - | - | 22,581,694 |
| | 3,085,187 | 7,903,499 | 3,770,031 | 16,803,202 | 83,996,421 | 36,694,607 | 40,001,503 | 22,506,857 | - | 214,761,307 |
| Landfill closure and post closure liability expense | - | - | - | - | 1,610,702 | - | - | - | - | 1,610,702 |
| Annual surplus (deficit) | $ 17,142,891 | $ 1,871,320 | $ - | $ (241,223) | $ 12,350,879 | $ 7,469,592 | $ 1,157,584 | $ - | $ 4,793,114 | $ 44,544,157 |

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# The Corporation of the City of Sault Ste. Marie

**PS 3280 Asset Retirement Obligations Costing Methodology**

## Introduction

KPMG LLP has been engaged by the Corporation of the City of Sault Ste. Marie ("the City) to advise on the implementation of Public Sector Accounting Standard ("PSAS") 3280 Asset Retirement Obligations, as issued by the Public Sector Accounting Board ("PSAB"), including the estimation of retirement obligations.

KPMG's advice, as presented in this report is intended only for the use of the City to inform its accounting policy selections with respect to the implementation of PS 3280. In this capacity, we did not act as auditors and accordingly our work did not result in the expression of an opinion and does not constitute an audit engagement. KPMG prepared this analysis based on information provided by the City. KPMG examined the information provided and assessed its appropriateness for PS 3280 implementation but did not otherwise audit or review the information. As a result, any errors or omissions in the information provided could impact the appropriateness of this analysis.

## Background

PS 3280 is effective for fiscal years beginning on or after April 1, 2022, and must be adopted by all public sector entities applying PSAS in preparing their financial statements. For the City, the standard must be adopted for the fiscal year beginning January 1, 2023. Asset retirement obligations ("ARO") are costs expected to be incurred as a result of the retirement or disposal of a tangible capital asset ("TCA"). A liability must be recognized on the statement of financial position when a legal obligation to incur retirement costs in the future exists. A legal obligation is deemed to exist when the City has a responsibility to another party which can result from signed agreements, government legislations or promises made to a third party.

PS 3280.09 indicates that a liability must be recognized on the statement of financial position when all the following criteria are met:

a) *there is a legal obligation to incur retirement costs in relation to a tangible capital asset,*
b) *the past transactions or event giving rise to the liability has occurred,*
c) *it is expected that future economic benefits will be given up and,*
d) *a reasonable estimate of the amount can be made.*

Upon implementation of the standard, one of the three transition options may be used – retroactive; modified retroactive; and prospective application. The City has elected to adopt the standard on a **modified retroactive basis** with prior year restatement of comparatives. In accordance with this transition method, PS 3280.69 states *'…as of the beginning of the fiscal year in which a public sector entity first applies this Section, the entity removes from its statement of financial position any liability for an asset retirement obligation and associated asset retirement costs and recognizes; (a) a liability for any existing asset retirement obligations, adjusted for accumulated accretion to that date; (b) an asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets; (c) accumulated amortization on that capitalized cost; and (d) an adjustment to the opening balance of the accumulated surplus/deficit'*. The adjustment to the accumulated surplus/deficit is made as of January 1, 2022, as the beginning of the comparative fiscal year.

Precision regarding the measurement of an ARO for any individual asset is only possible with extensive testing and further detailed assessment work which is often destructive to the building materials due to the concealed nature of some materials. Such a level of precision is not required by PS 3280. Rather, the standard requires entities to apply a measurement approach which results in the best estimate of the amount required to retire a TCA, and which is informed by professional judgement. The costing methodology applied by the City is consistent with this guidance and emphasizes appropriateness of the estimates across a portfolio of assets, rather than for each individual asset.

This paper is intended for the use of the City of Sault Ste. Marie's management during their assessment of the financial reporting implications of the adoption of PS 3280. This paper is not intended for general use. KPMG LLP assumes no responsibility or liability for damages incurred by any other entity or person resulting from the use of, or reliance on, this paper.

**Materiality Considerations**

Materiality is a matter of professional judgement, with material items being those that are expected to impact the judgements, assessments, and decisions of users of the City's financial statements. A material item has an impact on the decisions of users of the financial statements and considers both qualitative and quantitative factors. The implementation of PS 3280 is a significant change to the City's reporting and accounting policies.

The criteria outlined below provide a summary of the measurement considerations and scoping applied in determining areas of focus with respect to implementation of PS 3280. The approach implements a risk-based review of in scope assets that could result in an impact that is significant to the City's financial statements.

A risk-based approach has been deployed at the asset class level first, to scope in asset classes that are at the greatest risk of having a retirement obligation on the City's financial statements.

# Analysis

## Measurement of PS 3280

The measurement of the liability for an asset retirement obligation should be based on the best estimate of the future costs to be incurred in order to retire a tangible capital asset. Per PS 3280.46,

*When the cash flows required to settle or otherwise extinguish a liability are expected to occur over extended future periods, a present value technique is **often** the best available technique with which to estimate the measure of a liability.*

While the standard suggests using a present value technique, it does not require it for the measurement of the ARO liability. Where the City does not have adequate information regarding the anticipated timing of cash flows to settle an asset retirement obligation, a present value technique does not necessarily need to be applied. Where cash flows are expected to occur in the near term, discounting of the payments would have an insignificant impact on the City's financial statements. A present value technique will also not be applied in these circumstances.

Where discounting is used, the rate should reflect the time value of money and the risks specific to the liability for asset retirement obligations for which estimates of future cash flows have not been adjusted. Discount rates should be determined based on specific risks related to retirement activities.

## Sources of ARO

All public sector entities are required to determine which assets contain legal obligations to incur costs in the future to retire the asset. To be in scope of PS 3280, hazardous materials must be part of the asset or the result of its normal use and linked to the retirement of the TCA itself. The hazardous material cannot be the result of an accident, unforeseen event, or a by-product of the asset to be disposed of separately from the TCA itself, which would be considered under the PS 3260 Contaminated Sites guidance.

To identify potential items that fall within the scope of PS 3280, key legislation that may result in an obligation were assessed and consultations were held with internal asset management subject matter experts for their assessments of whether or not it would result in potential ARO. The following sources of legislation were reviewed:

- The **Canadian Environmental Protection Act ("CEPA")** governs the protection of the environment and human health with respect the hazardous waste such as asbestos. There are regulations specifically regarding the handling of asbestos, such as the "Prohibition of Asbestos and Products Containing Asbestos Regulations" which are published under the authority of CEPA. The **Canada Occupational Health and Safety Regulations** (10.26 Schedule, Division II – Hazardous Substances Other than Hazardous Products) outlines requirements for asbestos exposure control plans, as well as requirements on disposal of asbestos and decontamination. According to this federal regulation, there are specific, clear, and additional requirements on the disposal of asbestos products, which would have a monetary component and could be calculated for the purposes of an ARO. These costs would be subject to location, and could change based on labour rates, and/or the source of the asbestos (for example floors compared to walls).

- The **Workers' Safety and Compensation Commission Industry Code of Practice for Asbestos Abatement in the province of Ontario ("Code of Practice")** notes that in situations where a building was constructed prior to 1980, the building survey is an important step prior to the start of any renovation or demolition work. In the absence of sampling and analysis data or other information, it is assumed that the product is contaminated. There are rare instances that asbestos has been found in buildings constructed after 1980. While asbestos was not formally banned in Canada until 2018, its use in construction of buildings for insulation, fire prevention and noise reduction stopped around 1990. This ban is in reference to **The Prohibition of Asbestos and Products Containing Asbestos Regulations** which had come into effect on December 30, 2018. Buildings constructed prior to 1990 were identified as having a higher risk of asbestos contamination.

- In accordance with the **Technical Standards and Safety Act** and other applicable regulations, the **Technical Standards & Safety Authority ("TSSA")** regulates the transportation, storage, handling and use of fuels. Regulations require underground fuel tanks to be registered with the TSSA, and establishes requirements for regular inspections, and for the abandonment and decommissioning of underground storage tanks. When an underground fuel tank is no longer in use, the removal must be performed by a qualified TSSA-registered contractor. The TSSA's regulations for underground fuel tanks clearly specify the requirements to decommission the tanks at the end of their useful lives, which would indicate a monetary cost, resulting in an ARO. The requirements vary for above ground fuel tanks, which are not required to be retired until they fail an annual certification inspection and appropriate remedial action is not taken.

- The **Lakes and Rivers Improvement Act** governs the decommissioning, removal, maintenance, and safety of dams. Section 16 of the Act states that no person shall alter, improve or repair any part of a dam in the circumstances prescribed by the regulations, unless the plans and specifications for whatever is to be done have been approved by the Ministry of Natural Resources and Forestry. Works subject to Section 16 approval include alterations, improvements or repairs that may affect the structural integrity or safety of the dam, or that may affect the waters or natural resources. This would include reconstruction or partial reconstruction of a dam. Submissions for approval require supporting calculations and drawings to be completed by a Professional Engineer licensed to practice in Ontario. Applications for approval are to include where and what measures should be adopted to mitigate potential impacts related to the proposed work. Where the proposed work is subject to the Environmental Assessment Act, an environmental assessment is to be included in the submission in order that potential environmental impacts associated with proposed work are identified and measures are determined to address those impacts.

- The **Public Transportation and Highway Improvement Act** governs the design, evaluation, construction or rehabilitation of a bridge, which in turn must conform to the standards set out in the **Canadian Highway Bridge Design Code** and engineering standards. The Act states that the structural integrity, safety and condition of every bridge shall be determined through the performance of an inspection every 2 years. The Act creates a legal requirement for bridges to be kept safe and in good repair.

- The **Ontario Water Resources Act** requires certain steps to be performed when a well is being abandoned or decommissioned. This Act covers all wells, whether they be private, commercial or municipal wells. Specifically, to plug and seal a well that is not being used as a well or maintained for future use as a well. These requirements are in place to ensure the public health and safety, as well as to avoid contamination of the ground water.

- ***Ozone Depleting Substances*** are refrigerants regulated as hazardous materials, due to their ozone depleting ability and powerful greenhouse gas potential. Ontario Regulation 463/10 made under the Environmental Protection Act regulates the use of these ozone depleting substances and the maintenance, repair and disposal of refrigerant containing equipment. Servicing and testing of equipment with these substances must be certified and do so in accordance with the regulations. Refrigerants may be sold, reused, or transferred to other equipment. Under this regulation, there are clear processes outlined which address the disposal of equipment and containers that contained ozone depleting substances. The disposal process would involve a monetary cost at the end of its useful life.

- ***Contractual obligations***, such as lease contracts for building space, may contractually obligate the City to record an ARO if there are any lease contracts in place. An example would be a lease for a building which includes terms at the end of the contract for the building to be returned to its original condition. There may be costs incurred by the City at the end of the lease to meet that contractual obligation, and therefore meet the definition of an ARO.

From this detailed assessment, the most significant risk of a material ARO for the City has been determined to be assets containing asbestos and other Hazardous Building Materials (“HBMs”), as well as the City’s landfill site.

## Assets in Scope of PS 3280

All public sector entities are required to determine which assets contain legal obligations to incur costs in the future to retire the asset. As indicated in the Tangible Capital Asset Policy, the policy applies to all City departments, boards and commissions, agencies and other organizations falling within the reporting entity of the City, that possess asset retirement obligations including:

- Assets with legal title held by the City.
- Assets controlled by the City.
- Assets that have not been capitalized or recorded as a TCA for financial statement purposes.

The consolidated entities of the City which have been identified for ARO consideration and require an assessment to determine the overall impact on the City's financial records include:

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

Sault Ste. Marie Police Services Board and the Sault Ste. Marie Public Library are included within the scope of the City's ARO. The PUC has prepared a costing estimate for ARO, and the assessed ARO will be recorded and audited by a separate external auditor before being consolidated into the City's financial statements. Tourism Sault Ste. Marie does not have any capital assets which would give rise to a retirement obligation. No asset types were noted that would fall under the scope of ARO.

**Scoping Methodology**

The scoping methodology to inform an estimate of ARO for the City bas based on the discussions and assessments with the asset management groups performed over all assets in the following TCA categories:

a. Buildings
b. Land and Land Improvements
c. Landfills
d. Tanks
e. Vehicles
f. Machinery and equipment
g. Infrastructure
h. Construction in progress
i. Other – Heritage Assets

All of the City's TCAs were identified as potentially in-scope for PS 3280 and assessed against the standard's recognition criteria. The following steps were undertaken in order to identify the City's assets that may have a possible retirement obligation:

- Management segregated the TCA listing as at December 31, 2022 from GP into major categories based on nature or type, as indicated above.
- Discussions were held with asset management groups over the known existence of hazardous materials that required specific remediation, including asbestos within buildings, radioactive material, and other contaminants or hazardous materials relating to other asset categories, such as building equipment and fuel tanks.

- Inquired of past remediation costs incurred by the City related to the removal of asbestos.
- Inquired with management regarding any historical experience in incurring decommissioning or remediation costs related to other asset types.
- Inquired with management regarding contractual obligations that may result in an ARO and examined a sample of lease contracts to verify terms.
- Inquired with management as to the existence of other assets controlled by the City that were not recorded within the financial statements and may be at risk of a retirement obligation.
- Inquired with management as to the existence of fully amortized assets. All were included in the asset listings provided.
- Inquired with management regarding the acquisition of any TCA's during the 2023 year that would impact ARO scoping.
- Inquired with management over the existence of any contaminated sites or other contamination that could fall under scope of the standard.

**Analysis of Assets for Scoping**

The following section outlines the consideration for the analysis of assets in or out of scope of PS 3280.

**Buildings** – Per the TCA policy for the City, buildings include permanent, temporary or portable structures, such as offices, garages, warehouses, and recreation facilities intended to shelter persons and/or goods, machinery, equipment and working space. Buildings with known or possible remediation for asbestos were identified as the most significant source of retirement obligation and were of focus for the preliminary cost estimate. Buildings were assessed on a risk basis. For asbestos that has been disturbed, Management is required to handle and dispose in a prescribed manner. This includes the renovations and/or demolition of buildings. The retirement costs are determined based on industry standards and assets and remeasured annually.

Buildings constructed before 1990 were identified as the highest risk, based upon risk factors identified by management. This is consistent with the Code of Practice as noted above, which notes that there are rare instances that asbestos has been found in buildings constructed after 1980. As both aluminum composite materials ("ACMs") and lead-based paint were no longer being used in the late 1980s, the year 1990 marks the transition where there was a reduction in the use of these materials resulting from the change in legislation where these materials were removed from the supply chain. Even where HBMs have not been specifically identified and confirmed through testing, they are assumed to be present, and remediation required prior to building demolition if the original construction date is prior to 1990.

All City buildings have been included in the GP accounting system.

*Leases* – AROs for the leases are not limited to the obligations related to environmental contamination, but also include any contractual obligations for the lessee to bring the leased assets back to their original states as bound by the contracts between the lessors and the lessees. Per discussion with management, the City does not have any leased buildings in which the City is the tenant. As a result, leases have not been identified as in scope for ARO implementation.

**Land and Land Improvements** – Land includes land purchased or acquired for value for parks and recreation, building sites, infrastructure (roadways, bridges, water treatment systems, etc.) and other program use, as per the City's TCA policy. Land improvements include improvements of a permanent nature such as parking lots, landscaping, lighting, pathways, soccer fields, and sprinkler systems. Management did not identify any possible retirement obligations associated with land. Land and land

improvements are considered out of scope of PS 3280, and are already subject to consideration under PS 3260, Contaminated Sites.

**Landfills** – Landfills are subject to existing requirements for closure and post closure activities on retirement of the landfill. This obligation was previously recognized as a solid waste landfill under PS 3270, Solid Waste Landfill Closure, however with the implementation of PS 3280 landfills will be within the scope of the new standard.

For landfills that are no longer in productive use, the costs of retirement would be expensed. For active sites, as there is still a future benefit to be gained, the costs would be included as an ARO. These costs include, but are not limited to:

- Capital asset inspection
- Capital asset maintenance
- Final decommissioning costs
- Maintenance/Inspection
- Landfill Gas Management Operation/Inspection/Maintenance
- Updating/formalizing Closure Plan
- Miscellaneous costs (such as surface waste cleanup, soil disposal and reinstatement of the cap/geotextile after replacement, etc.)
- Drainage control facilities inspection/maintenance

The measurement techniques will be obtained when an inspection or related costs incurred for similar activities has been provided to determine how much each of these costs will be calculated against the nature of the activity.

The City has one primary landfill site, the 5th Line Landfill, and the annual closure and post-closure costs have been estimated by AECOM Canada Ltd. ("AECOM"). The liability already recognized as a solid waste landfill provides an estimate of the ARO, which must be reallocated under PS 3280. There are no issues or further retirement obligations to consider for equipment and related infrastructure which are effectively part of the landfill infrastructure and will remain there.

**Tanks** – While regulatory requirements exist in Canada requiring the decommissioning of underground fuel storage tanks, similar requirements have not been identified for above ground tanks. Regulatory requirements detail certain considerations once a decision is taken to abandon or remove a tank, but that decision is ultimately contingent on ongoing inspections and certification. The City underwent an analysis to gather tank information with regards to the size, location, and contents of each type of tank. Inquiries with the Cemeteries Division noted that all underground tanks were removed in 2012, and that there are two above ground tanks which are considered out of scope for PS 3280. Through inquiry with the Public Works Department, there were no underground fuel tanks identified. The Transit division noted there is one fuel tank underground that is considered compliant with TSSA and has no history of leaks. Given that there would be retirement activities required for this asset, this will be included in scope of PS 3280.

In the rare instance a tank may fail a certification, the City will analyze the best course of action. This is the deemed trigger point to be in scope of the standard. The decision to retire or repair an aging tank depends on an internal engineering assessment conducted during upgrades and a cost-benefit analysis on repair vs. replacement. It was noted that as at the date of this report, no other tanks were identified as having a legal retirement obligation.

**Vehicles** – These TCA include rolling stock primarily used for transportation purposes and are not subject to any specific regulations or legal requirements mandating specific retirement activities be performed. Management did not identify any possible retirement obligations associated with the City's vehicle assets. Therefore, vehicles are considered out of scope of PS 3280.

**Infrastructure** – Per the TCA policy, this includes permanent structural works such as roads, bridges, water and sewer. These TCA are considered permanent assets that are being managed and maintained with no plans to retire or decommission them, with maintenance costs flowing through general life cycle budgeting. Given the permanent nature of these TCA they were scoped out of PS 3280 implementation.

**Machinery and Equipment** – Under the TCA policy, this includes equipment that is heavy equipment for constructing infrastructure; smaller equipment in buildings and offices; furnishings; tools, shop and garage equipment; fire and police equipment; computer hardware and software. This class does not include stationary equipment solely used in the infrastructure class. Consideration was also given to transformers within the buildings; however, these fall outside of the City's ownership and as such the City does not retain responsibility for retirement activities. Management did not identify any possible retirement obligations associated with machinery and equipment, therefore considered out of scope of PS 3280.

**Construction in Progress** – Construction in Progress ("CIP") relates to new capital projects which have not yet reached substantial completion, or the assets have not been placed into production/use. No AROs were identified by management relating to CIP. Therefore, these assets are out of scope of PS 3280 and will be assessed for any potential ARO when put into production/use.

**Other: Heritage Assets** – This group of assets include works of art and historical treasures considered irreplaceable and preserved in trust for future generations. As it is not possible to estimate the future economic benefits associated with such property, these have not been recognized as TCA in the City's financial statements. Any expenditures related to restoration are expensed in the period incurred.

**Summary of in-scope items:**

In summary, the following asset categories have been identified as being in scope for PS 3280:

- Buildings identified with asbestos
- Underground fuel tank
- Landfill

## ARO Post-Implementation Recognition

Following implementation, upon initial recognition of a liability for an ARO, the City will recognize an asset retirement cost by increasing the carrying amount of the related TCA (or a component thereof) by the same amount as the liability. Where the obligation relates to an asset which is no longer in service, and not providing economic benefit, or to an item not recorded by the City as an asset, the obligation is expensed upon recognition.

For certain assets, the retirement of the component parts may be required before the retirement of the overall asset of which the component parts belong. There are also three additional circumstances to consider as follows:

**1) Obligations associated with fully amortized tangible capital assets**

Per PS 3280.30, "an asset retirement obligation may exist in connection with a fully amortized tangible capital asset that is still in productive use." Although the asset is fully amortized, its cost basis exists and the liability for an ARO related to the initial acquisition, construction or development of the asset would increase the cost basis of that asset. The costs may be amortized over the revised estimate of the remaining useful life.

**2) Obligations associated with unrecognized tangible capital assets**

Per PS 3280.31 *"the asset retirement cost would be expensed as there is no cost basis of the underlying asset to which the asset retirement costs can be attached.*" This is consistent with the principle that ARO costs are not a separate asset because there is no specific and separate future economic benefit that results from them.

**3) Obligations associated with tangible capital assets no longer in productive use**

Per PS 3280.32 *"an asset retirement obligation may arise for a tangible capital asset no longer in productive use.* As there will no longer be any future benefit associated with the asset retirement, these costs would be expensed.

Once an asset has been categorized according to these criteria, the costing can be determined based on the following methodology and reported in the City's financial statements.

## Costing Considerations

In accordance with PS 3280.08, the estimate of activities related to an asset retirement obligation are based on directly attributable costs integral to the retirement of the asset, including but not limited to:

*(i) decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;*

*(ii) remediation of contamination of a tangible capital asset created by its normal use;*

*(iii) post-retirement activities such as monitoring; and*

*(iv) constructing other tangible capital assets to perform post-retirement activities.*

Directly attributable costs would include, but are not limited to, payroll and benefits, equipment and facilities, materials, legal and other professional fees, and overhead costs directly attributable to the asset retirement activity. Factors to include in the costing of assets that should be evaluated are inflation, relevancy of costing data, geographical comparisons, and nature and location of the asset.

## Costing Methodology

Based on the assets in scope as described above, a preliminary cost estimate of the City's retirement obligation was developed.

**Asbestos Abatement Costs**

A risk-based approach was taken based on the understanding that any structures built before 1990 have a reasonable possibility of the presence of ACMs unless an assessment was completed that determined there is no evidence of asbestos. In the absence of detailed quantitative information relating to the square footage of asbestos contamination, the main sources of information for preparing these estimates were

based on management's previous abatement work and costs incurred for representative projects, and the development of estimates for all structures under ownership.

- The City provided a building listing as at December 31, 2022 by type and age constructed.
- Buildings constructed prior to 1991 were identified as having a higher risk of asbestos contamination. While asbestos was not formally banned in Canada until 2018, its use in construction of buildings for insulation, fire prevention and noise reduction stopped around 1990.
- The City validated asbestos information against asbestos data inventories managed by the Engineering and Health & Safety teams. The City also has an asbestos abatement reserve for eligible investments.
    - A challenge with available asbestos data is its qualitative nature. A report may identify the presence of asbestos in specific rooms or locations, though precise information is not available on the square footage of affected rooms, and the volume of asbestos present. That data can only be identified through an asbestos survey or asbestos screening which involves a sampling and laboratory analysis of the building materials.
- For buildings built before 1991, if information was not available or an assessment was not completed, the assumption was applied that 100% of the structure would require remediation to inform a conservative cost estimate.
- A unit cost was applied to each building's affected area, to estimate the retirement cost related to asbestos. The rates have been provided based on costing models developed by the Province of Ontario's Office of the Provincial Comptroller Division ("the Ministry"), for its consolidated entities.
    - The costing model unit rates are based on industry benchmarks determined in the Ministry model using rates developed by ECOH Management Inc. ("ECOH"), an external consulting firm with experience in environmental consulting and engineering projects. ECOH's 20+ years of experience as a company and decades of combined senior experience in the environmental infrastructure decommissioning and the environmental consulting field of service. Pricing-related experience includes development of project-specific decommissioning specification for subsurface infrastructure, project tendering and procurement of contractor quotations, evaluation of contractor quotations, project administration, review and approval of project change orders. Standard construction escalation or inflation rates may be applied for future use of the model.
    - Unit costs take into consideration the type of material, removal efforts required, containment measures required for removal, and related industry benchmarks for removal of infrastructure and labour services. Furthermore, costs take into consideration a mobilization fee, established based on industry standard rates for minimum mobilization costs of a qualified environmental and construction contractor to mobilize/demobilize a standard 2-3 person decommissioning crew and supervisor to a local site.
    - Unit costs were initially estimated based on market factors as of March 2021, with inflationary adjustment to bring the costs current to 2023. Previously, ARO costing models published by the Ministry, were shared with consolidated hospitals and agencies for them to apply the models based on professional judgement and the asset specific information available for the measurement of ARO liabilities. As indicated by the cost measurement model, unit costs have been updated to reflect the latest 2023 rates. In

order to reflect inflation impact, the cost assumptions in the model have been updated using a 14.05% escalation rate for valuations as of March 31, 2023.

- Unit costs were developed in reference to industry benchmarks as referenced in the Royal Architectural Institute of Canada ("RAIC") document, A Guide to Determining Appropriate Fees for the Services of an Architect, 2nd Edition 2019. This table provides standard industry benchmark based on the dollar value of the project and the expected overhead to be incurred. Where assessments could not link specific materials to the cost measurement model developed by RAIC, the Ministry has provided updated rates for buildings based on asset category and date of construction. These were used to align building construction dates with the use of asbestos and lead and other regulated materials. The square footage of the buildings was multiplied by the rate from the Ministry to arrive at the ARO cost. The rate card developed by the Ministry is based on historical data from sampling of buildings that had known asbestos with estimated costs to abate those buildings.

The table below outlines the potential liability for the significant in-scope buildings with asbestos and HBMs. In accordance with PS 3280.24, the asset retirement cost will be recognized by increasing the carrying amount of the buildings and recording the same amount as the liability. The ARO asset reflects the full amount recorded when the obligation is assumed to have been first recognized. In accordance with PS 3280.25, the asset retirement cost will be expensed using a rational and systematic manner over the useful life of the buildings applying a straight-line pattern which is consistent with the method currently in place at the City. At January 1, 2022, the net book value of the ARO asset is recorded.

| Facility | ARO Asset | ARO Liability |
|---|---|---|
| Civic Centre, 99 Foster Dr. | $ 321,301 | $ 321,301 |
| Main Service Building | 41,476 | 41,476 |
| SSM Museum, 690 Queen St. E. | 517,285 | 517,285 |
| Ermatinger Old Stone House & Clergue Blockhouse, 831 Queen St. E. | 419,635 | 419,635 |
| Stone House | 143,313 | 143,313 |
| Summer Kitchen | 26,344 | 26,344 |
| Link | 1,756 | 1,756 |
| Main Branch Public Library, 50 E. St. | 981,325 | 981,325 |
| Senior Citizens Drop-in Centre, 619 Bay | 423,558 | 423,558 |
| Central Fire Station #1, 72 Tancred St. | 530,399 | 530,399 |
| Fire Station #2, 363 Second Line West | 126,189 | 126,189 |
| Fire Station #3, 100 Bennett Blvd. | 126,189 | 126,189 |
| Police Headquarters, 580 Second Line | 1,232,708 | 1,232,708 |
| Transit Terminal Building, 160 Queen | 64,397 | 64,397 |

| | | |
|---|---|---|
| Transit Bus Depot, 111 Huron St. | 1,287,944 | 1,287,944 |
| Public Works Administration Building, 128 Sackville Rd. | 295,642 | 295,642 |
| Public Works Garage, Building A, 128 Sackville Rd. | 1,788,485 | 1,788,485 |
| Carpentry Shop Building 'B', 128 Sackville Rd. | 139,039 | 139,039 |
| **Total** | **$ 8,466,987** | **$ 8,466,987** |

**Underground fuel tanks**

The costing model unit rates for fuel tanks were based on industry benchmarks determined in the Ministry model using rates developed by ECOH Management Inc. Refer to the "Asbestos Abatement Costs" section above for the measurement considerations of unit costs developed by ECOH. For items where actual cost information was not readily available, the rates per the Ministry model were used for the ARO calculation. Where actual costs/estimates were provided by management, that unit cost was used.

The table below outlines the potential liability for the significant in-scope fuel tanks. Given the immaterial amount of the asset retirement cost, the accounting treatment would be to fully expense the related ARO cost, resulting in only a short-term impact on the financial statements.

| Category | ARO Liability |
|---|---|
| Fuel tanks | $97,300 |
| **Total** | **$97,300** |

Corresponding entries to record the ARO for the current and comparative years for buildings and fuel tanks are included in the "**City of SSM – Buildings ARO Costing Model**".

**Landfill**

Under the modified retroactive approach, the landfill liability previously recorded for active landfills would be fully reversed into the opening surplus of the comparative year and would be replaced with a new liability and ARO asset as though PS 3280 was always in effect. Any entries related to the old liability made in comparative and current years would also need to be reversed.

The liability under PS 3280 would be measured based on data and input available at the start of the year that the standard came into effect. Management would then use those numbers to calculate back to the comparative year as well.

AECOM has based the calculations using a 50-year post-closure care period for the City's 5th Line landfill site, which is consistent with the post-closure monitoring required by the Ministry of the Environment, Conservation, and Parks.

The expected future cashflows have been discounted to present value at a rate of 5.0%, based on the average long-term borrowing rate used historically by the City on the outstanding debt. The borrowing rate reflects the City's discount rate effective at the start of the 2023 fiscal year when PS 3280 is first

implemented and has been updated as at December 31, 2023. AECOM has utilized base cost estimates which are updated at five-year intervals, the last updated being completed in early 2022 for the 2021 reporting year. As a result, an inflation allowance of 10.9% has been applied to the estimated costs to reflect the 2022 and 2023 inflation rates.

Any updates to the numbers at the end of 2023 would be processed as a change in estimate. The cost estimates for landfills for 2023 were received by the City at the time of this estimate. As a result, the following ARO asset and liability for landfills should be recorded in accordance with PS 3280:

| Category | ARO Asset | ARO Liability |
|---|---|---|
| 5th Line Landfill Site | $ 7,098,667 | $ 32,214,030 |
| **Total** | **$ 7,098,667** | **$ 32,214,030** |

Corresponding entries to record the ARO for the current and comparative years, including the reversal of the existing ARO for landfills recorded, are included in the "**City of SSM – Landfill ARO Costing Model**".

**Amortization Date Consideration**

Considering PS 3280.21 which states that *"A change in circumstance during the life of the tangible capital asset may give rise to a new liability as a result of a past transaction or event. This could be the case when new legislation requires the public sector entity to dispose of a toxic material that was not previously required to be retired. Only when the change in circumstances occurs and the obligation arises would the costs be accounted for. They are not reported as a prior period adjustment as new legislation is a current period event."*

The acquisition/construction of the asset pre-dates the legal requirement to retire the asset in a specified manner. If the standard had been applied in the year of acquisition/construction, there would not have been an ARO set up per paragraph PS 3280.09. In calculating the accumulated amortization for the City, the later of legislation date or acquisition date has been considered.

**Useful Life Consideration**

The useful life applied within the costing models is consistent with what has been recorded in the SAP system, which is used for financial reporting purposes. As many assets are still in use at the date of implementation which would have otherwise been nearing the end of their life, the useful life assumptions have been revisited in reference to the assets with the longest life. Through an examination of the asset listings and the range of ages of assets, an additional 10 years has been added to any assets with 10 or less years of useful life remaining to reflect anticipated future economic benefit. Units with a remaining useful life longer than 10 years remaining applied their existing useful life applied as there is no new information at the time of implementation to revise the useful lives.

**Discount Rate**

PS 3280 states that a liability for an asset retirement obligation should be estimated based on information at the financial statement date. Furthermore, the liability is measured using information, assumptions and discount rate that are current at the beginning of the fiscal year PS 3280 is first applied, April 1, 2022.

As noted above, while the standard suggests using a present value technique, it does not require it for the measurement of the ARO liability. For the assets identified to be within scope, the City does not have adequate information regarding the anticipated timing of cash flows to settle an asset retirement obligation, thus a present value technique does not necessarily need to be applied as it could present an increased risk of measurement error. As a result, management concluded that a discount rate shall not be applied within the ARO liability calculation.

The exception is the landfill ARO which is either in the post-closure period and annual costs are expected every year based on available forecasted costs, or an external third-party assessment is available with a forecast of future cashflows that can be discounted based on the assessed timelines. The landfill ARO was therefore measured on a present value basis to reflect the expected timing of the related cash flows.

## Results

Based on this analysis, the costing model suggests that the City's retirement obligation for buildings with asbestos is approximately **$8,466,987** as at December 31, 2022 and 2023. The costing model has been applied only to buildings constructed before 1991 and owned by the City, based upon the estimated contaminated area by City reports. This has been informed based on management's best estimate of building square footage affected by asbestos, but not a formal asbestos survey. The City's ARO for landfills is approximately **$32,214,030** and for fuel tanks is **$97,300** as at December 31, 2022 and 2023**.** The total ARO estimate has been formed based on the best information available. Given the nature of the data applied to inform the application of the estimate, and professional judgement required by PS 3280, it is reasonable to assume that a contingency factor could be applied to the ARO measure based on cost estimation practices.

**Subsequent measurement**

The estimate of the ARO should be based on the best available information on the financial reporting date. On an annual basis, the existing AROs will be assessed for any changes in expected cost, term to retirement, or any other changes that may impact the estimated obligation. In addition, any new obligations identified will also be assessed. When a TCA is no longer in productive use, all subsequent changes in the estimate of the related ARO liability should be recognized as an expense in the fiscal year it is incurred.

Over time, as new information becomes available, estimates used to calculate the ARO are likely to change. Estimates (including the amount and timing of retirement costs and, if applicable, the discount rate used) must be reviewed every fiscal year and appropriately reflected in the financial statements. Examples of new information that will impact the estimate include:

- revisions to the useful life of the TCA;
- new information on the cost of the ARO activities;
- changes in expectations of market inputs, such as discount and inflation rates;
- new, more cost-effective technologies; and
- changes to the legal requirements.

Financial Statements of

# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

## Trust Funds

And Independent Auditor's Report thereon

Year ended December 31, 2023

DRAFT

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# INDEPENDENT AUDITOR'S REPORT

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

## *Opinion*

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

- the statement of financial position as at December 31, 2023
- the statement of continuity for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2023 and the continuity of trust funds for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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## *Basis for Opinion*

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

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

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

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

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

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
KPMG Canada provides services to KPMG LLP.

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

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

## *Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Canada
July 15, 2024

DRAFT

# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

## Trust Funds

Statement of Financial Position

December 31, 2023, with comparative information for 2022

| | Care and Maintenance | Pre-need Assurance | Ontario Home Renewal Plan | Historic Sites | Heritage SSM | Transit Employees Pension | Cultural Endowment | 2023 Total | 2022 Total |
|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | |
| Cash and investments (note 3) | $ 6,438,546 | $ 2,621,396 | $ 11,229 | $ 107,780 | $ - | $ 86,750 | $ - | $ 9,265,701 | $ 8,974,148 |
| Receivable from other funds | 303,904 | 271,534 | - | 104,447 | 32,236 | 386 | 16,083 | $ 728,590 | 284,900 |
| Loans receivable (note 2) | - | - | 10,682 | - | - | - | - | 10,682 | 10,682 |
| | $ 6,742,450 | 2,892,930 | 21,911 | 212,227 | 32,236 | 87,136 | 16,083 | $ 10,004,973 | $ 9,269,730 |
| **Liabilities and Fund Balance** | | | | | | | | | |
| Payable to other funds | $ - | $ - | $ 24,759 | $ 132,236 | $ - | $ - | $ 10 | $ 157,005 | $ 124,260 |
| Fund balance | 6,742,450 | 2,892,930 | (2,848) | 79,991 | 32,236 | 87,136 | 16,073 | 9,847,968 | 9,145,470 |
| | $ 6,742,450 | 2,892,930 | 21,911 | 212,227 | 32,236 | 87,136 | 16,083 | $ 10,004,973 | $ 9,269,730 |

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

# THE CORPORATION OF THE CITY OF SAULT STE. MARIE

## Trust Funds

Statement of Continuity

Year ended December 31, 2023, with comparative information for 2022

| | Care and Maintenance | Pre-need Assurance | Ontario Home Renewal Plan | Historic Sites | Heritage SSM | Transit Employees Pension | Cultural Endowment | 2023 Total | 2022 Total |
|---|---|---|---|---|---|---|---|---|---|
| Fund balance, beginning of the year | $ 6,386,824 | $ 2,559,654 | $ (2,848) | $ 73,560 | $ 30,707 | $ 82,823 | $ 14,750 | $ 9,145,470 | $ 9,116,737 |
| Revenue: | | | | | | | | | |
| Capital receipts | 355,626 | 411,396 | - | 2,715 | - | - | - | 769,737 | 326,651 |
| Interest earned | 185,010 | 130,457 | 556 | 3,716 | 1,529 | 4,313 | 1,323 | 326,904 | 105,349 |
| Contributions from revenue fund | - | - | - | - | - | - | - | - | 39,209 |
| | 540,636 | 541,853 | 556 | 6,431 | 1,529 | 4,313 | 1,323 | 1,096,641 | 471,209 |
| Expenditures: | | | | | | | | | |
| Contributions to revenue fund | 185,010 | 208,577 | 556 | - | - | - | - | 394,143 | 359,525 |
| Disbursement to Province of Ontario | - | - | - | - | - | - | - | - | 5,476 |
| Disbursement for capital project | - | - | - | - | - | - | - | - | 77,475 |
| | 185,010 | 208,577 | 556 | - | - | - | - | 394,143 | 442,476 |
| Fund balance, end of year | $ 6,742,450 | $ 2,892,930 | $ (2,848) | $ 79,991 | $ 32,236 | $ 87,136 | $ 16,073 | $ 9,847,968 | $ 9,145,470 |

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

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

**1. Summary of significant accounting policies:**

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

(a) Basis of accounting:

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

(b) Financial instruments:

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

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

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

(c) Use of estimates

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

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**2. Ontario Home Renewal Program:**

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

Ontario Home Renewal Program loans receivable at December 31, 2023 comprise repayable loans of $5,804 (2022 - $5,804) and deferred loans of $4,878 (2022 - $4,878). Loan forgiveness is earned and recorded at a rate of up to $600 per year of continuous ownership and occupancy. The deferred portion of the loan is deferred for a five year period. In the event of the sale or lease of the home or in the event of the homeowner ceasing to occupy the home, the balance of the loans immediately become due and payable by the homeowner.

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

**3. Cash and investments:**

Total investments by the trust funds of $4,423,667 (2022 - $4,339,069) included in cash and investments on the statement of financial position at cost, have a market value of $4,547,441 (2022 - $4,407,718).

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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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Brent Lamming, Deputy CAO, CDES |
| DEPARTMENT: | Community Development and Enterprise Services |
| RE: | YMCA Agreements |

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## Purpose

The purpose of this report is to seek Council approval for the following agreements:

1. Lease between the City and 1000943321 ONTARIO INC. (Foundation/ Buyer)
2. Sublease between the City and Young Men's Christian Association (YMCA)
3. Memorandum of Understanding between the City and YMCA
4. Community Development Fund Grant Agreement

## Background

At the Council meeting of April 29, 2024 the following resolution was passed:

> Resolved that the report of the Director of Community Services dated April 29, 2024, concerning the YMCA Update be received as information.

At the Council meeting of May 13, 2024 the following (amended) resolution was passed:

> Resolved that the report of the CAO dated May 13, 2024, concerning an agreement with the YMCA be received and Council authorize City staff to finalize a ten-year lease agreement with both the Organization and the YMCA;
>
> Further that Council authorize a contribution of up to $505,000 from the contingency reserve to support capital refurbishments at the YMCA and maximize an NOHFC funding agreement;
>
> Further that Council request staff determine a path forward to enable the YMCA building to continue to be exempt from municipal taxation if such exemption is lost as a result of this transaction.

## Analysis

Since the May 13, 2024 meeting City staff have focussed efforts on preparing the various agreements required to support the purchase of the property and operating arrangements for the YMCA. This includes capital requirements, ongoing

operations, governance and the membership drive. This work is being done with the goal of positioning the YMCA for long term success.

The key items addressed in the lease with the Foundation are as follows:

- A ten-year term with the City;
- $100,000 in annual rent payments plus HST;
- City option to purchase the property at $2,000,000 at any point in time;
- Default of the YMCA in payment allows the City the right to exercise the purchase option;
- City responsible for major capital repairs. Council has the option to decide whether to support any capital investment;
- Ensure the process has commenced to replace/repair the boiler and the required roof replacement repairs of the building;
- The Sublease Agreement between the tenant and YMCA shall further set out the YMCA's obligations when the YMCA desires to alter the premises.

The key items identified in the sublease to the YMCA and Memorandum of Understanding are as follows:

- City staff member to be appointed to the YMCA Board;
- The YMCA is responsible for the management and operation of the YMCA;
- The YMCA shall be responsible for all operational costs and all maintenance costs;
- Reporting requirements to the City:
    - Quarterly financial statements;
    - Annual audited financial statements;
    - Quarterly reports on membership base and growth;
    - Quarterly reports on key performance indicators that illustrate impact and service recovery in the YMCA's core services of childcare, health and fitness, and youth programming in the City of Sault Ste. Marie;
    - Quarterly reports on the efforts being expended by the YMCA for its membership drives to achieve such targets set; and
    - Annual reports on the YMCA's community capital drives and commitments obtained through those initiatives as well as grant applications that have been submitted;
- The YMCA to update the City representative on the Board on the outcome of negotiations with the YMCA of Northeastern Ontario, and YMCA Ontario for support in governance;

- The YMCA shall prepare a business plan to strategize as to how long term financial stability will be achieved by December 31, 2024;
- The YMCA will direct the proceeds from the $2,000,000 sale price of the building in the following manner:
    - Repayment in full of long-term debt as set out in the financial statements. The YMCA shall provide the City with the full figure once calculated. The remainder of proceeds will be set aside to be utilized as required and determined by the YMCA for operational and capital requirements as set out in the lease;
- The City will assist in guiding the building repairs using City staff experience to make the best possible use of funds to address critical items for operations;
- A framework for ongoing required capital repairs is established. The parties acknowledge and agree that the following framework will apply:
    - The YMCA has commenced a fundraising campaign to raise funds for a capital reserve. The YMCA shall allocate funds from the capital reserve to all capital projects that are required to keep the building open and operational during the term. This fund shall be relied upon in the first instance for any capital projects that are determined to be necessary by the City as set out for capital projects beyond the boiler replacement and roof repair projects that are determined by the City to be “necessary” from a health and safety perspective. The YMCA shall make such capital reserve funds available;
    - In the event that sufficient funds are not available to address the capital need, the YMCA shall in the second instance use best efforts to find and exhaust other funding opportunities or matching funding opportunities to minimize any capital cost to the City over and above the maximum of $505,000 allocated by City Council for capital costs for the building and pursue same;
    - In the event that there is no or only partial success in obtaining funding for a necessary capital expense, the City shall review and determine whether or not to proceed with such request(s). The parties agree that the approval by the City shall be the approval from City Council. If City Council decides not to proceed with a capital request and there is an operational impact, then the YMCA shall be responsible for addressing same.

Through the due diligence period it was determined that there were building and fire items to address; however, a more cost-effective solution for the boilers was recommended by the consultant engaged by the YMCA. This has resulted in a better overall cost estimation of approximately $743,000 to cover all three items of concern versus the $1,000,000 just for boiler replacement.

| Item | Original Amount | Revised Amount | Variance |
|---|---|---|---|
| Boiler replacement/solution | $1,000,000 | $479,000 | $521,000 |
| Fire and building items (includes roof repairs) | $0 | $264,000 | ($264,000) |
| Total | $1,000,000 | $743,000 | $257,000 |

City staff and the YMCA contacted the NOHFC and were advised that a separate request is required to submit for the fire and building items. During the meeting NOHFC indicated that the new application would be considered. YMCA staff are in the process of preparing the secondary NOHFC application for submission.

In order to move forward with a successful YMCA, the membership and capital campaign are imperative. The YMCA requires an average of approximately 1,950 members in the next year of operations to be sustainable (2,044 as of July 10, 2024, up from 1,400 on June 24, 2024). The target remains 2,400 by March 31, 2025. The YMCA has a capital campaign to provide a restricted reserve that will be utilized to address capital requirements.

Since the launch of the membership drive and capital campaign there has been in excess of $350,000 committed to date (including $250,000 over five years from Algoma Steel). The Committee is awaiting responses from additional businesses who have indicated they would be interested in providing financial support.

A lot of comments have been made from the general public that they are awaiting Council's approval before committing to resume or purchase memberships.

Momentum continues and in the fall memberships traditionally increase as the weather turns colder and more indoor programming ramps up. Staff are recommending the agreements as presented.

**Financial Implications**

The immediate financial implications are the contribution of up to $505,000. The difference from the prior Council approval is that the City share would cover the boiler solution and the up-front cost for the building and fire repairs. If the second application to NOHFC is successful, this will be offset by $130,000 from NOHFC to bring the City share to address all items to a total of $375,000. This is a reduction of $130,000 from what was originally anticipated and approved by Council on May 13, 2024 and funded from the 2023 surplus within the Contingency Reserve.

The City will be responsible for the lease payments of the YMCA for a ten-year period. It is anticipated that the YMCA will be able to repay these lease payments to the City but there is financial risk of approximately $1M over the ten-year lease term to the City in the event the YMCA cannot make any of the payments.

The City may become responsible for major capital requirements should the YMCA not have the financial means to complete. The agreements in place require Council approval for any such capital projects before they proceed as well as identification

of a funding source. At this time, the risk of this occurrence cannot be forecasted or quantified.

**Strategic Plan / Policy Impact / Climate Impact**
This item is contemplated in the Community Development and Partnerships component of the Corporate Strategic Plan.

**Recommendation**
It is therefore recommended that Council take the following action:

Resolved that the report of the Deputy CAO dated July 15, 2024, concerning the YMCA Agreements be received.

The relevant By-laws 2024-113, 2024-114, 2024-115, and 2024-116 are listed under Agenda item 12 and will be read with all by-laws under that item.

Respectfully submitted,

Brent Lamming, PFP, CPA, CMA
Deputy CAO
Community Development & Enterprise Services
(705)759-5314
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

July 15, 2024

| | |
|---|---|
| TO: | Mayor Matthew Shoemaker and Members of City Council |
| AUTHOR: | Karen Fields, City Solicitor |
| DEPARTMENT: | Legal Department |
| RE: | Insurance requirements for YMCA Lease Agreements |

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## Purpose

The purpose of this agreement is to add to the report of the Deputy CAO, Community Development and Enterprise Services to update Council on the insurance requirements for the lease agreements for the YMCA matter.

## Background

As per the agreements between the parties, each party has obligations to obtain insurance for the YMCA building and the activities that are carried out there. The Corporation of the City of Sault Ste. Marie, ("The City") was required to provide insurance coverage for the building envelope that it was leasing from 1000943321 Ontario Inc. The insurer advised staff that the terms of the agreement would need modification, but that the agreements could be approved as they are presently worded before Council since the proposed modified terms would need to be discussed. As well, we were provided with the costs of adding this building to the City's insurance program. The cost of the additional property coverage will be $28,006 and the cost of insuring against equipment breakdown is $945.

## Analysis

The agreement with 1000943321 Ontario Inc., will need to be modified once the wording on the insurance coverage can be agreed to and accepted by the City's insurer. As these changes would be minor and not affect the lease as a whole, staff have asked for CAO Vair or his designate to have delegated authority to execute the amended agreement.

## Financial Implications

There is a financial impact to insuring this building in the amount this year of $28,951. This amount however can be absorbed by the insurance budget that the City has already approved.

## Strategic Plan / Policy Impact / Climate Impact

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

**Recommendation**
It is therefore recommended that Council take the following action:

The relevant By-law 2024-117 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

Respectfully submitted,

Karen Fields
City Solicitor
705.759.5407
k.fields@cityssm.on.ca

## Rachel Tyczinski

**Subject:** FW: opinion against support of YMCA

**From:** D R Williamson
**Sent:** Friday, July 12, 2024 2:51 PM
**To:** City Clerk <cityclerk@cityssm.on.ca>
**Cc:** Angela Caputo <angela.caputo@cityssm.on.ca>; Ron Zagordo <r.zagordo@cityssm.on.ca>
**Subject:** opinion against support of YMCA

Dear City Council, My husband and I would like to add our voice to the people who are not in support of the city using our tax dollars for the YMCA. Reasons being, first of all, we never were told what exactly happened to cause the problem at the Y in the first place. Exactly what's going to happen when people who signed up to get a free month or two membership decide not to continue because they got talked into the free joining time? We both were Y members, and left because the facility was being so neglected. Not taken care of well at all! A very long time before covid ever came into being someone in the know confided in myself that things were not good way back then, so how are things going to be fixed all up now? This unfortunately just doesn't appear to be a worthwhile investment at all, and looks beyond help at this point. We used to belong to the health club sections when working, but now being retired seniors, and no senior discount available for this safer area for us, if the place is being cared for now, and we were interested in joining, the price is too high. So, you want us to give money to somewhere that is out of our reach to even be part of if we would like to. This all makes no sense, and it will be very upsetting, and disappointing if City Counsel approves moving forward with this all. Thank you! Dale, and Rose Williamson Ward 3

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

**BY-LAW 2024-92**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and The Association of Municipalities of Ontario for access to the Canada Community-Building Fund.

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

1. **EXECUTION OF DOCUMENT**

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Agreement between the City and The Association of Municipalities of Ontario, a copy of which is attached as Schedule “A” hereto. This Agreement is for access to the Canada Community-Building Fund.

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 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

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# MUNICIPAL FUNDING AGREEMENT
# ON THE CANADA COMMUNITY-BUILDING FUND

**BETWEEN:**

**THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO**

(referred to herein as “**AMO**”)

**AND:**

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

(a municipal corporation pursuant to the *Municipal Act, 2001*, referred to herein as the “**Recipient**”)

**WHEREAS** the Government of Canada, the Government of Ontario, AMO, and the City of Toronto are signatories to the Administrative Agreement on the Canada Community-Building Fund effective April 1, 2024 (the “**Administrative Agreement**”), which governs the transfer and use of the Canada Community-Building Fund (“**CCBF**”) in Ontario;

**AND WHEREAS** AMO is responsible for the administration of CCBF funding made available to all Municipalities in Ontario – except the City of Toronto – under the Administrative Agreement, and will therefore undertake (and require the Recipient to undertake) certain activities as set out in this Agreement;

**AND WHEREAS** the Recipient wishes to enter into this Agreement to access CCBF funding;

**NOW THEREFORE** the Parties agree as follows:

## 1. DEFINITIONS AND INTERPRETATIONS

1.1 **Definitions**. For the purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

**"Annual Report"** means the duly completed report to be prepared and delivered to AMO as described in Section 6.1.

**"Asset Management"** is a principle/practice that includes planning processes, approaches, plans, or related documents that support an integrated lifecycle approach to the effective stewardship of infrastructure assets to maximize benefits and effectively manage risk.

**"Canada"** means the Government of Canada, as represented by the Minister of Housing, Infrastructure and Communities.

**"Canada Community-Building Fund" or "CCBF"** means the program established under section 161 of the *Keeping Canada's Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, as the Gas Tax Fund and renamed the Canada Community-Building Fund in section 199 of *Budget Implementation Act, 2021, No. 1*.

**"Contract"** means an agreement between the Recipient and a Third Party whereby the latter agrees to supply a product or service to an Eligible Project in return for financial consideration.

**"Eligible Expenditure"** means an expenditure described as eligible in Schedule B or deemed eligible by Canada in accordance with Section 4.2.

**"Eligible Investment Category"** means an investment category listed in Schedule A or deemed eligible by Canada in accordance with Section 3.2.

**"Eligible Project"** means a project that fits within an Eligible Investment Category.

**"Event of Default"** has the meaning given to it in Section 13.1 of this Agreement.

**"Funds"** mean the funds made available to the Recipient through the CCBF or any other source of funding as determined by Canada. Funds are made available pursuant to this Agreement and includes any interest earned on the said Funds. Funds transferred to another Municipality in accordance with Section 5.3 of this Agreement are to be treated as Funds by the Municipality to which the Funds are transferred; and Funds transferred to a non-municipal entity in accordance with Section 5.4 of this Agreement shall remain as Funds under this Agreement for all purposes and the Recipient shall continue to be bound by all provisions of this Agreement with respect to such transferred Funds.

**"Housing Needs Assessment"** or **"HNA"** means a report informed by data and research describing the current and future housing needs of a Municipality or community according to guidance provided by Canada.

**"Ineligible Expenditures"** means those expenditures described as ineligible in Schedule C or deemed ineligible by Canada in accordance with Section 4.2.

**"Infrastructure"** means tangible capital assets that are primarily for public use or benefit in Ontario – whether municipal or regional, and whether publicly or privately owned.

**"Lower-Tier Municipality"** means a Municipality that forms part of an Upper-Tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001, c. 25.

**"Municipal Fiscal Year"** means the period beginning January 1st of a year and ending December 31st of the same year.

**"Municipality" and "Municipalities"** means every municipality as defined under the *Municipal Act, 2001*, S.O. 2001, c. 25.

**"Non-Municipal Transfer By-law"** means a by-law passed by Council of the Recipient pursuant to Section 5.4 of this Agreement.

**"Parties"** means AMO and the Recipient.

**"Prior Agreement"** means the municipal funding agreement for the transfer of federal gas tax funds entered into by AMO and the Recipient, effective April 2014 and with an expiry date of March 31, 2024.

**"Single-Tier Municipality"** means a Municipality, other than an Upper-Tier Municipality, that does not form part of an Upper-Tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25.

**"Third Party"** means any person or legal entity, other than the Parties to this Agreement, who participates in the implementation of an Eligible Project by means of a Contract.

**"Transfer By-law"** means a by-law passed by Council of the Recipient pursuant to Section 5.3 of this Agreement.

**"Unspent Funds"** means the amount reported as unspent by the Recipient as of December 31, 2023 in the Recipient's 2023 Annual Report (as defined under the Prior Agreement).

**"Upper-Tier Municipality"** means a Municipality of which two or more Lower-Tier Municipalities form part for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25.

1.2 **Interpretations**

a) **"Agreement"** refers to this agreement as a whole, including the cover and execution pages and all of the schedules hereto, and all amendments made hereto in accordance with the provisions hereof.

b) The words "**herein**", "**hereof**" and "**hereunder**" and other words of similar import refer to this Agreement as a whole and not any particular schedule, article, section, paragraph or other subdivision of this Agreement.

c) The term "**including**" or "**includes**" means including or includes (as applicable) without limitation or restriction.

d) Any reference to a federal or provincial statute is to such statute and to the regulations made pursuant to such statute as such statute and regulations may at any time be amended or modified and in effect and to any statute or regulations that may be passed that have the effect of supplementing or superseding such statute or regulations.

## 2. TERM OF THE AGREEMENT

2.1 **Term**. Subject to any extension or termination of this Agreement or the survival of any of the provisions of this Agreement pursuant to the provisions contained herein, this Agreement shall come into effect as of April 1, 2024 up to and including March 31, 2034.

2.2 **Review**. This Agreement will be reviewed by AMO by June 30, 2027.

2.3 **Amendment**. This Agreement may be amended at any time in writing as agreed to by AMO and the Recipient.

2.4 **Notice**. Any of the Parties may terminate this Agreement on two (2) years written notice.

2.5 **Prior Agreement**. The Parties agree that the Prior Agreement, including Section 15.5 thereof, is hereby terminated. Notwithstanding the termination of the Prior Agreement, including Section 15.5, the reporting and indemnity obligations of the Recipient thereunder with respect to expended Funds governed by the Prior Agreement as set forth in Sections 5, 7, 10.3, 10.4 and 10.5 of the Prior Agreement shall survive the said termination**.**

## 3. ELIGIBLE PROJECTS

3.1 **Eligible Projects**. Eligible Projects are those that fit within an Eligible Investment Category. Eligible Investment Categories are listed in Schedule A.

3.2 **Discretion of Canada**. The eligibility of any investment category not listed in Schedule A is solely at the discretion of Canada.

3.3 **Recipient Fully Responsible**. The Recipient is fully responsible for the completion of each Eligible Project in accordance with Schedule A and Schedule B.

## 4. ELIGIBLE EXPENDITURES

4.1 **Eligible Expenditures and Ineligible Expenditures**. Eligible Expenditures are described in Schedule B. Ineligible Expenditures are described in Schedule C.

4.2 **Discretion of Canada**. The eligibility of any item not listed in Schedule B or Schedule C to this Agreement is solely at the discretion of Canada.

4.3 **Reasonable Access**. The Recipient shall allow AMO and Canada reasonable and timely access to all documentation, records and accounts and those of their respective agents or Third Parties related to the receipt, deposit and use of Funds and Unspent Funds, and any interest earned thereon, and all other relevant information and documentation requested by AMO or Canada or their respective designated representatives for the purposes of audit, evaluation, and ensuring compliance with this Agreement.

4.4 **Retention of Receipts**. The Recipient will keep proper and accurate accounts and records of all Eligible Projects including invoices and receipts for Eligible Expenditures for at least six (6) years after the completion of the project.

4.5 **Contracts**. The Recipient will award and manage all Contracts in accordance with its relevant policies and procedures and, if applicable, in accordance with any domestic or international trade agreements, and all other applicable laws. The Recipient will ensure any of its Contracts for the supply of services or materials to implement its responsibilities under this Agreement will be awarded in a way that is transparent, competitive, consistent with value for money principles and pursuant to its adopted procurement policy.

## 5. FUNDS

5.1 **Use of Funds**. The Recipient acknowledges and agrees the Funds are intended for and shall be used only for Eligible Expenditures in respect of Eligible Projects.

5.2 **Unspent Funds**. Any Unspent Funds, and any interest earned thereon, will be subject to the terms and conditions of this Agreement, and will no longer be governed by the terms and conditions of the Prior Agreement.

5.3 **Transfer of Funds to a Municipality**. Where a Recipient decides to allocate and transfer Funds to another Municipality (the "Transferee Municipality"):

a) The allocation and transfer shall be authorized by a Transfer By-law. The Transfer By-law shall be passed by the Recipient's council and submitted to AMO as soon thereafter as practicable. The Transfer By-law shall identify the Transferee Municipality and the amount of Funds the Transferee Municipality is to receive for the Municipal Fiscal Year(s) specified in the Transfer By-law.

b) The Recipient is still required to submit an Annual Report in accordance with Section 6.1 hereof with respect to the Funds transferred.

c) No transfer of Funds pursuant to this Section 5.3 shall be effected unless and until the Transferee Municipality has either (i) entered into an agreement with AMO on substantially the same terms as this Agreement, or (ii) has executed and delivered to AMO a written undertaking to assume all of the Recipient's obligations under this Agreement with respect to the Funds transferred, such as undertaking in a form satisfactory to AMO.

5.4 **Transfer of Funds to a Non-Municipal Entity**. Where a Recipient decides to support an Eligible Project undertaken by a non-municipal entity (whether a for profit, non-governmental, or not-for profit organization):

a) The provision of such support shall be authorized by a Transfer By-law (a "Non-Municipal Transfer By-law"). The Non-Municipal Transfer By-law shall be passed by the Recipient's council and submitted to AMO as soon as practicable thereafter. The Non-Municipal Transfer By-law shall identify the non-municipal entity, and the amount of Funds the non-municipal entity is to receive for that Eligible Project.

b) The Recipient shall continue to be bound by all the provisions of this Agreement notwithstanding any such transfer.

c) No transfer of Funds pursuant to this Section 5.4 shall be effected unless and until the non-municipal entity receiving the Funds has executed and delivered to AMO a written undertaking to assume all of the Recipient's obligations under this Agreement with respect to the Funds transferred, in a form exclusively satisfactory to AMO.

5.5 **Payout of Funds**. Subject to Sections 5.14 and 5.15, AMO will transfer Funds twice yearly, on or before the dates agreed upon by Canada and AMO.

5.6 **Deposit of Funds**. The Recipient will deposit the Funds in:

a) An interest-bearing bank account; or

b) An investment permitted under:

i. The Recipient's investment policy; and

ii. Provincial legislation and regulation.

5.7 **Interest Earnings and Investment Gains**. Interest earnings and investment gains will be:

- Proportionately allocated to the CCBF when applicable; and
- Applied to Eligible Expenditures for Eligible Projects.

5.8 **Funds Advanced**. Funds shall be spent (in accordance with Sections 3 and 4) or transferred (in accordance with Sections 5.3 or 5.4) within five (5) years after the end of the year in which Funds were received. Unexpended Funds shall not be retained beyond such five (5) year period without the documented consent of AMO. AMO reserves the right to declare that unexpended Funds after five (5) years become a debt to Canada which the Recipient will reimburse forthwith on demand to AMO for transmission to Canada.

5.9 **Expenditure of Funds**. The Recipient shall expend all Funds by December 31, 2038.

5.10 **HST**. The use of Funds is based on the net amount of harmonized sales tax to be paid by the Recipient net of any applicable tax rebates.

5.11 **Limit on Canada's Financial Commitments**. The Recipient may use Funds to pay up to one hundred percent (100%) of Eligible Expenditures of an Eligible Project.

5.12 **Federal Funds**. The Recipient agrees that any Funds received will be treated as "federal funds" for the purpose of other federal infrastructure programs.

5.13 **Stacking**. If the Recipient is receiving federal funds under other federal infrastructure programs in respect of an Eligible Project to which the Recipient wishes to apply Funds, the maximum federal contribution limitation set out in any other federal infrastructure program agreement made in respect of that Eligible Project shall continue to apply.

5.14 **Withholding Payment**. AMO may, in its exclusive discretion, withhold Funds where the Recipient is in default of compliance with any provisions of this Agreement.

5.15 **Insufficient Funds Provided by Canada**. Notwithstanding the provisions of Section 2, if Canada does not provide sufficient funds to continue the Funds for any Municipal

Fiscal Year during which this Agreement is in effect, AMO may immediately terminate this Agreement on written notice to the Recipient.

## 6. REPORTING REQUIREMENTS

6.1 **Annual Report**. The Recipient shall submit a report to AMO by April 30th each year, or as otherwise notified by AMO. The report shall be submitted in an electronic format deemed acceptable by AMO and shall contain the information described in Schedule D.

6.2 **Project List**. The Recipient shall ensure that projects are reported in advance of construction. Information required is as noted in Section 2.3 of Schedule E.

## 7. ASSET MANAGEMENT

7.1 **Implementation of Asset Management.** The Recipient will develop and implement an Asset Management plan, culture, and methodology in accordance with legislation and regulation established by the Government of Ontario (e.g., O. Reg. 588/17).

7.2 **Asset Data**. The Recipient will continue to improve data describing the condition of, long-term cost of, levels of service provided by, and risks associated with infrastructure assets.

## 8. HOUSING NEEDS ASSESSMENT

8.1 **Requirement**. While an HNA is encouraged for all Municipalities, the Recipient must complete a HNA if it had a population of 30,000 or more on the 2021 Census of Canada and is a Single-Tier Municipality or a Lower-Tier Municipality.

8.2 **Content of the HNA**. The Recipient will prepare the HNA in accordance with the guidance provided from time to time by Canada.

8.3 **Use of HNA**. The Recipient is expected to prioritize projects that support the growth of the housing supply. The HNA is to be used by Municipalities to prioritize, where possible, Infrastructure or capacity building projects that support increased housing supply where it makes sense to do so.

8.4 **Publication of the HNA**. The Recipient will publish the HNA on its website.

8.5 **HNA reporting requirements**. The Recipient will send to AMO by March 31, 2025, unless otherwise agreed upon:

a) A copy of any HNA it is required to complete in accordance with Section 8.1; and

b) The URL to the published HNA on the Recipient's website.

## 9. COMMUNICATIONS REQUIREMENTS

9.1 The Recipient will comply with all communication requirements outlined in Schedule E.

## 10. RECORDS AND AUDIT

10.1 **Accounting Principles**. All accounting terms not otherwise defined herein have the meanings assigned to them; all calculations will be made and all financial data to be submitted will be prepared in accordance with generally accepted accounting principles ("GAAP") in effect in Ontario. GAAP will include, without limitation, those principles approved or recommended for local governments from time to time by the Public Sector Accounting Board or the Chartered Professional Accountants of Canada or any successor institute, applied on a consistent basis.

10.2 **Separate Records**. The Recipient shall maintain separate records and documentation for the Funds and keep all records including invoices, statements, receipts, and vouchers in respect of Funds expended on Eligible Projects in accordance with the Recipient's municipal records retention by-law. Upon reasonable notice by AMO or Canada, the Recipient shall submit all records and documentation relating to the Funds for inspection or audit.

10.3 **External Auditor**. AMO or Canada may request, upon written notice to Recipient, an audit of Eligible Project(s) or Annual Report(s). AMO shall retain an external auditor to carry out an audit and ensure that any auditor who conducts an audit pursuant to this Agreement or otherwise, provides a copy of the audit report to the Recipient.

## 11. INSURANCE AND INDEMNITY

11.1 **Insurance**. The Recipient shall put in effect and maintain in full force and effect or cause to be put into effect and maintained for the term of this Agreement all the necessary insurance with respect to each Eligible Project, including any Eligible Projects with respect to which the Recipient has transferred Funds pursuant to Section 5 of this Agreement, that would be considered appropriate for a prudent Municipality undertaking similar Eligible Projects, including, where appropriate and without limitation, property, construction, and liability insurance, which insurance coverage shall identify Canada and AMO as additional insureds for the purposes of the Eligible Projects.

11.2 **Certificates of Insurance**. Throughout the term of this Agreement, the Recipient shall have a valid certificate of insurance that confirms compliance with the requirements

of Section 11.1. The Recipient shall produce such certificate of insurance on request, including as part of any AMO or Canada audit.

11.3 **AMO Not Liable**. In no event shall Canada or AMO be liable for:

- Any bodily injury, death or property damages to the Recipient, its employees, agents, or consultants or for any claim, demand or action by any Third Party against the Recipient, its employees, agents, or consultants, arising out of or in any way related to this Agreement; or

- Any incidental, indirect, special, or consequential damages, or any loss of use, revenue or profit to the Recipient, its employees, agents, or consultants arising out of any or in any way related to this Agreement.

11.4 **Recipient to Compensate Canada**. The Recipient will ensure that it will not, at any time, hold the Government of Canada, its officers, servants, employees or agents responsible for any claims or losses of any kind that the Recipient, Third Parties or any other person or entity may suffer in relation to any matter related to the Funds or an Eligible Project and that the Recipient will, at all times, compensate Canada, its officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to CCBF funding or an Eligible Project.

11.5 **Recipient to Indemnify AMO**. The Recipient hereby agrees to indemnify and hold harmless AMO, its officers, servants, employees or agents (each of which is called an "**Indemnitee**"), from and against all claims, losses, damages, liabilities and related expenses including the fees, charges and disbursements of any counsel for any Indemnitee incurred by any Indemnitee or asserted against any Indemnitee by whomsoever brought or prosecuted in any manner based upon, or occasioned by, any injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights caused by or arising directly or indirectly from:

- The Funds;

- The Recipient's Eligible Projects, including the design, construction, operation, maintenance, and repair of any part or all of the Eligible Projects;

- The performance of this Agreement or the breach of any term or condition of this Agreement by the Recipient, its officers, servants, employees, and agents, or by a Third Party, its officers, servants, employees, or agents; and

- Any omission or other wilful or negligent act of the Recipient or Third Party and their respective officers, servants, employees, or agents.

## 12. TRANSFER AND OPERATION OF MUNICIPAL INFRASTRUCTURE

12.1 **Reinvestment**. The Recipient will invest into Eligible Projects, any revenue that is generated from the sale, lease, encumbrance, or other disposal of an asset resulting from an Eligible Project where such disposal takes place within five (5) years of the date of completion of the Eligible Project.

12.2 **Notice**. The Recipient shall notify AMO in writing 120 days in advance and at any time during the five (5) years following the date of completion of an Eligible Project if it is sold, leased, encumbered, or otherwise disposed of.

12.3 **Public Use**. The Recipient will ensure that Infrastructure resulting from any Eligible Project that is not sold, leased, encumbered, or otherwise disposed of, remains primarily for public use or benefit.

## 13. DEFAULT AND TERMINATION

13.1 **Event of Default**. AMO may declare in writing that an Event of Default has occurred when the Recipient has not complied with any condition, undertaking or term in this Agreement. AMO will not declare in writing that an Event of Default has occurred unless it has first consulted with the Recipient. For the purposes of this Agreement, each of the following events shall constitute an “Event of Default”:

- Failure by the Recipient to deliver in a timely manner an Annual Report or respond to questionnaires or reports as required;
- Delivery of an Annual Report that discloses non-compliance with any condition, undertaking or material term in this Agreement;
- Failure by the Recipient to co-operate in an external audit undertaken by Canada, AMO or their agents;
- Delivery of an external audit report that discloses non-compliance with any condition, undertaking or term in this Agreement; and
- Failure by the Recipient to expend Funds in accordance with the terms of this Agreement, including Section 5.8.

13.2 **Waiver**. AMO may withdraw its notice of an Event of Default if the Recipient, within thirty (30) calendar days of receipt of the notice, either corrects the default or demonstrates, to the satisfaction of AMO in its sole discretion that it has taken such steps as are necessary to correct the default.

13.3 **Remedies on Default**. If AMO declares that an Event of Default has occurred under Section 13.1, after thirty (30) calendar days from the Recipient’s receipt of the notice

of an Event of Default, it may immediately terminate this Agreement or suspend its obligation to pay the Funds. If AMO suspends payment, it may pay suspended Funds if AMO is satisfied that the default has been cured.

13.4 **Repayment of Funds**. If AMO declares that an Event of Default has not been cured to its exclusive satisfaction, AMO reserves the right to declare that prior payments of Funds become a debt to Canada which the Recipient will reimburse forthwith on demand to AMO for transmission to Canada.

## 14. CONFLICT OF INTEREST

14.1 **No Conflict of Interest**. The Recipient will ensure that no current member of the AMO Board of Directors and no current or former public servant or office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies will derive direct benefit from the Funds, the Unspent Funds, and any interest earned thereon, unless the provision of receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.

## 15. NOTICE

15.1 **Notice**. Any notice, information or document provided for under this Agreement will be effectively given if in writing and if delivered by hand, or overnight courier, mailed, postage or other charges prepaid, or sent by email to the addresses in Section 15.3. Any notice that is sent by hand or overnight courier service shall be deemed to have been given when received; any notice mailed shall be deemed to have been received on the eighth (8) calendar day following the day on which it was mailed; any notice sent by email shall be deemed to have been received on the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment), provided that in the case of a notice sent by email, if it is not given on a business day before 4:30 p.m. Eastern Standard Time, it shall be deemed to have been given at 8:30 a.m. on the next business day for the recipient.

15.2 **Representatives**. The individuals identified in Section 15.3 of this Agreement, in the first instance, act as AMO's or the Recipient's, as the case may be, representative for the purpose of implementing this Agreement.

15.3 **Addresses for Notice**. Further to Section 15.1 of this Agreement, notice can be given at the following addresses:

- If to AMO:

  Executive Director
  Canada Community-Building Fund Agreement
  Association of Municipalities of Ontario
  155 University Avenue, Suite 800
  Toronto, ON  M5H 3B7

  Telephone: 416-971-9856
  Email: ccbf@amo.on.ca

- If to the Recipient:

  Treasurer
  The City of Sault Ste. Marie
  99 Foster Drive
  Sault Ste.  Marie, ON  P6A 5X6

## 16. MISCELLANEOUS

16.1 **Counterpart Signature**. This Agreement may be signed (including by electronic signature) and delivered (including by facsimile transmission, by email in PDF or similar format or using an online contracting service designated by AMO) in counterparts, and each signed and delivered counterpart will be deemed an original and both counterparts will together constitute one and the same document.

16.2 **Severability**. If for any reason a provision of this Agreement that is not a fundamental term is found to be or becomes invalid or unenforceable, in whole or in part, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.

16.3 **Waiver**. AMO may waive any right in this Agreement only in writing, and any tolerance or indulgence demonstrated by AMO will not constitute waiver of rights in this Agreement. Unless a waiver is executed in writing, AMO will be entitled to seek any remedy that it may have under this Agreement or under the law.

16.4 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in Ontario.

16.5 **Survival**. The Recipient agrees that the following sections and provisions of this Agreement shall extend for seven (7) years beyond the expiration or termination of this Agreement: Sections 4, 5.8, 5.9, 6.1, 11.4, 11.5, 12, 13.4 and 16.8.

16.6 **AMO, Canada and Recipient Independent**. The Recipient will ensure its actions do not establish or will not be deemed to establish a partnership, joint venture, principal-

agent relationship, or employer-employee relationship in any way or for any purpose whatsoever between Canada and the Recipient, between AMO and the Recipient, between Canada and a Third Party or between AMO and a Third Party.

16.7 **No Authority to Represent**. The Recipient will ensure that it does not represent itself, including in any agreement with a Third Party, as a partner, employee, or agent of Canada or AMO.

16.8 **Debts Due to AMO**. Any amount owed under this Agreement will constitute a debt due to AMO, which the Recipient will reimburse forthwith, on demand, to AMO.

16.9 **Priority**. In the event of a conflict, the part of this Agreement that precedes the signature of the Parties will take precedence over the Schedules.

16.10 **Complementarity.** The Recipient is to use the CCBF to complement, without replacing or displacing, other sources of funding for municipal infrastructure.

16.11 **Equity**. The Recipient is to consider Gender Based Analysis Plus ("**GBA+**") lenses when undertaking a project.

## 17. SCHEDULES

17.1 This Agreement, including:

| | |
|---|---|
| Schedule A | Eligible Investment Categories |
| Schedule B | Eligible Expenditures |
| Schedule C | Ineligible Expenditures |
| Schedule D | The Annual Report |
| Schedule E | Communications Requirements |

constitute the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

## 18. SIGNATURES

**IN WITNESS WHEREOF**, AMO and the Recipient have respectively executed, and delivered this Agreement, effective April 1, 2024.

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

By:

| | |
|---|---|
| Name: Matthew Shoemaker<br>Title: Mayor | Date |
| Name: Rachel Tyczinski<br>Title: City Clerk | Date |

**THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO**

By:

| | |
|---|---|
| Name:<br>Title: Executive Director | Date |
| Witness:<br>Title: | Date |

# SCHEDULE A:
# ELIGIBLE INVESTMENT CATEGORIES

1. **Broadband connectivity** – investments in the construction, material enhancement, or renewal of infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.

2. **Brownfield redevelopment** – investments in the remediation or decontamination of a brownfield site within municipal boundaries – provided that the site is being redeveloped to construct a public park for municipal use, publicly owned social housing, or Infrastructure eligible under another investment category listed in this schedule.

3. **Capacity-building** – investments that strengthen the Recipient's ability to develop long-term planning practices as described in Schedule B, item 2.

4. **Community energy systems** – investments in the construction, material enhancement, or renewal of infrastructure that generates energy or increases energy efficiency.

5. **Cultural infrastructure** – investments in the construction, material enhancement, or renewal of infrastructure that supports the arts, humanities, or heritage.

6. **Drinking water** – investments in the construction, material enhancement, or renewal of infrastructure that supports drinking water conservation, collection, treatment, and distribution systems.

7. **Fire halls** – investments in the construction, material enhancement, or renewal of fire halls and fire station infrastructure.

8. **Local roads and bridges** – investments in the construction, material enhancement, or renewal of roads, bridges, tunnels, highways, and active transportation infrastructure.

9. **Public transit** – investments in the construction, material enhancement, or renewal of infrastructure that supports a shared passenger transport system that is available for public use.

10. **Recreational infrastructure** – investments in the construction, material enhancement, or renewal of recreational facilities or networks.

11. **Regional and local airports** – investments in the construction, material enhancement, or renewal of airport-related infrastructure (excluding infrastructure in the National Airports System).

12. **Resilience** – investments in the construction, material enhancement, or renewal of built and natural infrastructure assets and systems that protect and strengthen the resilience

of communities and withstand and sustain service in the face of climate change, natural disasters, and extreme weather events.

13. **Short-line rail** – investments in the construction, material enhancement, or renewal of railway-related infrastructure for carriage of passengers or freight.

14. **Short-sea shipping** – investments in the construction, material enhancement, or renewal of infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean.

15. **Solid waste** – investments in the construction, material enhancement, or renewal of infrastructure that supports solid waste management systems (including the collection, diversion, and disposal of recyclables, compostable materials, and garbage).

16. **Sport infrastructure** – investments in the construction, material enhancement, or renewal of amateur sport infrastructure (facilities housing professional or semi-professional sports teams are ineligible).

17. **Tourism infrastructure** – investments in the construction, material enhancement, or renewal of infrastructure that attracts travelers for recreation, leisure, business, or other purposes.

18. **Wastewater** – investments in the construction, material enhancement, or renewal of infrastructure that supports wastewater and storm water collection, treatment, and management systems.

Note: Investments in health infrastructure (e.g., hospitals, long-term care facilities, convalescent centres, and senior centres) are not eligible.

# SCHEDULE B:
# ELIGIBLE EXPENDITURES

Eligible Expenditures will be limited to the following:

1. **Infrastructure investments** – expenditures associated with acquiring, planning, designing, constructing, or renovating a tangible capital asset and any related debt financing charges specifically identified with that asset.

2. **Capacity-building costs** – for projects eligible under the capacity-building category only, expenditures associated with the development and implementation of:

    - Capital investment plans, integrated community sustainability plans, integrated regional plans, housing needs assessments, or asset management plans;

    - Studies, strategies, systems, software, third-party assessments, plans, or training related to asset management;

    - Studies, strategies, systems, or plans related to housing or land use;

    - Studies, strategies, or plans related to the long-term management of infrastructure; and

    - Other initiatives that strengthen the Recipient's ability to improve local and regional planning.

3. **Joint communications and signage costs** – expenditures directly associated with joint federal communication activities and with federal project signage.

4. **Employee costs** – the costs of the Recipient's employees for projects eligible under the capacity-building category only – provided that the costs, on an annual basis, do not exceed the lesser of:

    - 40% of the Recipient's annual allocation (i.e., the amount of CCBF funding made available to the Recipient by AMO under Section 5.5 of this Agreement); or

    - $80,000.

# SCHEDULE C:
# INELIGIBLE EXPENDITURES

The following are deemed Ineligible Expenditures:

1. **Costs incurred before the Fund was established** – project expenditures incurred before April 1, 2005.

2. **Costs incurred before categories were eligible** – project expenditures incurred:

    - Before April 1, 2014 – under the broadband connectivity, brownfield redevelopment, cultural infrastructure, disaster mitigation (now resilience), recreational infrastructure, regional and local airports, short-line rail, short-sea shipping, sport infrastructure, and tourism infrastructure categories; and.

    - Before April 1, 2021 – under the fire halls category.

3. **Internal costs** – the Recipient's overhead costs (including salaries and other employment benefits), operating or administrative costs (related to planning, engineering, architecture, supervision, management, and other activities normally carried out by the Recipient's staff), and equipment leasing costs – except in accordance with Eligible Expenditures described in Schedule B.

4. **Rebated costs** – taxes for which the Recipient is eligible for a tax rebate and all other costs eligible for rebates.

5. **Land costs** – the purchase of land or any interest therein and related costs.

6. **Legal fees**.

7. **Routine repair or maintenance costs** – costs that do not result in the construction, material enhancement, or renewal of a tangible capital asset.

8. **Investments in health infrastructure** – costs associated with health infrastructure or assets (e.g., hospitals, long-term care facilities, convalescent centres, and senior centres).

9. **Investments in professional or semi-professional sports facilities** – costs associated with facilities used by professional or semi-professional sports teams.

# SCHEDULE D:
# ANNUAL REPORT

The Annual Report may include – but is not necessarily limited to – the following information pertaining to the previous fiscal year:

1. **Financial information** – and particularly:
    - Interest earnings and investment gains – in accordance with Section 5.7;
    - Proceeds from the disposal of assets – in accordance with Section 12.1;
    - Outgoing transfers – in accordance with Sections 5.3 and 5.4;
    - Incoming transfers – in accordance with Section 5.3; and
    - Amounts paid – in aggregate for Eligible Expenditures on each Eligible Project.
2. **Project information** – describing each Eligible Project that started, ended, or was ongoing in the reporting year.
3. **Results** – and particularly:
    - Expected outputs and outcomes for each ongoing Eligible Project;
    - Outputs generated and outcomes achieved for each Eligible Project that ended construction in the reporting year; and
    - Housing outcomes resulting from each Eligible Project that ended construction in the reporting year, and specifically:
        i. The number of housing units enabled, supported, or preserved; and
        ii. The number of affordable housing units enabled, supported, or preserved.
4. **Other information** – such as:
    - Progress made in the development and implementation of asset management plans and systems; and
    - The impact of the CCBF on housing pressures tied to infrastructure gaps, the housing supply, and housing affordability.

# SCHEDULE E:
# COMMUNICATIONS REQUIREMENTS

## 1. COMMUNICATIONS ACTIVITIES

1.1 **Scope**. The provisions of this Schedule apply to all communications activities related to any Funds and Eligible Projects.

1.2 **Definition**. Communications activities may include (but are not limited to) public or media events, news releases, reports, web articles, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, award programs, and multi-media products.

## 2. INFORMATION SHARING REQUIREMENTS

2.1 **Notification requirements**. The Recipient must report all active Eligible Projects to AMO in advance of construction each year. Reports must be submitted in an electronic format deemed acceptable by AMO.

2.2 **Active Eligible Projects**. Active Eligible Projects are those Eligible Projects that either begin in the current calendar year or are ongoing in the current calendar year.

2.3 **Information required**. The report must include, at a minimum, the name, category, description, expected outcomes, anticipated CCBF contribution, anticipated start date, and anticipated end date of each active Eligible Project.

## 3. PROJECT SIGNAGE REQUIREMENTS

3.1 **Installation requirements**. Unless otherwise approved by Canada, the Recipient must install a federal sign to recognize federal funding for each Eligible Project in accordance with design, content, and installation guidelines provided by Canada.

3.2 **Permanent signs, plaques, and markers**. Permanent signage, plaques, and markers recognizing municipal or provincial contributions to an Eligible Project must also recognize the federal contribution and must be approved by Canada.

3.3 **Responsibilities**. The Recipient is responsible for the production and installation of Eligible Project signage in accordance with Section 3 of this Schedule E, except as otherwise agreed upon.

3.4 **Reporting requirements**. The Recipient must inform AMO of signage installations in a manner determined by AMO.

## 4. DIGITAL COMMUNICATIONS REQUIREMENTS

4.1 **Social media**. AMO maintains accounts dedicated to the CCBF on several social media networks. The Recipient must @mention the relevant account when producing content that promotes or communicates progress on one or more Eligible Projects. AMO's CCBF-dedicated social media accounts are identified on www.buildingcommunities.ca.

4.2 **Websites and webpages**. Websites and webpages created to promote or communicate progress on one or more Eligible Projects must recognize federal funding using either:

a) A digital sign; or

b) The Canada wordmark and the following wording (as applicable):

i. "This project is funded in part by the Government of Canada"; or

ii. "This project is funded by the Government of Canada".

The Canada wordmark or digital sign must link to www.infrastructure.gc.ca. Guidelines describing how this recognition is to appear and language requirements are posted at http://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html.

## 5. REQUIREMENTS FOR MEDIA EVENTS AND ANNOUNCEMENTS

5.1 **Definitions**. Media events and announcements include, but are not limited to, news conferences, public announcements, and the issuing of news releases to communicate the funding of Eligible Projects or achievement of key milestones (such as groundbreaking ceremonies, grand openings, and completions).

5.2 **Authority**. Canada, AMO, or the Recipient may request a media event or announcement.

5.3 **Notification requirements**. Media events and announcements must not proceed without the prior knowledge and agreement of AMO, Canada, and the Recipient.

5.4 **Notice**. The requester of a media event or announcement must provide at least fifteen (15) business days' notice to other parties of their intention to undertake such an event or announcement. If communications are proposed through a news release with no supporting event, Canada additionally requires five (5) business days with the draft news release to secure approvals and confirm the federal representative's quote.

5.5 **Date and location**. Media events and announcements must take place at a date and location that is mutually agreed to by the Recipient, AMO and Canada.

5.6 **Representatives**. The Recipient, AMO, and Canada will have the opportunity to participate in media events and announcements through a designated representative. Each Party will choose its own designated representative.

5.7 **Responsibilities**. AMO and the Recipient are responsible for coordinating all onsite logistics for media events and announcements unless otherwise agreed on.

5.8 **No unreasonable delay**. The Recipient must not unreasonably delay media events and announcements.

5.9 **Precedence**. The conduct of all joint media events, announcements, and supporting communications materials (e.g., news releases, media advisories) will follow the Table of Precedence for Canada.

5.10 **Federal approval**. All joint communications material related to media events and announcements must be approved by Canada and recognize the funding of all contributors.

5.11 **Federal policies**. All joint communications material must reflect Canada's Policy on Official Languages and the Policy on Communications and Federal Identity.

5.12 **Equal visibility**. The Recipient, Canada, and AMO will have equal visibility in all communications activities.

## 6. PROGRAM COMMUNICATIONS

6.1 **Own communications activities**. The Recipient may include messaging in its own communications products and activities with regards to the use of Funds.

6.2 **Funding acknowledgements**. The Recipient must recognize the funding of all contributors when undertaking such activities.

## 7. OPERATIONAL COMMUNICATIONS

7.1 **Responsibilities**. The Recipient is solely responsible for operational communications with respect to the Eligible Projects, including but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official languages policy.

7.2 **Federal funding acknowledgement**. Operational communications should include, where appropriate, the following statement (as appropriate):

a) "This project is funded in part by the Government of Canada"; or

b) "This project is funded by the Government of Canada".

7.3 **Notification requirements**. The Recipient must share information promptly with AMO should significant emerging media or stakeholder issues relating to an Eligible Project arise. AMO will advise the Recipient, when appropriate, about media inquiries received concerning an Eligible Project.

## 8. COMMUNICATING SUCCESS STORIES

8.1 **Participation requirements**. The Recipient must work with Canada and AMO when asked to collaborate on communications activities – including, but not limited to, Eligible Project success stories (including positive impacts on housing), Eligible Project vignettes, and Eligible Project start-to-finish features.

## 9. ADVERTISING CAMPAIGNS

9.1 **Responsibilities**. The Recipient may, at its own cost, organize an advertising or public information campaign related to the use of the Funds or Eligible Projects, provided that the campaign respects the provisions of this Agreement.

9.2 **Notice**. The Recipient must inform Canada and AMO of its intention to organize a campaign no less than twenty-one (21) working days prior to the launch of the campaign.

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

**BY-LAW 2024-98**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and the Municipality of Wawa to enhance emergency management capabilities through shared resources and mutual aid during emergencies.

**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 15, 2024 between the City and the Municipality of Wawa, a copy of which is attached as Schedule “A” hereto. This Agreement is to enhance emergency management capabilities through shared resources and mutual aid during emergencies.

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 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

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**THE CORPORATION OF THE MUNICIPALITY OF WAWA**

**BY–LAW NO. 3721-24**

**BEING A BY–LAW** to authorize The Corporation of the Municipality of Wawa to enter into an Agreement with The Corporation of the City of Sault Ste Marie for the provision of any personnel, service, equipment or material during an emergency.

**WHEREAS** Section 10(2)(6) of the Municipal Act, S.O. 2001, Chapter 25, provides that a single-tier municipality may pass by-laws respecting economic, social and well-being of the municipality;

**AND WHEREAS** the Municipality of Wawa is desirous to enter into an Agreement with The City of Sault Ste Marie for the provision of any personnel, service, equipment or material required during an emergency;

**AND WHEREAS** the City of Sault Ste Marie or Municipality of Wawa (Wawa) may declare a state of emergency pursuant to the Emergency Management and Civil Protection Act, R.S.O. 1990, c.E.9 (the "Act");

**AND WHEREAS** Section 13 of the EMPC Act makes provision for the council of a municipality to enter into an agreement with the council of any other municipality or with any person for the provision of any personnel, service, equipment, or materials during an emergency;

**AND WHEREAS** the City of Sault Ste Marie or Wawa may be asked to assist each other with the potential reception of evacuees including the provision of emergency lodging, to the extent it is able to do so;

**AND WHEREAS** the City of Sault Ste Marie or Wawa may be asked to provide an Emergency Operating Centre (EOC) to the other, to the extent it is able to do so;

**NOWTHEREFORE BE IT RESOLVED THAT** the Council of The Corporation of the Municipality of Wawa enacts the following as a By-Law:

1. **THAT** The Corporation of the Municipality of Wawa does hereby enter into an Agreement with The Corporation of the City of Sault Ste Marie, 99 Foster Drive, Sault Ste Marie ON, P6A 5X6, for the provision of any personnel, service, equipment or material during a declared emergency according to the Terms and Conditions as set out in Schedule "A", a copy of which is attached hereto and forming an integral part of this By-Law.

2. **THAT** the Mayor and Clerk be and are hereby authorized to execute the By-Law on behalf of The Corporation of the Municipality of Wawa.

3. **THAT** the By-Law shall come into force and effect upon passage.

**READ** a first, second and third time, and be finally passed this 18th day of June, 2024.

MELANIE PILON, MAYOR

MAURY O'NEILL, CLERK

**SCHEDULE A**

**This Agreement made this ___ day of June 2024**

**BETWEEN:**

**THE CORPORATION OF THE MUNICIPALITY OF WAWA**
**("Wawa")**

- and -

**THE CORPORATION OF THE CITY OF SAULT STE. MARIE**
**("Sault Ste. Marie")**

**WHEREAS Sault Ste. Marie or Wawa** may declare a state of emergency pursuant to the *Emergency Management and Civil Protection Act,* R.S.O. 1990, c.E.9 *(the "Act');*

**AND WHEREAS** the evacuation of some or all of the residents of **Sault Ste. Marie or Wawa** may become necessary in the future on very short notice;

**AND WHEREAS Sault Ste. Marie and Wawa** are the closest municipalities to one another with the capacity to assist each other in the reception of potential evacuees;

**AND WHEREAS** Section 13 of the *Act* makes provision for the council of a municipality to enter into an agreement with council of any other municipality or with any person for the provision of any personnel, service, equipment or materials during an emergency;

**AND WHEREAS** both **Sault Ste. Marie and Wawa** recognize that the health, safety and welfare of people are the first priority in the event of an emergency;

**AND WHEREAS Sault Ste. Marie or Wawa** has been asked to assist the other municipality with the potential reception of evacuees including the provision of emergency lodging, to the extent is it able to do so;

**NOW THEREFORE,** the parties hereby agree to the following:

## A. OPERATION OF THIS AGREEMENT

1. This agreement shall have no force or effort unless and until a large-scale evacuation of Wawa or the City of Sault Ste. Marie becomes necessary due to any threat.

## B. PROVISION OF EMERGENCY ASSISTANCE

2. (a) Subject to Section 2(b), if and when an evacuation of the residents of Wawa and/or Sault Ste. Marie becomes necessary, the other municipality hereby agrees to render assistance as follows:

    i. to make available the use of its respective facilities/community centres ("Facilities") and/or "(Equipment"), to house evacuees;

    ii. to provide its respective municipal personnel as are necessary to maintain and operate the Facilities and/or Equipment, so provided pursuant to Section 2(a) herein; and

    iii. such other assistance as the parties may agree upon.

(b) Any assistance and the duration thereof rendered by Wawa and/or Sault Ste. Marie pursuant to Section (a) herein shall be:

    i. determined exclusively by Wawa and/or Sault Ste. Marie as the host municipality in its sole and unfettered discretion; and

    ii. provided by Wawa and/or Sault Ste. Marie as the host municipality subject to availability as determined solely by Wawa and/or Sault Ste. Marie, as the host municipality.

## C. USE OF FACILITIES & EQUIPMENT

3. Sault Ste. Marie and Wawa will give due consideration to the requirements of any Facilities provided pursuant to Section 2(a) herein as required to ensure safe accommodation.

4. Notwithstanding with above paragraphs, final authority for the use and control of the Facilities and Equipment shall rest with the host municipality.

## D. STAFFING

5. While any Facility is in use under the terms of the agreement:

    (a) The host municipality shall have one or more members of its staff on the Facility premises at all times to assist with the operation and maintenance of the Facility; and

    (b) The requesting municipality shall have one or more members of its staff on the Facility premises at all times to assist with the operation and maintenance of the activities for the evacuees and volunteers.

## E. DILIGENCE AND CARE

6. The requesting municipality and other parties having authority to use the host municipality's Facilities shall exercise due diligence and care and shall not interfere with any of the Facilities' activities unless deemed necessary part of the response to the emergency.

7. Prior to the use of any Facility, a duly authorized representative of Sault Ste. Marie and a duly authorized representative of Wawa shall jointly inspect each Facility and Equipment to be used. A memorandum will then be signed by both parties outlining any pre-use damage or deficiencies.

8. Upon termination of use by either party, both parties shall again inspect each Facility and Equipment used and make note of any damage, deficiencies or other such factors resulting from the use of said Facility and Equipment.

## F. INDEMNITY

9. (a) In the event that Sault Ste. Marie acts as host municipality pursuant to this agreement, Wawa agrees to save harmless and fully indemnify Sault Ste. Marie, its officers, agents, contractors and employees from and against all losses, damages, liabilities, costs and expenses (including legal fees on a substantial indemnity scale basis and disbursements with choice of counsel being reserved to Sault Ste. Marie in its sole discretion), caused to or incurred by Sault Ste. Marie and from all claims, demands, awards, losses, costs, damages, actions, suits or other proceedings by whomsoever made, brought or prosecuted in any matter based upon, arising directly or indirectly out of Sault Ste. Marie acting as host municipality pursuant to this agreement, the intent being that Sault Ste. Marie shall be at no risk or expense in acting as host municipality.

(b) In the event that Wawa acts as host municipality pursuant to this agreement Sault Ste. Marie agrees to save harmless and fully indemnify Wawa, its officers, agents, contractors and employees from and against all losses, damages, liabilities, costs and expenses (including legal fees on a substantial indemnity scale basis and disbursements with choice of counsel being reserved to Wawa in its sole discretion), caused to or incurred by Wawa and from all claims, demands, awards, losses, costs, damages, actions, suits or other proceedings by whomsoever made, brought or prosecuted in any matter based upon, arising directly or indirectly out of Wawa acting as host municipality pursuant to this agreement, the intent being that Wawa shall be at no risk or expense in acting as host municipality.

## G. COSTS

10. The parties hereby acknowledge and agree that both Wawa and Sault Ste. Marie will incur costs as a result of any evacuees being received by either municipality.

11. Wawa and Sault Ste. Marie agree that any costs and/or expenses shall be recovered from the other party, under this agreement or otherwise, on a cost recovery basis. Wawa and Sault Ste. Marie shall pay such costs and/or expenses incurred by the other party under this agreement forthwith upon receipt of an invoice and supporting documentation.

12. In the event either municipality is asked to receive evacuees and/or provide emergency services to the other municipality, the parties acknowledge and agree that either municipality may receive funding under the *Act* or other provincial and/or federal emergency/disaster programs.

13. Both municipalities agree to remit any funds received under the *Act* or other provincial and/or federal emergency/disaster programs related to the reception of evacuees in either municipality to the host municipality upon receipt.

14. Nothing in the agreement shall preclude either municipality from taking action to recover costs and expenses from such person(s) or entities as may be found responsible for causing the emergency, or from seeking federal and/or provincial funding to cover any or all costs incurred by either municipality.

## H. TERMINATION

15. This agreement may be terminated by any of the parties hereto, by 60 days notice given in writing to the other parties by delivering the same in person or by ordinary mail. Any notice shall be deemed to have given on the third business day following the date on which it was mailed.

## I. SUCCESSORS AND ASSIGNS

16. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

**IN WITNESS WHEREOF** the parties hereto have hereunto affixed their seals and attested by the proper officers in the behalf.

**THE CORPORATION OF THE MUNICIPALITY OF WAWA**

**PER:** _____

**Name: MAYOR, MELANIE PILON**
*I have authority to bind the Corporation*

**PER:** _____

**Name: CLERK, MAURY O'NEILL**
*I have authority to bind the Corporation*

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

**PER:** _____

**MAYOR – MATTHEW SHOEMAKER**

**PER:** _____

**CITY CLERK – RACHEL TYCZINSKI**

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

**BY-LAW 2024-99**

**REGULATIONS**: A by-law to exempt the wedding of Meggie Opala and Lucas Virtanen at 151 Simpson Street on Saturday, August 24, 2024 from 11:00 p.m. to 12:30 a.m. from Noise Control By-law 80-200.

**THE COUNCIL** of the Corporation of the City of Sault Ste. Marie, pursuant to section 129 of the *Municipal Act, 2001* S.O. 2001 c. 25 **ENACTS** as follows:

1. **EXEMPTION FROM NOISE CONTROL BY-LAW**

Despite the provisions of By-law 80-200 the noise associated with the wedding of Meggie Opala and Lucas Virtanen on August 24, 2024 from 11:00 p.m. to 12:30 a.m. is deemed not to be in violation of By-law 80-200.

2. **EFFECTIVE DATE**

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

**PASSED** in open Council this 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

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

**BY-LAW 2024-105**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and the Municipality of Wawa for the City's use of office space to conduct Provincial Offences Court.

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

1. **EXECUTION OF DOCUMENT**

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Agreement between the City and the Municipality of Wawa, a copy of which is attached as Schedule "A" hereto. This Agreement is for the City's use of office space to conduct Provincial Offences Court.

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 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

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# LICENCE OF OCCUPATION

**THIS LICENCE** made the 23RD day of July, 2024.

**BETWEEN:**

**THE CORPORATION OF THE CITY OF SAULT STE. MARIE**
hereinafter referred to as the “City”

- and -

**THE CORPORATION OF THE MUNICIPALITY OF WAWA**
hereinafter referred to as the “Municipality”

**WHEREAS** the City has utilized facilities in the Municipality’s Municipal Office to conduct Provincial Offences Court from time to time since March 12, 2001;

**AND WHEREAS** the present Agreement expires on July 14, 2024 and the parties desire to formalize an agreement for the continued utilization of such facilities upon certain terms and conditions;

**NOW THEREFORE** the Municipality grants to the City the right to occupy the property of the Municipality (the "POA facilities") described as follows:

The Council Chambers, Boardroom and Councillor's Office
The Corporation of the Municipality of Wawa
40 Broadway Avenue
Wawa, Ontario P0S 1K0

for a term of two (2) years commencing July 14, 2024 and terminating on July 14, 2026, unless cancelled in accordance with Schedule “A” and for the purpose and subject to the terms and conditions set out in Schedule “A” attached (which to the extent each condition is or becomes applicable the City and the Municipality covenant to observe).

The parties hereto hereby agree that this Licence of Occupation shall be effective the 14th day of July, 2024.

WITNESS the parties' corporate seals attested by their duly authorized officers.

**SIGNED, SEALED AND DELIVERED**

Dated at Sault Ste. Marie, this day of , 2024

.

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

MATTHEW SHOEMAKER, MAYOR

RACHEL TYCZINSKI, CITY CLERK

Dated at Wawa, this day of , 2024.

**THE CORPORATION OF THE MUNICIPALITY OF WAWA**
PER:

MELANIE PILON, MAYOR

MAURY O'NEILL, CAO-CLERK

**ATTACHED TO AND FORMING PART OF A LICENCE OF OCCUPATION AGREEMENT DATED JULY 24, 2024 BETWEEN THE CORPORATION OF THE CITY OF SAULT STE. MARIE AND THE CORPORATION OF THE MUNICIPALITY OF WAWA.**

## SCHEDULE "A"
## TERMS AND CONDITIONS

**Purpose:**

To make available courtroom and chambers for Provincial Offences Court purposes by way of a Licence of Occupation agreement.

**This Licence is subject to the following conditions:**

1. **Rent**

The City shall pay to the Municipality rental amounts as follows:

(a) the sum of Two Hundred and Sixty-Eight ($268.14) Dollars and Fourteen Cents plus applicable HST for each in person Court Attendance at the POA Facilities payable by the City immediately upon demand by the Municipality;

(b) the amounts quoted above shall be increased by the annual change in the Consumer Price Index (CPI) for Canada from the previous year on March 16th of each year in the Term.

2. **Provincial Offences Court Dates**

(a) The days and hours of the City's use of the POA facilities will be as arranged from time to time between the City's Provincial Offences Court Liaison Supervisor and the Clerk of the Municipality. The Court Liaison Supervisor shall provide the Municipal Clerk with a list of scheduled POA court dates for the year as soon as it is provided by the Senior Regional Justice of the Peace.

(b) The parties recognize and agree that from time to time additional Provincial Offences Court dates might be scheduled. It is hereby understood and agreed that the City shall obtain the approval of the Municipality in advance of scheduling any additional court dates other than the regularly scheduled monthly court dates.

3. **Repairs**

The City shall be responsible for all repairs of damages that occur to POA Facilities during scheduled Provincial Offences Court sessions provided that notice of such damages shall be made in writing by the Municipality to the City.

At the Municipality's sole expense, the Municipality shall keep the facilities in accordance with any Provincial and Public Heath requirements, including but not limited to proper cleaning and disinfecting. The Municipality's failure to do so shall enable the City to terminate the agreement forthwith.

4. **Indemnification**

The City shall indemnify and save harmless the Municipality from and against all claims including claims by the City and including, without limiting the generality of the foregoing, all claims for personal injury or property damage, regardless of the cause and from all costs, counsel fees, expenses and liabilities incurred in or about such claims or any action or proceeding brought thereon.

5. The City shall not use or permit the use of the subject property for any other purpose other than Provincial Offences Court.

6. This agreement may not be assigned without the written permission of the Municipality, which permission may not be arbitrarily withheld.

7. The permission to utilize the subject property herein granted operates solely as a Licence and does not transfer any exclusive possessory right or leasehold interest to the City.

8. All notices given pursuant to this agreement shall be deemed given if deposited in the mail with postage charges prepaid and addressed to the party for whom intended at such party's address herein specified:

CITY: Melanie Borowicz-Sibenik
Assistant City Solicitor/Senior Litigation Counsel
The Corporation of the City of Sault Ste. Marie
Sault Ste. Marie, Ontario P6A 5X6
FAX NO. 705-759-5405

MUNICIPALITY: Maury O'Neil
CAO/Deputy Clerk
The Corporation of the Municipality of Wawa
P.O. Box 500
Wawa, Ontario P0S 1K0
FAX NO. 705-856-2120

provided that each party may from time to time change its address for service on written notice to the other. Any notice or statement shall be deemed to have been received on the third business day after the day on which the same is mailed as aforesaid.

9. In the event the rent hereby reserved or any part thereof should be in arrears, or in the case default should be made in the fulfillment of any covenant on the part of the City and such condition endures for a space of one (1) calendar month, the Municipality shall give to the City a notice in writing requiring the City to remedy the default in the said notice within thirty (30) days and in the event that the City fails to remedy the default within such period, the Municipality may enter upon and take possession of the property in the name of the whole and the same repossess and enjoy as of its former estate and the term hereby granted shall thereupon cease and determine.

10. **Termination**

The Municipality may terminate this agreement prior to the end of the Term by providing three (3) months written notice to the City. In the event that the Municipality terminates this agreement the Municipality shall forthwith inform the City's Provincial Offences Court Liaison Supervisor of same and make reasonable efforts to accommodate the City elsewhere.

The City may terminate this agreement prior to the end of the Term by providing six (6) months' written notice to the Municipality.

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

**BY-LAW 2024-110**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and His Majesty the King in right of Ontario as represented by the Minister of Municipal Affairs and Housing for the Building Faster Fund Transfer Payment Agreement.

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

1. **EXECUTION OF DOCUMENT**

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Agreement dated April 1, 2024 between the City and His Majesty the King in right of Ontario as represented by the Minister of Municipal Affairs and Housing, a copy of which is attached as Schedule “A” hereto. This Agreement is for the Building Faster Fund Transfer Payment Agreement.

2. **SCHEDULE "A"**

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

3. **EFFECTIVE DATE**

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

**PASSED** in open Council this 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

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# ONTARIO TRANSFER PAYMENT AGREEMENT

**THE AGREEMENT** is effective as of the 1st day of April, 2024

**B E T W E E N :**

**His Majesty the King in right of Ontario as represented by the Minister of Municipal Affairs and Housing**

(the **"Province"**)

**- and -**

The Corporation of the City of Sault Ste. Marie

[enter the full legal name of the Recipient above]

(the **"Recipient"**)

## CONSIDERATION

In consideration of the mutual covenants and agreements contained in the Agreement and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Province and the Recipient agree as follows:

## 1.0 ENTIRE AGREEMENT

1.1 **Schedules to the Agreement.** The following schedules form part of the Agreement:

| | |
|---|---|
| Schedule "A" - | General Terms and Conditions |
| Schedule "B" - | Program Specific Information and Additional Provisions |
| Schedule "C" - | Program |
| Schedule "D" - | Eligible Expenditures and Ineligible Expenditures |
| Schedule "E" - | Payment Schedule |
| Schedule "F" - | Reports |
| Schedule "G"- | Program Guidelines |

1.2 **Entire Agreement.** The Agreement constitutes the entire agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

## 2.0 CONFLICT OR INCONSISTENCY

2.1 **Conflict or Inconsistency.** In the event of a conflict or inconsistency between the provisions in Schedule "A" and the provisions of any other schedule, the following rules will apply:

(a) the Parties will interpret any other schedule in so far as possible, in a way that preserves the intention of the Parties as expressed in Schedule "A"; and

(b) where it is not possible to interpret the other schedule in a way that is consistent with the provisions in Schedule "A", Schedule "A" will prevail over the other schedule to the extent of the inconsistency.

## 3.0 COUNTERPARTS AND E-SIGNATURES

3.1 **One and the Same Agreement.** The Agreement may be executed and delivered in counterparts by electronic means, including by email transmission in PDF format, and the Parties may rely on such electronic execution as though it were an original hand-written signature.

## 4.0 AMENDING THE AGREEMENT

4.1 **Amending the Agreement.** The Agreement may only be amended by a written agreement duly executed by the Parties.

## 5.0 ACKNOWLEDGEMENT

5.1 **Acknowledgement**. The Recipient acknowledges that:

(a) the Funds are to assist the Recipient to carry out the Program and not to provide goods or services to the Province;

(b) the Province is not responsible for carrying out the Program;

(c) the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) ("**FIPPA**") and that any information provided to the Province in connection with the Program or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act; and

(d) the Province is bound by the *Financial Administration Act* (Ontario) ("**FAA**") and, pursuant to subsection 11.3(2) of the FAA, payment by the Province of Funds under the Agreement will be subject to,

(i) an appropriation, as that term is defined in subsection 1(1) of the FAA, to which that payment can be charged being available in the Program Year in which the payment becomes due; or

(ii) the payment having been charged to an appropriation for a previous fiscal year.

**- SIGNATURE PAGE FOLLOWS -**

The Parties have executed the Agreement on the dates set out below.

**HIS MAJESTY THE KING IN RIGHT OF ONTARIO**
**as represented by the Minister of Municipal Affairs and Housing**

_____
Date (dd-mmm-yyyy)

Signed: _____

Name: _____

Title: _____

The Corporation of the City of Sault Ste. Marie
[enter the full legal name of the Recipient]

_____
Date (dd-mmm-yyyy)

Signed: _____

Name: Matthew Shoemaker

Title: Mayor

I have authority to bind the Recipient.

_____
Date (dd-mmm-yyyy)

Signed: _____

Name: Rachel Tyczinski

Title: City Clerk

I have authority to bind the Recipient.

## SCHEDULE "A"
## GENERAL TERMS AND CONDITIONS

### A1.0 INTERPRETATION AND DEFINITIONS

A1.1 **Interpretation.** For the purposes of interpretation:

(a) words in the singular include the plural and vice-versa;

(b) words in one gender include all genders;

(c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;

(d) any reference to dollars or currency will be in Canadian dollars and currency; and

(e) "include", "includes" and "including" denote that the subsequent list is not exhaustive.

A1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

**"Additional Provisions"** means the terms and conditions set out in Schedule "B".

**"Agreement"** means this agreement entered into between the Province and the Recipient, all of the schedules listed in section 1.1, and any amending agreement entered into pursuant to section 4.1.

**"Allocation Notice"** means the notice that the Recipient receives from the Province setting out the Recipient's Annual Funding Allocation for the respective Program Year;

**"Annual Funding Allocation"** means the amount of Funds that the Province allocates to the Recipient for a Program Year;

**"Business Day"** means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

**"Consultant"** means any person the Recipient retains to do work related to this Agreement.

**"Effective Date"** means the date set out at the top of the Agreement.

**"Eligible Expenditures"** means the costs of the Program incurred by the Recipient and that are eligible for payment under the terms and conditions of the Agreement, and that are further described in section D2.0 of Schedule "D".

**"Event of Default"** has the meaning ascribed to it in section A12.1.

**"Expiry Date"** means the expiry date set out in Schedule "B".

**"Funds"** means the money the Province provides to the Recipient pursuant to the Agreement and includes any interest earned by placing the Funds in an interest-bearing account pursuant to section A4.4.

**"Indemnified Parties"** means His Majesty the King in right of Ontario, and includes His ministers, agents, appointees, and employees.

**"Indigenous Communities"** include First Nation, Métis, and Inuit communities or peoples of Canada.

**"Investment Plan"** means an investment plan identifying the Recipient's proposed use of Funds substantially in the form set out in Schedule "G".

**"Loss"** means any cause of action, liability, loss, cost, damage, or expense (including legal, expert and consultant fees) that anyone incurs or sustains as a result of or in connection with the Program or any other part of the Agreement.

**"Maximum Funds"** means the maximum Funds set out in Schedule "B".

**"Notice"** means any communication given or required to be given pursuant to the Agreement.

**"Notice Period"** means the period of time within which the Recipient is required to remedy an Event of Default pursuant to section A12.3(b), and includes any such period or periods of time by which the Province extends that time pursuant to section A12.4.

**"Parties"** means the Province and the Recipient.

**"Party"** means either the Province or the Recipient.

**"Performance Year"** means:

(a) in the case of the 2023 Performance Year, the period commencing on January 1, 2023 and ending on December 31, 2023;

(b) in the case of the 2024 Performance Year, the period commencing on January 1, 2024 and ending on December 31, 2024; and

(c) in the case of the 2025 Performance Year, the period commencing on January 1, 2025 and ending on December 31, 2025.

**"Proceeding"** means any action, claim, demand, lawsuit, or other proceeding that anyone makes, brings or prosecutes as a result of or in connection with the Program or with any other part of the Agreement.

**"Program"** means the program described in Schedule "C," including any projects and activities undertaken by the Recipient in accordance with Schedule "C."

**"Program Year"** means:

(a) in the case of the first Program Year, the period commencing on the Effective Date and ending on December 31, 2024; and

(b) in the case of the second Program Year, the period commencing on January 1, 2025 and ending on December 31, 2025.

"**Records Review**" means any assessment the Province conducts pursuant to section A7.4.

**"Reports"** means the reports described in Schedule "F".

"**Revised Allocation Notice**" means an Allocation Notice that the Province issues that alters an Allocation Notice that the Province previously issued.

## A2.0 REPRESENTATIONS, WARRANTIES, AND COVENANTS

A2.1 **General.** The Recipient represents, warrants, and covenants that:

(a) it has, and will continue to have, the experience and expertise necessary to carry out the Program;

(b) it is in compliance with, and will continue to comply with, all federal and provincial laws and regulations, all municipal by-laws, any requirement to obtain or maintain any approvals, permits, licenses, and authorizations, and any other orders, rules, and by-laws related to any aspect of the Program, the Funds, or both; and

(c) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete.

A2.2 **Execution of Agreement.** The Recipient represents and warrants that it has:

(a) the full power and authority to enter into the Agreement; and

(b) taken all necessary actions to authorize the execution of the Agreement, including passing a municipal by-law authorizing the Recipient to enter into the Agreement.

A2.3 **Governance.** The Recipient represents, warrants, and covenants that it has, will maintain in writing, and will follow:

(a) procedures to enable the Recipient to manage Funds prudently and effectively;

(b) procedures to enable the Recipient to complete the Program successfully;

(c) procedures to enable the Recipient to identify risks to the completion of the Program and strategies to address the identified risks, all in a timely manner;

(d) procedures to enable the preparation and submission of all Reports required pursuant to Article A7.0; and

(e) procedures to enable the Recipient to address such other matters as the Recipient considers necessary to enable the Recipient to carry out its obligations under the Agreement.

A2.4 **Supporting Proof.** Upon the request of the Province, the Recipient will provide the Province with proof of the matters referred to in Article A2.0.

## A3.0 TERM OF THE AGREEMENT

A3.1 **Term.** The term of the Agreement will commence on the Effective Date and will expire on the Expiry Date unless terminated earlier pursuant to Article A11.0 or Article A12.0.

## A4.0 FUNDS AND CARRYING OUT THE PROGRAM

A4.1 **Funds Provided.** The Province will:

(a) provide the Recipient with Funds up to the Maximum Funds for the purpose of carrying out the Program;

(b) provide the Funds to the Recipient in accordance with the payment schedule attached to the Agreement as Schedule “E”; and

(c) deposit the Funds into an account the Recipient designates provided that the account:

(i) resides at a Canadian financial institution; and

(ii) is in the name of the Recipient.

A4.2 **Limitation on Payment of Funds.** Despite section A4.1:

(a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides evidence satisfactory to the Province that the Recipient's council has authorized the execution of this Agreement by the Recipient by municipal by-law;

(b) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the certificates of insurance or other proof required pursuant to section A10.2;

(c) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Program; and

(d) the Province may adjust the amount of Funds it provides to the Recipient based upon the Province's assessment of the information the Recipient provides to the Province pursuant to section A7.2.

A4.3 **Use of Funds and Carry Out the Program.** The Recipient will do all of the following:

(a) carry out the Program in accordance with the Agreement;

(b) use the Funds only for the purpose of carrying out the Program;

(c) spend the Funds only in accordance with an approved Investment Plan;

(d) not use the Funds to cover any cost that has been or will be funded or reimbursed by one or more of any third party, ministry, agency, or organization of the Government of Ontario.

A4.4 **Separate Interest-Bearing Account.** The Recipient shall place the Funds in a separate, distinct, interest-bearing savings account in the name of the Recipient at a Canadian financial institution.

A4.5 **Interest.** If any interest is earned pursuant to section A4.4, those amounts shall be:

(a) used by the Recipient only for the purposes of carrying out the Program and only for Eligible Expenditures in accordance with an approved

Investment Plan; and

(b) treated in the same manner under the Agreement as other Funds, including with respect to the Recipient's obligations relating to saving, reporting on and repaying unspent Funds, and the Province's rights to demand repayment, deduct amounts, and take any other action with respect to Funds.

A4.6 **Rebates, Credits, and Refunds.** The Province will calculate Funds based on the actual costs to the Recipient to carry out the Program, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit, or refund.

A4.7 **Saved Funds**. The Recipient may save any Funds that it receives in one Program Year for use in later Program Years. For greater certainty, saved Funds include Funds not committed and not spent, Funds committed but not spent, and any interest earned pursuant to section A4.4. Despite anything else in this Agreement, the Recipient will spend any Funds that it has saved by no later than March 31, 2026. In the event that the Recipient does not spend those saved Funds in accordance with the requirements set out in this section A4.7 or otherwise in accordance with the Agreement, those saved Funds will be returned to the Province.

A4.8 **Transfer of Funds**. The Recipient may transfer Funds provided under this Agreement to a third party for the purposes of carrying out a project or activity set out in the Recipient's approved Investment Plan provided the following conditions are met:

(a) The project or activity is an Eligible Expenditure;

(b) The third party is a municipality, municipal services corporation, municipal housing corporation, housing service manager or non-profit housing provider, or another entity that has been approved by the Province in writing to receive transferred Funds; and

(c) The Recipient has entered into an agreement with the third party with respect to the Funds that is consistent with the terms and conditions of this Agreement and incorporates the relevant provisions of this Agreement. More specifically, but without limiting the generality of the foregoing, the Recipient agrees that all agreements with third parties shall include provisions to ensure:

(i) proper and accurate accounts and records with respect to the funded project or activity are kept and maintained as described in the Agreement including section A7.3;

(ii) compliance with all federal and provincial laws and regulations, all municipal by-laws, any requirement to obtain or maintain any

approvals, permits, licenses, and authorizations, and any other orders, rules, and by-laws related to the funded project or activity;

(iii) that the Recipient can recover Funds provided to a third party upon a breach of the agreement by the third party; and

(iv) the rights of the Province to audit the terms of any agreement, record and account pertaining to the funded project or activity are secured, pursuant to section A7.5.

A4.9 **Third Party Agreements Provided by Recipient Upon Request.** The Recipient shall provide to the Province, upon request, a copy of any agreement entered into with a third party pursuant to section A4.8.

## A5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

A5.1 **Acquisition.** If the Recipient acquires goods, services, or both with the Funds, it will do so through a process that promotes the best value for money.

A5.2 **Transfer or Disposal of Assets.** The Recipient shall retain any assets purchased, rehabilitated or built with the Funds under this Agreement for a period of five years from the date that the project or work is completed. Within this five year period, the Recipient may ask for the Province's consent to transfer to a third party, or dispose of, any assets purchased, rehabilitated or built with the Funds. The Province may impose any reasonable conditions, in granting its consent, including requiring the Recipient to:

(a) report to the Province any monies, including any capital gains, resulting from the transfer or disposal of the asset and use those monies only for Eligible Expenditures; or

(b) return to the Province the Funds used to purchase, rehabilitate, or build the transferred or disposed of asset.

A5.3 **Transfer of Land.** The Recipient shall retain any land purchased with the Funds under this Agreement for a period of five years from the date that the land is purchased by the Recipient. Within this five year period, the Recipient may ask for the Province's consent to transfer to a third party any land purchased with the Funds. The Province may impose any reasonable conditions, in granting its consent, including requiring the Recipient to:

(a) report to the Province any monies, including any capital gains, resulting from the transfer of the land and use those monies only for Eligible Expenditures; or

(b) return to the Province the Funds used to purchase the transferred land.

A5.4 **Use of Consultants.** The Province recognizes and acknowledges that the Recipient may engage one or more Consultants for the purposes of carrying out the Program and any related projects or work to which Funds are directed. The Recipient will have sole responsibility for hiring and terminating the employment of said Consultants. The Recipient further acknowledges and agrees that the Recipient will be responsible for all acts and actions of the Recipient's Consultants and that all such acts and actions will be treated as acts and actions of the Recipient for the purposes of this Agreement.

A5.5 **Trade Agreements.** If the Recipient is subject to any provincial or federal trade agreements to which the Province is a party, the Recipient will comply with the applicable requirements of such trade agreements.

## A6.0 CONFLICT OF INTEREST

A6.1 **Conflict of Interest Includes.** For the purposes of Article A6.0, a conflict of interest includes any circumstances where:

(a) the Recipient; or

(b) any person who has the capacity to influence the Recipient's decisions,

has outside commitments, relationships, or financial interests that could, or could be seen by a reasonable person to, interfere with the Recipient's objective, unbiased, and impartial judgment relating to the Program, the use of the Funds, or both.

A6.2 **No Conflict of Interest.** The Recipient will carry out the Program and use the Funds without an actual, potential, or perceived conflict of interest unless:

(a) the Recipient:

(i) provides Notice to the Province disclosing the details of the actual, potential, or perceived conflict of interest;

(ii) requests the consent of the Province to carry out the Program with an actual, potential, or perceived conflict of interest;

(b) the Province provides its consent to the Recipient carrying out the Program with an actual, potential, or perceived conflict of interest; and

(c) the Recipient complies with any terms and conditions the Province may prescribe in its consent.

## A7.0 REPORTS, ACCOUNTING, AND REVIEW

A7.1 **Province Includes.** For the purposes of sections A7.4, A7.5 and A7.6, **"Province"** includes any auditor or representative the Province may identify.

A7.2 **Preparation and Submission.** The Recipient will:

(a) submit to the Province at the address set out in Schedule "B":

(i) all Reports in accordance with the timelines and content requirements set out in Schedule "F";

(ii) any other reports in accordance with any timelines and content requirements the Province may specify from time to time, including, but not limited to, any reports that may be required under Article B3.0 of Schedule "B";

(b) ensure that all Reports and other reports are:

(i) completed to the satisfaction of the Province; and

(i) signed by an authorized signing officer of the Recipient.

A7.3 **Record Maintenance.** The Recipient will keep and maintain for a period of seven years from their creation:

(a) all financial records (including invoices and evidence of payment) relating to the Funds or otherwise to the Program in a manner consistent with either international financial reporting standards or generally accepted accounting principles or any comparable accounting standards that apply to the Recipient; and

(b) all non-financial records and documents relating to the Funds or otherwise to the Program.

A7.4 **Records Review.** The Province may, at its own expense, upon twenty-four hours' Notice to the Recipient and during normal business hours enter upon the Recipient's premises to conduct an audit or investigation of the Recipient regarding the Recipient's compliance with the Agreement, including assessing any of the following:

(a) the truth of any of the Recipient's representations and warranties;

(b) the progress of the Program;

(c) the Recipient's allocation and expenditure of the Funds.

A7.5 **Inspection and Removal.** For the purposes of any Records Review, the Province may take one or both of the following actions:

(a) inspect and copy any records and documents referred to in section A7.3;

(b) remove any copies the Province makes pursuant to section A7.5(a).

A7.6 **Cooperation.** To assist the Province in respect of its rights provided for in section A7.5, the Recipient will cooperate with the Province by:

(a) ensuring that the Province has access to the records and documents wherever they are located;

(b) assisting the Province to copy records and documents;

(c) providing to the Province, in the form the Province specifies, any information the Province identifies; and

(d) carrying out any other activities the Province requests.

A7.7 **No Control of Records.** No provision of the Agreement will be construed to give the Province any control whatsoever over any of the Recipient's records.

A7.8 **Auditor General.** The Province's rights under Article A7.0 are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

## A8.0 COMMUNICATIONS AND SIGNAGE REQUIREMENTS

A8.1 **Acknowledge Support.** Unless the Province directs the Recipient to do otherwise, the Recipient will in each of its Program-related publications, whether written, oral, or visual:

(a) acknowledge the support of the Province for the Program, including any projects and activities for which Funds are used;

(b) ensure that any acknowledgement is in a form and manner as the Province directs; and

(c) indicate that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

A8.2 **Publication By The Province.** The Recipient agrees the Province may, in addition to any obligations the Province may have under *FIPPA*, publicly release information under this Agreement, including the Agreement itself, in hard copy or in electronic form, on the internet or otherwise.

A8.3 **Signage.**

(a) **Recognition of Funding Contribution.** The Parties agree that the Province and the Recipient may both have signage recognizing their funding contribution in respect of the Program.

(b) **Funding Recognition.** Unless otherwise agreed to by the Province, where the Recipient directs Funds towards an infrastructure project and:

(i) the Funds contributed by the Province exceed $250,000; or
(ii) the project has construction period of 90 days or more;

the Recipient will produce and install a sign to recognize the Funds contributed by the Province at each project site in accordance with, as applicable, the Province's current respective signage guidelines. Provincial sign design, content, and installation guidelines will be provided by the Province.

(c) **Notice of Sign Installation.** The Recipient will inform the Province of sign installations, including providing the Province with photographs of the sign(s) once installation of the sign(s) has been completed.

(d) **Timing of Erection of Sign.** If erected, signage recognizing the Province's contributions will be installed at project site(s) 30 days prior to the start of construction, be visible for the duration of construction, and remain in place until 30 days after construction is completed and the infrastructure is fully operational or opened for public use.

(e) **Size of Sign.** If erected, signage recognizing the Province's contribution will be at least equivalent in size and prominence to project signage for contributions by other orders of government and will be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.

(f) **Responsibility of Recipient.** The Recipient is responsible for the production and installation of project signage, and for maintaining the signage in a good state of repair at all times, or as otherwise agreed upon.

## A9.0 INDEMNITY

A9.1 **Indemnification.** The Recipient will indemnify and hold harmless the Indemnified Parties from and against any Loss and any Proceeding, unless solely caused by the gross negligence or wilful misconduct of the Indemnified Parties.

A9.2 **Recipient's Participation.** The Recipient will, at its expense, to the extent requested by the Province, participate in or conduct the defence of any

proceeding against any Indemnified Parties and any negotiations for their settlement.

A9.3 **Province's Election.** The Province may elect to participate in or conduct the defence of any proceeding by providing Notice to the Recipient of such election without prejudice to any other rights or remedies of the Province under this Agreement, at law or in equity. Each Party participating in the defence will do so by actively participating with the other's counsel.

A9.4 **Settlement Authority.** The Recipient will not enter into a settlement of any proceeding against any Indemnified Parties unless the Recipient has obtained the prior written approval of the Province. If the Recipient is requested by the Province to participate in or conduct the defence of any proceeding, the Province will co-operate with and assist the Recipient to the fullest extent possible in the proceeding and any related settlement negotiations.

A9.5 **Recipient's Co-operation.** If the Province conducts the defence of any proceedings, the Recipient will co-operate with and assist the Province to the fullest extent possible in the proceedings and any related settlement negotiations.

A9.6 **Limitation of Liability.** The Recipient acknowledges and agrees that in no event will the Indemnified Parties be held liable for:

(a) any bodily injury, death or property damage to the Recipient, its employees, agents or Consultants or for any Proceeding against the Recipient, its employees, agents or Consultants; or

(b) any incidental, indirect, special or consequential damages, or any loss of use, revenue or profit to the Recipient, its employees, agents or Consultants arising out of any or in any way related to the Program or this Agreement.

## A10.0 INSURANCE

A10.1 **Recipient's Insurance.** The Recipient represents, warrants, and covenants that it has, and will maintain, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a program similar to the Program would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury, and property damage, to an inclusive limit of not less than the amount set out in Schedule "B" per occurrence, which commercial general liability insurance policy will include the following:

(a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under,

or otherwise in connection with, the Agreement;

(b) a cross-liability clause;

(c) contractual liability coverage; and

(d) at least 30 days' written notice of cancellation.

A10.2 **Proof of Insurance.** The Recipient will:

(a) provide to the Province, either

(i) certificates of insurance that confirm the insurance coverage required by section A10.1;

(ii) other proof that confirms the insurance coverage required by section A10.1; and

(b) in the event of a Proceeding, and upon the Province's request, the Recipient will provide to the Province a copy of any of the Recipient's insurance policies that relate to the Program or otherwise to the Agreement, or both.

A10.3 **Recipient's Subcontractor Insurance.** The Recipient will ensure that any subcontractors or Consultants retained to perform any part or parts of the Program will obtain and maintain all the necessary and appropriate insurance that a prudent person in the business of the subcontractor or Consultant would obtain and maintain.

## A11.0 TERMINATION ON NOTICE

A11.1 **Termination on Notice.** The Province may terminate the Agreement at any time without liability, penalty, or costs upon giving 30 days' Notice to the Recipient.

A11.2 **Consequences of Termination on Notice by the Province.** If the Province terminates the Agreement pursuant to section A11.1, the Province may take one or more of the following actions:

(a) direct that the Recipient does not incur any costs under this Agreement without the Province's prior written consent;

(b) cancel further instalments of Funds;

(c) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient; and

(d) determine the reasonable costs for the Recipient to wind down the Program, and do either or both of the following:

(i) permit the Recipient to offset such costs against the amount the Recipient owes pursuant to section A11.2(c); and

(ii) subject to section A4.1(a), provide Funds to the Recipient to cover such costs.

## A12.0 EVENT OF DEFAULT, CORRECTIVE ACTION, AND TERMINATION FOR DEFAULT

A12.1 **Events of Default.** It will constitute an Event of Default:

(a) if, in the opinion of the Province, the Recipient breaches any representation, warranty, covenant, or other term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:

(i) carry out the Program;

(ii) use or spend Funds;

(iii) provide, in accordance with section A7.2, Reports or such other reports as the Province may have requested pursuant to section A7.2(a)(ii);

(iv) follow any directions that the Province provides under the Agreement; or

(b) if the Recipient has provided false or misleading information to the Province.

A12.2 **Consequences of Events of Default and Corrective Action.** If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

(a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Program;

(b) provide the Recipient with an opportunity to remedy the Event of Default;

(c) suspend the payment of Funds for such period as the Province determines appropriate;

(d) reduce the amount of the Funds;

(e) cancel further instalments of Funds;

(f) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient;

(g) demand from the Recipient the payment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;

(h) demand from the Recipient the payment of an amount equal to any Funds the Province provided to the Recipient;

(i) demand from the Recipient the payment of an amount equal to the costs the Province incurred or incurs to enforce its rights under the Agreement, including the costs of any Records Review and the costs it incurs to collect any amounts the Recipient owes to the Province; and

(j) upon giving Notice to the Recipient, terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province.

A12.3 **Opportunity to Remedy.** If, pursuant to section A12.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will give Notice to the Recipient of:

(a) the particulars of the Event of Default; and

(b) the Notice Period.

A12.4 **Recipient not Remedying.** If the Province provides the Recipient with an opportunity to remedy the Event of Default pursuant to section A12.2(b), and:

(a) the Recipient does not remedy the Event of Default within the Notice Period;

(b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or

(c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections A12.2(a), (c), (d), (e), (f), (g), (h), (i) and (j).

A12.5 **When Termination Effective.** Termination under Article A12.0 will take effect as provided for in the Notice.

A13.0 *[INTENTIONALLY OMITTED]*

## A14.0 FUNDS UPON EXPIRY

A14.1 **Funds Upon Expiry.** Upon expiry of the Agreement, the Recipient will pay to the Province any unspent Funds remaining in its possession, under its control, or both.

## A15.0 DEBT DUE AND PAYMENT

A15.1 **Payment of Overpayment.** If at any time the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:

(a) deduct an amount equal to the excess Funds from any further instalments of Funds; or

(b) demand that the Recipient pay to the Province an amount equal to the excess Funds.

A15.2 **Debt Due.** If, pursuant to the Agreement:

(a) the Province demands from the Recipient the payment of any Funds, an amount equal to any Funds or any other amounts owing under the Agreement; or

(b) the Recipient owes to the Province any Funds, an amount equal to any Funds, or any other amounts owing under the Agreement, whether or not the Province has demanded their payment;

such amounts will be deemed to be debts due and owing to the Province by the Recipient, and the Recipient will pay the amounts to the Province immediately, unless the Province directs otherwise.

A15.3 **Interest Rate.** The Province may charge the Recipient interest on any money owing to the Province by the Recipient under the Agreement at the then current interest rate charged by the Province of Ontario on accounts receivable.

A15.4 **Payment of Money to Province.** The Recipient will pay any money owing to the Province by cheque payable to the "Ontario Minister of Finance" and delivered to the Province at the address set out in Schedule "B".

A15.5 **Fails to Pay.** Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to pay any amount owing under the Agreement, His Majesty the King in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by His Majesty the King in right of Ontario.

## A16.0 NOTICE

A16.1 **Notice in Writing and Addressed.** Notice will be:

(a) in writing;

(b) delivered by email, postage-prepaid mail, personal delivery, or courier; and

(c) addressed to the Province or the Recipient as set out in Schedule "B", or as either Party later designates to the other by Notice.

A16.2 **Notice Given.** Notice will be deemed to have been given:

(a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; and

(b) in the case of email, personal delivery or courier on the date on which the Notice is delivered.

A16.3 **Postal Disruption.** Despite section A16.2(a), in the event of a postal disruption:

(a) Notice by postage-prepaid mail will not be deemed to be given; and

(b) the Party giving Notice will give Notice by email, personal delivery or courier.

## A17.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

A17.1 **Consent.** When the Province provides its consent pursuant to the Agreement:

(a) it will do so by Notice;

(b) it may attach any terms and conditions to the consent; and

(c) the Recipient may rely on the consent only if the Recipient complies with any terms and conditions the Province may have attached to the consent.

## A18.0 SEVERABILITY OF PROVISIONS

A18.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed and all other provisions

will continue in full force and effect unless similarly found void and/or unenforceable.

## A19.0 WAIVER

A19.1 **Condonation not a waiver**. Failure or delay by the either Party to exercise any of its rights, powers or remedies under the Agreement will not constitute a waiver of those rights, powers or remedies and the obligations of the Parties with respect to such rights, powers or remedies will continue in full force and effect.

A19.2 **Waiver.** Either Party may waive any of its rights, powers or remedies under the Agreement by providing Notice to the other Party. A waiver will apply only to the specific rights, powers or remedies identified in the Notice and the Party providing the waiver may attach terms and conditions to the waiver.

## A20.0 INDEPENDENT PARTIES

A20.1 **Parties Independent.** The Recipient is not an agent, joint venturer, partner, or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is or take any actions that could establish or imply such a relationship.

## A21.0 ASSIGNMENT OF AGREEMENT OR FUNDS

A21.1 **No Assignment.** The Recipient will not, without the prior written consent of the Province, assign any of its rights or obligations under the Agreement.

A21.2 **Agreement Binding.** All rights and obligations contained in the Agreement will extend to and be binding on:

(a) the Recipient's heirs, executors, administrators, successors, and permitted assigns; and

(b) the successors to His Majesty the King in right of Ontario.

## A22.0 GOVERNING LAW

A22.1 **Governing Law.** The Agreement and the rights, obligations, and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

## A23.0 FURTHER ASSURANCES

A23.1 **Agreement into Effect.** The Recipient will:

(a) provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains; and

(b) do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

## A24.0 JOINT AND SEVERAL LIABILITY

A24.1 **Joint and Several Liability.** Where the Recipient comprises more than one entity, each entity will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

## A25.0 RIGHTS AND REMEDIES CUMULATIVE

A25.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

## A26.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

A26.1 **Other Agreements.** If the Recipient:

(a) has failed to comply with any term, condition, or obligation under any other agreement with His Majesty the King in right of Ontario or one of His agencies (a "**Failure**");

(b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;

(c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and

(d) such Failure is continuing,

the Province may suspend the payment of Funds under this Agreement without liability, penalty or costs for such period as the Province determines appropriate.

## A27.0 SURVIVAL

A27.1 **Survival.** The following Articles and sections, and all applicable cross-referenced Articles, sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0, Article 2.0, Article A1.0 and any other applicable definitions, , sections A4.4, A4.5, A4.6, A4.7, A4.8 and A4.9, sections A5.2 and A5.3, section A7.1, section A7.2 (to the extent that the Recipient has not provided the Reports or other reports as the Province may have requested and to the satisfaction of the Province), sections A7.3, A7.4, A7.5, A7.6, A7.7, A7.8, Article A8.0, Article A9.0, section A11.2, section A12.1, sections A12.2(d), (e), (f), (g), (h), (i) and (j), Article A14.0, Article A15.0, Article A16.0, Article A18.0, section A21.2, Article A22.0, Article A24.0, Article A25.0, Article A27.0, and Article B3.0.

**- END OF GENERAL TERMS AND CONDITIONS -**

## SCHEDULE "B"
## PROGRAM SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS

| | |
|---|---|
| **Maximum Funds** | For each Program Year, the amount of the Recipient's Annual Funding Allocation as set out in the Recipient's Allocation Notice or in the Recipient's Revised Allocation Notice if a Revised Allocation Notice has been issued pursuant to section B2.2. |
| **Expiry Date** | March 31, 2026 |
| **Insurance** | $10,000,000 |
| **Contact information for the purposes of Notice to the Province** | **Position:** Charlene Cressman, Director, Housing Supply Strategy Branch<br><br>**Address:** 14th Floor, 777 Bay Street, Toronto ON M7A 2J3<br><br>**Email:** charlene.cressman@ontario.ca |
| **Contact information for the purposes of Notice to the Recipient** | **Position:**<br>CAO, Tom Vair<br><br>**Address:**<br>99 Foster Drive, 4th Floor, Sault Ste. Marie, ON P6A 5X6<br><br>**Email:**<br>cao.vair@cityssm.on.ca |
| **Contact information for the senior financial person in the Recipient organization (e.g., CFO, CAO) – to respond as required to requests from the Province related to the Agreement** | **Position:**<br>CFO, Shelley Schell<br><br>**Address:**<br>99 Foster Drive, 4th Floor, Sault Ste. Marie, ON P6A 5X6<br><br>**Email:**<br>s.schell@cityssm.on.ca |

**Additional Provisions**:

## B1.0 ELIGIBILITY

B1.1 **Eligibility Criteria.** To be eligible to receive an Annual Funding Allocation, the Recipient must have a provincially-assigned housing target to be met by the Recipient by 2031, and must have:

(a) committed to achieve its housing target through a council-approved pledge or a written head of council commitment submitted to the Province; and

(b) provided feedback to the Province prioritizing the recommendations contained in the February 2022 report of the Housing Affordability Task Force.

B1.2 **Continued Eligibility.** The Recipient must continue to meet the eligibility criteria set in section B1.1 in each Program Year in order to be eligible to receive an Annual Funding Allocation for that Program Year. The Recipient's eligibility for a given Program Year will be assessed prior to the start of that Program Year.

## B2.0 ANNUAL FUNDING ALLOCATION

B2.1 **Annual Funding Allocation.** For each Program Year in which the Recipient is eligible for the Program, the Recipient will receive an Allocation Notice from the Province. The Allocation Notice will set out the Recipient's Annual Funding Allocation for the Program Year, based on the Recipient's performance against its housing target in the relevant Performance Year, which will be calculated in accordance with the formula set out in Schedule "G".

B2.2 **Revised Allocation Notice.** If, after the Recipient has received an Allocation Notice for a given Program Year, the Province revises its assessment of the Recipient's performance against its housing target in the relevant Performance Year, the Province may issue a Revised Allocation Notice to the Recipient for that Program Year. In the event that the Province issues a Revised Allocation Notice for a given Program Year, the Revised Allocation Notice will revoke and replace the Allocation Notice for which the Revised Allocation Notice was issued.

## B3.0 INDIGENOUS CONSULTATION

B3.1 **Notice to Province.** In carrying out the Program, the Recipient will consider if any proposed projects or work to which Funds are directed may have the potential to adversely impact the exercise of Aboriginal or treaty rights. In circumstances where any proposed projects or work to which Funds are directed have the potential to adversely impact the exercise of Aboriginal or

treaty rights, the Recipient will provide immediate Notice to the Province.

B3.2 **Delegation of Procedural Aspects of Consultation.** If the Province determines that consultation with Indigenous Communities is required on a project or work to which Funds are directed, the Recipient agrees that the Province may delegate certain procedural aspects of consultation to the Recipient, including:

(a) providing notice of the project or work to the Indigenous Communities identified by the Province;
(b) following up, as necessary, in an appropriate manner to ensure that the Indigenous Communities are aware of the opportunity to provide comments or concerns about the project or work;
(c) answering questions from the Indigenous Communities about the project or work to the extent of the Recipient's ability;
(d) providing the Indigenous Communities with reasonable opportunities to meet with appropriate representatives of the Recipient to discuss the project or work;
(e) considering comments provided by the Indigenous Communities regarding the potential impact of the project or work on Aboriginal or treaty rights, and any potential accommodation or mitigation measures as appropriate.

B3.3. **Report to Province**. Where the Province has delegated the procedural aspects of consultation on a project or work to which Funds are directed to the Recipient, the Recipient will provide a report to the Province, within the timeframe directed by the Province acting reasonably, that includes:

(a) a list of all Indigenous Communities notified by the Recipient of the project or work;
(b) a summary of all communications between the Recipient and the Indigenous Communities regarding the project or work;
(c) a summary of all comments or concerns that the Indigenous Communities have provided with respect to the project or work;
(d) any other information that the Province may deem appropriate.

B3.4 **Direction from Province.** The Recipient agrees to comply with any direction from the Province with respect to consultation with Indigenous Communities, including by stopping or not commencing a project or work to which Funds are directed until any consultation requirements have been met.

## SCHEDULE “C”
## PROGRAM

### Background

The Building Faster Fund (“BFF”) rewards eligible municipalities that meet or exceed their provincially-assigned housing targets. BFF is designed to help municipalities pay for critical housing-enabling infrastructure and other related costs that support community growth.

The Recipient shall carry out the Program by using Funds for projects and activities described in its approved Investment Plan and only for Eligible Expenditures.

### Investment Plan

(1) The Recipient shall develop and submit to the Province for approval an Investment Plan for each Program Year in accordance with the timelines and substantially in the form set out in Schedule “G”.

(2) The Investment Plan for each Program Year must be approved by the Recipient’s council or through delegated authority, as applicable.

(3) The Investment Plan shall contain, among other things, the following information for the Program Year:

- A description of each project or activity to be undertaken with the Funds, including an explanation of how the project or activity will support increasing housing supply, housing development, including issues of housing affordability, and address any identified risks to achieve housing targets;
- Amounts of Eligible Expenditures planned for the Program Year for each project or activity; and
- Other sources of funding being used toward each project or activity.

(4) The Province will provide Notice of its decision with respect to the approval of the Investment Plan with any such amendments as the Province considers appropriate within a reasonable amount of time.

(5) If, after approval by the Province of an Investment Plan for a Program Year, changes in operating and capital expenditures are required, the Recipient may, with prior approval of the Province, reallocate Funds to other Eligible Expenditures. Reallocations will only be permitted within the same expenditure category: capital expenditures for other capital expenditures and operating expenditures for other operating expenditures. No reallocations will be permitted between operating and capital expenditures. The Recipient shall provide Notice of the proposed reallocation(s) to the Ministry in the form of a revised Investment Plan with reallocations and changes clearly marked and submit to the Province for approval prior to December 31st of that Program Year. Reallocation requests

must be approved by the Recipient's council or through delegated authority, as appropriate.

## SCHEDULE “D”
## ELIGIBLE EXPENDITURES AND INELIGIBLE EXPENDITURES

### D1.0 Definitions

D1.1 For the purposes of this Schedule “D”, the following terms have the meanings set out in this section:

**“Affordable Housing”** means a unit that meets the definition of an affordable residential unit set out in section 4.1 of the *Development Charges Act, 1997,* or is a unit also supported by stacking with funds provided through a provincially-funded affordable housing program (e.g., Homelessness Prevention Program).

**“Attainable Housing”** means a unit that meets the definition of attainable ownership housing set out by the Province through an attainable housing program or agreement with the Province, or meets the definition of an attainable residential unit as defined in section 4.1 of the *Development Charges Act, 1997*.

**“Ineligible Expenditures”** means the costs of the Program that are ineligible for contribution by the Province under the terms and conditions of the Agreement, and that are described in section 3.0 of this Schedule “D”.

**“Modular”** means a home that is built using one or more prefabricated components or modules. It is constructed partially or completely off-site in a manufacturing facility then transported to a property and assembled there, like building blocks.

### D2.0 Eligible Expenditures

D2.1 **Eligible Expenditures.** The Recipient may spend the Funds on soft costs (including planning, studies and permits), land costs, and hard costs (including costs of construction, labour and materials) in the following categories:

i. Capital expenditures on housing-enabling core infrastructure, such as roads, bridges, water, wastewater, and stormwater facilities, and site servicing, including:

   a. new construction, reconstruction, rehabilitation/repair or expansion of existing infrastructure to accommodate future residential development;
   b. maintenance for the renewal, rehabilitation and replacement of existing infrastructure owned by the Recipient to preserve existing housing supply;
   c. site servicing or preparation expenses to support the direct creation of more housing.

ii. Operating or capital expenditures that support the creation of net new Affordable Housing units.

iii. Operating or capital expenditures that support the creation of net new Attainable Housing units, including:
    a. Construction of Modular housing units.

iv. Capital expenditures for homelessness services centers, including:
    a. Capital expenses for net new shelter space or municipal homelessness service hubs.

D2.2 **Direct and Verifiable Costs Only.** Eligible Expenditures shall only include all direct and incremental costs that are attributable to the development and implementation of the Program and are in the Province's sole and absolute discretion, properly and reasonably incurred. Any spent Funds reported by the Recipient must be actual, verifiable cash outlays that are documented through invoices, receipts or other records that are acceptable to the Province.

D2.3 **Limitation on Operating Expenditures.** Operating expenditures must be time-limited and cannot create operating funding obligations beyond the Expiry Date (e.g., the creation of new staff positions).

**D3.0** **Ineligible Expenditures.** Unless a cost is considered an Eligible Expenditure pursuant to section D 2.0, such cost will be considered an Ineligible Expenditure. Without limiting the generality of the foregoing, the following costs are Ineligible Expenditures and are therefore ineligible to be paid from the Funds provided under this Agreement:

i. Municipal staffing and administration costs;
ii. Legal costs incurred by the Recipient;
iii. Rolling stock (e.g., trucks, graders, etc.);
iv. Movable/transitory assets (e.g., portable generators, etc.);
v. Office and IT equipment and supplies (e.g. computers, servers, furniture, etc.);
vi. Costs of developing and completing any application or reporting for a provincial funding program, including any Reports required under the Program;
vii. All taxes, penalties, and duties;
viii. Financing and/or borrowing costs;
ix. Insurance costs;
x. Non-cash items such as depreciation/amortization expenses for tangible capital and intangible assets, provisions for bad/doubtful accounts, etc.

## SCHEDULE "E"
## PAYMENT SCHEDULE

The following represents the schedule of payments of Funds for each Program Year:

| **Program Year** | **Payment No. and Percentage of Recipient's Annual Funding Allocation** | **Payment Date** |
|---|---|---|
| For each Program Year | Payment #1<br>70% | Within 30 Business Days of the Province's approval of the Investment Plan for that Program Year |
| | Payment #2<br>30% | Within 30 Business Days of the Province's approval of the Year End Report for that Program Year |

## SCHEDULE “F”
## REPORTS

| Name of Report | Due Date |
|---|---|
| Investment Plan | In accordance with Schedule “G” |
| Year End Report | In accordance with Schedule “G” |

**Report Due Dates**

The reporting period is set out in Schedule “G”.

Except as noted below, if the due date of any Report falls on a non-Business Day, the due date is deemed to be the next Business Day.

**Submission of Reports**

All reports are to be submitted through Transfer Payment Ontario (TPON) unless the Province notifies the Recipient otherwise.

**Report Details**

1. The Investment Plan shall be substantially in the form set out in Schedule “G”. The Investment Plan shall include the required information as set out in Schedule “C” and Schedule “G”.

2. The Year End Report shall be substantially in the form set out in Schedule “G”. The Year End Report shall include the required information as set out in Schedule “G”.

**Performance Measures**

- Delivery of all Reports within established timelines
- Ensuring all expenditures are in accordance with the Agreement
- Timely responses to requests from the Province

## SCHEDULE “G”
## PROGRAM GUIDELINES

**The attached program guidelines form Schedule “G” to the Agreement.**

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

**BY-LAW 2024-111**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and Everest Masonry Corp. 1000378194 for the exterior cladding at the James L. McIntyre Centennial Library as required by Sault Ste. Marie Public Library.

**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 5, 2024 between the City and Everest Masonry Corp. 1000378194, a copy of which is attached as Schedule “A” hereto. This Agreement is for the exterior cladding at the James L. McIntyre Centennial Library as required by Sault Ste. Marie Public Library.

2. **SCHEDULE "A"**

Schedule "A" forms part of this by-law and is available for viewing in the Clerk’s Department.

3. **EFFECTIVE DATE**

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

**PASSED** in open Council this 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

ep \\citydata\LegalDept\Legal\Staff\COUNCIL\BY-LAWS\2024\2024-111 James L. McIntyre Exterior Cladding Replacement.docx

CCDC 2

# Stipulated Price Contract

2020

## James L. McIntyre Centennial Library Exterior Cladding Replacement

Apply a CCDC 2 copyright seal here. The application of the seal demonstrates the intention of the party proposing the use of this document that it be an accurate and unamended form of CCDC 2 – 2020 except to the extent that any alterations, additions or modifications are set forth in supplementary conditions.

CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE
CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE
CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE

# CCDC 2 STIPULATED PRICE CONTRACT

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CCDC 2 is the product of a consensus-building process aimed at balancing the interests of all parties on the construction project. It reflects recommended industry practices. The CCDC and its constituent member organizations do not accept any responsibility or liability for loss or damage which may be suffered as a result of the use or interpretation of CCDC 2.


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**AGREEMENT BETWEEN OWNER AND CONTRACTOR**
**For use when a stipulated price is the basis of payment.**

**This Agreement** made on 5th day of July in the year 2024 .
**by and between the parties**
The Corporation of the City of Sault Ste. Marie

hereinafter called the "*Owner"*

**and**
EVEREST MASONRY CORP. 1000378194

hereinafter called the "*Contractor*"

The *Owner* and the *Contractor* agree as follows:

**ARTICLE A-1 THE WORK**

The *Contractor* shall:

1.1 perform the *Work* required by the *Contract Documents* for *(insert below the description or title of the Work)*
2024PWE-ENG-BS-04-T - Main Library Exterior Cladding Replacement

located at *(insert below the Place of the Work)*
50 East Street, Sault Ste. Marie, ON

for which the Agreement has been signed by the parties, and for which *(insert below the name of the Consultant)*
MGP Architects + Engineer Inc.
is acting as and is hereinafter called the "*Consultant*" and

1.2 do and fulfill everything indicated by the *Contract Documents*, and

1.3 commence the *Work* by the 16th day of July in the year 2024 and, subject to adjustment in *Contract Time* as provided for in the *Contract Documents*, attain *Ready-for-Takeover*, by the 16th day of October in the year 2024 .

**ARTICLE A-2 AGREEMENTS AND AMENDMENTS**

2.1 The *Contract* supersedes all prior negotiations, representations or agreements, either written or oral, relating in any manner to the *Work*, including the bid documents that are not expressly listed in Article A-3 of the Agreement – CONTRACT DOCUMENTS.

2.2 The *Contract* may be amended only as provided in the *Contract Documents*.


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**ARTICLE A-3 CONTRACT DOCUMENTS**

3.1 The following are the *Contract Documents* referred to in Article A-1 of the Agreement – THE WORK:

- Agreement between *Owner* and *Contractor*
- Definitions
- General Conditions
- *

*Letter of Intent
*2024PWE-ENG-BS-04-T Bid Document
*2024PWE-ENG-BS-04-T Centennial Library Exterior Cladding Replacement Specifications
*2024PWE-ENG-BS-04-T 007000 Agreement
*2024PWE-ENG-BS-04-T IFT Drawings
*2024PWE-ENG-BS-04-T Addendum 1

* *(Insert here, attaching additional pages if required, a list identifying all other Contract Documents e.g. supplementary conditions; Division 01 of the Specifications – GENERAL REQUIREMENTS; Project information that the Contractor may rely upon; technical Specifications, giving a list of contents with section numbers and titles, number of pages and date; material finishing schedules; Drawings, giving drawing number, title, date, revision date or mark; addenda, giving title, number, date; time schedule)*


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**ARTICLE A-4 CONTRACT PRICE**

4.1 The *Contract Price*, which excludes *Value Added Taxes*, is:

Two hundred seventy-nine thousand six hundred and fifty dollars

/100 dollars $ 279,650.00

4.2 *Value Added Taxes* (of 13 %) payable by the *Owner* to the *Contractor* are:

Thirty-six thousand three hundred fifty four dollars and fifty cents

/100 dollars $ 36,354.50

4.3 Total amount payable by the *Owner* to the *Contractor* for the *Work* is:

Three hundred sixteen thousand four dollars and fifty cents

/100 dollars $ 316,004.50

4.4 These amounts shall be subject to adjustments as provided in the *Contract Documents*.

4.5 All amounts are in Canadian funds.

**ARTICLE A-5 PAYMENT**

5.1 Subject to the provisions of the *Contract Documents* and *Payment Legislation*, and in accordance with legislation and statutory regulations respecting holdback percentages, the *Owner* shall:

.1 make progress payments to the *Contractor* on account of the *Contract Price* when due in the amount certified by the *Consultant* unless otherwise prescribed by *Payment Legislation* together with such *Value Added Taxes* as may be applicable to such payments,

.2 upon *Substantial Performance of the Work*, pay to the *Contractor* the unpaid balance of the holdback amount when due together with such *Value Added Taxes* as may be applicable to such payment, and

.3 upon the issuance of the final certificate for payment, pay to the *Contractor* the unpaid balance of the *Contract Price* when due together with such *Value Added Taxes* as may be applicable to such payment.

5.2 Interest

.1 Should either party fail to make payments as they become due under the terms of the *Contract* or in an award by adjudication, arbitration or court, interest at the following rates on such unpaid amounts shall also become due and payable until payment:

(1) 2% per annum above the prime rate for the first 60 days.

(2) 4% per annum above the prime rate after the first 60 days.

Such interest shall be compounded on a monthly basis. The prime rate shall be the rate of interest quoted by

*(Insert name of chartered lending institution whose prime rate is to be used)*

Royal Bank of Canada

for prime business loans as it may change from time to time.

.2 Interest shall apply at the rate and in the manner prescribed by paragraph 5.2.1 of this Article on the settlement amount of any claim in dispute that is resolved either pursuant to Part 8 of the General Conditions – DISPUTE RESOLUTION or otherwise, from the date the amount would have been due and payable under the *Contract*, had it not been in dispute, until the date it is paid.

**ARTICLE A-6 RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING**

6.1 *Notices in Writing* will be addressed to the recipient at the address set out below.

6.2 The delivery of a *Notice in Writing* will be by hand, by courier, by prepaid first class mail, or by other form of electronic communication during the transmission of which no indication of failure of receipt is communicated to the sender.

6.3 A *Notice in Writing* delivered by one party in accordance with this *Contract* will be deemed to have been received by the other party on the date of delivery if delivered by hand or courier, or if sent by mail it will be deemed to have been received five calendar days after the date on which it was mailed, provided that if either such day is not a *Working Day*, then the *Notice in Writing* will be deemed to have been received on the *Working Day* next following such day.

6.4 A *Notice in Writing* sent by any form of electronic communication will be deemed to have been received on the date of its transmission provided that if such day is not a *Working Day* or if it is received after the end of normal business hours on the date of its transmission at the place of receipt, then it will be deemed to have been received at the opening of business at the place of receipt on the first *Working Day* next following the transmission thereof.

6.5 An address for a party may be changed by *Notice in Writing* to the other party setting out the new address in accordance with this Article.


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

*name of Owner**

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

*address*

k.marlow@cityssm.on.ca

*email address*

**Contractor** EVEREST MASONRY CORP. 1000378194

*name of Contractor**

3320 Midland Avenue Unit 223
Scarborough, ON M1V 1R4

*address*

info@everestmasonry.com

*email address*

**Consultant** MGP Architects + Engineer Inc.

*name of Consultant**

123 East Street
Sault Ste. Marie, ON P6A 3C67

*address*

mikayla@mgp-ae.ca

*email address*

** If it is intended that a specific individual must receive the notice, that individual's name shall be indicated.*

**ARTICLE A-7 LANGUAGE OF THE CONTRACT**

7.1 When the *Contract Documents* are prepared in both the English and French languages, it is agreed that in the event of any apparent discrepancy between the English and French versions, the English / French # language shall prevail.
*# Complete this statement by striking out inapplicable term.*

7.2 This Agreement is drawn in English at the request of the parties hereto. La présente convention est rédigée en anglais à la demande des parties.

**ARTICLE A-8 SUCCESSION**

8.1 The *Contract* shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives, successors, and assigns.


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**In witness whereof** the parties hereto have executed this Agreement by the hands of their duly authorized representatives.

SIGNED AND DELIVERED
in the presence of:

**WITNESS**

_____
*signature*

_____
*name of person signing*

**OWNER**

The Corporation of the City of Sault Ste. Marie

_____
*name of Owner*

_____
*signature*

_____
*name and title of person signing*

**WITNESS**

_____
*signature*

_____
*name of person signing*

**CONTRACTOR**

EVEREST MASONRY CORP. 1000378194

_____
*name of Contractor*

_____
*signature*

_____
*name and title of person signing*

*N.B.* *Where legal jurisdiction, local practice or Owner or Contractor requirement calls for:*

*(a) proof of authority to execute this document, attach such proof of authority in the form of a certified copy of a resolution naming the representative(s) authorized to sign the Agreement for and on behalf of the corporation or partnership; or*

*(b) the affixing of a corporate seal, this Agreement should be properly sealed.*



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**DEFINITIONS**

The following Definitions shall apply to all *Contract Documents*.

**Change Directive**

A *Change Directive* is a written instruction prepared by the *Consultant* and signed by the *Owner* directing the *Contractor* to proceed with a change in the *Work* within the general scope of the *Contract Documents* prior to the *Owner* and the *Contractor* agreeing upon adjustments in the *Contract Price* and the *Contract Time*.

**Change Order**

A *Change Order* is a written amendment to the *Contract* prepared by the *Consultant* and signed by the *Owner* and the *Contractor* stating their agreement upon:

- a change in the *Work*;
- the method of adjustment or the amount of the adjustment in the *Contract Price*, if any; and
- the extent of the adjustment in the *Contract Time*, if any.

**Construction Equipment**

*Construction Equipment* means all machinery and equipment, either operated or not operated, that is required for preparing, fabricating, conveying, erecting, or otherwise performing the *Work* but is not incorporated into the *Work*.

**Consultant**

The *Consultant* is the person or entity engaged by the *Owner* and identified as such in the Agreement. The *Consultant* is the Architect, the Engineer or entity licensed to practise in the province or territory of the *Place of the Work*.

**Contract**

The *Contract* is the undertaking by the parties to perform their respective duties, responsibilities and obligations as prescribed in the *Contract Documents* and represents the entire agreement between the parties.

**Contract Documents**

The *Contract Documents* consist of those documents listed in Article A-3 of the Agreement – CONTRACT DOCUMENTS and amendments agreed upon between the parties.

**Contract Price**

The *Contract Price* is the amount stipulated in Article A-4 of the Agreement – CONTRACT PRICE.

**Contract Time**

The *Contract Time* is the time from commencement of the *Work* to the date of *Ready-for-Takeover* as stipulated in paragraph 1.3 of Article A-1 of the Agreement – THE WORK .

**Contractor**

The *Contractor* is the person or entity identified as such in the Agreement.

**Drawings**

The *Drawings* are the graphic and pictorial portions of the *Contract Documents*, wherever located and whenever issued, showing the design, location and dimensions of the *Work*, generally including plans, elevations, sections, details, and diagrams.

**Notice in Writing**

A *Notice in Writing*, where identified in the *Contract Documents*, is a written communication between the parties or between them and the *Consultant* that is transmitted in accordance with the provisions of Article A-6 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

**Owner**

The *Owner* is the person or entity identified as such in the Agreement.

**Other Contractor**

*Other Contractor* means a contractor, other than the *Contractor* or a *Subcontractor*, engaged by the *Owner* for the *Project*.

**Payment Legislation**

*Payment Legislation* means such legislation in effect at the *Place of the Work* which governs payment under construction contracts.

**Place of the Work**

The *Place of the Work* is the designated site or location of the *Work* identified in the *Contract Documents*.

**Product**

*Product or Products* means material, machinery, equipment, and fixtures forming part of the *Work*, but does not include *Construction Equipment.*


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**Project**

The *Project* means the total construction contemplated of which the *Work* may be the whole or a part.

**Ready-for-Takeover**

*Ready-for-Takeover* shall have been attained when the conditions set out in paragraph 12.1.1 of GC 12.1 – READY-FOR-TAKEOVER have been met, as verified by the *Consultant* pursuant to paragraph 12.1.4.2 of GC 12.1 – READY-FOR-TAKEOVER.

**Shop Drawings**

*Shop Drawings* are drawings, diagrams, illustrations, schedules, performance charts, brochures, *Product* data, and other data which the *Contractor* provides to illustrate details of portions of the *Work*.

**Specifications**

The *Specifications* are that portion of the *Contract Documents*, wherever located and whenever issued, consisting of the written requirements and standards for *Products*, systems, workmanship, quality, and the services necessary for the performance of the *Work*.

**Subcontractor**

A *Subcontractor* is a person or entity having a direct contract with the *Contractor* to perform a part or parts of the *Work* at the *Place of the Work*.

**Substantial Performance of the Work**

*Substantial Performance of the Work* is as defined in the lien legislation applicable to the *Place of the Work*.

**Supplemental Instruction**

A *Supplemental Instruction* is an instruction, not involving adjustment in the *Contract Price* or *Contract Time*, in the form of *Specifications*, *Drawings*, schedules, samples, models, or written instructions, consistent with the intent of the *Contract Documents*. It is to be issued by the *Consultant* to supplement the *Contract Documents* as required for the performance of the *Work*.

**Supplier**

A *Supplier* is a person or entity having a direct contract with the *Contractor* to supply *Products*.

**Temporary Work**

*Temporary Work* means temporary supports, structures, facilities, services, and other temporary items, excluding *Construction Equipment*, required for the execution of the *Work* but not incorporated into the *Work*.

**Value Added Taxes**

*Value Added Taxes* means such sum as shall be levied upon the *Contract Price* by the Federal or any Provincial or Territorial Government and is computed as a percentage of the *Contract Price* and includes the Goods and Services Tax, the Quebec Sales Tax, the Harmonized Sales Tax, and any similar tax, the collection and payment of which have been imposed on the *Contractor* by tax legislation.

**Work**

The *Work* means the total construction and related services required by the *Contract Documents*.

**Working Day**

*Working Day* means a day other than a Saturday, Sunday, statutory holiday, or statutory vacation day that is observed by the construction industry in the area of the *Place of the Work*.


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**GENERAL CONDITIONS**

**PART 1 GENERAL PROVISIONS**

**GC 1.1 CONTRACT DOCUMENTS**

1.1.1 The intent of the *Contract Documents* is to include the labour, *Products* and services necessary for the performance of the *Work* by the *Contractor* in accordance with these documents. It is not intended, however, that the *Contractor* shall supply products or perform work not consistent with, not covered by, or not properly inferable from the *Contract Documents*.

1.1.2 The *Contract Documents* are complementary, and what is required by one shall be as binding as if required by all. Performance by the *Contractor* shall be required only to the extent consistent with the *Contract Documents*.

1.1.3 The *Contractor* shall review the *Contract Documents* for the purpose of facilitating co-ordination and execution of the *Work* by the *Contractor*.

1.1.4 The *Contractor* is not responsible for errors, omissions or inconsistencies in the *Contract Documents.* If there are perceived errors, omissions or inconsistencies discovered by or made known to the *Contractor*, the *Contractor* shall promptly report to the *Consultant* and shall not proceed with the work affected until the *Contractor* has received corrected or additional information from the *Consultant*.

1.1.5 If there is a conflict within the *Contract Documents*:

.1 the order of priority of documents, from highest to lowest, shall be

- the Agreement between *Owner* and *Contractor*,
- the Definitions,
- Supplementary Conditions,
- the General Conditions,
- Division 01 of the *Specifications*,
- technical *Specifications*,
- material and finishing schedules,
- the *Drawings*.

.2 *Drawings* of larger scale shall govern over those of smaller scale of the same date.

.3 dimensions shown on *Drawings* shall govern over dimensions scaled from *Drawings*.

.4 amended or later dated documents shall govern over earlier documents of the same type.

.5 noted materials and annotations shall govern over graphic indications.

1.1.6 Nothing contained in the *Contract Documents* shall create any contractual relationship between:

.1 the *Owner* and a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any portion of the *Work*.

.2 the *Consultant* and the *Contractor*, a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any portion of the *Work*.

1.1.7 Words and abbreviations which have well known technical or trade meanings are used in the *Contract Documents* in accordance with such recognized meanings.

1.1.8 References in the *Contract Documents* to the singular shall be considered to include the plural as the context requires.

1.1.9 Neither the organization of the *Specifications* nor the arrangement of *Drawings* shall control the *Contractor* in dividing the work among *Subcontractors* and *Suppliers*.

1.1.10 *Specifications*, *Drawings*, models, and copies thereof furnished by the *Consultant* are and shall remain the *Consultant*'s property, with the exception of the signed *Contract* sets, which shall belong to each party to the *Contract*. All *Specifications*, *Drawings* and models furnished by the *Consultant* are to be used only with respect to the *Work* and are not to be used on other work. These *Specifications*, *Drawings* and models are not to be copied or altered in any manner without the written authorization of the *Consultant*.

1.1.11 Physical models furnished by the *Contractor* at the *Owner*'s expense are the property of the *Owner*.

**GC 1.2 LAW OF THE CONTRACT**

1.2.1 The law of the *Place of the Work* shall govern the interpretation of the *Contract*.

**GC 1.3 RIGHTS AND REMEDIES**

1.3.1 Except as expressly provided in the *Contract Documents*, the duties and obligations imposed by the *Contract Documents* and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.


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1.3.2 No action or failure to act by the *Owner*, the *Consultant* or the *Contractor* shall constitute a waiver of any right or duty afforded any of them under the *Contract*, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

**GC 1.4 ASSIGNMENT**

1.4.1 Neither party to the *Contract* shall assign the *Contract* or a portion thereof without the written consent of the other, which consent shall not be unreasonably withheld.

**PART 2 ADMINISTRATION OF THE CONTRACT**

**GC 2.1 AUTHORITY OF THE CONSULTANT**

2.1.1 The *Consultant* will have authority to act on behalf of the *Owner* only to the extent provided in the *Contract Documents*, unless otherwise modified by written agreement as provided in paragraph 2.1.2.

2.1.2 The duties, responsibilities and limitations of authority of the *Consultant* as set forth in the *Contract Documents* shall be modified or extended only with the written consent of the *Owner*, the *Consultant* and the *Contractor*.

**GC 2.2 ROLE OF THE CONSULTANT**

2.2.1 The *Consultant* will provide administration of the *Contract* as described in the *Contract Documents*.

2.2.2 The *Consultant* will visit the *Place of the Work* at intervals appropriate to the progress of construction to become familiar with the progress and quality of the work and to determine if the *Work* is proceeding in general conformity with the *Contract Documents*.

2.2.3 If the *Owner* and the *Consultant* agree, the *Consultant* will provide at the *Place of the Work*, one or more project representatives to assist in carrying out the *Consultant*'s responsibilities. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in writing to the *Contractor*.

2.2.4 Based on the *Consultant*'s observations and evaluation of the *Contractor*'s applications for payment, the *Consultant* will determine the amounts owing to the *Contractor* under the *Contract* and will issue certificates for payment as provided in Article A-5 of the Agreement – PAYMENT, GC 5.3 – PAYMENT and GC 5.5 – FINAL PAYMENT.

2.2.5 The *Consultant* will not be responsible for and will not have control, charge or supervision of construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs required in connection with the *Work* in accordance with the applicable construction safety legislation, other regulations or general construction practice. The *Consultant* will not be responsible for the *Contractor*'s failure to perform the *Work* in accordance with the *Contract Documents*.

2.2.6 Except with respect to GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER, the *Consultant* will be, in the first instance, the interpreter of the requirements of the *Contract Documents*.

2.2.7 Matters in question relating to the performance of the *Work* or the interpretation of the *Contract Documents* shall be initially referred in writing to the *Consultant* by the party raising the question for interpretations and findings and copied to the other party.

2.2.8 Interpretations and findings of the *Consultant* shall be consistent with the intent of the *Contract Documents*. In making such interpretations and findings the *Consultant* will not show partiality to either the *Owner* or the *Contractor*.

2.2.9 The *Consultant*'s interpretations and findings will be given in writing to the parties within a reasonable time.

2.2.10 With respect to claims for a change in *Contract Price*, the *Consultant* will make findings as set out in GC 6.6 – CLAIMS FOR A CHANGE IN CONTRACT PRICE.

2.2.11 The *Consultant* will have authority to reject work which in the *Consultant*'s opinion does not conform to the requirements of the *Contract Documents*. Whenever the *Consultant* considers it necessary or advisable, the *Consultant* will have authority to require inspection or testing of work, whether or not such work is fabricated, installed or completed. However, neither the authority of the *Consultant* to act nor any decision either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the *Consultant* to the *Contractor*, *Subcontractors*, *Suppliers,* or their agents, employees, or other persons performing any of the *Work*.

2.2.12 During the progress of the *Work* the *Consultant* will furnish *Supplemental Instructions* to the *Contractor* with reasonable promptness or in accordance with a schedule for such instructions agreed to by the *Consultant* and the *Contractor.*

2.2.13 The *Consultant* will review and take appropriate action upon *Shop Drawings*, samples and other submittals by the *Contractor*, in accordance with the *Contract Documents*.


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2.2.14 The *Consultant* will prepare *Change Orders* and *Change Directives* as provided in GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

2.2.15 The *Consultant* will conduct reviews of the *Work* to determine the date of *Substantial Performance of the Work* and verify that *Ready-for-Takeover* has been attained.

2.2.16 All certificates issued by the *Consultant* will be to the best of the *Consultant*'s knowledge, information and belief. By issuing any certificate, the *Consultant* does not guarantee the *Work* is correct or complete.

2.2.17 The *Consultant* will receive and review written warranties and related documents required by the *Contract* and provided by the *Contractor* and will forward such warranties and documents to the *Owner* for the *Owner*'s acceptance.

2..2.18 If the *Consultant*'s engagement is terminated, the *Owner* shall immediately engage a *Consultant* against whom the *Contractor* makes no reasonable objection and whose duties and responsibilities under the *Contract Documents* will be that of the former *Consultant*.

**GC 2.3 REVIEW AND INSPECTION OF THE WORK**

2.3.1 The *Owner* and the *Consultant* shall have access to the *Work* at all times. The *Contractor* shall provide sufficient, safe and proper facilities at all times for the review of the *Work* by the *Consultant* and the inspection of the *Work* by authorized agencies. If parts of the *Work* are in preparation at locations other than the *Place of the Work*, the *Owner* and the *Consultant* shall be given access to such work whenever it is in progress.

2.3.2 If work is designated for tests, inspections or approvals in the *Contract Documents*, by the *Consultant*'s instructions, or by the laws or ordinances of the *Place of the Work*, the *Contractor* shall give the *Consultant* reasonable notification of when the work will be ready for review and inspection. The *Contractor* shall arrange for and shall give the *Consultant* reasonable notification of the date and time of inspections by other authorities.

2.3.3 The *Contractor* shall furnish promptly to the *Consultant* two copies of certificates and inspection reports relating to the *Work*.

2.3.4 If the *Contractor* covers, or permits to be covered, work that has been designated for special tests, inspections or approvals before such special tests, inspections or approvals are made, given or completed, the *Contractor* shall, if so directed, uncover such work, have the inspections or tests satisfactorily completed, and make good covering work at the *Contractor*'s expense.

2.3.5 The *Consultant* may order any portion or portions of the *Work* to be examined to confirm that such work is in accordance with the requirements of the *Contract Documents*. If the work is not in accordance with the requirements of the *Contract Documents*, the *Contractor* shall correct the work and pay the cost of examination and correction. If the work is in accordance with the requirements of the *Contract Documents*, the *Owner* shall pay the cost of examination and restoration.

2.3.6 The *Contractor* shall pay the cost of making any test or inspection, including the cost of samples required for such test or inspection, if such test or inspection is designated in the *Contract Documents* to be performed by the *Contractor* or is required by the laws or ordinances applicable to the *Place of the Work*.

2.3.7 The *Contractor* shall pay the cost of samples required for any test or inspection to be performed by others if such test or inspection is designated in the *Contract Documents*.

**GC 2.4 DEFECTIVE WORK**

2.4.1 The *Contractor* shall promptly correct defective work that has been rejected by the *Consultant* as failing to conform to the *Contract Documents* whether or not the defective work was incorporated in the *Work* or the defect is the result of poor workmanship, use of defective products or damage through carelessness or other act or omission of the *Contractor*.

2.4.2 The *Contractor* shall make good promptly *Other Contractors'* work destroyed or damaged by such corrections at the *Contractor*'s expense.

2.4.3 If in the opinion of the *Consultant* it is not expedient to correct defective work or work not performed as provided in the *Contract Documents*, the *Owner* may deduct from the amount otherwise due to the *Contractor* the difference in value between the work as performed and that called for by the *Contract Documents*. If the *Owner* and the *Contractor* do not agree on the difference in value, they shall refer the matter to the *Consultant* for a finding.

**PART 3 EXECUTION OF THE WORK**

**GC 3.1 CONTROL OF THE WORK**

3.1.1 The *Contractor* shall have total control of the *Work* and shall effectively direct and supervise the *Work* so as to ensure conformity with the *Contract Documents*.


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3.1.2 The *Contractor* shall be solely responsible for construction means, methods, techniques, sequences, and procedures and for co-ordinating the various parts of the *Work* under the *Contract*.

**GC 3.2 CONSTRUCTION BY THE OWNER OR OTHER CONTRACTORS**

3.2.1 The *Owner* reserves the right to award separate contracts in connection with other parts of the *Project* to *Other Contractors* and to perform work with own forces.

3.2.2 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner*'s own forces, the *Owner* shall:

.1 provide for the co-ordination of the activities and work of *Other Contractors* and the *Owner*'s own forces with the *Work* of the *Contract*;

.2 enter into separate contracts with *Other Contractors* under conditions of contract which are compatible with the conditions of the *Contract*;

.3 ensure that insurance coverage is provided to the same requirements as are called for in GC 11.1 – INSURANCE and co-ordinate such insurance with the insurance coverage of the *Contractor* as it affects the *Work*; and

.4 take all reasonable precautions to avoid labour disputes or other disputes on the *Project* arising from the work of *Other Contractors* or the *Owner*'s own forces.

3.2.3 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner*'s own forces, the *Contractor* shall:

.1 afford the *Owner* and *Other Contractors* reasonable opportunity to store their products and execute their work;

.2 co-ordinate and schedule the *Work* with the work of *Other Contractors* or the *Owner*'s own forces that are identified in the *Contract Documents*;

.3 participate with *Other Contractors* and the *Owner* in reviewing their construction schedules when directed to do so; and

.4 report promptly to the *Consultant* in writing any apparent deficiencies in the work of *Other Contractors* or of the *Owner*'s own forces, where such work affects the proper execution of any portion of the *Work*, prior to proceeding with that portion of the *Work*.

3.2.4 Where a change in the *Work* is required as a result of the co-ordination and integration of the work of *Other Contractors* or *Owner*'s own forces with the *Work*, the changes shall be authorized and valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

3.2.5 Disputes and other matters in question between the *Contractor* and *Other Contractors* shall be dealt with as provided in Part 8 of the General Conditions – DISPUTE RESOLUTION provided the *Other Contractors* have reciprocal obligations. The *Contractor* shall be deemed to have consented to arbitration of any dispute with any *Other Contractor* whose contract with the *Owner* contains a similar agreement to arbitrate. In the absence of *Other Contractors* having reciprocal obligations, disputes and other matters in question initiated by the *Contractor* against *Other Contractors* will be considered disputes and other matters in question between the *Contractor* and the *Owner*.

3.2.6 Should the *Owner*, the *Consultant*, *Other Contractors*, or anyone employed by them directly or indirectly be responsible for ill-timed work necessitating cutting or remedial work to be performed, the cost of such cutting or remedial work shall be valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

**GC 3.3 TEMPORARY WORK**

3.3.1 The *Contractor* shall have the sole responsibility for the design, erection, operation, maintenance, and removal of *Temporary Work* unless otherwise specified in the *Contract Documents*.

3.3.2 The *Contractor* shall engage and pay for registered professional engineering personnel skilled in the appropriate disciplines to perform those functions referred to in paragraph 3.3.1 where required by law or by the *Contract Documents* and in all cases where such *Temporary Work* is of such a nature that professional engineering skill is required to produce safe and satisfactory results.

3.3.3 Notwithstanding the provisions of GC 3.1 – CONTROL OF THE WORK, paragraphs 3.3.1 and 3.3.2 or provisions to the contrary elsewhere in the *Contract Documents* where such *Contract Documents* include designs for *Temporary Work* or specify a method of construction in whole or in part, such designs or methods of construction shall be considered to be part of the design of the *Work* and the *Contractor* shall not be held responsible for that part of the design or the specified method of construction. The *Contractor* shall, however, be responsible for the execution of such design or specified method of construction in the same manner as for the execution of the *Work*.


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**GC 3.4 CONSTRUCTION SCHEDULE**

3.4.1 The *Contractor* shall:

.1 prepare and submit to the *Owner* and the *Consultant* prior to the first application for payment, a construction schedule that indicates the timing of the major activities of the *Work* and provides sufficient detail of the critical events and their inter-relationship to demonstrate the *Work* will be performed in conformity with the *Contract Time*;

.2 monitor the progress of the *Work* relative to the construction schedule and update the schedule on a monthly basis or as stipulated by the *Contract Documents*; and

.3 advise the *Consultant* of any revisions required to the schedule as the result of extensions of the *Contract Time* as provided in Part 6 of the General Conditions – CHANGES IN THE WORK.

**GC 3.5 SUPERVISION**

3.5.1 The *Contractor* shall provide all necessary supervision and appoint a competent representative who shall be in attendance at the *Place of the Work* while the *Work* is being performed. The appointed representative shall not be changed except for valid reason.

3.5.2 The appointed representative shall represent the *Contractor* at the *Place of the Work*. Information and instructions provided by the *Consultant* to the *Contractor*'s appointed representative shall be deemed to have been received by the *Contractor*, except with respect to Article A-6 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

**GC 3.6 SUBCONTRACTORS AND SUPPLIERS**

3.6.1 The *Contractor* shall preserve and protect the rights of the parties under the *Contract* with respect to work to be performed under subcontract, and shall:

.1 enter into contracts or written agreements with *Subcontractors* and *Suppliers* to require them to perform their work as provided in the *Contract Documents*;

.2 incorporate the applicable terms and conditions of the *Contract Documents* into all contracts or written agreements with *Subcontractors* and *Suppliers*; and

.3 be as fully responsible to the *Owner* for acts and omissions of *Subcontractors*, *Suppliers* and any persons directly or indirectly employed by them as for acts and omissions of persons directly employed by the *Contractor*.

3.6.2 The *Contractor* shall indicate in writing, if requested by the *Owner*, those *Subcontractors* or *Suppliers* whose bids have been received by the *Contractor* which the *Contractor* would be prepared to accept for the performance of a portion of the *Work*. Should the *Owner* not object before signing the *Contract*, the *Contractor* shall employ those *Subcontractors* or *Suppliers* so identified by the *Contractor* in writing for the performance of that portion of the *Work* to which their bid applies.

3.6.3 The *Owner* may, for reasonable cause, at any time before the *Owner* has signed the *Contract*, object to the use of a proposed *Subcontractor* or *Supplier* and require the *Contractor* to employ one of the other subcontract bidders.

3.6.4 If the *Owner* requires the *Contractor* to change a proposed *Subcontractor* or *Supplier*, the *Contract Price* and *Contract Time* shall be adjusted by the difference occasioned by such required change.

3.6.5 The *Contractor* shall not be required to employ as a *Subcontractor* or *Supplier*, a person or firm to which the *Contractor* may reasonably object.

3.6.6 The *Owner*, through the *Consultant*, may provide to a *Subcontractor* or *Supplier* information as to the percentage of the *Subcontractor*'s or *Supplier*'s work which has been certified for payment.

**GC 3.7 LABOUR AND PRODUCTS**

3.7.1 The *Contractor* shall maintain good order and discipline among the *Contractor*'s employees engaged on the *Work* and employ only workers that are skilled in the tasks assigned.

3.7.2 The *Contractor* shall provide and pay for labour, *Products*, tools, *Construction Equipment*, water, heat, light, power, transportation, and other facilities and services necessary for the performance of the *Work* in accordance with the *Contract*.

3.7.3 Unless otherwise specified in the *Contract Documents*, *Products* provided shall be new. *Products* which are not specified shall be of a quality consistent with those specified and their use acceptable to the *Consultant*.

**GC 3.8 SHOP DRAWINGS**

3.8.1 The *Contractor* shall provide *Shop Drawings* as required in the *Contract Documents*.

3.8.2 The *Contractor* shall provide *Shop Drawings* to the *Consultant* to review in accordance with an agreed schedule, or in the absence of an agreed schedule, in orderly sequence and sufficiently in advance so as to cause no delay in the *Work* or in the work of *Other Contractors* or the *Owner*'s own forces.


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3.8.3 The *Contractor* shall review all *Shop Drawings* before providing them to the *Consultant*. The *Contractor* represents by this review that:

.1 the *Contractor* has determined and verified all applicable field measurements, field construction conditions, *Product* requirements, catalogue numbers and similar data, or will do so, and

.2 the *Contractor* has checked and co-ordinated each *Shop Drawing* with the requirements of the *Work* and of the *Contract Documents*.

3.8.4 The *Consultant*'s review is for conformity to the design concept and for general arrangement only.

3.8.5 At the time of providing *Shop Drawings*, the *Contractor* shall expressly advise the *Consultant* in writing of any deviations in a *Shop Drawing* from the requirements of the *Contract Documents.* The *Consultant* shall indicate the acceptance or rejection of such deviation expressly in writing.

3.8.6 The *Consultant*'s review shall not relieve the *Contractor* of responsibility for errors or omissions in the *Shop Drawings* or for meeting all requirements of the *Contract Documents*.

3.8.7 The *Consultant* will review and return *Shop Drawings* in accordance with the schedule agreed upon, or, in the absence of such schedule, with reasonable promptness so as to cause no delay in the performance of the *Work*.

## PART 4 ALLOWANCES

### GC 4.1 CASH ALLOWANCES

4.1.1 The *Contract Price* includes the cash allowances, if any, stated in the *Contract Documents*. The scope of the *Work* or costs included in such cash allowances shall be as described in the *Contract Documents*.

4.1.2 The *Contract Price*, and not the cash allowances, includes the *Contractor*'s overhead and profit in connection with such cash allowances.

4.1.3 Expenditures under cash allowances shall be authorized by the *Owner* through the *Consultant*.

4.1.4 Where the actual cost of the *Work* under any cash allowance exceeds the amount of the allowance, any unexpended amounts from other cash allowances shall be reallocated, at the *Consultant's* direction, to cover the shortfall, and, in that case, there shall be no additional amount added to the *Contract Price* for overhead and profit. Only where the actual cost of the *Work* under all cash allowances exceeds the total amount of all cash allowances shall the *Contractor* be compensated for the excess incurred and substantiated, plus an amount for overhead and profit on the excess only, as set out in the *Contract Documents*.

4.1.5 The net amount of any unexpended cash allowances, after providing for any reallocations as contemplated in paragraph 4.1.4, shall be deducted from the *Contract Price* by *Change Order* without any adjustment for the *Contractor's* overhead and profit on such amount.

4.1.6 The value of the *Work* performed under a cash allowance is eligible to be included in progress payments.

4.1.7 The *Contractor* and the *Consultant* shall jointly prepare a schedule that shows when the items called for under cash allowances must be ordered to avoid delaying the progress of the *Work*.

### GC 4.2 CONTINGENCY ALLOWANCE

4.2.1 The *Contract Price* includes the contingency allowance, if any, stated in the *Contract Documents*.

4.2.2 The contingency allowance includes the *Contractor*'s overhead and profit in connection with such contingency allowance.

4.2.3 Expenditures under the contingency allowance shall be authorized and valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

4.2.4 The *Contract Price* shall be adjusted by *Change Order* to provide for any difference between the expenditures authorized under paragraph 4.2.3 and the contingency allowance.

## PART 5 PAYMENT

### GC 5.1 FINANCING INFORMATION REQUIRED OF THE OWNER

5.1.1 The *Owner* shall, at the request of the *Contractor*, before signing the *Contract*, and promptly from time to time thereafter, furnish to the *Contractor* reasonable evidence that financial arrangements have been made to fulfill the *Owner*'s obligations under the *Contract*.

5.1.2 The *Owner* shall give the *Contractor Notice in Writing* of any material change in the *Owner*'s financial arrangements to fulfil the *Owner*'s obligations under the *Contract* during the performance of the *Contract*.


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**GC 5.2 APPLICATIONS FOR PAYMENT**

5.2.1 Applications for payment on account as provided in Article A-5 of the Agreement – PAYMENT shall be submitted monthly to the *Owner* and the *Consultant* simultaneously as the *Work* progresses.

5.2.2 Applications for payment shall be dated the last day of each payment period, which is the last day of the month or an alternative day of the month agreed in writing by the parties.

5.2.3 The amount claimed shall be for the value, proportionate to the amount of the *Contract*, of *Work* performed and *Products* delivered to the *Place of the Work* as of the last day of the payment period.

5.2.4 The *Contractor* shall submit to the *Consultant*, at least 15 calendar days before the first application for payment, a schedule of values for the parts of the *Work*, aggregating the total amount of the *Contract Price*, so as to facilitate evaluation of applications for payment.

5.2.5 The schedule of values shall be made out in such form as specified in the *Contract* and supported by such evidence as the *Consultant* may reasonably require.

5.2.6 Applications for payment shall be based on the schedule of values accepted by the *Consultant* and shall comply with the provisions of *Payment Legislation*.

5.2.7 Each application for payment shall include evidence of compliance with workers' compensation legislation at the *Place of the Work* and after the first payment, a declaration by the *Contractor* as to the distribution made of the amounts previously received using document CCDC 9A 'Statutory Declaration'.

5.2.8 Applications for payment for *Products* delivered to the *Place of the Work* but not yet incorporated into the *Work* shall be supported by such evidence as the *Consultant* may reasonably require to establish the value and delivery of the *Products*.

**GC 5.3 PAYMENT**

5.3.1 After receipt by the *Consultant* and the *Owner* of an application for payment submitted by the *Contractor* in accordance with GC 5.2 – APPLICATIONS FOR PAYMENT:

.1 The *Consultant* will issue to the *Owner* and copy to the *Contractor*, no later than 10 calendar days after the receipt of the application for payment, a certificate for payment in the amount applied for, or in such other amount as the *Consultant* determines to be properly due. If the *Consultant* certifies a different amount, or rejects the application or part thereof, the *Owner* shall promptly issue a written notice to the *Contractor* giving reasons for the revision or rejection, such written notice to be in compliance with *Payment Legislation*.

.2 The *Owner* shall make payment to the *Contractor* on account as provided in Article A-5 of the Agreement – PAYMENT on or before 28 calendar days after the receipt by the *Owner* and the *Consultant* of the application for payment, and in any event, in compliance with *Payment Legislation*.

**GC 5.4 SUBSTANTIAL PERFORMANCE OF THE WORK AND PAYMENT OF HOLDBACK**

5.4.1 The *Consultant* will review the *Work* to certify or verify the validity of the application for *Substantial Performance of the Work* and will promptly, and in any event, no later than 20 calendar days after receipt of the *Contractor*s application:

.1 advise the *Contractor* in writing that the *Work* or the designated portion of the *Work* is not substantially performed and give reasons why, or

.2 state the date of *Substantial Performance of the Work* or a designated portion of the *Work* in a certificate and issue a copy of that certificate to each of the *Owner* and the *Contractor*.

5.4.2 Where the holdback amount required by the applicable lien legislation has not been placed in a separate lien holdback account, the *Owner* shall, no later than 10 calendar days prior to the expiry of the holdback period stipulated in the lien legislation applicable to the *Place of the Work*, place the holdback amount in a bank account in the joint names of the *Owner* and the *Contractor*.

5.4.3 Subject to the requirements of any *Payment Legislation*, all holdback amount prescribed by the applicable lien legislation for the *Work* shall become due and payable to the *Contractor* no later than 10 *Working Days* following the expiration of the holdback period stipulated in the lien legislation applicable to the *Place of the Work*.

5.4.4 The *Contractor* shall submit an application for payment of the lien holdback amount in accordance with GC 5.3 – PAYMENT.

5.4.5 Where legislation permits progressive release of the holdback for a portion of the *Work* and the *Consultant* has certified or verified that the part of the *Work* has been performed prior to *Substantial Performance of the Work*, the *Owner* hereby agrees to release, and shall release, such portion to the *Contractor* in accordance with such legislation.


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5.4.6 Notwithstanding any progressive release of the holdback, the *Contractor* shall ensure that such parts of the *Work* are protected pending the issuance of a final certificate for payment and be responsible for the correction of defects or work not performed regardless of whether or not such was apparent when the holdback was released.

**GC 5.5 FINAL PAYMENT**

5.5.1 When the *Contractor* considers that the *Work* is completed, the *Contractor* shall submit an application for final payment.

5.5.2 The *Consultant* will, no later than 10 calendar days after the receipt of an application from the *Contractor* for final payment, review the *Work* to verify the validity of the application and when the *Consultant* finds the *Contractor*'s application for final payment valid, the *Consultant* will promptly issue a final certificate for payment to the *Owner,* with a copy to the *Contractor*.

5.5.3 If the *Consultant* rejects the application or part thereof, the *Owner* will promptly issue a written notice to the *Contractor* giving reasons for the revision or rejection, such written notice to be in compliance with *Payment Legislation*.

5.5.4 Subject to the provision of paragraph 10.4.1 of GC 10.4 – WORKERS' COMPENSATION, and any legislation applicable to the *Place of the Work*, the *Owner* shall, no later than 5 calendar days after the issuance of a final certificate for payment, pay the *Contractor* as provided in Article A-5 of the Agreement – PAYMENT and in any event, in compliance with *Payment Legislation*.

**GC 5.6 DEFERRED WORK**

5.6.1 If because of climatic or other conditions reasonably beyond the control of the *Contractor*, or if the *Owner* and the *Contractor* agree that, there are items of work that must be deferred, payment in full for that portion of the *Work* which has been performed as certified by the *Consultant* shall not be withheld or delayed by the *Owner* on account thereof, but the *Owner* may withhold, until the remaining portion of the *Work* is finished, only such an amount that the *Consultant* determines is sufficient and reasonable to cover the cost of performing such deferred *Work*.

**GC 5.7 NON-CONFORMING WORK**

5.7.1 No payment by the *Owner* under the *Contract* nor partial or entire use or occupancy of the *Work* by the *Owner* shall constitute an acceptance of any portion of the *Work* or *Products* which are not in accordance with the requirements of the *Contract Documents*.

**PART 6 CHANGES IN THE WORK**

**GC 6.1 OWNER'S RIGHT TO MAKE CHANGES**

6.1.1 The *Owner*, through the *Consultant*, without invalidating the *Contract*, may make:
.1 changes in the *Work* consisting of additions, deletions or other revisions to the *Work* by *Change Order* or *Change Directive*, and
.2 changes to the *Contract Time* for the *Work*, or any part thereof, by *Change Order*.

6.1.2 The *Contractor* shall not perform a change in the *Work* without a *Change Order* or a *Change Directive*.

**GC 6.2 CHANGE ORDER**

6.2.1 When a change in the *Work* is proposed or required, the *Consultant* will provide the *Contractor* with a written description of the proposed change in the *Work*. The *Contractor* shall promptly present to the *Consultant*, in a form that can be reasonably evaluated, a method of adjustment or an amount of adjustment for the *Contract Price*, if any, and the adjustment in the *Contract Time*, if any, for the proposed change in the *Work*.

6.2.2 When the *Owner* and the *Contractor* agree to the adjustments in the *Contract Price* and *Contract Time* or to the method to be used to determine the adjustments, such agreement shall be effective immediately and shall be recorded in a *Change Order*. The value of the work performed as the result of a *Change Order* shall be included in the applications for progress payment.

**GC 6.3 CHANGE DIRECTIVE**

6.3.1 If the *Owner* requires the *Contractor* to proceed with a change in the *Work* prior to the *Owner* and the *Contractor* agreeing upon the corresponding adjustment in *Contract Price* and *Contract Time*, the *Owner*, through the *Consultant*, shall issue a *Change Directive*.

6.3.2 A *Change Directive* shall only be used to direct a change in the *Work* which is within the general scope of the *Contract Documents*.

6.3.3 A *Change Directive* shall not be used to direct a change in the *Contract Time* only.


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6.3.4 Upon receipt of a *Change Directive*, the *Contractor* shall proceed promptly with the change in the *Work*.

6.3.5 For the purpose of valuing *Change Directives*, changes in the *Work* that are not substitutions or otherwise related to each other shall not be grouped together in the same *Change Directive*.

6.3.6 The adjustment in the *Contract Price* for a change carried out by way of a *Change Directive* shall be determined on the basis of the cost of the *Contractor*'s actual expenditures and savings attributable to the *Change Directive*, valued in accordance with paragraph 6.3.7 and as follows:

.1 If the change results in a net increase in the *Contractor*'s cost, the *Contract Price* shall be increased by the amount of the net increase in the *Contractor*'s cost, plus the *Contractor*'s percentage fee on such net increase.

.2 If the change results in a net decrease in the *Contractor*'s cost, the *Contract Price* shall be decreased by the amount of the net decrease in the *Contractor*'s cost, without adjustment for the *Contractor*'s percentage fee.

.3 The *Contractor*'s fee shall be as specified in the *Contract Documents* or as otherwise agreed by the parties.

6.3.7 The cost of performing the work attributable to the *Change Directive* shall be limited to the actual cost of the following in as much as it contributes directly to the implementation of the *Change Directive*:

**Labour**

.1 rates that are listed in the schedule or as agreed by the *Owner* and the *Contractor* including wages, benefits, compensation, contributions, assessments, or taxes incurred for such items as employment insurance, provincial or territorial health insurance, workers' compensation, and Canada or Quebec Pension Plan for:

(1) trade labour in the direct employ of the *Contractor*;

(2) the *Contractor*'s personnel when stationed at the field office;

(3) the *Contractor*'s personnel engaged at shops or on the road, in expediting the production or transportation of materials or equipment; and

(4) the *Contractor*'s office personnel engaged in a technical capacity, or other personnel identified in Article A-3 of the Agreement – CONTRACT DOCUMENTS for the time spent in the performance of the *Work*;

**Products, Construction Equipment and Temporary Work**

.2 cost of all *Products* including cost of transportation thereof;

.3 in the absence of agreed rates, cost less salvage value of *Construction Equipment*, *Temporary Work* and tools, exclusive of hand tools under $1,000 owned by the *Contractor*;

.4 rental cost of *Construction Equipment*, *Temporary Work* and tools, exclusive of hand tools under $1,000;

.5 cost of all equipment and services required for the *Contractor*'s field office;

**Subcontract**

.6 subcontract amounts of Subcontractor with pricing mechanism approved by the *Owner*;

**Others**

.7 travel and subsistence expenses of the *Contractor*'s personnel described in paragraph 6.3.7.1;

.8 deposits lost provided that they are not caused by negligent acts or omissions of the *Contractor*;

.9 cost of quality assurance such as independent inspection and testing services;

.10 charges levied by authorities having jurisdiction at the *Place of the Work*;

.11 royalties, patent license fees, and damages for infringement of patents and cost of defending suits therefor subject always to the *Contractor*'s obligations to indemnify the *Owner* as provided in paragraph 10.3.1 of GC 10.3 – PATENT FEES;

.12 premium for all contract securities and insurance for which the *Contractor* is required, by the *Contract Documents*, to provide, maintain and pay in relation to the performance of the *Work*;

.13 losses and expenses sustained by the *Contractor* for matters which are the subject of insurance under the policies prescribed in GC 11.1 – INSURANCE when such losses and expenses are not recoverable because the amounts are in excess of collectible amounts or within the deductible amounts;

.14 taxes and duties, other than *Value Added Taxes*, income, capital, or property taxes, relating to the *Work* for which the *Contractor* is liable;

.15 charges for voice and data communications, courier services, expressage, transmittal and reproduction of documents, and petty cash items;

.16 cost for removal and disposal of waste products and debris;

.17 legal costs, incurred by the *Contractor*, in relation to the performance of the *Work* provided that they are not:

(1) relating to a dispute between the *Owner* and the *Contractor* unless such costs are part of a settlement or awarded by arbitration or court,

(2) the result of the negligent acts or omissions of the *Contractor*, or

(3) the result of a breach of this *Contract* by the *Contractor*;

.18 cost of auditing when requested by the *Owner*; and

.19 cost of *Project* specific information technology in accordance with the method determined by the parties.


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6.3.8 Notwithstanding any other provisions contained in the General Conditions of the *Contract*, it is the intention of the parties that the cost of any item under any cost element referred to in paragraph 6.3.7 shall cover and include any and all costs or liabilities attributable to the *Change Directive* other than those which are the result of or occasioned by any failure on the part of the *Contractor* to exercise reasonable care and diligence in the *Contractor*'s attention to the *Work*. Any cost due to failure on the part of the *Contractor* to exercise reasonable care and diligence in the *Contractor*'s performance of the *Work* attributable to the *Change Directive* shall be borne by the *Contractor*.

6.3.9 The *Contractor* shall keep full and detailed accounts and records necessary for the documentation of the cost of performing the *Work* attributable to the *Change Directive* and shall provide the *Consultant* with copies thereof.

6.3.10 For the purpose of valuing *Change Directives*, the *Owner* shall be afforded reasonable access to all of the *Contractor*'s pertinent documents related to the cost of performing the *Work* attributable to the *Change Directive*.

6.3.11 Pending determination of the final amount of a *Change Directive*, the undisputed value of the *Work* performed as the result of a *Change Directive* is eligible to be included in progress payments.

6.3.12 If the *Owner* and the *Contractor* do not agree on the proposed adjustment in the *Contract Time* attributable to the change in the *Work*, or the method of determining it, the adjustment shall be referred to the *Consultant* for a finding.

6.3.13 When the *Owner* and the *Contractor* reach agreement on the adjustment to the *Contract Price* and to the *Contract Time*, this agreement shall be recorded in a *Change Order*.

**GC 6.4 CONCEALED OR UNKNOWN CONDITIONS**

6.4.1 If the *Owner* or the *Contractor* discover conditions at the *Place of the Work* which are:

.1 subsurface or otherwise concealed physical conditions which existed before the commencement of the *Work* and differ materially from those indicated in the *Contract Documents*; or

.2 physical conditions, other than conditions due to weather, that are of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the *Contract Documents*,

then the observing party shall give *Notice in Writing* to the other party of such conditions before they are disturbed and in no event later than 5 *Working Days* after first observance of the conditions.

6.4.2 The *Consultant* will promptly investigate such conditions and make a finding. If the finding is that the conditions differ materially and this would cause an increase or decrease in the *Contractor*'s cost or time to perform the *Work*, the *Owner*, through the *Consultant*, shall issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.

6.4.3 If the *Consultant* finds that the conditions at the *Place of the Work* are not materially different or that no change in the *Contract Price* or the *Contract Time* is justified, the *Consultant* will promptly inform the *Owner* and the *Contractor* in writing.

6.4.4 If such concealed or unknown conditions relate to toxic and hazardous substances and materials, artifacts and fossils, or mould, the parties will be governed by the provisions of GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES, GC 9.3 – ARTIFACTS AND FOSSILS and GC 9.5 – MOULD.

**GC 6.5 DELAYS**

6.5.1 If the *Contractor* is delayed in the performance of the *Work* by the *Owner*, the *Consultant*, or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the *Contract Documents*, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The *Contractor* shall be reimbursed by the *Owner* for reasonable costs incurred by the *Contractor* as the result of such delay.

6.5.2 If the *Contractor* is delayed in the performance of the *Work* by a stop work order issued by a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Contractor* or any person employed or engaged by the *Contractor* directly or indirectly, resulting in the failure of the *Contractor* to attain *Ready-for-Takeover* by the date stipulated in Article A-1 of the Agreement – THE WORK, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The *Contractor* shall be reimbursed by the *Owner* for reasonable costs incurred by the *Contractor* as the result of such delay.

6.5.3 If the *Contractor* is delayed in the performance of the *Work* by:

.1 labour disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized contractors' association, of which the *Contractor* is a member or to which the *Contractor* is otherwise bound),

.2 fire, unusual delay by common carriers or unavoidable casualties,

.3 abnormally adverse weather conditions, or


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.4 any cause beyond the *Contractor*'s control other than one resulting from a default or breach of *Contract* by the *Contractor*, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the *Contractor* agrees to a shorter extension. The *Contractor* shall not be entitled to payment for costs incurred by such delays unless such delays result from actions by the *Owner*, the *Consultant* or anyone employed or engaged by them directly or indirectly.

6.5.4 No extension shall be made for delay unless *Notice in Writing* of the cause of delay is given to the *Consultant* not later than 10 *Working Days* after the commencement of the delay. In the case of a continuing cause of delay only one *Notice in Writing* shall be necessary.

6.5.5 If no schedule is made under paragraph 2.2.12 of GC 2.2 – ROLE OF THE CONSULTANT, then no request for extension shall be made because of failure of the *Consultant* to furnish instructions until 10 *Working Days* after demand for such instructions has been made.

**GC 6.6 CLAIMS FOR A CHANGE IN CONTRACT PRICE**

6.6.1 If the *Contractor* intends to make a claim for an increase to the *Contract Price*, or if the *Owner* intends to make a claim against the *Contractor* for a credit to the *Contract Price*, the party that intends to make the claim shall give timely *Notice in Writing* of intent to claim to the other party and to the *Consultant*.

6.6.2 Upon commencement of the event or series of events giving rise to a claim, the party intending to make the claim shall:
.1 take all reasonable measures to mitigate any loss or expense which may be incurred as a result of such event or series of events, and
.2 keep such records as may be necessary to support the claim.

6.6.3 The party making the claim shall submit within a reasonable time to the *Consultant* a detailed account of the amount claimed and the grounds upon which the claim is based and the *Consultant* will make a finding upon such claim.

6.6.4 Where the event or series of events giving rise to the claim has a continuing effect, the detailed account submitted under paragraph 6.6.3 shall be considered to be an interim account and the party making the claim shall, at such intervals as the *Consultant* may reasonably require, submit further interim accounts giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.

6.6.5 The *Consultant's* findings, with respect to a claim made by either party, will be given by *Notice in Writing* to both parties within 30 *Working Days* after receipt of the claim by the *Consultant*, or within such other time period as may be agreed by the parties.

6.6.6 If such finding is not acceptable to either party, the claim shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION.

**PART 7 DEFAULT NOTICE**

**GC 7.1 OWNER'S RIGHT TO PERFORM THE WORK, TERMINATE THE CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK OR TERMINATE THE CONTRACT**

7.1.1 If the *Contractor* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Contractor*'s insolvency, or if a receiver is appointed because of the *Contractor*'s insolvency, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, terminate the *Contractor*'s right to continue with the *Work*, by giving the *Contractor* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.

7.1.2 If the *Contractor* neglects to perform the *Work* properly or otherwise fails to comply with the requirements of the *Contract* to a substantial degree and if the *Consultant* has given a written statement to the *Owner* and *Contractor* which provides the detail of such neglect to perform the *Work* properly or such failure to comply with the requirements of the *Contract* to a substantial degree, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, give the *Contractor Notice in Writing*, containing particulars of the default including references to applicable provisions of the *Contract*, that the *Contractor* is in default of the *Contractor*'s contractual obligations and instruct the *Contractor* to correct the default in the 5 *Working Days* immediately following the receipt of such *Notice in Writing*.

7.1.3 If the default cannot be corrected in the 5 *Working Days* specified or in such other time period as may be subsequently agreed in writing by the parties, the *Contractor* shall be in compliance with the *Owner*'s instructions if the *Contractor*:
.1 commences the correction of the default within the specified time,
.2 provides the *Owner* with an acceptable schedule for such correction, and
.3 corrects the default in accordance with the *Contract* terms and with such schedule.


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7.1.4 If the *Contractor* fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy the *Owner* may have, the *Owner* may by giving *Notice in Writing*:

.1 correct such default and deduct the cost thereof from any payment then or thereafter due the *Contractor* for the *Work* provided the *Consultant* has certified such cost to the *Owner* and the *Contractor*, or

.2 terminate the *Contractor*'s right to continue with the *Work* in whole or in part or terminate the *Contract*.

7.1.5 If the *Owner* terminates the *Contractor*'s right to continue with the *Work* as provided in paragraphs 7.1.1 and 7.1.4, the *Owner* shall be entitled to:

.1 take possession of the *Work* and *Products* at the *Place of the Work*; subject to the rights of third parties, utilize the *Construction Equipment* at the *Place of the Work*; finish the *Work* by whatever method the *Owner* may consider expedient, but without undue delay or expense,

.2 withhold further payment to the *Contractor* until a final certificate for payment is issued,

.3 charge the *Contractor* the amount by which the full cost of finishing the *Work* as certified by the *Consultant*, including compensation to the *Consultant* for the *Consultant*'s additional services and a reasonable allowance as determined by the *Consultant* to cover the cost of corrections to work performed by the *Contractor* that may be required under GC 12.3 – WARRANTY, exceeds the unpaid balance of the *Contract Price*; however, if such cost of finishing the *Work* is less than the unpaid balance of the *Contract Price*, the *Owner* shall pay the *Contractor* the difference, and

.4 on expiry of the warranty period, charge the *Contractor* the amount by which the cost of corrections to the *Contractor*'s work under GC 12.3 – WARRANTY exceeds the allowance provided for such corrections, or if the cost of such corrections is less than the allowance, pay the *Contractor* the difference.

7.1.6 The *Contractor*'s obligation under the *Contract* as to quality, correction and warranty of the work performed by the *Contractor* up to the time of termination shall continue in force after such termination of the *Contract*.

### GC 7.2 CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT

7.2.1 If the *Owner* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Owner*'s insolvency, or if a receiver is appointed because of the *Owner*'s insolvency, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, terminate the *Contract* by giving the *Owner* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.

7.2.2 If the *Work* is suspended or otherwise delayed for a period of 20 *Working Days* or more under an order of a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Contractor* or of anyone directly or indirectly employed or engaged by the *Contractor*, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, terminate the *Contract* by giving the *Owner Notice in Writing* to that effect.

7.2.3 The *Contractor* may give *Notice in Writing* to the *Owner*, with a copy to the *Consultant*, that the *Owner* is in default of the *Owner*'s contractual obligations if:

.1 the *Owner* fails to furnish, when so requested by the *Contractor*, reasonable evidence that financial arrangements have been made to fulfill the *Owner*'s obligations under the *Contract*,

.2 the *Consultant* fails to issue a certificate as provided in Part 5 of the General Conditions – PAYMENT,

.3 the *Owner* fails to pay the *Contractor* when due the amounts certified by the *Consultant* or awarded by adjudication, arbitration or court, or

.4 the *Owner* fails to comply with the requirements of the *Contract* to a substantial degree and the *Consultant*, except for GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER, gives a written statement to the *Owner* and the *Contractor* that provides detail of such failure to comply with the requirements of the *Contract* to a substantial degree.

7.2.4 The *Contractor*'s *Notice in Writing* to the *Owner* provided under paragraph 7.2.3 shall advise that if the default is not corrected within 5 *Working Days* following the receipt of the *Notice in Writing*, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, suspend the *Work* or terminate the *Contract*.

7.2.5 If the *Contractor* terminates the *Contract* by giving a *Notice in Writing* to the *Owner* under the conditions set out above, the *Contractor* shall be entitled to be paid for all work performed including reasonable profit, for loss sustained upon *Products* and *Construction Equipment*, and such other damages as the *Contractor* may have sustained as a result of the termination of the *Contract*.

## PART 8 DISPUTE RESOLUTION

### GC 8.1 AUTHORITY OF THE CONSULTANT

8.1.1 Differences between the parties to the *Contract* as to the interpretation, application or administration of the *Contract* or any failure to agree where agreement between the parties is called for, herein collectively called disputes, which are not resolved


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in the first instance by findings of the *Consultant* as provided in GC 2.2 – ROLE OF THE CONSULTANT, shall be settled in accordance with the requirements of Part 8 of the General Conditions – DISPUTE RESOLUTION.

8.1.2 If a dispute arises under the *Contract* in respect of a matter in which the *Consultant* has no authority under the *Contract* to make a finding, the procedures set out in paragraph 8.1.3 and paragraphs 8.3.3 to 8.3.8 of GC 8.3 – NEGOTIATION, MEDIATION AND ARBITRATION, and in GC 8.4 – RETENTION OF RIGHTS apply to that dispute with the necessary changes to detail as may be required.

8.1.3 If a dispute is not resolved promptly, the *Consultant* will give such instructions as in the *Consultant*'s opinion are necessary for the proper performance of the *Work* and to prevent delays pending settlement of the dispute. The parties shall act immediately according to such instructions, it being understood that by so doing neither party will jeopardize any claim the party may have. If it is subsequently determined that such instructions were in error or at variance with the *Contract Documents*, the *Owner* shall pay the *Contractor* costs incurred by the *Contractor* in carrying out such instructions which the *Contractor* was required to do beyond what the *Contract Documents* correctly understood and interpreted would have required, including costs resulting from interruption of the *Work*.

**GC 8.2 ADJUDICATION**

8.2.1 Nothing in this *Contract* shall be deemed to affect the rights of the parties to resolve any dispute by adjudication as may be prescribed by applicable legislation.

**GC 8.3 NEGOTIATION, MEDIATION AND ARBITRATION**

8.3.1 In accordance with the rules for mediation as provided in CCDC 40 'Rules for Mediation and Arbitration of Construction Industry Disputes' in effect at the time of bid closing, the parties shall appoint a Project Mediator
.1 within 20 *Working Days* after the *Contract* was awarded, or
.2 if the parties neglected to make an appointment within the 20 *Working Days*, within 10 *Working Days* after either party by *Notice in Writing* requests that the Project Mediator be appointed.

8.3.2 A party shall be conclusively deemed to have accepted a finding of the *Consultant* under GC 2.2 – ROLE OF THE CONSULTANT and to have expressly waived and released the other party from any claims in respect of the particular matter dealt with in that finding unless, within 15 *Working Days* after receipt of that finding, the party sends a *Notice in Writing* of dispute to the other party and to the *Consultant*, which contains the particulars of the matter in dispute and the relevant provisions of the *Contract Documents*. The responding party shall send a *Notice in Writing* of reply to the dispute within 10 *Working Days* after receipt of such *Notice in Writing* setting out particulars of this response and any relevant provisions of the *Contract Documents*.

8.3.3 The parties shall make all reasonable efforts to resolve their dispute by amicable negotiations and agree to provide, without prejudice, frank, candid, and timely disclosure of relevant facts, information and documents to facilitate these negotiations.

8.3.4 After a period of 10 *Working Days* following receipt of a responding party's *Notice in Writing* of reply under paragraph 8.3.2, the parties shall request the Project Mediator to assist the parties to reach agreement on any unresolved dispute. The mediated negotiations shall be conducted in accordance with the rules for mediation as provided in CCDC 40 in effect at the time of bid closing.

8.3.5 If the dispute has not been resolved at the mediation or within such further period as is agreed by the parties, the Project Mediator will terminate the mediated negotiations by giving *Notice in Writing* to the *Owner*, the *Contractor* and the *Consultant*.

8.3.6 By giving a *Notice in Writing* to the other party and the *Consultant*, not later than 10 *Working Days* after the date of termination of the mediated negotiations under paragraph 8.3.5, either party may refer the dispute to be finally resolved by arbitration under the rules of arbitration as provided in CCDC 40 in effect at the time of bid closing. The arbitration shall be conducted in the jurisdiction of the *Place of the Work*.

8.3.7 On expiration of the 10 *Working Days*, the arbitration agreement under paragraph 8.3.6 is not binding on the parties and, if a *Notice in Writing* is not given under paragraph 8.3.6 within the required time, the parties may refer the unresolved dispute to the courts or to any other form of dispute resolution, including arbitration, which they have agreed to use.

8.3.8 If neither party, by *Notice in Writing*, given within 10 *Working Days* of the date of *Notice in Writing* requesting arbitration in paragraph 8.3.6, requires that a dispute be arbitrated immediately, all disputes referred to arbitration as provided in paragraph 8.3.6 shall be:
.1 held in abeyance until:
(1) *Ready-for-Takeover*,
(2) the *Contract* has been terminated, or
(3) the *Contractor* has abandoned the *Work*,
whichever is earlier; and


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.2 consolidated into a single arbitration under the rules governing the arbitration under paragraph 8.3.6.

**GC 8.4 RETENTION OF RIGHTS**

8.4.1 It is agreed that no act by either party shall be construed as a renunciation or waiver of any rights or recourses, provided the party has given the *Notice in Writing* required under Part 8 of the General Conditions – DISPUTE RESOLUTION and has carried out the instructions as provided in paragraph 8.1.3 of GC 8.1 – AUTHORITY OF THE CONSULTANT.

8.4.2 Nothing in Part 8 of the General Conditions – DISPUTE RESOLUTION shall be construed in any way to limit a party from asserting any statutory right to a lien under applicable lien legislation of the jurisdiction of the *Place of the Work* and the assertion of such right by initiating judicial proceedings is not to be construed as a waiver of any right that party may have under paragraph 8.3.6 of GC 8.3 – NEGOTIATION, MEDIATION AND ARBITRATION to proceed by way of arbitration to adjudicate the merits of the claim upon which such a lien is based.

**PART 9 PROTECTION OF PERSONS AND PROPERTY**

**GC 9.1 PROTECTION OF WORK AND PROPERTY**

9.1.1 The *Contractor* shall protect the *Work*, the *Owner*'s property and property adjacent to the *Place of the Work* from damage which may arise as the result of the *Contractor*'s operations under the *Contract*, and shall be responsible for such damage, except damage which occurs as the result of:
.1 errors or omissions in the *Contract Documents*; or
.2 acts or omissions by the *Owner*, the *Consultant*, *Other Contractors*, or their agents and employees.

9.1.2 Before commencing any work, the *Contractor* shall determine the location of all underground utilities and structures indicated in the *Contract Documents* or that are reasonably apparent in an inspection of the *Place of the Work*.

9.1.3 Should the *Contractor* in the performance of the *Contract* damage the *Work*, the *Owner*'s property or property adjacent to the *Place of the Work*, the *Contractor* shall be responsible for making good such damage at the *Contractor*'s expense.

9.1.4 Should damage occur to the *Work* or the *Owner*'s property for which the *Contractor* is not responsible, as provided in paragraph 9.1.1, the *Contractor* shall make good such damage to the *Work* and, if the *Owner* so directs, to the *Owner*'s property. The *Contract Price* and *Contract Time* shall be adjusted as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

**GC 9.2 TOXIC AND HAZARDOUS SUBSTANCES**

9.2.1 For the purposes of applicable legislation related to toxic and hazardous substances, the *Owner* shall be deemed to have control and management of the *Place of the Work* with respect to existing conditions.

9.2.2 Prior to the *Contractor* commencing the *Work*, the *Owner* shall,
.1 take all reasonable steps to determine whether any toxic or hazardous substances are present at the *Place of the Work*, and
.2 provide the *Consultant* and the *Contractor* with a written list of any such substances that are known to exist and their locations.

9.2.3 The *Owner* shall take all reasonable steps to ensure that no person's exposure to any toxic or hazardous substance exceeds the time weighted levels prescribed by applicable legislation at the *Place of the Work* and that no property is damaged or destroyed as a result of exposure to, or the presence of, toxic or hazardous substances which were at the *Place of the Work* prior to the *Contractor* commencing the *Work*.

9.2.4 Unless the *Contract* expressly provides otherwise, the *Owner* shall be responsible for taking all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to dispose of, store or otherwise render harmless any toxic or hazardous substance which was present at the *Place of the Work* prior to the *Contractor* commencing the *Work*.

9.2.5 If the *Contractor*
.1 encounters toxic or hazardous substances at the *Place of the Work*, or
.2 has reasonable grounds to believe that toxic or hazardous substances are present at the *Place of the Work*,
which were not brought to the *Place of the Work* by the *Contractor* or anyone for whom the *Contractor* is responsible and which were not disclosed by the *Owner* or which were disclosed but have not been dealt with as required under paragraph 9.2.4, the *Contractor* shall
.3 take all reasonable steps, including stopping the *Work*, to ensure that no person's exposure to any toxic or hazardous substance exceeds any applicable time weighted levels prescribed by applicable legislation at the *Place of the Work*, and
.4 immediately report the circumstances to the *Consultant* and the *Owner* in writing.


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9.2.6 If the *Owner* and the *Contractor* do not agree on the existence, significance of, or whether the toxic or hazardous substances were brought onto the *Place of the Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and the *Contractor*.

9.2.7 If the *Owner* and the *Contractor* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were not brought onto the place of the *Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Owner* shall promptly at the *Owner's* own expense:

.1 take all steps as required under paragraph 9.2.4;

.2 reimburse the *Contractor* for the costs of all steps taken pursuant to paragraph 9.2.5;

.3 extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor* and the expert referred to in 9.2.6 and reimburse the *Contractor* for reasonable costs incurred as a result of the delay; and

.4 indemnify the *Contractor* as required by GC 13.1 – INDEMNIFICATION.

9.2.8 If the *Owner* and the *Contractor* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were brought onto the place of the *Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Contractor* shall promptly at the *Contractor's* own expense:

.1 take all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to safely remove and dispose the toxic or hazardous substances;

.2 make good any damage to the *Work*, the *Owner*'s property or property adjacent to the place of the *Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY;

.3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.2.6; and

.4 indemnify the *Owner* as required by GC 13.1 – INDEMNIFICATION.

9.2.9 If either party does not accept the expert's findings under paragraph 9.2.6, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraph 9.2.7 or 9.2.8 it being understood that by so doing, neither party will jeopardize any claim that party may have to be reimbursed as provided by GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.

**GC 9.3 ARTIFACTS AND FOSSILS**

9.3.1 Fossils, coins, articles of value or antiquity, structures and other remains or things of scientific or historic interest discovered at the *Place or Work* shall, as between the *Owner* and the *Contractor*, be deemed to be the absolute property of the *Owner*.

9.3.2 The *Contractor* shall take all reasonable precautions to prevent removal or damage to discoveries as identified in paragraph 9.3.1, and shall advise the *Consultant* upon discovery of such items.

9.3.3 The *Consultant* will investigate the impact on the *Work* of the discoveries identified in paragraph 9.3.1. If conditions are found that would cause an increase or decrease in the *Contractor's* cost or time to perform the *Work*, the *Owner*, through the *Consultant*, shall issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.

**GC 9.4 CONSTRUCTION SAFETY**

9.4.1 The *Contractor* shall be responsible for establishing, initiating, maintaining, and supervising all health and safety precautions and programs in connection with the performance of the *Work* in accordance with the applicable health and safety legislation.

9.4.2 The *Owner* and the *Contractor* shall comply with all health and safety precautions and programs established at the *Place of the Work*.

9.4.3 The *Owner* and the *Contractor* shall comply with the rules, regulations and practices required by the applicable health and safety legislation.

9.4.4 The *Owner* shall cause the *Consultant*, *Other Contractors* and the *Owner*'s own forces to comply with all health and safety precautions and programs established by the *Contractor* at the *Place of the Work*.

9.4.5 Nothing in this *Contract* shall affect the determination of liability under the applicable health and safety legislation.

**GC 9.5 MOULD**

9.5.1 If the *Contractor* or the *Owner* observes or reasonably suspects the presence of mould at the *Place of the Work*, the remediation of which is not expressly part of the *Work*,

.1 the observing party shall promptly report the circumstances to the other party in writing,

.2 the *Contractor* shall promptly take all reasonable steps, including stopping the *Work* if necessary, to ensure that no person suffers injury, sickness or death and that no property is damaged as a result of exposure to or the presence of the mould, and


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.3 if the *Owner* and the *Contractor* do not agree on the existence, significance or cause of the mould or as to what steps need be taken to deal with it, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and the *Contractor*.

9.5.2 If the *Owner* and the *Contractor* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was caused by the *Contractor*'s operations under the *Contract*, the *Contractor* shall promptly, at the *Contractor*'s own expense:
.1 take all reasonable and necessary steps to safely remediate or dispose of the mould,
.2 make good any damage to the *Work*, the *Owner*'s property or property adjacent to the *Place of the Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY,
.3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.5.1.3, and
.4 indemnify the *Owner* as required by GC 13.1 – INDEMNIFICATION.

9.5.3 If the *Owner* and the *Contractor* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was not caused by the *Contractor*'s operations under the *Contract*, the *Owner* shall promptly, at the *Owner*'s own expense:
.1 take all reasonable and necessary steps to safely remediate or dispose of the mould,
.2 reimburse the *Contractor* for the cost of taking the steps under paragraph 9.5.1.2 and making good any damage to the *Work* as provided in paragraph 9.1.4 of GC 9.1 – PROTECTION OF WORK AND PROPERTY,
.3 extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor* and the expert referred to in paragraph 9.5.1.3 and reimburse the *Contractor* for reasonable costs incurred as a result of the delay, and
.4 indemnify the *Contractor* as required by GC 13.1 – INDEMNIFICATION.

9.5.4 If either party does not accept the expert's finding under paragraph 9.5.1.3, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraphs 9.5.2 or 9.5.3, it being understood that by so doing neither party will jeopardize any claim the party may have to be reimbursed as provided by GC 9.5 – MOULD.

## PART 10 GOVERNING REGULATIONS

### GC 10.1 TAXES AND DUTIES

10.1.1 The *Contract Price* shall include all taxes and customs duties in effect at the time of the bid closing except for *Value Added Taxes* payable by the *Owner* to the *Contractor* as stipulated in Article A-4 of the Agreement – CONTRACT PRICE.

10.1.2 Any increase or decrease in costs to the *Contractor* due to changes in taxes and duties after the time of the bid closing shall increase or decrease the *Contract Price* accordingly.

### GC 10.2 LAWS, NOTICES, PERMITS, AND FEES

10.2.1 The laws of the *Place of the Work* shall govern the *Work*.

10.2.2 The *Owner* shall obtain and pay for development approvals, building permit, permanent easements, rights of servitude, and all other necessary approvals and permits, except for the permits and fees referred to in paragraph 10.2.3 or for which the *Contract Documents* specify as the responsibility of the *Contractor*.

10.2.3 The *Contractor* shall be responsible for the procurement of permits, licences, inspections, and certificates, which are necessary for the performance of the *Work* and customarily obtained by contractors in the jurisdiction of the *Place of the Work* after the issuance of the building permit. The *Contract Price* includes the cost of these permits, licences, inspections, and certificates, and their procurement.

10.2.4 The *Contractor* shall give the required notices and comply with the laws, ordinances, rules, regulations, or codes which are or become in force during the performance of the *Work* and which relate to the *Work*, to the preservation of the public health, and to construction safety.

10.2.5 The *Contractor* shall not be responsible for verifying that the *Contract Documents* are in compliance with the applicable laws, ordinances, rules, regulations, or codes relating to the *Work*. If the *Contract Documents* are at variance therewith, or if, subsequent to the time of bid closing, changes are made to the applicable laws, ordinances, rules, regulations, or codes which require modification to the *Contract Documents*, the *Contractor* shall advise the *Consultant* in writing requesting direction immediately upon such variance or change becoming known. The *Consultant* will issue the changes required to the *Contract Documents* as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.


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10.2.6 If the *Contractor* fails to advise the *Consultant* in writing; fails to obtain direction as required in paragraph 10.2.5; and performs work knowing it to be contrary to any laws, ordinances, rules, regulations, or codes; the *Contractor* shall be responsible for and shall correct the violations thereof; and shall bear the costs, expenses and damages attributable to the failure to comply with the provisions of such laws, ordinances, rules, regulations, or codes.

10.2.7 If, subsequent to the time of bid closing, changes are made to applicable laws, ordinances, rules, regulations, or codes of authorities having jurisdiction which affect the cost of the *Work*, either party may submit a claim in accordance with the requirements of GC 6.6 – CLAIMS FOR A CHANGE IN CONTRACT PRICE.

**GC 10.3 PATENT FEES**

10.3.1 The *Contractor* shall pay the royalties and patent licence fees required for the performance of the *Contract*. The *Contractor* shall hold the *Owner* harmless from and against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Contractor*'s performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention by the *Contractor* or anyone for whose acts the *Contractor* may be liable.

10.3.2 The *Owner* shall hold the *Contractor* harmless against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Contractor*'s performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention in executing anything for the purpose of the *Contract*, the physical model, plan or design of which was supplied to the *Contractor* as part of the *Contract*.

**GC 10.4 WORKERS' COMPENSATION**

10.4.1 Prior to commencing the *Work*, and again with the *Contractor*'s applications for payment, the *Contractor* shall provide evidence of compliance with workers' compensation legislation at the *Place of the Work*.

**PART 11 INSURANCE**

**GC 11.1 INSURANCE**

11.1.1 Without restricting the generality of GC 13.1 – INDEMNIFICATION, the *Contractor* shall provide, maintain and pay for the following insurance coverages, the requirements of which are specified in CCDC 41 'CCDC Insurance Requirements' in effect at the time of bid closing except as hereinafter provided:

.1 General liability insurance in the name of the *Contractor* and include, or in the case of a single, blanket policy, be endorsed to name, the *Owner* and the *Consultant* as insureds but only with respect to liability, other than legal liability arising out of their sole negligence, arising out of the operations of the *Contractor* with regard to the *Work*. General liability insurance shall be maintained from the date of commencement of the *Work* until one year from the date of *Ready-for-Takeover*. Liability coverage shall be provided for completed operations hazards from the date of *Ready-for-Takeover* on an ongoing basis for a period of 6 years following *Ready-for-Takeover*.

.2 Automobile Liability Insurance from the date of commencement of the *Work* until one year after the date of *Ready-for-Takeover*.

.3 Unmanned aerial vehicle aircraft, manned aircraft or watercraft Liability Insurance when owned or non-owned manned or unmanned aircraft or watercraft are used directly or indirectly in the performance of the *Work*.

.4 "Broad form" property insurance in the joint names of the *Contractor*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The "Broad form" property insurance shall be provided from the date of commencement of the *Work* until the earliest of:

(1) 10 calendar days after the date of *Ready-for-Takeover*;

(2) on the commencement of use or occupancy of any part or section of the *Work* unless such use or occupancy is for construction purposes, habitational, office, banking, convenience store under 465 square metres in area, or parking purposes, or for the installation, testing and commissioning of equipment forming part of the *Work*; and

(3) when left unattended for more than 30 consecutive calendar days or when construction activity has ceased for more than 30 consecutive calendar days.

.5 Boiler and machinery insurance in the joint names of the *Contractor*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The coverage shall be maintained continuously from commencement of use or operation of the boiler and machinery objects insured by the policy and until 10 calendar days after the date of *Ready-for-Takeover*.

.6 The "Broad form" property and boiler and machinery policies shall provide that, in the case of a loss or damage, payment shall be made to the *Owner* and the *Contractor* as their respective interests may appear. In the event of loss or damage:

(1) the *Contractor* shall act on behalf of the *Owner* for the purpose of adjusting the amount of such loss or damage payment with the insurers. When the extent of the loss or damage is determined, the *Contractor* shall proceed to restore the *Work*. Loss or damage shall not affect the rights and obligations of either party under the *Contract* except


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that the *Contractor* shall be entitled to such reasonable extension of *Contract Time* relative to the extent of the loss or damage as the *Consultant* may recommend in consultation with the *Contractor*;

(2) the *Contractor* shall be entitled to receive from the *Owner*, in addition to the amount due under the *Contract*, the amount which the *Owner*'s interest in restoration of the *Work* has been appraised, such amount to be paid as the restoration of the *Work* proceeds in accordance with the progress payment provisions. In addition the *Contractor* shall be entitled to receive from the payments made by the insurer the amount of the *Contractor*'s interest in the restoration of the *Work*; and

(3) to the *Work* arising from the work of the *Owner*, the *Owner*'s own forces or *Other Contractors*, the *Owner* shall, in accordance with the *Owner*'s obligations under the provisions relating to construction by the *Owner* or *Other Contractors*, pay the *Contractor* the cost of restoring the *Work* as the restoration of the *Work* proceeds and as in accordance with the progress payment provisions.

.7 Contractors' Equipment Insurance from the date of commencement of the *Work* until one year after the date of *Ready-for-Takeover*.

.8 Contractors' Pollution Liability Insurance from the date of commencement of the *Work* until one year after the date of *Ready-for-Takeover*.

11.1.2 Prior to commencement of the *Work* and upon the placement, renewal, amendment, or extension of all or any part of the insurance, the *Contractor* shall promptly provide the *Owner* with confirmation of coverage and, if required, a certified true copy of the policies certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to the *Work*.

11.1.3 The parties shall pay their share of the deductible amounts in direct proportion to their responsibility in regards to any loss for which the above policies are required to pay, except where such amounts may be excluded by the terms of the *Contract*.

11.1.4 If the *Contractor* fails to provide or maintain insurance as required by the *Contract Documents*, then the *Owner* shall have the right to provide and maintain such insurance and give evidence to the *Contractor* and the *Consultant*. The *Contractor* shall pay the cost thereof to the *Owner* on demand or the *Owner* may deduct the cost from the amount which is due or may become due to the *Contractor*.

11.1.5 All required insurance policies shall be with insurers licensed to underwrite insurance in the jurisdiction of the *Place of the Work*.

11.1.6 If a revised version of CCDC 41 is published, which specifies reduced insurance requirements, the parties shall address such reduction, prior to the *Contractor*'s insurance policy becoming due for renewal, and record any agreement in a *Change Order*.

11.1.7 If a revised version of CCDC 41 is published, which specifies increased insurance requirements, the *Owner* may request the increased coverage from the *Contractor* by way of a *Change Order*.

11.1.8 A *Change Directive* shall not be used to direct a change in the insurance requirements in response to the revision of CCDC 41.

## PART 12 OWNER TAKEOVER

### GC 12.1 READY-FOR-TAKEOVER

12.1.1 The prerequisites to attaining *Ready-for-Takeover* of the *Work* are limited to the following:

.1 The *Consultant* has certified or verified the *Substantial Performance of the Work*.

.2 Evidence of compliance with the requirements for occupancy or occupancy permit as prescribed by the authorities having jurisdiction.

.3 Final cleaning and waste removal at the time of applying for *Ready-for-Takeover*, as required by the *Contract Documents*.

.4 The delivery to the *Owner* of such operations and maintenance documents reasonably necessary for immediate operation and maintenance, as required by the *Contract Documents*.

.5 Make available a copy of the as-built drawings completed to date on site.

.6 Startup, testing required for immediate occupancy, as required by the *Contract Documents*.

.7 Ability to secure access to the *Work* has been provided to the *Owner*, if required by the *Contract Documents*.

.8 Demonstration and training, as required by the *Contract Documents*, is scheduled by the *Contractor* acting reasonably.

12.1.2 If any prerequisites set forth in paragraphs 12.1.1.3 to 12.1.1.6 must be deferred because of conditions reasonably beyond the control of the *Contractor*, or by agreement between the *Owner* and the *Contractor* to do so, *Ready-for-Takeover* shall not be delayed.

12.1.3 When the *Contractor* considers that the *Work* is *Ready-for-Takeover*, the *Contractor* shall deliver to the *Consultant* and to the *Owner* a comprehensive list of items to be completed or corrected, together with a written application for *Ready-for-Takeover* for review. Failure to include an item on the list does not alter the responsibility of the *Contractor* to complete the *Contract*.

12.1.4 The *Consultant* will review the *Work* to verify the validity of the application and will promptly, and in any event, no later than 10 calendar days after receipt of the *Contractor*'s list and application:


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.1 advise the *Contractor* in writing that the *Work* is not *Ready-for-Takeover* and give reasons why, or
.2 confirm the date of *Ready-for-Takeover* in writing to each of the *Owner* and the *Contractor*.

12.1.5 Immediately following the confirmation of the date of *Ready-for-Takeover*, the *Contractor*, in consultation with the *Consultant*, shall establish a reasonable date for finishing the *Work*.

12.1.6 The provision of GC 12.1 – READY-FOR-TAKEOVER shall be subject to GC 12.2 – EARLY OCCUPANCY BY THE OWNER.

**GC 12.2 EARLY OCCUPANCY BY THE OWNER**

12.2.1 The *Owner* may take occupancy of a part or the entirety of the *Work* before *Ready-for-Takeover* has been attained only as agreed by the *Contractor* which agreement shall not be unreasonably withheld.

12.2.2 The *Owner* shall not occupy a part or the entirety of the *Work* without prior approval by authorities having jurisdiction.

12.2.3 If the *Owner* takes occupancy of a part of the *Work* before *Ready-for-Takeover* has been attained:
.1 The part of the *Work* which is occupied shall be deemed to have been taken over by the *Owner* as from the date on which it is occupied.
.2 The *Contractor* shall cease to be liable for the care of such part as from this date, when responsibility shall pass to the *Owner*.
.3 The warranty period specified in paragraph 12.3.1 of GC 12.3 – WARRANTY for that part of the *Work* shall start from the date on which it is occupied.

12.2.4 If the *Owner* takes occupancy of the entirety of the *Work* before all the prerequisites are met as described in paragraph 12.1.1 of GC 12.1 – READY-FOR-TAKEOVER, the *Work* shall, subject to the requirements of the applicable lien legislation, be deemed to achieve *Ready-for-Takeover*. This shall not relieve the *Contractor*'s responsibility to complete the *Work* in a timely manner.

**GC 12.3 WARRANTY**

12.3.1 Except for extended warranties as described in paragraph 12.3.6, the warranty period under the *Contract* is one year from the date when *Ready-for-Takeover* has been attained.

12.3.2 The *Contractor* shall be responsible for the proper performance of the *Work* to the extent that the design and *Contract Documents* permit such performance.

12.3.3 The *Owner*, through the *Consultant*, shall promptly give the *Contractor Notice in Writing* of observed defects and deficiencies which occur during the one year warranty period.

12.3.4 Subject to paragraph 12.3.2, the *Contractor* shall correct promptly, at the *Contractor*'s expense, defects or deficiencies in the *Work* which appear prior to and during the one year warranty period.

12.3.5 The *Contractor* shall correct or pay for damage resulting from corrections made under the requirements of paragraph 12.3.4.

12.3.6 Any extended warranties required beyond the one year warranty period as described in paragraph 12.3.1, shall be as specified in the *Contract Documents*. Extended warranties shall be issued by the warrantor to the benefit of the *Owner*. The *Contractor*'s responsibility with respect to extended warranties shall be limited to obtaining any such extended warranties from the warrantor. The obligations under such extended warranties are solely the responsibilities of the warrantor.

**PART 13 INDEMNIFICATION AND WAIVER**

**GC 13.1 INDEMNIFICATION**

13.1.1 Without restricting the parties' obligation to indemnify respecting toxic and hazardous substances, patent fees and defect in title claims all as described in paragraphs 13.1.4 and 13.1.5, the *Owner* and the *Contractor* shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to their involvement as parties to this *Contract*, provided such claims are:
.1 caused by:
(1) the negligent acts or omissions of the party from whom indemnification is sought or anyone for whose negligent acts or omissions that party is liable, or
(2) a failure of the party to the *Contract* from whom indemnification is sought to fulfill its terms or conditions; and
.2 made by *Notice in Writing* within a period of 6 years from the *Ready-for-Takeover* date or within such shorter period as may be prescribed by any limitation statute of the Province or Territory of the *Place of the Work*.

The parties expressly waive the right to indemnity for claims other than those provided for in this *Contract*.


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13.1.2 The obligation of either party to indemnify as set forth in paragraph 13.1.1 shall be limited as follows:

.1 In respect to losses suffered by the *Owner* and the *Contractor* for which insurance is to be provided by either party pursuant to GC 11.1 – INSURANCE, the minimum liability insurance limit for one occurrence, of the applicable insurance policy, as referred to in CCDC 41 in effect at the time of bid closing.

.2 In respect to losses suffered by the *Owner* and the *Contractor* for which insurance is not required to be provided by either party in accordance with GC 11.1 – INSURANCE, the greater of the *Contract Price* as recorded in Article A-4 – CONTRACT PRICE or $2,000,000, but in no event shall the sum be greater than $20,000,000.

.3 In respect to indemnification by a party against the other with respect to losses suffered by them, such obligation shall be restricted to direct loss and damage, and neither party shall have any liability to the other for indirect, consequential, punitive or exemplary damages.

.4 In respect to indemnification respecting claims by third parties, the obligation to indemnify is without limit.

13.1.3 The obligation of either party to indemnify the other as set forth in paragraphs 13.1.1 and 13.1.2 shall be inclusive of interest and all legal costs.

13.1.4 The *Owner* and the *Contractor* shall indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of their obligations described in GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.

13.1.5 The *Owner* shall indemnify and hold harmless the *Contractor* from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings:

.1 as described in paragraph 10.3.2 of GC 10.3 – PATENT FEES, and

.2 arising out of the *Contractor*'s performance of the *Contract* which are attributable to a lack of or defect in title or an alleged lack of or defect in title to the *Place of the Work*.

13.1.6 In respect to any claim for indemnity or to be held harmless by the *Owner* or the *Contractor*:

.1 *Notice in Writing* of such claim shall be given within a reasonable time after the facts upon which such claim is based become known; and

.2 should any party be required as a result of its obligation to indemnify another to pay or satisfy a final order, judgment or award made against the party entitled by this contract to be indemnified, then the indemnifying party upon assuming all liability for any costs that might result shall have the right to appeal in the name of the party against whom such final order or judgment has been made until such rights of appeal have been exhausted.

**GC 13.2 WAIVER OF CLAIMS**

13.2.1 Subject to any lien legislation applicable to the *Place of the Work*, the *Contractor* waives and releases the *Owner* from all claims which the *Contractor* has or reasonably ought to have knowledge of that could be advanced by the *Contractor* against the *Owner* under the *Contract*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the *Ready-for-Takeover* date, except as follows:

.1 claims arising prior to or on the *Ready-for-Takeover* date for which *Notice in Writing* of claim has been received by the *Owner* from the *Contractor* no later than 5 calendar days before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work* or 20 calendar days following the *Ready-for-Takeover* date, whichever is later;

.2 indemnification for claims advanced against the *Contractor* by third parties for which a right of indemnification may be asserted by the *Contractor* against the *Owner* pursuant to the provisions of this *Contract*;

.3 claims respecting toxic and hazardous substances, patent fees and defect in title matters for which a right of indemnity could be asserted by the *Contractor* pursuant to the provisions of paragraphs 13.1.4 or 13.1.5 of GC 13.1 – INDEMNIFICATION; and

.4 claims resulting from acts or omissions which occur after the *Ready-for-Takeover* date.

13.2.2 The *Contractor* waives and releases the *Owner* from all claims resulting from acts or omissions which occurred after the *Ready-for-Takeover* date except for:

.1 indemnification respecting third party claims, and claims respecting toxic and hazardous substances, patent fees and defect in title matters, all as referred in paragraphs 13.2.1.2 and 13.2.1.3; and

.2 claims for which *Notice in Writing* of claim has been received by the *Owner* from the *Contractor* within 395 calendar days following the *Ready-for-Takeover* date.

13.2.3 Subject to any lien legislation applicable to the *Place of the Work*, the *Owner* waives and releases the *Contractor* from all claims which the *Owner* has or reasonably ought to have knowledge of that could be advanced by the *Owner* against the *Contractor* under the *Contract*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the *Ready-for-Takeover* date, except as follows:

.1 claims arising prior to or on the *Ready-for-Takeover* date for which *Notice in Writing* of claim has been received by the *Contractor* from the *Owner* no later than 20 calendar days following the *Ready-for-Takeover* date;


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.2 indemnification for claims advanced against the *Owner* by third parties for which a right of indemnification may be asserted by the *Owner* against the *Contractor* pursuant to the provisions of this *Contract*;
.3 claims respecting toxic and hazardous substances for which a right of indemnity could be asserted by the *Owner* against the *Contractor* pursuant to the provisions of paragraph 13.1.4 of GC 13.1 – INDEMNIFICATION;
.4 damages arising from the *Contractor*'s actions which result in substantial defects or deficiencies in the *Work*. "Substantial defects or deficiencies" mean those defects or deficiencies in the *Work* which affect the *Work* to such an extent or in such a manner that a significant part or the whole of the *Work* is unfit for the purpose intended by the *Contract Documents*;
.5 claims arising pursuant to GC 12.3 – WARRANTY; and
.6 claims arising from acts or omissions which occur after the *Ready-for-Takeover* date.

13.2.4 Respecting claims arising upon substantial defects and deficiencies in the *Work*, as referenced in paragraph 13.2.3.4, and notwithstanding paragraph 13.2.3.5, the *Owner* waives and releases the *Contractor* from all claims except claims for which *Notice in Writing* of claim has been received by the *Contractor* from the *Owner* within a period of six years from the *Ready-for-Takeover* date, provided that any limitation statute of the Province or Territory of the *Place of the Work* permit such agreement. If the applicable limitation statute does not permit such agreement, the time within which any such claim may be brought shall be such shorter period as may be prescribed by any limitation statute of the Province or Territory of the *Place of the Work*.

13.2.5 The *Owner* waives and releases the *Contractor* from all claims arising from acts or omissions which occur after the *Ready-for-Takeover* date, except for:
.1 indemnification for claims advanced against the *Owner* by third parties, as referenced in paragraph 13.2.3.2;
.2 claims respecting toxic and hazardous substances for which a right of indemnity could be asserted by the *Owner* against the *Contractor*, as referenced in paragraph 13.2.3.3;
.3 claims arising under GC 12.3 – WARRANTY; and
.4 claims for which *Notice is Writing* has been received by the *Contractor* from the *Owner* within 395 calendar days following the *Ready-for-Takeover* date.

13.2.6 "*Notice in Writing* of claim" as provided for in GC 13.2 – WAIVER OF CLAIMS to preserve a claim or right of action which would otherwise, by the provisions of GC 13.2 – WAIVER OF CLAIMS, be deemed to be waived, must include the following:
.1 a clear and unequivocal statement of an intention to claim;
.2 a statement as to the nature of the claim and the grounds upon which the claim is based; and
.3 a statement of the estimated quantum of the claim.

13.2.7 A claim for lien asserted under the lien legislation prevailing at the *Place of the Work* shall qualify as notice of claim for the purposes of this *Contract*.

13.2.8 The party giving the *Notice in Writing* of claim as provided for in GC 13.2 – WAIVER OF CLAIMS shall submit within a reasonable time a detailed account of the amount claimed.

13.2.9 Where the event or series of events giving rise to a claim made under paragraphs 13.2.1 or 13.2.3 has a continuing effect, the detailed account submitted under paragraph 13.2.8 shall be considered to be an interim account and the party making the claim shall submit further interim accounts, at reasonable intervals, giving the accumulated amount of the claim and any further grounds upon which such claim is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.

13.2.10 Nothing in GC 13.2 – WAIVER OF CLAIMS shall be deemed to affect the rights of the parties under any lien legislation or limitations legislation prevailing at the *Place of the Work*.


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**Addendum #1Bid Opportunity: 2024PWE-ENG-BS-04-T - Main Library Exterior Cladding Replacement**
**Closing Date: Thursday, June 6, 2024 3:00 PM**

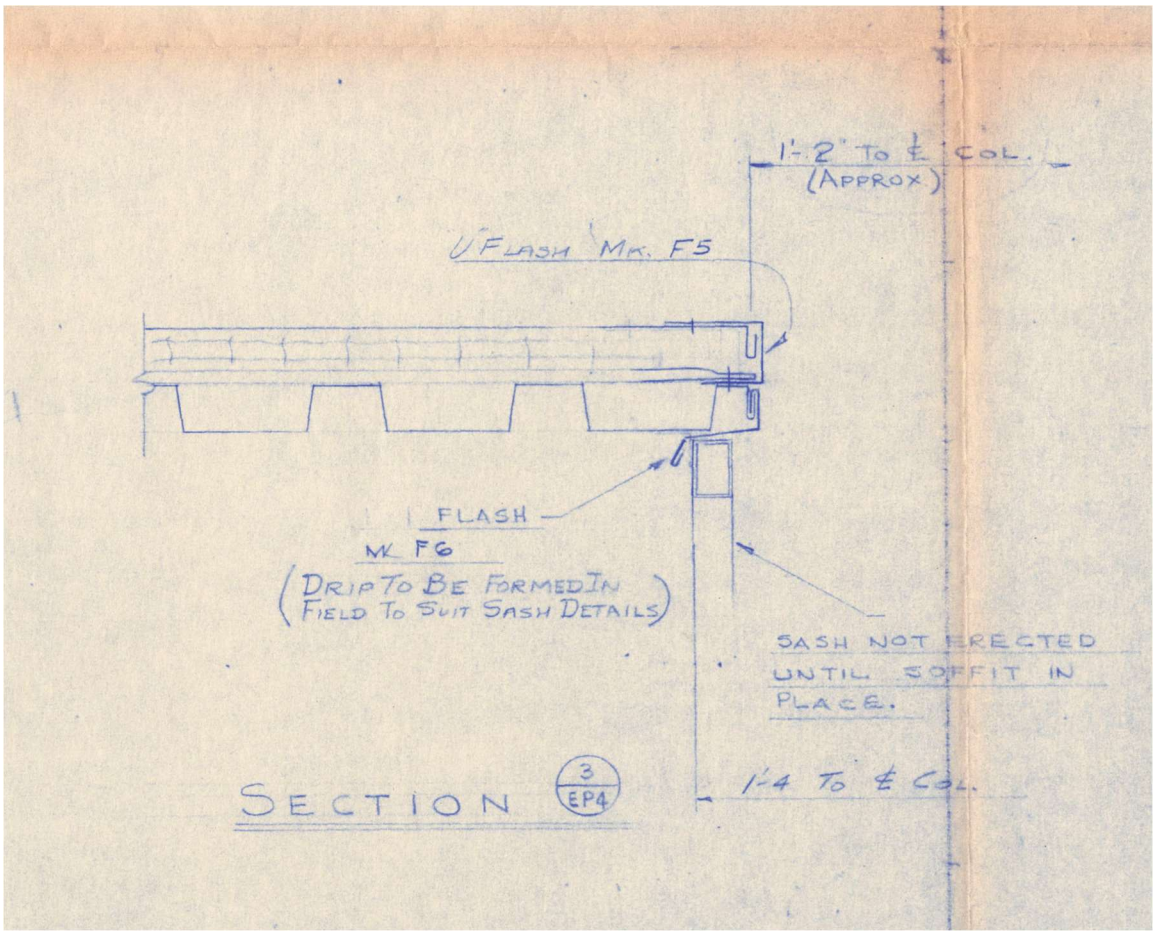
---

**Question 1:**

Can you please clarify the type and detail of the pre-finished metal flashing over existing window SASH? Is it normal J-type soffit assembly or normal angle one? Please provide detail.

**Answer 1:**

Refer to attached image for existing window sash detail. New pre-finished drip to be installed over existing window as shown. Contractor to verify conditions and match existing.

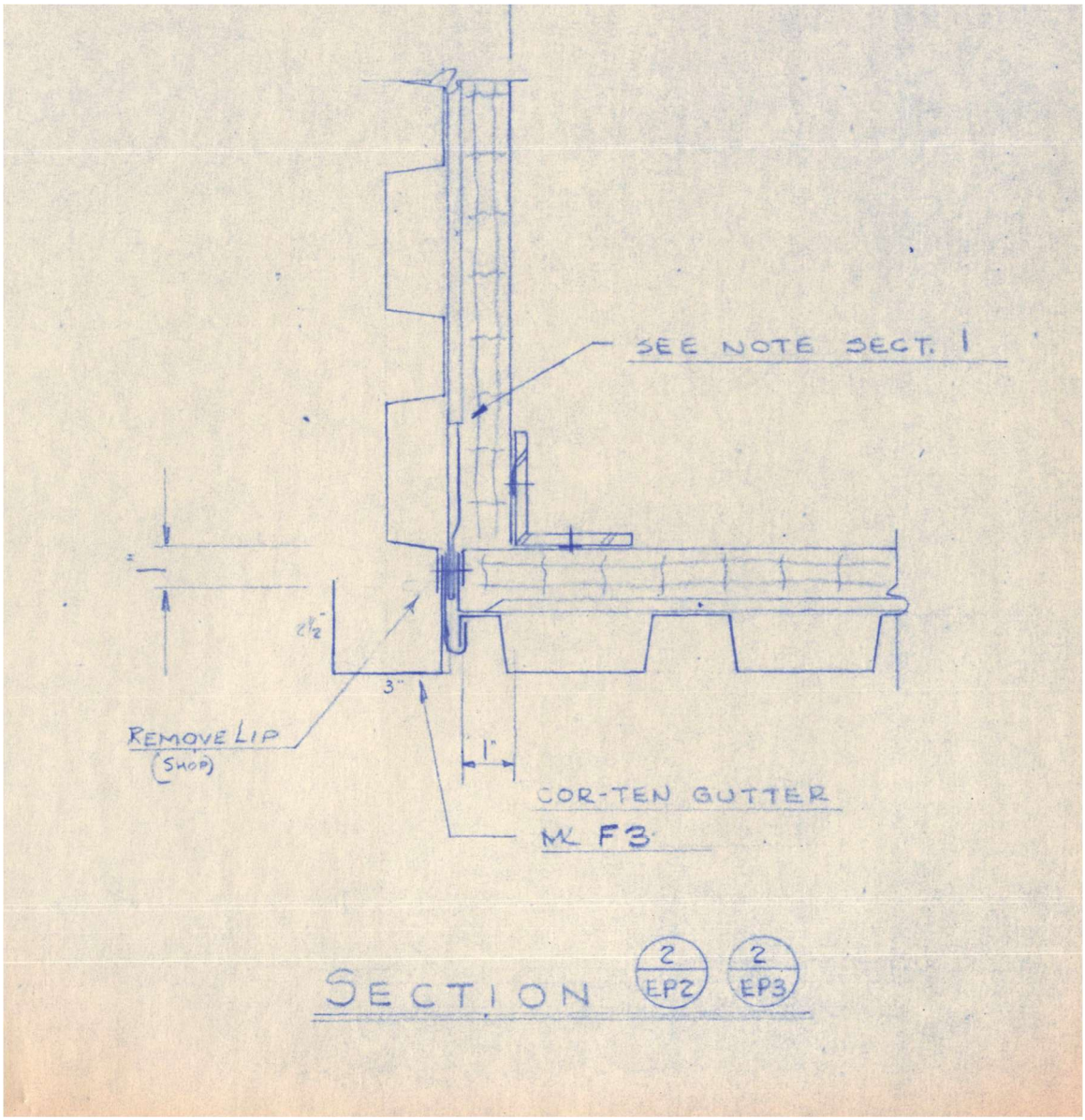


**Question 2:**

Can you please clarify the gutter detail as well, it is not clear from that drawing?

**Answer 2:**

Refer to attached image for gutter detail. New pre-finished aluminum gutter to be replaced where specified on drawings. Contractor to verify conditions and match existing. Refer to drawing A4.1 for gutter locations to remain.



**Question 3:**

This is a clarification question. On the electronic bid form, it is listing “LUX” preformed siding as the alternate pricing but in both the drawings and specification it is listed as the based bid product. Could I please get some clarification?

**Answer 3:**

The Electronic Bid Form, has been updated to reflect the following confirmation.

Stipulated Price is to be submitted as per specifications, LUX preformed siding as base bid product:

> **Acceptable Manufacturer:** LUX Architectural Products, 14525 112ave NW , Edmonton, Alberta, T5M 2V5, Tel: 1.800.540.0589 luxarpro.com

Separate Price:

> **Alternate Manufacturer (Separate Price):** Robertson Building Systems, 5A 225 Henry Street, Branford, Ontario, N3S 7R4, Tel: 905.304.2420 robertsonbuildings.com

**End of Addendum**

**MGP Architects + Engineer Inc.**

123 East Street
Sault Ste. Marie, ON
P6A 3C7

Thursday July 5, 2024

**RE: LETTER OF INTENT**

**PROJECT: 23040 JAMES L. McINTYRE CENTENNIAL LIBRARY RE-CLADDING**

Thank you for your tender submission on Thursday, June 6, 2024. On behalf of the Corporation of the City of Sault Ste. Marie, your Tender Bid in the amount of **$279,650.00** (Excluding HST) has been accepted. This letter is your authorization to proceed with the work.

Please obtain and submit the following documents as soon as possible, and prior to commencing any activities on site:

1. Worker's Compensation Board Certificate in Good Standing
2. Certificates of Insurance as outlined by the City of Sault Ste. Marie
3. 50% Performance Bond
4. 50% Labour and Materials Bond
5. Certified copies of Insurance Policies

Furthermore, as per Section 01 32 00 - Project Progress Documentation of the specifications, the contractor is required to provide a construction schedule within *14 days* of contract award, complete with commencement dates, completion dates, order and delivery dates for materials, etc. Additionally, within *7 days* of contract award the contractor must submit a cash flow chart indicating anticipated monthly progress billings from project start until completion. Please ensure the remainder of this section is reviewed for completeness and accuracy of documents.

Contract documents will be submitted to you shortly for approval and execution.

**Mikayla Ferlaino**, OAA, M.Arch., B.A.S.
Architect

# 2024PWE-ENG-BS-04-T - Main Library Exterior Cladding Replacement

Opening Date: May 15, 2024 1:00 PM

Closing Date: June 6, 2024 3:00 PM

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### Vendor Details

| | |
|---|---|
| Company Name: | EVEREST MASONRY CORP. 1000378194 |
| Address: | 41 VIEW N CT<br>WOODBRIDGE, ON L4L 8S4 |
| Contact: | Soner Ayilan |
| Email: | info@everestmasonry.com |
| Phone: | 647-237-4551 |
| HST#: | |

### Submission Details

| | |
|---|---|
| Created On: | Wednesday June 05, 2024 23:14:13 |
| Submitted On: | Thursday June 06, 2024 14:01:29 |
| Submitted By: | Soner Ayilan |
| Email: | info@everestmasonry.com |
| Transaction #: | 1e4217ef-b929-48ca-992b-ec0dbf951cdd |
| Submitter's IP Address: | 184.148.104.93 |

---

## Schedule of Prices

The Bidder hereby Bids and offers to enter into the Contract referred to and to supply and do all or any part of the Work which is set out or called for in this Bid, at the unit prices, and/or lump sums, hereinafter stated. HST is additional. Pricing in Canadian Funds.

* Denotes a "MANDATORY" field

Do not enter $0.00 dollars unless you are providing the line item at zero dollars to the Owner (unless otherwise specified).

If the line item and/or table is "NON-MANDATORY" and you are not bidding on it, leave the table and/or line item blank. Do not enter a $0.00 dollar value.

## STIPULATED PRICE

Provide pricing in Canadian Dollars (excluding HST). HST is extra to tendered pricing and shall not be included in the Unit Price tendered

Refer to the drawings for the complete detailed descriptions of all work included in the Tender package. The Contractor is responsible to ensure that all of the work specified on the drawings for the tender package is included pricing.

For a complete description of the work, refer to the drawings and specifications

Pricing is inclusive of all labour, materials, products, equipment, services, overhead and disbursements as well as Duties and Import Fees (if applicable)

| Description | Lump Sum Price * | Contingency Allowance | Total Price |
|---|---|---|---|
| Bid Price for the Work as specified in the Bid Call Documents, LUX preformed siding | $229,650.0000 | $50,000.0000 | $ 279,650.00 |
| | | Subtotal: | $ 279,650.00 |

## SEPARATE PRICE

In consideration of alternate manufacturer, identify change of stipulated price.

| Description | Change * | Value of Change * |
|---|---|---|
| The price for the alternate manufacturer siding will increase/decrease [select one] the stipulated price by [insert value] $ | Increase | $15,500.0000 |

## Summary Table

| Bid Form | Amount |
|---|---|
| STIPULATED PRICE | $ 279,650.00 |
| Subtotal Contract Amount: | $ 279,650.00 |

## Bid Questions

| | |
|---|---|
| Substantial Completion: All work will be commenced by _____ [date], 2024 and completed by _____ [date], 2024 | AFTER AWARD 3 MONTHS AFTER AWARD |

## ACKNOWLEDGEMENTS

Acknowledgements requested on this form are to be provided by the Tenderer

| Line Item | Acknowledgements | Agreement * |
|---|---|---|
| 1 | I/We confirm that the Corporation, its Officers and Directors; and Supervisory staff have not been convicted of an Offence under the Occupational Health and Safety Act, nor the Workplace Safety and Insurance Act | (•) Yes ( ) No |

All references stated shall be for the same or similar scope as the one described in this Bid.

For newly formed business entity including, corporations, partnerships and sole proprietors or a Contractor teaming arrangement you shall state below in the Client Column that you were not the “Contractor” for the named project and should state whose past experience on the named project is relevant to that reference.

## TENDERER'S EXPERIENCE IN SIMILAR WORK

For tenderer's own forces, provide a list of projects completed involving work of similar size and scope of this project and completed within the last five (5) years.

| Line Item | Year Completed * | Description of Contract * | For Whom Work Performed * | Value of Contract * | |
|---|---|---|---|---|---|
| 1 | 2024 | COMPOSITE PANEL , CAP FLASHING, SIDING | NOBEL DESIGN BUILD | $741,000 | * |
| 2 | 2023 | SIDING, FASICA, GIRDER, PVC PANEL | MD DEVELOPMENT | $620,000 | * |
| 3 | 2022 | SIDING, FASICA, GIRDER, PVC PANEL | NORFINCH GENERAL CONTRACTOR | $375,000 | * |

## TENDERER'S SENIOR STAFF

Provide list of all Tenderer's senior staff to be employed on this contract

| Line Item | Name * | Position with Firm * | Experience & Qualifications * | |
|---|---|---|---|---|
| 1 | SONER AYILAN | OWNER | 14 YEARS & CONTRACTOR | * |

**Sub-Contractors**

The Bidder shall state all Subcontractor(s) and type of Work proposed to be used for this project. Bidders shall not indicate "TBD" (To Be Determined) or "TBA" (To Be Announced) or similar wording and shall not indicate multiple choices of Subcontractor names for any Subcontractor category in their list of Subcontractors.

It is the responsibility of the successful Contractor that its Subcontractors comply with the requirements of the City's Contractor Pre-Qualification Program

Bidder(s) shall upon request by the Owner produce a list of references for all or any proposed Subcontractors within three (3) business days.

## LIST OF SUBCONTRACTORS

Provide full list (with addresses) of all subcontractors proposed to use on the project.

☑ By clicking here I confirm that there are no Subcontractor(s) and the Bidder shall perform the project with their "**OWN FORCES**".

| Line Item | Division of Work * | Name of Subcontractor * | Address * | Email * |
|---|---|---|---|---|
| 1 | | | | |

## SUBCONTRACTOR'S SENIOR STAFF

Provide list of all Subcontractor's senior staff to be employed on this contract

☑ By clicking here I confirm that there are no Subcontractor(s) and the Bidder shall perform the project with their "**OWN FORCES**".

| Line Item | Name of Subcontractor * | Staff Name * | Position with Firm * | Experience & Qualifications * |
|---|---|---|---|---|
| 1 | | | | |

## SUBCONTRACTOR'S EXPERIENCE IN SIMILAR WORK

Provide a list of projects completed involving work similar to this contract, for subcontractor's forces

☑ By clicking here I confirm that there are no Subcontractor(s) and the Bidder shall perform the project with their "**OWN FORCES**".

| Line Item | Name of Subcontractor * | Year Completed * | Description of Contract * | For Whom Work Performed * | Value of Contract * |
|---|---|---|---|---|---|
| 1 | | | | | |

**Documents**

It is your responsibility to make sure the uploaded file(s) is/are not defective or corrupted and are able to be opened and viewed by the Owner. If the attached file(s) cannot be opened or viewed, your Bid Call Document may be rejected.

**BONDING UPLOAD SECTION**

The Bid Deposit and Agreement to Bond meeting the requirements specified herein shall be included in the submission.

- **Digital (electronically verifiable) format is preferred;** or alternatively
- Scanned copy may be provided. **However**, where scanned copy is provided, the original Tender Deposit and Agreement to Bond shall be delivered in Hard Copy to the City of Sault Ste. Marie prior to the close date and time at the following address

**City of Sault Ste. Marie**
**Attn: City Clerk**
**Civic Centre**
**4th Floor, 99 Foster Drive**
**Sault Ste. Marie, ON P6A 5X6**
**Canada**

Tender Deposit required in the amount of **10% of the Tender Price**

Agreement to Bond (surety) required for a Contract **Material and Labour** Payment Bond **for 50%** of the amount of the tender; and a Contract **Performance** Bond **for 50%** of the amount of the tender.

- Tender Deposit (Bid Bond) - Everest_Masonry_Corp__06-06-2024.pdf - Thursday June 06, 2024 13:50:34
- Agreement to Bond (Surety) - Everest_Masonry_Corp__06-06-2024.pdf - Thursday June 06, 2024 13:51:05

## Addenda, Terms and Conditions

The Bidder hereby acknowledges and agrees:

I/We the undersigned, having carefully examined the site of the works, all matters referred to in the Instructions to Bidders, and all of the contract documents, hereby tender and agree to provide all labour, plant and materials necessary for the complete execution of the work under this contract in the locations and manner set out in the contract documents, and addendum(s) to the satisfaction of the Owner/Engineer, at the unit prices as set out in the schedule(s) of tender prices.

This Bid is made without any connections, knowledge, comparison of figures or arrangements with any other company, firm or person making a Bid for the same Work and is in all respects fair and without collusion or fraud.

I/WE do hereby Bid and offer to enter into a Contract to do all the Work as specified in the Bid Call Document(s) which shall include all costs but not limited to; freight, duty, currency, etc. in accordance with the prices and terms as submitted by the Bidder herein.

We agree that the final valuation will be made on the basis of actual Quantities as determined by the Owner/Engineer and at the prices as set out in the Tender Prices.

If the Bid is accepted, I/WE agree to furnish all required documentation, as required by the Bid Call document(s) within time period(s) stated after notification of Award.

I/WE (including any related or affiliated entities and any principal thereof) have no unresolved litigation with the Owner.

☑ I/WE agree to be bound by the terms and conditions and have authority to bind the Corporation and submit this Bid on behalf of the Bidder. - SONER AYILAN, ONWER, EVEREST MASONRY CORP
The bidder shall declare any potential or actual conflict of interest that could arise from Bidding on this Bid. Do you have a conflict of interest? ○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document

Please check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

| File Name | I have reviewed the below addendum and attachments (if applicable) | Pages |
|---|---|---|
| **2024PWE-ENG-BS-04-T Addendum 1**<br>Wed May 29 2024 12:17 PM | ☑ | 3 |

# SPECIFICATIONS




# James L. McIntyre Centennial Library
# Exterior Cladding Replacement

**2024PWE-ENG-BS-04-T**

**50 East Street, Sault Ste. Marie Ontario**

mgp architects + engineer inc.

123 East Street
Sault Ste. Marie, ON
P6A 3C7

| Project Number | Date |
|---|---|
| **23040** | **May 2024** |

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**END OF SECTION**

## DOCUMENT 00 01 15 - DRAWING INDEX

**Part 1 General**

1.1 **THE AGREEMENT**

.1 The Canadian Construction Document #2 2020 edition.

1.2 **SPECIFICATION**

.1 The Specification in its entirety, refer to Section 00 01 00 Table of Contents, inclusive of General Conditions and Supplementary Conditions to the CCDC #2 (2020) Document.

1.3 **DRAWINGS**

.1 The following is the List of Drawings for the project:

**2.0 ARCHITECTURAL – MGP ARCHITECTS + ENGINEER INC.**

A1.1 OBC Matric, Key Plan, Site Plan and General Notes
A2.1 Reflected Soffit Plan and Reference Roof Plan
A4.1 Exterior Elevations, Demolition Notes and Section Details

**END OF SECTION**

## 1 DEFINITIONS

.1 The words “City” or “Corporation or Owner” means the Corporation of the City of Sault Ste. Marie.

.2 The words “Engineer”, “Architect”, “Consultant” or “Contract Administrator” are interchangeable and shall be understood as referring to MGP ARCHITECTS + ENGINEER INC. (MGP)

.3 The word “Contract” means the agreement to do the work entered into with the Corporation, the general conditions, the specifications, the drawings and other documents referred to or connected with the said contract.

## 2 DELIVERY AND OPENING OF TENDER

.1 Submissions for this Tender will be accepted in electronic format by the Bidding System until:

**Thursday, June 6th, 2024** at 3:00 p.m. local time (Eastern).

.2 Electronic Submissions:

.1 ELECTRONIC BID SUBMISSIONS ONLY, shall be received by the Bidding System. Hardcopy submissions not permitted.

.2 Bidders are cautioned that the timing of their Bid Submission is based on when the Bid is RECEIVED by the Bidding System, not when a Bid is submitted, as Bid transmission can be delayed due to file transfer size, transmission speed, etc.

.3 For the above reasons, it is recommended that sufficient time is allotted to complete the Bid Submission and to resolve any issues that may arise. The closing time and date shall be determined by the Bidding System’s web clock.

.4 Bidders should contact bids&tenders support listed below, at least twenty-four (24) hours prior to the closing time and date, if they encounter any problems. The Bidding System will send a confirmation email to the Bidder advising that their bid was submitted successfully. If you do not receive a confirmation email, contact bids&tenders support at support@bidsandtenders.ca

.5 Late Bids are not permitted by the Bidding System.

.6 To ensure receipt of the latest information and updates via email regarding this bid, or if a Bidder has obtained this Bid Document from a third party, the onus is on the Bidder to create a Bidding System Vendor account and register as a Plan Taker for the bid opportunity.

.7 Bidders may edit or withdraw their Bid Submission prior to the closing time and date. However, the Bidder is solely responsible to ensure the re-submitted bid is received by the Bidding System no later than the stated closing time and date.

.3 Opening of the Tender:

.1 Opening of the tender will be held after closing time and date and unofficial bid results will be available publicly, posted within the Bidding System.

## 3 INFORMAL TENDERS

.1 Tenders which are incomplete, unbalanced, conditional, or obscure, or which contain additions not called for, erasures, alterations, errors, or irregularities of any kind, may be rejected as informal. All

blanks must be legibly and properly filled in; otherwise, the tender may be declared informal. Persons tendering are required to fill in all blanks.

## 4 TENDER DOCUMENTS

.1 Each tender shall be in accordance with the Contract Documents and shall include information outlined within submission requirements.

## 5 PRICES SUBMITTED

.1 The tender price or prices quoted in the Tender shall be in full compensation for all labour, equipment, materials, utility and transportation services necessary to perform and complete all work under the Contract, including all miscellaneous work, whether specifically included in the Tender Documents or not. It is the intention of the Drawings and Specifications to provide finished work. Any items omitted there from which are clearly necessary for the completion of the work shall be considered part of the work, though not directly specified in the Tender Documents.

## 6 GENERAL CONDITIONS, STANDARD SPECIFICATIONS AND DRAWINGS

.1 All work shall be carried out in accordance with the current Ontario Provincial Standard Specifications and Drawings as adopted by the City. The current General Conditions apply to this contract.

## 7 DISCREPANCIES

.1 If a Tenderer finds discrepancies in, or omissions from the Contract Documents, or if the Tenderer is in doubt as to their meaning, the Tenderer shall make enquiry through the Bidding System.

## 8 SUBMITTING QUESTIONS AND RECEIVING ADDENDUMS

.1 Questions related to this bid are to be submitted to the Purchasing representative through the Bidding System only by clicking on the “Submit a Question” button for this specific bid opportunity.
Bidders shall acknowledge receipt of any addenda through the Bidding System by checking a box for each addenda and any applicable attachment.

.2 It is the responsibility of the Bidder to review all Addenda that are issued. Bidders should check online at https://saultstemarie.bidsandtenders.ca prior to submitting their Bid and up until Bid closing time and date in the event additional addenda are issued.

.3 In the event that a Bidder submits their bid prior to the issuance of an addenda, the Bidding System will **withdraw** the submission and change the submission status to **“Incomplete”**. The Bidder is solely responsible to:

- make any required adjustments to their Bid;
- acknowledge the addendum/addenda; and
- ensure the re-submitted Bid is received by the Bidding System no later than the stated bid closing time and date.

## 9 EXAMINATION OF SITE

.1 The Tenderer shall visit the site of the work before submitting the tender and shall by personal examination satisfy themselves as to the local conditions that may be encountered during construction of the work. The Tenderer shall make their own estimate of the facilities and difficulties that may be encountered and the nature of the sub-surface materials and conditions. The Tenderer shall not claim at any time after submission of their tender that there was any misunderstanding of the terms and conditions of the contract relating to site conditions.

.2 The site of the Work is located at the **Main Branch Library at 50 East Street**, Sault Ste. Marie, Ontario.

.3 Before submitting a bid, Contractors are strongly encouraged to examine the site to fully ascertain existing conditions, circumstances and limitations affecting the Work. No allowances will be made for additional costs arising out of failure to investigate existing conditions.

.4 As the project consists of exterior work, contractors are welcome to examine the exterior at any time without a formal request.

**10 TENDER PARTS**

.1 The division of the Tender into several parts is for administrative purposes only. Tenderers shall bid on all parts. Incomplete tenders will not be accepted.

**11 HARMONIZED SALES TAX**

.1 HST is extra to tendered pricing and shall not be included in the Total Tender Amount.

**12 TENDER DEPOSIT**

.1 Each tender shall be accompanied with a tender deposit in the form of a bid bond, certified cheque, money order, or bank draft payable to the Corporation of the City of Sault Ste. Marie in the amount equal to **10% of the Total Tender Price**.

.2 Such deposit shall be security to the owner that the Tenderer, if awarded the contract will execute the agreement, supply bonds (Section 13), insurance documents and a Workers' Compensation Board Clearance Certificate within one (1) week of being notified of the award and start work as specified. The security will be forfeited to the Corporation if the accepted Tenderer fails to enter into the formal contract within the specified time.

.3 The tender deposit of all Tenderers will be retained until a tender has been accepted and the contract properly executed.

**13 BONDS**

.1 The successful Contractor shall be required to furnish a Contract Material and Labour Payment Bond for 50% of the amount of the tender and a Contract Performance Bond for 50% of the amount of the tender, issued by an approved Surety Company. Such bonds shall be approved by and be acceptable to the Corporation and must be furnished when the Contractor signs the contract.

**14 AGREEMENT TO BOND**

.1 Each tender must be accompanied by an "Agreement to Bond" from an approved guarantee company as surety that the Tenderer can obtain the required Contract Material and Labour Payment Bond and the required Contract Performance Bond.

**15 WORKPLACE SAFETY & INSURANCE BOARD**

.1 The Successful Contractor shall furnish evidence of compliance with all requirements of the Workplace Safety & Insurance Act of Ontario. Such evidence shall include a Certificate of Good Standing issued prior to the execution of the contract, and a further certificate issued prior to the release of the Construction Lien Act Holdback.

**16 SUBCONTRACTORS**

.1 The Tenderer shall submit with his tender a full list (with addresses) of all subcontractors they propose to use on the project. Subcontractors not listed at time of tender opening will be considered hired equipment. This list is to be submitted in the Tender Documents.

**17 TENDER'S & SUBCONTRACTOR'S SENIOR STAFF**

.1 The Tenderer shall submit with his tender a list of all senior staff to be employed on this contract, including those of the subcontractor. The information to be submitted in the Tender Documents.

**18 TENDERER'S & SUBCONTRACTOR'S EXPERIENCE IN SIMILAR WORK**

.1 The Tenderer shall submit with his tender a list of projects completed involving work similar to this contract, for his own forces and the subcontractor. The information to be submitted in the Tender Documents.

**19 OCCUPATIONAL HEALTH AND SAFETY ACT**

.1 For purposes of the Occupational Health and Safety Act, the Contractor for this project will be the Constructor on the site and will undertake the project for the owner. The Constructor shall ensure that the requirements of the OHSA and its Regulations are carried out on the project and the health and safety of all workers on the site is protected.

.2 The Contractor for the project is the successful Tenderer for the project and will be the Constructor for the project.

.3 To this end the Ministry of Labour shall be notified of the commencement of work on the project, with copies of such notification to be forwarded to the Corporation.

.4 The Contractor agrees to indemnify the Corporation for any costs incurred by it for on site health and safety violations, except those for which the City is directly responsible for.

**20 TENDER LEFT OPEN**

.1 The Tenderer shall keep their tender open for acceptance for sixty (60) days after the closing date. Withdrawal during this period will result in forfeiture of the tender deposit.

**21 PROGRESSION OF WORK AND COMPLETION DATE**

.1 The Contractor shall start work on this job within ten (10) days of receiving written notification from the Engineer to proceed and shall continuously work in an orderly manner to prevent the least amount of delay, to completion. The time for completion, detours and sequence of operations, shall be specified in the Special Provisions contained herein.

**22 CONTRACTOR'S WORK FORCE**

.1 The Contractor shall provide and furnish all manner of labour, materials, apparatus, scaffolding, utensils, and cartage of every description necessary for the due performance of the work and render all due and sufficient facilities to the Engineer for the proper inspection of the work. The Engineer may require the contractor to dismiss any worker(s) who may be incompetent, uncivil, or abusive: the worker(s) and contractor only being admitted to the grounds for the purpose of proper execution of the work.

**23 RIGHT OF CITY**

.1 The City reserves the right to accept or reject any and all tenders and the lowest tender will not necessarily be accepted.

.2 The City shall not accept any inconsistency in the Unit Prices bid for various items.

.3 The City reserves the right to delete any portion or part of the work outlined and the bidder agrees to such cancellation without any claim whatsoever because of such cancellation.

**24 SCHEDULE AND HOURS OF WORK**

.1 Hours of work will be a minimum of 8 hours per day, 5 days per week, Monday to Friday. Any additional expenses, including overtime, to meet this schedule and completion date will be the responsibility of the Contractor and is to be included in the Contractor's Tender Price.

**25 TENDER CONFIDENTIALITY**

.1 The City of Sault Ste. Marie will consider all tenders as confidential, subject to the provisions set out in the *Municipal Freedom of Information and Protection of Privacy Act*. The names of the tenderers and the total amount of the tenders will be made available to the public. However, unit prices will not be made available to the public unless required to do so by the Information and Privacy Commission.

**26. WITHDRAWAL PROCEDURES**

.1 Bidders may edit or withdraw their Bid Submission prior to the closing time and date. However, the Bidder is solely responsible to ensure the re-submitted bid is received by the Bidding System no later than the stated closing time and date.

.2 The Bid Deposit shall be forfeited to the Corporation when a bidder attempts to withdraw his or her tender after tenders have been opened, in addition to any consequence or legal penalty that may apply.

**27 SUBSTITUTIONS**

.1 Where, pursuant to the contract documents, the Contractor is required to supply an article or group of related articles designated by trade or supplier's name followed by the words "or approved equal" or similar such terminology, the tender shall be based only upon supplying the article or group of articles so designated, which shall be regarded as the standard of quality required by the specifications.

.2 No ruling on a proposed substitution and "approved equal" will be made prior to acceptance of a tender. No substitutions shall be made without the prior approval of the Engineer. No tender price shall be based on a presumed acceptance by the Engineer, of a substitute item of supply.

**28 CONTRACTOR PRE-QUALIFICATION**

.1 The successful Bidder is required to comply with the requirements of the City's Contractor Pre-Qualification Program prior to the start of onsite work on this Contract and shall be kept current for the duration of the Contract. These requirements include but are not limited to WSIB Coverage, Liability Insurance Coverage, Accessibility Training, and Safe Work Practices. Details regarding compliance with this requirement may be obtained by contacting Shelley Olar, Risk Manager, telephone 705-759-5768 or by email to s.olar@cityssm.on.ca. Responsibility for compliance with this requirement for its Subcontractors is the responsibility of the successful Contractor. Failure to comply with the requirements of this Program will result in loss of the contract.

## 29 MATHEMATICAL ERRORS

.1 In the event of mathematical error found in the pricing page, the unit prices quoted shall prevail. Extensions and totals will be corrected accordingly and adjustments resulting from the correction(s) will be applied to the total bid price quoted.

## 30 AWARD OF TENDER

.1 The award of the Tender is subject to approval of City of Sault Ste. Marie Council. Once approved, the successful bidder must sign the form of agreement with the City of Sault Ste. Marie, the attached schedule and provide any other post-bid submissions.

**END OF SECTION**

## 1. EXISTING CONDITION

.1 Upon review of the tender documents, it is the responsibility of the Contractor to review the site.

.2 The project consists of exterior work, and contractors have no reason to enter the building.

.3 The building will remain operation during the duration of construction, with the Contractor responsible for the safety of the public below.

.4 The Owner has through a third party, investigated existing construction materials and has determined that there are no 'Designated Hazardous Materials' present.

.5 Contractor shall not be entitled to extra payment and/or performance time for work which is required and which is reasonably inferable in the drawings and upon site review of the existing project Site .

.6 Advise Consultant in writing of any discrepancies.

**END OF SECTION**

The General Conditions of the Standard Construction Document CCDC 2-2020, Stipulated Price Contract are hereby amended as follows:

**GENERAL CONDITIONS OF THE STIPULATED PRICE CONTRACT**

**1 GENERAL** Where a General Condition or paragraph of the General Conditions of the Stipulated Price Contract is deleted by these Supplementary Conditions, the numbering of the remaining General Conditions or paragraphs shall remain unchanged, and the numbering of the deleted item will be retained, unused.

**Article GC 1.1 – Contract Documents**

(1) Add new sentence .6 to the end of paragraph 1.1.5:
PDF *Drawings* and S*pecifications* are to be provided to the *Contractor* in their entirety for his use in coordinating the work with his contracted sub-contractors and suppliers.

(2) Add new paragraph 1.1.12: "The S*pecifications* are divided into divisions and sections for convenience but shall be read as a whole and neither such division nor anything else contained in the *Contract Documents* will be construed to place responsibility on the *Consultant* to settle disputes among the *Subcontractors* and *Suppliers* or as between them and the *Contractor* with respect to such divisions".

(3) Add new paragraph 1.1.13: "The *Contractor* shall review the *Contract Documents* and shall report promptly to the *Consultant* any error, inconsistency or omission the *Contractor* may discover. Such review by the *Contractor is expected to* be to the best of the Contractor's knowledge, information and expectation based on experience. Except for its obligation to make such review and report the result, the *Contractor* does not assume any responsibility to the *Owner* or to the *Consultant* for the accuracy of the *Contract Documents*. The *Contractor* shall not be liable for damage or costs resulting from such errors, inconsistencies, or omissions in the *Contract Documents*, which the *Contractor* could not reasonably have discovered. If the *Contractor* does discover any error, inconsistency or omission in the *Contract Documents*, the *Contractor* shall not proceed with the work affected until the *Contractor* has received corrected or missing information from the *Consultant*."

(4) Add new paragraph 1.1.14: "If at any time, the *Contractor* finds errors, inconsistencies, or omissions in the *Contract Documents* or has any doubt as to the meaning or intent of any part thereof, the *Contractor* shall immediately notify the *Consultant*, and request a *Supplemental Instruction, Change Order,* or *Change Directive,* as the case may require. Neither the *Owner* nor the *Consultant* will be responsible for the consequences of any action of the *Contractor* based on oral instructions.

**Article GC 2.2 – Role of the Consultant**

(1) Add the word "schedules" after the word "techniques" in paragraph 2.2.5

(2) Add to the end of the second sentence of paragraph 2.2.5 "or to adhere to the construction schedule".

(3) Delete the following from sentence 2.2.6: "Except with respect to GC 5.1- FINANCING INFORMATION REQUIRED OF THE OWNER".

(4) Add at the end of sentence 2.2.8. "The *Owner* and the *Contractor* shall waive any claims against the *Consultant* arising out of the making of such interpretations and findings in accordance with paragraphs 2.2.7., 2.2.8. and 2.2.9."

(5) After the word "submittals", add the words "which are provided" before the words "in accordance…" in paragraph 2.2.13.

**Article GC 2.4 – Defective Work**

(1) Add new subparagraphs 2.4.2.1 and 2.4.1.2:

2.4.1.1 The *Contractor* shall rectify, in a manner acceptable to the *Owner* and the *Consultant*, all defective work and deficiencies throughout the *Work*, whether or not they are specifically identified by the *Consultant.*

2.4.1.2 The *Contractor* shall prioritize the correction of any defective work which, in the sole discretion of the *Owner*, adversely affects the day to day operation of the *Owner.*

**Article GC 3.1 – Control of the Work**

(1) Add the word “schedules” after the word “techniques” in paragraph 3.1.2.

(2) Add new paragraph 3.1.3.: Prior to commencing individual procurement, fabrication and construction activities, the *Contractor* shall verify, at the *Place of the Work*, all relevant measurements and levels necessary for proper and complete fabrication, assembly and installation of the *Work* and shall further carefully compare such field measurements and conditions with the requirements of the *Contract Documents*. Where dimensions are not included or exact locations are not apparent, the *Contractor* shall immediately notify the *Consultant* in writing and obtain written instructions from the *Consultant* before proceeding with any part of the affected work.

**Article GC 3.2 - Construction by Owner or Other Contractors**

(1) Delete this Section in its entirety.

**Article GC 3.4 – Construction Schedule**

(1) Delete paragraph 3.4.1.1 in its entirety and substitute new paragraph 3.4.1.1:

The *Contractor* shall,

(1) Within 15 days following the award of the *Contract* prepare and submit to the *Owner* and the *Consultant* for their review and acceptance, a construction schedule that indicates the timing of the activities of the *Work* and provides sufficient detail of the critical events and their inter-relationship to demonstrate the *Work* will be performed in conformity with the *Contract Time* and in accordance with the *Contract Documents.* Unless otherwise agreed to in writing, in advance by the *Owner* and the *Contractor*, when required by the *Specifications* to employ construction scheduling software, the *Contractor* shall employ the software Microsoft Project in generating the construction schedule, which permits the progress of the *Work* to be monitored in relation to the critical path established in the schedule. The *Contractor* shall provide the construction schedule and any successor or revised schedules to the *Owner* in electronic format and paper copy. When required by the *Specifications* to employ construction scheduling software, the *Contractor* shall provide the construction schedule to the *Owner* in editable format, together with a record version in PDF format. Once accepted by the *Owner* and the *Consultant*, the construction schedule submitted by the *Contractor* shall become the baseline construction schedule.

(2) Provide the expertise and resources, such resources including manpower and equipment, as are necessary to maintain progress under the accepted baseline construction schedule or any successor or revised schedule accepted by the *Owner.*

(3) Monitor the progress of the *Work* on a weekly basis relative to the baseline construction schedule, or any successor or revised schedule accepted by the *Owner,* and update the schedule on a monthly basis and advise the *Consultant* and the *Owner* in writing of any variation from the baseline or slippage in the schedule.

(4) If after applying the expertise and resources required under subparagraph 3.4.1.2, the *Contractor* forms the opinion that the variation or slippage in schedule reported pursuant to subparagraph 3.4.1.3 cannot be recovered by the *Contractor*, it shall, in the same notice, indicate to the *Consultant* and the *Owner* if the *Contractor* intends to apply for an extension of *Contract Time* as provided in GC 6.5 – DELAYS.

**Article GC 3.5 – Supervision**

(1) Delete paragraph 3.5.1. in its entirety and substitute new paragraph 3.5.1.: "The *Contractor* shall provide all necessary supervision and appoint competent representatives who shall be in attendance at the *Place of the Work* while work is being performed. The appointed representatives shall not be changed except for valid reasons, and upon the *Contractor* obtaining the *Owner's* written consent, which consent will not be unreasonably withheld".

(2) Add new paragraph 3.5.3: "The *Owner* may, at any time during the course of the *Work*, request the replacement of the appointed representative(s), where the grounds for the request involve conduct which jeopardizes the safety and security of the site or the *Owner's* operations. Immediately upon receipt of the request, the *Contractor* shall make arrangements to appoint an acceptable replacement".

**Article GC 3.7 – Labour and Products**

(1) Add new paragraph 3.5.4: "The *Contractor* is responsible for the safe on-site storage of *Products* and their protection (including *Products* supplied by the *Owner* and other contractors to be installed under the *Contract*) in such ways as to avoid dangerous conditions or contamination to the *Products* or other persons or property and in locations at the *Place of Work* to the satisfaction of the *Owner* and the *Consultant*. The *Contractor* shall provide all relevant information on *Products* to be supplied by the *Contractor".*

**Article GC 3.8 – Shop Drawings**

(1) Add the words "AND OTHER REQUIRED SUBMITTALS" to the Title after SHOP DRAWINGS.

(2) Add sentence 3.8.3.3: "The *Contractor* shall prepare a Shop Drawing Log and Schedule of the dates for provision, review and return of *Shop Drawings* and *Submittals* and submit it to the *Consultant* for review. The Shop Drawing Log and Schedule to be monitored and up-dated as required and provided to the Consultant.

(3) Add sentence 3.8.4.1: "Adjustments made on *Shop Drawings* by the *Consultant* are not intended to change the *Contract Price*. If any such adjustments may result in any change to the *Contract Price*, the *Contractor* shall so advise the *Consultant* prior to proceeding with the work".

**Article GC 5.2 – Applications for Payment**

(1) Add paragraph 5.2.9: "The *Contractor* shall submit a Workplace Safety & Insurance Board Clearance Certificate with each application for progress payment*".*

(2) Add paragraph 5.2.10: "The *Contractor* shall prepare current *As-Built Drawings* during the course of the *Work*, which current *As-Built Drawings* shall be maintained by the *Contractor* and made available to the *Consultant* for review with each application for progress payment. The *Consultant* may retain a reasonable amount and up to a maximum of the amounts outlined in paragraph 5.4.7, from any progress payment for the value of the *As-Built Drawings* not presented for review until the *As-Built Drawings* are presented for review".

**Article GC 5.3 – Payment**

(1) Delete subparagraph 5.3.1.2 in its entirety and substitute new subparagraph 5.3.1.2: "The *Owner* shall make payment to the *Contractor* on account no later than 30 calendar days after the date of a certificate of payment issued by the *Consultant".*

**Article GC 5.4 – Substantial Performance of the Work and Payment of Holdback**

(1) Add the following new paragraphs:

(1) 5.4.7: Within 7 calendar days of receiving a copy of the certificate of *Substantial Performance of the Work* signed by the *Consultant*, the *Contractor* shall publish a copy of the certificate in a construction trade newspaper (as that term is defined in the *Construction Lien Act*) and shall provide to the *Consultant* and the *Owner* the date of publication and the name of the construction trade newspaper in which the publication occurred. If the *Contractor* fails to comply with this provision, the *Owner* may publish a copy of the certificate and charge the *Contractor* with the costs so incurred.

(2) 5.4.8: Where the *Contractor* is unable to deliver the documents and materials required, then, provided that none of the missing documents and materials interferes with the use and occupancy of the *Project* in a material way, the failure to deliver shall not be grounds for the *Consultant* to refuse to certify *Substantial Performance of the Work.*

(3) 5.4.9: Together with the submission of its written application for *Substantial Performance of the Work*, the *Contractor* shall submit to the *Consultant* and to the *Owner* a statutory declaration setting forth in reasonable detail any then outstanding and unresolved disputes or claims between the *Contractor* and any *Subcontractor* or *Supplier,* including any claims allegedly arising from delay, which are, directly or indirectly, related to any then outstanding or anticipated disputes or claims between the *Contractor* and the *Owner,* and this disclosure shall, at a minimum:

.1 identify the parties involved;
.2 identify the amount in dispute;
.3 provide a brief statement summarizing the position of each party;
.4 include copies of any correspondence or documents in support of either party's position;
.5 include copies of any documents of any court or arbitration process related to the matter;
.6 identify the dispute or claim between the *Contractor* and the *Owner* to which the matter relates; and
.7 include a copy of any written agreement or a summary of any oral agreement between the parties related to resolution of the matter.

(4) 5.4.10: Prior to the release of the finishing holdback provided for under the *Construction Lien Act*, the *Contractor* shall submit:

1) *Contractor's* written request for release of the finishing holdback, including a statement that no written notices of lien have been received by it;
2) a Statutory Declaration CCDC 9A-2001;
3) a final Workplace Safety & Insurance Board Clearance Certificate.

The disclosure requirements detailed herein are of a continuing nature and survive completion of the *Work*. Accordingly, the Contractor *shall* supplement the information provided with the original statutory declaration with additional materials pertaining to new or existing disputes or claims, as they become available. The *Contractor* shall not be entitled to recover from the *Owner* any amount pertaining to any claim or dispute referred to in this paragraph, if the provisions of this paragraph have not been fully complied with. For greater certainty, the *Contractor* is not obliged to make the aforementioned disclosure with respect to any dispute or claim that is not related to or does not touch upon any then outstanding and unresolved dispute or claim between the *Contractor* and the *Owner*.

**Article GC 5.5 – Final Payment**

(1) Delete paragraph 5.5.1 in its entirety and substitute new paragraph 5.5.1: When the *Contractor* considers that the *Work* is completed, the *Contractor* shall submit an application for final payment. The *Contractor's* application for final payment shall be accompanied by any documents or materials not yet delivered pursuant to GC 5.4. The *Work* shall be deemed not to be performed until all of the aforementioned documents have been delivered.

**Article GC 6.2 – Change Order**

(1) Add paragraph 6.1.3: "The value of a change shall be determined by estimate and acceptance in a lump sum with the following maximum fees chargeable:

(1) Work by the Contractor's Own Forces: Additional work (extra): To the cost of materials, labour and statutory charges applicable to labour costs only, add 5% for overhead and to this sum add 10% for profit. For less work (credits): the cost of materials, labour and statutory charges applicable to labour costs only shall be deducted from the Contract Sum.

(2) Work by Subcontractor: Additional work (extras): to the cost of materials, labour and statutory charges applicable to labour costs only, add 5% for overhead and to this sum add 5% for profit. For less work (credits): the cost of materials, labour and statutory charges applicable to labour costs only shall be deducted from the Contract Sum.

(3) The Contractor's fee on extras by a Subcontractor: add 5% for combined overhead and profit.

(5) For extra work by a Sub-Subcontractor for a Prime Subcontractor, the fee as described in item (2) shall be chargeable by the Sub-subcontractor and the fee chargeable by both the Prime Subcontractor and the Contractor shall be 10% for combined overhead and profit.

(6) Definition of Overhead: "The term 'overhead' shall include the costs for items required by Division 1 - General Requirements - including bonds, permits, insurance, office overhead, field supervision and travelling expenses."

**Article GC 6.5 – Delays**

(1) Add new paragraph 6.4.2.1. : "Claimed costs to exclude any consequential, indirect or special damages".

(2) Add new paragraph 6.5.6.: "If the *Contractor* is delayed in the performance of the *Work* by an act or omission of the *Contractor* or anyone directly or indirectly employed or engaged by the *Contractor,* or by any cause within the *Contractor's* control, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may decide in consultation with the *Contractor*. The *Owner* shall be reimbursed by the *Contractor* for all reasonable costs incurred by the *Owner* as the result of such delay, including, but not limited to, the cost of all additional services required by the *Owner* from the *Consultant* or any subconsultants, employed or engaged by the *Owner".*

**Article GC 7.1 – Owner's Right to Perform the Work, Terminate the Contractor's Right to Continue with the Work or Terminate the Contract**

(1) Revise the heading, "OWNER'S RIGHT TO PERFORM THE WORK, TERMINATE THE CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK OR TERMINATE THE CONTRACT" to read, **"OWNER'S RIGHT TO PERFORM THE WORK, TERMINATE THE CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK, SUSPEND THE WORK OR TERMINATE THE CONTRACT".**

(2) Delete paragraph 7.1.6 and add new paragraphs as follows:

7.1.6: In addition to its right to terminate the Contract set out herein, the *Owner* may terminate this *Contract* at any time for any other reason and without cause upon giving the *Contractor Notice in Writing* to that effect. In such event, the *Contractor* shall be entitled to be paid for all *Work* performed including reasonable profit, for loss sustained upon *Products* and *Construction Equipment*, and such other damages as the *Contractor* may have sustained as a result of the termination of the *Contract*, but in no event shall the *Contractor* be entitled to be compensated for any loss of profit on unperformed portions of the *Work*, or indirect, special, or consequential damages incurred.

7.1.7: The *Owner* may suspend *Work* under this *Contract* at any time for any reason and without cause upon giving the *Contractor Notice in Writing* to that effect. In such event, the *Contractor* shall be entitled to be paid for all *Work* performed to the date of suspension and be compensated for all actual costs incurred arising from the suspension, including reasonable profit, for loss sustained upon *Products* and *Construction Equipment*, and such other damages as the *Contractor* may have sustained as a result of the suspension of the *Work*, but in no event shall the *Contractor* be entitled to be compensated for any indirect, special, or consequential damages incurred. In the event that the suspension continues for more than 180 calendar days, the *Contract* shall be deemed to be terminated and the provisions of paragraph 7.1.6 shall apply.

7.1.8: In the case of either a termination of the *Contract* or a suspension of the *Work* under General Condition 7.1 - OWNER'S RIGHT TO PERFORM THE WORK, TERMINATE THE CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK, SUSPEND THE WORK OR TERMINATE THE CONTRACT or General Condition 7.2 - CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT, the *Contractor* shall use its

best commercial efforts to mitigate the financial consequences to the *Owner* arising out of the termination or suspension, as the case may be.

7.1.9: Upon the resumption of the *Work* following a suspension under General Condition 7.1 - OWNER'S RIGHT TO PERFORM THE WORK, TERMINATE THE CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK, SUSPEND THE WORK OR TERMINATE THE CONTRACT or General Condition 7.2 - CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT, the *Contractor* will endeavor to minimize the delay and financial consequences arising out of the suspension.

7.1.10: The *Contractor's* obligation under the *Contract* as to quality, correction, and warranty of the *Work* performed by the *Contractor* up to the time of termination or suspension shall continue after such termination of the *Contract* or suspension of the *Work*.

**Article GC 7.2 – Contractor's Right to Suspend the Work or Terminate the Contract**

(1) Delete paragraph 7.2.2 in its entirety.

(2) Delete subparagraph 7.2.3.3 in its entirety and substitute new subparagraph 7.2.3.3: "the *Owner* fails to pay the *Contractor* when due the amount certified by the *Consultant* or awarded by arbitration or a court, except where the *Owner* has a bona fide claim".

(3) Delete from the end of paragraph 7.2.4 the words "or terminate the *Contract*" and substitute the words: "until the default is corrected, provided however, that in the event of such suspension, the provisions of subparagraph 7.1.10 shall apply. If the *Contractor's Notice in Writing* to the *Owner* was given pursuant to subparagraph 7.2.3.3, then, 180 days after the delivery of the *Notice in Writing*, the *Contractor* may terminate the *Contract,* provided, however, that in the event of such termination, the provisions of subparagraph 7.1.10 shall apply."

**Article GC 9.1 – Protection of Work and Property**

(1) Add to subparagraph 9.1.1.1:"which the *Contractor* could not have discovered applying the standard of care described in paragraph 3.14.1"

(2) Delete paragraph 9.1.2 in its entirety and substitute the following new paragraph 9.1.2: Before commencing any *Work*, the *Contractor* shall determine the locations of all underground utilities and structures indicated in or reasonably determinable from the *Contract Documents*, or that are reasonably determinable from an inspection of the *Place of the Work* exercising the degree of care and skill described in paragraph 3.14.1.

(3) Add new paragraph 9.1.5: "With respect to any damage to which paragraph 9.1.4 applies, the *Contractor* shall neither undertake to repair or replace any damage whatsoever to the work of other contractors, or to adjoining property, nor acknowledge that the same was caused or occasioned by the *Contractor*, without first consulting the *Owner* and receiving written instructions as to the course of action to be followed from either the *Owner* or the *Consultant*. Where, however, there is danger to life, the environment, or public safety, the *Contractor* shall take such emergency action as it deems necessary to remove the danger".

(4) Add new paragraph 9.1.6: "The *Contractor* shall be responsible for securing the *Place of Work* at all times and shall take all reasonable precautions necessary to protect the *Place of Work*, its contents, materials (including *Owner*-supplied materials) and the public from loss or damage during and after working hours. Where the Consultant or the *Owner* deems the provision of security guard services to be necessary, the *Contractor* shall provide those services at the *Contractor* 's expense".

**Article GC 9.2 – Toxic and Hazardous Substances**

(1) Add new subparagraph 9.2.5.5: "take all reasonable steps to mitigate the impact on Contract Time and Contract Price".

(2) Add to subparagraph 9.2.8.3 immediately before the comma, the following new words: "and as a result of the delay"

(3) Add to paragraph 9.2.8 after the word "responsible", the following new words: or whether any toxic or hazardous substances or materials already at the *Place of the Work* (and which were then

harmless or stored, contained or otherwise dealt with in accordance with legal and regulatory requirements) were dealt with by the *Contractor* or anyone for whom the *Contractor* is responsible in a manner which does not comply with legal and regulatory requirements, or which threatens human health and safety or the environment, or material damage to the property of the Owner or others,

(4) Add "and the *Consultant*" after the word "*Owner*" in subparagraph 9.2.8.4

**Article GC 9.4 – Construction Safety**

(1) Delete paragraph 9.4.1 in its entirety and substitute new paragraph 9.4.1: "The *Contractor* shall be solely responsible for construction safety at the *Place of the Work* and for compliance with the rules, regulations, and practices required by the applicable construction health and safety legislation and shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the *Work"*.

(2) Add new paragraphs 9.4.6, 9.4.7 and 9.4.8:

9.4.6: Prior to the commencement of the *Work*, the *Contractor* shall submit to the *Owner*:

(1) a current Workplace Safety & Insurance Board Clearance Certificate;

(2) copies of the *Contractor's* insurance policies having application to the *Project* or certificates of insurance, at the option of the *Owner*;

(3) documentation setting out the *Contractor's* in-house safety programs;

(4) a copy of the Notice of Project filed with the Ministry of Labour naming itself as "constructor" under the *Occupational Health and Safety Act*.

9.4.7. The *Contractor* shall indemnify and save harmless the *Owner*, its agents, officers, directors, employees, consultants, successors, appointees, and assigns from and against the consequences of any and all safety infractions committed by the *Contractor* under the *Occupational Health and Safety Act*, including the payment of legal fees and disbursements on a solicitor and client basis. Such indemnity shall apply to the extent to which the *Owner* is not covered by insurance, provided that the indemnity contained in this paragraph shall be limited to costs and damages resulting directly from such infractions and shall not extend to any consequential, indirect or special damages.

9.4.8 The *Owner* undertakes to include in its contracts with other contractors and in its instructions to its own forces the requirement that the other contractor or its own forces, as the case may be, comply with the policies and procedures of and the directions and instructions from the *Contractor* with respect to occupational health and safety and related matters. Prior to admission to the *Place of the Work*, the *Contractor* may, as a condition of admission, require any other contractor or the *Owner's* own forces to sign a written acknowledgement in the following form:

**END OF SECTION**

**Acknowledgement**

The undersigned acknowledges that the *Work* it will perform on behalf of the *Owner* requires it to enter a *Place of the Work* which is under the total control of a *Contractor* that has a *Contract* with the *Owner*, pursuant to which the *Contractor* has assumed overall responsibility for compliance with all aspects of the applicable health and safety legislation, including all the responsibilities of the "constructor" under the *Occupational Health and Safety Act*, as well as responsibility to co-ordinate and schedule the activities of our *Work* with the *Work* of the *Contractor* under its *Contract*. The undersigned agrees to comply with the *Contractor*'s directions and instructions with respect to health, safety, co-ordination, and scheduling and acknowledges that its failure to do so will be cause for termination of employment or of the undersigned's *Contract* with the *Owner,* as the case may be. The undersigned also agrees to have the *Contractor* named as an additional insured on any comprehensive liability insurance policy, where such insurance is required.

Name: _____

Signature: _____

Title: _____

Company: _____

Date: _____

**1. GENERAL REQUIREMENTS**

.1 Division 1 requirements apply to all Sections of Work.

**2. SUMMARY OF WORK**

.1 Provide all items, articles, materials, services and incidentals, whether or not expressly specified or shown on Drawings, to make finished work complete and fully operational, consistent with the intent of the Contract Documents.

.2 Provide all work indicated in Contract Documents, regardless whether located within or outside Owner's property lines.

.3 Work designated N.I.C.is not included in this Contract:

**3. DIVISION OF WORK**

.1 Work specified in the Specification has been divided into technical Sections for the purpose of ready reference. Division of work among Subcontractors and suppliers is solely the Contractor's responsibility and Consultant assumes no responsibility to act as an arbiter to establish subcontract limits between Sections or Divisions of work.

**4. IMPERIAL PROJECT**

.1 This project is based on The Imperial System of Units. Measurements are expressed in feet / inches and depending on the progress made in the various sectors of the industry are either hard or soft converted units.

.2 All imperial units specified shall be taken to be the minimum acceptable unless otherwise noted.

.3 It is the Contractor's responsibility to check and verify with manufacturers and suppliers on the availability of materials and products in either metric or imperial sizes.

.4 Where a material or product cannot be obtained in the size specified, provide the next larger imperial size available.

**5. SAFETY AND SECURITY**

.1 Be responsible for security of all areas affected by work of this Contract until taken over by Owner. Take steps to prevent entry to the Work by unauthorized persons and guard against theft, fire and damage by any cause.

.2 Provide suitable surveillance equipment and/or employ guard services, as required to adequately protect the Work.

.3 Maintain fire protection for work. Store paints and volatile substances in a separate and controlled location and inspect frequently. Inspect temporary wiring, drop cords, extension cables for defective insulation or connections frequently. Remove combustible wastes frequently. Prohibit smoking in areas where volatile and flammable substances are used.

.4 Do not cut, bore or sleeve through any loadbearing member, new or existing without Consultant's written authorization, unless specifically indicated on Drawings.

**6. USE OF SITE**

.1 Accept full responsibility for assigned work areas from the time of Contract award until Substantial Performance of the Work.

.2 Check means of access and egress, rights and interests which may be interfered with. Do not block lanes, roadways, entrances or exits. Direct construction traffic and locate access to site as required.

**7. DIVISION OF WORK**

.1 These Specifications have been divided into Divisions and Sections of work according to the accepted standards of Construction Specifications Canada (CSC) for the Construction Specifications Institute (CSI).

.2 The Contractor shall have sole responsibility for determination of subdivision of the material, labour and services necessary to complete the project to the specified standards of the proposed Contract Documents

.3 The Contractor shall be responsible for distributing all sections and divisions of the work to the Subcontractors bidding the work during tender phase and to the Sub contactors which are retained to perform the work during construction. The Contractor shall also be responsible to determine those Sub-contractors submitting pricing, have not been disqualified from performing work on AFS projects.

.4 The Contractor will ensure that all of their Subcontractors are completely familiar with all the requirements of the Contract Documents which may affect their price.

.5 Main Divisions as listed in the table of contents are intended to be bid directly to the General Contractor. If major divisions are carried under another major division's contract, mark-up will only be allowed once.

**END OF SECTION**

**1.1 DESCRIPTION**

.1 Throughout construction the existing premises will remain occupied. Work is to be executed in a manner that will cause minimum interference with normal official activity and maintain absolute safety of the occupants and visitors.

.2 Safety and security of the Owner's property and the Occupants is not to be compromised by construction activity.

.3 Cooperate with the Owner in developing suitable security measures. Responsibility for a safe environment is the Contractor's.

.4 Do not proceed until satisfied that the requirements for a safe workplace can be maintained.

.5 Keep roof access point(s) away from traffic and parking areas.

.6 All access ladders must be removed at the end of each day's work.

.7 Related Work Described Elsewhere: In addition to the requirements and standards specified in this Section, comply with all requirements for occupancy and safety described in various other Sections of these Specifications.

.8 The site of the Work is located at the Main Branch at **50 East Street**, Sault Ste. Marie, Ontario.

.9 Before submitting a bid, Contractors are strongly encouraged to examine the site to fully ascertain existing conditions, circumstances and limitations affecting the Work. No allowances will be made for additional costs arising out of failure to investigate existing conditions. As the project consists of exterior work, contractors are welcome to examine the exterior at any time without a formal request.

**1.2 GENERAL SCOPE**

.1 Work Included consists of removing existing horizontal metal siding and roof parapet slashing adjacent to the metal siding for new.

.2 It is assumed that the existing sheathing substrate will be acceptable for the new installation. Upon removal of existing siding visual inspection will determine compatibility for the new installation.

**1.3 QUALITY ASSURANCE**

.1 Codes and Standards: Comply with the relevant Health, Occupation and Safety Code requirements of Federal, Provincial and Municipal authorities having jurisdiction and include, but not limited to; means of egress, fire detection and suppression systems, emergency lighting, public safety etc.

**1.4 SUBMITTALS**

.1 Before contemplating accessing the areas to carry out work or to obstruct or to take out of use any area of existing premises or service or to cause any other interference, request meeting with Consultant and Owner's representative in order to reach agreement as to timing and length of time you may cause interference.

**2.1 SCOPE OF THE WORK**

.1 The following is an outline of the scope of work for this project. Tenderers are required to review all contract documents for a complete description of the scope of work for **JAMES L. McINTYRE CENTENNIAL LIBRARY, EXTERIOR CLADDING.**

.2 Substantial Performance for this contract be completed prior to **October 30, 2024**. The Base Bid scope includes Architectural work associated with the complete construction requirements for this project.

.3 The scope of project is further described in the balance of the contract documents, including the drawings and specifications.

**2.2 WORK BY OTHERS**

.1 Co-operate with other Contractors in carrying out their respective works and carry out instructions from Consultant.

.2 Co-ordinate work with that of other Contractors. If any part of work under this contract depends for its proper execution or result upon work of another Contractor, report promptly to Consultant, in writing, any defects which may interfere with proper execution of Work.

**2.3 CONTRACTOR USE OF THE PREMISES**

.1 Contractor shall have limited use of project site for construction operations during the construction period. Contractor to coordinate extent of all zones and staging with the Consultant and Owner at Pre-construction meeting.

.2 Provide and maintain temporary construction access to work zone. To be coordinated with Owner.

.3 Remove or alter existing work to prevent injury or damage to portions of existing work which remain.

.4 Repair or replace portions of existing work which have been altered during construction operations to match existing or adjoining work, as directed by Consultant.

.5 All damaged areas of the site (landscaped areas) to be restored to original / existing conditions.

.6 The building and designated parking areas will continue to be operational during all phases of construction and therefore the Contractor must take special precautions to:

.1 Maintain a clean and safe construction site

.2 Observe strict contamination control standards

.3 Cooperate with the Owner in all respects so that there is as little or no interference to the ongoing operations.

.4 Limit all activities (i.e., demolition, material delivery, material removal) which could disturb the current operation.

**PART THREE - EXECUTION**

**3.1 GENERAL**

.1 Furnish and maintain all temporary facilities for as 'long as needed" for the duration of the work, and maintain a safe environment for workers and the general public for the proper completion of the work. Remove all temporary facilities as rapidly as the progress of the work will permit, or as directed by the Consultant.

**END OF SECTION**

## SECTION 01 14 00 - WORK RESTRICTIONS

### PART 1 - GENERAL

#### 1.1 GENERAL REQUIREMENTS

.1 Comply with requirements of Division 1.

#### 1.2 ACCESS AND EGRESS

.1 Where security and safety has been reduced by Work of Contract, provide temporary means to maintain requirements.

.2 Coordinate requisite clearance requirements, as instructed, for staff and the public to enter the existing facilities.

.3 Owner will provide instruction for lay-down material areas, and protocols for delivery of construction materials.

.4 Contractor's forces are not to enter the building during the course of construction.

**END OF SECTION**

## SECTION 01 21 00 - ALLOWANCES

**1. GENERAL**

.1 Comply with GC 4.2 CONTINGENCY ALLOWANCE.

.2 Cash allowances are designated for additional work and services deemed to be necessary by Owner, from time to time, throughout the execution of the Work. Where a cash allowance refers to an item or category of work already included in Contract Documents, it shall be assumed to cover work or services in addition to that indicated, unless specifically indicated otherwise.

.3 Contractor may be required from time to time to assist in tendering of certain items of work as may be covered by allowance, as directed by Consultant.

**2. AUTHORIZATION**

.1 Allowances shall be expended by a written order signed by the Owner or Owner Representative.

.2 Work covered by allowances shall be performed for such amounts and by such persons as directed by the Consultant. Should it be required, the Contract Price will be adjusted, by written order, to provide for a deficit to any allowance.

.3 Include with each progress payments a summary of all allowances. Include the total amount, amount expended to date, amount applied for with new application (include supporting documentation).

.4 If entire allowance is not required to be expended against at the end of the project, the entire residual value will be retained by the owner, or at any time during the project at the owner's discretion.

**3. CONTINGENCY ALLOWANCE**

.1 Cash Contingency Allowance, unless otherwise specified, covers total cost to Contractor of services, products, construction machinery and equipment, freight, handling, unloading, storage, Installation and other authorized expenses incurred in performing Work for unforeseen conditions within existing building.

.2 The Contingency Allowance, and not contract price, shall include the Contractor's Overhead and Profit in connection with such cash allowance.

.3 Include the Contract a cash Contingency Allowance in the amount of **$ 50,000.00**.
(Fifty Thousand Dollars)

.4 Expenditures under Contingency Allowance will be authorized by issuance of Change Order only.

**END OF SECTION**

## 1.1 GENERAL

.1 Comply with Reference Standards as stipulated by:

.1 Canadian Construction Documents Committee (CCDC)

.1 CCDC 2-2020, Stipulated Price Contract

## 1.2 APPLICATIONS FOR PROGRESS PAYMENT

.1 Refer to CCDC 2.

.2 Make applications for payment on account as provided in Agreement monthly as Work progresses.

.3 Date applications for payment last day of agreed monthly payment period and ensure amount claimed is for value, proportionate to amount of Contract, of Work performed and Products delivered to Place of Work at that date.

.4 Submit to Consultant, at least 14 days before first application for payment. Schedule of values for parts of Work, aggregating total amount of Contract Price, to facilitate evaluation of applications for payment.

## 1.3 SCHEDULE OF VALUES

.1 Refer to CCDC 2.

.2 Provide schedule of values supported by evidence as Consultant may reasonably direct and when accepted by Consultant, be used as basis for applications for payment.

.3 Include statement based on schedule of values with each application for payment.

.4 Support claims for products delivered to Place of Work but not yet incorporated into Work by such evidence as Consultant may reasonably require to establish value and delivery of products.

## 1.4 PROGRESS PAYMENT

.1 Refer to CCDC 2.

.2 Consultant will issue to Owner, no later than 10 days after receipt of an application for payment, certificate for payment in amount applied for or in such other amount as Consultant determines to be due. If Consultant amends application, Consultant will give notification in writing giving reasons for amendment.

## 1.5 SUBSTANTIAL PERFORMANCE OF WORK

.1 Refer to CCDC 2.

.2 Prepare and submit to Consultant comprehensive list of items to be completed or corrected and apply for a review by Consultant to establish Substantial Performance of Work or substantial performance of designated portion of Work when Failure to include items on list does not alter responsibility to complete Contract.

.3 No later than 10 days after receipt of list and application, Consultant will review Work to verify validity of application, and no later than 7 days after completing review, will notify Contractor if Work or designated portion of Work is substantially performed.

.4 Consultant will state date of Substantial Performance of Work or designated portion of Work in certificate.

.5 Immediately following issuance of certificate of Substantial Performance of Work, in consultation with Consultant, establish reasonable date for finishing Work.

## 1.6 PAYMENT OF HOLDBACK UPON SUBSTANTIAL PERFORMANCE OF WORK

.1 Refer to CCDC 2.

.2 After issuance of certificate of Substantial Performance of Work:

.1 Submit application for payment of holdback amount.

.2 Submit sworn statement that accounts for labour, subcontracts, products, construction machinery and equipment, and other indebtedness which may have been incurred in Substantial Performance of Work and for which Owner might in be held responsible have been paid in full, except for amounts properly retained as holdback or as identified amount in dispute.

.3 After receipt of application for payment and sworn statement, Consultant will issue certificate for payment of holdback amount.

.4 Where holdback amount has not been placed in a separate holdback account, Owner will, 10 days prior to expiry of holdback period stipulated in lien legislation applicable to Place of Work, place holdback amount in bank account in joint names of Owner and Contractor.

.5 Amount authorized by certificate for payment of holdback amount is due and payable on day following expiration of holdback period stipulated in lien legislation applicable to Place of Work. Where lien legislation does not exist or apply, holdback amount is due and payable in accordance with other legislation, industry practice, or provisions which may be agreed to between parties. Owner may retain out of holdback amount sums required by law to satisfy liens against Work or, if permitted by lien legislation applicable to Place of Work, other third-party monetary claims against Contractor] which are enforceable against Owner.

**1.7 FINAL PAYMENT**

.1 Refer to CCDC 2, GC 5.7.

.2 Submit application for final payment when Work is completed.

.3 Consultant will, no later than 10 days after receipt of application for final payment, review Work to verify validity of application. Consultant will give notification that application is valid or give reasons why it is not valid, no later than 7 days after reviewing Work.

.4 Consultant will issue final certificate for payment when application for final payment is found valid.

**END OF SECTION**

## 1 PRE-CONSTRUCTION MEETING

.1 Immediately prior to construction, upon notification attend at location of Owner's choice, pre-construction meeting, along with authoritative representatives of certain key subcontractors as specifically indicated in the conference notice.

.2 Purpose of meeting is as follows:

.1 Review project communications procedures.

.2 Review contract administration requirements including submittals, payment and change order procedures.

.3 Identify all critical points on construction schedule for positive action.

.4 Identify any product availability problems and substitution requests.

.5 Establish site arrangements and temporary facilities.

.6 Review Consultant’s inspection requirements.

.7 Review any points which, in Owner's, Consultant's and Contractor's opinion, require clarification.

.3 The Consultant shall organize and chair the pre-construction meeting. Consultant shall record minutes of pre-construction meeting and distribute a copy to each participant within ten days of meeting.

## 2 SITE MEETINGS

.1 Prior to the commencement of the Work, the Contractor together with the Consultant shall mutually agree to a sequence for holding regular site meetings.

.2 Contractor to organize and chair site meetings. Ensure that persons, whose presence is required, are present and that relative information is available to allow meetings to be conducted efficiently.

.3 Once a month or more often if directed by Consultant include review with Consultant and Owner of construction schedule and application for progress payment, during or immediately following site meeting.

.4 Contractor to record minutes of each meeting and promptly distribute copies to be received by all participants not later than seven days after meeting has been held. Distribute minutes of meetings to all Consultants, whether in attendance or not.

## 3 SUPERVISION

.1 Employ an experienced and qualified supervisor who shall be in complete charge of the Work from commencement to final completion of the Work and who shall be present at the site whenever work is being carried out. A working foreperson will not be acceptable. The supervisor shall not be changed after commencement of work without the Consultant's approval.

.2 Supervise, direct, manage and control the work of all forces carrying out the Work, including subcontractors and suppliers. Carry out daily inspections to ensure compliance with the Contract Documents and the maintenance of quality standards. Ensure that the supervisory staff includes personnel competent in supervising all Sections of Work required.

.3 Arrange for a sufficient number of qualified assistants to the supervisor as required for the proper and efficient execution of the Work.

**4 DOCUMENTS ON SITE**

.1 Contractor's field office shall at all times contain a complete set of Contract Documents (Drawings and Specifications) with all addenda, site instructions, change orders, reviewed shop drawings and samples, colour schedule, finish materials schedules, hardware list, progress reports and meeting minutes.

**5 INTERFERENCE AND COORDINATION DRAWINGS**

.1 Prepare interference and equipment placing drawings to ensure that all components will be properly accommodated within the spaces provided.

.2 Prepare drawings to indicate coordination and methods of installation of a system with other systems where their relationship is critical. Ensure that all details of equipment apparatus, and connections are coordinated.

.3 Ensure that clearances required by jurisdictional authorities and clearances for proper maintenance are indicated on drawings.

.4 Upon Consultant's request submit copies of interference drawings to Consultant.

**6 BUILDING PERMIT**

.1 The Contractor shall be responsible for the application for the Building Permit on behalf of the project.

.1 The Building Permit will be paid for by the Contractor.
.2 Coordinate and provide to the Authorities Having Jurisdiction, any and all responses required from all parties to satisfy any questions arising out of the building permit application.

.2 Provide authorities having jurisdiction with any and all information as may be requested throughout the course of the project.

.1 Coordinate and provide, any and all information required from all parties to satisfy any questions that may be provided.

.3 The Contractor shall notify the Chief Building Official or the registered code agency where applicable, of the readiness, substantial completion, and completion of the stages of construction as set out in the Ontario Building Code.

.1 The Contractor shall be present at each site inspection by an inspector or registered code agency as applicable under the Ontario Building Code.

.2 The Contractor shall take minutes of these meetings and distribute copies to any and all persons, companies necessary and required to resolve all issues.

.3 The contractor shall collect and coordinate the response with the various parties and provide a consolidated response to the authorities having jurisdiction.

**7 REGULATORY REQUIREMENTS**

**7.1 BUILDING CODE**

.1 The project work has been documented to comply with the requirements of the Ontario Building Code and all amendments to date.

.2 Modifications to the project must not reduce the requirements of the Ontario Building Code.

.3 Conform to local by-laws which amend or expand upon the requirements of the Ontario Building Code.

.4 Conform to Ontario Fire Code, latest amendment.

**7.2 SAFETY CODES**

.1 Comply with the requirements of the Ontario Ministry of Labour specifically, and municipal and/or federal authorities as applicable for construction safety on this project.

.2 Contractor to include all costs for temporary facilities necessary to comply with safety standards.

.3 Conform to local by-laws which amend or expand upon the requirements of the Ontario Building Code

**7.3 MINISTRY OF LABOUR – CONSTRUCTOR GUIDELINES**

.1 Comply with the requirements of the Occupational Health and Safety Branch Ministry of Labour – Constructor Guidelines – current version.

**8 REQUEST FOR INFORMATION (RFI's)**

**8.1 GENERAL**

.1 Review Contract Documents ahead of work required for the project and submit RFI's in a timely fashion so as to not delay the work. Immediately on discovery of the need for additional information or interpretation of the Contract Documents, Contractor shall prepare and submit an RFI in the form specified.

.1 Architect will return RFIs submitted to Architect by other entities controlled by Contractor with no response

.2 Coordinate and submit RFIs in a prompt manner so as to avoid delays in Contractor's work or work of subcontractors

.2 Content of the RFI: Include a detailed, legible description of item needing information or interpretation and the following

.1 Project name
.2 Project number
.3 Date.
.4 Name of Contractor
.5 Name of Architect
.6 RFI number, numbered sequentially
.7 RFI subject
.8 Specification: Section Title, Section Number, Article and Item number and related paragraphs, as appropriate Drawing: Number, and location reference and photocopy/printed scan of portion of drawing as may be required to fully describe information required.

.9 Field dimensions and conditions, as appropriate
.10 Contractor's suggested resolution. If Contractor's suggested resolution impacts the Contract Time or the Contract Sum, Contractor shall state impact in the RFI
.11 Contractor's signature
.12 Attachments: Include sketches, descriptions, measurements, photos, Product Data, Shop Drawings, coordination drawings, and other information necessary to fully describe items needing interpretation or withdrawn.

**8.2 ARCHITECT'S ACTION**

.1 Architect will review each RFI, determine action required, and respond. Allow ten (10) working days for Architect's response for each RFI.

.1 The following Contractor-generated RFIs will be returned without action

.1 Requests for approval of submittals

.2 Requests for approval of substitutions

.3 Requests for approval of Contractor's means and methods.

.4 Requests for coordination information already indicated in the Contract Documents.

.5 Requests for adjustments in the Contract Time or the Contract Sum.

.6 Requests for interpretation of Architect's actions on submittals.

.7 Incomplete RFIs or inaccurately prepared RFIs.

.2 Architect's action may include a request for additional information, in which case Architect's time for response will be dated from time of receipt of additional information.

.3 Architect's action on RFIs that may result in a change to the Contract Time or the Contract Sum may be eligible for Contractor to submit Change Proposal.

.1 If Contractor believes the RFI response warrants change in the Contract Time or the Contract Sum, notify Architect in writing within three (3) days of receipt of the RFI response

.4 The Consultant shall endeavor to provide, with reasonable promptness, written responses to requests from the Contractor for clarification and interpretation of the requirements of the Contract Documents. Such services shall be provided as part of the Consultants Services. However, if the Contractors' requests for information, clarification or interpretation are, in the Consultant's professional opinion, for information readily apparent from reasonable observation of field conditions or a review of the Contract Documents, or are reasonable inferable therefrom, the Consultant shall be entitled to compensation for Additional Services in accordance with their agreement with the Owner, for time spent responding to such Requests. In turn, the Owner shall deduct these costs, plus a reasonable mark-up for administration, from the Contractors payment applications.

.5 RFI Log: Prepare, maintain, and submit a tabular log of RFIs organized by the RFI number. Submit up-to date log bi-weekly at commencement of project.

**END OF SECTION**

## 1 CONSTRUCTION SCHEDULE

.1 Within 14 days of Contract award, submit in format acceptable to Consultant, minimum 3 copies of Contractor's critical path construction schedule.

.2 Provide computer generated Schedule using suitable scheduling, software such as Gantt or Microsoft Project.

.3 Set up format to permit plotting of actual construction progress against scheduled progress.

.4 Schedule shall show:

.1 Commencement and completion dates of Contract.

.2 Commencement and completion dates of construction stages/phases, if any.

.3 Commencement and completion dates of each trade. Major trades shall be further broken down as directed by Consultant; generally follow Specification format.

.4 Order and delivery dates for major or critical equipment.

.5 Critical dates for shop drawing/sample submissions.

.6 Any other information relating to orderly progress of Contract, considered by Contractor or Consultant to be pertinent.

.5 Consultant, together with Contractor shall review construction progress once a month during or immediately following regular site meeting, or more often as directed by Consultant.

.6 Update construction schedule, whenever changes occur, in manner and at times acceptable to Consultant.

.7 Plot actual construction progress or schedule at least once a week.

.8 Submit copy of updated schedule to Consultant once a month, concurrently with application for payment.

## 2 CASH FLOW CHART

.1 Within 7 days after award of Contract, submit, in form approved by Consultant, cash flow chart broken down on a monthly basis in an approved manner. Cash flow chart shall indicate anticipated Contractor's monthly progress billings from commencement of work until completion.

.2 Update cash flow chart whenever changes occur to scheduling and in manner and at times satisfactory to Consultant.

## 3 PROGRESS RECORD

.1 Maintain on site, permanent written record of progress of work. Record shall be open to inspection by Consultant at all times and copy shall be furnished to Consultant upon request.

.2 This record shall show weather conditions, dates of commencement, progress and completion of various trades and items of work. Particulars pertaining to erection and removal of forms, pouring of concrete, installation of roofing and other critical or major components as well as number of employees of various trades and type and quantity of equipment employed daily, shall be noted.

.3 Display a copy of the construction schedule in the site office from start of construction to completion. Superimpose actual progress of work on schedule at least once each week.

**4 RECORD DRAWINGS**

.1 Obtain and keep on site at all times a complete and separate set of black line white prints.

.2 Note clearly, neatly, accurately and promptly as the work progresses all architectural changes, revisions and additions to the work and deviations from the Contract Documents.

.3 Record drawings shall be available for review at each site meeting.

.4 Refer to Section 017700 for requirements on submission of record drawings.

**5 PROGRESS PHOTOGRAPHS**

.1 Concurrently with monthly application for payment submit two sets of four 200 mm x 250 mm coloured, glossy photographs or digital files in jpeg format as follows:

1. Up to four photographs shall be taken from positions determined by Consultant.

2. Photographs shall be properly exposed and in focus; views shall be unobstructed.

3. Identify each photograph stating name of project, name of photographer, description of view and date of photograph taken.

**6 PRODUCT DELIVERY CONTROL**

.1 It is the responsibility of the Contractor to ensure that the supplier or distributor of materials specified or alternatives accepted, which he intends to use, has materials on the site when required. The Contractor shall obtain confirmed delivery dates from the supplier.

.2 Provide equipment delivery schedule, coordinated with construction and submittals' schedule, showing delivery dates for major and/or critical equipment.

.3 The Contractor shall contact the Consultant immediately upon receipt of information indicating that any material or item, will not be available on time, in accordance with the original schedule, and similarly it shall be the responsibility of all subcontractors and suppliers to so inform the Contractor.

.4 The Consultant reserves the right to receive from the Contractor at any time, upon request, copies of actual purchase or work orders of any material or products to be supplied for the work.

.5 If materials and products have not been placed on order, the Consultant may instruct such items to be placed on order, if direct communication in writing from the manufacturer or prime suppliers is not available indicating that delivery of said material will be made in sufficient time for the orderly completion of the Work.

.6 The Consultant's review of purchase orders or other related documentation shall in no way release the Contractor, or his subcontractors and suppliers from their responsibility for ensuring the timely ordering of all materials and items required, including the necessary expediting, to complete the work as scheduled in accordance with the Contract Documents.

**END OF SECTION**

## SECTION 01 33 00 - SUBMITTAL PROCEDURES

### 1 GENERAL

.1 Unless specified or directed otherwise, make all submissions to the Consultant at his office.

.2 Make all submissions required by the Contract Documents with reasonable promptness and in orderly sequence so as to cause no delay in the work.

### 2 RELATED REQUIREMENTS

.1 Make the following submissions in accordance with requirements specified elsewhere:

| | | |
|---|---|---|
| .1 | Applications for payment: | GC 5.2 |
| .2 | Insurance certificates: | GC 11.1 |
| .3 | Bonds: | GC 11.2 |
| .4 | Construction schedule: | Section 01320 |
| .5 | Cash flow chart: | Section 01320 |
| .6 | Progress photographs: | Section 01320 |
| .7 | Equipment delivery schedule: | Section 01320 |
| .8 | Purchase order documentation: | Section 01320 |
| .9 | Maintenance and operations data: | Section 01770 |
| .10 | Record drawings: | Section 01770 |
| .11 | Maintenance materials: | Section 01770 |

### 3 SCHEDULE OF VALUES

.1 Submit schedule of values in accordance with requirements of GC 5.2 APPLICATIONS FOR PROGRESS PAYMENT.

.2 Follow specifications table of contents as basis for degree of breakdown required. Show breakdown for different construction phases/stages if required by Consultant.

.3 Break down cost for large items of work as directed by Consultant.

.4 Provide additional cost breakdown information if requested by Consultant.

### 4 SCHEDULE OF SUBMITTALS

.1 Within 15 days of submission of construction schedule submit a schedule of submittals for shop drawings, samples, lists of materials and other documentation requiring Consultant's review.

.2 For each item requiring submission and review show anticipated date of submission and critical date for return of reviewed submission.

.3 Design sequence of submissions to reflect requirements of construction schedule.

.4 Allow up to 15 days for Consultant's review for each submission. Stagger submissions as much as possible to permit adequate review time for each item submitted. If several submissions are made at the same time or within a short time of each other, indicate order of priority in which submissions should be reviewed.

.5 Include sufficient time to permit corrections and resubmission, if necessary, without affecting construction schedule.

**5 SHOP DRAWINGS**

.1 Submit shop drawings required by Contract Documents, in accordance with requirements of GC 3.11 SHOP DRAWINGS.

.2 Prepare shop drawings in imperial measurements.

.3 Unless otherwise directed by the Consultant, submit pdf files for each shop drawing required:

.4 After review Consultant shall return a marked-up pdf to the Contractor. Contractor shall obtain and distribute the necessary number of copies for each shop drawing.

.5 Shop drawings which require the approval of a legally constituted authority having jurisdiction shall be submitted by Contractor to such authority for approval. Such shop drawings shall receive final approval of authority having jurisdiction before Consultant's final review.

.6 No work requiring a shop drawing submission shall be commenced until the submission has received Consultant's final review. Do not use any shop drawing, erection drawing or setting drawing which does not bear the stamp and signature of the Consultant.

.7 The Consultant's review is for the sole purpose of ascertaining conformance with the general design concept. This review shall not mean that the Consultant approves the detail design inherent in the shop drawings, responsibility for which shall remain with the Contractor submitting same, and this review shall not relieve the Contractor of his responsibility for meeting the requirements of the Contract Documents. The Contractor is responsible for dimensions to be confirmed and correlated at the job site for information that pertains solely to fabrication processes or to techniques of construction and installation and for coordination of the work of all subtrades.

**6 SAMPLES**

.1 Submit samples required by Contract Documents and as directed by the Consultant.

.2 Unless indicated otherwise submit samples in duplicate.

.3 Where colour selection is required submit manufacturer's full colour range for specified product line.

.4 Submit samples with identifying labels bearing material or component description, manufacturer’s name and brand name, Contractor's name, project name, location in which material or component is to be used, and date.

.5 Prepay any shipping charges involved for delivering samples to destination point and returning to point of origin if required.

.6 No work requiring a sample submission shall be commenced until the submission has received Consultant's final review.

**7 DIGITAL DRAWINGS**

.1 Contractor shall, under the following conditions, obtain from Consultant electronic CAD files (called hereinafter the “Files”) of contract drawings for the purpose of preparing record drawings and, where specifically permitted by Consultant, for the preparation of shop drawings.

.2 The requested Files complete with all data, internal file structure shall be kept confidential and shall remain the property of the Consultant and or his sub-consultants, including all copyrights applying thereto.

.3 There is no warranty, expressed or implied, that the use of the Files will meet the intended purpose of the Contractor receiving the Files or that the files represent or reflect the complete scope of work.

.4 The Contractor receiving the Files shall indemnify and hold the consultant harmless from any claims or damages arising from the use of the Files.

.5 In the event that drawing files transferred contain Consultant title block, permits or professional seals, the Files shall be immediately returned to Consultant and all copies thereof destroyed.

.6 No use shall be made of the Files for any purpose other than the one stated above.

**END OF SECTION**

## 1 PERMITS, LICENCES, FEES

.1 Comply with requirements of GC 10.2.

.2 Where permits, licences and inspection fees are required by authorities having jurisdiction for specific trade functions, they shall be obtained by particular subtrade responsible for that work.

.3 Review building permit set with Consultant immediately following receipt of building permit and jointly determine whether or not changes to Contract are required.

.4 Be responsible for ensuring that no work is undertaken which is conditional on permits, approvals, reviews, licences, fees, until all applicable conditions are met. No time extension will be allowed for delay in obtaining necessary permits.

.5 Report to the Consultant in writing any condition which would prohibit granting of any permit or approval before work affecting such items is commenced.

.6 Give notice of completion of project prior to occupancy, as required by applicable legislation.

## 2 BUILDING CODE, BY-LAWS, REGULATIONS

.1 Carry out work in accordance with requirements of the Ontario Building Code, latest issue, including all amendments and revisions.

.2 Comply with requirements, regulations and ordinances of other jurisdictional authorities.

.3 Where it is necessary to carry out work outside property lines, such as sidewalks, paving or concrete curbs, comply with applicable municipal requirements.

.4 Promptly submit written notice to Consultant, of observed variance of Contract Documents from requirements of Building Code and authorities having jurisdiction. Assume responsibility for work known to be contrary to such requirements and performed without notifying Consultant.

## 3 CONSTRUCTION SAFETY

.1 Comply with requirements of GC 3.6.

.2 Be governed by pertinent safety requirements of Federal or Provincial Governments and of municipal bodies having authority, particularly the Ontario Construction Safety Act, and regulations of Ontario Ministry of Labour, and work in conjunction with proper safety associations operating under the authority of Ontario Workers' Compensation Act.

.3 Do not, in the performance of the work, in any manner endanger the safety or unlawfully interfere with the convenience of the public.

.4 Notify the Ontario Ministry of Labour of intended work of this Contract as required by the Occupational Health and Safety Act. One copy of the "Notice of Project" shall be handed to Consultant.

.5 The Contractor shall provide a staff person on site who is knowledgeable in the obligations of Occupational Health and Safety Act and will ensure that the requirements of the Act are fully complied with.

.6 The Contractor shall pay all fees and assessments due under the Workplace Safety and Insurance Act.

## 4 FIRE PROTECTION

.1 Refer to technical Sections of Specifications and Drawings for fire protection requirements.

.2 Upon request, furnish Consultant with evidence of compliance with project fire protection requirements.

**5 HAZARDOUS MATERIALS**

.1 Comply with provisions of the Occupational Health and Safety Act as amended to include WHMIS (Workplace Hazardous Materials Information System).

.2 Ensure that Material Safety Data Sheets (MSDS) are available on site prior to first delivery to site of any controlled material or substance.

.3 Maintain on site for duration of Contract a hazardous materials log containing all required MSDS.

.4 Log shall be open for inspection for Owner, Consultant and all personnel on site.

.5 Ensure that workers are instructed in the purpose and content of MSDS.

**END OF SECTION**

## 1. INDEPENDENT INSPECTION AND TESTING

.1 Requirements specified herein apply to independent inspection and testing specified under technical Specification Sections, Divisions 2 to 16. Owner will pay separately for independent inspection and testing services.

.2 Requirements specified herein do not apply to the following, which are the responsibility of the Contractor and which shall be paid for by the Contractor:

.1 Inspection and testing required by laws, ordinances, rules, regulations and orders of public authorities.

.2 Inspection and testing performed exclusively for Contractor's convenience.

.3 Tests specified in Division 2 to 16 inclusive, to be included in Contract such as mill tests, certificates of compliance and testing to be carried out by Contractor under direction of Consultant.

.3 Failure by independent inspection and testing agency to detect defective work or materials shall not in any way prevent later rejection, when such defect is discovered, nor shall it obligate Consultant for final acceptance.

.4 Independent inspection and testing agency (hereinafter referred to as testing agency) is expected to do the following:

.1 Act on a professional and unprejudiced basis and carry out inspection and testing functions to establish compliance with requirements of Contract Documents.

.2 Check work as it progresses and prepare reports stating results of tests and conditions of work and state in each report whether specimens tested conform to requirements of Contract Documents, specifically noting deviations.

.3 Distribute reports as follows:
.1 Owner: 1 copy
.2 Consultant: 2 copies
.3 Subconsultants affected: 1 copy
.4 Contractor: 2 copies
.5 Building Department: 1 copy

.5 Testing agency is not authorized to amend or release any requirements of Contract Documents, nor to approve or accept any portion of work.

.6 Contractor shall do the following:

.1 Notify testing agency minimum 48 hours in advance of operations to allow for assignment of personnel and scheduling of tests without causing delay in work.

.2 Provide testing agency with access to work at all times.

.3 Supply material samples for testing.

.4 Supply casual labour and other incidental services required by testing agency.

.5 Provide facilities for site storage of samples.

.6 Make good work disturbed by testing agency.

.7 When initial inspection and testing indicates non-compliance with Contract Documents, any subsequent reinspection and retesting occasioned by non-compliance shall be performed by same testing agency and cost thereof borne by Contractor.

**2. TOLERANCES**

.1 Unless specific tolerances are required by a Section of the Specifications or a referenced standard, meet the following non-cumulative tolerances for installed work:

.1 "plumb" shall mean plumb within ±3 mm in 3 m, from true plumb

.2 "level" shall mean level within ±3mm in 3 m, from true level.

.3 "square" shall mean not in excess of 30 seconds less or more than 90°.

.4 "straight" shall mean within ±3 mm in 3 m under a 3 m straightedge.

**END OF SECTION**

## SECTION 01 51 00 - TEMPORARY FACILITIES

### 1. GENERAL REQUIREMENTS

.1 Comply with requirements of Division 1.

### 2. REFERENCE STANDARDS

.1 Canadian Construction Documents Committee (CCDC)

.1 CCDC 2-2020, Stipulated Price Contract.

### 3. TEMPORARY WATER AND POWER

.1 Access to temporary water supply and Power connections will be provided at Contractor's expense for use of all required trades by the Owner.

### 4. TEMPORARY SANITARY FACILITIES

.1 Provide temporary toilet facilities, including handwash facilities, for all personnel on site, outside of building.

.2 Keep facilities clean and sanitary and provided with required supplies at all times.

.3 Except where temporary sanitary facilities are connected to municipal sewer system, periodically remove wastes from site.

### 5. TEMPORARY FIRST-AID FACILITIES

.1 Provide site equipment and medical facilities necessary to supply first-aid service to injured personnel in accordance with regulations of the Workers' Compensation Act. Maintain facilities for duration of Contract.

### 6. TEMPORARY FIRE PROTECTION

.1 Provide and maintain in proper working order at least four fire extinguishers on each floor, prominently placed, until completion of work.

.2 Fire extinguishers shall be minimum 9 kg 4A 60BC type.

.3 Remove fire extinguishers from site, upon completion of work.

.4 Where gas welding or cutting is to be done within 3 m or above combustible material, or above space that may be occupied by persons, interpose shields of non-combustible material. Tanks supplying gases for welding or cutting shall be placed at no greater distance from the work than is necessary and shall be securely fastened in an upright position. Such tanks shall be free from exposure to the sun or high temperature.

### 7. CONSTRUCTION AIDS

.1 Provide temporary stairs, ladders, ramps required for movement and placing of materials, equipment and personnel.

.2 Provide mechanical hoisting equipment and fully qualified operators as required during construction.

.3 Erect required scaffolding independent of walls, arranged to avoid interference with work of other Sections as much as possible.

.4 Provide and maintain required shoring and bracing in accordance with Construction Safety Act and other applicable regulations.

.5 Shoring and all false work over one tier in height shall be designed and shall bear the stamp of a registered professional engineer, having experience in this field.

.6 The use of explosive power tools will not be permitted under any circumstances unless equipped with a device which positively prevents free flight of the stud.

**8. BARRIERS**

.1 The intent of this section is to provide temporary construction barriers, barricades and enclosures – as may be required - to separate the demolition/construction activities from the Public, during all phases of the Work.

.1 This separation must meet the functional requirements of the Owner; in that it may not impede the access of the Public use of the property during continual existing operational hours. Coordinate these requirements with the Owner.

.2 These separation(s) must also meet the regulatory requirements of the Ministry of Labour and other Authorities Having Jurisdiction. Review the requirements and incorporate all into the barriers and barricades.

.3 At no time may the Owner be deemed the “Constructor”. Provide and maintain all barriers to ensure the responsibility, safety and security of the construction zone.

.2 The existing property outside of the construction area will be occupied by the Public during all phases of the work.

.3 These barriers and barricades shall separate the construction forces and all construction activities access to and from the Areas of Work without allowing access by the public.

.4 These barriers and barricades shall provide separation and protection from any construction hazards for the property and public path of travel to temporary entrances. Safety of the Public during all phases of the work is paramount.

.5 These barriers and barricades shall control the migration of construction debris, dust and other material from crossing over into the occupied spaces of the overall property site.

.6I It shall be the responsibility of this trade to supply and install all barriers and barricades necessary and required to meet the requirements of above design intent and any and all authorities having jurisdiction.

**9. SIGNS**

.1 Except as specified here do not erect any signs unless approved by the Consultant.

.2 Erect signs relating to safety on the work, or mandatory regulation notices.

.3 Prior to commencement of work wherein hazardous or volatile cements, coatings, or substances are used, barricade entire area and post adequate number of "NO SMOKING" signs.

**10. TEMPORARY ACCESS**

.1 Location of parking for Contractor use will be coordinated and defined with Owner.

.2 Truck and material delivery onto site to be coordinated and scheduled with Owner as to not disrupt existing operations.

**11. ADMINISTRATIVE REQUIREMENTS**

.1 Acceptance of Work Procedures:

.1 Contractor's Inspection: conduct inspection of Work, identify deficiencies and defects, and repair as required to conform to Contract Documents.

.1 Notify Consultant in writing of satisfactory completion of Contractor's inspection and submit verification that corrections have been made.

.2 Request Consultant's inspection.

.2 Consultant's Inspection:

.1 Consultant and Contractor to inspect Work and identify defects and deficiencies.

.2 Contractor to correct Work as directed.

.3 Completion Tasks: submit written certificates that tasks have been performed as follows:

.1 Work: completed and inspected for compliance with Contract Documents.

.2 Defects: corrected and deficiencies completed.

.3 Equipment and systems: tested, adjusted and balanced and fully operational.

.4 Certificates required by Authorities Having Jurisdiction to be submitted.

.5 Operation of systems: demonstrated to Owner's personnel.

.6 Commissioning of mechanical systems: completed in accordance with GENERAL COMMISSIONING REQUIREMENTS (Mechanical Division) and copies of final Commissioning Report submitted to Consultant.

.7 Work: complete and ready for final inspection.

.4 Final Inspection:

.1 When completion tasks are done, request final inspection of Work by], and [Contractor] [Design-Builder].

.2 When work incomplete according to Consultant, complete outstanding items and request re-inspection.

.5 Declaration of Substantial Performance: when Consultant considers deficiencies and defects corrected and requirements of Contract substantially performed, make application for Certificate of Substantial Performance.

.6 Declaration of Substantial Performance: when Consultant considers deficiencies and defects corrected and requirements of Contract substantially performed, make application for Certificate of Substantial Performance.

.7 Commencement of Lien and Warranty Periods: date of Owner's acceptance of submitted declaration of Substantial Performance to be date for commencement for warranty period and commencement of lien period unless required otherwise by lien statute of Place of Work.

.8 Final Payment:

.1 When Consultant considers final deficiencies and defects corrected and requirements of Contract met, make application for final payment.

.2 Refer to CCDC 2 requirements for project closeout when Work deemed incomplete by Consultant, complete outstanding items and request re-inspection.

.9 Payment of Holdback: after issuance of Certificate of Substantial Performance of Work, submit application for payment of holdback amount in accordance with contractual agreement.

**18. FINAL CLEANING**

.1 Clean in accordance with Section 01 74 00 - Cleaning.

.2 Remove surplus materials, excess materials, rubbish, tools, and equipment.

**END OF SECTION**

## 1. PRODUCT QUALITY

.1 Products supplied for work shall be new and as far as possible and unless otherwise specified, of Canadian manufacture.

.2 Materials used for temporary facilities are not required to be new, provided they are structurally sound and in suitable and safe operating condition.

## 2. STANDARDS AND TERMINOLOGY

.1 Where a standard has been adopted by these Specifications, incorporate minimum requirements of such standard into the work. Where requirements of Specifications are more stringent than those of the standard, follow more stringent requirements.

.2 Reference to standards, specifications, handbooks and manufacturer's catalogues refer to latest edition thereof and all amendments or revisions applicable at bid closing date, unless date suffix is included with document number.

.3 Wherever words "acceptable", "approved", "satisfactory", "selected", "directed", "designated", "permitted", "inspected", "instructed", "required", "submit", or similar words or phrases are used in standards or elsewhere in Contract Documents, it shall be understood, that "by (to) the Consultant" follow, unless context provides otherwise.

.4 Where the word "provide" is used in these Contract Documents, it shall be taken to mean "supply and install" unless specifically noted otherwise.

## 3. CERTIFICATION

.1 Building materials, components and elements specified without the use of trade or proprietary names shall meet requirements specified.

.2 If requested by Consultant, submit evidence of meeting requirements specified. Evidence shall consist of certification based on tests carried out by an independent testing agency.

.3 Certification based on previous tests for same materials, components or elements is acceptable. Certification shall be in form of written test reports prepared by testing agency.

## 4. AVAILABILITY AND SUBSTITUTIONS

.1 Products which are specified by their proprietary names or by part or catalogue number form the basis for Contract. No substitutes for these may be used without Consultant's approval in writing.

.2 Where it is found that specified materials have become unavailable for incorporating into work, notify Consultant immediately of proposed substitution.

.3 Proposed substitution shall be any top quality product considered by Consultant to be of equal quality and value to that specified, and suitable for purpose intended.

.4 Products proposed as substitutions, and which are considered by Consultant to be suitable for purpose intended, but which are in his opinion of lesser value and quality than those specified shall only be accepted as substitution if reasonable credits are allowed for their use.

.5 In order to substantiate equivalency of proposed materials, products or processes, submit samples, printed product descriptions, test data, installation instructions, standards, certification, sample, - guarantee/warranty forms, list of successful projects incorporating such proposals, and similar information requested by Consultant.

.6 Whenever a substitute is proposed, any change to contract price as a result of acceptance of proposed product shall include any adjustments to adjacent structure or space in order to accept minor differences in size or weight between proposed items and corresponding specified items.

.7 Prevent any substitution or request for substitution from delaying construction progress in any way.

.8 Requests for substitution resulting from failure to place orders in time will not be entertained. Be responsible for ordering products in time to ensure their required delivery; bear all costs for failure to comply with these requirements.

**5. PRODUCT HANDLING AND STORAGE**

.1 Suitably pack, crate and protect products during transportation to site to preserve their quality and fitness for the purpose intended.

.2 Store products in original, undamaged condition with manufacturer's labels and seals intact until they are being incorporated into completed work.

.3 Handle and store materials in accordance with manufacturer's and supplier`s recommendations and so as to ensure preservation of their quality, appearance and fitness for work.

.4 Arrange materials so as to facilitate prompt inspection, and remove faulty, damaged or rejected materials immediately from site.

**END OF SECTION**

## SECTION 01 71 00 - EXAMINATION

### 1. EXAMINATION

.1 Examine the site, existing premises and surrounding areas and be fully informed as to the conditions and limitations under which the work has to be executed. Claims for additional costs will not be entertained with respect to conditions which could reasonably have been ascertained by an inspection prior to bid closing.

.2 Prior to commencement of work, make careful examination of previously executed work, existing conditions, levels, dimensions and clearances. Promptly advise Consultant of unsatisfactory preparatory work and substrate conditions; commencement of work implies acceptance of conditions.

### 2. PROTECTION

1. Ensure that no damage is caused to existing structures, pavement, curbs, grounds, plants, property, utilities, services, finishes during the progress of Work. Repair and make good any damage caused at no extra cost to Owner to the complete satisfaction of the respective property owners and authorities having jurisdiction. Do not proceed with repairs or remedial work without written permission of the Consultant. Only trades specifically capable of performing the work will be allowed to make remedial or repair work.

.2 Keep municipal roads clean of mud and debris resulting from construction traffic.

.3 Protect new work from damage.

.4 Protect work during periods of suspension, regardless of reason for suspension.

### 3. SERVICES AND UTILITY SYSTEMS

.1 Consult with utility companies and other authorities having jurisdiction to ascertain the locations of existing services on or adjacent to site.

.2 Information as to the location of existing services, if shown on the Drawings, does not relieve the Contractor of his responsibility to determine the exact number and location of existing services.

.3 Give proper notices for new services as may be required. Make arrangements with authorities and utilities for service connections required.

.4 Pay any charges levied by utilities or authorities for work carried out by them in connection with this Contract, unless specified otherwise.

.5 Operate and maintain all utility systems affected by work of this Contract, until the building or specific portions thereof have been accepted by the Owner.

### 4. SLEEVES, SUPPORTS, AND FASTENERS

.1 Unless specified in other Sections, furnish, set and secure inserts, hangers, sleeves, fasteners, adhesives, anchors and other supports and fittings required for proper installation of work.

.2 Use exposed metal fastenings and accessories of same texture, colour and finish as base metal on which they occur.

.3 Select appropriate type of anchoring and fastening devices and in sufficient quantity and in such manner as to provide positive permanent anchorage of unit to be anchored in position. Keep exposed fasteners to a minimum, evenly spaced and neatly laid out.

.4 Fasteners shall be of permanent type. Do not use wood plugs.

### 5. CUTTING AND PATCHING

.1 Regardless of which Section of work is responsible for any portion of cutting and patching, in each case tradesmen qualified in work being cut and patched shall be employed to ensure that it is correctly done.

.2 Any cost caused by omission or ill-timed work shall be borne by party responsible therefore.

.3 Patching and making good work shall be undetectable in finished work.

**6. WORKMANSHIP**

.1 All work shall be carried out in accordance with the best trade practice, by mechanics skilled in the type of work concerned.

.2 Products, materials, systems and equipment shall be applied, installed, connected, erected, used cleaned and conditioned in accordance with the applicable manufacturer's printed directions.

.3 Where specified requirements are in conflict with manufacturer's written directions, follow manufacturer's directions, but inform Consultant in writing prior to proceeding with affected work. Where specified requirements are more stringent than manufacturer's directions, comply with specified requirements.

**7. LINES AND LEVELS**

.1 Verify all elevations, lines, levels and dimensions as indicated and report errors, any conflicts, or inconsistencies to the Consultant before commencing work or as soon as discovered.

.2 Arrange to have building base lines laid out by an Ontario Land Surveyor.

.3 Accurately lay out work and establish lines and levels in accord with requirements of Contract Documents.

.4 Set up, maintain and protect permanent reference points and provide general dimensions and elevations for all Sections of Work.

**8. DIMENSIONS**

.1 Check and verify dimensions wherever referring to work. Dimensions, when pertaining to work of another Section, shall be verified with Section concerned. Details and measurements of work which is to fit or conform with work installed shall be taken at site.

.2 Do not scale Drawings. If there is ambiguity, lack of information or inconsistency, immediately consult Consultant for directions. Be responsible for extra costs involved through the disregarding of this notice.

.3 Walls, partitions and screens shall be considered as extending from floor to underside of structural deck unless specifically indicated otherwise.

**END OF SECTION**

## SECTION 01 74 11 - CLEANING

**1. GENERAL**

.1 Be responsible for cleanliness of assigned work areas to satisfaction of Consultant. Maintain work areas in neat and orderly condition at all times.

.2 Periodically, or when directed by the Consultant, remove from work areas rubbish and waste materials.

.3 Use only cleaning materials recommended by manufacturer of surface to be cleaned.

.4 Use cleaning material only on surfaces recommended by cleaning material manufacturer.

**2. CLEANING DURING CONSTRUCTION**

.1 Remove debris, packaging and waste materials frequently.

.2 Keep dust and dirt to an acceptable level, as directed.

**3. FINAL CLEANING**

.1 Upon completion of work, or, where work is phased, upon completion of each phase, thoroughly clean all surfaces and components.

.2 Remove stains, dirt and smudges from finished surfaces.

.3 Clean exposed finished surfaces in accordance with respective material manufacturer's recommendations.

**4. DISPOSAL OF WASTE MATERIALS**

.1 All waste materials resulting from construction activities belong to the Contractor and shall be removed and legally disposed upon Owner’s first right of refusal.

.2 Separate recyclable/reusable materials to maximum extent possible from general waste stream and transport to recycling/reuse facilities.

.3 Fires and burning of waste materials is not permitted on site.

.4 Do not bury waste or materials on site.

.5 Do not dispose of liquid waste or volatile materials into watercourses, storm or sanitary sewers.

**END OF SECTION**

## 1. REFERENCE STANDARD

.1 Comply with provisions of OAA, OGCA Document No. 100, April 1997 "Take-Over Procedures" except as modified in these Specifications.

## 2. WARRANTY

1. Definition: Warranty = guarantee.

2. Submission Requirements:

.1 Submit warranty as part of "Operating and Maintenance Manuals".

.2 Each warranty must show:

.1 Name and address of Project
.2 Name of Owner
.3 Section Number and Title

.4 Warranty must be presented under Contractor's letterhead, seal and signature and must bear similar wording to that specified in Contract Documents.

.5 Submit manufacturers' Product warranty in accordance with GC 12.3.6.

## 4. INSPECTION AND ACCEPTANCE OF WORK

.1 Prior to requesting Substantial Performance submit the following:

.1 Inspection and acceptance certificates required from regulatory agencies.

.2 Advise the Consultant in writing, when work has been substantially completed. If Consultant agrees that this stage has been reached, prepare a complete list of deficiencies and submit this list to Consultant.

.3 On receipt of the above deficiency list in a satisfactory form, the Consultant, accompanied by Subconsultants, the Contractor and the Owner, if deemed desirable, will carry out an inspection of the Project.

.4 Add to the deficiency list, in accordance with Consultant's directions, any additional deficiencies which are identified during inspection and reissue updated deficiency list.

.5 Upon completion, inspection and acceptance of work, Owner will take over and occupy completed work. Refer to Supplementary Conditions for procedures relating to certification of Substantial Performance and release of holdback.

## 5. FINAL SUBMISSION

.1 Prior to claiming Final Payment do the following:

.1 Submission of As-Built record drawings.

.2 Submission of one complete set of reviewed shop drawings, folded to 8-1/2" x 11" size, contained in heavy duty manila envelopes, numbered and labelled. Follow specification format with no more than one Section per envelope.

.3 Submission of all maintenance and surplus materials as indicated in specifications.

.4 Submission of final accounting of all approved changes to the Contract Price, including adjustments to cash allowances.

**6. WARRANTY INSPECTION**

.1 The Contractor shall organize a warranty inspection to take place two weeks prior to the expiration of the standard one-year warranty. The Consultant, subconsultants, the Contractor, subcontractors and the Owner's representatives shall attend.

.2 Prior to the warranty inspection, the Owner (through the Consultant) will issue a list of items requiring review and attention to the Contractor.

**END OF SECTION**

## PART 1 - GENERAL

### 1.1 GENERAL REQUIREMENTS

.1 Methods and procedures for demolishing, salvaging, recycling and removing site work items designated to be removed in whole or in part.

.2 Refer and coordinate requirements as indicated in Section 011400 Work Restrictions.

### 1.2 QUALITY ASSURANCE

.1 Convene Pre-Demolition Meeting prior to beginning work of this Section to coordinate meeting with the project schedule. The intent of this meeting is to:

.1 Verify project requirements.

.2 Review existing installation and current conditions, develop work plan to suit new work. Ensure all existing electrical or service connections within the demolition zone are protected during construction activities occurring prior to removal to ensure no negative operational impacts to adjacent occupied portion of building.

.3 Co-ordinate with the Owner pursuant to continued use of the existing property.

.4 Identify potential project risk items and develop solutions.

.6 Review existing installation and current conditions, develop work plan to suit new work.

### 1.3 PRODUCT DELIVERY, HANDLING & STORAGE

.1 Storage and Protection.

.1 Protect existing items designated to remain and items designated for salvage. In event of removed metal siding to be salvaged by the Owner.

.2 Remove and store materials to be salvaged, in manner to prevent damage.

.2 Inspect adjacent spaces and ensure that the condition and stability are recorded in a suitable manner for evaluation of possible damage caused by Work of this Section.

.3 In case of damage, remediate all adjacent existing construction to Owner's approval.

### 1.4 SCHEDULING

.1 Coordinate with the Owner for phasing and hours of day for any and all demolition activities within existing facilities. The existing adjacent building will be occupied during the course of demolition and construction activities. Coordinate with the general contractor to maintain access through and around the site as described in the Scope of The Work.

.2 Schedule any disruption to the existing Facilities and site, with the Consultant and Owner.

## PART 2 - EXECUTION

### 2.1 REMOVAL OPERATIONS

.1 Perform all demolition with coordination with Consultant and Owner.

.2 Remove items as indicated. Do not disturb items designated to remain in place. Confine demolition and associated work only to the area where demolition is required.

### 2.2 RESTORATION

.1 With coordination with Consultant and Owner, Contractor to provide schedule of proposed work inclusive of potential shutdown of services affecting existing operations and proposed remedial work to mediate the above.

.2 Restore areas and existing works outside areas of demolition to conditions that existed prior to beginning the Work as part of Contract Requirements.

### 2.3 CLEANING

.1 Remove debris, trim surfaces, match existing adjacent construction, and leave work site clean, upon completion of Work.

.2 Remove debris daily as it accumulates.

.3 Use cleaning solutions and procedures which are not harmful to health, are not injurious to plants, and do not endanger wildlife, adjacent water courses or ground water.

.4 Clean: Prior to request for completion, thoroughly clean the construction zone.

**END OF SECTION**

## SECTION 07 27 00 - AIR RETARDERS

### PART 1 - GENERAL

**1.1 GENERAL REQUIREMENTS**

.1 Comply with requirements of Division 1.

**1.2 RELATED WORK**

.1 Formed Metal Wall panels: Section 07 42 13

**1.3 QUALITY CONTROL**

.1 Comply with requirements of Section 014500.

**1.4 SUBMITTALS**

.1 Submit prior to ordering materials proposal in writing, indicating which membrane system is to be used. Include manufacturer's documentation verifying suitability of application for expected application conditions.

**1.5 PRODUCT HANDLING**

.1 Handle and store membrane materials to prevent tearing, puncturing and other damage.

.2 Store roll goods in upright position and protected from the weather.

**1.6 JOB CONDITIONS**

.1 Apply membrane during dry weather and to dry substrates only.

.2 Apply materials only within acceptable application temperature range determined by manufacturer. Select a membrane system which is best suited for the expected application conditions. Use the same system throughout entire project.

### PART 2 - PRODUCTS

**2.1 MATERIALS**

.1 Modified bitumen membrane, 450 mm wide, self-adhesive, one of the following products:

.1 Blueskin SA by Bakor
.2 Perm-A-Barrier by W.R. Grace
.3 Sopraseal Stick 1100 by Soprema
.4 Sealtight Airshield by W.R. Meadows

.2 Primer: as recommended by membrane manufacturer.

.3 Adhesives, mastics, joint backing: as recommended by membrane manufacturer.

.4 Metal backing: cold rolled sheet steel, hot dip galvanized to ASTM A525, zinc coating designation Z275; unless otherwise shown, 0.9 mm thick.

### PART 3 - EXECUTION

**3.1 EXAMINATION**

.1 Examine substrates to ensure conditions are satisfactory to receive work of this Section.

.2 Start of work shall imply acceptance of conditions.

.3 Substrates shall be sound, reasonably smooth, dry, clean, free of frost, grease, oil and other substances which would adversely affect membrane adhesion.

**3.2 PREPARATION**

.1 Clean substrates as required.

.2 Remove sharp projections and repair defective areas in substrate.

.3 Prime substrates if recommended by membrane manufacturer.

.4 At open joints in substrate, exceeding 3 mm width, and at other locations shown, provide metal backing for air barrier membrane, securely fastened each side of joint.

**3.3 MEMBRANE INSTALLATION**

.1 Install membrane system in accordance with manufacturer's installation instructions.

.2 Apply membrane to exterior face of metal wall cladding back-up sheathing.

.3 Completely cover substrates. Start at low point and proceed up the wall, overlapping subsequent sheets minimum 50 mm in the direction of water flow. Lap end joints minimum 100 mm.

.4 Apply primer with roller, brush or spray equipment. Do not apply more primer than that which can be covered, on the same working day, with air barrier membrane. Recoat primed areas which are not covered with membrane the same day.

.5 Position membrane for alignment, with protective film in place. Roll membrane back, remove film and press membrane in place.

.6 Roll completed membrane, including seams, with suitable roller, to ensure full contact with substrate.

.7 At masonry wall ties and at other penetrations through sheet type membrane, accurately cut, fit and seal membrane around penetrating component.

.8 At wall openings return membrane into rough openings. Install membrane to ensure that corners of openings are sealed.

.9 Coordinate with Sections 07410 and 07530 to ensure continuity of air barrier at junction with other systems.

**3.4 FIELD QUALITY CONTROL**

.1 Membrane manufacturer shall provide periodic site inspection and technical assistance to ensure work is properly executed.

.2 Upon completion of membrane installation membrane manufacturer shall issue a report verifying that membrane installation is complete and satisfactory.

.3 Prior to allowing membrane to be covered with other work, request Consultant's inspection and acceptance.

**END OF SECTION**

## SECTION 07 42 13 – FORMED METAL WALL PANELS

### PART 1 - GENERAL

#### 1.1 GENERAL REQUIREMENTS

.1 Fluted-profile, concealed fastener, lap-seam metal wall panels, with related metal trim and accessories.

#### 1.2 RELATED WORK

.1 Division 07 Section "Sheet Metal Flashing and Trim" for sheet metal flashing items in addition to items specified in this Section.

#### 1.3 REFERENCES

.1 **American Architectural Manufacturer's Association (AAMA): www.aamanet.org:**

A. AAMA 621 - Voluntary Specifications for High Performance Organic Coatings on Coil Coated Architectural Hot Dipped Galvanized (HDG) & Zinc-Aluminum Coated Steel Substrates.
B. AAMA 809.2 Voluntary Specification Non-Drying Sealants.

.2 **American Society of Civil Engineers (ASCE): www.asce.org/codes-standards:**
A. ASCE 7 - Minimum Design Loads for Buildings and Other Structures.

.3 **ASTM International (ASTM): www.astm.org:**
A. ASTM A653 - Specification for Steel Sheet, Zinc-Coated (Galvanized) or Zinc-Iron Alloy-Coated (Galvannealed) by the Hot-Dip Process.
B. ASTM A755 - Specification for Steel Sheet, Metallic Coated by the Hot-Dip Process and Pre-painted by the Coil-Coating Process for Exterior Exposed Building Products.
C. ASTM A792/A792M - Standard Specification for Steel Sheet, 55% Aluminum-Zinc Alloy-Coated by the Hot-Dip Process.
D. 4. ASTM C920 - Specification for Elastomeric Joint Sealants.
E. ASTM D2244 - Test Method for Calculation of Color Differences from Instrumentally Measured Color Coordinates.
F. ASTM D4214 - Test Methods for Evaluating Degree of Chalking of Exterior Paint Films.
G. ASTM E1592 - Standard Test Method for Structural Performance of Sheet Metal Roof and Siding Systems by Uniform Static Air Pressure Difference.

#### 1.4 QUALITY ASSURANCE

.1 Manufacturer/Source: Provide metal panel assemblies and accessories from a single manufacturer accredited under IAS AC472, Part B.

.2 **Manufacturer Qualifications:** Approved manufacturer listed in this Section with minimum five years experience in manufacture of similar products in successful use in similar applications.

.3 **Approval of Comparable Products:** Submit the following in accordance with project substitution requirements, within time allowed for substitution review:
A. Product data, including certified independent test data indicating compliance with requirements.
B. Samples of each component.
C. Sample submittal from similar project.
D. Project references: Minimum of five installations not less than five years old, with Owner and Architect contact information.
E. Sample warranty.
F. Certificate of accreditation under IAS AC472 Part B.

## 1.5 ADMINISTRATIVE REQUIREMENTS

.1 **Preinstallation Meeting:** Prior to erection of framing, conduct preinstallation meeting at site attended by Owner, Architect, metal panel installer, metal panel manufacturer's technical representative, inspection agency and related trade contractors.

A. Coordinate building framing in relation to metal panel system.
B. Coordinate openings and penetrations of metal panel system.
C. Coordinate work of Division 07 Sections "Roof Specialties" and "Roof Accessories" and openings and penetrations and manufacturer's

## 1.6 ACTION SUBMITTALS

.1 **Product Data:** Manufacturer’s data sheets for specified products. Include data indicating compliance with performance requirements.

.2 **Shop Drawings:** Show layouts of metal panels. Include details of each condition of installation, panel profiles, and attachment to building. Provide details at a minimum scale 1-1/2-inch per foot of edge conditions, joints, fastener and sealant placement, flashings, openings, penetrations, and special details. Make distinctions between factory and field assembled work.

A. Indicate points of supporting structure that must coordinate with metal panel system installation.
B. Include structural data indicating compliance with performance requirements and requirements of local authorities having jurisdiction.

.3 **Samples for Initial Selection:** For each exposed product specified including sealants. Provide representative color charts of manufacturer's full range of colors.

A. Samples for Verification: Provide 12-inch- (305 mm-) long section of each metal panel profile. Provide color chip verifying color selection.

## 1.7 CLOSEOUT SUBMITTALS

.1 Maintenance data.

.2 Manufacturer's Warranty: Executed copy of manufacturer's warranty.

## 1.8 DELIVERY, STORAGE AND HANDLING

.1 Protect products of metal panel system during shipping, handling, and storage to prevent staining, denting, deterioration of components or other damage. Protect panels and trim bundles during shipping.

A. Deliver, unload, store, and erect metal panels and accessory items without misshaping panels or exposing panels to surface damage from weather or construction operations.
B. Store in accordance with Manufacturer's written instruction. Provide wood collars for stacking and handling in the field.
C. Shield foam insulated metal panels from direct sunlight until installation.

## 1.9 WARRANTY

.1 **Special Manufacturer’s Warranty:** On manufacturer’s standard form, in which manufacturer agrees to repair or replace metal panel assemblies that fail in materials and workmanship within five years from date of Substantial Completion.

.2 **Special Panel Finish Warranty:** On Manufacturer’s standard form, in which Manufacturer agrees to repair or replace metal panels that evidence deterioration of factory-applied finish within the warranty period, as follows:

1. Fluoropolymer Two-Coat System:

a. Basis of Design System: MBCI, Signature 300.
b. Color fading in excess of 5 Hunter units per ASTM D2244.
c. Chalking in excess of No. 8 rating per ASTM D4214.
d. Failure of adhesion, peeling, checking, or cracking.
e. Warranty Period: 25 years from date of Substantial Completion.

## PART 2 - PRODUCTS

### 2.1 MANUFACTURER

.1 **Acceptable Manufacturer:** LUX Architectural Products, 14525 112ave NW , Edmonton, Alberta, T5M 2V5, Tel: 1.800.540.0589 luxarpro.com

.2 **Alternate Manufacturer (Separate Price):** Robertson Building Systems, 5A 225 Henry Street, Branford, Ontario, N3S 7R4, Tel: 905.304.2420 robertsonbuildings.com

### 2.2 PERFORMANCE REQUIREMENTS

.1 **General:** Provide metal panel system meeting performance requirements as determined by application of specified tests by a qualified testing facility on manufacturer's standard assemblies.

.2 **Structural Performance:** Provide metal panel assemblies capable of withstanding the effects of indicated loads and stresses within limits and under conditions indicated, as determined by ASTM E1592.

A. Wind Loads: Determine loads based on uniform pressure, importance factor, exposure category, and basic wind speed indicated on drawings.
B. Wind Negative Pressure: Certify capacity of metal panels by actual testing of proposed assembly.
C. Deflection Limits: Withstand inward and outward wind-load design pressures in accordance with applicable building code with maximum deflection of 1/120 of the span with no evidence of failure.
D. Seismic Performance: Comply with ASCE 7 Sections 9, "Earthquake Loads."

.3 **Thermal Movements:** Allow for thermal movements from variations in both ambient and internal temperatures. Accommodate movement of support structure caused by thermal expansion and contraction. Allow for deflection and design for thermal stresses caused by temperature differences from one side of the panel to the other.

### 2.3 FORMED METAL WALL: LUX Metal Craft Series - Variable Wall

.1 Exterior Sheet: 0.559 base metal with Z275 zinc coating, factory prefinished to Consultant’s selection.

.2 Finish: Prefinished, coil coated. 1.0 mil fluropolymer (PVDF)

.3 Colour: Textured Black Onyx

.1 Metal Panel Siding: Lux Panel - Roll-formed, galvanized steel, to custom profile, for horizontal or vertical installations:

.1 Base Metal Thickness: 0.559 mm (24 gauge).

.2 Exposed Face: 100 mm (4 inch).

.3 Profile: .438 mm deep, 100.88 width, bevelled face edges, preformed interlocking joints, fastener holes pre-punched.

.2 Exposed Metal Trim:

.1 Composition: Match to metal siding panel.

.2 Finish/Colour: Match to metal siding panel.

.3 Base Metal Thickness: 0.559 mm (24 gauge).

.4 Shapes: Starter Strip, base trim, J-Channel, Hidden Closure, Outside Corner, Inside Corner, Joiner J, Drip Cap, Window Batten, Open Outside Corner, Open Inside Corner, Three Piece Outside Corner, Two Piece J-Channel, Three Piece Inside Corner, Two Piece Joiner J, Soffit J, Fascia Trim, L Trim, Two Piece Window Batten.

.3 Soffit:

.1 Colour: Textured Black Onyx.

.2 Profile: flat sheet 'V' crimped for stiffness.

.3 Thickness: Match to metal siding panel, 0.559 mm.

**2.4 FORMED METAL WALL: Robertson**

.1 **Fluted-Profile, Concealed Fastener Metal Wall Panels:** Structural metal panels consisting of formed metal sheet with vertical panel edges and tapered inverted intermediate rib 5-1/2 by 1-1/2 inches (140 by 38 mm), with flush joints between panels, field assembled with nested lapped edges, and attached to supports using concealed fasteners.

.2 Basis of Design: MBCI, ShadowRib.

.3 Aluminum-Zinc Alloy-Coated Steel Sheet: ASTM A792/A792M, structural quality, Grade 50, coating Class AZ50 (Grade 340, Coating Class AZM150), pre-painted by the coil-coating process per ASTM A755/A755M.

.4 Nominal Thickness: 24 gage coated thickness, with smooth surface.

A. Exterior Finish: Fluoropolymer (PVDF / Low Gloss) two-coat system
B. Colour: Medium Bronze
C. Panel Width: 16 inches (406 mm).
D. Panel Thickness: 3 inch (76 mm).

**2.4 MISCELLANEOUS MATERIALS**

.1 **General:** Provide complete metal panel assemblies incorporating trim, copings, fasciae, gutters and downspouts, and miscellaneous flashings. Provide required fasteners, closure strips, and sealants as indicated in manufacturer's written instructions.

.2 **Flashing and Trim:** Match material, thickness, and finish of metal panels.

.3 **Panel Clips:** ASTM A653/A653M, G90 (Z180) hot-dip galvanized, one-piece clips, configured for concealment in panel joints, enabling installation of fasteners from exterior, and identical to clips utilized in tests demonstrating compliance with performance requirements.

.4 **Panel Fasteners:** Self-tapping screws and other acceptable fasteners recommended by metal panel manufacturer. Where exposed fasteners cannot be avoided, supply corrosion-resistant fasteners with heads matching colour of metal panels by means of factory-applied coating, with weathertight resilient washers.

.5 **Panel Sealants:** VOC Content of Interior Sealants: Sealants used inside the weatherproofing system shall comply with the following limits for VOC content when calculated according to 40 CFR 59, Subpart D (EPA Method 24): Architectural Sealants: 250 g/L.

**2.5 FABRICATION**

.1 **General:** Provide factory fabricated and finished metal panels, trim, and accessories meeting performance requirements, indicated profiles, and structural requirements.

.2 **Sheet Metal Flashing and Trim:** Fabricate flashing and trim to comply with manufacturer's written instructions, approved shop drawings, and project drawings.

**2.6 FINISHES**

.1 **Finishes, General:** Prepare, pretreat, and apply coating to exposed metal surfaces to comply with coating and resin manufacturers' written instructions.

.2 **Fluoropolymer Two-Coat System:** 0.2 – 0.3 mil primer with 0.7 - 0.8 mil 70 percent PVDF fluoropolymer color coat, AAMA 621.

.1 Basis of Design: MBCI, Signature 300.

**PART 3 - EXECUTION**

**3.1 EXAMINATION**

.1 Examine metal panel system substrate with Installer present. Inspect for erection tolerances and other conditions that would adversely affect installation of metal panels.

.2 Inspect framing that will support insulated metal panels to determine if support components are installed as indicated on approved shop drawings and are within tolerances acceptable to metal panel manufacturer and installer. Confirm presence of acceptable framing members at recommended spacing to match installation requirements of metal panels.

.3 Correct out-of-tolerance work and other deficient conditions prior to proceeding with insulated metal panel installation.

**3.2 METAL PANEL INSTALLATION**

.1 Concealed-Fastener Formed Metal Panels: Install metal panel system in accordance with manufacturer's written instructions, approved shop drawings, and project drawings. Install metal panels in orientation, sizes, and locations indicated. Anchor panels and other components securely in place. Provide for thermal and structural movement.

.2 Attach panels to metal framing using clips, screws, and sealants recommended for application by metal panel manufacturer.

A. Fasten metal panels to supports with fasteners at each location indicated on approved shop drawings, at spacing and with fasteners recommended by manufacturer.
B. Cut panels in field where required using manufacturer's recommended methods.
C. Provide weatherproof jacks for pipe and conduit penetrating metal panels.
D. Dissimilar Materials: Where elements of metal panel system will come into contact with dissimilar materials, treat faces and edges in contact with dissimilar materials as recommended by metal panel manufacturer.
E. Interior Fastener Attachment: Nest panel flanges and drill through support framing and overlapped panel flanges, and secure to structure using manufacturer's expansion fastener.
F. Exterior Clip Attachment: Attach leading panel flange to structural support using manufacturer's standard clip secured with self-tapping screw faster. Nest panel flange of subsequent panel fully in secured panel flange, ensuring panel faces are flush, and secure subsequent panel to previous panel using manufacturer's recommended fastener.
G. Vertical Panel Joint Sealant: Apply continuous bead of manufacturer's recommended elastomeric joint sealant in concealed joint between panels.

.3 Attach panel flashing trim pieces to supports using recommended fasteners.

## 3.3 ACCESSORY INSTALLATION

.1 **General:** Install metal panel accessories with positive anchorage to building and weather tight mounting; provide for thermal expansion. Coordinate installation with flashings and other components.

.2 Install components required for a complete metal panel assembly, including trim, copings, flashings, sealants, closure strips, and similar items.

.3 Comply with details of assemblies utilized to establish compliance with performance requirements and manufacturer's written installation instructions.

.4 Set units true to line and level as indicated. Install work with laps, joints, and seams that will be permanently weather resistant.

## 3.4 CLEANING AND PROTECTION

.1 Clean finished surfaces as recommended by metal panel manufacturer.

.2 Replace damaged panels and accessories that cannot be repaired to the satisfaction of the Architect.

**END OF SECTION**

## SECTION 07 62 00 - SHEET METAL FLASHING AND TRIM

### PART 1 - GENERAL

**1.1 GENERAL REQUIREMENTS**

.1 Replacement of existing metal roof /parapet flashings with new to match new siding.

**1.2 SCOPE OF THE WORK**

.1 Supply and install metal all flashings.

.1 Formed Metal Wall Panels Section 074213

**1.3 QUALITY ASSURANCE**

.1 Pre-qualifications:

.1 Provide work of this section only by a Sub-Contractor wo has adequate plant, equipment and skilled tradesmen and is known to have been responsible for satisfactory installations similar to that specified and as required by Drawings for a period of at least the immediate past five years.

**1.4 REFERENCES**

.1 Standards:

.1 ASTM A525M-87 Specification for Steel Sheet, Zinc Coated (Galvanized) by the Hot-Dip Process, General Requirements.
.2 CAN/CGSB-1.108-M89, Bituminious solvent type paint.
.3 CSA Standards A123.3-m1979, Asphalt or tar daturated roofing felt

**1.5 SUBMITTALS**

.1 Samples:

.1 Submit duplicate 300mm x 300mm (12” x 12”) samples of pre-coated finish and sheet metal joints.
.2 Submit Shop Drawing of flashing profiles and joint locations.

**1.6 DELIVERY, STORAGE AND HANDLING**

.1 Protect sheet metal during handling and storage to prevent rusting, staining, bending, denting and abrasion of finish.

### PART 2 - PRODUCTS

**2.1 MATERIALS**

.1 Pre-Coated Finish

.1 Use sheet metal with pre-coated finish where metal is exposed to view.

.2 5000 series coating to dry film thickness of 0.025mm on surface exposed to view.

.3 1000 series coating to back face of sheet metal

.4 Colour and gloss of finish will be a custom colour selection as determined by consultant. (to match new metal siding material).

.5 Supply of pre-coated metal to be installed in conjunction with preformed metal siding is included in specification for these systems. Form and install this sheet metal work under Work of this Section.

.3 Fasteners

.1 Use only nails, bolts, screws and other fasteners of the same metal and with the same finish as the metal being fastened. Use fasteners of a size suitable for the particular fastening condition and service. Use only approved nails, bolts, screws and other fasteners.

.5 Caulking

.1 One or two part polysulphide as specified in Section 079200.

**2.2 FABRICATION**

.1 Fabricate, where possible sheet metal in shop by brake forming, and bench cutting, drilling and shaping.

.2 Form bends with straight sharp lines, angles and arises; and sheets into true planes free from twists, buckles, dents and other visual distortions.

.3 Supply accessories required for installation of sheet metal specified in this section. Fabricate accessories of same material as sheet metal with which they will be incorporated.

.4 Double back exposed metal edges at least 12.7 mm (1/2”),

**PART 3 - EXECUTION**

**3.1 INSTALLATION**

.1 Install sheet metal exposed to view in straight lines, with junctions aligned and on same plane. Coordinate joints to align with other elements of the construction.

.2 Install sheet metal wherever possible on runs of equal 2400mm (8”0”) lengths except where conditions for securing dictates that shorter ad equal 1200,mm (4’0”) lengths are preferable.

.3 Install pre-coated sheet metal wherever possible in minimum lengths of 3600mm on typical runs, except where conditions for securing dictates that shorter and equal 1200mm (4’0”) lengths are preferable.

.4 Supply flashing reglets required by this section, to other sections responsible for their installation. Assist others in their location.

.5 Install sheet metal to prevent entry of water under service and weather conditions.

.6 Fasten sheet metal, clips and other components in an approved manner, with fasteners weathertight and evenly and neatly located. Do not use pop rivets.

.7 Join sheet metal by slip lock seams to permit thermal movement. Space joints evenly where exposed. Lock seam and solder internal corners. Form mitres with standing seams in pre-coated metal.

.8 Install edge strips in lengths of approximately 2400mm (8”), continuously, and with 6mm between each length. Fasten at 300mm (12”) o.c.

.12 Do not form open joints or pockets that fail to drain water.

.13 Caulk all reglets and open sheet metal joints that do not mechanically provide weathertight construction, in accordance with section 079200.

**END OF SECTION**

## PART 1 - GENERAL

### 1.1 GENERAL REQUIREMENTS

.1 Comply with requirements of Division 1.

### 1.2 RELATED WORK

| | | |
|---|---|---|
| .1 | Quality Control | Section 01 45 00 |
| .3 | Common Product Requirements | Section 01 61 00 |
| .4 | Formed Metal Wall Panels | Section 07 42 13 |

### 1.3 DEFINITION

.1 Caulking = Sealant.

### 1.4 QUALITY ASSURANCE

.1 Sealants must be installed by qualified caulking contractor with minimum five years experience and proven record of being able to produce good quality work.

.2 Upon Consultant's request arrange for sealant manufacturer's technical representative to visit the site, investigate conditions and make recommendations in connection with work of this Section.

### 1.5 PRODUCT HANDLING

.1 Deliver sealants to site in sealed containers bearing manufacturer's name, brand name of sealant and reference standard to which sealant complies.

.2 Store materials in a dry area having an ambient temperature within limitations recommended by material manufacturer.

### 1.6 JOB CONDITIONS

.1 Unless otherwise specified, apply sealants when air temperature is between 10ºC and 25ºC. When air temperature is above 25ºC or below 10ºC follow sealant manufacturer's recommendations regarding application.

.2 Environmental Limitations:

.1 Do not proceed with installation of joint sealants under following conditions:

.2 When ambient and substrate temperature conditions are outside limits permitted by joint sealant manufacturer or are below 4.4 degrees C.

.3 When joint substrates are wet.

.3 Joint-Width Conditions:

.1 Do not proceed with installation of joint sealants where joint widths are less than those allowed by joint sealant manufacturer for applications indicated.

.4 Joint-Substrate Conditions:

.1 Do not proceed with installation of joint sealants until contaminants capable of interfering with adhesion are removed from joint substrates.

### 1.7 GENERAL CONDITIONS

.1 Provide sealants (and backer-rod) at the junction between dissimilar materials, including but not limited to the following locations:

.1 Expansion and control joints in masonry and junctions between metal siding and other materials.

.2 Joints as indicated in all details and sections to be caulked or sealed.

**1.8 WARRANTY**

.1 At no cost to Owner remedy any defects in work, including work of this and other Sections, due to faults in materials and workmanship provided under this Section appearing within a period of 2 years from date of Substantial Performance.

**PART 2 - PRODUCTS**

**2.1 MATERIALS**

.1 Sealants:

.1 As recommended by manufacturer - Exterior sealant for vertical joints: one-part ultra low modulus silicone sealant with joint movement capability of ±50%; custom colour selected by Consultant: ASTM C920, Type S, Grade NS, Class 25, uses NT, G, A, 0: standard of acceptance: Bondaflex Sil 290.

.2 Colours: to match new siding colour.

.2 Primers, thinners, cleaners: as recommended by sealant manufacturer, non-staining type.

.3 Premoulded backup for sealant: non-gassing closed cell foam rope, compressed 25% when in joint: Sof-Rod by Tremco, or Cera-Rod by W.R. Meadows.

.4 Bond breaker: closed cell polyethylene or vinyl foam tape, self-adhering one side.

**PART 3 - EXECUTION**

**3.1 EXAMINATION**

.1 Examine joints to be caulked and report in writing to the Consultant any defects in work of other Sections which would impair installation, performance and warranty of sealants.

.2 Do not commence installation of sealants until conditions are acceptable.

.3 Start of work implies acceptance of conditions.

**3.2 PREPARATION**

.1 Clean and prepare joints to be caulked to produce clean sound surfaces for sealant adhesion.

.2 Remove dust, oil, grease, water, frost, loose mortar and other foreign matter. Remove loose particles by blowing joint out with compressed air.

.3 Chemically clean non-porous surfaces such as metal and glass, taking care to wipe solvents dry with a clean cloth. Use solvents recommended by sealant manufacturer.

.4 Clean porous surfaces such as masonry, concrete and stone by mechanical abrading.

.5 Surfaces adjacent to joints to be primed and which may be stained by primer shall be masked with tape before primer is applied.

.6 Prime joints in accordance with sealant manufacturer's recommendations. Apply primer before installing premoulded backup.

.7 Install premoulded backup in joints 6 mm and more in width. Roll rope type backup into joint, do not stretch or braid. Install bond breaker in joints less than 6 mm in width.

.8 Protect adjacent surfaces from stains and contamination. Make good any damage caused.

**3.3 APPLICATION**

.1 Apply sealants under pressure using suitable equipment. Gun nozzle shall be of proper size to fit, and seal joint.

.2 Force sealant into joints in full bead, making certain that void free contact is made with sides of joint. Tool joints to produce a slightly concave surface.

.3 Caulking must appear as a concave recessed joint, free of ridges, wrinkles and embedded foreign matter. Caulking shall not spread or bulge beyond surfaces on each of joint.

.4 Apply sealants in accordance with following table:

| Joint Width | Sealant Depth |
|---|---|
| 5 mm | 5 mm |
| 10 mm | 5 mm |
| 15 mm | 7 mm |
| 20 mm | 10 mm |
| 25 mm | 12 mm |

.5 Vent exterior joints as directed by Consultant.

**3.4 CLEANING**

.1 As work progresses, remove sealant smears and stains from adjacent surfaces. Use cleaning method recommended by sealant manufacturer.

.2 Leave adjacent surfaces in neat and clean condition.

**END OF SECTION**

# JAMES L. McINTYRE CENTENNIAL EXTERIOR CLADDING REPLACEMENT

## 50 EAST STREET, SAULT STE. MARIE, ONTARIO

INDEX OF DRAWINGS

ARCHITECTURAL

A0.1 OBC MATRIX, KEY PLAN, SITE PLAN AND GENERAL NOTES
A2.1 REFLECTED SOFFIT PLAN AND REFERENCE ROOF PLAN
A4.1 EXTERIOR ELEVATIONS, DEMOLITION NOTES AND SECTION DETAILS




MGP ARCHITECTS + ENGINEER INC.

123 East Street
Sault Ste. Marie, ON

| PROJECT NUMBER: | DATE: | DRAWING SET: |
|---|---|---|
| 23040 | 30/04/24 | 1 OF 1 |

## GENERAL NOTES

1. INSTALL ALL EQUIPMENT TO LOCATIONS AS SHOWN THAT ARE PROVIDED BY OWNER.
2. MECHANICAL INFORMATION SHOWN IS FOR GENERAL REFERENCE ONLY. REFER TO MECHANICAL DRAWINGS. NOT ALL MECHANICAL SERVICES ARE SHOWN ON ARCHITECTURAL PLANS.
3. IN CEILING SPACES, MECHANICAL AND ELECTRICAL TO COORDINATE WITH FINISH CEILING HEIGHT BEFORE INSTALLATION OF ANY MECHANICAL OR ELECTRICAL WORK.
4. COORDINATE WITH MECHANICAL DRAWINGS FOR REQUIRED SERVICES PENETRATIONS THROUGH FOUNDATION WALLS. ENSURE A WATERPROOF SEAL.
5. ALL AIR/VAPOUR BARRIER AT ALL EXTERIOR WALLS TO BE SEALED AGAINST ALL DOOR AND WINDOW ASSEMBLIES.
6. FOR ALL PARTITION AND WALL ASSEMBLIES THAT REQUIRE FIRE RESISTANT RATINGS, ENSURE ALL PENETRATIONS ARE SEALED WITH APPROPRIATE FIRE RATED SEALANTS TO MATCH THE FIRE RESISTANCE RATING OF THE WALL.
7. FOR ALL PARTITION AND WALL ASSEMBLIES PART OF NON RATED FIRE SEPARATIONS, ENSURE ALL PENETRATIONS ARE SEALED WITH APPROPRIATE SMOKE SEALANTS.
8. UNLESS OTHERWISE NOTED, ALL GYPSUM WALL BOARD PARTITIONS EXTEND TO U/S DECK OR FINISHED CEILINGS.
9. PROVIDE BRACING AS REQUIRED FOR ALL GYPSUM WALL BOARD PARTITIONS AND BULKHEADS.
10. GYPSUM BOARD PARTITIONS WITH A NON RATED F.R.R. TO BE SMOKE SEALED TO REQUIREMENTS OF AUTHORITY HAVING JURISDICTION.
11. PROVIDE WOOD BLOCKING IN WALLS FOR ALL ACCESSORIES SHOWN IN CONTRACT AND NOT IN CONTRACT. INSTALLATION HEIGHTS ARE AS SHOWN ON ELEVATIONS AND DETAILS.

## DIMENSIONING NOTES

1. ALL INTERIOR DIMENSIONS ARE TO FINISHED FACE OF PARTITION UNLESS OTHERWISE NOTED.
2. ALL INTERIOR DIMENSIONS LOCATING DOOR FRAMES ARE TO FINISHED FACE OF PARTITION UNLESS OTHERWISE NOTED.
3. ALL PLUMBING FIXTURE LOCATIONS ARE DIMENSIONED FROM FINISHED FACE OF WALL.
4. ALL ELECTRICAL FIXTURE LOCATIONS ARE DIMENSIONED FROM FINISHED FACE OF WALL.
5. DIMENSIONS FOR WINDOWS AND WALL OPENINGS ARE BASED ON ROUGH OPENINGS. ALLOW REQUIRED EXPANSION GAP FOR WINDOW SIZE WITHIN THE ROUGH OPENING.

## GENERAL CONSTRUCTION NOTES

A. GENERAL

1. THE CONTRACTOR WILL CONSTRUCT THE BUILDING IN ACCORDANCE WITH THE APPROVED PERMIT DRAWINGS & THE CONSTRUCTION DOCUMENTS.
2. THESE DRAWINGS & SPECIFICATIONS FORM THE BASICS OF THE CONSTRUCTION DOCUMENTS.
3. IT IS THE RESPONSIBILITY OF EACH TRADE TO UNDERSTAND THE REQUIREMENTS OF ALL ASPECTS OF THESE DOCUMENTS THAT RELATE TO THEIR WORK. COMMENCEMENT OF WORK BY ANY TRADE MEANS ACCEPTANCE OF THE CONDITIONS THAT APPLY TO THEIR WORK.
4. THESE DOCUMENTS ARE TO BE READ AS A WHOLE. NEITHER THE ARRANGEMENT OR ORGANIZATION OF THESE DOCUMENTS SHALL CONTROL OR LIMIT THE CONTRACTOR OR TRADE TO THEIR RESPONSIBILITY TO COMPLETE THEIR WORK ACCORDING TO THESE DOCUMENTS
5. ALL CONSTRUCTION WILL COMPLY WITH THE REQUIREMENTS OF ONTARIO BUILDING CODE (O.B.C).
6. WHERE SITE CONDITIONS AFFECT COMPLIANCE WITH THE ONTARIO BUILDING CODE, THE CONTRACTOR WILL NOTIFY THE ARCHITECT.
7. THE CONTRACTOR WILL MAINTAIN ON SITE AT ALL TIMES, COPIES OF THE APPROVED PERMIT DRAWINGS, THE ONTARIO BUILDING CODE, & THE CONSTRUCTION DOCUMENTS INCLUDING THE ARCHITECTURAL DRAWINGS & SPECIFICATIONS, ALL SUPPLEMENTAL INSTRUCTIONS, CHANGE NOTICES & DIRECTIVES, APPROVED SHOP DRAWINGS, & ALL ENGINEERING REPORTS.
8. THE CONTRACTOR WILL MAINTAIN A CLEAN SITE, FREE FROM DEBRIS AND WASTE MATERIAL. PROVIDE WASTE CONTAINERS FOR USE BY ALL TRADES.
9. ON COMPLETION OF THE WORK, REMOVE ALL TEMPORARY WORK PROTECTION, FACILITIES, SURPLUS MATERIALS, EQUIPMENT, DEBRIS, SATINS, SMUDGES AND SPILLS, LEAVING ALL INTERIOR AND EXTERIOR FINISHED SURFACES FREE FROM BLEMISHES. WASH AND POLISH GLASS AND FLOORS. ENSURE THAT ALL EQUIPMENT IS OPERATING, AND LEAVE THE BUILDING READY FOR OCCUPATION.
10. THE CONTRACTOR WILL PROVIDE COPIES OF ALL ENGINEERING & MUNICIPAL INSPECTION REPORTS TO THE ARCHITECT IMMEDIATELY UPON RECEIPT.
11 . THE CONTRACTOR WILL CALL FOR INSPECTIONS AS REQUIRED BY THE MUNICIPALITY.
12. IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO UPDATE THE ARCHITECT WEEKLY ON THE STATUS OF THE WORK. THE CONTRACTOR SHALL CONTACT THE ARCHITECT AND/OR ENGINEER FOR FIELD REVIEWS AT THE APPROPRIATE STAGES OF WORK.
13. THE CONTRACTOR WILL MAINTAIN A SAFE & ORDERLY SITE & COMPLY WITH ALL HEALTH & SAFETY REGULATIONS.
14. THE CONTRACTOR WILL MAINTAIN LIABILITY & PROPERTY DAMAGE INSURANCE DURING CONSTRUCTION.
15. THE CONTRACTOR WILL MAINTAIN REGISTRATION& GOOD STANDING WITH WSIB DURING CONSTRUCTION.

B. EXECUTION

1. THE WORK OF ALL TRADES SHALL CONFORM TO THE HIGHEST STANDARDS OF THEIR INDIVIDUAL TRADE ASSOCIATIONS WHETHER OUTLINED WITHIN THESE DOCUMENTS OR NOT.
2. ALL TRADES MUST BE KNOWLEDGEABLE OF ALL PERTINENT CODES & REGULATIONS OF AUTHORITIES HAVING JURISDICTION THAT APPLY TO THEIR SCOPE OF WORK.
3. IN THE CASE OF CONFLICTS OR DISCREPANCIES, THE MOST STRINGENT REQUIREMENT SHALL APPLY
4. PATCH & MAKE GOOD SURFACES CUT DAMAGED OR DISTURBED TO ARCHITECT'S APPROVAL. MATCH EXISTING MATERIAL, COLOUR, FINISH & TEXTURE.
5. DECISIONS AS TO THE STANDARD OR FITNESS OF QUALITY OF WORK IN CASES OF DISPUTE REST SOLELY WITH THE ARCHITECT, WHOSE DECISION IS FINAL.
6. REMOVE DEFECTIVE WORK, WHETHER RESULT OF POOR WORKMANSHIP, DEFECTIVE PRODUCTS OR DAMAGE WHICH HAS BEEN REJECTED BY THE ARCHITECT AS FAILING TO CONFORM TO THESE DOCUMENTS. REPLACE OR RE -EXECUTE IN ACCORDANCE WITH THESE DOCUMENTS. MAKE GOOD OTHER CONTRACTOR'S WORK DAMAGED BY SUCH REMOVALS.
7. INSTALL OR ERECT ALL PRODUCTS IN ACCORDANCE WITH MANUFACTURES' INSTRUCTIONS.
8. ENSURE QUALITY OF WORK IS OF HIGHEST STANDARD EXECUTED BY WORKERS EXPERIENCED & SKILLED IN THEIR RESPECTIVE DUTIES.
9. CONCEAL PIPES, DUCTS & WIRING IN FLOOR WALL & CEILING CONSTRUCTION OF FINISHED AREAS.
10. ALL WORK SHALL BE TRUE, LEVEL, PLUMB & SQUARE.

## ABBREVIATIONS:

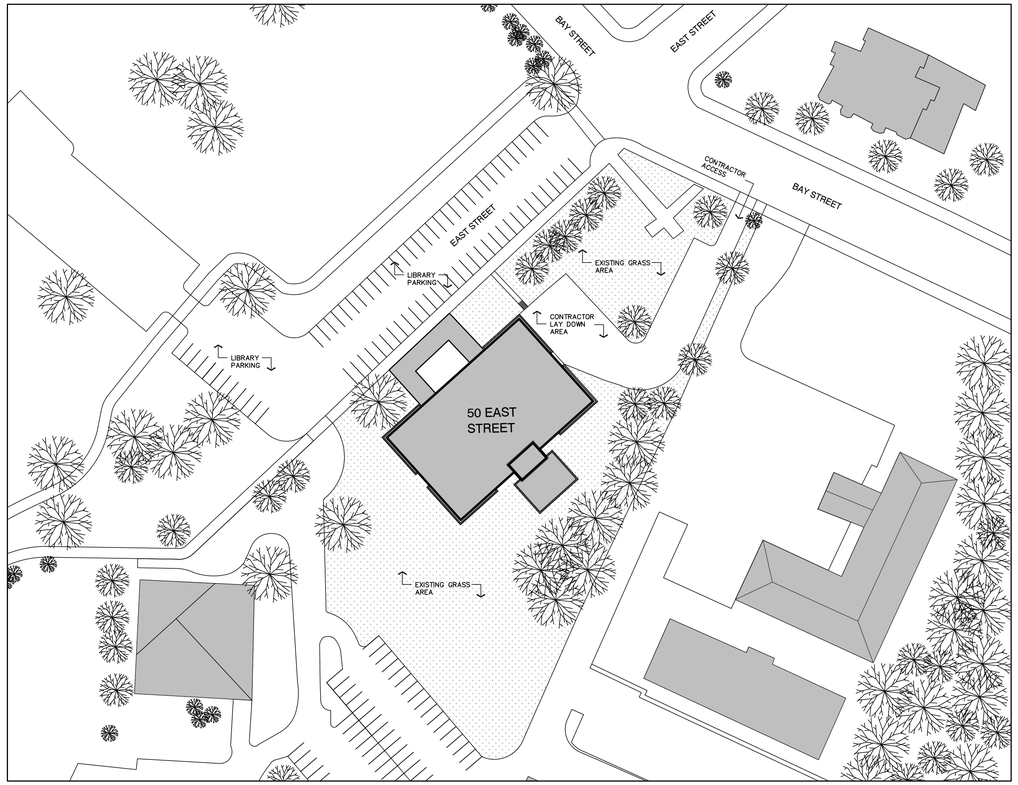
| | |
|---|---|
| **-A-** | |
| AC | ACOUSTIC |
| ACT | ACOUSTIC TILE |
| ALUM. | ALUMINUM |
| AHU | AIR HANDLING UNIT |
| ARCH. | ARCHITECTURAL |
| AUTO | AUTOMATIC |
| AUX | AUXILIARY |
| A.F.F | ABOVE FINISH FLOOR |
| AP | ANNUNCIATOR PANEL |
| **-B-** | |
| BD | BOARD |
| BLK | BLOCK |
| BLDG | BUILDING |
| B/S | BOTH SIDE |
| B.F | BARRIER FREE |
| **-C-** | |
| CPT | CARPET |
| CT | CERAMIC TILE |
| CB | CONCRETE BLOCK |
| CI | CAST IRON |
| CJ | CONTROL JOINT |
| CL | CENTRE LINE |
| COL | COLUMN |
| CONT | CONTINUOUS |
| CONC | CONCRETE |
| C/W | COMPLETE WITH |
| CO | CLEAN OUT |
| CC | CENTRE TO CENTRE |
| CSK | COUNTERSINK |
| CP | CONTROL PANEL |
| CT | CERAMIC TILE |
| **-D-** | |
| DET | DETAIL |
| DIA | DIAMETER |
| DR | DRAIN |
| **-E-** | |
| ELECT | ELECTRICAL |
| EX | EXISTING |
| EXT | EXTERIOR |
| EF | EXHAUST FAN |
| EL | ELEVATION |
| **-F-** | |
| FE | FIRE EXTINGUISHER |
| FIN | FINISHED |
| FL | FLOOR |
| FD | FLOOR DRAIN |
| FIN GR | FINISH GRADE |
| FIN FL | FINISH FLOOR |
| FRR | FIRE RESISTANCE RATING |
| **-G-** | |
| GR | GRADE |
| GRD | GROUND |
| GB | GYPSUM BOARD |
| GWG | GEORGIAN WIRED GLASS |
| GB1 | GRAB BAR TYPE 1 |
| **-H-** | |
| HM | HOLLOW METAL |
| HNDRL | HANDRAIL |
| HR | HANDRAIL |
| HB | HOSE BIB |
| HVAC | HEAT, VENT. & AIR COND. |
| HW | HOT WATER |
| HD | HAND DRYER |
| HSS | HOLLOW STRUCTURAL SECTION |
| **-I-** | |
| INSUL | INSULATION |
| INT | INTERIOR |
| IHM | INSULATED HOLLOW METAL |
| **-L-** | |
| LAM | LAMINATE |
| LS | LIGHT STANDARD |
| **-M-** | |
| MECH | MECHANICAL |
| MIR | MIRROR |
| **-N-** | |
| NS | NON SLIP |
| NIC | NOT IN CONTRACT |
| N/A | NOT APPLICABLE |
| NTS | NOT TO SCALE |
| **-O-** | |
| o/c | ON CENTRE |
| OWSJ | OPEN WEB STEEL JOISTS |
| O/H | OVERHEAD |
| O/O | OUT TO OUT |
| OA | OVERALL |
| OD | OUTSIDE DIAMETER |
| **-P-** | |
| PT | PAINT FINISH |
| PTD | PAPER TOWEL DISPENSER |
| PNL | PANEL |
| P. LAM | PLASTIC LAMINATE |
| PLY | PLYWOOD |
| PREF. | PREFINISHED |
| **-R-** | |
| RCB | RUBBER BASE |
| REINF | REINFORCED |
| RWL | RAIN WATER LEADER |
| RD | ROOF DRAIN |
| RO | ROUGH OPENING |
| **-S-** | |
| SHT V | SHEET VINYL |
| SAT | SUSPENDED ACOUSTIC TILE |
| SIM | SIMILAR |
| SCW | SOLID CORE WOOD |
| S&V | STAIN AND VARNISH |
| S.STL | STAINLESS STEEL |
| ST | STEEL |
| SCT | STATIC CONTROL TILE |
| STRUCT | STRUCTURAL |
| SD | SOAP DISPENSOR |
| **-T-** | |
| TPD | TOILET PAPER DISPENSER |
| TYP | TYPICAL |
| T&B | TOP & BOTTOM |
| T&G | TONGUE AND GROOVE |
| **-U-** | |
| U/S | UNDERSIDE |
| **-V-** | |
| VT | VINYL TILE |
| VCB | VINYL COVE BASE |
| **-W-** | |
| W/C | WATER CLOSET |
| WD | WOOD |
| WP | WATERPROOFING |

## Ontario Building Code Data Matrix
## Part 11 – Renovation of Existing Building

| | | | | Building Code Reference 1 |
|---|---|---|---|---|
| 11.00 | Building Code Version: | O. Reg. 332/12 | Last Amendment O. Reg. 191/14 | |
| 11.01 | Project Type: | ☐ Addition ■ Renovation ☐ Addition and renovation<br>☐ Change of use<br>Description: Exterior cladding replacement | | [A] 1.1.2. |
| 11.02 | Major Occupancy | Occupancy: Group A - Assembly | Use: Public Library | 3.1.2.1.(1) |
| 11.09 | Renovation type: | ■ Basic Renovation ☐ Extensive Renovation | | 11.3.3.1.<br>11.3.3.2. |
| 11.13 | Reduction in Performance Level: | Structural: ■ No ☐ Yes<br>By Increase in occupant load: ■ No ☐ Yes<br>By change of major occupancy: ■ No ☐ Yes<br>Plumbing: ■ No ☐ Yes<br>Sewage-systems: ■ No ☐ Yes<br>Extension of combustible construction: ■ No ☐ Yes | | 11.4.2.1.<br>11.4.2.2.<br>11.4.2.3.<br>11.4.2.4.<br>11.4.2.5.<br>11.4.2.6. |
| 11.14 | Compensating Construction: | ■ No ☐ Yes _____<br>Structural: ■ No ☐ Yes _____<br>Increase in occupant load: ■ No ☐ Yes _____<br>Change of major occupancy: ■ No ☐ Yes _____<br>Plumbing: ■ No ☐ Yes _____<br>Sewage systems: ■ No ☐ Yes _____<br>Extension of combustible construction: ■ No ☐ Yes _____ | | 11.4.3.1,<br>11.4.3.2,<br>11.4.3.3,<br>11.4.3.4,<br>11.4.3.5,<br>11.4.3.6,<br>11.4.3.7. |
| 11.15 | Compliance Alternatives Proposed: | ■ No ☐ Yes _____ | | 11.5.1. |
| 11.16 | Notes: | | | 11.5.1. |

## PROJECT SCOPE:

1. BUILDING OCCUPANCY – GROUP 'A' – ASSEMBLY = NO CHANGE IN OCCUPANCY.
2. EXTERIOR RENOVATION ONLY – REPLACEMENT OF OLD METAL CLADDING AND SOFFIT +/- 5371 SQ.FT. OF MATERIAL. CONTRACTOR TO FIELD VERIFY, QUANTITIES, TYPE AND CONDITION OF EXISTING SUBSTRATE.
3. EXISTING EXTERIOR PARKING AND VEHICULAR CIRCULATION NOT AFFECTED.
4. NO CHANGE TO EXTERIOR SIGNAGE.
5. IF REQUIRED, STRUCTURAL MODIFICATIONS ARE TO BE MADE BY A LICENSED PROFESSIONAL ENGINEER.




1 A1.1 SITE PLAN
SCALE: NTS

### GENERAL PLAN NOTES:

CONTRACTOR TO MAKE USE OF IDENTIFIED LAY DOWN AREA FOR STORAGE OF MATERIALS/OPERATION. VEHICULAR TRAFFIC IS TO BE MAINTAINED.
CONTRACTOR TO REPAIR/RESTORE ANY DAMAGE DONE TO VEGETATION, GRASSED AREAS AND/OR ASPHALT.
CONTRACTOR TO COORDINATE WORK WITH OWNER – ACCESS TO THE LIBRARY MUST BE SAFELY MAINTAINED DURING OPERATING HOURS.
CONTRACTOR RESPONSIBLE FOR ALL NECESSARY CONSTRUCTION SITE FENCES, BARRIERS, CATCHALLS ETC.




1 A0.1 PROJECT REFERENCE PLAN
N.T.S.

N

### SYMBOLS LEGEND:

- ROOM XXX — ROOM NAME AND NUMBER
- X / XX — DETAIL NUMBER REFERENCING DRAWING NUMBER
- X / A X.X — ELEVATION NUMBER REFERENCING DRAWING NUMBER
- X / XX — SECTION NUMBER REFERENCING DRAWING NUMBER
- A — GRID REFERENCE NUMBER
- E0 — EXTERIOR WALL CONSTRUCTION TYPES (SEE ALSO WALL TYPE SCHEDULE)
- P0 — PARTITION CONSTRUCTION TYPES (SEE ALSO PARTITION TYPE SCHEDULE)
- S0 — SCREEN NUMBER (SEE ALSO DOOR SCHEDULE)
- A000 — DOOR NUMBER (SEE ALSO DOOR SCHEDULE)
- XXX.XX — ELEVATION DATUM

### DRAWING LIST:

ARCHITECTURAL

A0.1 OBC MATRIX, KEY PLAN, SITE PLAN AND GENERAL NOTES
A2.1 ROOF PLAN AND REFLECTED SOFFIT PLAN
A4.1 EXTERIOR ELEVATIONS, DEMOLITION NOTES AND SECTION DETAILS


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### NOTES:

ALL MEASUREMENTS ARE TO BE CONFIRMED ON SITE BY THE CONTRACTOR. ERRORS AND OMISSIONS ARE TO BE REPORTED TO THE ARCHITECT OR ENGINEER PRIOR TO PROCEEDING WITH WORK. RESPONSIBILITY FOR COORDINATION OF ALL WORK REMAINS WITH THE GENERAL CONTRACTOR. THIS WORK IS COPYRIGHT TO MGP ARCHITECTS + ENGINEER INC. AND IS NOT TO BE COPIED OR REPRODUCED WITHOUT PERMISSION.

| REV: | DESCRIPTION: | DATE: |
|---|---|---|
| A | ISSUED FOR TENDER | 30/04/24 |

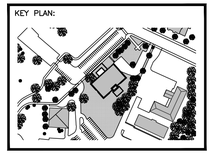
STATUS: ISSUED FOR TENDER

PROJECT: JAMES L. McINTYRE CENTENNIAL LIBRARY EXTERIOR CLEADDING REPLACEMENT

CLIENT: MATTHEW MACDONALD SAULT STE. MARIE, ON

LOCATION: 50 EAST STREET SAULT STE. MARIE, ON

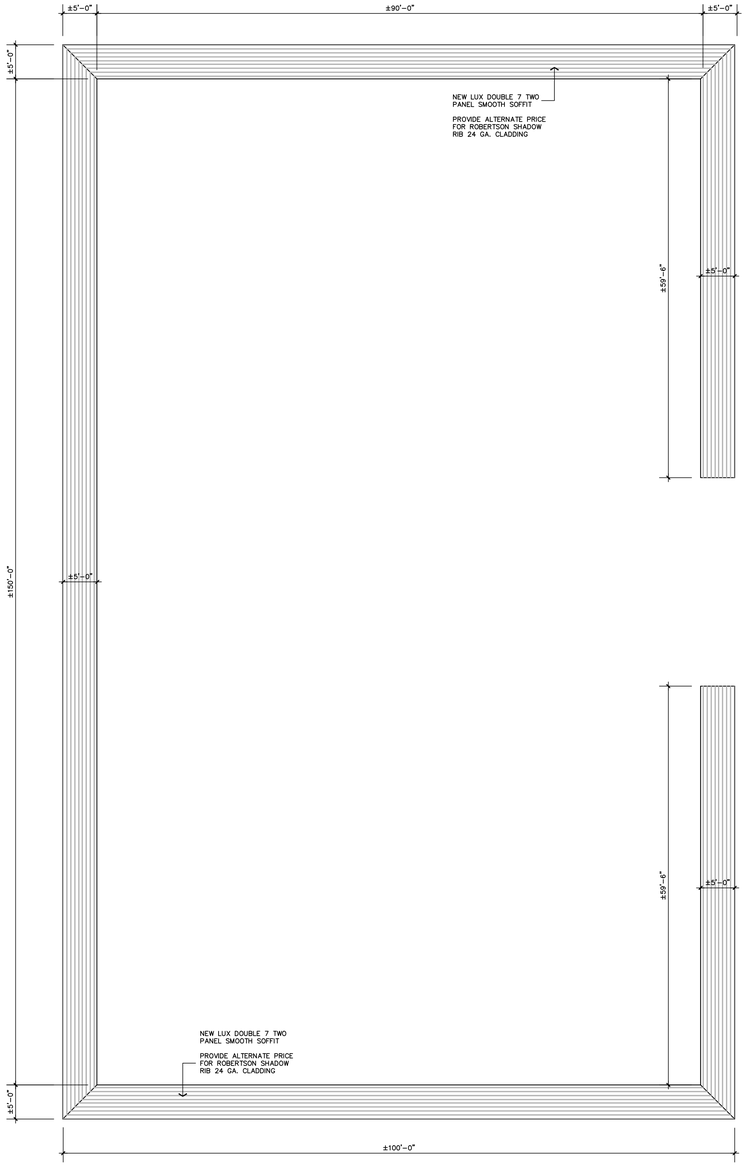
KEY PLAN:



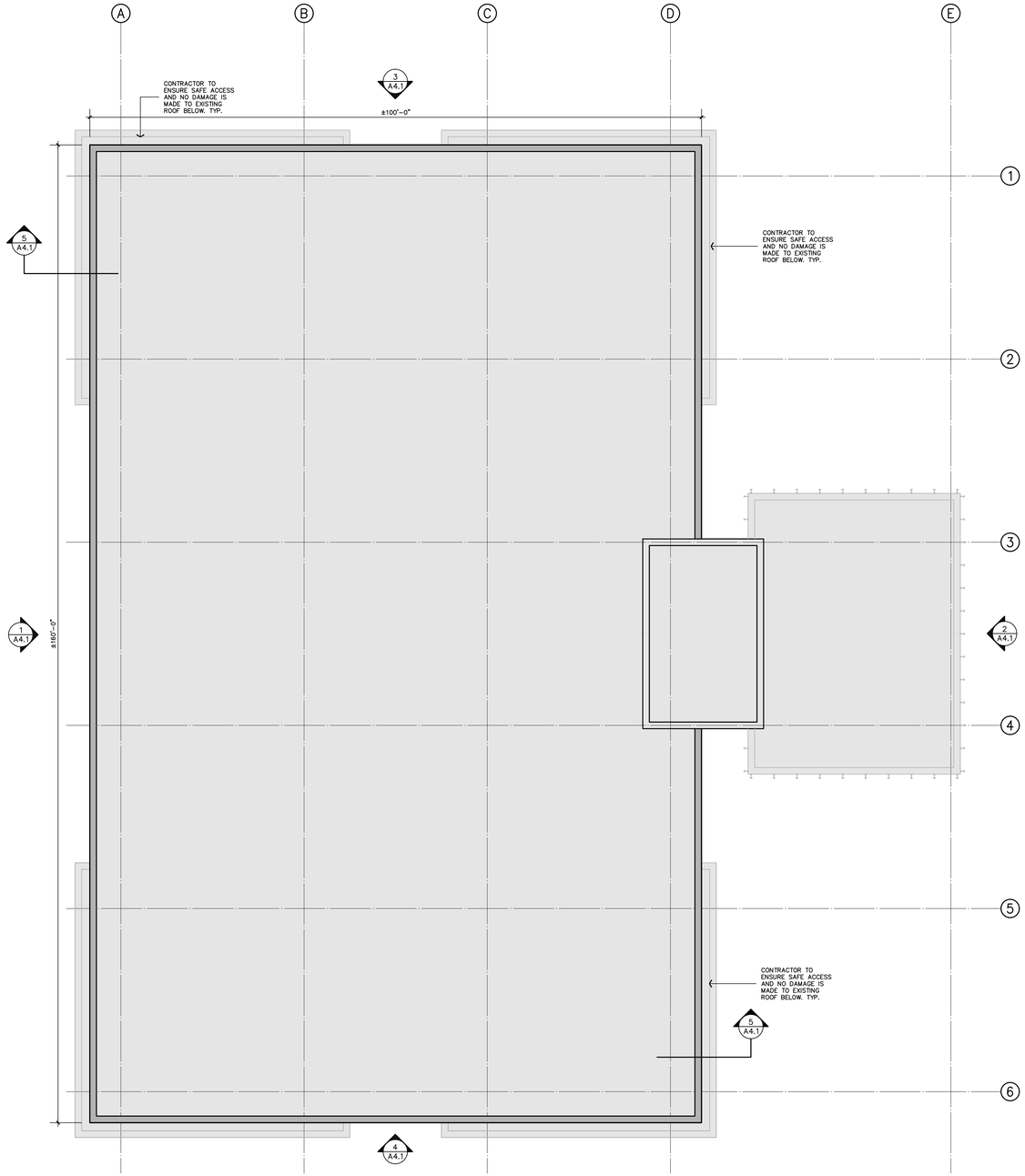
DRAWING TITLE: OBC MATRIX, KEY PLAN, SITE PLAN AND GENERAL NOTES

| SCALE: | DATE: | DRAWN: |
|---|---|---|
| AS NOTED | 30/04/24 | MF |

PROJECT NUMBER: 23040
DWG FILE: 23040A100
DRAWING NUMBER: A0.1




2 A2.1 REFLECTED SOFFIT PLAN
SCALE: 3/32" = 1'-0"




1 A2.1 REFERENCE ROOF PLAN
SCALE: 3/32" = 1'-0"

GENERAL NOTES:

CONTRACTOR TO INFORM ARCHITECT ONCE CLADDING IS REMOVED IN ORDER TO INSPECT EXISTING ROOF AND SUBSTRATE CONDITION PRIOR TO INSTALLATION OF TYVEK AIR BARRIER AND NEW METAL CLADDING.

CONTRACTOR TO MAINTAIN SAFE ROOD ACCESS AND ENSURE NO DAMAGE IS MADE TO EXISTING ROOF.

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www.mgp-arch-eng.ca

NOTES:

ALL MEASUREMENTS ARE TO BE CONFIRMED ON SITE BY THE CONTRACTOR. ERRORS AND OMISSIONS ARE TO BE REPORTED TO THE ARCHITECT OR ENGINEER PRIOR TO PROCEEDING WITH WORK. RESPONSIBILITY FOR COORDINATION OF ALL WORK REMAINS WITH THE GENERAL CONTRACTOR. THIS WORK IS COPYRIGHT TO MGP ARCHITECTS + ENGINEER INC. AND IS NOT TO BE COPIED OR REPRODUCED WITHOUT PERMISSION.

| REV: | DESCRIPTION: | DATE: |
|---|---|---|

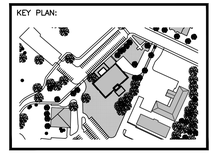
STATUS:
ISSUED FOR TENDER

PROJECT:
JAMES L. McINTYRE CENTENNIAL LIBRARY EXTERIOR CLEADDING REPLACEMENT

CLIENT:
MATTHEW MACDONALD
SAULT STE. MARIE, ON

LOCATION:
50 EAST STREET
SAULT STE. MARIE, ON

KEY PLAN:



DRAWING TITLE:
REFLECTED SOFFIT PLAN, REFERENCE ROOF PLAN

| SCALE: | DATE: | DRAWN: |
|---|---|---|
| AS NOTED | 30/04/24 | MF |

PROJECT NUMBER:
23040

DWG FILE:
23040A100

DRAWING NUMBER:
A2.1

## GENERAL NOTES:

SHOP DRAWINGS ARE TO BE PROVIDED FOR APPROVAL FOR ALL NEW METAL CLADDING PRIOR TO FABRICATION.

PREFERRED CLADDING TO BE LUX METAL CRAFT SERIES VARIABLE WALL PANEL PROFILE V03 IN TEXTURED BLACK ONYX. SOFFIT TO BE LUX DOUBLE 7 TWO PANEL SMOOTH SOFFIT IN SAME COLOUR.

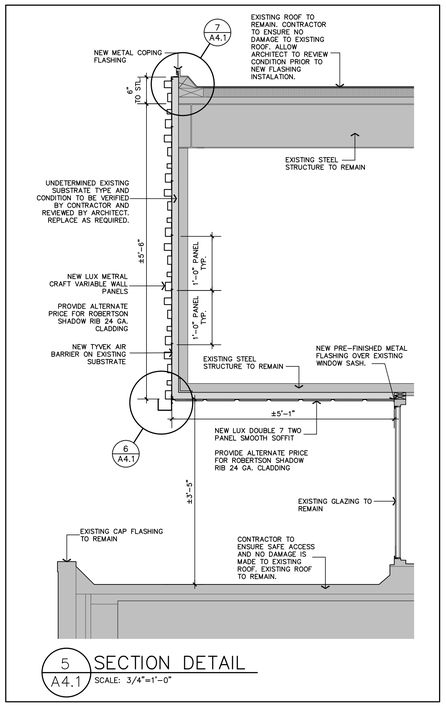
CONTRACTOR TO PROVIDE ALTERNATE PRICE FOR ROBERTSON SHADOW RIB HIDDEN FASTENER SYSTEM 24 GA. FOR BOTH EXTERIOR CLADDING AND SOFFIT. COLOUR TO BE

## EXTERIOR FINISH LEGEND

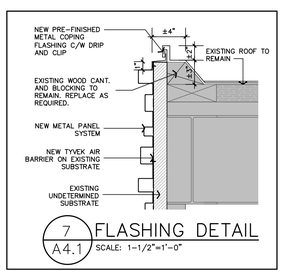
| REFERENCE | FINISH TYPE |
|---|---|
| A | NEW LUX METAL CRAFT VARIABLE WALL METAL PANEL SYSTEM V03 PROFILE – BLACK TEXTURED ONYX<br>PROVIDE ALTERNATE PRICE FOR ROBERTSON SHADOW RIB 24 GA. METAL PANEL SYSTEM |
| B | EXISTING MASONRY |
| C | EXISTING GLAZING |
| D | EXISTING CONCRETE |
| E | EXISTING VERTICAL METAL SIDING |

## DEMOLITION NOTES:

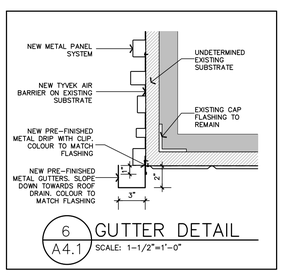
- D1 REMOVE EXISTING METAL RIBBED FASCIA/SOFFIT PANELS INCLUDING ALL FASTENERS, TRIMS AND FLASHING AND MAKE READY FOR NEW METAL PANEL SYSTEM.
- D2 REMOVE EXISTING COPING FLASHING FOR NEW METAL PANEL SYSTEM INSTALLATION. REPLACE AND INSTALL NEW. COLOUR BY ARCHITECT.
- D3 REMOVE AND REPLACE EXISTING METAL GUTTERS. COLOUR TO MATCH FLASHING.
- D4 REMOVE EXISTING METAL GUTTERS. NO NEW GUTTER AT THIS LOCATION.



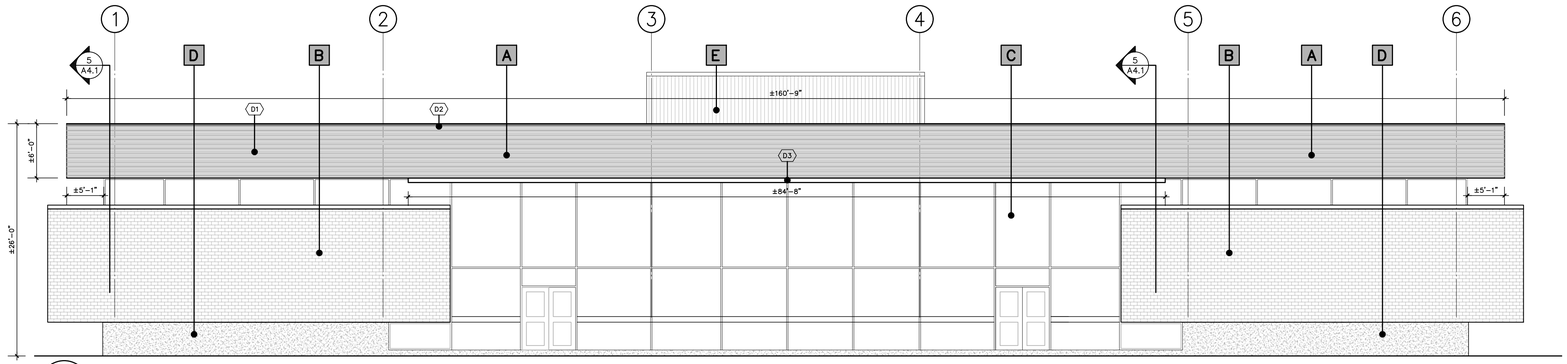

5 A4.1 SECTION DETAIL
SCALE: 3/4"=1'-0"



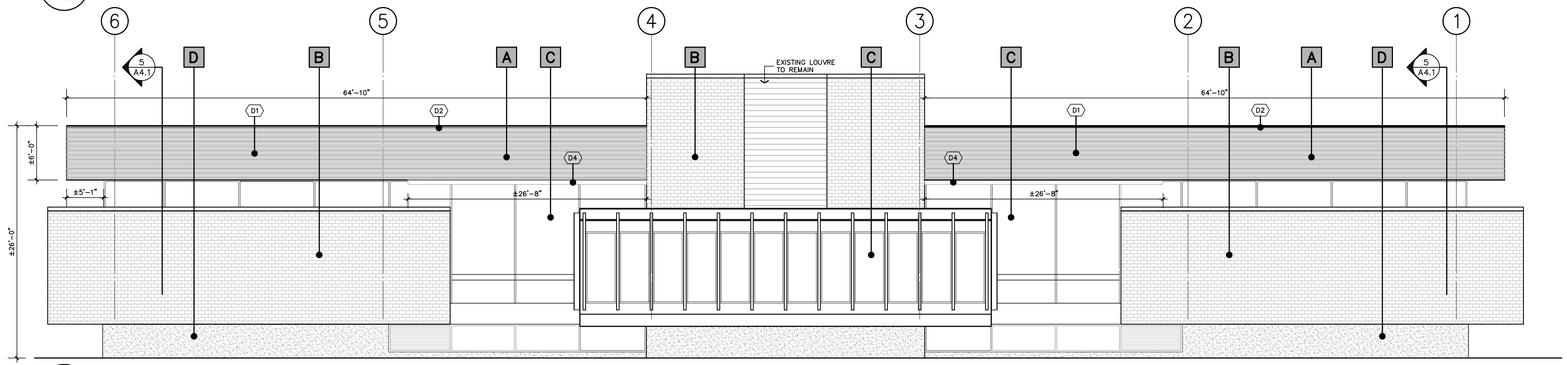

7 A4.1 FLASHING DETAIL
SCALE: 1-1/2"=1'-0"



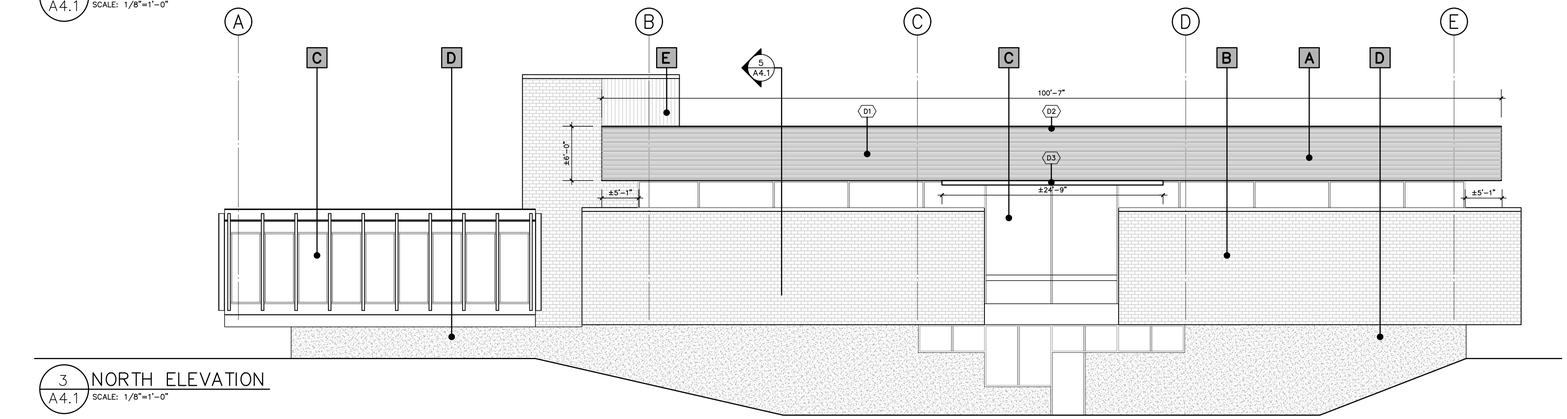

6 A4.1 GUTTER DETAIL
SCALE: 1-1/2"=1'-0"



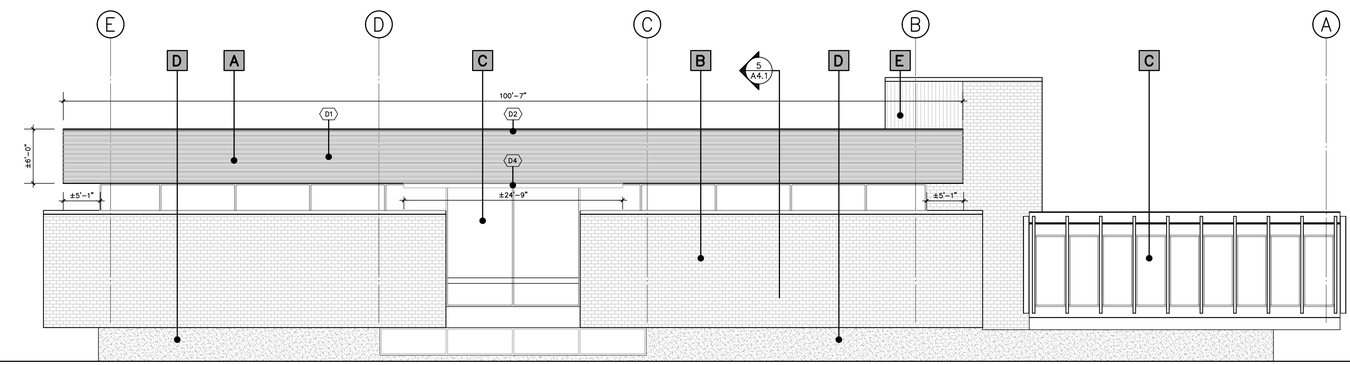

1 A4.1 WEST ELEVATION
SCALE: 1/8"=1'-0"




2 A4.1 EAST ELEVATION
SCALE: 1/8"=1'-0"




3 A4.1 NORTH ELEVATION
SCALE: 1/8"=1'-0"




4 A4.1 SOUTH ELEVATION
SCALE: 1/8"=1'-0"

mgp
architects + engineer inc.
123 East Street
Sault Ste. Marie, ON
P6A 3C7
705.942.9494
www.mgp-arch-eng.ca

NOTES:
ALL MEASUREMENTS ARE TO BE CONFIRMED ON SITE BY THE CONTRACTOR. ERRORS AND OMISSIONS ARE TO BE REPORTED TO THE ARCHITECT OR ENGINEER PRIOR TO PROCEEDING WITH WORK. RESPONSIBILITY FOR COORDINATION OF ALL WORK REMAINS WITH THE GENERAL CONTRACTOR. THIS WORK IS COPYRIGHT TO MGP ARCHITECTS + ENGINEER INC. AND IS NOT TO BE COPIED OR REPRODUCED WITHOUT PERMISSION.

| REV: | DESCRIPTION: | DATE: |
|---|---|---|

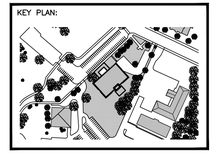
STATUS:
ISSUED FOR TENDER

PROJECT:
JAMES L. McINTYRE CENTENNIAL LIBRARY EXTERIOR CLEADDING REPLACEMENT

CLIENT:
MATTHEW MACDONALD
SAULT STE. MARIE, ON

LOCATION:
50 EAST STREET
SAULT STE. MARIE, ON

KEY PLAN:



DRAWING TITLE:
EXTERIOR ELEVATIONS, DEMOLITION NOTES AND SECTION DETAILS

| SCALE: | DATE: | DRAWN: |
|---|---|---|
| AS NOTED | 30/04/24 | MF |

PROJECT NUMBER: 23040
DWG FILE: 23040A100
DRAWING NUMBER: A4.1

CCDC 2

# Stipulated Price Contract

2020

## James L. McIntyre Centennial Library Exterior Cladding Replacement

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# CCDC 2 STIPULATED PRICE CONTRACT

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**AGREEMENT BETWEEN OWNER AND CONTRACTOR**
**For use when a stipulated price is the basis of payment.**

**This Agreement** made on day of in the year .
**by and between the parties**

hereinafter called the "*Owner"*

**and**

hereinafter called the "*Contractor*"

The *Owner* and the *Contractor* agree as follows:

**ARTICLE A-1 THE WORK**

The *Contractor* shall:

1.1 perform the *Work* required by the *Contract Documents* for *(insert below the description or title of the Work)*

located at *(insert below the Place of the Work)*

for which the Agreement has been signed by the parties, and for which *(insert below the name of the Consultant)*

MGP Architects + Engineer Inc.

is acting as and is hereinafter called the "*Consultant*" and

1.2 do and fulfill everything indicated by the *Contract Documents*, and

1.3 commence the *Work* by the day of in the year and, subject to adjustment in *Contract Time* as provided for in the *Contract Documents*, attain *Ready-for-Takeover*, by the day of in the year .

**ARTICLE A-2 AGREEMENTS AND AMENDMENTS**

2.1 The *Contract* supersedes all prior negotiations, representations or agreements, either written or oral, relating in any manner to the *Work*, including the bid documents that are not expressly listed in Article A-3 of the Agreement – CONTRACT DOCUMENTS.

2.2 The *Contract* may be amended only as provided in the *Contract Documents*.


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**ARTICLE A-3 CONTRACT DOCUMENTS**

3.1 The following are the *Contract Documents* referred to in Article A-1 of the Agreement – THE WORK:

- Agreement between *Owner* and *Contractor*
- Definitions
- General Conditions
- *

* *(Insert here, attaching additional pages if required, a list identifying all other Contract Documents e.g. supplementary conditions; Division 01 of the Specifications – GENERAL REQUIREMENTS; Project information that the Contractor may rely upon; technical Specifications, giving a list of contents with section numbers and titles, number of pages and date; material finishing schedules; Drawings, giving drawing number, title, date, revision date or mark; addenda, giving title, number, date; time schedule)*


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**ARTICLE A-4 CONTRACT PRICE**

4.1 The *Contract Price*, which excludes *Value Added Taxes*, is:

/100 dollars $

4.2 *Value Added Taxes* (of _____ %) payable by the *Owner* to the *Contractor* are:

/100 dollars $

4.3 Total amount payable by the *Owner* to the *Contractor* for the *Work* is:

/100 dollars $

4.4 These amounts shall be subject to adjustments as provided in the *Contract Documents*.

4.5 All amounts are in Canadian funds.

**ARTICLE A-5 PAYMENT**

5.1 Subject to the provisions of the *Contract Documents* and *Payment Legislation*, and in accordance with legislation and statutory regulations respecting holdback percentages, the *Owner* shall:

.1 make progress payments to the *Contractor* on account of the *Contract Price* when due in the amount certified by the *Consultant* unless otherwise prescribed by *Payment Legislation* together with such *Value Added Taxes* as may be applicable to such payments,

.2 upon *Substantial Performance of the Work*, pay to the *Contractor* the unpaid balance of the holdback amount when due together with such *Value Added Taxes* as may be applicable to such payment, and

.3 upon the issuance of the final certificate for payment, pay to the *Contractor* the unpaid balance of the *Contract Price* when due together with such *Value Added Taxes* as may be applicable to such payment.

5.2 Interest

.1 Should either party fail to make payments as they become due under the terms of the *Contract* or in an award by adjudication, arbitration or court, interest at the following rates on such unpaid amounts shall also become due and payable until payment:

(1) 2% per annum above the prime rate for the first 60 days.

(2) 4% per annum above the prime rate after the first 60 days.

Such interest shall be compounded on a monthly basis. The prime rate shall be the rate of interest quoted by

*(Insert name of chartered lending institution whose prime rate is to be used)*

for prime business loans as it may change from time to time.

.2 Interest shall apply at the rate and in the manner prescribed by paragraph 5.2.1 of this Article on the settlement amount of any claim in dispute that is resolved either pursuant to Part 8 of the General Conditions – DISPUTE RESOLUTION or otherwise, from the date the amount would have been due and payable under the *Contract*, had it not been in dispute, until the date it is paid.

**ARTICLE A-6 RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING**

6.1 *Notices in Writing* will be addressed to the recipient at the address set out below.

6.2 The delivery of a *Notice in Writing* will be by hand, by courier, by prepaid first class mail, or by other form of electronic communication during the transmission of which no indication of failure of receipt is communicated to the sender.

6.3 A *Notice in Writing* delivered by one party in accordance with this *Contract* will be deemed to have been received by the other party on the date of delivery if delivered by hand or courier, or if sent by mail it will be deemed to have been received five calendar days after the date on which it was mailed, provided that if either such day is not a *Working Day*, then the *Notice in Writing* will be deemed to have been received on the *Working Day* next following such day.

6.4 A *Notice in Writing* sent by any form of electronic communication will be deemed to have been received on the date of its transmission provided that if such day is not a *Working Day* or if it is received after the end of normal business hours on the date of its transmission at the place of receipt, then it will be deemed to have been received at the opening of business at the place of receipt on the first *Working Day* next following the transmission thereof.

6.5 An address for a party may be changed by *Notice in Writing* to the other party setting out the new address in accordance with this Article.


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**Owner**

*name of Owner**

*address*

*email address*

**Contractor**

*name of Contractor**

*address*

*email address*

**Consultant** MGP Architects + Engineer Inc.

*name of Consultant**

123 East Street
Sault Ste. Marie, ON P6A 3C67

*address*

mgp@mgp-ae.ca

*email address*

*** If it is intended that a specific individual must receive the notice, that individual's name shall be indicated.*

**ARTICLE A-7 LANGUAGE OF THE CONTRACT**

7.1 When the *Contract Documents* are prepared in both the English and French languages, it is agreed that in the event of any apparent discrepancy between the English and French versions, the English / French # language shall prevail.
*# Complete this statement by striking out inapplicable term.*

7.2 This Agreement is drawn in English at the request of the parties hereto. La présente convention est rédigée en anglais à la demande des parties.

**ARTICLE A-8 SUCCESSION**

8.1 The *Contract* shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives, successors, and assigns.


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**In witness whereof** the parties hereto have executed this Agreement by the hands of their duly authorized representatives.

SIGNED AND DELIVERED
in the presence of:

**WITNESS**

**OWNER**

_____
*name of Owner*

_____
*signature*

_____
*signature*

_____
*name of person signing*

_____
*name and title of person signing*

**WITNESS**

**CONTRACTOR**

_____
*name of Contractor*

_____
*signature*

_____
*signature*

_____
*name of person signing*

_____
*name and title of person signing*

*N.B.* *Where legal jurisdiction, local practice or Owner or Contractor requirement calls for:*
*(a) proof of authority to execute this document, attach such proof of authority in the form of a certified copy of a resolution naming the representative(s) authorized to sign the Agreement for and on behalf of the corporation or partnership; or*
*(b) the affixing of a corporate seal, this Agreement should be properly sealed.*


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**DEFINITIONS**

The following Definitions shall apply to all *Contract Documents*.

**Change Directive**

A *Change Directive* is a written instruction prepared by the *Consultant* and signed by the *Owner* directing the *Contractor* to proceed with a change in the *Work* within the general scope of the *Contract Documents* prior to the *Owner* and the *Contractor* agreeing upon adjustments in the *Contract Price* and the *Contract Time*.

**Change Order**

A *Change Order* is a written amendment to the *Contract* prepared by the *Consultant* and signed by the *Owner* and the *Contractor* stating their agreement upon:

- a change in the *Work*;
- the method of adjustment or the amount of the adjustment in the *Contract Price*, if any; and
- the extent of the adjustment in the *Contract Time*, if any.

**Construction Equipment**

*Construction Equipment* means all machinery and equipment, either operated or not operated, that is required for preparing, fabricating, conveying, erecting, or otherwise performing the *Work* but is not incorporated into the *Work*.

**Consultant**

The *Consultant* is the person or entity engaged by the *Owner* and identified as such in the Agreement. The *Consultant* is the Architect, the Engineer or entity licensed to practise in the province or territory of the *Place of the Work*.

**Contract**

The *Contract* is the undertaking by the parties to perform their respective duties, responsibilities and obligations as prescribed in the *Contract Documents* and represents the entire agreement between the parties.

**Contract Documents**

The *Contract Documents* consist of those documents listed in Article A-3 of the Agreement – CONTRACT DOCUMENTS and amendments agreed upon between the parties.

**Contract Price**

The *Contract Price* is the amount stipulated in Article A-4 of the Agreement – CONTRACT PRICE.

**Contract Time**

The *Contract Time* is the time from commencement of the *Work* to the date of *Ready-for-Takeover* as stipulated in paragraph 1.3 of Article A-1 of the Agreement – THE WORK .

**Contractor**

The *Contractor* is the person or entity identified as such in the Agreement.

**Drawings**

The *Drawings* are the graphic and pictorial portions of the *Contract Documents*, wherever located and whenever issued, showing the design, location and dimensions of the *Work*, generally including plans, elevations, sections, details, and diagrams.

**Notice in Writing**

A *Notice in Writing*, where identified in the *Contract Documents*, is a written communication between the parties or between them and the *Consultant* that is transmitted in accordance with the provisions of Article A-6 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

**Owner**

The *Owner* is the person or entity identified as such in the Agreement.

**Other Contractor**

*Other Contractor* means a contractor, other than the *Contractor* or a *Subcontractor*, engaged by the *Owner* for the *Project*.

**Payment Legislation**

*Payment Legislation* means such legislation in effect at the *Place of the Work* which governs payment under construction contracts.

**Place of the Work**

The *Place of the Work* is the designated site or location of the *Work* identified in the *Contract Documents*.

**Product**

*Product or Products* means material, machinery, equipment, and fixtures forming part of the *Work*, but does not include *Construction Equipment.*


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**Project**

The *Project* means the total construction contemplated of which the *Work* may be the whole or a part.

**Ready-for-Takeover**

*Ready-for-Takeover* shall have been attained when the conditions set out in paragraph 12.1.1 of GC 12.1 – READY-FOR-TAKEOVER have been met, as verified by the *Consultant* pursuant to paragraph 12.1.4.2 of GC 12.1 – READY-FOR-TAKEOVER.

**Shop Drawings**

*Shop Drawings* are drawings, diagrams, illustrations, schedules, performance charts, brochures, *Product* data, and other data which the *Contractor* provides to illustrate details of portions of the *Work*.

**Specifications**

The *Specifications* are that portion of the *Contract Documents*, wherever located and whenever issued, consisting of the written requirements and standards for *Products*, systems, workmanship, quality, and the services necessary for the performance of the *Work*.

**Subcontractor**

A *Subcontractor* is a person or entity having a direct contract with the *Contractor* to perform a part or parts of the *Work* at the *Place of the Work*.

**Substantial Performance of the Work**

*Substantial Performance of the Work* is as defined in the lien legislation applicable to the *Place of the Work*.

**Supplemental Instruction**

A *Supplemental Instruction* is an instruction, not involving adjustment in the *Contract Price* or *Contract Time*, in the form of *Specifications*, *Drawings*, schedules, samples, models, or written instructions, consistent with the intent of the *Contract Documents*. It is to be issued by the *Consultant* to supplement the *Contract Documents* as required for the performance of the *Work*.

**Supplier**

A *Supplier* is a person or entity having a direct contract with the *Contractor* to supply *Products*.

**Temporary Work**

*Temporary Work* means temporary supports, structures, facilities, services, and other temporary items, excluding *Construction Equipment*, required for the execution of the *Work* but not incorporated into the *Work*.

**Value Added Taxes**

*Value Added Taxes* means such sum as shall be levied upon the *Contract Price* by the Federal or any Provincial or Territorial Government and is computed as a percentage of the *Contract Price* and includes the Goods and Services Tax, the Quebec Sales Tax, the Harmonized Sales Tax, and any similar tax, the collection and payment of which have been imposed on the *Contractor* by tax legislation.

**Work**

The *Work* means the total construction and related services required by the *Contract Documents*.

**Working Day**

*Working Day* means a day other than a Saturday, Sunday, statutory holiday, or statutory vacation day that is observed by the construction industry in the area of the *Place of the Work*.


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**GENERAL CONDITIONS**

## PART 1 GENERAL PROVISIONS

### GC 1.1 CONTRACT DOCUMENTS

1.1.1 The intent of the *Contract Documents* is to include the labour, *Products* and services necessary for the performance of the *Work* by the *Contractor* in accordance with these documents. It is not intended, however, that the *Contractor* shall supply products or perform work not consistent with, not covered by, or not properly inferable from the *Contract Documents*.

1.1.2 The *Contract Documents* are complementary, and what is required by one shall be as binding as if required by all. Performance by the *Contractor* shall be required only to the extent consistent with the *Contract Documents*.

1.1.3 The *Contractor* shall review the *Contract Documents* for the purpose of facilitating co-ordination and execution of the *Work* by the *Contractor*.

1.1.4 The *Contractor* is not responsible for errors, omissions or inconsistencies in the *Contract Documents.* If there are perceived errors, omissions or inconsistencies discovered by or made known to the *Contractor*, the *Contractor* shall promptly report to the *Consultant* and shall not proceed with the work affected until the *Contractor* has received corrected or additional information from the *Consultant*.

1.1.5 If there is a conflict within the *Contract Documents*:

.1 the order of priority of documents, from highest to lowest, shall be

- the Agreement between *Owner* and *Contractor*,
- the Definitions,
- Supplementary Conditions,
- the General Conditions,
- Division 01 of the *Specifications*,
- technical *Specifications*,
- material and finishing schedules,
- the *Drawings*.

.2 *Drawings* of larger scale shall govern over those of smaller scale of the same date.

.3 dimensions shown on *Drawings* shall govern over dimensions scaled from *Drawings*.

.4 amended or later dated documents shall govern over earlier documents of the same type.

.5 noted materials and annotations shall govern over graphic indications.

1.1.6 Nothing contained in the *Contract Documents* shall create any contractual relationship between:

.1 the *Owner* and a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any portion of the *Work*.

.2 the *Consultant* and the *Contractor*, a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any portion of the *Work*.

1.1.7 Words and abbreviations which have well known technical or trade meanings are used in the *Contract Documents* in accordance with such recognized meanings.

1.1.8 References in the *Contract Documents* to the singular shall be considered to include the plural as the context requires.

1.1.9 Neither the organization of the *Specifications* nor the arrangement of *Drawings* shall control the *Contractor* in dividing the work among *Subcontractors* and *Suppliers*.

1.1.10 *Specifications*, *Drawings*, models, and copies thereof furnished by the *Consultant* are and shall remain the *Consultant*'s property, with the exception of the signed *Contract* sets, which shall belong to each party to the *Contract*. All *Specifications*, *Drawings* and models furnished by the *Consultant* are to be used only with respect to the *Work* and are not to be used on other work. These *Specifications*, *Drawings* and models are not to be copied or altered in any manner without the written authorization of the *Consultant*.

1.1.11 Physical models furnished by the *Contractor* at the *Owner*'s expense are the property of the *Owner*.

### GC 1.2 LAW OF THE CONTRACT

1.2.1 The law of the *Place of the Work* shall govern the interpretation of the *Contract*.

### GC 1.3 RIGHTS AND REMEDIES

1.3.1 Except as expressly provided in the *Contract Documents*, the duties and obligations imposed by the *Contract Documents* and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.


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1.3.2 No action or failure to act by the *Owner*, the *Consultant* or the *Contractor* shall constitute a waiver of any right or duty afforded any of them under the *Contract*, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

**GC 1.4 ASSIGNMENT**

1.4.1 Neither party to the *Contract* shall assign the *Contract* or a portion thereof without the written consent of the other, which consent shall not be unreasonably withheld.

**PART 2 ADMINISTRATION OF THE CONTRACT**

**GC 2.1 AUTHORITY OF THE CONSULTANT**

2.1.1 The *Consultant* will have authority to act on behalf of the *Owner* only to the extent provided in the *Contract Documents*, unless otherwise modified by written agreement as provided in paragraph 2.1.2.

2.1.2 The duties, responsibilities and limitations of authority of the *Consultant* as set forth in the *Contract Documents* shall be modified or extended only with the written consent of the *Owner*, the *Consultant* and the *Contractor*.

**GC 2.2 ROLE OF THE CONSULTANT**

2.2.1 The *Consultant* will provide administration of the *Contract* as described in the *Contract Documents*.

2.2.2 The *Consultant* will visit the *Place of the Work* at intervals appropriate to the progress of construction to become familiar with the progress and quality of the work and to determine if the *Work* is proceeding in general conformity with the *Contract Documents*.

2.2.3 If the *Owner* and the *Consultant* agree, the *Consultant* will provide at the *Place of the Work*, one or more project representatives to assist in carrying out the *Consultant*'s responsibilities. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in writing to the *Contractor*.

2.2.4 Based on the *Consultant*'s observations and evaluation of the *Contractor*'s applications for payment, the *Consultant* will determine the amounts owing to the *Contractor* under the *Contract* and will issue certificates for payment as provided in Article A-5 of the Agreement – PAYMENT, GC 5.3 – PAYMENT and GC 5.5 – FINAL PAYMENT.

2.2.5 The *Consultant* will not be responsible for and will not have control, charge or supervision of construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs required in connection with the *Work* in accordance with the applicable construction safety legislation, other regulations or general construction practice. The *Consultant* will not be responsible for the *Contractor*'s failure to perform the *Work* in accordance with the *Contract Documents*.

2.2.6 Except with respect to GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER, the *Consultant* will be, in the first instance, the interpreter of the requirements of the *Contract Documents*.

2.2.7 Matters in question relating to the performance of the *Work* or the interpretation of the *Contract Documents* shall be initially referred in writing to the *Consultant* by the party raising the question for interpretations and findings and copied to the other party.

2.2.8 Interpretations and findings of the *Consultant* shall be consistent with the intent of the *Contract Documents*. In making such interpretations and findings the *Consultant* will not show partiality to either the *Owner* or the *Contractor*.

2.2.9 The *Consultant*'s interpretations and findings will be given in writing to the parties within a reasonable time.

2.2.10 With respect to claims for a change in *Contract Price*, the *Consultant* will make findings as set out in GC 6.6 – CLAIMS FOR A CHANGE IN CONTRACT PRICE.

2.2.11 The *Consultant* will have authority to reject work which in the *Consultant*'s opinion does not conform to the requirements of the *Contract Documents*. Whenever the *Consultant* considers it necessary or advisable, the *Consultant* will have authority to require inspection or testing of work, whether or not such work is fabricated, installed or completed. However, neither the authority of the *Consultant* to act nor any decision either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the *Consultant* to the *Contractor*, *Subcontractors*, *Suppliers,* or their agents, employees, or other persons performing any of the *Work*.

2.2.12 During the progress of the *Work* the *Consultant* will furnish *Supplemental Instructions* to the *Contractor* with reasonable promptness or in accordance with a schedule for such instructions agreed to by the *Consultant* and the *Contractor.*

2.2.13 The *Consultant* will review and take appropriate action upon *Shop Drawings*, samples and other submittals by the *Contractor*, in accordance with the *Contract Documents*.


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2.2.14 The *Consultant* will prepare *Change Orders* and *Change Directives* as provided in GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

2.2.15 The *Consultant* will conduct reviews of the *Work* to determine the date of *Substantial Performance of the Work* and verify that *Ready-for-Takeover* has been attained.

2.2.16 All certificates issued by the *Consultant* will be to the best of the *Consultant*'s knowledge, information and belief. By issuing any certificate, the *Consultant* does not guarantee the *Work* is correct or complete.

2.2.17 The *Consultant* will receive and review written warranties and related documents required by the *Contract* and provided by the *Contractor* and will forward such warranties and documents to the *Owner* for the *Owner*'s acceptance.

2..2.18 If the *Consultant*'s engagement is terminated, the *Owner* shall immediately engage a *Consultant* against whom the *Contractor* makes no reasonable objection and whose duties and responsibilities under the *Contract Documents* will be that of the former *Consultant*.

**GC 2.3 REVIEW AND INSPECTION OF THE WORK**

2.3.1 The *Owner* and the *Consultant* shall have access to the *Work* at all times. The *Contractor* shall provide sufficient, safe and proper facilities at all times for the review of the *Work* by the *Consultant* and the inspection of the *Work* by authorized agencies. If parts of the *Work* are in preparation at locations other than the *Place of the Work*, the *Owner* and the *Consultant* shall be given access to such work whenever it is in progress.

2.3.2 If work is designated for tests, inspections or approvals in the *Contract Documents*, by the *Consultant*'s instructions, or by the laws or ordinances of the *Place of the Work*, the *Contractor* shall give the *Consultant* reasonable notification of when the work will be ready for review and inspection. The *Contractor* shall arrange for and shall give the *Consultant* reasonable notification of the date and time of inspections by other authorities.

2.3.3 The *Contractor* shall furnish promptly to the *Consultant* two copies of certificates and inspection reports relating to the *Work*.

2.3.4 If the *Contractor* covers, or permits to be covered, work that has been designated for special tests, inspections or approvals before such special tests, inspections or approvals are made, given or completed, the *Contractor* shall, if so directed, uncover such work, have the inspections or tests satisfactorily completed, and make good covering work at the *Contractor*'s expense.

2.3.5 The *Consultant* may order any portion or portions of the *Work* to be examined to confirm that such work is in accordance with the requirements of the *Contract Documents*. If the work is not in accordance with the requirements of the *Contract Documents*, the *Contractor* shall correct the work and pay the cost of examination and correction. If the work is in accordance with the requirements of the *Contract Documents*, the *Owner* shall pay the cost of examination and restoration.

2.3.6 The *Contractor* shall pay the cost of making any test or inspection, including the cost of samples required for such test or inspection, if such test or inspection is designated in the *Contract Documents* to be performed by the *Contractor* or is required by the laws or ordinances applicable to the *Place of the Work*.

2.3.7 The *Contractor* shall pay the cost of samples required for any test or inspection to be performed by others if such test or inspection is designated in the *Contract Documents*.

**GC 2.4 DEFECTIVE WORK**

2.4.1 The *Contractor* shall promptly correct defective work that has been rejected by the *Consultant* as failing to conform to the *Contract Documents* whether or not the defective work was incorporated in the *Work* or the defect is the result of poor workmanship, use of defective products or damage through carelessness or other act or omission of the *Contractor*.

2.4.2 The *Contractor* shall make good promptly *Other Contractors'* work destroyed or damaged by such corrections at the *Contractor*'s expense.

2.4.3 If in the opinion of the *Consultant* it is not expedient to correct defective work or work not performed as provided in the *Contract Documents*, the *Owner* may deduct from the amount otherwise due to the *Contractor* the difference in value between the work as performed and that called for by the *Contract Documents*. If the *Owner* and the *Contractor* do not agree on the difference in value, they shall refer the matter to the *Consultant* for a finding.

**PART 3 EXECUTION OF THE WORK**

**GC 3.1 CONTROL OF THE WORK**

3.1.1 The *Contractor* shall have total control of the *Work* and shall effectively direct and supervise the *Work* so as to ensure conformity with the *Contract Documents*.


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3.1.2 The *Contractor* shall be solely responsible for construction means, methods, techniques, sequences, and procedures and for co-ordinating the various parts of the *Work* under the *Contract*.

**GC 3.2 CONSTRUCTION BY THE OWNER OR OTHER CONTRACTORS**

3.2.1 The *Owner* reserves the right to award separate contracts in connection with other parts of the *Project* to *Other Contractors* and to perform work with own forces.

3.2.2 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner*'s own forces, the *Owner* shall:

.1 provide for the co-ordination of the activities and work of *Other Contractors* and the *Owner*'s own forces with the *Work* of the *Contract*;

.2 enter into separate contracts with *Other Contractors* under conditions of contract which are compatible with the conditions of the *Contract*;

.3 ensure that insurance coverage is provided to the same requirements as are called for in GC 11.1 – INSURANCE and co-ordinate such insurance with the insurance coverage of the *Contractor* as it affects the *Work*; and

.4 take all reasonable precautions to avoid labour disputes or other disputes on the *Project* arising from the work of *Other Contractors* or the *Owner*'s own forces.

3.2.3 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner*'s own forces, the *Contractor* shall:

.1 afford the *Owner* and *Other Contractors* reasonable opportunity to store their products and execute their work;

.2 co-ordinate and schedule the *Work* with the work of *Other Contractors* or the *Owner*'s own forces that are identified in the *Contract Documents*;

.3 participate with *Other Contractors* and the *Owner* in reviewing their construction schedules when directed to do so; and

.4 report promptly to the *Consultant* in writing any apparent deficiencies in the work of *Other Contractors* or of the *Owner*'s own forces, where such work affects the proper execution of any portion of the *Work*, prior to proceeding with that portion of the *Work*.

3.2.4 Where a change in the *Work* is required as a result of the co-ordination and integration of the work of *Other Contractors* or *Owner*'s own forces with the *Work*, the changes shall be authorized and valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

3.2.5 Disputes and other matters in question between the *Contractor* and *Other Contractors* shall be dealt with as provided in Part 8 of the General Conditions – DISPUTE RESOLUTION provided the *Other Contractors* have reciprocal obligations. The *Contractor* shall be deemed to have consented to arbitration of any dispute with any *Other Contractor* whose contract with the *Owner* contains a similar agreement to arbitrate. In the absence of *Other Contractors* having reciprocal obligations, disputes and other matters in question initiated by the *Contractor* against *Other Contractors* will be considered disputes and other matters in question between the *Contractor* and the *Owner*.

3.2.6 Should the *Owner*, the *Consultant*, *Other Contractors*, or anyone employed by them directly or indirectly be responsible for ill-timed work necessitating cutting or remedial work to be performed, the cost of such cutting or remedial work shall be valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

**GC 3.3 TEMPORARY WORK**

3.3.1 The *Contractor* shall have the sole responsibility for the design, erection, operation, maintenance, and removal of *Temporary Work* unless otherwise specified in the *Contract Documents*.

3.3.2 The *Contractor* shall engage and pay for registered professional engineering personnel skilled in the appropriate disciplines to perform those functions referred to in paragraph 3.3.1 where required by law or by the *Contract Documents* and in all cases where such *Temporary Work* is of such a nature that professional engineering skill is required to produce safe and satisfactory results.

3.3.3 Notwithstanding the provisions of GC 3.1 – CONTROL OF THE WORK, paragraphs 3.3.1 and 3.3.2 or provisions to the contrary elsewhere in the *Contract Documents* where such *Contract Documents* include designs for *Temporary Work* or specify a method of construction in whole or in part, such designs or methods of construction shall be considered to be part of the design of the *Work* and the *Contractor* shall not be held responsible for that part of the design or the specified method of construction. The *Contractor* shall, however, be responsible for the execution of such design or specified method of construction in the same manner as for the execution of the *Work*.


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## GC 3.4 CONSTRUCTION SCHEDULE

3.4.1 The *Contractor* shall:

.1 prepare and submit to the *Owner* and the *Consultant* prior to the first application for payment, a construction schedule that indicates the timing of the major activities of the *Work* and provides sufficient detail of the critical events and their inter-relationship to demonstrate the *Work* will be performed in conformity with the *Contract Time*;

.2 monitor the progress of the *Work* relative to the construction schedule and update the schedule on a monthly basis or as stipulated by the *Contract Documents*; and

.3 advise the *Consultant* of any revisions required to the schedule as the result of extensions of the *Contract Time* as provided in Part 6 of the General Conditions – CHANGES IN THE WORK.

## GC 3.5 SUPERVISION

3.5.1 The *Contractor* shall provide all necessary supervision and appoint a competent representative who shall be in attendance at the *Place of the Work* while the *Work* is being performed. The appointed representative shall not be changed except for valid reason.

3.5.2 The appointed representative shall represent the *Contractor* at the *Place of the Work*. Information and instructions provided by the *Consultant* to the *Contractor*'s appointed representative shall be deemed to have been received by the *Contractor*, except with respect to Article A-6 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

## GC 3.6 SUBCONTRACTORS AND SUPPLIERS

3.6.1 The *Contractor* shall preserve and protect the rights of the parties under the *Contract* with respect to work to be performed under subcontract, and shall:

.1 enter into contracts or written agreements with *Subcontractors* and *Suppliers* to require them to perform their work as provided in the *Contract Documents*;

.2 incorporate the applicable terms and conditions of the *Contract Documents* into all contracts or written agreements with *Subcontractors* and *Suppliers*; and

.3 be as fully responsible to the *Owner* for acts and omissions of *Subcontractors*, *Suppliers* and any persons directly or indirectly employed by them as for acts and omissions of persons directly employed by the *Contractor*.

3.6.2 The *Contractor* shall indicate in writing, if requested by the *Owner*, those *Subcontractors* or *Suppliers* whose bids have been received by the *Contractor* which the *Contractor* would be prepared to accept for the performance of a portion of the *Work*. Should the *Owner* not object before signing the *Contract*, the *Contractor* shall employ those *Subcontractors* or *Suppliers* so identified by the *Contractor* in writing for the performance of that portion of the *Work* to which their bid applies.

3.6.3 The *Owner* may, for reasonable cause, at any time before the *Owner* has signed the *Contract*, object to the use of a proposed *Subcontractor* or *Supplier* and require the *Contractor* to employ one of the other subcontract bidders.

3.6.4 If the *Owner* requires the *Contractor* to change a proposed *Subcontractor* or *Supplier*, the *Contract Price* and *Contract Time* shall be adjusted by the difference occasioned by such required change.

3.6.5 The *Contractor* shall not be required to employ as a *Subcontractor* or *Supplier*, a person or firm to which the *Contractor* may reasonably object.

3.6.6 The *Owner*, through the *Consultant*, may provide to a *Subcontractor* or *Supplier* information as to the percentage of the *Subcontractor*'s or *Supplier*'s work which has been certified for payment.

## GC 3.7 LABOUR AND PRODUCTS

3.7.1 The *Contractor* shall maintain good order and discipline among the *Contractor*'s employees engaged on the *Work* and employ only workers that are skilled in the tasks assigned.

3.7.2 The *Contractor* shall provide and pay for labour, *Products*, tools, *Construction Equipment*, water, heat, light, power, transportation, and other facilities and services necessary for the performance of the *Work* in accordance with the *Contract*.

3.7.3 Unless otherwise specified in the *Contract Documents*, *Products* provided shall be new. *Products* which are not specified shall be of a quality consistent with those specified and their use acceptable to the *Consultant*.

## GC 3.8 SHOP DRAWINGS

3.8.1 The *Contractor* shall provide *Shop Drawings* as required in the *Contract Documents*.

3.8.2 The *Contractor* shall provide *Shop Drawings* to the *Consultant* to review in accordance with an agreed schedule, or in the absence of an agreed schedule, in orderly sequence and sufficiently in advance so as to cause no delay in the *Work* or in the work of *Other Contractors* or the *Owner*'s own forces.


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3.8.3 The *Contractor* shall review all *Shop Drawings* before providing them to the *Consultant*. The *Contractor* represents by this review that:

.1 the *Contractor* has determined and verified all applicable field measurements, field construction conditions, *Product* requirements, catalogue numbers and similar data, or will do so, and

.2 the *Contractor* has checked and co-ordinated each *Shop Drawing* with the requirements of the *Work* and of the *Contract Documents*.

3.8.4 The *Consultant*'s review is for conformity to the design concept and for general arrangement only.

3.8.5 At the time of providing *Shop Drawings*, the *Contractor* shall expressly advise the *Consultant* in writing of any deviations in a *Shop Drawing* from the requirements of the *Contract Documents.* The *Consultant* shall indicate the acceptance or rejection of such deviation expressly in writing.

3.8.6 The *Consultant*'s review shall not relieve the *Contractor* of responsibility for errors or omissions in the *Shop Drawings* or for meeting all requirements of the *Contract Documents*.

3.8.7 The *Consultant* will review and return *Shop Drawings* in accordance with the schedule agreed upon, or, in the absence of such schedule, with reasonable promptness so as to cause no delay in the performance of the *Work*.

## PART 4 ALLOWANCES

### GC 4.1 CASH ALLOWANCES

4.1.1 The *Contract Price* includes the cash allowances, if any, stated in the *Contract Documents*. The scope of the *Work* or costs included in such cash allowances shall be as described in the *Contract Documents*.

4.1.2 The *Contract Price*, and not the cash allowances, includes the *Contractor*'s overhead and profit in connection with such cash allowances.

4.1.3 Expenditures under cash allowances shall be authorized by the *Owner* through the *Consultant*.

4.1.4 Where the actual cost of the *Work* under any cash allowance exceeds the amount of the allowance, any unexpended amounts from other cash allowances shall be reallocated, at the *Consultant's* direction, to cover the shortfall, and, in that case, there shall be no additional amount added to the *Contract Price* for overhead and profit. Only where the actual cost of the *Work* under all cash allowances exceeds the total amount of all cash allowances shall the *Contractor* be compensated for the excess incurred and substantiated, plus an amount for overhead and profit on the excess only, as set out in the *Contract Documents*.

4.1.5 The net amount of any unexpended cash allowances, after providing for any reallocations as contemplated in paragraph 4.1.4, shall be deducted from the *Contract Price* by *Change Order* without any adjustment for the *Contractor's* overhead and profit on such amount.

4.1.6 The value of the *Work* performed under a cash allowance is eligible to be included in progress payments.

4.1.7 The *Contractor* and the *Consultant* shall jointly prepare a schedule that shows when the items called for under cash allowances must be ordered to avoid delaying the progress of the *Work*.

### GC 4.2 CONTINGENCY ALLOWANCE

4.2.1 The *Contract Price* includes the contingency allowance, if any, stated in the *Contract Documents*.

4.2.2 The contingency allowance includes the *Contractor*'s overhead and profit in connection with such contingency allowance.

4.2.3 Expenditures under the contingency allowance shall be authorized and valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

4.2.4 The *Contract Price* shall be adjusted by *Change Order* to provide for any difference between the expenditures authorized under paragraph 4.2.3 and the contingency allowance.

## PART 5 PAYMENT

### GC 5.1 FINANCING INFORMATION REQUIRED OF THE OWNER

5.1.1 The *Owner* shall, at the request of the *Contractor*, before signing the *Contract*, and promptly from time to time thereafter, furnish to the *Contractor* reasonable evidence that financial arrangements have been made to fulfill the *Owner*'s obligations under the *Contract*.

5.1.2 The *Owner* shall give the *Contractor Notice in Writing* of any material change in the *Owner*'s financial arrangements to fulfil the *Owner*'s obligations under the *Contract* during the performance of the *Contract*.


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**GC 5.2 APPLICATIONS FOR PAYMENT**

5.2.1 Applications for payment on account as provided in Article A-5 of the Agreement – PAYMENT shall be submitted monthly to the *Owner* and the *Consultant* simultaneously as the *Work* progresses.

5.2.2 Applications for payment shall be dated the last day of each payment period, which is the last day of the month or an alternative day of the month agreed in writing by the parties.

5.2.3 The amount claimed shall be for the value, proportionate to the amount of the *Contract*, of *Work* performed and *Products* delivered to the *Place of the Work* as of the last day of the payment period.

5.2.4 The *Contractor* shall submit to the *Consultant*, at least 15 calendar days before the first application for payment, a schedule of values for the parts of the *Work*, aggregating the total amount of the *Contract Price*, so as to facilitate evaluation of applications for payment.

5.2.5 The schedule of values shall be made out in such form as specified in the *Contract* and supported by such evidence as the *Consultant* may reasonably require.

5.2.6 Applications for payment shall be based on the schedule of values accepted by the *Consultant* and shall comply with the provisions of *Payment Legislation*.

5.2.7 Each application for payment shall include evidence of compliance with workers' compensation legislation at the *Place of the Work* and after the first payment, a declaration by the *Contractor* as to the distribution made of the amounts previously received using document CCDC 9A 'Statutory Declaration'.

5.2.8 Applications for payment for *Products* delivered to the *Place of the Work* but not yet incorporated into the *Work* shall be supported by such evidence as the *Consultant* may reasonably require to establish the value and delivery of the *Products*.

**GC 5.3 PAYMENT**

5.3.1 After receipt by the *Consultant* and the *Owner* of an application for payment submitted by the *Contractor* in accordance with GC 5.2 – APPLICATIONS FOR PAYMENT:

.1 The *Consultant* will issue to the *Owner* and copy to the *Contractor*, no later than 10 calendar days after the receipt of the application for payment, a certificate for payment in the amount applied for, or in such other amount as the *Consultant* determines to be properly due. If the *Consultant* certifies a different amount, or rejects the application or part thereof, the *Owner* shall promptly issue a written notice to the *Contractor* giving reasons for the revision or rejection, such written notice to be in compliance with *Payment Legislation*.

.2 The *Owner* shall make payment to the *Contractor* on account as provided in Article A-5 of the Agreement – PAYMENT on or before 28 calendar days after the receipt by the *Owner* and the *Consultant* of the application for payment, and in any event, in compliance with *Payment Legislation*.

**GC 5.4 SUBSTANTIAL PERFORMANCE OF THE WORK AND PAYMENT OF HOLDBACK**

5.4.1 The *Consultant* will review the *Work* to certify or verify the validity of the application for *Substantial Performance of the Work* and will promptly, and in any event, no later than 20 calendar days after receipt of the *Contractor*s application:

.1 advise the *Contractor* in writing that the *Work* or the designated portion of the *Work* is not substantially performed and give reasons why, or

.2 state the date of *Substantial Performance of the Work* or a designated portion of the *Work* in a certificate and issue a copy of that certificate to each of the *Owner* and the *Contractor*.

5.4.2 Where the holdback amount required by the applicable lien legislation has not been placed in a separate lien holdback account, the *Owner* shall, no later than 10 calendar days prior to the expiry of the holdback period stipulated in the lien legislation applicable to the *Place of the Work*, place the holdback amount in a bank account in the joint names of the *Owner* and the *Contractor*.

5.4.3 Subject to the requirements of any *Payment Legislation*, all holdback amount prescribed by the applicable lien legislation for the *Work* shall become due and payable to the *Contractor* no later than 10 *Working Days* following the expiration of the holdback period stipulated in the lien legislation applicable to the *Place of the Work*.

5.4.4 The *Contractor* shall submit an application for payment of the lien holdback amount in accordance with GC 5.3 – PAYMENT.

5.4.5 Where legislation permits progressive release of the holdback for a portion of the *Work* and the *Consultant* has certified or verified that the part of the *Work* has been performed prior to *Substantial Performance of the Work*, the *Owner* hereby agrees to release, and shall release, such portion to the *Contractor* in accordance with such legislation.


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5.4.6 Notwithstanding any progressive release of the holdback, the *Contractor* shall ensure that such parts of the *Work* are protected pending the issuance of a final certificate for payment and be responsible for the correction of defects or work not performed regardless of whether or not such was apparent when the holdback was released.

**GC 5.5 FINAL PAYMENT**

5.5.1 When the *Contractor* considers that the *Work* is completed, the *Contractor* shall submit an application for final payment.

5.5.2 The *Consultant* will, no later than 10 calendar days after the receipt of an application from the *Contractor* for final payment, review the *Work* to verify the validity of the application and when the *Consultant* finds the *Contractor*'s application for final payment valid, the *Consultant* will promptly issue a final certificate for payment to the *Owner,* with a copy to the *Contractor*.

5.5.3 If the *Consultant* rejects the application or part thereof, the *Owner* will promptly issue a written notice to the *Contractor* giving reasons for the revision or rejection, such written notice to be in compliance with *Payment Legislation*.

5.5.4 Subject to the provision of paragraph 10.4.1 of GC 10.4 – WORKERS' COMPENSATION, and any legislation applicable to the *Place of the Work*, the *Owner* shall, no later than 5 calendar days after the issuance of a final certificate for payment, pay the *Contractor* as provided in Article A-5 of the Agreement – PAYMENT and in any event, in compliance with *Payment Legislation*.

**GC 5.6 DEFERRED WORK**

5.6.1 If because of climatic or other conditions reasonably beyond the control of the *Contractor*, or if the *Owner* and the *Contractor* agree that, there are items of work that must be deferred, payment in full for that portion of the *Work* which has been performed as certified by the *Consultant* shall not be withheld or delayed by the *Owner* on account thereof, but the *Owner* may withhold, until the remaining portion of the *Work* is finished, only such an amount that the *Consultant* determines is sufficient and reasonable to cover the cost of performing such deferred *Work*.

**GC 5.7 NON-CONFORMING WORK**

5.7.1 No payment by the *Owner* under the *Contract* nor partial or entire use or occupancy of the *Work* by the *Owner* shall constitute an acceptance of any portion of the *Work* or *Products* which are not in accordance with the requirements of the *Contract Documents*.

**PART 6 CHANGES IN THE WORK**

**GC 6.1 OWNER'S RIGHT TO MAKE CHANGES**

6.1.1 The *Owner*, through the *Consultant*, without invalidating the *Contract*, may make:
.1 changes in the *Work* consisting of additions, deletions or other revisions to the *Work* by *Change Order* or *Change Directive*, and
.2 changes to the *Contract Time* for the *Work*, or any part thereof, by *Change Order*.

6.1.2 The *Contractor* shall not perform a change in the *Work* without a *Change Order* or a *Change Directive*.

**GC 6.2 CHANGE ORDER**

6.2.1 When a change in the *Work* is proposed or required, the *Consultant* will provide the *Contractor* with a written description of the proposed change in the *Work*. The *Contractor* shall promptly present to the *Consultant*, in a form that can be reasonably evaluated, a method of adjustment or an amount of adjustment for the *Contract Price*, if any, and the adjustment in the *Contract Time*, if any, for the proposed change in the *Work*.

6.2.2 When the *Owner* and the *Contractor* agree to the adjustments in the *Contract Price* and *Contract Time* or to the method to be used to determine the adjustments, such agreement shall be effective immediately and shall be recorded in a *Change Order*. The value of the work performed as the result of a *Change Order* shall be included in the applications for progress payment.

**GC 6.3 CHANGE DIRECTIVE**

6.3.1 If the *Owner* requires the *Contractor* to proceed with a change in the *Work* prior to the *Owner* and the *Contractor* agreeing upon the corresponding adjustment in *Contract Price* and *Contract Time*, the *Owner*, through the *Consultant*, shall issue a *Change Directive*.

6.3.2 A *Change Directive* shall only be used to direct a change in the *Work* which is within the general scope of the *Contract Documents*.

6.3.3 A *Change Directive* shall not be used to direct a change in the *Contract Time* only.


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6.3.4 Upon receipt of a *Change Directive*, the *Contractor* shall proceed promptly with the change in the *Work*.

6.3.5 For the purpose of valuing *Change Directives*, changes in the *Work* that are not substitutions or otherwise related to each other shall not be grouped together in the same *Change Directive*.

6.3.6 The adjustment in the *Contract Price* for a change carried out by way of a *Change Directive* shall be determined on the basis of the cost of the *Contractor*'s actual expenditures and savings attributable to the *Change Directive*, valued in accordance with paragraph 6.3.7 and as follows:

.1 If the change results in a net increase in the *Contractor*'s cost, the *Contract Price* shall be increased by the amount of the net increase in the *Contractor*'s cost, plus the *Contractor*'s percentage fee on such net increase.

.2 If the change results in a net decrease in the *Contractor*'s cost, the *Contract Price* shall be decreased by the amount of the net decrease in the *Contractor*'s cost, without adjustment for the *Contractor*'s percentage fee.

.3 The *Contractor*'s fee shall be as specified in the *Contract Documents* or as otherwise agreed by the parties.

6.3.7 The cost of performing the work attributable to the *Change Directive* shall be limited to the actual cost of the following in as much as it contributes directly to the implementation of the *Change Directive*:

**Labour**

.1 rates that are listed in the schedule or as agreed by the *Owner* and the *Contractor* including wages, benefits, compensation, contributions, assessments, or taxes incurred for such items as employment insurance, provincial or territorial health insurance, workers' compensation, and Canada or Quebec Pension Plan for:

(1) trade labour in the direct employ of the *Contractor*;

(2) the *Contractor*'s personnel when stationed at the field office;

(3) the *Contractor*'s personnel engaged at shops or on the road, in expediting the production or transportation of materials or equipment; and

(4) the *Contractor*'s office personnel engaged in a technical capacity, or other personnel identified in Article A-3 of the Agreement – CONTRACT DOCUMENTS for the time spent in the performance of the *Work*;

**Products, Construction Equipment and Temporary Work**

.2 cost of all *Products* including cost of transportation thereof;

.3 in the absence of agreed rates, cost less salvage value of *Construction Equipment*, *Temporary Work* and tools, exclusive of hand tools under $1,000 owned by the *Contractor*;

.4 rental cost of *Construction Equipment*, *Temporary Work* and tools, exclusive of hand tools under $1,000;

.5 cost of all equipment and services required for the *Contractor*'s field office;

**Subcontract**

.6 subcontract amounts of Subcontractor with pricing mechanism approved by the *Owner*;

**Others**

.7 travel and subsistence expenses of the *Contractor*'s personnel described in paragraph 6.3.7.1;

.8 deposits lost provided that they are not caused by negligent acts or omissions of the *Contractor*;

.9 cost of quality assurance such as independent inspection and testing services;

.10 charges levied by authorities having jurisdiction at the *Place of the Work*;

.11 royalties, patent license fees, and damages for infringement of patents and cost of defending suits therefor subject always to the *Contractor*'s obligations to indemnify the *Owner* as provided in paragraph 10.3.1 of GC 10.3 – PATENT FEES;

.12 premium for all contract securities and insurance for which the *Contractor* is required, by the *Contract Documents*, to provide, maintain and pay in relation to the performance of the *Work*;

.13 losses and expenses sustained by the *Contractor* for matters which are the subject of insurance under the policies prescribed in GC 11.1 – INSURANCE when such losses and expenses are not recoverable because the amounts are in excess of collectible amounts or within the deductible amounts;

.14 taxes and duties, other than *Value Added Taxes*, income, capital, or property taxes, relating to the *Work* for which the *Contractor* is liable;

.15 charges for voice and data communications, courier services, expressage, transmittal and reproduction of documents, and petty cash items;

.16 cost for removal and disposal of waste products and debris;

.17 legal costs, incurred by the *Contractor*, in relation to the performance of the *Work* provided that they are not:

(1) relating to a dispute between the *Owner* and the *Contractor* unless such costs are part of a settlement or awarded by arbitration or court,

(2) the result of the negligent acts or omissions of the *Contractor*, or

(3) the result of a breach of this *Contract* by the *Contractor*;

.18 cost of auditing when requested by the *Owner*; and

.19 cost of *Project* specific information technology in accordance with the method determined by the parties.


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6.3.8 Notwithstanding any other provisions contained in the General Conditions of the *Contract*, it is the intention of the parties that the cost of any item under any cost element referred to in paragraph 6.3.7 shall cover and include any and all costs or liabilities attributable to the *Change Directive* other than those which are the result of or occasioned by any failure on the part of the *Contractor* to exercise reasonable care and diligence in the *Contractor*'s attention to the *Work*. Any cost due to failure on the part of the *Contractor* to exercise reasonable care and diligence in the *Contractor*'s performance of the *Work* attributable to the *Change Directive* shall be borne by the *Contractor*.

6.3.9 The *Contractor* shall keep full and detailed accounts and records necessary for the documentation of the cost of performing the *Work* attributable to the *Change Directive* and shall provide the *Consultant* with copies thereof.

6.3.10 For the purpose of valuing *Change Directives*, the *Owner* shall be afforded reasonable access to all of the *Contractor*'s pertinent documents related to the cost of performing the *Work* attributable to the *Change Directive*.

6.3.11 Pending determination of the final amount of a *Change Directive*, the undisputed value of the *Work* performed as the result of a *Change Directive* is eligible to be included in progress payments.

6.3.12 If the *Owner* and the *Contractor* do not agree on the proposed adjustment in the *Contract Time* attributable to the change in the *Work*, or the method of determining it, the adjustment shall be referred to the *Consultant* for a finding.

6.3.13 When the *Owner* and the *Contractor* reach agreement on the adjustment to the *Contract Price* and to the *Contract Time*, this agreement shall be recorded in a *Change Order*.

**GC 6.4 CONCEALED OR UNKNOWN CONDITIONS**

6.4.1 If the *Owner* or the *Contractor* discover conditions at the *Place of the Work* which are:

.1 subsurface or otherwise concealed physical conditions which existed before the commencement of the *Work* and differ materially from those indicated in the *Contract Documents*; or

.2 physical conditions, other than conditions due to weather, that are of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the *Contract Documents*,

then the observing party shall give *Notice in Writing* to the other party of such conditions before they are disturbed and in no event later than 5 *Working Days* after first observance of the conditions.

6.4.2 The *Consultant* will promptly investigate such conditions and make a finding. If the finding is that the conditions differ materially and this would cause an increase or decrease in the *Contractor*'s cost or time to perform the *Work*, the *Owner*, through the *Consultant*, shall issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.

6.4.3 If the *Consultant* finds that the conditions at the *Place of the Work* are not materially different or that no change in the *Contract Price* or the *Contract Time* is justified, the *Consultant* will promptly inform the *Owner* and the *Contractor* in writing.

6.4.4 If such concealed or unknown conditions relate to toxic and hazardous substances and materials, artifacts and fossils, or mould, the parties will be governed by the provisions of GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES, GC 9.3 – ARTIFACTS AND FOSSILS and GC 9.5 – MOULD.

**GC 6.5 DELAYS**

6.5.1 If the *Contractor* is delayed in the performance of the *Work* by the *Owner*, the *Consultant*, or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the *Contract Documents*, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The *Contractor* shall be reimbursed by the *Owner* for reasonable costs incurred by the *Contractor* as the result of such delay.

6.5.2 If the *Contractor* is delayed in the performance of the *Work* by a stop work order issued by a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Contractor* or any person employed or engaged by the *Contractor* directly or indirectly, resulting in the failure of the *Contractor* to attain *Ready-for-Takeover* by the date stipulated in Article A-1 of the Agreement – THE WORK, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The *Contractor* shall be reimbursed by the *Owner* for reasonable costs incurred by the *Contractor* as the result of such delay.

6.5.3 If the *Contractor* is delayed in the performance of the *Work* by:

.1 labour disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized contractors' association, of which the *Contractor* is a member or to which the *Contractor* is otherwise bound),

.2 fire, unusual delay by common carriers or unavoidable casualties,

.3 abnormally adverse weather conditions, or


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.4 any cause beyond the *Contractor*'s control other than one resulting from a default or breach of *Contract* by the *Contractor*, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the *Contractor* agrees to a shorter extension. The *Contractor* shall not be entitled to payment for costs incurred by such delays unless such delays result from actions by the *Owner*, the *Consultant* or anyone employed or engaged by them directly or indirectly.

6.5.4 No extension shall be made for delay unless *Notice in Writing* of the cause of delay is given to the *Consultant* not later than 10 *Working Days* after the commencement of the delay. In the case of a continuing cause of delay only one *Notice in Writing* shall be necessary.

6.5.5 If no schedule is made under paragraph 2.2.12 of GC 2.2 – ROLE OF THE CONSULTANT, then no request for extension shall be made because of failure of the *Consultant* to furnish instructions until 10 *Working Days* after demand for such instructions has been made.

**GC 6.6 CLAIMS FOR A CHANGE IN CONTRACT PRICE**

6.6.1 If the *Contractor* intends to make a claim for an increase to the *Contract Price*, or if the *Owner* intends to make a claim against the *Contractor* for a credit to the *Contract Price*, the party that intends to make the claim shall give timely *Notice in Writing* of intent to claim to the other party and to the *Consultant*.

6.6.2 Upon commencement of the event or series of events giving rise to a claim, the party intending to make the claim shall:
.1 take all reasonable measures to mitigate any loss or expense which may be incurred as a result of such event or series of events, and
.2 keep such records as may be necessary to support the claim.

6.6.3 The party making the claim shall submit within a reasonable time to the *Consultant* a detailed account of the amount claimed and the grounds upon which the claim is based and the *Consultant* will make a finding upon such claim.

6.6.4 Where the event or series of events giving rise to the claim has a continuing effect, the detailed account submitted under paragraph 6.6.3 shall be considered to be an interim account and the party making the claim shall, at such intervals as the *Consultant* may reasonably require, submit further interim accounts giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.

6.6.5 The *Consultant's* findings, with respect to a claim made by either party, will be given by *Notice in Writing* to both parties within 30 *Working Days* after receipt of the claim by the *Consultant*, or within such other time period as may be agreed by the parties.

6.6.6 If such finding is not acceptable to either party, the claim shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION.

**PART 7 DEFAULT NOTICE**

**GC 7.1 OWNER'S RIGHT TO PERFORM THE WORK, TERMINATE THE CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK OR TERMINATE THE CONTRACT**

7.1.1 If the *Contractor* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Contractor*'s insolvency, or if a receiver is appointed because of the *Contractor*'s insolvency, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, terminate the *Contractor*'s right to continue with the *Work*, by giving the *Contractor* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.

7.1.2 If the *Contractor* neglects to perform the *Work* properly or otherwise fails to comply with the requirements of the *Contract* to a substantial degree and if the *Consultant* has given a written statement to the *Owner* and *Contractor* which provides the detail of such neglect to perform the *Work* properly or such failure to comply with the requirements of the *Contract* to a substantial degree, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, give the *Contractor Notice in Writing*, containing particulars of the default including references to applicable provisions of the *Contract*, that the *Contractor* is in default of the *Contractor*'s contractual obligations and instruct the *Contractor* to correct the default in the 5 *Working Days* immediately following the receipt of such *Notice in Writing*.

7.1.3 If the default cannot be corrected in the 5 *Working Days* specified or in such other time period as may be subsequently agreed in writing by the parties, the *Contractor* shall be in compliance with the *Owner*'s instructions if the *Contractor*:
.1 commences the correction of the default within the specified time,
.2 provides the *Owner* with an acceptable schedule for such correction, and
.3 corrects the default in accordance with the *Contract* terms and with such schedule.


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7.1.4 If the *Contractor* fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy the *Owner* may have, the *Owner* may by giving *Notice in Writing*:

.1 correct such default and deduct the cost thereof from any payment then or thereafter due the *Contractor* for the *Work* provided the *Consultant* has certified such cost to the *Owner* and the *Contractor*, or

.2 terminate the *Contractor*'s right to continue with the *Work* in whole or in part or terminate the *Contract*.

7.1.5 If the *Owner* terminates the *Contractor*'s right to continue with the *Work* as provided in paragraphs 7.1.1 and 7.1.4, the *Owner* shall be entitled to:

.1 take possession of the *Work* and *Products* at the *Place of the Work*; subject to the rights of third parties, utilize the *Construction Equipment* at the *Place of the Work*; finish the *Work* by whatever method the *Owner* may consider expedient, but without undue delay or expense,

.2 withhold further payment to the *Contractor* until a final certificate for payment is issued,

.3 charge the *Contractor* the amount by which the full cost of finishing the *Work* as certified by the *Consultant*, including compensation to the *Consultant* for the *Consultant*'s additional services and a reasonable allowance as determined by the *Consultant* to cover the cost of corrections to work performed by the *Contractor* that may be required under GC 12.3 – WARRANTY, exceeds the unpaid balance of the *Contract Price*; however, if such cost of finishing the *Work* is less than the unpaid balance of the *Contract Price*, the *Owner* shall pay the *Contractor* the difference, and

.4 on expiry of the warranty period, charge the *Contractor* the amount by which the cost of corrections to the *Contractor*'s work under GC 12.3 – WARRANTY exceeds the allowance provided for such corrections, or if the cost of such corrections is less than the allowance, pay the *Contractor* the difference.

7.1.6 The *Contractor*'s obligation under the *Contract* as to quality, correction and warranty of the work performed by the *Contractor* up to the time of termination shall continue in force after such termination of the *Contract*.

### GC 7.2 CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT

7.2.1 If the *Owner* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Owner*'s insolvency, or if a receiver is appointed because of the *Owner*'s insolvency, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, terminate the *Contract* by giving the *Owner* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.

7.2.2 If the *Work* is suspended or otherwise delayed for a period of 20 *Working Days* or more under an order of a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Contractor* or of anyone directly or indirectly employed or engaged by the *Contractor*, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, terminate the *Contract* by giving the *Owner Notice in Writing* to that effect.

7.2.3 The *Contractor* may give *Notice in Writing* to the *Owner*, with a copy to the *Consultant*, that the *Owner* is in default of the *Owner*'s contractual obligations if:

.1 the *Owner* fails to furnish, when so requested by the *Contractor*, reasonable evidence that financial arrangements have been made to fulfill the *Owner*'s obligations under the *Contract*,

.2 the *Consultant* fails to issue a certificate as provided in Part 5 of the General Conditions – PAYMENT,

.3 the *Owner* fails to pay the *Contractor* when due the amounts certified by the *Consultant* or awarded by adjudication, arbitration or court, or

.4 the *Owner* fails to comply with the requirements of the *Contract* to a substantial degree and the *Consultant*, except for GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER, gives a written statement to the *Owner* and the *Contractor* that provides detail of such failure to comply with the requirements of the *Contract* to a substantial degree.

7.2.4 The *Contractor*'s *Notice in Writing* to the *Owner* provided under paragraph 7.2.3 shall advise that if the default is not corrected within 5 *Working Days* following the receipt of the *Notice in Writing*, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, suspend the *Work* or terminate the *Contract*.

7.2.5 If the *Contractor* terminates the *Contract* by giving a *Notice in Writing* to the *Owner* under the conditions set out above, the *Contractor* shall be entitled to be paid for all work performed including reasonable profit, for loss sustained upon *Products* and *Construction Equipment*, and such other damages as the *Contractor* may have sustained as a result of the termination of the *Contract*.

## PART 8 DISPUTE RESOLUTION

### GC 8.1 AUTHORITY OF THE CONSULTANT

8.1.1 Differences between the parties to the *Contract* as to the interpretation, application or administration of the *Contract* or any failure to agree where agreement between the parties is called for, herein collectively called disputes, which are not resolved


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in the first instance by findings of the *Consultant* as provided in GC 2.2 – ROLE OF THE CONSULTANT, shall be settled in accordance with the requirements of Part 8 of the General Conditions – DISPUTE RESOLUTION.

8.1.2 If a dispute arises under the *Contract* in respect of a matter in which the *Consultant* has no authority under the *Contract* to make a finding, the procedures set out in paragraph 8.1.3 and paragraphs 8.3.3 to 8.3.8 of GC 8.3 – NEGOTIATION, MEDIATION AND ARBITRATION, and in GC 8.4 – RETENTION OF RIGHTS apply to that dispute with the necessary changes to detail as may be required.

8.1.3 If a dispute is not resolved promptly, the *Consultant* will give such instructions as in the *Consultant*'s opinion are necessary for the proper performance of the *Work* and to prevent delays pending settlement of the dispute. The parties shall act immediately according to such instructions, it being understood that by so doing neither party will jeopardize any claim the party may have. If it is subsequently determined that such instructions were in error or at variance with the *Contract Documents*, the *Owner* shall pay the *Contractor* costs incurred by the *Contractor* in carrying out such instructions which the *Contractor* was required to do beyond what the *Contract Documents* correctly understood and interpreted would have required, including costs resulting from interruption of the *Work*.

**GC 8.2 ADJUDICATION**

8.2.1 Nothing in this *Contract* shall be deemed to affect the rights of the parties to resolve any dispute by adjudication as may be prescribed by applicable legislation.

**GC 8.3 NEGOTIATION, MEDIATION AND ARBITRATION**

8.3.1 In accordance with the rules for mediation as provided in CCDC 40 'Rules for Mediation and Arbitration of Construction Industry Disputes' in effect at the time of bid closing, the parties shall appoint a Project Mediator
.1 within 20 *Working Days* after the *Contract* was awarded, or
.2 if the parties neglected to make an appointment within the 20 *Working Days*, within 10 *Working Days* after either party by *Notice in Writing* requests that the Project Mediator be appointed.

8.3.2 A party shall be conclusively deemed to have accepted a finding of the *Consultant* under GC 2.2 – ROLE OF THE CONSULTANT and to have expressly waived and released the other party from any claims in respect of the particular matter dealt with in that finding unless, within 15 *Working Days* after receipt of that finding, the party sends a *Notice in Writing* of dispute to the other party and to the *Consultant*, which contains the particulars of the matter in dispute and the relevant provisions of the *Contract Documents*. The responding party shall send a *Notice in Writing* of reply to the dispute within 10 *Working Days* after receipt of such *Notice in Writing* setting out particulars of this response and any relevant provisions of the *Contract Documents*.

8.3.3 The parties shall make all reasonable efforts to resolve their dispute by amicable negotiations and agree to provide, without prejudice, frank, candid, and timely disclosure of relevant facts, information and documents to facilitate these negotiations.

8.3.4 After a period of 10 *Working Days* following receipt of a responding party's *Notice in Writing* of reply under paragraph 8.3.2, the parties shall request the Project Mediator to assist the parties to reach agreement on any unresolved dispute. The mediated negotiations shall be conducted in accordance with the rules for mediation as provided in CCDC 40 in effect at the time of bid closing.

8.3.5 If the dispute has not been resolved at the mediation or within such further period as is agreed by the parties, the Project Mediator will terminate the mediated negotiations by giving *Notice in Writing* to the *Owner*, the *Contractor* and the *Consultant*.

8.3.6 By giving a *Notice in Writing* to the other party and the *Consultant*, not later than 10 *Working Days* after the date of termination of the mediated negotiations under paragraph 8.3.5, either party may refer the dispute to be finally resolved by arbitration under the rules of arbitration as provided in CCDC 40 in effect at the time of bid closing. The arbitration shall be conducted in the jurisdiction of the *Place of the Work*.

8.3.7 On expiration of the 10 *Working Days*, the arbitration agreement under paragraph 8.3.6 is not binding on the parties and, if a *Notice in Writing* is not given under paragraph 8.3.6 within the required time, the parties may refer the unresolved dispute to the courts or to any other form of dispute resolution, including arbitration, which they have agreed to use.

8.3.8 If neither party, by *Notice in Writing*, given within 10 *Working Days* of the date of *Notice in Writing* requesting arbitration in paragraph 8.3.6, requires that a dispute be arbitrated immediately, all disputes referred to arbitration as provided in paragraph 8.3.6 shall be:
.1 held in abeyance until:
(1) *Ready-for-Takeover*,
(2) the *Contract* has been terminated, or
(3) the *Contractor* has abandoned the *Work*,
whichever is earlier; and


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.2 consolidated into a single arbitration under the rules governing the arbitration under paragraph 8.3.6.

**GC 8.4 RETENTION OF RIGHTS**

8.4.1 It is agreed that no act by either party shall be construed as a renunciation or waiver of any rights or recourses, provided the party has given the *Notice in Writing* required under Part 8 of the General Conditions – DISPUTE RESOLUTION and has carried out the instructions as provided in paragraph 8.1.3 of GC 8.1 – AUTHORITY OF THE CONSULTANT.

8.4.2 Nothing in Part 8 of the General Conditions – DISPUTE RESOLUTION shall be construed in any way to limit a party from asserting any statutory right to a lien under applicable lien legislation of the jurisdiction of the *Place of the Work* and the assertion of such right by initiating judicial proceedings is not to be construed as a waiver of any right that party may have under paragraph 8.3.6 of GC 8.3 – NEGOTIATION, MEDIATION AND ARBITRATION to proceed by way of arbitration to adjudicate the merits of the claim upon which such a lien is based.

**PART 9 PROTECTION OF PERSONS AND PROPERTY**

**GC 9.1 PROTECTION OF WORK AND PROPERTY**

9.1.1 The *Contractor* shall protect the *Work*, the *Owner*'s property and property adjacent to the *Place of the Work* from damage which may arise as the result of the *Contractor*'s operations under the *Contract*, and shall be responsible for such damage, except damage which occurs as the result of:
.1 errors or omissions in the *Contract Documents*; or
.2 acts or omissions by the *Owner*, the *Consultant*, *Other Contractors*, or their agents and employees.

9.1.2 Before commencing any work, the *Contractor* shall determine the location of all underground utilities and structures indicated in the *Contract Documents* or that are reasonably apparent in an inspection of the *Place of the Work*.

9.1.3 Should the *Contractor* in the performance of the *Contract* damage the *Work*, the *Owner*'s property or property adjacent to the *Place of the Work*, the *Contractor* shall be responsible for making good such damage at the *Contractor*'s expense.

9.1.4 Should damage occur to the *Work* or the *Owner*'s property for which the *Contractor* is not responsible, as provided in paragraph 9.1.1, the *Contractor* shall make good such damage to the *Work* and, if the *Owner* so directs, to the *Owner*'s property. The *Contract Price* and *Contract Time* shall be adjusted as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

**GC 9.2 TOXIC AND HAZARDOUS SUBSTANCES**

9.2.1 For the purposes of applicable legislation related to toxic and hazardous substances, the *Owner* shall be deemed to have control and management of the *Place of the Work* with respect to existing conditions.

9.2.2 Prior to the *Contractor* commencing the *Work*, the *Owner* shall,
.1 take all reasonable steps to determine whether any toxic or hazardous substances are present at the *Place of the Work*, and
.2 provide the *Consultant* and the *Contractor* with a written list of any such substances that are known to exist and their locations.

9.2.3 The *Owner* shall take all reasonable steps to ensure that no person's exposure to any toxic or hazardous substance exceeds the time weighted levels prescribed by applicable legislation at the *Place of the Work* and that no property is damaged or destroyed as a result of exposure to, or the presence of, toxic or hazardous substances which were at the *Place of the Work* prior to the *Contractor* commencing the *Work*.

9.2.4 Unless the *Contract* expressly provides otherwise, the *Owner* shall be responsible for taking all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to dispose of, store or otherwise render harmless any toxic or hazardous substance which was present at the *Place of the Work* prior to the *Contractor* commencing the *Work*.

9.2.5 If the *Contractor*
.1 encounters toxic or hazardous substances at the *Place of the Work*, or
.2 has reasonable grounds to believe that toxic or hazardous substances are present at the *Place of the Work*,
which were not brought to the *Place of the Work* by the *Contractor* or anyone for whom the *Contractor* is responsible and which were not disclosed by the *Owner* or which were disclosed but have not been dealt with as required under paragraph 9.2.4, the *Contractor* shall
.3 take all reasonable steps, including stopping the *Work*, to ensure that no person's exposure to any toxic or hazardous substance exceeds any applicable time weighted levels prescribed by applicable legislation at the *Place of the Work*, and
.4 immediately report the circumstances to the *Consultant* and the *Owner* in writing.


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9.2.6 If the *Owner* and the *Contractor* do not agree on the existence, significance of, or whether the toxic or hazardous substances were brought onto the *Place of the Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and the *Contractor*.

9.2.7 If the *Owner* and the *Contractor* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were not brought onto the place of the *Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Owner* shall promptly at the *Owner's* own expense:

.1 take all steps as required under paragraph 9.2.4;

.2 reimburse the *Contractor* for the costs of all steps taken pursuant to paragraph 9.2.5;

.3 extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor* and the expert referred to in 9.2.6 and reimburse the *Contractor* for reasonable costs incurred as a result of the delay; and

.4 indemnify the *Contractor* as required by GC 13.1 – INDEMNIFICATION.

9.2.8 If the *Owner* and the *Contractor* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were brought onto the place of the *Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Contractor* shall promptly at the *Contractor's* own expense:

.1 take all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to safely remove and dispose the toxic or hazardous substances;

.2 make good any damage to the *Work*, the *Owner*'s property or property adjacent to the place of the *Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY;

.3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.2.6; and

.4 indemnify the *Owner* as required by GC 13.1 – INDEMNIFICATION.

9.2.9 If either party does not accept the expert's findings under paragraph 9.2.6, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraph 9.2.7 or 9.2.8 it being understood that by so doing, neither party will jeopardize any claim that party may have to be reimbursed as provided by GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.

**GC 9.3 ARTIFACTS AND FOSSILS**

9.3.1 Fossils, coins, articles of value or antiquity, structures and other remains or things of scientific or historic interest discovered at the *Place or Work* shall, as between the *Owner* and the *Contractor*, be deemed to be the absolute property of the *Owner*.

9.3.2 The *Contractor* shall take all reasonable precautions to prevent removal or damage to discoveries as identified in paragraph 9.3.1, and shall advise the *Consultant* upon discovery of such items.

9.3.3 The *Consultant* will investigate the impact on the *Work* of the discoveries identified in paragraph 9.3.1. If conditions are found that would cause an increase or decrease in the *Contractor's* cost or time to perform the *Work*, the *Owner*, through the *Consultant*, shall issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.

**GC 9.4 CONSTRUCTION SAFETY**

9.4.1 The *Contractor* shall be responsible for establishing, initiating, maintaining, and supervising all health and safety precautions and programs in connection with the performance of the *Work* in accordance with the applicable health and safety legislation.

9.4.2 The *Owner* and the *Contractor* shall comply with all health and safety precautions and programs established at the *Place of the Work*.

9.4.3 The *Owner* and the *Contractor* shall comply with the rules, regulations and practices required by the applicable health and safety legislation.

9.4.4 The *Owner* shall cause the *Consultant*, *Other Contractors* and the *Owner*'s own forces to comply with all health and safety precautions and programs established by the *Contractor* at the *Place of the Work*.

9.4.5 Nothing in this *Contract* shall affect the determination of liability under the applicable health and safety legislation.

**GC 9.5 MOULD**

9.5.1 If the *Contractor* or the *Owner* observes or reasonably suspects the presence of mould at the *Place of the Work*, the remediation of which is not expressly part of the *Work*,

.1 the observing party shall promptly report the circumstances to the other party in writing,

.2 the *Contractor* shall promptly take all reasonable steps, including stopping the *Work* if necessary, to ensure that no person suffers injury, sickness or death and that no property is damaged as a result of exposure to or the presence of the mould, and


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.3 if the *Owner* and the *Contractor* do not agree on the existence, significance or cause of the mould or as to what steps need be taken to deal with it, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and the *Contractor*.

9.5.2 If the *Owner* and the *Contractor* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was caused by the *Contractor*'s operations under the *Contract*, the *Contractor* shall promptly, at the *Contractor*'s own expense:
.1 take all reasonable and necessary steps to safely remediate or dispose of the mould,
.2 make good any damage to the *Work*, the *Owner*'s property or property adjacent to the *Place of the Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY,
.3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.5.1.3, and
.4 indemnify the *Owner* as required by GC 13.1 – INDEMNIFICATION.

9.5.3 If the *Owner* and the *Contractor* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was not caused by the *Contractor*'s operations under the *Contract*, the *Owner* shall promptly, at the *Owner*'s own expense:
.1 take all reasonable and necessary steps to safely remediate or dispose of the mould,
.2 reimburse the *Contractor* for the cost of taking the steps under paragraph 9.5.1.2 and making good any damage to the *Work* as provided in paragraph 9.1.4 of GC 9.1 – PROTECTION OF WORK AND PROPERTY,
.3 extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor* and the expert referred to in paragraph 9.5.1.3 and reimburse the *Contractor* for reasonable costs incurred as a result of the delay, and
.4 indemnify the *Contractor* as required by GC 13.1 – INDEMNIFICATION.

9.5.4 If either party does not accept the expert's finding under paragraph 9.5.1.3, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraphs 9.5.2 or 9.5.3, it being understood that by so doing neither party will jeopardize any claim the party may have to be reimbursed as provided by GC 9.5 – MOULD.

## PART 10 GOVERNING REGULATIONS

### GC 10.1 TAXES AND DUTIES

10.1.1 The *Contract Price* shall include all taxes and customs duties in effect at the time of the bid closing except for *Value Added Taxes* payable by the *Owner* to the *Contractor* as stipulated in Article A-4 of the Agreement – CONTRACT PRICE.

10.1.2 Any increase or decrease in costs to the *Contractor* due to changes in taxes and duties after the time of the bid closing shall increase or decrease the *Contract Price* accordingly.

### GC 10.2 LAWS, NOTICES, PERMITS, AND FEES

10.2.1 The laws of the *Place of the Work* shall govern the *Work*.

10.2.2 The *Owner* shall obtain and pay for development approvals, building permit, permanent easements, rights of servitude, and all other necessary approvals and permits, except for the permits and fees referred to in paragraph 10.2.3 or for which the *Contract Documents* specify as the responsibility of the *Contractor*.

10.2.3 The *Contractor* shall be responsible for the procurement of permits, licences, inspections, and certificates, which are necessary for the performance of the *Work* and customarily obtained by contractors in the jurisdiction of the *Place of the Work* after the issuance of the building permit. The *Contract Price* includes the cost of these permits, licences, inspections, and certificates, and their procurement.

10.2.4 The *Contractor* shall give the required notices and comply with the laws, ordinances, rules, regulations, or codes which are or become in force during the performance of the *Work* and which relate to the *Work*, to the preservation of the public health, and to construction safety.

10.2.5 The *Contractor* shall not be responsible for verifying that the *Contract Documents* are in compliance with the applicable laws, ordinances, rules, regulations, or codes relating to the *Work*. If the *Contract Documents* are at variance therewith, or if, subsequent to the time of bid closing, changes are made to the applicable laws, ordinances, rules, regulations, or codes which require modification to the *Contract Documents*, the *Contractor* shall advise the *Consultant* in writing requesting direction immediately upon such variance or change becoming known. The *Consultant* will issue the changes required to the *Contract Documents* as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.


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10.2.6 If the *Contractor* fails to advise the *Consultant* in writing; fails to obtain direction as required in paragraph 10.2.5; and performs work knowing it to be contrary to any laws, ordinances, rules, regulations, or codes; the *Contractor* shall be responsible for and shall correct the violations thereof; and shall bear the costs, expenses and damages attributable to the failure to comply with the provisions of such laws, ordinances, rules, regulations, or codes.

10.2.7 If, subsequent to the time of bid closing, changes are made to applicable laws, ordinances, rules, regulations, or codes of authorities having jurisdiction which affect the cost of the *Work*, either party may submit a claim in accordance with the requirements of GC 6.6 – CLAIMS FOR A CHANGE IN CONTRACT PRICE.

**GC 10.3 PATENT FEES**

10.3.1 The *Contractor* shall pay the royalties and patent licence fees required for the performance of the *Contract*. The *Contractor* shall hold the *Owner* harmless from and against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Contractor*'s performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention by the *Contractor* or anyone for whose acts the *Contractor* may be liable.

10.3.2 The *Owner* shall hold the *Contractor* harmless against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Contractor*'s performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention in executing anything for the purpose of the *Contract*, the physical model, plan or design of which was supplied to the *Contractor* as part of the *Contract*.

**GC 10.4 WORKERS' COMPENSATION**

10.4.1 Prior to commencing the *Work*, and again with the *Contractor*'s applications for payment, the *Contractor* shall provide evidence of compliance with workers' compensation legislation at the *Place of the Work*.

**PART 11 INSURANCE**

**GC 11.1 INSURANCE**

11.1.1 Without restricting the generality of GC 13.1 – INDEMNIFICATION, the *Contractor* shall provide, maintain and pay for the following insurance coverages, the requirements of which are specified in CCDC 41 'CCDC Insurance Requirements' in effect at the time of bid closing except as hereinafter provided:

.1 General liability insurance in the name of the *Contractor* and include, or in the case of a single, blanket policy, be endorsed to name, the *Owner* and the *Consultant* as insureds but only with respect to liability, other than legal liability arising out of their sole negligence, arising out of the operations of the *Contractor* with regard to the *Work*. General liability insurance shall be maintained from the date of commencement of the *Work* until one year from the date of *Ready-for-Takeover*. Liability coverage shall be provided for completed operations hazards from the date of *Ready-for-Takeover* on an ongoing basis for a period of 6 years following *Ready-for-Takeover*.

.2 Automobile Liability Insurance from the date of commencement of the *Work* until one year after the date of *Ready-for-Takeover*.

.3 Unmanned aerial vehicle aircraft, manned aircraft or watercraft Liability Insurance when owned or non-owned manned or unmanned aircraft or watercraft are used directly or indirectly in the performance of the *Work*.

.4 "Broad form" property insurance in the joint names of the *Contractor*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The "Broad form" property insurance shall be provided from the date of commencement of the *Work* until the earliest of:

(1) 10 calendar days after the date of *Ready-for-Takeover*;

(2) on the commencement of use or occupancy of any part or section of the *Work* unless such use or occupancy is for construction purposes, habitational, office, banking, convenience store under 465 square metres in area, or parking purposes, or for the installation, testing and commissioning of equipment forming part of the *Work*; and

(3) when left unattended for more than 30 consecutive calendar days or when construction activity has ceased for more than 30 consecutive calendar days.

.5 Boiler and machinery insurance in the joint names of the *Contractor*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The coverage shall be maintained continuously from commencement of use or operation of the boiler and machinery objects insured by the policy and until 10 calendar days after the date of *Ready-for-Takeover*.

.6 The "Broad form" property and boiler and machinery policies shall provide that, in the case of a loss or damage, payment shall be made to the *Owner* and the *Contractor* as their respective interests may appear. In the event of loss or damage:

(1) the *Contractor* shall act on behalf of the *Owner* for the purpose of adjusting the amount of such loss or damage payment with the insurers. When the extent of the loss or damage is determined, the *Contractor* shall proceed to restore the *Work*. Loss or damage shall not affect the rights and obligations of either party under the *Contract* except


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that the *Contractor* shall be entitled to such reasonable extension of *Contract Time* relative to the extent of the loss or damage as the *Consultant* may recommend in consultation with the *Contractor*;

(2) the *Contractor* shall be entitled to receive from the *Owner*, in addition to the amount due under the *Contract*, the amount which the *Owner*'s interest in restoration of the *Work* has been appraised, such amount to be paid as the restoration of the *Work* proceeds in accordance with the progress payment provisions. In addition the *Contractor* shall be entitled to receive from the payments made by the insurer the amount of the *Contractor*'s interest in the restoration of the *Work*; and

(3) to the *Work* arising from the work of the *Owner*, the *Owner*'s own forces or *Other Contractors*, the *Owner* shall, in accordance with the *Owner*'s obligations under the provisions relating to construction by the *Owner* or *Other Contractors*, pay the *Contractor* the cost of restoring the *Work* as the restoration of the *Work* proceeds and as in accordance with the progress payment provisions.

.7 Contractors' Equipment Insurance from the date of commencement of the *Work* until one year after the date of *Ready-for-Takeover*.

.8 Contractors' Pollution Liability Insurance from the date of commencement of the *Work* until one year after the date of *Ready-for-Takeover*.

11.1.2 Prior to commencement of the *Work* and upon the placement, renewal, amendment, or extension of all or any part of the insurance, the *Contractor* shall promptly provide the *Owner* with confirmation of coverage and, if required, a certified true copy of the policies certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to the *Work*.

11.1.3 The parties shall pay their share of the deductible amounts in direct proportion to their responsibility in regards to any loss for which the above policies are required to pay, except where such amounts may be excluded by the terms of the *Contract*.

11.1.4 If the *Contractor* fails to provide or maintain insurance as required by the *Contract Documents*, then the *Owner* shall have the right to provide and maintain such insurance and give evidence to the *Contractor* and the *Consultant*. The *Contractor* shall pay the cost thereof to the *Owner* on demand or the *Owner* may deduct the cost from the amount which is due or may become due to the *Contractor*.

11.1.5 All required insurance policies shall be with insurers licensed to underwrite insurance in the jurisdiction of the *Place of the Work*.

11.1.6 If a revised version of CCDC 41 is published, which specifies reduced insurance requirements, the parties shall address such reduction, prior to the *Contractor*'s insurance policy becoming due for renewal, and record any agreement in a *Change Order*.

11.1.7 If a revised version of CCDC 41 is published, which specifies increased insurance requirements, the *Owner* may request the increased coverage from the *Contractor* by way of a *Change Order*.

11.1.8 A *Change Directive* shall not be used to direct a change in the insurance requirements in response to the revision of CCDC 41.

## PART 12 OWNER TAKEOVER

### GC 12.1 READY-FOR-TAKEOVER

12.1.1 The prerequisites to attaining *Ready-for-Takeover* of the *Work* are limited to the following:

.1 The *Consultant* has certified or verified the *Substantial Performance of the Work*.

.2 Evidence of compliance with the requirements for occupancy or occupancy permit as prescribed by the authorities having jurisdiction.

.3 Final cleaning and waste removal at the time of applying for *Ready-for-Takeover*, as required by the *Contract Documents*.

.4 The delivery to the *Owner* of such operations and maintenance documents reasonably necessary for immediate operation and maintenance, as required by the *Contract Documents*.

.5 Make available a copy of the as-built drawings completed to date on site.

.6 Startup, testing required for immediate occupancy, as required by the *Contract Documents*.

.7 Ability to secure access to the *Work* has been provided to the *Owner*, if required by the *Contract Documents*.

.8 Demonstration and training, as required by the *Contract Documents*, is scheduled by the *Contractor* acting reasonably.

12.1.2 If any prerequisites set forth in paragraphs 12.1.1.3 to 12.1.1.6 must be deferred because of conditions reasonably beyond the control of the *Contractor*, or by agreement between the *Owner* and the *Contractor* to do so, *Ready-for-Takeover* shall not be delayed.

12.1.3 When the *Contractor* considers that the *Work* is *Ready-for-Takeover*, the *Contractor* shall deliver to the *Consultant* and to the *Owner* a comprehensive list of items to be completed or corrected, together with a written application for *Ready-for-Takeover* for review. Failure to include an item on the list does not alter the responsibility of the *Contractor* to complete the *Contract*.

12.1.4 The *Consultant* will review the *Work* to verify the validity of the application and will promptly, and in any event, no later than 10 calendar days after receipt of the *Contractor*'s list and application:


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.1 advise the *Contractor* in writing that the *Work* is not *Ready-for-Takeover* and give reasons why, or
.2 confirm the date of *Ready-for-Takeover* in writing to each of the *Owner* and the *Contractor*.

12.1.5 Immediately following the confirmation of the date of *Ready-for-Takeover*, the *Contractor*, in consultation with the *Consultant*, shall establish a reasonable date for finishing the *Work*.

12.1.6 The provision of GC 12.1 – READY-FOR-TAKEOVER shall be subject to GC 12.2 – EARLY OCCUPANCY BY THE OWNER.

**GC 12.2 EARLY OCCUPANCY BY THE OWNER**

12.2.1 The *Owner* may take occupancy of a part or the entirety of the *Work* before *Ready-for-Takeover* has been attained only as agreed by the *Contractor* which agreement shall not be unreasonably withheld.

12.2.2 The *Owner* shall not occupy a part or the entirety of the *Work* without prior approval by authorities having jurisdiction.

12.2.3 If the *Owner* takes occupancy of a part of the *Work* before *Ready-for-Takeover* has been attained:
.1 The part of the *Work* which is occupied shall be deemed to have been taken over by the *Owner* as from the date on which it is occupied.
.2 The *Contractor* shall cease to be liable for the care of such part as from this date, when responsibility shall pass to the *Owner*.
.3 The warranty period specified in paragraph 12.3.1 of GC 12.3 – WARRANTY for that part of the *Work* shall start from the date on which it is occupied.

12.2.4 If the *Owner* takes occupancy of the entirety of the *Work* before all the prerequisites are met as described in paragraph 12.1.1 of GC 12.1 – READY-FOR-TAKEOVER, the *Work* shall, subject to the requirements of the applicable lien legislation, be deemed to achieve *Ready-for-Takeover*. This shall not relieve the *Contractor*'s responsibility to complete the *Work* in a timely manner.

**GC 12.3 WARRANTY**

12.3.1 Except for extended warranties as described in paragraph 12.3.6, the warranty period under the *Contract* is one year from the date when *Ready-for-Takeover* has been attained.

12.3.2 The *Contractor* shall be responsible for the proper performance of the *Work* to the extent that the design and *Contract Documents* permit such performance.

12.3.3 The *Owner*, through the *Consultant*, shall promptly give the *Contractor Notice in Writing* of observed defects and deficiencies which occur during the one year warranty period.

12.3.4 Subject to paragraph 12.3.2, the *Contractor* shall correct promptly, at the *Contractor*'s expense, defects or deficiencies in the *Work* which appear prior to and during the one year warranty period.

12.3.5 The *Contractor* shall correct or pay for damage resulting from corrections made under the requirements of paragraph 12.3.4.

12.3.6 Any extended warranties required beyond the one year warranty period as described in paragraph 12.3.1, shall be as specified in the *Contract Documents*. Extended warranties shall be issued by the warrantor to the benefit of the *Owner*. The *Contractor*'s responsibility with respect to extended warranties shall be limited to obtaining any such extended warranties from the warrantor. The obligations under such extended warranties are solely the responsibilities of the warrantor.

**PART 13 INDEMNIFICATION AND WAIVER**

**GC 13.1 INDEMNIFICATION**

13.1.1 Without restricting the parties' obligation to indemnify respecting toxic and hazardous substances, patent fees and defect in title claims all as described in paragraphs 13.1.4 and 13.1.5, the *Owner* and the *Contractor* shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to their involvement as parties to this *Contract*, provided such claims are:
.1 caused by:
(1) the negligent acts or omissions of the party from whom indemnification is sought or anyone for whose negligent acts or omissions that party is liable, or
(2) a failure of the party to the *Contract* from whom indemnification is sought to fulfill its terms or conditions; and
.2 made by *Notice in Writing* within a period of 6 years from the *Ready-for-Takeover* date or within such shorter period as may be prescribed by any limitation statute of the Province or Territory of the *Place of the Work*.

The parties expressly waive the right to indemnity for claims other than those provided for in this *Contract*.


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13.1.2 The obligation of either party to indemnify as set forth in paragraph 13.1.1 shall be limited as follows:
.1 In respect to losses suffered by the *Owner* and the *Contractor* for which insurance is to be provided by either party pursuant to GC 11.1 – INSURANCE, the minimum liability insurance limit for one occurrence, of the applicable insurance policy, as referred to in CCDC 41 in effect at the time of bid closing.
.2 In respect to losses suffered by the *Owner* and the *Contractor* for which insurance is not required to be provided by either party in accordance with GC 11.1 – INSURANCE, the greater of the *Contract Price* as recorded in Article A-4 – CONTRACT PRICE or $2,000,000, but in no event shall the sum be greater than $20,000,000.
.3 In respect to indemnification by a party against the other with respect to losses suffered by them, such obligation shall be restricted to direct loss and damage, and neither party shall have any liability to the other for indirect, consequential, punitive or exemplary damages.
.4 In respect to indemnification respecting claims by third parties, the obligation to indemnify is without limit.

13.1.3 The obligation of either party to indemnify the other as set forth in paragraphs 13.1.1 and 13.1.2 shall be inclusive of interest and all legal costs.

13.1.4 The *Owner* and the *Contractor* shall indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of their obligations described in GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.

13.1.5 The *Owner* shall indemnify and hold harmless the *Contractor* from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings:
.1 as described in paragraph 10.3.2 of GC 10.3 – PATENT FEES, and
.2 arising out of the *Contractor*'s performance of the *Contract* which are attributable to a lack of or defect in title or an alleged lack of or defect in title to the *Place of the Work*.

13.1.6 In respect to any claim for indemnity or to be held harmless by the *Owner* or the *Contractor*:
.1 *Notice in Writing* of such claim shall be given within a reasonable time after the facts upon which such claim is based become known; and
.2 should any party be required as a result of its obligation to indemnify another to pay or satisfy a final order, judgment or award made against the party entitled by this contract to be indemnified, then the indemnifying party upon assuming all liability for any costs that might result shall have the right to appeal in the name of the party against whom such final order or judgment has been made until such rights of appeal have been exhausted.

**GC 13.2 WAIVER OF CLAIMS**

13.2.1 Subject to any lien legislation applicable to the *Place of the Work*, the *Contractor* waives and releases the *Owner* from all claims which the *Contractor* has or reasonably ought to have knowledge of that could be advanced by the *Contractor* against the *Owner* under the *Contract*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the *Ready-for-Takeover* date, except as follows:
.1 claims arising prior to or on the *Ready-for-Takeover* date for which *Notice in Writing* of claim has been received by the *Owner* from the *Contractor* no later than 5 calendar days before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work* or 20 calendar days following the *Ready-for-Takeover* date, whichever is later;
.2 indemnification for claims advanced against the *Contractor* by third parties for which a right of indemnification may be asserted by the *Contractor* against the *Owner* pursuant to the provisions of this *Contract*;
.3 claims respecting toxic and hazardous substances, patent fees and defect in title matters for which a right of indemnity could be asserted by the *Contractor* pursuant to the provisions of paragraphs 13.1.4 or 13.1.5 of GC 13.1 – INDEMNIFICATION; and
.4 claims resulting from acts or omissions which occur after the *Ready-for-Takeover* date.

13.2.2 The *Contractor* waives and releases the *Owner* from all claims resulting from acts or omissions which occurred after the *Ready-for-Takeover* date except for:
.1 indemnification respecting third party claims, and claims respecting toxic and hazardous substances, patent fees and defect in title matters, all as referred in paragraphs 13.2.1.2 and 13.2.1.3; and
.2 claims for which *Notice in Writing* of claim has been received by the *Owner* from the *Contractor* within 395 calendar days following the *Ready-for-Takeover* date.

13.2.3 Subject to any lien legislation applicable to the *Place of the Work*, the *Owner* waives and releases the *Contractor* from all claims which the *Owner* has or reasonably ought to have knowledge of that could be advanced by the *Owner* against the *Contractor* under the *Contract*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the *Ready-for-Takeover* date, except as follows:
.1 claims arising prior to or on the *Ready-for-Takeover* date for which *Notice in Writing* of claim has been received by the *Contractor* from the *Owner* no later than 20 calendar days following the *Ready-for-Takeover* date;


*Note: This contract is protected by copyright. Use of a CCDC 2 document not containing a CCDC 2 copyright seal constitutes an infringement of copyright. Only sign this contract if the document cover page bears a CCDC 2 copyright seal to demonstrate that it is intended by the parties to be an accurate and unamended version of CCDC 2 – 2020 except to the extent that any alterations, additions or modifications are set forth in supplementary conditions.*

.2 indemnification for claims advanced against the *Owner* by third parties for which a right of indemnification may be asserted by the *Owner* against the *Contractor* pursuant to the provisions of this *Contract*;
.3 claims respecting toxic and hazardous substances for which a right of indemnity could be asserted by the *Owner* against the *Contractor* pursuant to the provisions of paragraph 13.1.4 of GC 13.1 – INDEMNIFICATION;
.4 damages arising from the *Contractor*'s actions which result in substantial defects or deficiencies in the *Work*. "Substantial defects or deficiencies" mean those defects or deficiencies in the *Work* which affect the *Work* to such an extent or in such a manner that a significant part or the whole of the *Work* is unfit for the purpose intended by the *Contract Documents*;
.5 claims arising pursuant to GC 12.3 – WARRANTY; and
.6 claims arising from acts or omissions which occur after the *Ready-for-Takeover* date.

13.2.4 Respecting claims arising upon substantial defects and deficiencies in the *Work*, as referenced in paragraph 13.2.3.4, and notwithstanding paragraph 13.2.3.5, the *Owner* waives and releases the *Contractor* from all claims except claims for which *Notice in Writing* of claim has been received by the *Contractor* from the *Owner* within a period of six years from the *Ready-for-Takeover* date, provided that any limitation statute of the Province or Territory of the *Place of the Work* permit such agreement. If the applicable limitation statute does not permit such agreement, the time within which any such claim may be brought shall be such shorter period as may be prescribed by any limitation statute of the Province or Territory of the *Place of the Work*.

13.2.5 The *Owner* waives and releases the *Contractor* from all claims arising from acts or omissions which occur after the *Ready-for-Takeover* date, except for:
.1 indemnification for claims advanced against the *Owner* by third parties, as referenced in paragraph 13.2.3.2;
.2 claims respecting toxic and hazardous substances for which a right of indemnity could be asserted by the *Owner* against the *Contractor*, as referenced in paragraph 13.2.3.3;
.3 claims arising under GC 12.3 – WARRANTY; and
.4 claims for which *Notice is Writing* has been received by the *Contractor* from the *Owner* within 395 calendar days following the *Ready-for-Takeover* date.

13.2.6 "*Notice in Writing* of claim" as provided for in GC 13.2 – WAIVER OF CLAIMS to preserve a claim or right of action which would otherwise, by the provisions of GC 13.2 – WAIVER OF CLAIMS, be deemed to be waived, must include the following:
.1 a clear and unequivocal statement of an intention to claim;
.2 a statement as to the nature of the claim and the grounds upon which the claim is based; and
.3 a statement of the estimated quantum of the claim.

13.2.7 A claim for lien asserted under the lien legislation prevailing at the *Place of the Work* shall qualify as notice of claim for the purposes of this *Contract*.

13.2.8 The party giving the *Notice in Writing* of claim as provided for in GC 13.2 – WAIVER OF CLAIMS shall submit within a reasonable time a detailed account of the amount claimed.

13.2.9 Where the event or series of events giving rise to a claim made under paragraphs 13.2.1 or 13.2.3 has a continuing effect, the detailed account submitted under paragraph 13.2.8 shall be considered to be an interim account and the party making the claim shall submit further interim accounts, at reasonable intervals, giving the accumulated amount of the claim and any further grounds upon which such claim is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.

13.2.10 Nothing in GC 13.2 – WAIVER OF CLAIMS shall be deemed to affect the rights of the parties under any lien legislation or limitations legislation prevailing at the *Place of the Work*.


*Note: This contract is protected by copyright. Use of a CCDC 2 document not containing a CCDC 2 copyright seal constitutes an infringement of copyright. Only sign this contract if the document cover page bears a CCDC 2 copyright seal to demonstrate that it is intended by the parties to be an accurate and unamended version of CCDC 2 – 2020 except to the extent that any alterations, additions or modifications are set forth in supplementary conditions.*

**Addendum #1Bid Opportunity: 2024PWE-ENG-BS-04-T - Main Library Exterior Cladding Replacement**
**Closing Date: Thursday, June 6, 2024 3:00 PM**

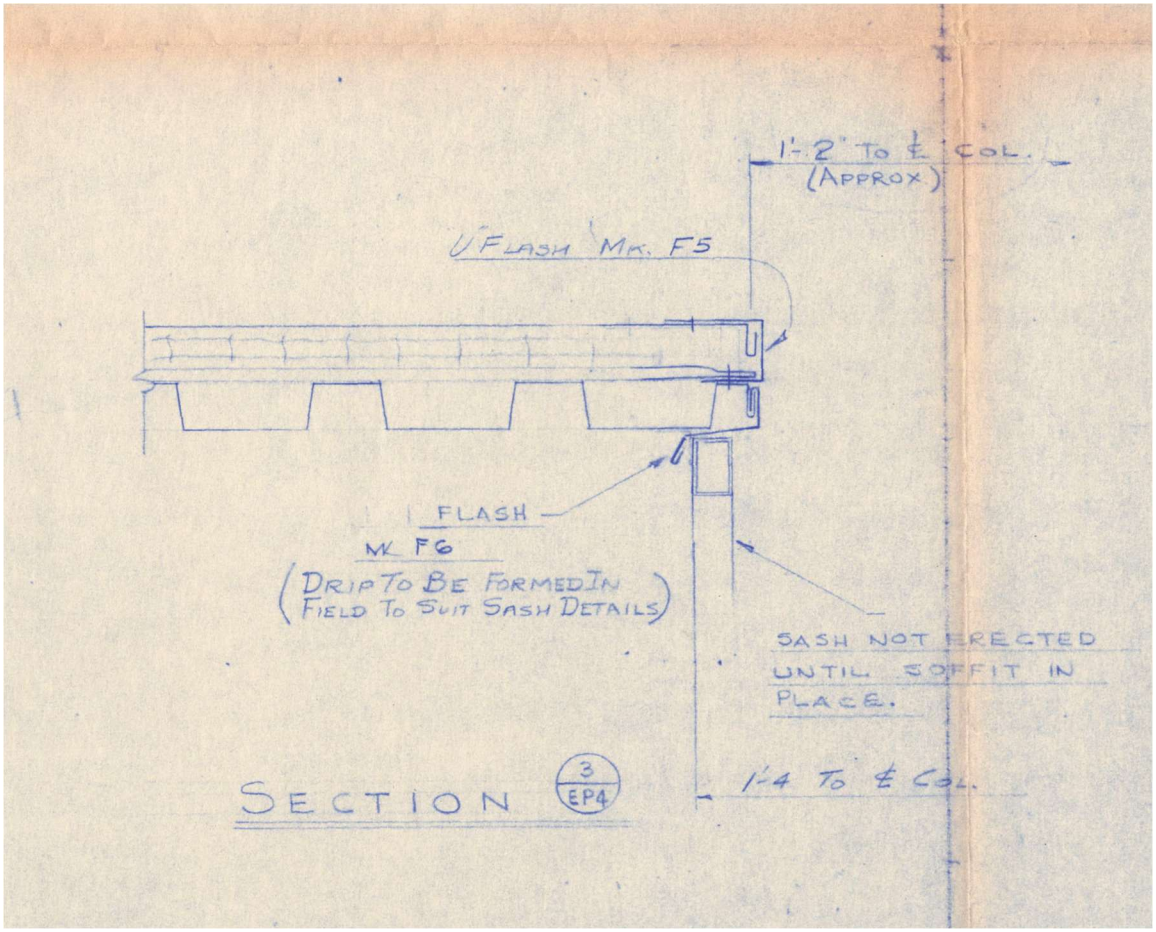
---

**Question 1:**

Can you please clarify the type and detail of the pre-finished metal flashing over existing window SASH? Is it normal J-type soffit assembly or normal angle one? Please provide detail.

**Answer 1:**

Refer to attached image for existing window sash detail. New pre-finished drip to be installed over existing window as shown. Contractor to verify conditions and match existing.

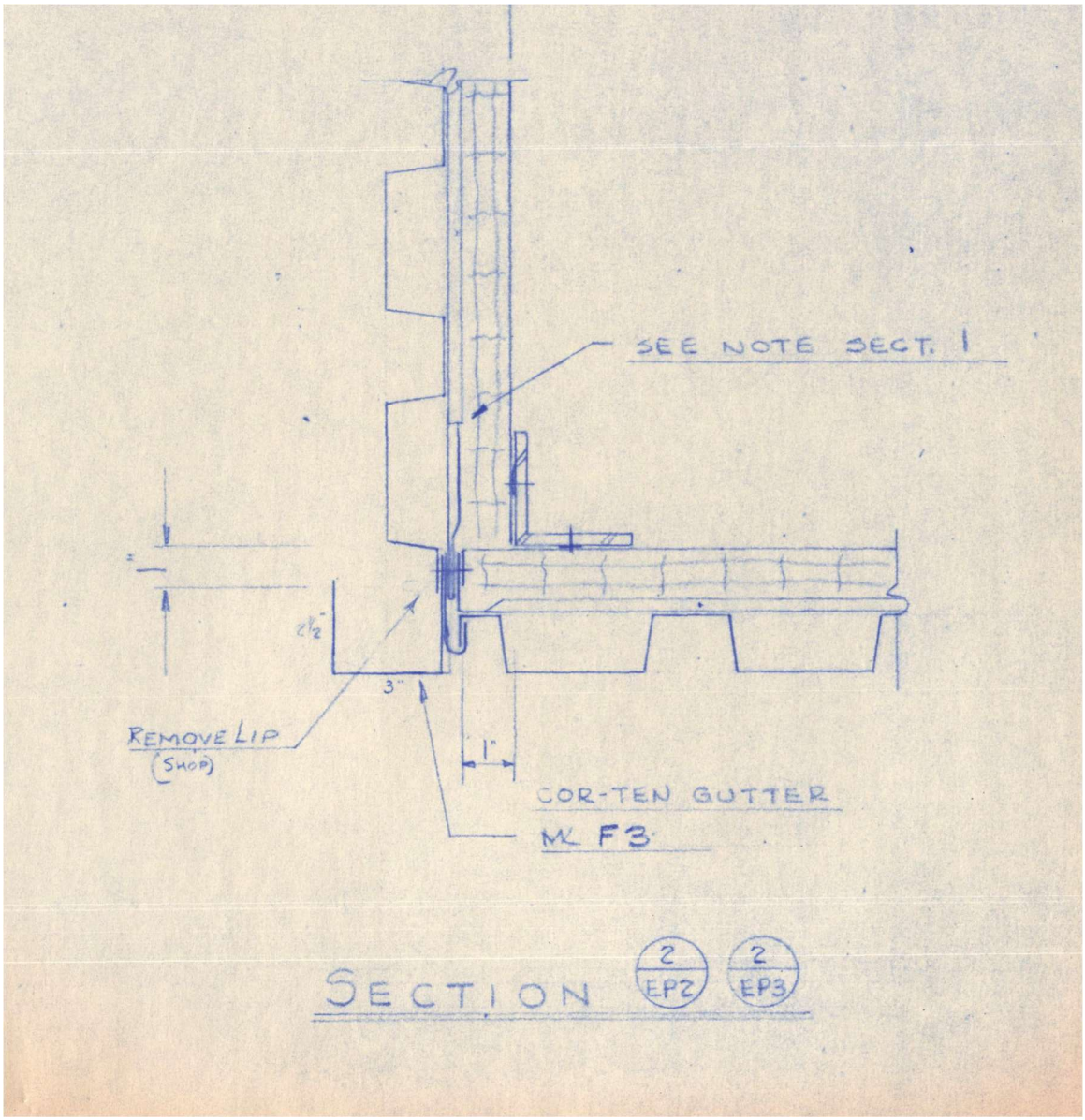


**Question 2:**

Can you please clarify the gutter detail as well, it is not clear from that drawing?

**Answer 2:**

Refer to attached image for gutter detail. New pre-finished aluminum gutter to be replaced where specified on drawings. Contractor to verify conditions and match existing. Refer to drawing A4.1 for gutter locations to remain.



**Question 3:**

This is a clarification question. On the electronic bid form, it is listing “LUX” preformed siding as the alternate pricing but in both the drawings and specification it is listed as the based bid product. Could I please get some clarification?

**Answer 3:**

The Electronic Bid Form, has been updated to reflect the following confirmation.

Stipulated Price is to be submitted as per specifications, LUX preformed siding as base bid product:

> **Acceptable Manufacturer:** LUX Architectural Products, 14525 112ave NW , Edmonton, Alberta, T5M 2V5, Tel: 1.800.540.0589 luxarpro.com

Separate Price:

> **Alternate Manufacturer (Separate Price):** Robertson Building Systems, 5A 225 Henry Street, Branford, Ontario, N3S 7R4, Tel: 905.304.2420 robertsonbuildings.com

**End of Addendum**

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

**BY-LAW 2024-112**

**ADOPT-A-STREET AND ADOPT-A-PARK:** A by-law to repeal By-law 99-91 (a by-law to authorize the standard form Adopt-A-Street and Adopt-a-Park agreements) and to repeal Amending By-law 2011-170.

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

1. **BY-LAWS 99-91 AND 2011-170 REPEALED**

By-laws 99-91 and 2011-170 are hereby repealed.

2. **EFFECTIVE DATE**

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

**PASSED** in open Council this 15th day of July, 2024.

_____

**MAYOR – MATTHEW SHOEMAKER**

_____

**CITY CLERK – RACHEL TYCZINSKI**

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

**BY-LAW 2024-113**

**AGREEMENT**: A by-law to authorize the execution of the Grant Agreement between the City and Young Men's Christian Association of Sault Ste. Marie for the Community Development Fund Grant for the building at 235 McNabb Street, Sault Ste. Marie, Ontario.

**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 15, 2024 between the City and Young Men's Christian Association of Sault Ste. Marie, a copy of which is attached as Schedule "A" hereto. This Agreement is for the Community Development Fund Grant for the building at 235 McNabb Street, Sault Ste. Marie, Ontario.

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 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

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Schedule "A"

**THE GRANT AGREEMENT** is effective as of the 15 day of July, 2024 (Effective Date).

**BETWEEN:**

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

**(hereinafter referred to as the "City")**

-and-

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SAULT STE. MARIE

**(hereinafter referred to as the "Recipient" or "YMCA")**

**WHEREAS** the City Council has passed a resolution to contribute funding to the above noted recipient on a claims basis as set out herein;

**AND WHEREAS** the parties have mutually agreed to the covenant and funding as set out in this Agreement;

**NOW THEREFORE** the parties hereto agree as follows:

**1.0 Term**

The Agreement will commence on the Effective Date and will expire twelve (12) months after:

i. The completion of the project on May 13, 2026 or
ii. Upon the date on which all amounts due to the Recipient by the City under this Agreement, have been paid in full.

Whichever is later, unless terminated by the City pursuant to the terms contained herein.

Upon the expiry of the Agreement, the Recipient shall follow the provisions of Section 3.5 of this Agreement.

The parties acknowledge and agree that this Agreement is fully contingent upon the completion of an Agreement of Purchase and Sale between the YMCA and David Saunders in Trust for an Undisclosed Party dated May 6, 2024 (the "Purchase Transaction") and the Purchase Transaction then formally closing. In the event that the Purchase Transaction does not close, this Grant Agreement shall have no force or effect

and shall automatically terminate. As such, the Project shall commence after the Purchase Transaction has closed.

**2.0 Use of Funds**

The Recipient acknowledges and agrees to the following:

i. To use the Funds solely for the activities and/or services eligible for funding as set out in Schedule "A" and that the City retains the right to assess the Recipient's use of Funds at any time; and
ii. That the amount of Funds available to it pursuant to this Agreement is determined by calculating the actual costs to the Recipient and subtracting any income including taxes, rebates, other grants, credits or refunds, for which the Recipient has received, will receive, or is eligible to receive during the Term and from any capital campaign for the YMCA as set out in Section 2.0(b) herein.

**3.0 Funds Provided**

The Recipient acknowledges that:

i. It is not eligible to receive any funding or grants from any City source in addition to the Funds agreed to herein for the Term of the Agreement save and except for Municipal Tax Rebate Programs and City Council approved special grant programs; and
ii. Any and all amounts owing to the City must be paid in full before the Funds will be released.

Subject to the terms and conditions of the Agreement, the City shall provide Funds to the Recipient in respect to the Project in an amount not to exceed Five Hundred Five Thousand ($505,000.00) Dollars (“Maximum Contribution”) subject to the following:

in the amount not exceeding the lesser of:

i. $505,000; or
ii. 50.5% of the incurred Eligible & Supported Costs of $1,000,000 of the Project outlined in Schedule A.

Further, the parties agree to the following as it relates to the Maximum Contribution:

i. The City shall match the NOHFC Funding for this Project up to the Maximum Contribution set out herein and subject to the claims being Eligible Expenses as set out in this Agreement;
ii. In the event that other community organizations or funding sources contribute to a capital campaign for the current building, the amount contributed by the City shall be reduced by the amount so raised. To that end, the YMCA shall

provide full disclosure of all amounts, receipts, and other necessary financial disclosure for any such Capital Campaign for the current building.

**3.1 Use of Funds**

The Recipient shall use the Funds solely and exclusively to support the Eligible and Supported Costs of the Project as detailed in Schedule B and shall carry out the Project in a diligent and professional manner.

**3.2 Funds upon Expiry of Agreement**

The Recipient shall, upon expiry of the Agreement or upon termination of the Agreement by the City, forthwith return to the City any remaining Funds in its possession using a method of payment that is agreeable to the City.

**3.3 Repayment of Overpayment**

If at any time the City provides Funds to the Recipient in an amount excess to that which the Recipient is entitled to under the Agreement, the City may:

i. Deduct an amount equal to the excess Funds from any further installments; or
ii. Demand that the Recipient repay an amount equal to the excess Funds to the City, wherein the Recipient shall forthwith comply.

**3.4 Accounting Records**

The City retains the right to review or audit the Recipient's accounting records at any time and the Recipient shall provide full access to any and all such records as requested by the City.

The recipient shall maintain all financial records relating to the project for at least seven (7) years after the end of the agreement.

**3.5 Reports**

The Recipient shall:

i. Submit to the City all reports and documents in accordance with the timelines and content requirements set out in the Reports Schedule C.
ii. Ensure that all Reports are signed on behalf of the Recipient by an authorized signing officer; and
iii. Present to City Council a final report following the completion of the project on a date specified by the City including but not limited to a summary of its funding, revenue and expenses, and a summary of the impact that the City funding has had, if any, on fulfilling the mandate of the organization.

## 4.0 Total Government and Other Sources of Funding

i. The Recipient hereby confirms that for the purpose of this Project, the following government funding including without limitation, federal, provincial, municipal, or local government assistance has been approved or received:

| | |
|---|---|
| Northern Ontario Heritage Fund Corporation | $495,000 |
| City of Sault Ste. Marie | $505,000 |
| **TOTAL** | **$1,000,000** |

## 5.0 Procurement

5.1 The Recipient shall be responsible and accountable for the procurement of goods, services or Assets related to the Project in accordance with a written policy.

5.2 The Recipient shall utilize a competitive, open and transparent process for the procurement of goods, Assets and services for the Project that enhances access, transparency, competition and fairness and results in best value. The Recipient agrees to ensure that a reasonable number of suppliers are given an opportunity to bid and should avoid situations where there may be a bias toward awarding a contract for goods, services or Assets for the Project to a specific person or entity.

5.3 The Recipient shall maintain procurement files containing all relevant procurement documentation including, without being limited to, purchase requisitions, tender documents or records of telephone bids, tender evaluations, contracts or purchase orders, invoices, and shipping and receiving documentation. Such procurement files will be maintained for at least seven (7) years after the end of the agreement.

5.4 Eligible Expenses must be invoiced directly to the recipient. Expenses which are invoiced to any party that is not the recipient will not be eligible for reimbursement.

## 6.0 Claims and Payments

Subject to the terms and conditions of the Agreement, the City shall reimburse the Recipient for Eligible Project Costs paid by the Recipient up to the amount of the maximum funds. The City will accept two claims for this project; one during the interim of the project, and a final claim at the completion of the project.

## 6.1 Payment Procedures

Payments will be made on the basis of documented claims for reasonable eligible and supported costs incurred. To initiate reimbursement of Eligible and Supported Costs, the Recipient shall submit:

i. Copies of vendor invoices, proof of payment, spreadsheet detailing applicable HST rebates, and copies of government funding claims, such as NOHFC.
ii. A certification, by an authorized signatory of the Recipient, with respect to the accuracy of the claim and submitted documentation and with respect to its compliance with the terms and conditions of the Agreement.
iii. A completed electronic funds transfer information form which will enable the City to deposit the Funds into the Recipient's designated bank account by way of electronic funds transfer;
iv. Any other documentation in support of the claim as may be required by the City.

6.1.1. The City shall review and approve the documentation submitted by the Recipient following the receipt of the Recipient's claim, or will notify the Recipient of any deficiency in the documentation submitted which the Recipient shall immediately take action to address and rectify.

6.1.2. Subject to the maximum Contribution amounts set forth in subsection 3.0 and all other conditions in this Agreement, the City shall pay to the Recipient the City's portion of the Eligible and Supported Costs set forth in the Recipient's claim in accordance with the City's payment practices.

6.1.3. The City may request at any time that the Recipient provide satisfactory evidence to demonstrate that all Eligible and Supported Costs claimed have been paid.

6.1.4. The City may require that any claim submitted for payment of the Contribution be certified by the Recipient's external auditor or by an auditor approved by the City.

**6.2 Final Claim Procedures**

In addition to the requirements set out in subsection 6.1, with respect to the Recipients' final claim for any Eligible and Supported Costs, the Recipient shall submit to the City in scope and detail:

i. A final statement of total Project costs;
ii. A statement of the total funding provided from all sources for the Project, including total government funding received;
iii. A final Activity Report on the Project;
iv. A final Results Report on the outcomes and impacts of the Project for evaluation purposes; and
v. A certification, by an authorized signatory of the Recipient, that this is the final claim for payment and includes all final Eligible and Supported costs incurred and Paid submitted for payment.

The Recipient shall submit the final claim for Eligible and Supported Costs no later than six (6) months after the completion date or early termination date of the project. The City shall have no obligation to pay any claims submitted after that date.

**7.0 Recognition**

Recognition of The Corporation of the City of Sault Ste. Marie's contribution to the project is required. The City logo is to be included in project reports and appropriate marketing products. (If applicable)

**8.0 Insurance**

The Recipient(s) agrees to maintain at all times during the currency of this license hereinbefore described, a minimum of Five Million ($5,000,000.00) Dollars comprehensive general liability insurance in respect of personal injury, death, loss or damage of or to any person or property of third parties, with insurers licensed to conduct business in Ontario. The City shall be added as an Additional Insured to the required liability insurance policy or policies and no such policy shall be cancelled or allowed to lapse without at least thirty (30) days written notice having been given to the City. An Insurance Certificate, on the C.S.I.O. form, shall be filed with The City of Sault Ste. Marie Community Development & Enterprise Services Department immediately after the signing of this document. Please include the City's full legal name on the certificate, "The Corporation of the City of Sault Ste. Marie."

**9.0 Indemnity**

The Recipient hereby agrees to indemnify and hold harmless the City, their 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, their respective officers, servants and agents, by reason of or on account of loss or damage to property or injury (including death) occasioned by any party arising out of the activities or services listed in Schedule "A" to this Agreement and all activities or services ancillary thereto.

**10.0 Default**

The Recipient agrees that any default to the terms and conditions contained herein by the Recipient shall result in the immediate stoppage of payments from the City and may result in the immediate termination of the Agreement. The Recipient further agrees that a default arising from any use of Funds that is contrary to the terms of this Agreement as determined by the City and may also result in the repayment of Funds to the City in an amount proportionate to the Funds that were improperly used in a method of payment specified by the City. Each of the following events shall constitute an **"Event of Default"**:

i) If in the opinion of the City, the Recipient has knowingly provided false or misleading information regarding its request for funding or in any communication with the City;
ii) If in the opinion of the City, the Recipient breaches any term or condition of the Agreement, including failing to do any of the following in accordance with the terms and conditions of Agreement:
    1. Carry out the Project
    2. Complete the project by the expiry date of May 13, 2026
    3. Use or spend Funds; and/or
    4. Provide Reports as set out herein;
iii) The nature of the Recipient's operations or its corporate status changes so that it no longer meets one or more of the applicable eligibility requirements of the program under which the City provides the Funds;
iv) The Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or is petitioned into bankruptcy, or files for the appointment of a receiver;
v) If any bankruptcy, reorganization, arrangement or insolvency proceedings for relief under any bankruptcy or similar laws for the relief of debtors are instituted against the Recipient or is consented to by the Recipient, or, if contested by the Recipient, is not dismissed within 30 days;
vi) The Recipient ceases to operate; or
vii) A Conflict of interest that cannot be resolved to the City's satisfaction, acting reasonable.

10.1 If an Event of Default occurs, the City may, at any time, and in its sole discretion take one or more of the following actions:

i) Initiate any action the City considers necessary in order to facilitate the successful continuation or completion of the Project;
ii) Suspend the payment of Funds for such period as the City determines appropriate;
iii) Reduce the amount of the Funds;
iv) Cancel all further payment of Funds;
v) Demand the repayment of any Funds remaining in the possession or under the control of the Recipient, whereupon the amount demanded by the City shall immediately become due and payable;
vi) Demand the repayment of an amount equal to any Funds the Recipient used for purposes not agreed upon by the City, whereupon the amount demanded by the City shall immediately become due and payable;
vii) Terminate the Agreement, effective immediately, upon giving written Notice to the Recipient; and/or
viii) Exercise any other rights or remedies available to the City under this Agreement or applicable law.

**11.0 Termination**

The City may, at its sole discretion at any time and for any reason, cancel this Agreement on three (3) months' written notice to the Recipient. In the event of such early termination of this Agreement, the Recipient acknowledges that same shall result in the immediate stoppage of any future payment of Funds from the City up to the date of termination.

In the event that the City elects to terminate the Agreement as a result of an Event of Default on the part of the Recipient, as set out in Section 10.0 above, the sole determination of which shall be made by the City in its sole discretion, the remedies, terms and conditions set out in Section 10.0 and Section 10.1 herein shall apply.

**12.0 Notice**

Any notice pursuant to any of the provisions of this Agreement shall be given in writing addressed:

In the case of notice to the City of SSM:

Deputy CAO, Community Development & Enterprise Services
The Corporation of the City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, ON P6A 5X6

In the case of notice to the Recipient:

Board Chair
YMCA Sault Ste. Marie
235 McNabb Street
Sault Ste. Marie, ON P6B 1Y3

**13.0 General Provisions**

**13.1 General Expenses Incurred**

Any charges or expenses incurred by either party in preparation for or as a result of this Agreement or the parties' meetings and communications or any work done hereunder are to the sole account of the party incurring same unless otherwise agreed in writing.

**13.2 Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

### 13.3 Assignment

The Recipient shall not assign or transfer this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld.

### 13.4 Entire Agreement

This Agreement constitutes the entire agreement of the parties and supersedes all prior representations, proposals, discussions, and communications, whether oral or in writing. This Agreement may be modified only by written instrument signed by both parties.

**14.0 Execution of Agreement**

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day, month and year first above written.

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

By: _____ Date _____

Name and Title: Mathew Shoemaker, Mayor

By: _____ Date _____

Name and Title: Rachel Tyczinski, City Clerk

I/we have authority to bind the Corporation.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SAULT STE. MARIE**

By: _____ Date _____

Name and Title _____

By: _____ Date _____

Name and Title _____

I/we have authority to bind the Corporation.

# SCHEDULE "A" PROJECT DESCRIPTION

## 1. PROJECT DESCRIPTION

The Sault Ste. Marie YMCA will be replacing its boiler system at the 235 McNabb site for a total estimated cost of up to $1,000,000.

## SCHEDULE "B" PROJECT COSTS AND FINANCING

**RECIPIENT'S NAME: Sault Ste. Marie YMCA**

**ALLOCATION: $500,000**

The Recipient acknowledges this is a claims basis payment for Eligible Projects with Eligible Costs

**ELIGIBLE GRANT EXPENDITURES**

Eligible grant expenditures include all costs associated with replacing the boiler system at 235 McNabb Street (equipment, consultants, labour).
***** Eligible Costs include the amount of Harmonized Sales Tax, (HST), net of any refund or eligible credits due from the Canada Revenue Agency.
** Upon request, the Recipient will provide copies of invoices for other cost categories to monitor overall Project spending and the City's share of eligible and total costs.

## SCHEDULE “C” REPORTING

The following documents shall be filed with the Finance Department of the City:

1. Claims for Eligible and Supported costs incurred in accordance with 6.1
2. Final claims procedures in accordance with 6.2

**SCHEDULE "D"**

## DETAILED TRANSACTION LIST

| Claim number: | | | Project / Name of Claimant: | | | |
|---|---|---|---|---|---|---|
| HST Registration Number: | | | % of HST not Eligible for credit or rebate: | | | |
| ITEM NUMBER | DATE OF INVOICE | NAME OF SUPPLIER | DESCRIPTION OF ITEM OR SERVICE PURCHASED | INVOICE NUMBER | AMOUNT (Net of HST rebates) | PAYMENT REFERENCE (Note 1) |
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**Note 1**
Cancelled cheque and/or such evidence satisfactory to the City of Sault Ste. Marie, in their sole discretion, that substantiates the payment of eligible project costs.

| For Finance Use Only |
|---|
| **Approved for Payment** |
| Name: _____ |
| Date: _____ |

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

**BY-LAW 2024-114**

**AGREEMENT**: A by-law to authorize the execution of the Lease Agreement between the City and 1000943321 Ontario Inc. for the YMCA building at 235 McNabb Street, Sault Ste. Marie, Ontario.

**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 June 24, 2024 between the City and 1000943321 Ontario Inc., a copy of which is attached as Schedule “A” hereto. This Lease Agreement is for the YMCA building at 235 McNabb Street, Sault Ste. Marie, Ontario.

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 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

lv\\citydata\LegalDept\Legal\Staff\COUNCIL\BY-LAWS\2024\2024-114 YMCA Lease Agreement.docx

Schedule "A"

**THIS LEASE** made the 2nd day of August, 2024.

BETWEEN:

**1000943321 ONTARIO INC.**

("Landlord")

AND

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

("Tenant")

## ARTICLE 1 — BASIC TERMS AND DEFINITIONS

### 1.1 Basic Terms

(a) Landlord:

1000943321 ONTARIO INC.

Address:

747 Queen Street East, Suite 202, Sault Ste. Marie

Contact for Notice:

Dave Saunders, Email: davidsaunders@lukendaholdings.ca

(b) Tenant:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Address:

99 Foster Drive, Sault Ste. Marie, Ontario, P6A 5X6

Contact for Notice:

Brent Lamming, Email: b.lamming@cityssm.on.ca

(c) Building:

235 McNabb Street, Sault Ste. Marie, Ontario

(d) Area of Building to be Rented:

Entire Lands, Premises, and Ancillary Parking at the Building, located at 235 McNabb Street, Sault Ste. Marie, Ontario and legally described as: PIN 31535-0132(LT); BEING PT LT 35-36 PL H496 ST. MARY'S; PT HERBERT ST PL H496 ST. MARY'S CLOSED BY T89496, PT 1-3 1R4781; LT 37-42, 53-60 PL

H496 ST. MARY'S; S/T T188316, T28713, T91957, T91958, T91959, T91960, T91961; SAULT STE. MARIE

collectively referred to herein as the “Premises”.

(e) Term:

(i) **Term**. The Lease shall have a Commencement Date being the same date the Landlord acquires the Premises from the Young Men’s Christian Association of Sault Ste. Marie (“YMCA”) pursuant to an Agreement of Purchase and Sale dated May 6, 2024 and shall continue for a period of ten (10) years, ending on the 10th anniversary of the Commencement Date.

In the event that the aforementioned sale of the Premises is not completed, this Lease shall have no force or effect and shall automatically terminate with no further obligations between the parties hereto.

(ii) **Optional Extended Term**. The Term may be Extended (“Extended Term”) if the Tenant provides written notice to the Landlord at least six (6) months prior to the expiry of the Term that it desires to renew the Term, and thereafter the parties shall enter into negotiations of the terms and conditions that will form an Extension Agreement. If negotiations are successful, an Extension Agreement will be prepared. If negotiations are not successful, the Lease will end at the end of the original Term.

(iii) **Optional Amended Term**. The parties hereto acknowledge and agree that the YMCA will be reviewing the future facility requirements of the YMCA and conducting a significant capital campaign to support a new build facility for the YMCA (“New Build”). In the event that the Tenant desires at any time during the Term, given discussions with the YMCA, to amend the Term of this Lease given the New Build, the Tenant shall provide the Landlord with notice of same as soon as practicable and not less than six (6) months prior to the commencement of any planning for the New Build. Upon receipt of such notice, the parties shall enter into negotiations. If negotiations are successful, the Lease may be amended accordingly. If negotiations are not successful, the Lease will remain in the current form and Term.

(f) Basic Rent:

Rent is ONE HUNDRED THOUSAND ($100,000.00 CDN) Dollars per year plus HST, payable by the Tenant to the Landlord in equal monthly payments of EIGHT THOUSAND, THREE HUNDRED AND THIRTY THREE ($8,333.33) DOLLARS AND THIRTY THREE CENTS plus HST, with the first payment being on the actual Commencement Date to cover the cost for the first month in the Term, and thereafter the 1st day of every other month in the Term, for a total maximum payment of $1,000,000.00 plus HST during the entire Term of

the Lease. It is also agreed that the Basic Rent shall not increase at any time during the Term. No deposit is required to be paid upon the signing of this Lease and the Landlord acknowledges having received consideration in the sum of One ($1.00) to formalize this Lease.

(g) Operating Costs:

(i) The parties acknowledge that in addition to Basic Rent, the Tenant shall be responsible for all Operating Costs as defined in section 1.2(n) and to ensure the timely payment of same

(ii) The parties further acknowledge that the Tenant shall be subleasing the Premises to the YMCA in accordance with Article 8 herein. If the Tenant fails to pay such Operating Costs, the Tenant shall immediately give notice to the Landlord and the Tenant acknowledges that they shall take measures to remedy same. At no time shall the Landlord be responsible for such Operating Costs.

(h) Permitted Use:

The Tenant shall be permitted to use the Premises for the operation of a "YMCA" or any other use at the discretion of the Tenant with the prior written consent of the Landlord.

(i) Schedules forming part of this Lease:

None

**1.2 Definitions**

In this Lease, unless there is something in the subject matter or context inconsistent therewith the following terms have the following respective meanings:

(a) *Intentionally Deleted*

(b) *Intentionally Deleted*

(c) "Basic Rent" means the basic rent payable by the Tenant pursuant to Section 3.2 and as defined in Section 1.1(f).

(d) "Building" means the building located at the address set out in Section 1.1(c).

(e) "Commencement Date" means the date set out in Section 1.1(e), as such may be varied pursuant to the terms of this Lease.

(f) *Intentionally Deleted*

(g) "Event of Default" has the meaning set out in Section 11.1.

(h) *Intentionally Deleted*

(i) "Lease" means this lease and all the terms, covenants and conditions set out herein (including all schedules), as amended from time to time in accordance with the terms hereof.

(j) "Lease Year" means, initially, the period commencing on the Commencement

Date and ending twelve months thereafter. The last Lease Year of the Term shall end on the expiry date of the Term.

(k) "Mortgage" means any mortgage or charge of any one or more of, or any part of, the Lands, the Building, and/or the Landlord's interest in this Lease, from time to time, whether made or assumed by the Landlord.

(l) "Mortgagee" means the holder of any Mortgage from time to time.

(m) "Normal Business Hours" shall be as established by the Tenant acting reasonably.

(n) "Operating Costs" means, for any period:

(i) all charges for utilities and services to the Lands and Building, including, without limiting the generality of the foregoing, water, gas, heat, communications, electrical power or energy, steam and hot water, and all charges for fittings, machinery, apparatus, meters, or other things leased in respect thereof, and for all work or services performed by any corporation or commission in connection with such utilities and services.

(ii) all costs incurred in respect of the Lands and Building, including but not limited to, for garbage removal, snow removal, the Tenant's insurance, supervisory and maintenance services, operating any elevators and similar elevating devices, the cost of heating, cooling and ventilating, the cost of window cleaning, the costs of machinery, supplies, tools, equipment and materials used in connection with any of the foregoing (including rentals thereof) and all costs incurred with the maintenance, repair, replacement, management, and operation of the Lands and Building.

(iii) Provided that Operating Costs shall exclude:

(1) the cost to the Landlord of debt service in connection with any mortgage financing of the Lands and Building.

(2) all income tax or similar taxes, corporation taxes, profit taxes, excess profit taxes, capital gains taxes, place of business taxes, gift taxes, estate taxes, succession duties, inheritance taxes, franchise taxes, gross receipt taxes, revenue taxes, payroll taxes, stamp taxes, business transfer taxes and other taxes personal to the Landlord.

(3) any loss or damage to all or any part of the Lands and Building or any personal injury for which the Landlord is insured under the terms of this Lease.

(o) "Premises" means Area of Building to be Rented as defined in 1.1(d), and all rights and easements appurtenant thereto.

(p) "Realty Taxes" means all property taxes, rates, duties and assessments (including local improvement rates), import charges or levies, whether general

or special, that are levied, charged or assessed from time to time by any lawful authority, whether federal, provincial, municipal, school or otherwise, and any taxes payable by the Landlord which are imposed in lieu of, or in addition to, any such real property taxes, whether of the foregoing character or not, and whether or not in existence at the commencement of the Term, and any such property taxes levied or assessed against the Landlord on account of its ownership of the Building or its interest therein, but specifically excluding any taxes assessed on the income of the Landlord.

(q) "Rent" means all Basic Rent and Operating Costs in accordance with Section 3.3.

(r) "Tenants" means any tenant, subtenants or such other parties occupying any part of the Premises with the Landlord's prior written consent, and any successors or assigns thereof.

(s) "Term" means the period specified in Section 1.1(e).

## ARTICLE 2 — DEMISE AND TERM

### 2.1 Demise

In consideration of the rents, covenants, and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed, and performed, the Landlord demises and leases to the Tenant, and the Tenant rents from the Landlord, the Premises. The Tenant acknowledges that it accepts the Premises as is.

### 2.2 Term

The Term shall commence on the Commencement Date, run for the period set out in Section 1.1(e), and end on the date set out in Section 1.1(e), unless terminated earlier pursuant to this Lease.

### 2.3 Intentionally Deleted

### 2.4 Over-holding

If, at the expiration of the initial Term or any subsequent renewal or extension, the Tenant shall continue to occupy the Premises without further written agreement, there shall be no tacit renewal of this Lease, and the tenancy of the Tenant thereafter shall be from month to month only and may be terminated by either party on one (1) month's advance written notice. All terms and conditions of this Lease shall, so far as applicable, apply to such monthly tenancy.

## ARTICLE 3 — RENT

### 3.1 Covenant to Pay – Triple Net Lease

This is a carefree net, net, net lease. The Tenant covenants to pay Rent as provided in this Lease plus HST throughout the Term. It is the intention of the parties that the Rent (included Basic and Operating Costs as set out in Section 3.3

herein provided) to be paid shall be net to the Landlord and clear of all taxes, costs and charges arising from or relating to the Premises, which shall be borne by the Tenant, and the Tenant covenants with the Landlord accordingly.

**3.2 Basic Rent and Payment Method**

The Tenant covenants and agrees to pay, from and after the Commencement Date, to the Landlord by way of Electronic Funds Transfer, the instructions and particulars of which shall be provided by the Landlord, in lawful money of Canada and plus HST (or other applicable tax at such time) without any prior demand, in equal monthly instalments in advance on the first day of each and every month during the Term. If the Term commences on any day other than the first day of the month or ends on any day other than the last day of the month, rent for the fractions of a month at the commencement and at the end of the Term shall be calculated on a *pro rata* basis and payable on the first day of the partial month.

**3.3 Operating Costs**

(a) The parties acknowledge that there will be ongoing Operating Costs. The Tenant shall be subleasing the Premises to the YMCA in accordance with Article 8 herein. The Tenant shall be responsible for all Operating Costs and shall hold any such accounts (ie. for utilities, communication, internet, etc.) as the Tenant may direct in its Sublease with the Subtenant.

(b) In the event that the Tenant fails to pay such Operating Costs, the Tenant shall immediately give notice to the Landlord.

(c) At no time shall the Landlord be responsible for such Operating Costs.

(d) To the extent that any such Operating Costs are paid by the Landlord for any reason, such amounts paid shall be added to the Rent and shall be immediately due and payable subject to the provisions of section 3.9.

**3.4 Determination and Payment of Realty Taxes**

Any realty taxes that may be assessed as being payable, if any, shall be the responsibility of the Tenant and shall be paid immediately when due. As long as the Landlord is the owner of the Premises and notwithstanding whether the Corporation of the City of Sault Ste. Marie, the Tenant shall cooperate in efforts to waive said realty taxes or rebate said realty taxes if they cannot be waived . The Tenant confirms that City Council has passed a resolution whereby the Tenant “commits to determine a path forward to enable the Premises comprising the lands and building to continue to be exempt from municipal taxation if such exemption is lost as a result of this transaction”.

**3.5 *Intentionally Deleted***

**3.6 Rent Past Due**

If the Tenant fails to pay any Rent when the same is due and payable, such unpaid amount shall bear interest at the rate per annum equal to the prime rate of interest charge by the Landlord’s chartered bank plus one percent (1%) for each month from the time such Rent becomes due until paid by the Tenant.

## ARTICLE 4 — CONTROL AND OPERATION OF BUILDING

### 4.1 Building Operation and Repair

(a) The Tenant shall keep, maintain, and repair the heating equipment, air conditioning systems and the structural elements of the Building being the foundations, bearing walls, exterior finishes, roof and roof membrane in a state of good repair and maintenance The parties agree that the Tenant shall be responsible for only those capital costs that are required to keep the building open and operational during the Term, and that no capital funds should be allocated for improvements that are not necessary, wherein "necessary" means required from a health and safety perspective as determined by the City's Chief Administrative Officer in consultation with the City's Chief Building Official, Risk Manager and Fire Chief, recognizing that the parties intend on working towards a New Build.

(b) To that end, the parties acknowledge and agree that the Tenant is responsible for the capital works referenced in 4.1(a) above, and that the following framework is in place to address such capital works during the Term, beyond the boiler replacement and roof repair projects that are dealt with in Section 4.3 below:

a. The Subtenant has commenced a fundraising campaign to raise funds for a capital reserve. This fund shall be relied upon in the first instance for any capital projects that are determined to be necessary by the Tenant as set out herein from a health and safety perspective;

b. In the event that sufficient funds are not available in Section 4.1(b)a. to address the capital need, the Subtenant shall in the second instance use best efforts to find and exhaust other funding opportunities or matching funding opportunities to minimize the capital costs to the Tenant and pursue same;

c. In the event that there is no or partial success with funding results from efforts made in Section 4.1(b)b. resulting in a necessary capital expense to be made, the City shall review and determine whether or not to proceed with such requests. To that end, the parties hereto acknowledge and agree that the approval by the City shall be the approval from City Council. If City Council decides not to proceed with a capital request and there is an operational impact, then the Subtenant shall be responsible for addressing same.

The parties acknowledge that the intent of this section is to limit expenditures to only those that are necessary from a health and safety perspective so that efforts can be spend on a New Build. The Tenant shall not be considered in "default" under this Lease if Council does not approve a Capital request given the above framework.

### 4.2 HVAC Systems

The Tenant shall, subject to the provisions of this Lease, provide sufficient heating and air-conditioning to maintain a reasonable temperature in the Premises at all times during

Normal Business Hours except during the failure of supply of any utility or other similar facility required to operate the heating and air-conditioning systems, and except during the making of repairs, which repairs the Tenant covenants to make with reasonable diligence, and also to Section 4.1(b) herein.

### 4.3 Boiler and Roof

The Tenant shall ensure that within thirty (30) days from the Commencement Date, , the process has commenced to replace the boiler and the required roof repairs of the Building. If it is determined that the boiler and/or portion of the roof can be upgraded or repaired rather than replaced, the Tenant shall proceed with the upgrades or repairs as necessary.

### 4.4 *Intentionally Deleted.*

### 4.5 Exclusive Lease and Sublease

(a) The Landlord shall not assign or otherwise lease the Premises or any portion of the Premises to any other persons at any time during the Term.

(b) The parties acknowledge that the Tenant shall enter into a sublease of the Premises with the YMCA. The Tenant acknowledges and agrees that the Landlord's consent to the sublease and terms of the Sublease Agreement is required before any Sublease Agreement can be finalized and before any amendment to a Sublease Agreement can be made. In the event that the aforementioned Sublease Agreement is not finalized, this Lease shall have no force or effect and shall automatically terminate with no further obligations between the parties hereto.

(c) The Tenant may not otherwise sublease, assign or transfer this Lease without the prior written consent of the Landlord.

### 4.6 Janitorial Services and Snow removal

(a) The Tenant shall provide, at its own expense, such janitorial services and snow removal services to the Premises as part of the Operating Costs.

(b) At no time shall the Landlord be responsible for janitorial services or snow removal.

### 4.7 Parking

The Landlord leases as part of this Lease all parking at the Premises to the Tenant.

## ARTICLE 5 — USE OF PREMISES

### 5.1 Use of Premises

The Tenant acknowledges that the Premises will be used for the purpose set out in Section 1.1(h) or for such other purpose as does not conflict with any exclusivity rights or restrictive covenants then in effect with respect to the building and complies with all zoning and other government requirements.

### 5.2 Observance of Law

The Tenant shall, at its own expense, comply with all laws, by-laws, ordinances, regulations, and directives of any public authority having jurisdiction affecting the Premises or the use or occupation thereof, including, without limitation, police, fire and health regulations and any requirements of the fire insurance underwriters.

### 5.3 Waste and Nuisance

The Tenant shall not do or suffer any waste, damage, disfiguration, or injury to the Premises or permit or suffer any overloading of the floors and shall not use or permit to be used any part of the Premises for any illegal or unlawful purpose or any dangerous, noxious, or offensive trade or business, and shall not cause or permit any nuisance in, at or on the Premises.

## ARTICLE 6 — MAINTENANCE, REPAIRS, AND ALTERATIONS OF PREMISES

### 6.1 Maintenance and Repair of Premises

The Tenant's obligations to maintain and repair the Premises is as set out in Article 4.

### 6.2 Inspection and Entry

The Landlord, its servants and agents shall be entitled to enter on the Premises at any time without notice for the purpose of making emergency repairs consistent with the terms set out in Article 4 herein, and during Normal Business Hours on reasonable prior notice for the purpose of inspecting and making repairs, alterations or improvements to the Premises or to the building, or for the purpose of having access to the underfloor ducts or to the access panels to mechanical shafts (which the Tenant agrees not to obstruct), and the Tenant shall not be entitled to compensation for any inconvenience, nuisance or discomfort occasioned thereby. The Landlord, its contractors or agents may at any time and from time to time on reasonable prior notice (and without notice in the event of an emergency) enter on the Premises to remove any article or remedy any condition which, in the opinion of the Landlord, would be likely to lead to the cancellation of any policy of insurance. The Landlord, its servants and agents shall take reasonable precautions and attempt to schedule the work so as not to unreasonably interfere with the operation of the Tenant's business and so as to minimize interference with the Tenant's use and enjoyment of the Premises.

### 6.3 Repair where Tenant at Fault

(a) If the building, including the Premises, the elevators, boilers, engines, controls, pipes and other apparatus (or any of them) used for the purpose of heating, ventilation or air-conditioning or operating the elevators, or if the pipes, electric lighting or other equipment of the building are put in a state of disrepair or become damaged or destroyed through the negligence, carelessness or misuse of the Tenant, its servants, agents, or employees, the expense of the necessary repairs, replacements or alterations shall be borne by the Tenant solely, again to the extent same are consistent with Article 4 herein.

### 6.4 Permitted Alterations

(a) The Tenant shall be permitted to make or erect in or to the Premises any installations, alterations, additions, or partitions and shall provide the Landlord with particulars of same prior to the commencement of any such work. The consent of the Landlord is not required. Such work shall be performed by qualified contractors engaged by the Tenant The Tenant shall promptly pay to the Tenant's contractors when due, the cost of all such work, materials, labor, and services involved therein, and of all changes in the building, its equipment or services necessitated thereby.

### 6.5 Signs

(a) The Tenant may not, without the Landlord's written consent, display and/or install any sign, picture, advertisement, or other notice on any part of the exterior windows of the of the Premises or any other location on the building from which the Premises are visible from the outside. If approved by Landlord in writing, such signage will be entirely at the Tenant's expense.

(b) The Landlord is content with the signage currently at the Premises and no consent is required for the existing signage.

### 6.6 Construction Liens

The Tenant shall indemnify and save the Landlord harmless from any liability, claim, damages, or expenses due to or arising from any claim for a construction, builders or other lien made against the Premises or the building in relation to any work done by, for, or on behalf of the Tenant. The Tenant shall cause all registrations of any such claims or Certificates of Action related thereto to be discharged or vacated within ten (10) days following receipt of notice from the Landlord, failing which the Landlord, in addition to any other rights or remedies it may have hereunder, may, but shall not be obligated to, cause such claims or Certificates to be discharged or vacated by payment into court or otherwise, and the Tenant shall pay the Landlord's costs and expenses thereof.

### 6.7 Removal of Improvements and Fixtures

(a) Subject to Section 6.7(b), all leasehold improvements shall immediately, on their placement, become the Landlord's property without compensation to the Tenant. Except as otherwise agreed by the Landlord in writing, no leasehold improvements or trade fixtures shall be removed from the Premises by the Tenant either during or at the expiry or earlier termination of the Term except that:

I. The Tenant may, during the Term, in the usual course of its business, remove its trade fixtures, provided that the Tenant is not in default under this Lease, and at the end of the Term, the Tenant shall remove its trade fixtures; and

II. The Tenant shall, at its sole cost, remove such leasehold improvements as the Landlord shall require it to remove, such removal to be completed on or before the end of the Term.

(b) Notwithstanding the terms and conditions set out in Section 6.7(a), the Tenant shall have ownership and control over any boiler equipment purchased by the Tenant however, such equipment will not be removed by the Tenant without first coming to a mutual agreement with the Landlord.

(c) The Tenant shall, at its own expense, repair any damage caused to the building by the leasehold improvements or trade fixtures or their removal. If the Tenant does not remove its trade fixtures prior to the expiry or earlier termination of the Term, such trade fixtures shall, at the option of the Landlord, become the property of the Landlord and may be removed from the Premises and sold or disposed of by the Landlord in such manner as it deems advisable. For greater certainty, the Tenant's trade fixtures shall not include any of the following: (a) heating, ventilating or air-conditioning systems, facilities and equipment serving the Premises; (b) floor coverings; (c) light fixtures; (d) suspended ceiling and ceiling tiles; (e) wall and window coverings; and (f) partitions within the Premises. Notwithstanding anything in this Lease, the Landlord shall be under no obligation to repair or maintain the Tenant's installations.

### 6.8 Surrender of Premises

At the expiration or earlier termination of this Lease, the Tenant shall peaceably surrender and give up unto the Landlord vacant possession of the Premises in the same condition and state of repair as the Tenant is required to maintain the Premises throughout the Term and in accordance with its obligations in Section 6.7.

### 6.9 Option to Purchase – End of Term/Early Termination

At the expiration or earlier termination of this Lease the Landlord hereby grants the Tenant the first option to purchase the Premises forthwith, with a completion date satisfactory to the Tenant and on terms satisfactory to the Tenant, for the total sum of Two Million ($2,000,000.00) free and clear from any liens and/or encumbrances. For clarity, the completion date of any such purchase pursuant to this option shall be no later than thirty (30) days after the expiration or earlier termination of this Lease. To exercise this option, the Tenant shall provide the Landlord with at least two (2) months' notice of desire to exercise this Option and the parties thereafter shall proceed to complete matters necessary to facilitate the closing of the transaction.

To that end, the parties acknowledge that the Tenant's Option to Purchase as set out herein exists notwithstanding any terms to the contrary in the Agreement of Purchase and Sale between the Landlord and the YMCA granting the YMCA an option to purchase, specifically the following:

> **First Option to Develop New Premises** – Seller grants the buyer first option to develop a new building for the Seller prior to Seller developing, acquiring or moving to a new building or location. **NO ACTION by Seller.** This Covenant remains indefinitely after closing.

To give effect to the Tenant's Option to Purchase herein, the Landlord shall ensure it secures an Undertaking and Acknowledgement from the YMCA on closing of the

transaction involving the Lands and Premises that the YMCA's Option to Develop New Premises as set out in the Agreement of Purchase and Sale is not valid and is unenforceable in the event that the Tenant/City exercises its First Option to Purchase the Premises as set out herein. The Landlord shall provide a copy of the said Undertaking and Acknowledgement on closing.

## ARTICLE 7 — INSURANCE AND INDEMNITY

### 7.1 Indemnity by Tenant

The Tenant shall indemnify and save harmless the Landlord against any and all claims, actions, causes of action, damages, demands for damages, losses and other liabilities and expenses (including, without limitation, those in connection with bodily injury (including death), personal injury, illness or discomfort or damage to property and legal fees on a solicitor and client (substantial indemnity) basis) due to or arising from or out of any occurrence in, on or at the Premises or the occupancy or use by the Tenant of the Premises or any other part of the Lands and Building or occasioned wholly or in part by any act or omission of the Tenant or its officers, employees, agents, contractors, invitees, licensees or by any person permitted by the Tenant to be on the Premises or the Lands and Building.

### 7.2 Release of Landlord

The Landlord shall not be liable for:

(a) any injury or damage to any persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow, or leaks from any part of the building or from the pipes, appliances, plumbing works, roof, street or subsurface, or from any other place or by dampness, or caused by or arising from any interruption or failure in the supply of any utility or service to the Premises.

(b) any death, injury, or damage to or loss of property occurring in or about the Premises.

(c) any death, injury, or damage with respect to occurrences insured against or required to be insured against by the Tenant.

(d) any interruption of or non-supply of heating, ventilation, air-conditioning or other utilities and services; or

(e) any indirect or consequential damages that may be suffered by the Tenant, even if caused by the negligence of the Landlord or its agents or others for whom it is at law responsible.

### 7.3 Tenant's Insurance

The Tenant shall, at its sole cost and expense, take out and maintain in full force and effect, always throughout the Term, the following insurance:

(a) "All Risks" insurance on property of every description and kind owned by the Tenant, or for which the Tenant is legally liable, or which is installed by or on behalf

of the Tenant within the Premises or on the Lands or Building, including, without limitation, stock-in-trade, furniture, equipment, partitions, trade fixtures and leasehold improvements, in an amount not less than the full replacement cost thereof from time to time.

(b) general liability and property damage insurance, including personal liability, contractual liability, tenants' legal liability, non-owned automobile liability and with respect to the Premises, which coverage shall include the business operations conducted by the Tenant and shall provide for cross-liability and severability of interest as between the Landlord and the Tenant. Such policies shall be written on a comprehensive basis with coverage for any one occurrence or claim of not less than five million dollars ($5,000,000) or such higher limits as the Landlord may reasonably require from time to time.

(c) Tenant agrees to provide proof of such insurance annually or upon request.

### 7.4 Landlord's Insurance

The Landlord shall provide and maintain insurance at its sole cost, in respect of the building against loss, damage or destruction caused by fire and extended perils, and such liability insurance and rental insurance as the Landlord determines to maintain. The amount of insurance to be obtained shall be determined by the Landlord acting reasonably. The Tenant shall not do, omit or permit anything that may contravene or be prohibited by any of the Landlord's insurance policies in force from time to time or which would prevent the Landlord from procuring such policies with companies acceptable to the Landlord. If the Tenant's occupancy or use of the Premises or any acts or omissions of the Tenant in the Premises or any other portion of the building causes or results in any increase in premiums for any of the Landlord's insurance policies, then, without limiting any other rights or remedies of the Landlord, the Tenant shall pay any such increase as Operating Costs. The Landlord shall provide a Certificate of Insurance to the Tenant prior to the commencement of the Term confirming such coverages are in place and also upon request by the Tenant during the Term.

### 7.5 Mutual Release

Each of the Landlord and the Tenant releases the other and waives all claims against the other and those for whom the other is in law responsible with respect to occurrences insured against or required to be insured against by the releasing party, whether any such claims arise as a result of the negligence or otherwise of the other or those for whom it is in law responsible, subject to the following:

(a) such release and waiver shall be effective only to the extent of proceeds of insurance received by the releasing party or proceeds which would have been received if the releasing party had obtained all insurance required to be obtained by it under this Lease (whichever is greater) and, for this purpose, deductible amounts under the Tenant's insurance (but not the Landlord's) shall be deemed to be proceeds of insurance received; and

(b) to the extent that both parties have insurance or are required to have insurance for any occurrence, the Tenant's insurance shall be primary.

## ARTICLE 8 — ASSIGNMENT AND SUBLETTING

### 8.1 Assignment, Subletting

(1) The Landlord consents to the Tenant subletting of the Premises to the YMCA and the Sublease Agreement between the Tenant and the YMCA dated August 2, 2024.

(2) The Tenant may assign or transfer this Lease in whole or in part to any subsidiary, affiliate or successor to the assets or business of the Tenant with the approval of the Landlord. The Tenant shall not assign or transfer this Lease in whole or in part to any other party without first obtaining the written consent of the Landlord, which consent shall not be unreasonably withheld.

(3) The Landlord shall not lease any portion of the Premises to any other party. This Lease is exclusive to the Tenant and any sublease the Tenant may enter into with the approval of the Landlord.

## ARTICLE 9 — QUIET ENJOYMENT

### 9.1 Quiet Enjoyment

The Tenant, on paying the Rent hereby reserved, and performing and observing the covenants and provisos herein contained on its part to be performed and observed, shall peaceably enjoy the Premises for the Term.

## ARTICLE 10 — DAMAGE AND DESTRUCTION

### 10.1. Destruction of or Damage to Building.

During the Term, if and when the building is destroyed or damaged by fire, lightning, or other perils, including malicious damage, or by a natural catastrophe or by any other casualty, the following provisions shall apply:

(a) if the damage or destruction is such that the Building is rendered wholly unfit for occupancy or it is impossible or unsafe to use and occupy it, and if, in either event, the damage, in the sole opinion of the Landlord, notice of which is to be given to the Tenant in writing within thirty (30) days of the happening of such damage or destruction, cannot be repaired with reasonable diligence within one hundred and eighty (180) days after the happening of such damage or destruction, or if thirty percent (30%) or more of the Rentable Area of the Building is damaged or destroyed, the Landlord may terminate this Lease by giving notice in writing to the Tenant. Should the Landlord terminate this Lease as hereinbefore provided, the Term demised shall cease and be at an end as of the date of such termination (or at the date of such destruction or damage if the Premises could not be used as a result), and the rents and all other payments for which the Tenant is liable under the terms of this Lease shall be apportioned and paid in full to such date;

(b) in the event that the Landlord does not so terminate this Lease under Section 10.1(a), or in the event of lesser damage, the Landlord shall, at its expense, repair the Building to base building standards, and the Rent shall abate from the date of the happening of such damage or destruction until the date which is the earlier of: (i) thirty (30) days after the Landlord has completed such repairs; and (ii) the date

on which the Tenant reopens the Premises or any part thereof to conduct business. The Tenant covenants to make any repairs required to the leasehold improvements and its fixtures with all reasonable speed and to reopen the Premises for business forthwith on completion thereof. If the damage is such that the Premises is capable of being partially used for the purposes for which it is demised, then Rent (other than any items measured by consumption or separate assessment) shall abate in the proportion that the Rentable Area of the part of the Premises which is rendered unfit for occupancy bears to the Rentable Area of the Premises;

(c) in performing any reconstruction or repair, the Landlord may effect changes in the building and its equipment and systems and minor changes in the location or area of the Premises.

(d) notwithstanding anything else herein contained, in the event of damage or destruction occurring by reason of any cause in respect of which proceeds of insurance are substantially insufficient to pay for the costs of rebuilding the Building or the Premises or are not payable to or received by the Landlord, or in the event that any mortgagee or other party entitled thereto shall not consent to the payment to the Landlord of the proceeds of any insurance policy for such purpose, or in the event the Landlord is unable to obtain all governmental approvals required to so rebuild, the Landlord may terminate this Lease on notice to the Tenant.

### 10.2 Certificate Conclusive

In the event of a dispute as to the fitness for occupancy or as to the suitability of the Building and the Premises for the Tenant's business, the decision of an independent qualified professional engineer or architect retained by the Landlord, at the Landlord's expense, shall be final and binding on both parties.

## ARTICLE 11 — DEFAULT

### 11.1 Default and Right to Re-enter

Any of the following constitutes an Event of Default under this Lease:

(a) any Rent is not paid by the Tenant to the Landlord when due and such failure continues for fifteen (15) days after notice is given by the Landlord of such non-payment.

(b) the Landlord or the Tenant has breached any of their respective obligations in this Lease and, if such breach is capable of being remedied and is not otherwise listed in this Section 11.1, on receipt of notice in writing from the Landlord or the Tenant as applicable:

i. the party receiving the notice fails to remedy such breach within fifteen (15) days (or such shorter period as may be provided in this Lease); or

ii. if such breach cannot reasonably be remedied within fifteen (15) days (or such shorter period), the party receiving the notice fails to commence to remedy such breach within such fifteen (15) day (or such shorter) period or thereafter fails to proceed diligently to remedy such breach;

iii. the Landlord or the Tenant becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, an assignment or arrangement with their respective creditors, or any steps are taken, or proceedings commenced by any person for the dissolution, winding-up or other termination of the Landlord's or the Tenant's existence or the liquidation of their respective assets;

(c) a trustee, receiver, receiver/manager, or a person acting in a similar capacity is appointed with respect to the business or assets of the Landlord or the Tenant.

(d) the Landlord or the Tenant makes a sale in bulk of all or a substantial portion of their respective assets, other than in conjunction with an assignment or sublease.

(e) this Lease or any of the Landlord's or the Tenant's assets are taken under a writ of execution, and such writ is not stayed or vacated within fifteen (15) days after such taking.

(f) the Tenant makes an assignment or sublease, other than in compliance with the provisions of this Lease.

(g) the Tenant abandons or attempts to abandon the Premises, or the Premises become vacant or substantially unoccupied for a period of ten (10) consecutive days or more without the consent of the Landlord.

(h) the Tenant moves or commences, attempts, or threatens to move its trade fixtures, chattels, and equipment out of the Premises; or

(i) any insurance policy covering any part of the building is, or is threatened to be, cancelled, or adversely changed (including a substantial premium increase) as a result of any action or omission by the Tenant.

**11.2 Default, Remedies and Termination**

(1) Should an Event of Default occur on the part of the Tenant, then, without prejudice to any other rights which it has pursuant to this Lease or at law, the Landlord shall have the following rights and remedies, which are cumulative and not alternative:

(a) to immediately terminate this Lease by notice to the Tenant or to re-enter the Premises and repossess them and, in either case, the Landlord may remove all persons and property from the Premises and store such property at the expense and risk of the Tenant or sell or dispose of such property in such manner as the Landlord sees fit without notice to the Tenant;

(b) to enter the Premises as agent of the Tenant and to relet the Premises for whatever length and on such terms as the Landlord, in its discretion, may determine, and to receive the rent therefor and, as agent of the Tenant, to take possession of any property of the Tenant on the Premises, to store such property at the expense and risk of the Tenant or to sell or otherwise dispose of such property in such manner as the Landlord sees fit without notice to the Tenant, and to make alterations to the Premises to facilitate

their re-letting. The Landlord shall apply the proceeds of any such sale or re-letting first, to the payment of any expenses incurred by the Landlord with respect to any such re-letting or sale, second, to the payment of any indebtedness of the Tenant to the Landlord other than Rent, and third, to the payment of Rent in arrears, with the residue to be held by the Landlord and applied to payment of future Rent as it becomes due and payable; provided that the Tenant shall remain liable to the Landlord for any deficiency.

(c) to remedy or attempt to remedy any default of the Tenant under this Lease for the account of the Tenant and to enter on the Premises for such purposes. No notice of the Landlord's intention to remedy or attempt to remedy such default need be given to the Tenant unless expressly required by this Lease. The Landlord shall not be liable to the Tenant for any loss, injury or damages caused by acts of the Landlord in remedying or attempting to remedy such default, and the Tenant shall pay to the Landlord all expenses incurred by the Landlord in connection therewith.

(d) to recover from the Tenant all damages, costs and expenses incurred by the Landlord as a result of any default by the Tenant including, if the Landlord terminates this Lease, any deficiency between those amounts which would have been payable by the Tenant for the portion of the Term following such termination and the net amounts actually received by the Landlord during such period of time with respect to the Premises; and

(e) to recover from the Tenant the full amount of the current month's Rent together with the next three (3) months' instalments of Rent, all of which shall accrue on a day-to-day basis and shall immediately become due and payable as accelerated rent.

(2) Should an Event of Default occur on the part of the Landlord, then, without prejudice to any other rights which it has pursuant to this Lease or at law, the Tenant shall have the following rights and remedies, which are cumulative and not alternative:

(a) to immediately terminate this Lease by notice to the Landlord.

(b) to remedy or attempt to remedy any default of the Landlord and recover all associated costs (including, without limitation, legal fees) from the Landlord or to offset such costs against Rent coming due under this Lease.

(c) to commence an action against the Landlord to interpret or enforce the terms and conditions of this Lease, for damages, specific performance, and/or injunctive relief. The Landlord's failure for any reason, to comply with specific performance and/or injunctive relief ordered by a court shall constitute a breach under this Lease; and

(d) to enforce any judgment obtained by the Tenant against the Landlord by offsetting the outstanding amount of such judgment against Rent coming due under this Lease.

(3) Should an Event of Default occur on the part of the Subtenant (YMCA) as such term is defined in:

(a) Section 11.1 of the Sublease Agreement between the Tenant and the YMCA dated August 2, 2024;

(b) Section 5 of the MOU between the Tenant and the YMCA dated July 15, 2024; and/or

(c) Section 10.0 of the Grant Agreement between the Tenant and the YMCA dated July 15, 2024,

the Tenant shall provide the Landlord with notice of such default and then, without prejudice to any other rights which it has pursuant to this lease or at law, and notwithstanding any terms to the contrary in the Agreement of Purchase and Sale between the Landlord and the YMCA granting the YMCA an option to purchase, specifically the following:

> **First Option to Develop New Premises** – Seller grants the buyer first option to develop a new building for the Seller prior to Seller developing, acquiring or moving to a new building or location. **NO ACTION by Seller.** This Covenant remains indefinitely after closing.

the Landlord hereby grants the Tenant the first option to purchase the Premises forthwith, with a completion date satisfactory to the Tenant and on terms satisfactory to the Tenant, for the total sum of Two Million ($2,000,000.00) free and clear from any liens and/or encumbrances. To exercise such option, the Tenant shall provide the Landlord with notice of desire to exercise this Option and the parties thereafter shall proceed to complete matters necessary to facilitate the closing of the transaction. The Landlord shall ensure it secures an Undertaking and Acknowledgement from the YMCA on closing of the transaction involving the Lands and Premises that the YMCA's Option to Develop New Premises as set out in the Agreement of Purchase and Sale is not valid and is unenforceable in the event of default as defined in the three agreements referenced above to ensure that the Tenant/City's ability to realize on the First Option to Purchase the Premises is possible. The Landlord shall provide a copy of the said Undertaking and Acknowledgement on closing.

### 11.3 Distress

Notwithstanding any provision of this Lease or any provision of applicable legislation, none of the goods and chattels of the Tenant on the Premises at any time during the Term shall be exempt from levy by distress for Rent in arrears, and the Tenant waives any such exemption.

### 11.4 Remedies Cumulative

Notwithstanding any other provision of this Lease, the Landlord or the Tenant may from time to time resort to any or all the rights and remedies available to either of them in the event of any default hereunder by the Landlord or Tenant as applicable, either by any provision of this Lease or by statute or common law, all which rights and remedies are

intended to be cumulative and not alternative. The express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord or the Tenant by statute or common law.

## ARTICLE 12 — GENERAL

### 12.1 Entry

(1) The Landlord shall be entitled at any time during the last six (6) months of the Term:

(a) to place on the exterior walls of the Premises, at a height not lower than the upper limit of the windows of the Premises, the Landlord's usual notice(s) that the Premises are "For Rent"; and

(b) on reasonable prior notice, to enter on the Premises during Normal Business Hours for the purpose of exhibiting same to prospective tenants.

(2) The Landlord may enter at any time during the Term on reasonable notice for exhibiting the Premises to prospective Mortgagees and/or purchasers, or for the purpose of inspecting the Premises.

### 12.2 Force Majeure

Notwithstanding any other provision contained in this Lease, in the event that either the Landlord or the Tenant should be delayed, hindered or prevented from the performance of any act required hereunder by reason of any unavoidable delay, including strikes, lockouts, unavailability of materials, inclement weather, acts of God or any other cause beyond its reasonable care and control, but not including insolvency or lack of funds, performance of such act shall be postponed for a period of time equivalent to the time lost by reason of such delay. The provisions of this Section 12.2 shall not, under any circumstances, operate to excuse the Tenant from prompt payment of Rent and other charges payable under this Lease.

### 12.3 Effect of Waiver or Forbearance

No waiver by any party of any breach by any other party of any of its covenants, agreements or obligations in this Lease shall be or be deemed to be waiver of any subsequent breach thereof or the breach of any other covenants, agreements or obligations, nor shall any forbearance by any party to seek a remedy for any breach by any other party be a waiver by the party so forbearing of its rights and remedies with respect to such breach or any subsequent breach. The subsequent acceptance of Rent by the Landlord shall not be deemed a waiver of any preceding breach by the Tenant of any term, covenant or condition regardless of the Landlord's knowledge of such preceding breach at the time of the acceptance of such Rent.

### 12.4 Notices

Any notice required or contemplated by any provision of this Lease shall be given in writing and addressed, in the case of the Landlord, to it at the address noted in Section 1.1(a), in the case of the Tenant, to it at the address noted in Section 1.1(b), and delivered by email. The time of receipt of such notice by email shall be conclusively deemed to the

time of sending by email. Either party may, by notice to the other from time to time, designate another email address and contact for the purposes of providing Notice under this Agreement.

### 12.5 Registration

Neither the Tenant nor anyone on the Tenant's behalf or claiming under the Tenant shall register this Lease in whole. The Tenant may register a notice, short form or caveat in respect of this Lease. Any such notice, short form or caveat shall contain the minimum requirements for registration.

### 12.6 Interpretation

(1) Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders, and words importing persons shall include firms and corporations and *vice versa*.

(2) The division of this Lease into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Lease.

(3) If any Article or Section or part or parts of an Article or Section in this Lease is illegal or unenforceable, it or they shall be considered separate and severable from the Lease and the remaining provisions of this Lease shall remain in full force and effect and shall be binding on the Landlord and the Tenant as though such Article or Section had never been included in this Lease.

### 12.7 Entire Agreement

There are no covenants, representations, warranties, agreements or other conditions expressed or implied, collateral or otherwise, forming part of or in any way affecting or relating to this Lease, save as expressly set out or incorporated by reference herein. This Lease constitutes the entire agreement duly executed by the parties, and no amendment, variation or change to this Lease shall be binding unless the same shall be in writing and signed by the parties.

### 12.8 Time of the Essence

Time shall be of the essence of this Lease and every part thereof.

### 12.9 Successors and Assigns

All rights, advantages, privileges, immunities, powers and things hereby secured to the Landlord and to the Tenant shall be secured to and exercisable by their successors and permitted assigns, as the case may be, and all covenants, liabilities and obligations entered into or imposed hereunder upon the Landlord and the Tenant shall be equally binding upon their successors and permitted assigns, as the case may be.

[Signatures on Following Page]

IN WITNESS WHEREOF the parties have duly executed this Lease as of
The day and year first written above.

LANDLORD

Per: _____

Name: _____

Title: _____

I/We have the authority to bind the
Corporation

TENANT

_____
MAYOR – MATTHEW SHOEMAKER

_____
CITY CLERK – RACHEL TYCZINSKI

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

**BY-LAW 2024-115**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and Young Men's Christian Association of Sault Ste. Marie for the Sublease for the building at 235 McNabb Street in Sault Ste. Marie, Ontario.

**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 2, 2024 between the City and Young Men's Christian Association of Sault Ste. Marie, a copy of which is attached as Schedule "A" hereto. This Agreement is for the Sublease for the building at 235 McNabb Street in Sault Ste. Marie, Ontario.

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 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

ep \\citydata\LegalDept\Legal\Staff\COUNCIL\BY-LAWS\2024\2024-115 YMCA Sublease.docx

**THIS SUBLEASE** made the 2nd day of August, 2024.

BETWEEN:

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

(“**Sublandlord**”)

AND

**YOUNG MEN’S CHRISTIAN ASSOCIATION OF SAULT STE. MARIE**

**(“Subtenant”)**

## ARTICLE 1 — RECITALS, BASIC TERMS AND DEFINITIONS

### 1.1 Recitals

(a) 1000943321 ONTARIO INC. (the “Landlord”) by a Lease dated August 2, 2024, (the “Headlease”), a copy of which is attached as Schedule A to this Sublease, leased to the Sublandlord the Premises as defined in Section 1.2(d) below under the terms and conditions as set out therein.

(b) The Sublandlord and the Subtenant have agreed to enter into this sublease of the Premises under the terms and conditions set out herein.

### 1.2 Basic Terms

(a) Sublandlord:
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Address:
99 Foster Drive, Sault Ste. Marie, Ontario, P6A 5X6

Contact for Notice:
Name and email: Brent Lamming (DCAO) b.lamming@cityssm.on.ca

(b) Subtenant:
YOUNG MEN’S CHRISTIAN ASSOCIATION OF SAULT STE. MARIE

Address:
235 McNabb Street, Sault Ste. Marie, Ontario, P6B 1Y3

Contact for Notice:
Name and email: Board Chair, boardofdirectors@ssmymca.ca

(c) Building:
235 McNabb Street, Sault Ste. Marie, Ontario

(d) Area of Building to be Rented:
Entire Lands, Premises, Common Areas and Ancillary Parking at the Building, located at 235 McNabb Street, Sault Ste. Marie, Ontario and legally described as: PIN 31535-0132(LT); BEING PT LT 35-36 PL H496 ST. MARY'S; PT HERBERT ST PL H496 ST. MARY'S CLOSED BY T89496, PT 1-3 1R4781; LT 37-42, 53-60 PL H496 ST. MARY'S; S/T T188316, T28713, T91957, T91958, T91959, T91960, T91961; SAULT STE. MARIE

collectively referred to herein as the “Premises”.

(e) Term:

(i) **Term**. This Sublease shall have a Commencement Date being the same date the Landlord acquires the Premises from the Young Men’s Christian Association of Sault Ste. Marie (“YMCA”) pursuant to an Agreement of Purchase and Sale dated May 6, 2024 and shall continue for the same period as the Headlease minus one day.

In the event that the aforementioned sale of the Premises is not completed, the parties acknowledge that the Headlease and this Sublease shall have no force or effect and both agreements shall automatically terminate with no further obligations between the parties hereto.

(ii) **Optional Extended Term**. The Term may be Extended (“Extended Term”) if the Subtenant provides written notice to the Sublandlord at least six (6) months prior to the expiry of the Term that it desires to renew the Term, and thereafter the Sublandlord shall provide notice to the Landlord that there is a desire to extend the Headlease and Sublease. The parties shall enter into negotiations with a view to forming an Extension Agreement. That said, the parties acknowledge and agree that any Extension Agreement is conditional also on an Extension Agreement of the Headlease and consent of the Landlord. If negotiations are successful, an Extension Agreement will be prepared. If negotiations are not successful, the Sublease will end at the end of the original Term.

(iii) **Optional Amended Term**. The parties hereto acknowledge and agree that the Subtenant will be reviewing the future facility requirements of the YMCA and conducting a significant capital campaign to support a new build facility for the YMCA (“New Build”). In the event that either party desires at any time during the Term, to amend the Term of the Sublease given the New Build, that party shall provide the other party with notice of same as soon as practicable and not less than six (6) months prior to the commencement of any planning for the New Build and the Sublandlord shall provide notice to the Landlord that there is a desire to amend the Headlease and Sublease. Upon receipt of such notice, the parties shall enter into negotiations. If negotiations are successful, the Sublease may be amended accordingly. If negotiations are not successful, the Sublease will remain in the current form and Term.

(f) Basic Rent:

Rent is ONE HUNDRED THOUSAND ($100,000.00 CDN) Dollars per year plus HST,

payable by the Subtenant to the Sublandlord in equal monthly payments of EIGHT THOUSAND, THREE HUNDRED AND THIRTY THREE ($8,333.33) DOLLARS AND THIRTY THREE CENTS plus HST, with the first payment being on the actual Commencement Date to cover the cost for the first month in the Term, and thereafter the 1st day of every other month in the Term, for a total maximum payment of $1, 000,000.00 plus HST during the entire Term of the Sublease. It is also agreed that the Basic Rent shall not increase at any time during the Term. No deposit is required to be paid upon the signing of this Sublease and the Sublandlord acknowledges having received consideration in the sum of One ($1.00) to formalize this Sublease.

(g) Operating Costs:

The parties acknowledge that in addition to Basic Rent, the Subtenant shall be responsible for all Operating Costs as defined in Section 1.3(n) and to ensure the timely payment of same.

(h) Permitted Use:

The Subtenant shall be permitted to use the Premises for the operation of a "YMCA". The Subtenant acknowledges that it requires the prior written consent of the Sublandlord to use the Premises for any other purpose.

(i) Schedules forming part of this Sublease:

Schedule "A" – Headlease dated August 2, 2024 between 1000943321 ONTARIO INC. and The Corporation of the City of Sault Ste. Marie.

Schedule "B" – Memorandum of Understanding dated July 15, 2024 between The Corporation of the City of Sault Ste. Marie and Young Men's Christian Association of Sault Ste. Marie ("MOU").

Schedule "C" – Insurance Requirements.

**1.3 Definitions**

In this Sublease, unless there is something in the subject matter or context inconsistent therewith the following terms have the following respective meanings:

*(a) Intentionally Deleted*

*(b) Intentionally Deleted*

(c) "Basic Rent" means the basic rent payable by the Subtenant pursuant to Section 3.2 and as defined in Section 1.2(f).
(d) "Building" means the building located at the address set out in Section 1.2(c).
(e) "Commencement Date" means the date set out in Section 1.2(e), as such may be varied pursuant to the terms of this Sublease.
*(f) Intentionally Deleted*

(g) "Event of Default" has the meaning set out in Section 11.1.
*(h) Intentionally Deleted*
(i) "Sublease" means this Sublease and all the terms, covenants and conditions set out herein (including all schedules), as amended from time to time in accordance with the terms hereof.
(j) "Sublease Year" means, initially, the period commencing on the Commencement Date and ending twelve months thereafter. The last Sublease Year of the Term shall end on the expiry date of the Term.
(k) "Mortgage" means any mortgage or charge of any one or more of, or any part of, the Lands, the Building, and/or the Landlord's interest in the Headlease, from time to time, whether made or assumed by the Landlord.
(l) "Mortgagee" means the holder of any Mortgage from time to time.
(m) "Normal Business Hours" shall be as established by the Sublandlord acting reasonably.
(n) "Operating Costs" means, for any period:

(i) all charges for utilities and services to the Lands and Building, including, without limiting the generality of the foregoing, water, gas, heat, communications, electrical power or energy, steam and hot water, and all charges for fittings, machinery, apparatus, meters, or other things leased in respect thereof, and for all work or services performed by any corporation or commission in connection with such utilities and services.

(ii) all costs incurred in respect of the Lands and Building including but not limited to for garbage removal, snow removal, Subtenant's insurance supervisory and maintenance services, operating any elevators and similar elevating devices, the cost of heating, cooling and ventilating, the cost of window cleaning, the costs of machinery, supplies, tools, equipment and materials used in connection with any of the foregoing (including rentals thereof) and all costs incurred with the maintenance, repair, replacement, management, and operation of the Lands and Building.

(iii) All costs related to the business of the Subtenant.

(iv) Provided that Operating Costs shall exclude:
a) all income tax or similar taxes, corporation taxes, profit taxes, excess profit taxes, capital gains taxes, place of business taxes, gift taxes, estate taxes, succession duties, inheritance taxes, franchise taxes, gross receipt taxes, revenue taxes, payroll taxes, stamp taxes, business transfer taxes and other taxes personal to the Sublandlord;
b) the cost of all repairs and replacements to the structures of the building including, without limitation, the HVAC systems, foundations, exterior wall assemblies, floors (not finishings), roofs, bearing walls and structural columns, beams and elements of the building or any part thereof;
c) all fines, suits, claims, demands, costs, charges and expenses of any kind or nature for which the Sublandlord is or may become liable by reason of any negligent and willful acts or omissions to act on the part of the Sublandlord or those for whom the Sublandlord is in law responsible or by reason of any breach or violation or non-performance by the Sublandlord of any covenant, term or provision contained in the Sublease.

(o) “Premises” means Area of Building to be Rented as defined in 1.1(d), and all rights and easements appurtenant thereto.
(p) “Realty Taxes” means all property taxes, rates, duties and assessments (including local improvement rates), import charges or levies, whether general or special, that are levied, charged or assessed from time to time by any lawful authority, whether federal, provincial, municipal, school or otherwise, and any taxes payable by the Landlord which are imposed in lieu of, or in addition to, any such real property taxes, whether of the foregoing character or not, and whether or not in existence at the commencement of the Term, and any such property taxes levied or assessed against the Landlord on account of its ownership of the Building or its interest therein, but specifically excluding any taxes assessed on the income of the Landlord;
(q) ”Rent” means all Basic Rent and Operating Costs in accordance with Section 3.3. and
(r) “Term” means the period specified in Section 1.1(e).

## ARTICLE 2 — DEMISE AND TERM

### 2.1 Demise

In consideration of the rents, covenants, and agreements hereinafter reserved and contained on the part of the Subtenant to be paid, observed, and performed, the Sublandlord demises and leases to the Subtenant, and the Subtenant rents from the Sublandlord, the Premises. The Subtenant acknowledges that it accepts the Premises as is. The parties further acknowledge and agree that the equipment and chattels within the Premises are the property of the Subtenant (collectively the “Chattels”) and the Subtenant is responsible at their sole liability and expense for all matters related to the Chattels, including but not limited to their maintenance, operation, inspection, repair, replacement and removal, and any liabilities that may arise directly or indirectly as a result of the said Chattels.

### 2.2 Term

The Term shall commence on the Commencement Date, run for the period set out in Section 1.1(e), and end on the date set out in Section 1.1(e), unless terminated earlier pursuant to this Lease.

### 2.3 Intentionally Deleted

### 2.4 Over-holding

There shall be no over-holding permitted at the Premises by the Subtenant. The Subtenant shall vacate the Premises at the end of the Term, subject to any renewal or extension of the Term.

### 2.5 Encumbrances

The Subtenant shall not mortgage, charge or otherwise encumber its interest in this Sublease in any manner during the Term.

## ARTICLE 3 — RENT

### 3.1 Covenant to Pay

This is a net, net lease. The Subtenant covenants to pay Rent as provided in this Sublease plus HST throughout the Term. It is the intention of the parties that the Rent (included Basic and Operating Costs as set out in Section 3.3 herein provided) to be paid shall be net to the Sublandlord and clear of all taxes, costs and charges arising from or relating to the Premises, which shall be borne by the Subtenant and the Subtenant covenants with the Sublandlord accordingly.

### 3.2 Basic Rent and Payment Method

The Subtenant covenants and agrees to pay, from and after the Commencement Date, to the Sublandlord by way of Electronic Funds Transfer, the instructions and particulars of which shall be provided by the Sublandlord, in lawful money of Canada and plus HST (or other applicable tax at such time) without any prior demand, in equal monthly instalments in advance on the first day of each and every month during the Term. If the Term commences on any day other than the first day of the month or ends on any day other than the last day of the month, rent for the fractions of a month at the commencement and at the end of the Term shall be calculated on a *pro rata* basis and payable on the first day of the partial month. The calculation shall be done by the Sublandlord and the Subtenant shall pay as calculated by the Sublandlord.

### 3.3 Operating Costs

(1) In addition to the Basic Rent reserved in favor of the Sublandlord, the Subtenant shall, throughout the Term, pay to the Sublandlord or directly to vendors if accounts have been established with such vendors, in lawful money of Canada, plus any applicable taxes:

(a) all Operating Costs for the Premises in full. The Subtenant shall continue to hold any vendor accounts (ie. for utilities, services, communication, internet, etc. for the Premises) in the name of the “YMCA” and shall be solely and fully responsible for paying such accounts to such vendors on time and in advance of the due date;

(b) The Subtenant undertakes to complete all necessary maintenance and shall pay all maintenance costs of the Premises; and

(c) The Subtenant shall pay all other sums, amounts, costs and charges specified in this Sublease to be payable by the Subtenant.

(2) All payments set out in Section 3.2 and 3.3, shall be deemed to be and shall be paid as rent, whether any payment is payable to the Sublandlord or otherwise and whether payable as compensation to the Sublandlord for expenses to which it has been put. The Sublandlord has all the rights against the Subtenant for default in payment of Operating Costs that it has against the Subtenant for default in payment of Basic Rent.

(3) In the event that the Subtenant fails to pay such Operating Costs, the Subtenant shall immediately give notice and full particulars to the Sublandlord.

(4) The Subtenant shall provide the Sublandlord with proof of payment of any and all Operating Costs immediately upon request by the Sublandlord.

(5) At no time shall the Sublandlord be responsible for any Operating Costs. The Subtenant shall fully indemnify and save harmless the Sublandlord and Landlord from any actions, claims, causes of action, losses, expenses, fines, costs (including legal costs) interest or damages of every nature and kind whatsoever involving any failure by the Subtenant to fail to pay any and all Common Area Charges.

### 3.4 Determination and Payment of Realty Taxes

Any realty taxes that may be assessed as being payable, if any, shall be the responsibility of the Subtenant and shall be paid immediately when due. The Sublandlord shall cooperate in efforts to waive said realty taxes or rebate said realty taxes if they cannot be waived. The Sublandlord confirms that City Council has passed a resolution whereby the City "commits to determine a path forward to enable the Premises comprising the lands and building to continue to be exempt from municipal taxation if such exemption is lost as a result of this transaction".

### 3.5 Payment of Operating Costs

The Subtenant shall ensure vendor accounts are in place for all Operating Costs and shall directly pay same. In the event that an account must be in the name Sublandlord or Landlord, the Subtenant covenants and undertakes to immediately pay any such account when due and upon notice by the Sublandlord.

### 3.6 *Intentionally Deleted*

### 3.7 Rent Past Due

If the Subtenant fails to pay any Rent when the same is due and payable, such unpaid amount shall bear interest at the rate per annum equal to the prime rate of interest charge by the Sublandlord's chartered bank plus one percent (1%) for each month from the time such Rent becomes due until paid by the Subtenant.

## ARTICLE 4 — CONTROL AND OPERATION OF BUILDING

### 4.1 Building – Structural and Capital Costs

(a) Subject to Section 4.1(b) below, the Sublandlord is responsible for capital costs associated with the repair/replacement of the HVAC systems including the boiler system, the repair/replacement of the roofing system, and the maintenance, repair/replacement of the building envelope. However, the parties agree that the Sublandlord shall be responsible for only those capital costs that are required to keep the building open and operational during the Term, and that no capital funds should be allocated for improvements that are not necessary, wherein "necessary" means required from a health and safety perspective as determined by the City's Chief Administrative Officer in consultation with the City's

Chief Building Official, Risk Manager and Fire Chief, recognizing that the parties intend on working towards a New Build.

(b) To that end, the parties acknowledge and agree that the following framework is in place to address such capital works during the Term beyond the boiler replacement, roof repair and fire suppression projects that are deal with in Section 4.2 below:

i. The Subtenant has commenced a fundraising campaign to raise funds for a capital reserve. The YMCA shall allocate funds from the capital reserve to all capital projects that are required to keep the building open and operational during the Term. This fund shall be relied upon in the first instance for any capital projects that are determined to be necessary by the Sublandlord as set out herein for capital projects beyond the boiler replacement and roof repair projects that are determined by the Sublandlord to be "necessary" as set out herein from a health and safety perspective. The Subtenant shall make such capital reserve funds available.

ii. In the event that sufficient funds are not available in Section 4.1(b)i. to address the capital need, the Subtenant shall in the second instance use best efforts to find and exhaust other funding opportunities or matching funding opportunities to minimize any capital cost to the City over and above the maximum of $505,000.00 allocated by City Council for Capital Costs for the Building and pursue same;

iii. In the event that there is no or partial success with funding results from efforts made in Section 4.1(b)ii. resulting in a necessary capital expense to be made, Sublandlord shall review and determine whether or not to proceed with such requests. To that end, the parties hereto acknowledge and agree that the approval by the Sublandlord shall be the approval from City Council. If City Council decides not to proceed with a capital request and there is an operational impact, then the Subtenant shall be responsible for addressing same and the Sublandlord shall not be liable in any way regarding same.

The parties acknowledge that the intent of this section is to limit expenditures to only those that are necessary from a health and safety perspective so that efforts can be spent on a New Build. The Sublandlord shall not be considered in "default" under this Sublease if Council does not approve a Capital request given the above framework.

(c) The Subtenant shall provide the Sublandlord with advance notice of any capital upgrade it desires to pursue over the amount of Five Thousand ($5,000.00) and acknowledges and agrees that the prior written consent of the Sublandlord is necessary before the Subtenant shall pursue same. The intent of this requirement is to limit expenditures to only those that are necessary from a health and safety perspective so that efforts can be spent on a new build.

**4.2 Boiler, Roof and Fire Suppression**

(a) The Subtenant shall ensure that within thirty (30) days from the Commencement Date, the process has commenced to replace the boiler and required roof repairs of the Building. The Sublandlord shall determine if the boiler and/or portion of the roof can be upgraded or repaired rather than replaced, the Subtenant shall proceed with the upgrades or repairs as necessary.

(b) The parties acknowledge and agree that the cost for the boiler upgrades will be covered by the NOHFC funding that has been approved for the boiler project and the City funding approved by City Council for The Corporation of the City of Sault Ste. Marie ("City Council"). The cost for the roof upgrades shall be paid in the following order as set out in Section 2(A)(II) of the MOU:

a. first by the Subtenant from the proceeds the Subtenant received from the sale, if any remain as set out in Section 2(A)(VI) of the MOU;
b. second by the Subtenant through securing NOHFC or other funding for same; and
c. in the event that the Subtenant is not successful despite all reasonable efforts in paying for the roof repairs through (a) or (b) herein, the Landlord shall provide funding for the roof repairs, provided that the funding allocated by Landlord in the total of $505,000 to the boiler replacement is not fully expended on the boiler replacement. For greater clarity, if $355,000.00 of City funds are required for the boiler replacement project, the Sublandlord will make the remainder of the funds up to $505,000.00 available for the roof repair project. The Sublandlord's decision on whether or not to pay the costs of the roof repairs shall be made by City Council and shall be final on this matter.

(c) The Sublandlord will provide funding for fire suppression system repair in the event that the boiler replacement project and the roof repair project do not exhaust the $505,000.00 allocated by City Council to the capital improvements of the Building. The Sublandlord shall only provide funding for the fire suppression system repair project to the maximum amount of the funds remaining from the $505,000.00 committed to the boiler replacement project and the roof repair project if those projects do not exhaust the allocated funding.

(d) The Sublandlord will guide the Subtenant in the building repair process using City staff experience to guide the best possible use of funds to address critical items for operations.

(e) Once the funding allocated by the Sublandlord up to the amount of $505,000 is exhausted for the matters set out above, being the boiler firstly, the roof secondly, and the fire suppression system thirdly, the City shall retain any funds not expended. Any further capital requests shall follow the "Capital Requests" process as outlined in Section 4.1 herein.

(f) the Subtenant shall be responsible for all matters related to the NOHFC Funding Grant, including but not limited to the Application, Reporting and other terms of and conditions related to same as it relates to the boiler;
   a. the approved City Funds of up to $505,000.00 for the NOHFC Grant is contingent on the NOHFC Grant being awarded to the Subtenant and further contingent upon the completion of an Agreement of Purchase and Sale between the YMCA and David Saunders in Trust for an Undisclosed Party dated May 6, 2024 ("Purchase Transaction"). The terms and conditions of the provision of these monies shall be governed by a Grant Agreement between the Sublandlord and Subtenant;
   b. the balance of the costs for the boiler and roof, if any, shall be the responsibility of the Subtenant.

**4.3 Operating and Maintenance Costs – Subtenant's Responsibility**

(a) The Subtenant shall be responsible at its sole expense for the condition, operation, management and repair of the Premises, including but not limited to landscaping, signage, garbage disposal, cleaning, janitorial services, snowplowing, sanding and salting of the Premises, all necessary non-structural repairs to the Premises, including repairs to the interior exposed plumbing and exposed portions of the electrical systems, the maintenance and replacement of all equipment, furniture, locker rooms, interior partitions and accessories used in connection with the operation of the YMCA at the Premises. The Subtenant shall keep the Premises clean and operating during the term of this Sublease in accordance with standards for a first-class office building and Ontario YMCA.

(b) Pursuant to Section 2(A)(I)(ii) of the MOU (Schedule "B" herein), the Subtenant shall also be responsible for all operational costs, maintenance costs and capital costs that are covered through:
   (i) the NOHFC funding program of the Premises as it relates to the Premises;
   (ii) other NOHFC funding programs or other Funding Programs during the Term.

To that end, the Subtenant undertakes and agrees to explore, apply for and cooperate in the pursuit of any funding programs to facilitate any capital and maintenance costs for the Premises during the Term.

**4.4** *Intentionally Deleted*

**4.5 Exclusive Sublease**

(a) The Subtenant shall not assign or otherwise sublease the Premises or any portion of the the Premises to any other persons at any time during the Term without the prior written consent of the Sublandlord.

**4.6 Parking:**

The Sublandlord leases as part of this Sublease all parking at the Premises to the Subtenant.

**4.7 Building and Fire Code Matters**

The parties acknowledge several Building Code and Fire Code orders issued by the Sublandlord ("Code Matters"). The Subtenant shall repair the sprinkler system prior to the date this Sublease takes effect. Further, the Subtenant will make its best efforts to address any additional Code Matters it can prior to the date this Sublease takes effect. The remainder of Code Matters will be addressed by the Subtenant subsequent to the date this Sublease takes effect. The parties agree that the costs to address the remainder of the Code Matters shall follow the Capital Requests process as set out in Section 2(A)(VII) and 2(B)(iv) of the MOU.

## ARTICLE 5 — USE OF PREMISES

### 5.1 Use of Premises

The Subtenant acknowledges that the Premises will be used for the purpose set out in Section 1.1(h) or for such other purpose as does not conflict with any exclusivity rights or restrictive covenants then in effect with respect to the building and complies with all zoning and other government requirements.

### 5.2 Observance of Law

The Subtenant shall, at its own expense, comply with all laws, by-laws, ordinances, regulations, and directives of any public authority having jurisdiction affecting the Premises or the use or occupation thereof, including, without limitation, police, fire and health regulations and any requirements of the fire insurance underwriters.

### 5.3 Waste and Nuisance

The Subtenant shall not do or suffer any waste, damage, disfiguration, or injury to the Premises or permit or suffer any overloading of the floors and shall not use or permit to be used any part of the Premises for any illegal or unlawful purpose or any dangerous, noxious, or offensive trade or business, and shall not cause or permit any nuisance in, at or on the Premises.

## ARTICLE 6 — MAINTENANCE, REPAIRS, AND ALTERATIONS OF PREMISES

### 6.1 Maintenance and Repair of Premises

The Subtenant's obligations to maintain and repair the Premises is as set out in Article 4. The Subtenant shall, at its own expense and cost, operate, maintain, and keep in good condition and substantial repair, order and condition the Premises and all parts thereof, save and except for repairs required to be made by the Sublandlord pursuant to Sections 4.1 and 4.2. All repairs shall be in all respects equal in quality and workmanship to the original work and materials in the Premises and shall meet the requirements of all authorities having jurisdiction, as well as the insurance underwriters.

### 6.2 Inspection and Entry

The Sublandlord, its servants and agents shall be entitled to enter on the Premises at any time without notice for the purpose of making emergency repairs and during Normal Business Hours on reasonable prior notice for the purpose of inspecting and making repairs, alterations or improvements to the Premises or to the building, or for the purpose of having access to the underfloor ducts or to the access panels to mechanical shafts (which the Subtenant agrees not to obstruct), and the Subtenant shall not be entitled to compensation for any inconvenience, nuisance or discomfort occasioned thereby. The Sublandlord, its contractors or agents may at any time and from time to time on reasonable prior notice (and without notice in the event of an emergency) enter on the Premises to remove any article or remedy any condition which, in the opinion of the Sublandlord, would be likely to lead to the cancellation of any policy of insurance. The Sublandlord, its servants and agents shall take reasonable precautions and attempt to schedule the work so as not to unreasonably interfere with the operation of the Subtenant's business and so as to minimize interference with the Subtenant's use and enjoyment of the

Premises.

### 6.3 Repair where Subtenant at Fault

If the building, including the Premises, the elevators, boilers, engines, controls, pipes and other apparatus (or any of them) used for the purpose of heating, ventilation or air-conditioning or operating the elevators, or if the pipes, electric lighting or other equipment of the building are put in a state of disrepair or become damaged or destroyed through the negligence, carelessness or misuse of the Subtenant, its servants, agents, or employees, the expense of the necessary repairs, replacements or alterations shall be borne by the Subtenant, who shall pay the same to the Sublandlord forthwith on demand.

### 6.4 Permitted Alterations

The Subtenant shall not be permitted to make or erect in or to the Premises any installations, alterations, additions, or partitions without first submitting drawings and specifications to the Sublandlord and obtaining the Sublandlord's prior written consent in each instance, which the Sublandlord shall not unreasonably withhold. The Subtenant must further obtain the Sublandlord's prior written consent to any change or changes in such drawings and specifications. The Subtenant shall pay to the Sublandlord the cost of having the Sublandlord's architects or consultants approve of such drawings and specifications and any changes. Such work shall be performed by qualified contractors engaged by the Subtenant (and approved by the Sublandlord) and shall be subject to all reasonable conditions which the Sublandlord may impose, provided nevertheless that the Sublandlord may, at its option, require that the Sublandlord's contractors be retained for any structural work or any work that may impact the basic Building Systems. Without limiting the generality of the foregoing, any work performed by or for the Subtenant shall be performed by competent workers whose labor union affiliations are not incompatible with those of any workers who may be employed in the Building by the Sublandlord, its contractors, or subcontractors. The Subtenant shall submit to the Sublandlord's reasonable supervision over construction and promptly pay to the Sublandlord's or the Subtenant's contractors when due, the cost of all such work, materials, labor, and services involved therein, and of all changes in the building, its equipment or services necessitated thereby.

Further, the Subtenant shall ensure that the contract it enters into with the contractor hired to complete the following during the Term shall contain the insurance requirements set out below:

(1) Boiler/Roof Replacement/Repair/Upgrades and any other "Major Renovation" during the Term

The Subtenant shall ensure that the contract it enters into with a Contractor to complete any "Major Renovations" including but not limited to the boiler/roof replacement/repair/upgrades shall contain the insurance set out in Schedule "C" under heading #1 – "Major Renovation of an Existing Facility (including Boiler and Roof upgrade, renovation and/or replacement).

(2) Any Other Work at the Premises

The Subtenant shall ensure that the contract it enters into with a Contractor to complete any “General Work” at the Premises during the Term that is not a Major Renovation shall contain the insurance set out in Schedule “C” under heading #2 – “General Service or Contractor”

(3) The Subtenant shall ensure all contracts contain the indemnification clause in Schedule “C” under Heading #3.

(4) The Subtenant shall ensure that it obtains a Certificate of Insurance setting out the Project, Premises and the information required herein on the Certificate of Insurance. The Certificate of Insurance shall also list “The Corporation of the City of Sault Ste. Marie” as an Additional Insured for the Project at the Premises.

(5) The Subtenant shall liaise with the Sublandlord to obtain the insurance limits recommended for each section in Schedule “C”.

(6) The Subtenant shall provide the Sublandlord with copies of all Certificates of Insurance and project details at the Sublandlord’s request.

**6.5 Signs**

(a) The Subtenant may not, without the Sublandlord’s written consent, display and/or install any sign, picture, advertisement, or other notice on any part of the exterior windows of the of the Premises or any other location on the building from which the Premises are visible from the outside. If approved by Sublandlord in writing, such signage will be entirely at the Subtenant’s expense.
(b) The Sublandlord is content with the signage currently at the Premises and no consent is required for the existing signage.

**6.6 Construction Liens**

The Subtenant shall indemnify and save the Sublandlord harmless from any liability, claim, damages, or expenses due to or arising from any claim for a construction, builders or other lien made against the Premises or the building in relation to any work done by, for, or on behalf of the Subtenant. The Subtenant shall cause all registrations of any such claims or Certificates of Action related thereto to be discharged or vacated within ten (10) days following receipt of notice from the Sublandlord, failing which the Sublandlord, in addition to any other rights or remedies it may have hereunder, may, but shall not be obligated to, cause such claims or Certificates to be discharged or vacated by payment into court or otherwise, and the Subtenant shall pay the Sublandlord’s costs and expenses thereof.

**6.7 Removal of Improvements and Fixtures**

(a) Subject to Section 6.7(b), all leasehold improvements shall immediately, on their placement, become the Sublandlord’s property without compensation to the Subtenant. Except as otherwise agreed by the Sublandlord in writing, no leasehold improvements or trade fixtures shall be removed from the Premises by the Subtenant either during or at the expiry or earlier termination of the Term except that:

II. the Subtenant may, during the Term, in the usual course of its business, remove its trade fixtures, provided that the Subtenant is not in default under this Sublease, and at the end of the Term, Subtenant the Subtenant shall remove its trade fixtures; and

III. the Subtenant shall, at its sole cost, remove such leasehold improvements as the Sublandlord shall require it to remove, such removal to be completed on or before the end of the Term.

(b) Notwithstanding the terms and conditions set out in Section 6.7(a), the Sublandlord shall have ownership and control over any boiler equipment purchased for the Premises by the Sublandlord and same may be removed by the Sublandlord at the Sublandlord's discretion and utilized for other Sublandlord purposes.

(c) The Subtenant shall, at its own expense, repair any damage caused to the building by the leasehold improvements or trade fixtures or their removal. If the Subtenant does not remove its trade fixtures prior to the expiry or earlier termination of the Term, such trade fixtures shall, at the option of the Sublandlord, remain with the Premises and be dealt with by the Sublandlord and the Landlord in accordance with the terms and conditions in the Headlease. For greater certainty, the Subtenant's trade fixtures shall not include any of the following: (a) heating, ventilating or air-conditioning systems, facilities and equipment serving the Premises; (b) floor coverings; (c) light fixtures; (d) suspended ceiling and ceiling tiles; (e) wall and window coverings; and (f) partitions within the Premises. Notwithstanding anything in this Sublease, the Sublandlord shall be under no obligation to repair or maintain the Subtenant's installations.

**6.8 Surrender of Premises**

At the expiration or earlier termination of this Sublease, the Subtenant shall peaceably surrender and give up unto the Sublandlord vacant possession of the Premises in the same condition and state of repair as the Subtenant is required to maintain the Premises throughout the Term and in accordance with its obligations in Section 6.7.

**6.9 Acknowledgement of Sublandlord's Option to Purchase – End of Term/Earlier Termination**

The Subtenant acknowledges that pursuant to the Headlease, the Landlord from the Headlease has granted the Sublandlord herein the first option to purchase the Premises at the expiration or earlier termination of this Sublease and Headlease. To that end, the parties acknowledge and agree that the Sublandlord's Option to Purchase as set out in the Headlease exists notwithstanding any terms to the contrary in the Agreement of Purchase and Sale between the Landlord from the Headlease and the Subtenant herein granting the Subtenant herein an option to purchase, specifically the following:

> **First Option to Develop New Premises** – Seller grants the buyer first option to develop a new building for the Seller prior to Seller developing, acquiring or moving to a new building or location. **NO ACTION by Seller.** This Covenant remains indefinitely after closing.

To give effect to the Sublandlord's Option to Purchase herein, the Subtenant acknowledges and

agrees that the Subtenant's Option to Develop New Premises as set out in the Agreement of Purchase and Sale is not valid and is unenforceable in the event that the Sublandlord herein exercises its First Option to Purchase the Premises as set out in the Headlease.

## ARTICLE 7 — INSURANCE AND INDEMNITY

### 7.1 Indemnity by Subtenant

The Subtenant shall indemnify and save harmless the Sublandlord against any and all claims, actions, causes of action, damages, demands for damages, losses and other liabilities and expenses (including, without limitation, those in connection with bodily injury (including death), personal injury, illness or discomfort or damage to property and legal fees on a solicitor and client (substantial indemnity basis) due to or arising from or out of any occurrence in, on or at the Premises or the occupancy or use by the Subtenant of the Premises or any other part of the Lands and Building or occasioned wholly or in part by any act or omission of the Subtenant or its officers, employees, agents, contractors, invitees, licensees or by any person permitted by the Subtenant to be on the Premises or the Lands and Building.

### 7.2 Release of Sublandlord

The Sublandlord shall not be liable for:

(a) any injury or damage to any persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow, or leaks from any part of the building or from the pipes, appliances, plumbing works, roof, street or subsurface, or from any other place or by dampness, or caused by or arising from any interruption or failure in the supply of any utility or service to the Premises;
(b) any death, injury, or damage to or loss of property occurring in or about the Premises.
(c) any death, injury, or damage with respect to occurrences insured against or required to be insured against by the Subtenant.
(d) any interruption of or non-supply of heating, ventilation, air-conditioning or other utilities and services; or
(e) any indirect or consequential damages that may be suffered by the Subtenant, even if caused by the negligence of the Sublandlord or its agents or others for whom it is at law responsible.

### 7.3 Subtenant's Insurance

The Subtenant shall, at its sole cost and expense, take out and maintain in full force and effect, always throughout the Term, the insurance as set out in Section 4 of the Memorandum of Understanding between The Corporation of the City of Sault Ste. Marie and Young Men's Christian Association of Sault Ste. Marie dated July 15, 2024 ("MOU") and appended as Schedule "B" to this Sublease and comply with all of the terms and conditions set out therein.. The required Certificates of Insurance shall refer to this Sublease and the MOU, and further The Corporation of the City of Sault Ste. Marie shall be added as an Additional Insured.

### 7.4 Sublandlord's Insurance

The Sublandlord shall provide and maintain insurance in respect of the building against loss, damage or destruction caused by fire and extended perils, and such liability insurance and rental insurance as the Sublandlord determines to maintain. The amount of insurance to be obtained shall be determined by the Sublandlord acting reasonably. The Subtenant shall not do, omit or permit anything that may contravene or be prohibited by any of the Sublandlord's insurance policies in force from time to time or which would prevent the Sublandlord from procuring such policies with companies acceptable to the Sublandlord. If the Subtenant's occupancy or use of the Premises or any acts or omissions of the Subtenant in the Premises or any other portion of the building causes or results in any increase in premiums for any of the Sublandlord's insurance policies, then, without limiting any other rights or remedies of the Sublandlord, the Subtenant shall pay any such increase as Rent. The Sublandlord shall be responsible to pay for its own insurance.

## ARTICLE 8 — ASSIGNMENT AND SUBLETTING

### 8.1 Assignment, Subletting

The Subtenant shall not assign, sublet, transfer or part with possession of any part of the Premises or this this Sublease in whole or in part to any other party, subsidiary, affiliate or successor without first obtaining the written consent of the Sublandlord.

The Subtenant shall not lease any portion of the Premises to any other party without first obtaining the written consent of the Sublandlord.

## ARTICLE 9 — QUIET ENJOYMENT

### 9.1 Quiet Enjoyment

The Subtenant, on paying the Rent hereby reserved, and performing and observing the covenants and provisos herein contained on its part to be performed and observed, shall peaceably enjoy the Premises for the Term.

## ARTICLE 10 — DAMAGE AND DESTRUCTION

### 10.1 Destruction of or Damage to Building.

During the Term, if and when the building is destroyed or damaged by fire, lightning, or other perils, including malicious damage, or by a natural catastrophe or by any other casualty, the parties hereto acknowledge and agree that the terms and conditions as set out in Article 10 of the Headlease shall apply. To that end, the Sublandlord shall provide the Subtenant with any notice given by the Landlord and the Subtenant shall accept such notice and resultant terms and conditions as if it were given the Sublandlord. Further, the parties hereto acknowledge and agree that in the event that the Landlord terminates the main Lease in accordance with Article 10 of the Headlease, this Sublease shall automatically terminate and all rents and other payments for which the Subtenant is liable under the terms of this Sublease shall be apportioned and paid in full to such date.

### 10.2 Certificate Conclusive

In the event of a dispute as to the fitness for occupancy or as to the suitability of the Building and the Premises for the Subtenant's business, the decision of an independent qualified professional engineer or architect retained by the Landlord of the Headlease, at the Landlord's expense, shall be final and binding on both parties.

## ARTICLE 11 — DEFAULT

### 11.1 Default and Right to Re-enter

Any of the following constitutes an Event of Default under this Sublease:

(a) the Subtenant has breached any of their obligations in this Sublease and, if such breach is capable of being remedied and is not otherwise listed in this Section 11.1, on receipt of notice in writing from the Subtenant as applicable:
  (i) the party receiving the notice fails to remedy such breach within fifteen (15) days (or such shorter period as may be provided in this Subleasee); or
  (ii) if such breach cannot reasonably be remedied within fifteen (15) days (or such shorter period), the party receiving the notice fails to commence to remedy such breach within such fifteen (15) day (or such shorter) period or thereafter fails to proceed diligently to remedy such breach;
(b) the Subtenant becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, an assignment or arrangement with their respective creditors, or any steps are taken, or proceedings commenced by any person for the dissolution, winding-up or other termination of the Subtenant's existence or the liquidation of their respective assets;
(c) a trustee, receiver, receiver/manager, or a person acting in a similar capacity is appointed with respect to the business or assets of the Subtenant.
(d) the Subtenant makes a sale in bulk of all or a substantial portion of their respective assets, other than in conjunction with an assignment or sublease that is permitted in accordance with the terms of this Sublease;
(e) this Sublease or any of the Subtenant's assets are taken under a writ of execution, and such writ is not stayed or vacated within fifteen (15) days after such taking.
(f) the Subtenant makes an assignment or sublease, other than in compliance with the provisions of this Sublease.
(g) the Subtenant abandons or attempts to abandon the Premises, or the Premises become vacant or substantially unoccupied for a period of ten (10) consecutive days or more without the consent of the Sublandlord.
(h) the Subtenant moves or commences, attempts, or threatens to move its trade fixtures, chattels, and equipment out of the Premises; or
(i) any insurance policy covering any part of the building is, or is threatened to be, cancelled, or adversely changed (including a substantial premium increase) as a result of any action or omission by the Subtenant.

### 11.2 Default, Remedies and Termination

(1) Should an Event of Default occur on the part of the Subtenant, then, without prejudice to any other rights which it has pursuant to this Sublease or at law, the Sublandlord shall have the following rights and remedies, which are cumulative and not alternative:

(a) to immediately terminate this Sublease by notice to the Subtenant or to re-enter the Premises and repossess them and, in either case, the Sublandlord may remove all persons and property from the Premises and store such property at the expense and risk of the Subtenant or sell or dispose of such property in such manner as the Sublandlord sees fit without notice to the Subtenant;

(b) to enter the Premises as agent of the Subtenant and to relet the Premises for whatever length and on such terms as the Sublandlord, in its discretion, may determine, and to receive the rent therefor and, as agent of the Subtenant, to take possession of any property of the Subtenant on the Premises, to store such property at the expense and risk of the Subtenant or to sell or otherwise dispose of such property in such manner as the Sublandlord sees fit without notice to the Subtenant, and to make alterations to the Premises to facilitate their re-letting. The Sublandlord shall apply the proceeds of any such sale or re-letting first, to the payment of any expenses incurred by the Sublandlord with respect to any such re-letting or sale, second, to the payment of any indebtedness of the Subtenant to the Sublandlord other than Rent, and third, to the payment of Rent in arrears, with the residue to be held by the Sublandlord and applied to payment of future Rent as it becomes due and payable; provided that the Subtenant shall remain liable to the Sublandlord for any deficiency;

(c) to remedy or attempt to remedy any default of the Subtenant under this Sublease for the account of the Subtenant and to enter on the Premises for such purposes. No notice of the Sublandlord's intention to remedy or attempt to remedy such default need be given to the Subtenant unless expressly required by this Sublease. The Sublandlord shall not be liable to the Subtenant for any loss, injury or damages caused by acts of the Sublandlord in remedying or attempting to remedy such default, and the Subtenant shall pay to the Sublandlord all expenses incurred by the Sublandlord in connection therewith.

(d) to recover from the Subtenant all damages, costs and expenses incurred by the Sublandlord as a result of any default by the Subtenant including, if the Sublandlord terminates this Sublease, any deficiency between those amounts which would have been payable by the Subtenant for the portion of the Term following such termination and the net amounts actually received by the Sublandlord during such period of time with respect to the Premises; and

(e) to recover from the Subtenant the full amount of the current month's Rent together with the next three (3) months' instalments of Rent, all of which shall accrue on a day-to-day basis and shall immediately become due and payable as accelerated rent.

(2) Further and in addition to the above, should an Event of Default occur on the part of the Subtenant as such term is defined above and in:

(a) Section 5 of the MOU between the Sublandlord and the Subtenant dated July 15, 2024; and/or

(b) Section 10.0 of the Grant Agreement between the Sublandlord and the Subtenant dated July 15, 2024,

the Subtenant acknowledges and agrees that the Headlease and this Sublease grants the Sublandlord the first option to purchase the Premises from the Landlord forthwith, with a completion date satisfactory to the Sublandlord and on terms satisfactory to the Sublandlord, for the total sum of Two Million ($2,000,000.00) free and clear from any liens and/or encumbrances. To exercise such option, the Sublandlord shall only be required to provide the Landlord with notice that it is exercising this Option and the Landlord and Sublandlord shall proceed to complete matters necessary to facilitate the closing of the transaction and the Subtenant shall have no recourse or remedy. More specifically, the parties acknowledge and agree that the Sublandlord's Option to Purchase as set out in the Headlease exists notwithstanding any terms to the contrary in the Agreement of Purchase and Sale between the Landlord from the Headlease and the Subtenant herein granting the Subtenant herein an option to purchase, specifically the following:

> **First Option to Develop New Premises** – Seller grants the buyer first option to develop a new building for the Seller prior to Seller developing, acquiring or moving to a new building or location. **NO ACTION by Seller.** This Covenant remains indefinitely after closing.

To give effect to the Sublandlord's Option to Purchase herein, the Subtenant acknowledges and agrees that the Subtenant's Option to Develop New Premises as set out in the Agreement of Purchase and Sale is not valid and is unenforceable in the event that the Sublandlord herein exercises its First Option to Purchase the Premises as set out in the Headlease.

(3) In the event of Default, and the Sublandlord and/or Landlord exercising any of its rights as set out in this Sublease or Headlease as applicable, including but not limited to termination of this Sublease/Headlease and/or the Sublandlord exercising its option to purchase the Premises, the Subtenant acknowledges and agrees that it shall be solely and fully responsible to deal with any impact to its employees, pay any relevant severances to its employees and fully indemnify and save harmless the Sublandlord from any damages, costs and expenses that may arise from the termination of the Sublease.

**11.3 Distress**

Notwithstanding any provision of this Sublease or any provision of applicable legislation, none of the goods and chattels of the Subtenant on the Premises at any time during the Term shall be exempt from levy by distress for Rent in arrears, and the Subtenant waives any such exemption.

**11.4 Remedies Cumulative**

Notwithstanding any other provision of this Sublease, the Sublandlord or the Subtenant may from time to time resort to any or all the rights and remedies available to either of them in the event of any default hereunder by the Sublandlord or Subtenant as applicable, either by any provision of this Sublease or by statute or common law, all which rights and remedies are intended to be cumulative and not alternative. The express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Sublandlord or the Subtenant by statute or common law.

## ARTICLE 12 — GENERAL

### 12.1 Entry

(1) Pursuant to the Headlease, the Subtenant acknowledges and agrees that the Landlord and/or Sublandlord shall be entitled at any time during the last six (6) months of the Term:

(a) to place on the exterior walls of the Premises, at a height not lower than the upper limit of the windows of the Premises, a notice that the Premises are “For Rent”; and

(b) on reasonable prior notice, to enter on the Premises during Normal Business Hours for the purpose of exhibiting same to prospective tenants.

(2) The parties hereto acknowledge and agree that the Landlord and/or Sublandlord may enter at any time during the Term on reasonable notice for exhibiting the Premises to prospective Mortgagees and/or purchasers, or for the purpose of inspecting the Premises.

### 12.2 Force Majeure

Notwithstanding any other provision contained in this Sublease, in the event that either the Sublandlord or the Subtenant should be delayed, hindered or prevented from the performance of any act required hereunder by reason of any unavoidable delay, including strikes, lockouts, unavailability of materials, inclement weather, acts of God or any other cause beyond its reasonable care and control, but not including insolvency or lack of funds, performance of such act shall be postponed for a period of time equivalent to the time lost by reason of such delay. The provisions of this Section 12.2 shall not, under any circumstances, operate to excuse the Subtenant from prompt payment of Rent and other charges payable under this Sublease.

### 12.3 Effect of Waiver or Forbearance

No waiver by any party of any breach by any other party of any of its covenants, agreements or obligations in this Sublease shall be or be deemed to be waiver of any subsequent breach thereof or the breach of any other covenants, agreements or obligations, nor shall any forbearance by any party to seek a remedy for any breach by any other party be a waiver by the party so forbearing of its rights and remedies with respect to such breach or any subsequent breach. The subsequent acceptance of Rent by the Sublandlord shall not be deemed a waiver of any preceding breach by the Subtenant of any term, covenant or condition regardless of the Sublandlord’s knowledge of such preceding breach at the time of the acceptance of such Rent.

### 12.4 Notices

Any notice required or contemplated by any provision of this Sublease shall be given in writing and addressed, in the case of the Sublandlord, to it at the address noted in Section 1.2(a), in the case of the Subtenant, to it at the address noted in Section 1.2(b), and delivered by email. The time of receipt of such notice by email shall be conclusively deemed to the time of sending by email. Either party may, by notice to the other from time to time, designate another email address and contact for the purposes of providing Notice under this Agreement.

### 12.5 Registration

Neither the Subtenant nor anyone on the Subtenant’s behalf or claiming under the Subtenant

shall register this Sublease in whole. The Subtenant may register a notice, short form or caveat in respect of this Sublease. Any such notice, short form or caveat shall contain the minimum requirements for registration.

**12.6 Interpretation**

a. Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders, and words importing persons shall include firms and corporations and *vice versa*.
b. The division of this Sublease into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Sublease.
c. If any Article or Section or part or parts of an Article or Section in this Sublease is illegal or unenforceable, it or they shall be considered separate and severable from the Sublease and the remaining provisions of this Sublease shall remain in full force and effect and shall be binding on the Sublandlord and the Subtenant as though such Article or Section had never been included in this Sublease.

**12.7 Entire Agreement**

There are no covenants, representations, warranties, agreements or other conditions expressed or implied, collateral or otherwise, forming part of or in any way affecting or relating to this Sublease, save as expressly set out or incorporated by reference herein. This Sublease constitutes the entire agreement duly executed by the parties, and no amendment, variation or change to this Sublease shall be binding unless the same shall be in writing and signed by the parties.

**12.8 Time of the Essence**

Time shall be of the essence of this Sublease and every part thereof.

**12.9 Successors and Assigns**

All rights, advantages, privileges, immunities, powers and things hereby secured to the Landlord and to the Subtenant shall be secured to and exercisable by their successors and permitted assigns, as the case may be, and all covenants, liabilities and obligations entered into or imposed hereunder upon the Sublandlord and the Subtenant shall be equally binding upon their successors and permitted assigns, as the case may be.

**SIGNATURE PAGE TO FOLLOW**

**IN WITNESS WHEREOF** the parties have duly executed this Sublease as of The day and year first written above.

**SUBLANDLORD**

Per:

I/We have the authority
to bind the Corporation

_____
Name: Matthew Shoemaker
Title: Mayor

_____
Name: Rachel Tyczinski
Title: City Clerk

**SUBTENANT**

Per:

_____
Name: Elise Schofield
Title: Board Chair

I/We have the authority
to bind the Corporation

## SCHEDULE A – HEADLEASE

## SCHEDULE B – MEMORANDUM OF UNDERSTANDING

**SCHEDULE C**

Insurance Requirements for any works at the Premises during the Term.

## 1. Major Renovation of an Existing Facility (including Boiler and Roof upgrade, renovation and/or replacement)

**Boiler and Machinery Insurance**
The Boiler and Machinery Policy shall be written in the joint names of the Contractor, YMCA and Sub-contractors and underwritten by an insurer licensed to conduct business in the Province of Ontario. The policy limit shall equal the replacement value of all permanent or temporary boilers and pressure vessels and other insurable objects forming part of the work. The Contractor may elect to carry the testing, commissioning and subsequent use of these objects under the Boiler and Machinery Policy.

**Automobile Insurance**
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.

**Installation Floater**
The Contractor shall, throughout the term of the contract, obtain and maintain an Installation Floater written on an “All Risk” perils basis of an amount not less than $_____. Coverage applies while property is in transit to the installation site, while stored at a temporary location, awaiting installation at the work site, during loading and unloading as well as the course of installation until completed

**Contractor’s Pollution Liability**
The Contractor shall carry a Contractor’s Pollution Liability Policy, underwritten by an insurer licensed to conduct business in the Province of Ontario for a limit of not less than $_____. Coverage shall include bodily injury, property damage, clean-up and remediation costs.

**Contractor’s Equipment Floater** The contractor shall provide and maintain during the term of this Agreement. Coverage will be provided, on a broad form basis, for construction machinery, equipment, tools, and stock that will be used by the Contractor in the performance of the work. The coverage will also include rental expense. Coverage is to be carried from the date of commencement of the work until one year after the date of Substantial Performance of the Work.

**Professional Liability**
The (Professional) shall take out and keep in force Professional Liability insurance in the amount of $_____ providing coverage for acts, errors and omissions arising from their professional services performed under this Agreement. The policy

SIR/deductible shall not exceed $_____ per claim and if the policy has an aggregate limit, the amount of the aggregate shall be double the required per claim limit. The policy shall be underwritten by an insurer licensed to conduct business in the Province of Ontario and acceptable to the YMCA. The policy shall be renewed for 2 years after contract termination. A certificate of insurance evidencing renewal is to be provided each and every year. If the policy is to be cancelled or non-renewed for any reason, 90-day notice of said cancellation or non-renewal must be provided to the YMCA. The YMCA has the right to request that an Extended Reporting Endorsement be purchased by the (Professional) at the (Professional's) sole expense.

**Commercial General Liability Insurance**
Commercial General Liability, underwritten by an insurer licensed to conduct business in the Province of Ontario, for a limit of not less than $_____ per occurrence, an aggregate limit of not less than $_____, within any policy year with respect to completed operations and a deductible of not more than $_____. The insurance coverage shall not be less than the insurance provided by IBC Form 2100 and IBC Form 2320. The policy shall include an extension for a standard provincial and territorial form of non-owned automobile liability policy. This policy shall include but not be limited to:
(a) Name the YMCA as an additional insured
(b) Cross-liability and severability of interest
(c) Blanket Contractual
(d) Products and Completed Operations
(e) Premises and Operations Liability
(f) Personal Injury Liability
(g) Contingent Employers Liability
(h) Work performed on Behalf of the Named Insured by SubContractors 21
(i) Firefighting Expenses
(j) Elevator and Hoist Liability
(k) Attached Machinery – while loading and unloading

**Primary Coverage**
The proponent's insurance shall be primary coverage and not additional to and shall not seek contribution from any other insurance policies available to the YMCA

**Certificate of Insurance**
The proponent shall provide a Certificate of Insurance evidencing coverage in force at least 10 days prior to the contract commencement.

# 2. OTHER GENERAL SERVICE OR CONTRACTOR OTHER THAN A MAJOR RENOVATION

**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 YMCA 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 $_____/occurrence with an aggregate of not less than $_____
(b) Add YMCA 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) Contractual Liability
(g) Work performed on Behalf of the Named Insured by Sub-Contractors
(h) The policy shall provide 30 days prior notice of cancellation.

**Professional Liability Insurance**
The (Professional) shall take out and keep in force Professional Liability insurance in the amount of $_____ providing coverage for acts, errors and omissions arising from their professional services performed under this Agreement. The policy SIR/deductible shall not exceed $_____ per claim and if the policy has an aggregate limit, the amount of the aggregate shall be double the required per claim limit. The policy shall be underwritten by an insurer licensed to conduct business in the Province of Ontario and acceptable to the YMCA. The policy shall be renewed for 3 years after contract termination. A certificate of insurance evidencing renewal is to be provided each and every year. If the policy is to be cancelled or non-renewed for any reason, 90-day notice of said cancellation or non-renewal must be provided to the YMCA. The YMCA has the right to request that an Extended Reporting Endorsement be purchased by the (Professional) at the (Professional's) sole expense.

**Automobile Insurance**
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 $2,000,00per occurrence for Third Party Liability, in respect of the use or operation of vehicles owned, operated or leased by the Contractor.

**Primary Coverage**
The proponent's insurance shall be primary coverage and not additional to and shall not seek contribution from any other insurance policies available to the YMCA.

**Certificate of Insurance**
The proponent shall provide a Certificate of Insurance evidencing coverage in force at least 10 days prior to contract commencement.

## 3. Indemnification and Hold Harmless Clause

The Contractor/Supplier shall defend, indemnify and save harmless the YMCA its officers, employees and agents 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, sickness, disease or death or to damage to or destruction of tangible property including loss of revenue or incurred expense resulting from disruption of service, arising out of or allegedly attributable to the negligence, acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of the Supplier, its directors, officers, employees, agents, contractors and subcontractors, or any of them, in connection with or in any way related to the delivery or performance of this Contract. This indemnity shall be in addition to and not in lieu of any insurance to be provided by the Contractor/Supplier in accordance with this Contract and shall survive this Contract.

The Contractor/Supplier agrees to defend, indemnify and save harmless the YMCA 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 arising out of or related to the Contractor's/Supplier's status with WSIB. This indemnity shall be in addition to and not in lieu of any proof of WSIB status and compliance to be provided by the Contractor in accordance with this Contract, and shall survive this Contract.

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

**BY-LAW 2024-116**

**AGREEMENT**: A by-law to authorize the execution of the Agreement between the City and Young Men's Christian Association of Sault Ste. Marie for the Memorandum of Understanding for the building at 235 McNabb Street in Sault Ste. Marie, Ontario.

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

1. **EXECUTION OF DOCUMENT**

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Agreement between the City and Young Men's Christian Association of Sault Ste. Marie, a copy of which is attached as Schedule "A" hereto. This Agreement is for the Memorandum of Understanding for the building at 235 McNabb Street in Sault Ste. Marie, Ontario.

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 15th day of July, 2024.

**MAYOR – MATTHEW SHOEMAKER**

**CITY CLERK – RACHEL TYCZINSKI**

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Schedule “A”

**MEMORANDUM OF UNDERSTANDING**
**BETWEEN:**

**THE CORPORATION OF THE CITY OF SAULT STE. MARIE**
(hereinafter referred to as “the City”)

AND

**YOUNG MEN’S CHRISTIAN ASSOCIATION OF SAULT STE. MARIE**
(hereinafter referred to as the “YMCA”)

hereinafter also referred to as the “Parties”

**WHEREAS** the parties have entered into a ten-year Sub - Lease agreement on August 2nd, 2024 for the premises located at 235 McNabb Street, Sault Ste. Marie, Ontario (“the Facility”);

**AND WHEREAS** the Sub - Lease is to support the YMCA to become a viable financial entity again so it can continue to provide needed services to the community;

**AND WHEREAS** the City is providing a sum of up to $505,000 to match the YMCA’s NOHFC grant, the City requires assurances to state how the monies are to be utilized;

**AND WHEREAS** the City is interested in understanding how the YMCA is actively pursuing an increase in revenue;

**AND WHEREAS** the parties desire to set out the various functions and roles each are contributing to the financial assistance and long term Sub - Lease;

**NOW THEREFORE** the parties hereby agree that this Memorandum of Understanding (“MOU”) or (“Agreement”) sets out the roles and functions of each of the parties hereto:

**1. THE TERM**

The Sub - Lease between the parties is a ten-year Sub - Lease commencing on August 2nd, 2024. The Term of the Memorandum of Understanding (“MOU”) will continue for the term of said Sub - Lease, and any amendment, extension or early termination of the said Sub - Lease. No changes will be made to the MOU, except in writing and approved by both parties. Approval by the City will be by approval from the Council of the City of Sault Ste. Marie (“City Council”). This MOU shall be in effect for all matters related to the parties and all obligations, liabilities and indemnities that arise therefrom shall survive the conclusion of the MOU.

## 2. ROLES AND FUNCTIONS OF THE PARTIES

### (A) THE YMCA ROLES AND FUNCTIONS

#### (I) GENERALLY

i. The YMCA is responsible for the management and operation of the YMCA;

ii. The YMCA shall be responsible for all operational costs, all maintenance costs, and the capital costs that are:
   (a) set out as being the responsibility of the YMCA in the Sub - Lease between the City and YMCA dated August 2, 2024 and set out in this MOU;
   (b) that are covered through the NOHFC funding program for the Sub - Leased premises;
   (c) and any other capital costs that may be eligible for a NOHFC funding program or other Funding Program during the Term.

iii. The YMCA acknowledges and agrees that "capital costs" as set out herein and in the Sub - Lease relates to the current building and not any New Build by the YMCA.

#### (II) AGREEMENT OF PURCHASE AND SALE REQUIREMENTS

i. The YMCA will agree to the appointment of a member of City Staff to set on the YMCA's Board of Directors. The City representative appointed to the YMCA's Board of Directors will be selected by the City. The City agrees to work co-operatively with the YMCA to identify and recommend an appropriate candidate. Notwithstanding the same, the City shall have the final decision on the City Staff representative to be selected to the YMCA's Board of Directors.

ii. The City shall decide if the boiler and/or the portion of the roof that requires repairs can be upgraded or repaired or if the boiler and portion of the roof requires replacement. The YMCA shall thereafter proceed with the updates/repairs or replacement as determined by the City. The cost for the boiler upgrades will be covered by the NOHFC funding that has been approved for the boiler project and the City funding approved by City Council. The cost for the roof upgrades shall be paid in the following order:

   (a) first by the YMCA from the proceeds the YMCA received from the sale, if any remain as set out in Section 2(A)(VI) of this MOU;
   (b) second by the YMCA through securing NOHFC funding for same; and
   (c) in the event that the YMCA is not successful despite all reasonable efforts in paying for the roof repairs through (a) or (b) herein, the City shall provide funding for the roof repairs, provided that the funding allocated by City Councl in the total of $505,000 to the boiler replacement is not fully expended on the boiler replacement. For greater clarity, if $355,000.00 of City funds are required for the boiler replacement project, the City will make the remainder of the funds up to $505,000.00 available for the roof repair project. The City's decision on whether or not to pay the costs of the roof repairs shall be made by City Council and shall be final on this matter.

iii. The YMCA will make its best efforts to ensure an efficient public and open procurement process for the boiler repair/replacement as the case may as determined above in Section 2(A)(II)(ii). The RFP shall include that tenders provide the condition of the four current boilers; the price of replacement/repair (as the case may be) per boiler; invite innovative solutions for boiler replacement (including heat exchange solutions), confirmation that they can be relocated at a future date; and a full warranty. The YMCA shall also ensure that its handling of the procurement process to complete the boiler replacement/repair (as the case may be) shall commence no later than 30 days following Closing. YMCA shall further provide the City with all documentation regarding the boiler, including but not limited to operational, structural or engineering reports, procurement documentation, inspection reports, guarantees, warranties or any other documentation that the City may request acting reasonably. The City will support the YMCA and provide assistance to it, if required and requested by the YMCA, as the YMCA implements the procurement process.

iv. The YMCA is to confirm how the required roof repairs will be completed in a timely manner, a date for repair/replacement as the case may be as determined above in Section 2(A)(II)(ii) and costs associated to both. The YMCA shall ensure that its handling of the procurement process to replace/repair (as the case may be) the required roof repairs shall commence no later than 30 days following closing. YMCA shall further provide the City with all documentation regarding the roof repair, including but not limited to operational, structural or engineering reports, procurement documentation, inspection reports, guarantees or warranties or any other documentation that the City may request acting reasonably. The City will support the YMCA and provide assistance to it, if required and requested by the YMCA, as the YMCA implements the roof repair process.

v. The YMCA to update the City representative to the Board on the outcome of negotiations with the YMCA of Northeastern Ontario, and YMCA Ontario for support in governance.

vi. The YMCA shall be responsible to address the sprinkler system and all non – monetary fire code and building code issues prior to the date that this MOU takes effect ("Code Matters"). All outstanding Code Matters that exist as of the date this MOU takes effect will be addressed by the YMCA in accordance with the provisions and processes outlined by this MOU. Specifically, the YMCA agrees that the costs to address the Code Matters shall follow the Capital Requests process as set out in Section 2(A)(VII) and 2(B)(iv) of this MOU.

**(III) REPORTING REQUIREMENTS**

i. During the Term, the YMCA will provide the City with:
   (a) Quarterly Financial Statements;
   (b) Annual audited Financial Statements;
   (c) Quarterly reports on its membership base and growth;
   (d) Quarterly reports on KPI's (Key Performance Indicators) that illustrate impact and service recovery in the YMCA's core services of child care, health and fitness, and youth programming in the City of Sault Ste. Marie;
   (e) Quarterly reports on the efforts being expended by the YMCA for its membership drives to achieve such targets set; and

(f) Annual reports on the YMCA's community capital drives and commitments obtained through those initiatives as well as grant applications that have been submitted.

**(IV) BUSINESS PLAN AND LONG-TERM SUSTAINABILITY**

i. The YMCA shall prepare a Business Plan to strategize on how they will achieve long term financial stability. This plan shall include YMCA's Membership Targets and relevant dates for same that the YMCA seeks to achieve to facilitate a long-term sustainable YMCA. The plan shall also include KPI's that illustrate impact and recovery in the YMCA's core services of childcare, health and fitness, and youth programming in the City of Sault Ste. Marie. **The Plan shall be completed by December 31, 2024 and provided to the City.**

**(V) INSURANCE AND LIABILITIES**

i. The YMCA acknowledges, that any liabilities, potential liabilities, and lawsuits the subject of which arose prior to the date of the signing of this MOU are the sole responsibility of the YMCA; and

ii. The YMCA will ensure that they have the appropriate insurances and coverages to hold the City harmless for any liabilities that arise after the signing of this MOU and as set out in Sections 3 and 4 herein.

**(VI) PROCEEDS FROM SALE**

i. The YMCA will direct the proceeds from the sale of their building as follows:
(a) Repayment in full of Long-Term Debt as set out in the Financial Statements, currently estimated to be at least $1,500,000.00. The YMCA shall provide the City with the full figure once calculated.
(b) Repayment of any outstanding or accrued statutory liabilities, in full; and,
(c) Payment of all closing costs related to the sale transaction; and,
(d) The remainder of proceeds will be set aside to be utilized as required and determined by the YMCA for the YMCA's maintenance, operational and/or capital responsibilities as set out in the Sub – Lease.

**(VII) CAPITAL REQUESTS**

i. Subject to Section 2(A)(VII)(ii) below, the City is responsible for all capital costs associated with the repair/replace of the HVAC systems including the boiler system, the repair/replacement of the roofing system, and the maintenance, repair/replacement of the building envelope.

ii. The YMCA will begin a fundraising campaign to raise funds for a capital reserve. The YMCA will allocate funds from the capital reserve to all capital projects that are required to keep the building open and operational during the Term. The parties agree that no capital funds should be allocated for improvements that are not necessary in the immediate term, wherein "necessary" means required from a health and safety perspective as determined by the City's Chief Administrative Officer in consultation with the City's Chief Building Official, Risk Manager and Fire Chief, recognizing that the parties intend on working

towards a 'new build'. The YMCA acknowledges that the capital reserve will, to the degree that it is able, be relied upon in the first instance for capital projects beyond the boiler replacement and roof repair projects that are determined by the City to be "necessary" as set out herein from a health and safety perspective and the YMCA shall make such capital reserve funds available. Further, the YMCA agrees that in the event the YMCA does not have funds in its capital reserve to pay for a capital request during the Term and the YMCA is going to request funding support from the City:

i. the YMCA will first make its best efforts to find and exhaust other funding opportunities or matching funding opportunities to, at all times, minimize any capital cost to the City over and above the maximum of $505,000.00 allocated by City Council for Capital Costs for the Building;
ii. once 2(A)(VII)(i) above is fully exhausted by the YMCA, the City shall review any capital upgrade requests made by the YMCA and decide whether or not to proceed with such requests. To that end, the YMCA acknowledges that approval by the City shall be by approval from City Council. If City Council decides not to proceed with a capital request and there is an operational impact, that operational impact shall be the full responsibility of the YMCA to address and the City shall not be liable in any way regarding same; and
iii. the YMCA shall provide the City with advance notice of any capital upgrade it desires to pursue over the amount of Five Thousand ($5,000.00) and acknowledges and agrees that the prior written consent of the City is necessary before the YMCA shall pursue same. The intent of this requirement is to limit expenditures to only those that are necessary from a health and safety perspective so that efforts can be spent on a new build.

**(B) CITY'S ROLES AND FUNCTIONS**

The City is providing support, specifically the following:

(i) The City agrees to work co-operatively with the YMCA and to appoint a member of City Staff to sit on the YMCA's Board of Directors;

(ii) The City will provide up to $505,000.00 to match the YMCA as approved NOHFC grant contingent on it being awarded to the YMCA and further contingent upon the completion of an Agreement of Purchase and Sale between the YMCA and David Saunders in Trust for an Undisclosed Party dated May 6, 2024. The City share shall be provided in accordance with the terms and conditions set out in the Grant Agreement between the City and YMCA dated July 15, 2024; and

(iii) The City will provide funding for roof repairs, provided that the funding allocated to the boiler replacement in the total amount of $505,000 is not fully expended on the boiler replacement. For greater clarity, if $355,000.00 of City funds are required for the boiler replacement project, the City will make the remainder of the funds up to $505,000.00 available for the roof repair project; and,

(iv) The City will provide funding for fire suppression system repair in the event that the boiler replacement project and the roof repair project do not exhaust the $505,000.00 allocated by City Council to the capital improvements of the YMCA. The City will only provide funding for the fire suppression system repair project to the maximum amount of the

funds remaining from the $505,000.00 committed to the boiler replacement project and the roof repair project if those projects do not exhaust the allocated funding.

(v) The City will guide the YMCA in the building repair process using City staff experience to guide the best possible use of funds to address critical items for operations.

(vi) Once the funding allocated by the City up to the amount of $505,000 is exhausted for the matters set out above, being the boiler firstly, the roof secondly, and the fire suppression system thirdly, the City shall retain any funds not expended. Any further capital requests shall follow the "Capital Requests" process as outlined in Section 2(A)(VII) of this MOU.

**3. INDEMNITY**

The YMCA shall defend, indemnify and save harmless The Corporation of the City of Sault Ste. Marie its elected officials, officers, employees and agents 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, sickness, disease or death or to damage to or destruction of tangible property including loss of revenue or incurred expense resulting from disruption of service, arising out of or allegedly attributable to the negligence, acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of the YMCA, its directors, officers, employees, agents, contractors and subcontractors, or any of them, in connection with or in any way related to the delivery or performance of this Agreement. This indemnity shall be in addition to and not in lieu of any insurance to be provided by the YMCA in accordance with this Agreement and shall survive this Agreement.

**4. INSURANCE**

The YMCA shall maintain adequate insurance coverage for the Facility and its operations including but not limited to.

**Commercial General Liability Insurance**

Commercial General Liability Insurance satisfactory to the City 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 $25,000,000/occurrence with an aggregate of not less than $25,000,000;
(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 5,000,000 and shall include contractual non-owned coverage (SEF 96);
(e) Tenants' Legal Liability;
(f) Products and Completed Operations coverage;
(g) Contractual Liability;
(h) Work performed on Behalf of the Named Insured by Sub-Contractors; and
(i) The policy shall provide 30 days prior notice of cancellation.

**Abuse Liability**

The YMCA shall provide, as a stand-alone policy or as part of the Commercial General Liability, abuse liability which shall include coverage for physical and sexual abuse. Coverage shall be underwritten by an insurer licensed to conduct business in the Province of Ontario for the following limit of liability $10,000,000.

**Directors and Officers Liability Insurance**

Directors and Officers Liability Insurance covering the insured persons against all losses, which the insured shall become legally obligated to pay due to any wrongful act in their respective capacities as directors or officers of the YMCA. This includes, but is not limited to, damages, judgments, settlements, and defense costs. The policy should provide coverage for claims made during the policy period and include an extended reporting period if applicable. The limit of liability shall not be less than $15,000,000 per claim, including defense costs and expenses. The insurer shall agree to provide a minimum of 30 days' notice in the event of policy cancellation, non-renewal, or material changes in coverage. All terms of the insurance policy must be compliant with the applicable laws and regulations.

**All Risks Property Insurance**

All risks (including sewer damage, flood and earthquake) property insurance in an amount equal to the full replacement cost of property of every description and kind owned by the Operator or for which the Operator is legally responsible, and which is located on or about the premises, including, without limitation, anything in the nature of a leasehold improvement.

**Tenant's Legal Liability Insurance**

Tenant's legal liability insurance for the actual cash value of the building and structures on the demised premises, including loss of use thereof.

**Boiler and Machinery Insurance**

Comprehensive Boiler and Machinery insurance on mechanical equipment in the premises controlled by the Operator.

**Professional Liability**

The YMCA shall take out and keep in force Professional Liability insurance in the amount of $ 10,000,000 providing coverage for acts, errors and omissions arising from their professional services performed under this Agreement. The policy SIR/deductible shall not exceed $50,000 per claim and if the policy has an aggregate limit, the amount of the aggregate shall be double the required per claim limit. The policy shall be underwritten by an insurer licensed to conduct business in the Province of Ontario and acceptable to The Corporation of the City of Sault Ste. Marie. The policy shall be renewed for 2 years after contract termination. A certificate of insurance evidencing renewal is to be provided each and every year. If the policy is to be cancelled or non-renewed for any reason, 90-day notice of said cancellation or non-renewal must be provided to The Corporation of the City of Sault Ste. Marie. The Corporation of the City of Sault

Ste. Marie has the right to request that an Extended Reporting Endorsement be purchased by the Professional at the Professional's sole expense.

**5. DEFAULT AND TERMINATION**

(A) Given Section 1 of this MOU, an "Act of Default" for the purposes of this MOU shall have the same meaning as it is defined in the Sub - Lease between the City and the YMCA. Specifically, the parties acknowledge and agree that an "Act of Default" has occurred when YMCA has failed to meet any of its financial obligations, including but not limited to when the YMCA:

(i) has failed to make a Sub - Lease payment under the Sub - Lease, regardless of whether a demand for payment has been made or not;
(ii) has failed to make a vendor payment for which a demand is made;
(iii) has failed to pay any or all of its employees' salaries;
(iv) to submit and pay any or all of its required payroll or other tax remittances;
(v) has failed to submit to the City a long-term Business Plan that demonstrates the viability of the organization to the satisfaction of the City's Chief Administrator Officer and Chief Financial Officer acting reasonably by December 31, 2024 as required by Section 2(A)(IV) herein ;
(vi) becomes bankrupt or insolvent, has had the properties seized or attached in satisfaction of a judgment and/or had a receiver appointed; and/or
(vii) is no longer insured and does not have the financial wherewithal to cover or respond to claims.

(B) If and whenever an Event of Default occurs, then without prejudice to any other rights which it has pursuant to this MOU, the Sub - Lease or at law, the City shall have the following rights and remedies, which are cumulative and not alternative:

(i) to terminate this MOU, and therefore also the Sub - Lease, by notice to the YMCA or to re-enter the Building and repossess them, and in either case, enjoy them as of its former estate, and to remove all persons and property from the Building, and store such property at the expense and risk of the YMCA or to sell or dispose of such property in such manner as the City sees fit without notice to the YMCA;
(ii) to enter the Building and do any or all of the following:
    a. relet the Building for whatever length and on such terms as the City, in its discretion, may determine, and to receive the rent therefore;
    b. take possession of any property of the YMCA in the Building and store such property at the expense and risk of the YMCA or sell or otherwise dispose of such property in such manner as the City sees fit without notice to the YMCA;
(iii) to recover from the YMCA all damages, costs and expenses incurred by the City as a result of any default by the YMCA; and/or
(iv) to recover from the YMCA the full amount of the payments due under the terms of this MOU.

In the event of Default, and the City exercises any of its rights as set out in Section 5(B) herein, the YMCA acknowledges and agrees that it shall be solely and fully responsible to deal with any impact to its employees, pay any relevant severances to its employees, and fully indemnify and save harmless the City from any damages, costs and expenses that may arise from the termination of the MOU and/or Sub - Lease.

**6. EMPLOYEES AND VOLUNTEERS**

Each party understands and agrees that either of them may have employees and/or volunteers assist with their respective Role and/or Function under this MOU. In such cases, each party understands and concurs that such employees and/or volunteers will remain the employee/volunteer of such respective party, who will remain responsible for those employees and/volunteers and their health and safety, for paying their salary, wages and other benefits, and as well as for making such deductions and remittances from salary, wages and any other kind of pay as required at law. It is agreed between the parties that nothing in the agreement or the relationship sets up an employer-employee relationship between the City and the YMCA's employees, contractors, independent contractors or volunteers.

**7. GENERAL**

(A) This MOU and all matters or issues incident hereto shall be governed by and construed under and in accordance with the laws of the Province of Ontario. The parties hereto attorn to the jurisdiction of the Courts of Ontario. This MOU shall be treated in all respects as an Ontario contract.

(B) The parties hereby acknowledge and agree that any future amendments to this MOU must be made in writing and signed by all parties.

(C) This MOU shall enure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

(D) No party shall assign, transfer or make any other disposition of this MOU or of the rights conferred thereby, without the prior written consent of all other parties to the MOU.

(E) There are no covenants, representations, warranties, agreements or other conditions expressed or implied, collateral or otherwise, forming part of or in any way affecting or relating to this MOU, save as expressly set out or incorporated by reference herein.

(F) This MOU may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof.

(G) The parties hereto agree that the signatures and/or initials on this MOU or its acceptance, rejection or modification can be transmitted by FAX or similar electronic transmission and that communication by such means will be legal and binding on all parties as if this document was executed and delivered in the original.

**8. NOTICES**

Any notice required or permitted to be given by one party to the other pursuant to the terms of this MOU may be given by email to:

To the City at:

Deputy CAO – Community Development and Enterprise Services
The Corporation of the City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, ON P6A 5X6
Email: Brent Lamming (Deputy CAO) b.lamming@cityssm.on.ca

To the YMCA at:

Board Chair
YMCA Sault Ste. Marie
235 McNabb Street
Sault Ste. Marie, ON P6B 1Y3
Email: boardofdirectors@ssmymca.ca

Such notice will be effective on the date the mail is sent.

**IN WITNESS WHEREOF** the parties have affixed their corporate seal attested by the hands of its duty to authorized officers.

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

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**MAYOR- MATTHEW SHOEMAKER**

_____
**CITY CLERK – RACHEL TYCZINSKI**

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SAULT STE. MARIE**

_____
**ELISE SCHOFIELD, BOARD CHAIR**

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

**BY-LAW 2024-97**

**APPOINTMENT**: A by-law to appoint Susan Hamilton Beach as Deputy CAO, Public Works and Engineering Services.

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

1. **APPOINTMENT – DEPUTY CAO, PUBLIC WORKS AND ENGINEERING SERVICES**

   Susan Hamilton Beach is hereby appointed Deputy CAO, Public Works and Engineering Services commencing September 1, 2024.

2. **BY-LAW 2011-64 REPEALED**

   By-law 2011-64 is hereby repealed.

3. **EFFECTIVE DATE**

   This by-law becomes effective on September 1, 2024.

**PASSED** in open Council this 15th day of July, 2024.

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**MAYOR – MATTHEW SHOEMAKER**

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**CITY CLERK – RACHEL TYCZINSKI**

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

**BY-LAW 2024-117**

**DELEGATION TO THE CAO:** A by-law to authorize the CAO, or his/her designate, to execute on behalf of The Corporation of the City of Sault Ste. Marie agreements with the Young Men's Christian Association ("YMCA") and 1000943321 Ontario Inc.

**WHEREAS** on May 13, 2024, Council passed a resolution authorizing a ten (10) year lease agreement with 1000943321 Ontario Inc. and the YMCA;

**AND WHEREAS** on May 13, 2024, Council passed a resolution authorizing a contribution of Five Hundred and Five Thousand ($505,000.00) Dollars to support capital refurbishments at the YMCA and maximize an NOHFC funding agreement;

**AND WHEREAS** Section 23.1(1) of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, (the "Act") allows for Council to delegate its powers under the Act to officers and employees of the City;

**NOW THEREFORE THE COUNCIL** of The Corporation of the City of Sault Ste. Marie, pursuant to section 23.1(1) of the Act, **ENACTS** as follows:

1. **EXECUTION OF DOCUMENT**

   The power delegated to the Chief Administrative Officer include the power to execute changes to the agreements with the Young Men's Christian Association and 1000943321 Ontario Inc. passed in open Council on July 15, 2024.

2. **EFFECTIVE DATE**

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

**PASSED** in open Council this 15th day of July, 2024.

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**MAYOR – MATTHEW SHOEMAKER**

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**CITY CLERK – RACHEL TYCZINSKI**

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