ADDENDUM

REGULAR MEETING OF CITY COUNCIL

2010 03 08

4:30 P.M.

PART ONE - CONSENT AGENDA

3. APPROVE ADDENDUM AS PRESENTED

Mover

- Councillor B. Hayes.

Seconder

- Councillor L. Tridico

Resolved that the Addendum for the 2010 03 08 City Council meeting as presented be approved.

5. COMMUNICATIONS AND ROUTINE REPORTS OF CITY DEPARTMENTS; BOARDS AND COMMITTEES

(o) A letter from CAO to Minister of Transport, Infrastructure and Communities and Minister of Energy and Infrastructure is attached for the consideration of Council.

Mover

- Councillor B. Hayes

Seconder

- Councillor L. Turco

Whereas City Council, at their February 8, 2010 Council meeting, passed a resolution urging the Federal and Provincial Governments to give immediate attention to the request for government support for capital improvements for the Short Line Railway between Sault Ste. Marie and Sudbury;

Now Be it Resolved that the Council of the Corporation of the City of Sault Ste. Marie reconfirm its urgent request to the Federal and Provincial Governments as outlined in the 2010 03 08 letter from CAO Joe Fratesi to Ministers Baird and Duguid.

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Joseph M. Fratesi, B.A., J.D. (LL.B.) Chief Administrative Officer



99 Foster Drive
P.O. Box 580, Civic Centre
Sault Ste. Marie, Ontario
Canada. P6A 5N1
(705) 759-5347
(705) 759-5952 (Fax)
E-Mail:
j.fratesi@cityssm.on.ca
b.berlingieri@cityssm.on.ca

2010 03 08

The Honourable John Baird Minister of Transport, Infrastructure and Communities Tower C – 330 Sparks Street Ottawa, ON K1A 0N5

The Honourable Brad Duguid
Ontario Minister of Energy and Infrastructure
Hearst Block – Fourth Floor
900 Bay Street
Toronto, ON M7A 2E1

Re: Short Line Railway from Sault Ste. Marie to Sudbury

Dear Ministers:

As you are aware and as outlined in our earlier correspondence and recent letter of January 27, 2010 and February 16, 2010, the survival of the Huron Central rail line (HCR) between Sault Ste. Marie and Sudbury is in serious jeopardy.

Over the past nine months the Stakeholders and the Stakeholder Working Group have worked diligently with the HCR to save this critical piece of Northern Ontario infrastructure. We have followed all direction provided by the Federal and Provincial governments including:

- Submitting an application to the Infrastructure Stimulus Fund (August 2009)
- Submitting an application to the Building Canada Fund (October 2009)
- Submitting a requested Business Plan in support of Building Canada Application (February 2010)

Timing is critical. The current arrangement between the key stakeholders and the HCR expires on August 14, 2010. However, a decision regarding the future of the line must be made in the more immediate future. Notwithstanding layoff notices and other decommissioning activities, the most immediate challenge is the ordering of the necessary supplies to enable essential capital improvements to occur during the 2010 construction season. We have been advised by HCR that if these supplies are not ordered before the **end of March**, they will be unable to complete planned work. Without these essential improvements, the railway cannot continue to operate.

Letters and press releases from the Federal and Provincial governments have recognized the importance and urgency of this matter and have indicated support for the funding request. However, to date, this has not resulted in any tangible commitment or meaningful discussion by government with the Huron Central Railway (HCR) or any of the numerous affected stakeholders.

Despite apparent commitment on the part of the federal and provincial governments the probability of success is unfortunately decreasing very quickly. Progress appears to be arrested not by good intent but rather by bureaucratic and jurisdiction circumstances. Most recent comments by officials from each level of government appear to be blaming the other level of government the current standstill. That should not be acceptable as the affected communities and industries will suffer the immediate consequences with the ultimate and heavy impact on the economy, the environment and safety of all Ontario. Without your immediate intervention success does not appear possible. On behalf of all stakeholders we implore you to give this matter your immediate attention.

Should you or your staff require additional information we are available to meet with you at any time convenient to you.

Respectfully submitted,

JMF:bb

Joseph M. Fratesi Chief Administrative Officer and Chair of the Working Group

c.c.

Tony Clement - Minister of Industry

Michael Gravelle-Minister of Northern Development, Mines & Forestry

France Pegeot - Assistant Deputy Minister-Industry Canada

David Orazietti - MPP, Sault Ste. Marie

Mike Brown - MPP, Algoma, Manitoulin

Rick Bartolucci - MPP, Sudbury

Tony Martin - MP, Sault Ste. Marie

Carol Hughes - MP, Algoma, Manitoulin, Kapuskasing

Glen Thibeault – MP, Sudbury

Rick Roth - Special Assistant to Hon. John Baird

Jessica Maga – Ontario Policy Advisor (Transport Canada)

Jennifer Morris - Chief of Staff (MEI)

Jordan Glass – Assistant to Chief of Staff (MEI)

Blaine Bouchard – Ministry of Northern Development, Mines & Forestry

City of Sault Ste. Marie Mayor & Members of City Council

Mario Brault, President, Huron Central Railway

Armando Plastino - CEO, Essar Steel Algoma

Michel Jean - VP, Logistics & Production Planning - Domtar