

AGENDA

REGULAR MEETING OF CITY COUNCIL

2012 05 28

4:30 P.M.

COUNCIL CHAMBERS

1. ADOPTION OF MINUTES

Mover: Councillor F. Fata

Seconder: Councillor T. Sheehan

Resolved that the Minutes of the Regular Council Meeting of 2012 05 14 be approved.

2. QUESTIONS AND INFORMATION ARISING OUT OF THE MINUTES AND NOT OTHERWISE ON THE AGENDA

3. APPROVE AGENDA AS PRESENTED

Mover: Councillor F. Fata

Seconder: Councillor S. Myers

Resolved that the Agenda for 2012 05 28 City Council meeting as presented be approved.

4. DELEGATIONS/PROCLAMATIONS

- a) Troy and Annette Chandler will be in attendance concerning proclamation – Spina Bifida and Hydrocephalus Month.
- b) Wayne King, Chair – Accessibility Advisory Committee will be in attendance concerning National Access Awareness Week and the Rick Hansen Anniversary Tour.
- c) Chief Bob Davies, Sault Ste. Marie Police Services will be in attendance to update Council on community safety precautions regarding bears.
- d) Nuala Kenny, City Solicitor will be in attendance to present the Legal Department

2012 budget and year-to-date financial information.

- e) Brian Curran, President and CEO, PUC Inc. will be in attendance concerning the PUC Inc. and PUC Services Inc. Shareholder Annual Meeting.

Mover: Councillor M. Bruni

Seconder: Councillor T. Sheehan

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 resolved that City Council appoints Mayor Debbie Amaroso as Council's proxy to vote on the resolutions of the shareholder of PUC Inc. and PUC Services.

PART ONE – CONSENT AGENDA

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

Mover: Councillor M. Bruni

Seconder: Councillor S. Myers

Resolved that all the items listed under date 2012 05 28 – Part One – Consent Agenda be approved as recommended.

- a) Correspondence from AMO, OGRA is attached for the consideration of Council.
- b) Correspondence from Algoma Public Health (concerning smoking in movies) is attached for the information of Council.
- c) Correspondence requesting permission for private liquor license extension is attached for the consideration of Council.

Mover: Councillor F. Fata

Seconder: Councillor T. Sheehan

Resolved that City Council has no objection to the proposed extended licensed area as detailed in the written request for a liquor license extension on private property for an outdoor event on the following stated dates and times:

1. Portuguese Canadian Association
5 Cornwall Street
Annual Barbeque/Picnic – June 23, 2012 from 12:00 noon to 8:00 p.m.
2. G. Marconi Society
450 Albert Street West
Annual Italian Festival – July 15, 2012 from 12:00 noon to 1:00 p.m.

- d) Correspondence from residents of Allen's Side Road addressed to Councillors Manzo and Krmpotich is attached for the consideration of Council.

Mover: Councillor J. Krmpotich

Seconder: Councillor F. Manzo

Resolved that the correspondence and petition from residents of Allen's Side Road concerning heavy truck traffic be referred to staff for review and report back to Council.

e) **Council Travel**

Mover: Councillor M. Bruni

Seconder: Councillor T. Sheehan

Resolved that Councillor Lou Turco be authorized to travel to the AMO Board of Director's meeting being held in Windsor (3 days in June) at an estimated cost to the City of \$750.

f) **Staff Travel**

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

Mover: Councillor M. Bruni

Seconder: Councillor S. Myers

Resolved that the report of the Chief Administrative Officer dated 2012 05 28 concerning Staff Travel requests be approved as requested.

g) **Tender for Ready-Mix Concrete**

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

Mover: Councillor F. Fata

Seconder: Councillor T. Sheehan

Resolved that the report of the Manager of Purchasing dated 2012 05 28 be endorsed and that the tender for the supply of Ready-Mix Concrete, as required during the 2012 Construction Season, by the Public Works and Transportation Department be awarded as recommended.

h) **2011 Financial Statements and Appointment of City Auditor for the 2012 Fiscal Year**

A report of the Commissioner of Finance and Treasurer is attached for the consideration of Council. The financial statements are attached under separate cover.

Mover: Councillor F. Fata

Seconder: Councillor S. Myers

Resolved that the report of the Commissioner of Finance and Treasurer dated 2012 05 28 concerning the audited Consolidated Financial Statements for 2011 be approved; and

Further that KPMG LLP, Chartered Accountants be appointed as the City Auditor for the 2012 fiscal year.

i) **Queenstown Board of Management (O/A The Downtown Association) – 2011 Audit Report Prepared by KPMG LLP Chartered Accountants and 2012 Budget Estimates**

A report of the Commissioner of Finance and Treasurer is attached for the consideration of Council.

Mover: Councillor M. Bruni
Seconder: Councillor T. Sheehan

Resolved that the report of the Commissioner of Finance and Treasurer dated 2012 05 28 concerning Queenstown Board of Management (O/A The Downtown Association) Audited Financial Statements for the year 2011, as prepared by KPMG LLP Chartered Accountants be received and that the Downtown Association Budget Estimates for the year 2012 be approved.

j) **Registration of Tax Arrears Certificate(s) and Sale**

A report of the City Tax Collector is attached for the consideration of Council.

Mover: Councillor M. Bruni
Seconder: Councillor S. Myers

Resolved that the report of the City Tax Collector be accepted to commence Tax Sale Proceedings in accordance with the report.

k) **Ontario Education Collaborative Marketplace**

A report of the Manager of Information Technology Division is attached for the consideration of Council.

The relevant By-law 2012-101 is listed under Item 10 of the Agenda and will be read with all other by-laws listed under that item.

l) **Algoma Bioseptic Technologies, Biosolids Composting Pilot Indemnity Agreement**

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

The relevant By-law 2012-106 is listed under Item 10 of the Agenda and will be read with all other by-laws listed under that item.

m) **Lane Closing Application – Highland Park Subdivision, Plan 9110**

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

The relevant By-laws 2012-103 and 2012-104 are listed under Item 10 of the Agenda and will be read with all other by-laws listed under that item.

n) Renewal of City's Insurance Program – Jardine Lloyd Thompson Canada Inc.

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

Mover: Councillor F. Fata

Seconder: Councillor T. Sheehan

Resolved that the report of the City Solicitor dated 2012 05 28 concerning Renewal of City's Insurance Program be accepted and the recommendation to place the City's insurance package for the year June 1, 2012 to May 31, 2012 with Jardine Lloyd Thompson Canada Inc. through Algoma Insurance Brokers Limited at a cost of \$1,339,866.60 be approved.

o) Easement Required for a Temporary Turn Around for Municipal Vehicles from Dennis Maninos and Patricia Rosa Maninos Over a Part of Lot 25 RCP H731 Tarentorus

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

The relevant By-law 2012-102 is listed under Item 10 of the Agenda and will be read with all other by-laws listed under that item.

p) Downtown Farmer's Market Feasibility Study

A report of the Planning Director is attached for the consideration of Council. The study is attached under separate cover.

Mover: Councillor F. Fata

Seconder: Councillor S. Myers

Resolved that the report of the Planning Director dated 2012 05 28 concerning Downtown Farmers' Market Feasibility Study be received as information.

q) Request to Provide Free Bus Service on Community Day

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

Mover: Councillor M. Bruni

Seconder: Councillor T. Sheehan

Resolved that the report of the Manager of Transit and Parking dated 2012 05 28 concerning Request to Provide Free Bus Service on Community Day be received as information.

r) PWT Sidewalk and Curb Program – 2012

A report of the Deputy Commissioner of Public Works and Transportation is attached for the consideration of Council.

Mover: Councillor M. Bruni

Seconder: Councillor S. Myers

Resolved that the report of the Deputy Commissioner of Public Works and Transportation dated 2012 05 28 concerning PWT Sidewalk and Curb Program – 2012

PART TWO – REGULAR AGENDA

6. REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES

- (1) ADMINISTRATION
- (2) COMMUNITY SERVICES DEPARTMENT
- (3) ENGINEERING
- (4) FIRE
- (5) LEGAL
- (6) PLANNING
 - a) **Application No. A-13-10-T – Premiere Landscaping and Garden Centre Inc.**

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

Mover: Councillor M. Bruni

Seconder: Councillor S. Myers

Resolved that the report of the Planning Division dated 2012 05 14 concerning Application No. A-13-10-T – 1151 Second Line West be received and that City Council approve the request to permit a topsoil stripping operation on the subject property for a period not to exceed one (1) year, subject to an agreement as per Section 142 of the Municipal Act, with Premiere Landscaping and Garden Centre Inc. The agreement will include, but not be limited to the 13 conditions contained in the report.

- b) **Application No. A-17-12-Z – Steve Roberts – 415 Northland Road**

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

Mover: Councillor F. Fata

Seconder: Councillor T. Sheehan

Resolved that the report of the Planning Division dated 2012 05 28 concerning Application A-17-12-Z – 415 Northland Road be received and that City Council approve rezoning the subject property from “R3” (Low Density Residential) zone to “R3.S” (Low Density Residential) zone with a Special Exception subject to the 3 conditions contained in the report.

c) **Application No. A-18-12-OP – Lisa Lofstrom – 680 Fifth Line East**

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

Mover: Councillor F. Fata

Seconder: Councillor S. Myers

Resolved that the report of the Planning Division dated 2012 05 28 concerning Application No. A-18-12-OP – Lisa Lofstrom – 680 Fifth Line East be received and that City Council deny the applicant's request to amend the Official Plan in order to create an additional rural residential lot.

d) **Digital Signs By-law**

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

Mover: Councillor M. Bruni

Seconder: Councillor T. Sheehan

Resolved that the report of the Planning Division dated 2012 05 28 concerning the Digital Signs By-law be received and that City Council approve the proposed Digital Signs By-law and repeal the current moratorium on digital signage.

(7) PUBLIC WORKS AND TRANSPORTATION

(8) BOARDS AND COMMITTEES

a) **OLG Modernization – A Strategic Economic Development Opportunity for Sault Ste. Marie**

A report of the Executive Director, Sault Ste. Marie Economic Development Corporation is attached for the consideration of Council.

Mover: Councillor M. Bruni

Seconder: Councillor S. Myers

Resolved that the report of the Executive Director, Sault Ste. Marie Economic Development Corporation dated 2012 01 23 concerning Ontario Lottery and Gaming Modernization - Strategic Economic Development Opportunity be accepted and the recommendation to provide \$100,000 from the 2012 Economic Diversification Fund for the completion and implementation of the strategy be approved.

7. UNFINISHED BUSINESS, NOTICE OF MOTIONS AND RESOLUTIONS PLACED ON AGENDA BY MEMBERS OF COUNCIL

a) The following Notice of Motion was read at the 2012 05 14 Council Meeting and is now being presented for the consideration of Council.

Mover: Councillor T. Sheehan

Seconder: Councillor S. Myers

Whereas Cirque du Soleil show was thoroughly enjoyed by many residents of Sault Ste. Marie; and

Whereas Essar Centre staff were estimating that thousands of visitors would come to our City to see Cirque du Soleil; and

Whereas there are a number of traveling circuses that no longer use animal acts;

Whereas 29 municipalities across Canada have chosen to prohibit circuses that use animal acts;

Now Therefore Be It Resolved that the City Solicitor prepare a report on how City Council can enact a by-law that will prohibit circuses that use animal acts.

- b) Mover: Councillor S. Myers
Seconder: Councillor B. Watkins

Whereas based on recent conversations with the Downtown Association management, it appears there remains a challenge related to parking in the Downtown both at the meters and the municipal lots; and

Whereas there has been considerable work done on this matter with the previous management and the staff of the Downtown and City staff; and

Whereas there is great interest from the new Downtown Management to meet and review options for parking in the Downtown including "pay and display" in the municipal lots and to review current practices around meter monitoring and length of time use of meters;

Now Therefore Be It Resolved that City Council ask the appropriate staff to set up a task committee with the Downtown Management and interested members of Council to review the issues, bring forward possible solutions and report back to City Council before the end of October.

- c) Mover: Councillor S. Butland
Seconder: Councillor L. Turco

Whereas the Highway Traffic Act presently prohibits all-terrain vehicles from using rural roadways to access the trails designated for recreational use and specifically prohibits the use of newer models all-terrain vehicles (side by sides); and

Whereas these are the vehicles of choice by the disabled because of their ease of use and additional safety features; and

Whereas the community has the authority to pass a by-law permitting the use of such vehicles on municipal roadways;

Now Therefore Be It Resolved that Legal staff in consultation with appropriate city departments as well as the Parks and Recreation Advisory Committee prepare recommendation(s) regarding this issue for the consideration of Council.

(the proponent of the above by-law has undertaken the responsibility of consulting with Police Services, Accessibility Committee, and the Snowmobile Association requesting input into any proposed by-law).

8. COMMITTEE OF THE WHOLE FOR THE PURPOSE OF SUCH MATTERS AS ARE REFERRED TO IT BY THE COUNCIL BY RESOLUTION

9. ADOPTION OF REPORT OF THE COMMITTEE OF THE WHOLE

10. CONSIDERATION AND PASSING OF BY-LAWS

By-laws before Council TO BE PASSED which do not require more than a simple majority.

Mover: Councillor M. Bruni

Seconder: Councillor T. Sheehan

Resolved that all by-laws listed under Item 10 of the AGENDA under date May 28, 2012 be approved.

AGREEMENTS

a) 2012-101

A by-law to authorize an agreement between the City and Dell Canada for the participation in the Ontario Education Collaborative Marketplace (OECM) contract.

A report from the Manager of Information Technology is on the agenda.

b) 2012-106

A by-law to authorize an indemnity agreement between the City and PUC Services Inc. and Algoma Bioseptic Technologies for the provision of biosolids from the East End Plant for a pilot composting project.

A report from the Director of Engineering Services is on the agenda.

DEVELOPMENT CONTROL

c) 2012-97

A by-law to designate the lands located at 849 Second Line East an area of site plan control.

d) 2012-99

A by-law to designate the lands located at 39 Stevens Street an area of site plan control.

EASEMENT

e) 2012-102

A by-law to authorize an easement with Dennis Maninos and Patricia Rosa Maninos to The Corporation of the City of Sault Ste. Marie over a portion of Lot

25 RCP H731 Tarentorus, shown as Part 1 on the draft reference plan prepared by Tulloch Geomatics Inc. ("Easement Lands") for the purposes of a temporary turn around for municipal vehicles and vehicles used for municipal purposes including snow ploughs, graders, school buses, garbage trucks and emergency vehicles.

A report from the Assistant City Solicitor is on the agenda.

LANE ASSUMPTION

f) **2012-103**

A by-law to assume for public use and establish as a public lane, a lane in the Highland Park Subdivision, Plan 9110.

A report from the City Solicitor is on the agenda.

ZONING

g) **2012-96**

A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 849 Second Line East.

h) **2012-98**

A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 39 Stevens Street.

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

LANE CLOSING

i) **2012-104**

A by-law to stop up, close and authorize the conveyance of a lane in the Highland Park Subdivision Plan 9110.

11. QUESTIONS BY, NEW BUSINESS FROM, OR ADDRESSES BY MEMBERS OF COUNCIL CONCERNING MATTERS NOT OTHERWISE ON THE AGENDA

12. ADDENDUM TO THE AGENDA

13. ADJOURNMENT

Mover: Councillor F. Fata

Seconder: Councillor S. Myers

Resolved that this Council now adjourn.

MINUTES

REGULAR MEETING OF CITY COUNCIL

2012 05 14

4:30 P.M.

COUNCIL CHAMBERS

Present: Mayor D. Amaroso, Councillors L. Turco, S. Butland, S. Myers, M. Bruni, J. Krmpotich, B. Watkins, R. Niro, P. Christian, F. Fata, T. Sheehan, F. Manzo, P. Mick

Officials: J. Fratesi, M. White, R. Tyczinski, N. Kenny, S. Hamilton Beach, N. Apostle, B. Freiburger, J. Dolcetti, D. Elliott, C. Rumiel, K. Streich Poser, D. McConnell, M. Blanchard, T. Reid, D. Scott, R. Rushworth

1. ADOPTION OF MINUTES

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the Minutes of the Regular Council Meeting of 2012 04 16 be approved. CARRIED

2. QUESTIONS AND INFORMATION ARISING OUT OF THE MINUTES AND NOT OTHERWISE ON THE AGENDA

3. APPROVE AGENDA AS PRESENTED

Moved by: Councillor F. Fata

Seconded by: Councillor T. Sheehan

Resolved that the Agenda for 2012 05 14 City Council meeting and Addendum #1 as presented be approved. CARRIED

4. DELEGATIONS/PROCLAMATIONS

- a) Mark Barsanti, Dealer – Sault Ste. Marie Canadian Tire was in attendance concerning proclamation – Jumpstart Day.
- b) Lynn Ingram, Chair of Council, Community Living Algoma as well as

Representative of North 4 Region, Council of Community Living Ontario and Chris Dunn, Team Leader, Manager of Transportation Services, Community Living Algoma were in attendance concerning proclamation – Community Living Awareness Month.

- c) Kerry Foster was in attendance concerning proclamation – Falun Dafa Day.
- d) Margaret Nicholson, Member of the Royal Purple was in attendance concerning proclamation – Royal Purple and Hearing Society.
- e) Jack Wetherall, Honourary Chair of Theatre Ontario Festival 2012 was in attendance concerning proclamation – Theatre Ontario Festival Week.
- f) Bill Marks, Producer of the film "Compulsion" and Rosalie Chilelli, Managing Director – Edge Enterprises were in attendance concerning recent filming activities.
- g) Kathy Fisher and Cindy Ellen Crawford, Algoma 1812 were in attendance concerning item 6.(8)(a).
- h) Dominic Parrella, Vice President Operations & Engineering PUC Inc., Chris Kresin, Kresin Engineering, Simon Horsley, Stantec, and Dr. Allan Northan, Algoma Public Health were in attendance in response to a Council resolution passed at the 2012 04 16 Council meeting.
- i) Bob Paciocco, Ted Ward, and Mike Hogan were in attendance concerning agenda item 6.(6)(c).

PART ONE – CONSENT AGENDA

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

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that all the items listed under date 2012 05 14 – Part One – Consent Agenda be approved as recommended. CARRIED

- a) Correspondence from AMO was received by Council.
- b) Correspondence from the Municipality of Meaford and the Towns of Markham, Tillsonburg and Niagara-On-The-Lake (concerning payments in lieu of taxes), City of Sudbury (concerning a national dementia strategy), County of Oxford (concerning moratorium on landfills), the Township of MacDonald, Meredith and Aberdeen Additional (concerning the Ontario Society for the Prevention of Cruelty to Animals Act, 1990) and the Township of Wainfleet (concerning

industrial wind turbines) was received by Council.

- c) A copy of a letter from the Ministry of Transportation to the Township of Prince concerning winter maintenance operations on Highways 550 and 565 was received by Council.
- d) A letter from Dan French, Parks Canada concerning the impacts of the Government of Canada's Economic Action Plan on operations at Pukaskwa National Park and the Sault Ste. Marie Canal National Historic Site was received by Council.
- e) A letter from the Deputy Minister, Ministry of Natural Resources concerning changes to the Bear Wise program was received by Council.
- f) A copy of a letter from the Sault Ste. Marie Public Library Board to the Minister of Industry concerning the cancellation of Community Access Program sustainability funding was received by Council.
- g) Correspondence from Ontario Lottery and Gaming advising that the quarterly payment of the 5% allocation from January 1, 2012 to March 31, 2012 is \$331,195 was received by Council.
- h) Correspondence concerning a request for permission to hold a special occasion permit event at an outdoor municipal facility was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor T. Sheehan

Resolved that the following requests to hold Special Occasion Permit events at a municipal facility on the stated dates and times be endorsed by City Council:

Roberta Bondar Pavilion

Musicfest XVIX – Bratwurst, Beer and Beethoven

June 10th from 12:00 noon – 9:00 p.m.

Ride for Sight

June 29th from 8:00 p.m. – 12:00 midnight

June 30th from 4:00 p.m. – 12:00 midnight

CARRIED

- i) A letter requesting permission for a private property liquor license extension was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that City Council has no objection to the proposed extended licensed area as detailed in the written request for a liquor license extension of private property for an outdoor event on the following stated dates and times:

Dock's Riverfront Grill, 89 Foster Drive

June 29 and 30, 2012 from 12:00 noon to 2:00 a.m. (June 30 and July 1)

Canada Day – July 1, 2012 from 12:00 noon to 2:00 a.m. (July 2)

Independence Day – July 4, 2012 from 12:00 noon to 2:00 a.m. (July 5)
CARRIED

j) **Staff Travel**

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

Moved by: Councillor F. Fata

Seconded by: Councillor T. Sheehan

Resolved that the report of the Chief Administrative Officer dated 2012 05 14 concerning Staff Travel requests be approved as requested. CARRIED

k) **Tender for Asphaltic Concrete**

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

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Manager of Purchasing, dated 2012 05 14, be endorsed and that the tender for the supply of Asphaltic Concrete products required during the 2012 construction season by the Public Works and Transportation Department be awarded as recommended. CARRIED

l) **Property Tax Appeals**

The report of the City Tax Collector was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor T. Sheehan

Resolved that Pursuant to Section 357 of the Municipal Act, 2001, the adjustments for the tax accounts outlined on the City Tax Collector's report of 2012 05 14 be approved and that the tax records be amended accordingly. CARRIED

m) **Transit Services and United Steelworkers 2251A (Transit Mechanics) Three (3) Year Renewal Collective Agreement February 1, 2012 to January 31, 2015**

The report of the Commissioner of Human Resources was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the report of the Commissioner of Human Resources dated 2012 05 14 concerning Renewal of Collective Agreement – USW Local 2251 – Transit be accepted and further that the Memorandum of Settlement for USW Local 2251 – Transit and the City of Sault Ste. Marie be approved for ratification by City Council and that the appropriate by-law be presented at a future Council meeting. CARRIED

n) Municipal Coat of Arms

The report of the Deputy City Clerk and Manager of Quality Improvement was received by Council.

Moved by: Councillor F. Fata
Seconded by: Councillor T. Sheehan

Resolved that the report of the Deputy City Clerk and Manager of Quality Improvement dated 2012 05 14 concerning Municipal Coat of Arms be accepted and that Council authorize proceeding with accreditation of an official coat of arms. CARRIED

Recorded Vote:

For: Mayor D. Amaroso, Councillors L. Turco, S. Myers, M. Bruni, J. Krmpotich, R. Niro, P. Christian, T. Sheehan

Against: Councillors S. Butland, B. Watkins, F. Fata, F. Manzo, P. Mick

o) Pilot Project Children's Recreation Programming at Greco Pool/Etienne Brule Playground

The joint report of the Commissioners of Social Services and Community Services was received by Council.

Moved by: Councillor M. Bruni
Seconded by: Councillor S. Myers

Resolved that the report of the Commissioners of Social Services and Community Services dated 2012 05 14 concerning Pilot Project Children's Recreation Programming at Greco Pool/Etienne Brule Playground be received as information. CARRIED

p) Homelessness Partnering Strategy (HPS) – Community Entity Review Committee's (CERC) Approval of HPS Funding

The report of the Manager Housing Programs was received by Council.

Moved by: Councillor M. Bruni
Seconded by: Councillor T. Sheehan

Resolved that the report of the Manager Housing Programs dated 2012 05 14 concerning Homelessness Partnering Strategy (HPS) – Community Entity Review Committee's (CERC) Approval of HPS Funding be received as information. CARRIED

q) West End Community Centre Library

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

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that the report of the Commissioner of Community Services dated 2012 05 14 concerning West End Community Centre Library be accepted and the recommendation to name the new branch library the Korah Branch Library be approved. CARRIED

r) **West End Community Centre (WECC) – Northern Ontario Heritage Fund Corporation (NOHFC) Amendment to the Loan and Conditional Contribution Agreement**

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

The relevant By-law 2012-95 is listed under Item 10 of the Minutes.

s) **Alcohol Risk Management Policy Revisions**

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

Moved by: Councillor F. Fata

Seconded by: Councillor T. Sheehan

Resolved that the report of the Manager of Recreation and Culture dated 2012 05 14 concerning Alcohol Risk Management Policy Revisions be accepted and the policy revisions recommended in the report be approved. CARRIED

t) **Contract 2012-4E – Reconstruction of Euclid Road – Pim Street to Wemyss Street**

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

The relevant By-laws 2012-90 and 2012-91 are listed under Item 10 of the Minutes.

u) **Solar Photovoltaic FIT Application – F. J. Davey Home**

The report of the Environmental Initiatives Coordinator was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Environmental Initiatives Coordinator dated 2012 05 14 concerning Solar Voltaic FIT Application – F. J. Davey Home be accepted and the recommendation that Council express its support for this project be approved. CARRIED

v) **Wellington Street Underpass – Maintenance and Improvements**

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

Moved by: Councillor M. Bruni

Seconded by: Councillor T. Sheehan

Resolved that the report of the Director of Engineering Services dated 2012 05 14 concerning Wellington Street Underpass – Maintenance and Improvements be accepted and the recommendation that M. R. Wright and Associates be retained to complete design and contract administration with funding from the

\$65,000 allowance in the 2012 miscellaneous construction budget be approved.
CARRIED

w) **Biennial Bridge Inspections – Consulting Services**

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

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the report of the Director of Engineering Services dated 2012 05 14 concerning Biennial Bridge Inspections – Consulting Services be accepted and the recommendation that M. R. Wright and Associates be retained to complete the 2012 biennial bridge inspections for an estimated fee of \$48,850 funded from the 2012 miscellaneous construction budget be approved.
CARRIED

x) **Contract 2012-5E – Second Line East Widening and Construction of the Second Line/Pine Street Intersection**

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

The relevant By-law 2012-94 is listed under Item 10 of the Minutes.

y) **Single Lane Bridge Rehabilitation – Four Shared Bridges with Prince**

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

Moved by: Councillor F. Fata

Seconded by: Councillor T. Sheehan

Resolved that the report of the Director of Engineering Services dated 2012 05 14 concerning Single Lane Bridge Rehabilitation – Four Shared Bridges with Prince be accepted and the recommendation to negotiate an agreement with Prince Township to retain M. R. Wright and Associates for the geotechnical investigation, environmental assessment and predesign work be approved; and Further that \$128,000 (excluding HST) engineering fee be shared equally between the two municipalities with the City's share funded from the carry-over from previous miscellaneous construction budgets. CARRIED

z) **711/719 Bay Street – Seawall**

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

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Director of Engineering Services dated 2012 05 14 concerning 711/719 Bay Street – Seawall be accepted and the recommendation to retain M. R. Wright and Associates to design and supervise interim repairs to the seawall at a cost of \$15,575 with funding from the 2012 miscellaneous construction budget be approved. CARRIED

aa) Queen Street Conversion from Four Lane to Three Lane and Queen Street Reconstruction Engineering Fee Revision

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

Moved by: Councillor M. Bruni

Seconded by: Councillor T. Sheehan

Resolved that the report of the Director of Engineering Services dated 2012 05 14 concerning Queen Street Conversion – Four Lane to Three Lane – Engineering Fee Revision be accepted and the recommendation to increase the engineering fee estimate for AECOM from \$355,000 to \$440,400 to allow for added scope of work and an allowance for a study on the possible conversion be approved. CARRIED

bb) 358 McNabb Street – Single Family Dwelling Order to Remedy Issued August 5, 2009

The report of the Chief Building Official was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the report of the Chief Building Official dated 2012 05 14 concerning 358 McNabb Street – Order to Remedy be accepted and the recommendation to demolish the structure at this site, remove all debris and cap the services; and to add the estimated \$12,000 costs to the property taxes of 358 McNabb Street be approved. CARRIED

cc) Sault Area Hospital's Actions to Address Excessive Off Load Delays (OLD) for Sault Ste. Marie Fire Services' EMS Division Paramedics

The report of the Manager of Emergency Medical Services was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor T. Sheehan

Resolved that the report of the Manager of Emergency Medical Services dated 2012 05 14 concerning Sault Area Hospital's Actions to Address Excessive Off Load Delays for Sault Ste. Marie Fire Services' EMS Division Paramedics be received as information. CARRIED

dd) Sale of Property at the Corner of McNabb Street and South Market

The report of the City Solicitor was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the City Solicitor dated 2012 05 14 concerning Sale of Property at the corner of McNabb Street and South Market be accepted and the recommendation to sell the property to Dick's Garage Limited for the amount of \$85,000 be approved. CARRIED

- ee) **Repeal of By-law 73-223, A Temporary Special Use Exception Zoning By-law for Lots 6 to 9, Inclusive, Gore Subdivision, Plan 3599, City of Sault Ste. Marie**

The report of the Assistant City Solicitor was received by Council.

The relevant By-law 2012-92 is listed under Item 10 of the Minutes.

- ff) **Agreement Between the City and the Sault Ste. Marie Airport Development Corporation**

The report of the Assistant City Solicitor was received by Council.

The relevant By-law 2012-93 is listed under Item 10 of the Minutes.

- gg) **Lane Closing Application – Tagona Subdivision, Plan 7882**

The report of the Assistant City Solicitor was received by Council.

The relevant By-laws 2012-79 and 2012-80 are listed under Item 10 of the Minutes.

- hh) **Permission to Purchase One (1) 40-Foot Low Floor Nova Bus**

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

Moved by: Councillor M. Bruni

Seconded by: Councillor T. Sheehan

Resolved that the report of the Manager of Transit and Parking dated 2012 05 14 concerning Purchase of One 40-Foot Low Floor Nova Bus be accepted and the recommendation to purchase subject bus at a cost of \$390,000 (HST excluded) with funding from capital from current (\$75,000) and Federal gas tax revenue (\$315,000). CARRIED

- ii) **Lions Club – Pointe Des Chenes Campground**

The report of the Commissioner of Public Works and Transportation was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the report of the Commissioner of Public Works and Transportation dated 2012 05 14 concerning Lions Club – Pointe Des Chenes Campground be accepted and the recommendation to renew the existing agreement with the club for operation of the campground for a period of one year be approved. CARRIED

- jj) **PWT Ditching Program – 2012**

The report of the Deputy Commissioner of Public Works and Transportation was received by Council.

Moved by: Councillor F. Fata
Seconded by: Councillor T. Sheehan
Resolved that the report of the Deputy Commissioner of Public Works and Transportation dated 2012 05 14 concerning PWT Ditching Program – 2012 be received as information. CARRIED

kk) Public Works New Equipment Needs 2012

The report of the Manager of Equipment and Building Maintenance was received by Council.

Moved by: Councillor M. Bruni
Seconded by: Councillor S. Myers

Resolved that the report of the Manager of Equipment and Building Maintenance dated 2012 05 14 concerning Public Works Equipment Needs – 2012 be accepted and the recommendation to proceed with preparing specifications and tendering the equipment be approved. CARRIED

ll) Business Plan – Results Year Two

The report of the Chief of Police was received by Council.

Moved by: Councillor M. Bruni
Seconded by: Councillor T. Sheehan

Resolved that the report of the Chief of Police dated 2012 04 30 concerning Business Plan – Results Year Two be received as information. CARRIED

mm) Application No. A-16-12-Z – Minor Amendments to Zoning

The report of the Planning Division was received by Council.

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that the report of the Planning Division dated 2012 05 14 concerning Application No. A-16-12-Z – Minor Amendments to Zoning By-law #6 be received as information and staff authorized to give Public Notice for Council's June 11, 2012 meeting. CARRIED

nn) Petition – Heritage Drive

The petition was received by Council.

Moved by: Councillor F. Fata
Seconded by: Councillor T. Sheehan

Resolved that the petition concerning naming an existing street Heritage Drive be received and referred to the Engineering and Planning Department for review and report back to Council. CARRIED

- oo) A petition concerning agenda item 4.(h) was received by Council.
 - pp) Correspondence from FONOM was received by Council.
 - qq) The letter of the Executive Vice President, Chief Transformation Officer and Chief Information Officer concerning the Ontario Lottery and Gaming Corporation was received by Council.
- (rr) Moved by: Councillor F. Fata
Seconded by: Councillor T. Sheehan
Resolved that pursuant to By-law 2002-18 that citizen Florence Lake be appointed to the F. J. Davey Home Board of Directors effective May 14, 2012.
CARRIED

PART TWO – REGULAR AGENDA

6. REPORTS OF CITY DEPARTMENTS, BOARDS AND COMMITTEES

- (1) **ADMINISTRATION**
 - (2) **COMMUNITY SERVICES DEPARTMENT**
 - (3) **ENGINEERING**
 - (4) **FIRE**
 - (5) **LEGAL**
 - (6) **PLANNING**
- a) **Application No. A-13-10-T – Premiere Landscaping and Garden Centre Inc.**

The report of the Planning Division was received by Council.

Moved by: Councillor F. Manzo
Seconded by: Councillor J. Krmopotich
Resolved that agenda item 6.(6)(a) be deferred to the May 28, 2012 Council meeting. **CARRIED**

Pecuniary Interest – Councillor Niro – daughter's property backs onto subject property.

Moved by: Councillor M. Bruni

Seconded by: Councillor S. Myers

Resolved that the report of the Planning Division dated 2012 05 14 concerning Application No. A-13-10-T – 1151 Second Line West be received and that City Council approve the request to permit a topsoil stripping operation on the subject property for a period not to exceed one (1) year, subject to an agreement as per Section 142 of the Municipal Act, with Premiere Landscaping and Garden Centre Inc. The agreement will include, but not be limited to the 13 conditions contained in the report. DEFERRED

b) **Application No. A-14-12-Z.OP – 1704608 Ontario Limited**

Moved by: Councillor M. Bruni

Seconded by: Councillor F. Fata

Resolved that agenda item 6.(6)(b) be deferred to a future meeting of Council. CARRIED

The report of the Planning Division was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor T. Sheehan

Resolved that the report of the Planning Division dated 2012 05 14 concerning Application No. A-14-12-Z.OP – 181 Greenfield Drive be received and that City Council approve Official Plan Amendment No. 185 and re-designate the property from Rural Area to Residential on Land Use Schedule "C" of the Official Plan, and that City Council rezone the subject property from "RA" (Rural Area) zone to "R3" (Low Density Residential) zone, subject to the following conditions:

- 1) That the property be deemed subject to Site Plan Control;
- 2) That the applicants either purchase the right-of-way or enter into an easement agreement with the Municipality, in relation to the use and maintenance of the right-of-way and underground services. DEFERRED

c) **Application No. A-15-12-Z – Helen and George Johnson**

The report of the Planning Division was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that the report of the Planning Division dated 2012 05 14 concerning Application No. A-15-12-Z – 39 Stevens Street be received and that City Council approves the rezoning of the subject property from "R2" (Single Detached Residential) zone to "R3" (Low Density Residential) zone, subject to the following:

- 1) That the required rear yard setback be reduced from 10 metres to 7.5 metres;
- 2) That the property be designated as an area of Site Plan Control. CARRIED

d) **Application No. A-18-11-Z – Antonio M. Ruscio**

The report of the Planning Division was received by Council.

Moved by: Councillor F. Fata

Seconded by: Councillor T. Sheehan

Resolved that the report of the Planning Division dated 2012 05 14 concerning Application No. A-18-11-Z – 849 Second Line East be received and that City Council approve the rezoning of the subject property from "RA" (Rural Area) zone to "R4" (Medium Density Residential) zone, subject to the following conditions:

- 1) That the maximum building height be increased from five (5) to six (6) stories;
- 2) That the required front yard setback be reduced from 7.5m to 7.0m;
- 3) That the required landscape area be reduced from 30% to 27%; and
- 4) That the property be designated as an area of Site Plan Control. CARRIED

(7) PUBLIC WORKS AND TRANSPORTATION

(8) BOARDS AND COMMITTEES

a) **By-law Exemptions**

The report of the Regional Project Manager, Algoma 1812 was received by Council.

The relevant By-laws 2012-85 and 2012-86 are listed under Item 10 of the Minutes.

b) **2012 First Quarter Shareholder Report**

The report of the President and C.E.O. PUC Inc. was received by Council.

Moved by: Councillor S. Myers

Seconded by: Councillor T. Sheehan

Resolved that the report of the President and C.E.O. PUC Inc. dated 2012 04 30 concerning 2012 First Quarter Shareholder Report be received as information. CARRIED

7. UNFINISHED BUSINESS, NOTICE OF MOTIONS AND RESOLUTIONS PLACED ON AGENDA BY MEMBERS OF COUNCIL

a) Moved by: Councillor T. Sheehan

Seconded by: Councillor S. Butland

Whereas the film and television industry has provided many economic, social and cultural benefits to the community of Sault Ste. Marie; and

Whereas the Vortex Words and Pictures movie Compulsion with a budget of \$4 million currently being shot in our City is a fabulous example of these benefits; and

Whereas Compulsion stars some of biggest talent to appear in a Sault-shot film, including: Heather Graham (The Hangover, Austin Powers: The Spy Who Shagged Me), Carrie-Anne Moss (The Matrix, Memento, Snow Cake), Kevin Dillon (Entourage, Platoon) and Joe Mantegna (Criminal Minds, The Simpsons); and

Whereas the production is directed by Sault Ste. Marie's own Egidio Coccimiglio; and

Whereas, in addition to several hundred "extras", local actors Matt Connors, Gary Vena, Ann Sarich, Allyson Niro and Angela Sauve have speaking roles in the film; and

Whereas many local businesses and organizations are benefiting from this great production; and

Now Therefore Be It Resolved that Council of the City of Sault Ste. Marie extend its heartfelt thanks to all of the wonderful people involved in this production and further that all be encouraged to come back to the Sault to work in this great City.
CARRIED

Pecuniary Interest – Councillor Niro – employer has a service agreement with film proponent.

- b) Moved by: Councillor S. Myers
Seconded by: Councillor T. Sheehan

Whereas Queen Street will be closed from Simpson to Pim Streets this summer; and

Whereas the 90th Annual Rotary Parade which is scheduled for Saturday July 21 follows a route that requires closure of Queen Street from Pim to Gore Streets; and

Whereas Bay Street will also be closed on that day from Brock to Pim Streets for the parade line-up because of the Queen Street east closure; and

Whereas it is expected that traffic coming in to the downtown area on the day of the parade will be extraordinarily heavy on Wellington and Albert Streets and on many of the side streets in the downtown core and may lead to safety concerns; and

Whereas this is a special anniversary year for the Rotary parade, the City and many other organizations who plan to participate and create increased numbers of public participation and attendance;

Now Therefore Be It Resolved that the appropriate staff be requested to prepare a brief report for City Council to consider providing free city bus service to the downtown area on that day to encourage people to leave their vehicles at home and include any other suggestions to ease anticipated challenges in accessing the downtown and report back to City Council within one month with estimated costs. CARRIED

- c) Moved by: Councillor P. Christian
Seconded by: Councillor B. Watkins
Whereas Council has recently completed budget deliberations for 2012; and
Whereas during these deliberations, it was agreed that Council, in concert with city staff, continue to look for opportunities to minimize expenditures and improve efficiencies within city operations; and
Whereas it has not yet been determined what impact the recent provincial and federal budget announcements will have on future municipal operations; and
Whereas the city currently provides a variety of fee for service activities for citizens of Sault Ste. Marie; and
Whereas changing demographics and citizen preference require a review of these services to determine the appropriateness and need now;
Now Therefore Be It Resolved that Council request that staff prepare a list of fee for service activities that are currently being offered by the City of Sault Ste. Marie; and further that as part of the report, staff include financial data over the last five years that includes costs associated with providing these services as well as user fee and participation/user data where available. CARRIED
- d) Moved by: Councillor S. Myers
Seconded by: Councillor P. Mick
Whereas City Council recently completed the budget process for 2012 and a new report showing previous year comparisons was most helpful, and
Whereas it has been said that budget preparation is a year round activity, and
Whereas in the interest of increasing public awareness of the City budget, and
Whereas members of City Council want ongoing year to date and comparative reporting throughout the year leading up to the next year's budget approval,
Therefore Be It Resolved that an item called Budget Update or similar, be added as a standing item each month commencing in May 2012, and
Further Be It Resolved that under said item each month one or two departments present their budget with year to date against last year's actuals and 2012 budgeted figures for the information of Council. CARRIED
- e) **NOTICE OF MOTION**
Moved by: Councillor T. Sheehan
Seconded by: Councillor S. Myers
Whereas Cirque du Soleil show was thoroughly enjoyed by many residents of Sault Ste. Marie; and
Whereas Essar Centre staff were estimating that thousands of visitors would come to our City to see Cirque du Soleil; and
Whereas there are a number of traveling circuses that no longer use animal acts;
Whereas 29 municipalities across Canada have chosen to prohibit circuses that use animal acts;
Now Therefore Be It Resolved that the City Solicitor prepare a report on how City Council can enact a by-law that will prohibit circuses that use animal acts.

8. COMMITTEE OF THE WHOLE FOR THE PURPOSE OF SUCH MATTERS AS ARE REFERRED TO IT BY THE COUNCIL BY RESOLUTION

9. ADOPTION OF REPORT OF THE COMMITTEE OF THE WHOLE

10. CONSIDERATION AND PASSING OF BY-LAWS

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that all by-laws listed under Item 10 of the AGENDA under date May 19, 2012 save and except 2012-81 be approved. CARRIED

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2012-47 being a by-law to stop up, close and authorize the conveyance of a lane in the Laurentian Park Subdivision, Plan H535 be read a THIRD time and PASSED this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2012-77 being a by-law to designate the plaques and monuments as being of architectural or historic value or interest be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2012-79 being a by-law to assume for public use and establish as a public lane, a lane in the Tagona Subdivision, Plan 7882 be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2012-80 being a by-law to stop up, close and authorize the conveyance of a lane in the Tagona Subdivision Plan 7882 be READ the FIRST and SECOND time in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata

Seconded by: Councillor S. Myers

Resolved that By-law 2012-81 being a by-law to appoint inspectors under the Building Code Act, 1992 and Municipal Law Enforcement Officers under the Police Services Act be PASSED in open Council this 14th day of May, 2012. CARRIED

Pecuniary Interest – Councillor Turco – spouse employed by Police Services.

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that By-law 2012-82 being a by-law to authorize a Lease Agreement between the City of Sault Ste. Marie and 1866486 Ontario Incorporated carrying on business as RHP Training Centre (Sault Ste. Marie) Inc. for the use of a designated area within the John Rhodes Community Centre be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that By-law 2012-83 being a by-law to assume for public use and establish as public streets various parcels of land conveyed to the City be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that By-law 2012-84 being a by-law to appoint Municipal Law Enforcement Officers to enforce the by-laws on various private properties and to amend Schedule "A" to By-law 90-305 be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that By-law 2012-85 being a by-law to exempt the Ermatinger-Clergue National Historic Site from By-law 2008-168 being a firearms by-law to prohibit the discharge of firearms in the municipality be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that By-law 2012-86 being a by-law to exempt the Ermatinger-Clergue National Historic Site from By-law 80-128 being a by-law for the use, regulation, protection and government of the municipal parks of the City of Sault Ste. Marie be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that By-law 2012-87 being a by-law to provide for 2012 final tax billing be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers

Resolved that By-law 2012-88 being a by-law to provide for the adoption of recovery percentage for the 2012 taxation year be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers
Resolved that By-law 2012-89 being a by-law to adopt optional tools for the purposes of administering limits for the commercial, industrial and multi-residential Property Classes be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers
Resolved that By-law 2012-90 being a by-law to authorize a contract between the City and Palmer Construction Group Inc. for the reconstruction of Euclid Road from Pim Street to Wemyss Street. (Contract 2012-4E) be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers
Resolved that By-law 2012-91 being a by-law to permit the temporary closing of Euclid Road from Pim Street to Wemyss Street from May 15, 2012 until October 31, 2012 to facilitate the reconstruction of Euclid Road be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers
Resolved that By-law 2012-92 being a by-law to repeal By-law 73-223 being a by-law to permit a vacant service station located on lots 6 to 9, inclusive, in the Gore Subdivision, Plan 3599 at the intersection of Andrew and Albert Streets to be used for the purpose of an appliance sales and service shop be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers
Resolved that By-law 2012-93 being a by-law to authorize an agreement between the City and the Sault Ste. Marie Airport Development Corporation for the installation and maintenance of one advertising display be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers
Resolved that By-law 2012-94 being a by-law to authorize a contract between the City and Avery Construction Limited for the Second Line East widening and construction of the Second Line/Pine Street intersection. The contractor will be authorized to complete the widening only if sufficient connecting link grant funds are provided by the MTO. The Engineering fee limit be revised to \$674,000 be PASSED in open Council this 14th day of May, 2012. CARRIED

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers
Resolved that By-law 2012-95 being a by-law to authorize an amendment agreement between the City of Sault Ste. Marie and the Northern Ontario Heritage Fund Corporation (NOHFC) for the funding for the West End Community Centre (WECC) and the recommendation that the amendment agreement with the NOHFC reflect a One Million Dollar (\$1,000,000) conditional contribution and Five Hundred Thousand Dollar (\$500,000) loan with the WECC project be approved by Council be PASSED in open Council this 14th day of May, 2012. CARRIED

11. QUESTIONS BY, NEW BUSINESS FROM, OR ADDRESSES BY MEMBERS OF COUNCIL CONCERNING MATTERS NOT OTHERWISE ON THE AGENDA

- a) Moved by: Councillor F. Fata
Seconded by: Councillor T. Sheehan
Resolved that Council shall now go into Caucus to:
1. a legal matter concerning solicitor/client privilege; and
Further Be It Resolved that should the said Caucus meeting be adjourned, Council may reconvene in Caucus to continue to discuss the same matter without the need for a further authorizing resolution. CARRIED

12. ADDENDUM TO THE AGENDA

13. ADJOURNMENT

Moved by: Councillor F. Fata
Seconded by: Councillor S. Myers
Resolved that this Council now adjourn. CARRIED

MAYOR

CITY CLERK

City of Sault Ste Marie
LEGAL DEPARTMENT
For the Four Months Ending April 30, 2012

Department	April	YTD		Variance	Percentage Budget-Rem	2011 YTD Actual
		Actual	Budget			
REVENUE						
Fees and user charges	(\$189,923.88)	(\$646,501.08)	(\$1,999,260.00)	(\$1,352,758.92)	67.66%	(\$2,371,872.70)
Investment income	(196.74)	(2,233.71)	\$0.00	\$2,233.71		(\$104,035.08)
Other income			(\$100.00)	(\$100.00)	100.00%	\$0.00
	(190,120.62)	(648,734.79)	(\$1,999,360.00)	(\$1,350,625.21)	67.55%	(\$2,475,907.78)
EXPENDITURES						
Salaries	54,654.49	270,958.47	\$737,860.00	\$466,901.53	63.28%	\$681,708.71
Benefits	14,667.22	82,327.75	\$159,080.00	\$96,732.25	60.81%	\$144,894.12
Travel and training	594.81	3,310.42	\$16,210.00	\$12,899.58	79.58%	\$8,105.88
Vehicle allowance, maintenance and repairs			\$2,040.00	\$2,040.00	100.00%	\$0.00
Materials and supplies	41,619.39	97,654.97	\$77,220.00	(\$20,434.97)	(26.46%)	\$44,765.55
Maintenance and repairs	296.87	595.05	\$12,080.00	\$11,484.95	95.07%	\$78,813.89
Rents and leases	71.11	(4,715.33)	\$13,700.00	\$18,415.33	134.42%	\$8,982.99
Taxes and licenses	73,237.64	96,722.75	\$1,561,900.00	\$1,465,177.25	93.81%	\$1,534,777.16
Purchased and contracted services	3,061.46	53,307.69	\$225,230.00	\$171,922.31	76.33%	\$298,308.23
Transfer to own funds			\$0.00	\$0.00		\$313,600.42
Capital expense	1,175.89	3,577.77	\$7,200.00	\$3,622.23	50.31%	\$9,328.68
Depreciation			\$0.00	\$0.00		\$4,065.30
Gain/Loss on Disposal of Capital Assets			\$0.00	\$0.00		(\$5,896.00)
	189,378.88	583,739.54	\$2,812,500.00	\$2,228,760.46	79.24%	\$3,121,534.33
NET (REVENUE)/EXPENDITURE	(741.74)	(64,995.25)	\$813,140.00	\$878,135.25	107.99%	\$645,626.55

4(d)

City of Sault Ste Marie
LEGAL ADMINISTRATION
For the Four Months Ending April 30, 2012

Department	April	YTD		Variance	Percentage Budget-Rem	2011 YTD Actual
		Actual	Budget			
REVENUE						
Fees and user charges	(\$39,335.12)	(\$298,930.89)	(\$795,760.00)	(\$496,829.11)	62.43%	(\$1,022,398.32)
Other income			(\$100.00)	(\$100.00)	100.00%	\$0.00
	(39,335.12)	(298,930.89)	(\$795,860.00)	(\$496,929.11)	62.44%	(\$1,022,398.32)
EXPENDITURES						
Salaries	28,527.52	160,005.31	\$434,280.00	\$274,274.59	63.16%	\$397,431.77
Benefits	8,206.28	37,269.61	\$99,615.00	\$62,345.39	62.59%	\$76,358.91
Travel and training		934.66	\$4,585.00	\$3,650.34	79.61%	\$1,737.88
Vehicle allowance, maintenance and repairs			\$1,040.00	\$1,040.00	100.00%	\$0.00
Materials and supplies	869.05	10,394.76	\$20,740.00	\$10,345.24	49.88%	\$5,257.53
Maintenance and repairs	296.87	595.05	\$11,430.00	\$10,834.95	94.79%	\$78,813.89
Rents and leases		(4,889.91)	\$1,000.00	\$5,889.91	588.99%	\$1,694.69
Taxes and licenses	9,224.73	17,994.84	\$59,200.00	\$41,205.16	69.60%	\$34,798.85
Purchased and contracted services	1,549.93	1,867.85	\$42,530.00	\$40,662.15	95.61%	\$53,692.56
Transfer to own funds			\$0.00	\$0.00		\$313,800.42
Capital expense		302.72	\$500.00	\$197.28	39.46%	\$310.16
	48,674.38	224,474.89	\$674,920.00	\$450,445.11	66.74%	\$983,694.66
NET (REVENUE)/EXPENDITURE	9,339.26	(74,456.00)	(\$120,940.00)	(\$46,484.00)	38.44%	(\$53,703.66)

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City of Sault Ste Marie
LEGAL - PROVINCIAL OFFENCES
For the Four Months Ending April 30, 2012

Department	April	YTD	YTD	Variance	Percentage	2011 YTD
		Actual	Budget		Budget-Rem	Actual
REVENUE						
Fees and user charges	(\$150,588.76)	(\$347,570.19)	(\$1,203,500.00)	(\$855,929.81)	71.12%	(\$1,349,474.38)
Investment income	(196.74)	(2,233.71)	\$0.00	\$2,233.71		(\$104,036.08)
	(150,785.50)	(349,803.90)	(\$1,203,500.00)	(\$853,696.10)	70.93%	(\$1,453,509.46)
EXPENDITURES						
Salaries	26,126.97	110,953.16	\$303,550.00	\$192,626.84	63.45%	\$284,276.94
Benefits	6,460.94	25,058.14	\$59,445.00	\$34,386.86	57.85%	\$68,535.21
Travel and training	594.81	2,375.76	\$11,625.00	\$9,249.24	79.56%	\$6,448.00
Vehicle allowance, maintenance and repairs			\$1,000.00	\$1,000.00	100.00%	\$0.00
Materials and supplies	40,750.34	87,260.21	\$56,480.00	(\$30,780.21)	(54.50%)	\$39,508.02
Maintenance and repairs			\$650.00	\$650.00	100.00%	\$0.00
Rents and leases	71.11	174.58	\$12,700.00	\$12,525.42	98.63%	\$7,288.30
Purchased and contracted services	1,511.53	51,439.84	\$182,700.00	\$131,260.16	71.84%	\$244,615.67
Capital expense	1,175.89	3,275.05	\$6,700.00	\$3,424.95	51.12%	\$9,018.52
	76,691.59	280,636.74	\$834,880.00	\$354,343.26	55.81%	\$859,690.66
NET (REVENUE)/EXPENDITURE	(74,093.91)	(69,267.16)	(\$668,620.00)	(\$499,352.84)	87.82%	(\$793,818.80)

41a

City of Sault Ste Marie
LEGAL INSURANCE
For the Four Months Ending April 30, 2012

Department	April	YTD		Variance	Percentage Budget-Rem	2011 YTD				
		Actual	Budget			Actual				
REVENUE										
EXPENDITURES										
Taxes and licenses	\$64,012.91	\$78,727.91	\$1,502,700.00	\$1,423,972.09	94.76%	\$1,499,980.31				
	64,012.91	78,727.91	\$1,502,700.00	\$1,423,972.09	94.76%	\$1,499,980.31				
NET (REVENUE)EXPENDITURE	64,012.91	78,727.91	\$1,502,700.00	\$1,423,972.09	94.76%	\$1,499,980.31				

460

4(e)

MEMORANDUM

TO: CITY OF SAULT STE. MARIE MAYOR AND COUNCILLORS
FROM: H. J. BRIAN CURRAN, PRESIDENT & C.E.O.
DATE: May 18, 2012
SUBJECT: PUC Inc. and PUC Services Inc. Annual Shareholder Meetings

The Ontario Business Corporation Act requires a minimum of 10 days notice for a shareholder's meeting. In accordance with the Act, I am attaching an official notice of the annual meetings for both PUC Inc. and PUC Services Inc. scheduled for May 28, 2012. The annual meetings for both companies will be held concurrently.

Prior to the annual meeting, you will receive a copy of the annual reports for PUC Inc. PUC Services Inc. and the Public Utilities Commission as well as resolutions regarding acceptance of the annual financial statements, appointments to the PUC Inc. and PUC Services Inc. Boards of Directors and the appointment of auditors for 2012.



H. J. Brian Curran, President & C.E.O.

c.c. City of Sault Ste. Marie, C.A.O
City Clerk
PUC Inc. Board of Directors
PUC Services Inc. Board of Directors
KPMG

MEMORANDUM

TO: CITY OF SAULT STE. MARIE MAYOR AND COUNCILLORS
FROM: H. J. BRIAN CURRAN, PRESIDENT & C.E.O. PUC INC.
DATE: May 23, 2012
SUBJECT: PUC Inc. and PUC Services Inc. Annual Shareholder Meeting

The following items are attached for submission to the Mayor, Councillors and C.A.O. prior to the Shareholder Annual Meeting on May 28, 2012:

1. Resolutions regarding acceptance of the annual financial statements, appointments to the PUC Inc. and PUC Services Inc. Boards of Directors and the appointment of auditors for 2012.
2. Copies of the annual reports for PUC Inc., PUC Services Inc. and the Public Utilities Commission will be provided once printing is completed. This is anticipated to be by Friday May 25, 2012.

The attached resolutions seek confirmation from the shareholder to appoint directors to the Board.



H. J. Brian Curran, President & C.E.O.

c.c. City of Sault Ste. Marie, C.A.O.
City Clerk
PUC Inc. Board of Directors
PUC Services Inc. Board of Directors
KPMG

Attachments: Shareholder Resolutions - Audited Financial Statements

Appointment of Directors
Appointment of Auditors

2011 PUC Inc., PUC Services Inc. & Public Utilities Commission Annual Reports (to follow under separate cover when printing is complete)

RESOLUTION OF THE SHAREHOLDER
OF
PUC INC.

Financial Statements

RESOLVED that the financial statements of the Corporation for the fiscal year ended on December 31st, 2011, together with the report of the auditors thereon, as placed before the undersigned, are hereby approved.

Appointment of Auditors

RESOLVED that KPMG LLP, Chartered Accountants, are hereby appointed Auditors 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.

Election of Directors

RESOLVED that the following persons, a majority of whom are resident Canadians, are hereby elected directors of the corporation, to hold office until the close of the next annual meeting of the shareholder or until their successors have been duly elected or appointed, subject to the provisions of the Corporation's by-laws and the Ontario Business Corporations Act:

Cecilia Bruno
Larry Guerriero
Mark Howson
J. Douglas Lawson
Marchy Bruni
Pat Mick
Victoria Chiappetta
Frank Fata
Bruno Barban

The foregoing resolutions are hereby consented to by the sole shareholder of the Corporation pursuant to Section 104 of the Ontario Business Corporations Act, this 28th day of May 2012.

THE CORPORATION OF THE
CITY OF SAULT STE. MARIE

Per: _____
Debbie Amaroso, Mayor

Per: _____
Malcolm White, City Clerk

Malcolm White

From: communicate@amo.on.ca
Sent: May 17, 2012 7:20 PM
To: Malcolm White
Subject: AMO Board of Directors 2012-2014 Request For Nominations
Attachments: AMO 2012 to 2014 Board of Directors Request for Nominations.pdf

Please be advised that in accordance with the Association's governing by-law, the Secretary-Treasurer is requesting nominations to the 2012 – 2014 AMO Board of Directors. Qualified Nominees must obtain a Council resolution of support which must also specify the Caucus for which the individual is nominated. Please note that the AMO Bylaw No. 1 stipulates that a member municipality can only have one representative on the Board unless another representative is on the board as an appointed official. See "Summary of Officers".

A completed Nomination Form and supporting material must be received no later than 4:00 p.m. Friday, June 22, 2012.

PLEASE NOTEthis Request for Nominations will be broadcast to the member municipality's council, administrator and clerk. Recipients of the AMO broadcasts are free to redistribute the AMO broadcasts to other municipal staff as required. We have decided to not add other staff to these broadcast lists in order to ensure accuracy and efficiency in the management of our various broadcast lists.

DISCLAIMER These are final versions of AMO documents. AMO assumes no responsibility for any discrepancies that may have been transmitted with the electronic version. The printed versions of the documents stand as the official record.



REQUEST FOR NOMINATIONS 2012 - 2014 AMO Board of Directors

May 17, 2012

To: Head and Members of Council
From: Mike Galloway, Secretary-Treasurer, AMO

Please be advised that in accordance with the Association's governing by-law, the Secretary-Treasurer is requesting nominations to the 2012 – 2014 AMO Board of Directors.

Attached please find:

- *A summary of the offices for which elections will be held at the 2012 Annual Meeting;*
- *An estimate of the annual time commitment required to serve on the AMO Board of Directors and for those who will then serve on the AMO Executive Committee; and*
- *Nomination Form*

The names of all qualified individuals who are duly nominated will appear on the ballot for election to the Board.

Please forward a completed Nomination Form to the Association via fax at (416) 971-6191 or mail to the attention of Pat Vanini, Executive Director.

Qualified Nominees must obtain a Council resolution of support which must also specify the Caucus for which the individual is nominated. Please note that the AMO Bylaw No. 1 stipulates that a member municipality can only have one representative on the Board unless another representative is on the board as an appointed official. See "Summary of Officers".

A completed Nomination Form and supporting material must be received no later than 4:00 p.m. Friday, June 22, 2012. Nominations will not be accepted beyond that date. AMO's Chief Returning Officer, Peter Fay, will certify the nomination.

All candidates will be contacted to confirm receipt of their nominations and at that time will receive further information on the election process.

If you have any questions regarding this information, please contact Pat Vanini, Executive Director at (416) 971-9856, ext. 316, e-mail pvanini@amo.on.ca or Lorna Ruder, Executive Assistant, ext. 341, email lruder@amo.on.ca.



ANNUAL TIME COMMITMENT AMO Board of Directors and Executive Committee

The following is an estimate of time individuals can normally expect to devote for service on the AMO Board of Directors and Executive Committee (i.e. Chair of each Caucus).

Executive Meetings	10 days
Memorandum of Understanding Meetings (Executive Committee only)	10 days
Board Meetings	6 days
AMO Conference	3 days
Other Commitments (task forces, other meetings)	up to 6 days depending on interest

Board Meetings:

Board meetings are normally held on the fourth Friday in September, November, January, March and June and on the Saturday and sometimes the Sunday prior to the AMO Annual Conference in August. The June meeting is normally held in the President's home municipality. In addition to the Board meetings, Board members may also serve on AMO Task Forces.

Executive Meetings:

Executive meetings are held on the Thursday before a scheduled Board meeting and on the fourth Friday of the month when there is no Board meeting. Memorandum of Understanding (MOU) meetings are specifically scheduled and are generally monthly.



SUMMARY OF OFFICES AMO Board of Directors 2012 – 2014

Elections will be held for the 2012 – 2014 AMO Board of Directors consistent with the AMO By-law No. 1:

- **President.**
- **Secretary-Treasurer.**
- **6 County Caucus Directors.** *To be Elected:* Three elected officials and one municipal employee to be elected by caucus constituency at the conference. *Appointed:* Chairs of the Eastern and Western Ontario Wardens Caucuses.
- **7 Large Urban Caucus Directors.** *To be Elected:* Five elected officials and one municipal employee to be elected by caucus constituency at the conference. *Appointed:* Chair of the Large Urban Mayors' Caucus of Ontario.
- **6 Northern Caucus Directors.** *To be Elected:* Four elected officials to be elected by caucus constituency at the conference: two from the Northeast and two from the Northwest. *Appointed:* Chairs of the Federation of Northern Ontario Municipalities and the Northern Ontario Municipal Association.
- **7 Regional and Single Tier Caucus Directors.** *To be Elected:* Six elected officials to be elected by caucus constituency at the conference. *Appointed:* Chair of the Mayors and Regional Chairs of Ontario's Single Tier Cities and Regions.
- **6 Rural Caucus Directors.** *To be Elected:* Four elected officials and one municipal employee to be elected by caucus constituency at the conference. *Appointed:* Chair of the Rural Ontario Municipal Association.
- **6 Small Urban Caucus Directors.** *To be Elected:* Four elected officials and one municipal employee to be elected by caucus constituency at the conference. *Appointed:* Chair of Ontario Small Urban Municipalities.

Each of the above caucus members shall serve a two-year term.

Excerpt from AMO Bylaw No. 1, Section 3.1 (a): No Member Municipality may be represented on the Board by more than one elected director (either an elected official or a municipal employee) except in the case where the director is an appointed official as set out in Section 3.1 (a). In the event that more than one elected official, or more than one municipal employee from the same Member Municipality...stands for election to a caucus, the official who wins the most number of votes at the annual meeting of members shall be deemed to have been elected to the board and the other official(s) or employee(s) from the same Member Municipality shall be deemed not to have been elected to the board.



NOMINATION FORM

2012 – 2014 AMO Board of Directors

5(a)

- It is the responsibility of the person nominated to file a complete and accurate Nomination Form.
- Nominations will be accepted no later than **4:00 PM Friday, June 22, 2012**
- Resolution of support from nominee's municipality **must** be attached, and must specify the Caucus.

Send completed forms to:

Pat Vanini, Executive Director
Association of Municipalities of Ontario,
200 University Avenue, Suite 801
Toronto, ON M5H 3C6
FAX to: 416-971-6191

Nominee's Name as it is to appear on the ballot		Nominated for the Office of <small>Check One Only</small>	
Nominee's Municipality		President <input type="checkbox"/>	
Is Municipality currently a paid member of AMO? Yes / No		Secretary-Treasurer <input type="checkbox"/>	
Nominee's Municipal Title		Director County Caucus <input type="checkbox"/>	
		Director Large Urban Caucus <input type="checkbox"/>	
Nominee's Preferred Contact Information		Director Northern Caucus <input type="checkbox"/>	
		Director Regional & Single Tier Caucus <input type="checkbox"/>	
Address		Director Rural Caucus <input type="checkbox"/>	
		Director Small Urban Caucus <input type="checkbox"/>	
Town/City	Postal Code		
Business Telephone:		Mobile:	
Fax		Email	

Council Resolution confirming Caucus and Council support for the nomination is ATTACHED.

CONSENT OF NOMINEE AND STATEMENT OF QUALIFICATION

I _____ the Nominee mentioned in this Nomination Form do hereby consent to such nomination and declare that I am qualified to be elected and to hold the office for which I am nominated.

Dated: _____

Signature: _____

Signature of Nominee

CERTIFICATE OF AMO'S CHIEF RETURNING OFFICER

Date Nomination Form Received at AMO offices: _____

I, the Chief Returning Officer, appointed by the Association of Municipalities of Ontario, to officiate over these elections, do hereby certify that I have examined the Nomination form of the aforementioned Nominee filed with me and am satisfied that such Nominee is qualified to be nominated to the office indicated above.

Dated: _____

Signature: _____

Chief Returning Officer

Malcolm White

From: Kim Vaudry on behalf of City Clerk
Sent: May 22, 2012 8:38 AM
To: Malcolm White
Subject: FW: Endorsement of Action on Smoking in Movies
Attachments: Endorsement of Action on Smoking In Movies.pdf

From: Trina Mount [mailto:tmount@algomapublichealth.com]

Sent: May 18, 2012 4:06 PM

To: Brenda Green; Brent St. Denis; Carol Trainor; Chris Wray; Deborah Tonelli; Donna Brunke; Glenn Martin; Gloria Fischer; jocelyntwp1@xplornet.ca; Kathryn Scott ; Lesley Sprague; Lynne Duguay; City Clerk; Marilyn Parent Lethbridge; Peggy Grecco; Phyllis MacKay; Robert MacLean; Ruth Kelso; scasey@dubreuilville.ca; admin@hiltontownship.ca; Vicky Goertzen Cooke

Subject: Endorsement of Action on Smoking in Movies

Good Afternoon,

At the Board of Health meeting held April 18, 2012, a discussion took place around reducing the exposure of youth to smoking in movies. The attached resolution was passed. At the request of the Board of Health this information is being forwarded to all municipalities in Algoma for information.

Trina Mount
Executive Assistant to the
Medical Officer of Health and
Secretary to the Board of Health
Algoma Public Health
294 Willow Avenue
Sault Ste. Marie, ON P6B 0A9
Tel: (705) 759-5421 Fax: (705) 759-2540
email: tmount@algomapublichealth.com
Visit our website at: www.algomapublichealth.com

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Algoma
PUBLIC HEALTH
Santé publique Algoma

5(b)

RESOLUTION NO. 2012 - 36

DATE: April 18, 2012

MOVED: Ambeault

SECONDED: Capillo

THAT the Board of Health resolve to support the appended information on *Endorsement of Action on Smoking in Movies.*

A handwritten signature in cursive ink that appears to read "R. Rody".

CARRIED: Chair's Signature

Chair - Guido Caputo

Vice Chair - Ron Rody

Robert Ambeault

Janet Blake

Marchy Bruni

Rosario Capillo

John Currie

Sandy Finamore

Karen Marinich

Gordon Post

Anthony Rossi

ENDORSEMENT OF ACTION ON SMOKING IN MOVIES

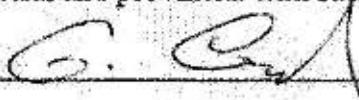
Tobacco use is the number one cause of preventable disease and death in Ontario. Leaders in public health units, local boards of health, non-governmental organizations and health charities in Ontario have a history of speaking out in favour of actions to reduce the harmful impact of tobacco use.

Whereas tobacco use is the leading cause of preventable death and disability in Canada, accounting for the deaths of approximately 13,000 people in Ontario alone each year;¹
 Whereas the tobacco industry has a long, well-documented history of promoting tobacco use and particular brands on-screen, while obscuring its true purpose in doing so;²
 Whereas adolescents watch more films than any other age group: movie-going is a universal experience and tobacco imagery in films is currently unavoidable;³
 Whereas Canadian movie rating systems classify more movies as 14A or PG that are rated R in the US resulting in 60% more tobacco imagery exposure by youth-rated films;³
 Whereas exposure to smoking in movies is estimated to be responsible for 44% of youth uptake;⁴
 Whereas an estimated 130,000 Canadian smokers aged 15-19 have been recruited to smoke by exposure to on-screen smoking, and 43,000 of them will eventually die of tobacco-caused diseases;⁵

Therefore be it resolved that District of Algoma Health Unit (name of organization) endorses the following policies to reduce the exposure of youth to smoking in movies:

- (1) Rate new movies with smoking "18A" in Ontario, with the sole exceptions being when the tobacco presentation clearly and unambiguously reflects the dangers and consequences of tobacco use or is necessary to represent smoking of a real historical figure.
- (2) Require producers to certify on-screen that no one involved in the production of the movie received anything of value in consideration for using or displaying tobacco.
- (3) Require strong anti-smoking ads to be shown before any movie with tobacco use at the distributor's expense, regardless of rating and distribution channel.
- (4) Require producers to stop identifying tobacco brands.
- (5) Require that films with tobacco imagery assigned a G, PG, or 14A rating be ineligible for federal and provincial film subsidies.

Signed



Date

May 15/2012

¹ <http://www.mhp.gov.on.ca/en/smoke-free/default.asp> Accessed August 17 2010

² C Mekemson and SA Glantz, "How the tobacco industry built its relationship with Hollywood," *Tobacco Control* 2002; 11: i81-i91.
 KL Lum, JR Polansky,

RK Jackler, et al., *Tobacco Control* 2008; 17: 313-323.

³ Polansky, J., Tobacco Vector: How American movies, Canadian film subsidies and provincial rating practices will kill 43,000 Canadian teen alive today- and what

Canadian government soon do about it. Physicians for Smoke-Free Canada. July 2010. Accessed August 2010 www.smoke-free.ca/pdf_1/2010/Tobaccovector.pdf

⁴ C Millett and SA Glantz, "Assigning an '18' rating to movies with tobacco imagery is essential to reduce youth smoking (editorial)," *Thorax* 2010; 65(5): 377-78

Portuguese Canadian Association
Of Sault Ste. Marie, Ontario, Canada

To:
City Clerk
Sault Ste. Marie

2012 May22

RECEIVED
CITY CLERK

MAY 23 2012

No. 52422
DST. Agenda

From: Portuguese Canadian Association of Sault Ste. Marie
5 Cornwall St.
Sault Ste. Marie, On. P6C 1C4

Re: Request for a Letter of No Objection to Proposed Temporary
Extended Licensed Area.
Barbeque/picnic- June 23, 2012 from 12:00 to 08:00 p.m.

The following is submitted as per Alcohol and Gaming Commission guidelines. The Portuguese Club holds a liquor license. Each summer, the Association holds a picnic/barbeque on Club grounds, adjacent to the main hall. In order to extend the liquor license outdoors, a Letter of No Objection from the Municipal Clerk is necessary and hereby requested. The event planned has become an annual one. The event is not open to the general public, but is for family, friends and acquaintances of Club members. Number of people expected is approx. 80. This event has proven popular and uneventful in the past. As per guidelines, the following agencies have been contacted under separate cover:

Algoma Health Unit
Sault Ste. Marie Police Services
Sault Ste. Marie Fire Services
Sault Ste. Marie Building Department

For any questions, please contact either of the undersigned. Thank you.
Sincerely,

Barros
Manuel Barros
President of the Association
705-946-5249
mbarros@steelspeed.com

Tony Pereira, Director
705-949-5077 res.
705-541-1071 cel.

5(c)

G. Marconi Society

450 Albert Street West
Sault Ste. Marie, ON P6A 1C3
Tel 705 942-5556 Fax 705 942-8902
marconi.club@gmail.com
marconicloud.ca

RECEIVED

CITY CLERK

MAY 22 2012

NO: 52421

DIST:

May 22, 2012

Mr Malcolm White
City Clerk
99 Foster Drive, P.O. Box 580
Sault Ste. Marie, ON P6A 2N1

Dear Sir:

The G. Marconi Society is organizing the Annual ITALIAN FESTIVAL, to be held Sunday, July 15, 2012 on the Marconi Club parking lot.

Outdoor activities will commence at 12:00 pm outdoors and will continue indoors until 1:00 am.

We will feature rides, games and entertainment for all ages.
Food and refreshments will be served throughout the day.

We are asking approval from City Council.

We thank you in advance.

Sincerely

Celli

Tony Celli
President
G. Marconi Society

Carota

Domenic Carota
Manager
G. Marconi Society

CC: Algoma Health Unit
Sault Ste. Marie Police Department
Sault Ste. Marie Fire Department
City of Sault Ste. Marie Building Department

May 11, 2012

RECEIVED
CITY CLERK

MAY 18 2012

NO. 52417

DIST:

Mr. Frank Manzo,
660 Base Line,
Sault Ste. Marie, ON P6A 5K6

Mr. Joe Krmpotich,
5 Winfield Drive,
Sault Ste. Marie, ON P6C 2N2

Dear Ward 6 Councillors,

On behalf of the Residents living on Allen's Side Road, south of the Second Line, your assistance is requested in resolving an ongoing issue that is of great concern to all of us.

Speeding heavy truck traffic, that uses this road daily, is generating excessive ground vibrations causing the houses along this stretch to shake when these heavy trucks hit the humps, bumps, potholes and manhole covers that are evident along this 1 km stretch of roadway. Residents are already experiencing minor damage to their homes such as cracked plaster and brickwork, cabinets coming off walls, light fixtures falling from the ceiling as well as glassware breaking in china cabinets. Residents are extremely concerned about the serious structural damage that will occur to their homes with this continual pounding that is getting worse as the roadway further deteriorates, as time goes by.

The long term solution is to have the roadway rebuilt to standards that would properly support the heavy loads that these trucks are carrying. As we all know, with the current economic and City budget situation, this will not be happening in the near future, so alternate steps must be taken now to eliminate further damage to the homes along this route.

Meetings with personnel from Police Services, the City Board of Works, Traffic Department as well as with the Flakeboard Company has resulted in the consensus that controlling the speed of truck traffic is key in reducing the property damage that is occurring. It is hereby suggested and supported, as shown by the attached petition signed by the Allen's Side Road residents affected, that the City reduce the truck speed limit from the current 50 kph down to 40 kph. This would, realistically, result in truck traffic travelling in the 50 - 55 kph range which would greatly reduce the vibrations, which are currently being experienced. This reduction in speed along this portion of roadway would add about 30 seconds of travel time for the truck traffic. In the future, once the roadway has been rebuilt to the required standards, this speed limit issue could be revisited at that time.

We hereby request that you bring this matter to the attention of City Council for their immediate action.

Sincerely,

Allen's Side Road Residents

To: Allen's Side Road Residents

Recently, on behalf of residents living on Allen's Side Road south of the Second Line, meetings have been held with Sgt. Ray Magnan - Police Services, Andy Starzomski - Manager of Traffic and Communications, and Lloyd Hotchkiss – Plant Manager, Flakeboard Company Ltd. in regards to speeding truck traffic along our road. As well, Al Mooney of the Public Board of Works has been requested to look into making required repairs.

With the deteriorating condition of the roadway, concern with the excessive vibrations and noise caused by these speeding trucks, and the resulting shaking of the houses, residents are very concerned about potential structural damage to their homes with this ongoing problem.

Following meetings with the above people, the consensus was that the only viable solution for a **timely**, ongoing and cost effective method of dealing with this problem would be to have the posted speed limit, for trucks, reduced to 40 kph (which would realistically, result in most trucks travelling at around 50 kph). This reduction in speed along this portion of Allen's Side Road would mean an additional 30 seconds of travel time for the trucks.

With your support, this matter will be brought to our Ward 6 Councillors attention, requesting that it be presented to City Council for immediate action.

A petition will be presented, later this week for your signature if you are in agreement with this action. If you should have any further questions or comments, please call Hank Bates at 759-6942.

Petition - Requesting that Truck Speed Limit on Allen's Side Road be reduced to 40 kph

Name

(please print)

House #StreetSignatureDate

<u>DIANE BATES</u>	<u>2</u>	Ransome Dr Allen's Side Road	<u>Diane Bates</u>	<u>May 4/12</u>
<u>Henry Bates</u>	<u>2</u>	Ransome Dr Allen's Side Road	<u>Henry Bates</u>	<u>May 4/12</u>
<u>Joy DeCourcey</u>	<u>291</u>	Allen's Side Road	<u>Joy DeCourcey</u>	<u>May 4/12</u>
<u>Joe DeCourcey</u>	<u>291</u>	Allen's Side Road	<u>Joe DeCourcey</u>	<u>May 4/12</u>
<u>Mike Morris</u>	<u>323</u>	Allen's Side Road	<u>Mike Morris</u>	<u>May 4/12</u>
<u>ERICA TUCKER</u>			<u>Erica Tucker</u>	<u>May 4/12</u>
<u>Erica Tucker</u>	<u>349</u>	Allen's Side Road	<u>Erica Tucker</u>	<u>May 4/12</u>
<u>DALE TUCKER</u>	<u>349</u>	Allen's Side Road	<u>DALE TUCKER</u>	<u>May 4/12</u>
<u>Lori PARADIS</u>	<u>303</u>	Allen's Side Road	<u>Lori PARADIS</u>	<u>May 4/12</u>
<u>Mitch Paradis</u>	<u>303</u>	Allen's Side Road	<u>Mitch Paradis</u>	<u>May 4/12</u>
<u>Sylvia Shaw</u>	<u>267</u>	Allen's Side Road	<u>Sylvia Shaw</u>	<u>May 4/12</u>
<u>Jay SPRINGBETT</u>	<u>6</u>	Ransom Dr Allen's Side Road	<u>Jay SPRINGBETT</u>	<u>05/04/12</u>
<u>Garry Springbett</u>		Ransom Dr	<u>Garry Springbett</u>	<u>05/04/12</u>
<u>TERRY McGINNIS</u>	<u>8</u>	Ransom Dr	<u>Terry McGinnis</u>	

Petition - Requesting that Truck Speed Limit on Allen's Side Road be reduced to 40 kph

Name (please print)	House #	Street	Signature	Date
TERRY MCCLELLAND	199	Allen's Side Road	<u>Terry McClelland</u>	May 4/20
Kevin Bier	185	Allen's Side Road	<u>Kevin Bier</u>	May 4/12
Renate Olinek	163	Allen's Side Road	<u>Renate Olinek</u>	May 4, 20
Lori Pauari	149	Allen's Side Road	<u>Lori Pauari</u>	May 4/20
George Grunt	141	Allen's Side Road	<u>George Grunt</u>	May
JEAN VINETTE	105	Allen's Side Road	<u>Jean Vinette</u>	May
MARY A HUNT	122	Allen's Side Road	<u>Mary A Hunt</u>	May,
Don Rawswell	155	Allen's Side Road	<u>Don Rawswell</u>	May 4/1
NANCY DIXON	1140	WALLACE TERR. Allen's Side Road	<u>Nancy Dixon</u>	May 4/1
Debbie Dixon	1140	WALLACE TERR. Allen's Side Road	<u>Debbie Dixon</u>	May 4/12
ALLAN CIPPS	1136	WALLACE TERR. Allen's Side Road	<u>Allan Cipps</u>	May 4/12
RICHARD ZORZI	1147	WALLACE TERR.	<u>Richard Zorzi</u>	May 4/12
Terry Zorzi	1147	WALLACE TERR.	<u>Terry Zorzi</u>	May 4/12

Petition - Requesting that Truck Speed Limit on Allen's Side Road be reduced to 40 kph

Name (please print)	House #	Street	Signature	Date
JOHN FLINT	247	Allen's Side Road	J. Flint	May 2/12
ELAINE FLINT	247	ALLEN'S SIDE ROAD Ransom Drive	E. Flint	May 4/12
Ken Legacy	239	Allen's Side Road	Ken Legacy	May 4/12
CHRIS NELSON	231	Allen's Side Road	Chris Nelson	MAY 4/12
RAlSA BIASUCCI	210	Allen's Side Road	R. Biasucci	May 4/12
Matthew Nelson	231	Allen's Side Road	Matthew Nelson	May 4/12
Lori Nelson	231	Allen's Side Road	Lori Nelson	May 4/12
Michael Nelson	231	Allen's Side Road	Michael Nelson	May 4/12
Dino Biasucci	210	Allen's Side Road	D. Biasucci	May 4/12
Randy Messenger	223	Allen's Side Road	R. Messenger	May 4/12
Jacqueline Forsyth	1137	Wallace Terr Allen's Side Road	Jacqueline Forsyth	4 MAY 2012
Jessica Forsyth	1137	Wallace Terr	Jessica Forsyth	4 May 12

Petition - Requesting that Truck Speed Limit on Allen's Side Road be reduced to 40 kph

Name (please print)	House #	Street	Signature	Date
Victor Pigeau	15	Ransome Dr Allen's Side Road	Victor Pigeau	May 5/12
Sue Pigeau	15	Ransome DR Allen's Side Road	Sue Pigeau	May 5/12
Judy Buzz	1135	2nd Line West Allen's Side Road	Judy Buzz	May 5/12
John Dodes	1167	2nd Line W Allen's Side Road	John Dodes	May 5/12
ART MORRIS	323	Allen's Side Road	Art Morris	May 5/12
DAVE HARNDEN	117	Allen's Side Road	Dave Harnden	May 6/12
MARIE HARNDEN	117	Allen's Side Road	MHarnden	May 6/12
RITA ALLEN	202	ALLEN'S SIDE ROAD	Rita Allen	May 6/12
JANET MORRIS	323	ALLEN'S SIDEROAD	Janet Morris	May 9, 2012

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



Celebrate 100!
1912 - 2012

5(e)
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

2012 05 28

Mayor Debbie Amaroso and
Members of City Council
Civic Centre

RE: STAFF TRAVEL REQUESTS

Dear Council:

The following staff travel requests are presented to you for approval:

1. **Gerry Grandinetti – Social Services – Social Housing Division**
NOSDA Pan Northern Homelessness Summit
June 12 – 13, 2012
North Bay, Ontario
Estimated total cost to the City - \$623.75
Estimated net cost to the City - \$623.75
2. **Kim Streich-Poser – Social Services Department**
OMSSA AGM and Learning Symposium
June 17 - 20, 2012
Mississauga, Ontario
Estimated total cost to the City - \$2,115.45
Estimated net cost to the City - \$2,115.45
3. **Patti Lebel – Social Services – Ontario Works Division**
OMSSA AGM and Learning Symposium
June 17 - 20, 2012
Mississauga, Ontario
Estimated total cost to the City - \$1,540.45
Estimated net cost to the City - \$1,540.45

Yours truly,

JMF:bb

Joseph M. Fratesi
Chief Administrative Officer

Tim Gowans
Manager of Purchasing



Finance Department
Purchasing Division

Celebrate 100!
1912 - 2012

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

RE: TENDER FOR READY-MIX CONCRETE

PURPOSE

Attached hereto for your information and consideration is a summary of the tenders received for the supply of Ready-Mix Concrete as required during the 2012 Construction Season.

BACKGROUND

The tender was publicly advertised and tender documents forwarded to all firms on our bidders list. A public opening of the tenders was held May 2, 2012, with Councillor Susan Myers representing City Council.

ANALYSIS

The tenders received have been thoroughly evaluated and reviewed with Ms. Susan Hamilton Beach, Deputy Commissioner of Public Works and Transportation, and the low tendered prices, meeting specifications, have been identified on the attached summary.

IMPACT

Funding for the purchase of this material will be drawn from various Public Works Street Maintenance accounts as set in the budget.

STRATEGIC PLAN

Purchase of Ready-Mix Concrete is not an activity listed in the Corporate Strategic Plan.

RECOMMENDATION

It is therefore my recommendation that the tender for the supply of Ready-Mix Concrete be awarded to Fisher Wavy Ltd., for a one year period. A budgeted limit of \$135,000.00 will be set, all at their firm low tendered prices.

-More-

5(g)

2012 05 28

Page 2

This report is submitted for Council's approval.

Respectfully submitted,


Tim Gowans

Manager of Purchasing

TG:nt

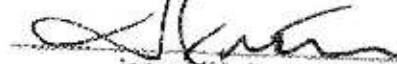
Attach.

Recommended for approval,


W. Freiburger

Commissioner of Finance & Treasurer


RECOMMENDED FOR APPROVAL


Joseph M. Fratesi
Chief Administrative Officer

FINANCE DEPARTMENT
PURCHASING DIVISION
BUDGET: \$135,000.00 - TO BE DRAWN FROM VARIOUS PUBLIC WORKS STREET MAINTENANCE ACCOUNTS

RECEIVED: May 2, 2012
FILE: #2012WA03T

SUMMARY OF TENDERS
READY-MIX CONCRETE

Firm Prices for One Year Period (taxes extra) - June 1, 2012 to May 31, 2013

Description	2011 QUANTITY	Caswell Concrete Prod. Sault Ste. Marie, ON	Fisher Wavy Inc. Sault Ste. Marie, ON	Lafarge Sault Ste. Marie, ON
		Unit Price	Unit Price	Unit Price
20Mpa Ready-Mix Concrete (CSA 23.1)	0.50	\$191.00	\$184.00	\$183.00
25Mpa Ready-Mix Concrete (CSA 23.1)	2.00	\$198.00	\$194.00	\$193.00
32Mpa Ready-Mix Concrete (CSA 23.1)	436.50	\$209.00	\$194.75	\$194.75
Unshrinkable Fill	8.50	\$144.00	\$134.00	\$132.00
Additional cost for Heating	20.50	\$27.00	\$27.00	\$26.50
Underload Charge	94.00	\$105.00	\$105.00	\$115.00
Additional cost for use of truck with conveyor	5.00	\$165.00	\$160.00	\$160.00
Subtotal:		\$ 104,192.50	\$ 97,850.88	\$ 98,761.13
H.S.T. (13%)		\$ 13,545.03	\$ 12,720.61	\$ 12,838.95
Total:		<u>\$ 117,737.53</u>	<u>\$ 110,571.49</u>	<u>\$ 111,600.07</u>

Remarks:
Underload charge
less than 2.0 cu.m.
Underload charge
less than 3.0 cu.m.

Underload charge
less than 3.0 cu.m.

Note: The low tendered prices, meeting specifications, are boxed above.

The above quantities represent a projection of anticipated usage and are based on actual invoicing for the 2011 season.
It is my recommendation that the low tendered prices submitted by Fisher Wavy Inc., be accepted.

Tim Gowans
Manager of Purchasing

5(g)
[Signature]

William Freiburger, CMA
 Commissioner of Finance
 and Treasurer



Finance Department

2012 05 22

Mayor Debbie Amaroso and
 Members of City Council

**RE: 2011 FINANCIAL STATEMENTS AND
 APPOINTMENT OF CITY AUDITOR FOR THE 2012 FISCAL YEAR**

PURPOSE

The purpose of the report is to approve the draft audited Consolidated Financial Statements for 2011 under separate cover, and appoint KPMG LLP, Chartered Accountants as the City Auditor for the 2012 fiscal year.

BACKGROUND

The Finance Committee met on May 22, 2012 with the City's Auditor KPMG LLP, Chartered Accountants to review the 2011 City audit and the following resolutions were approved.

Moved By: Councillor T. Sheehan
 Seconded By: Councillor F. Fata

Resolved that the Finance Committee approve the 2011 Financial Statements as presented and recommend the 2011 Financial Statements to City Council for approval.

Moved By: Councillor F. Fata
 Seconded By: Councillor T. Sheehan

Resolved that KPMG LLP, Chartered Accountants be appointed the City Auditor for the 2012 fiscal year.

ANALYSIS

Not applicable

IMPACT

Not applicable

STRATEGIC PLAN

Not applicable

5(h)

2011 Financial Statements and
Appointment of City Auditor for the 2012 Fiscal Year
2012 05 28
Page 2.

RECOMMENDATION

That the report of the Commissioner and Finance concerning the audited Consolidated Financial Statements for 2011 be approved, and KPMG LLP, Chartered Accountants be appointed as the City Auditor for the 2012 fiscal year.

Respectfully submitted,


W. Freiburger, CMA
Commissioner of Finance and Treasurer

WF/kl
attachment

William Freiburger, CMA
Commissioner of Finance
and Treasurer

Finance Department



2012 05 28

Mayor Debbie Amaroso and
Members of City Council

**RE: QUEENSTOWN BOARD OF MANAGEMENT
(O/A THE DOWNTOWN ASSOCIATION)
2011 AUDIT REPORT PREPARED BY KPMG LLP CHARTERED
ACCOUNTANTS AND 2012 BUDGET ESTIMATES**

PURPOSE

In accordance with Sections 204 – 215 of The Municipal Act, attached is a copy of the Queenstown Board of Management (O/A The Downtown Association) Audited Financial Statement for the year 2011, as prepared by KPMG LLP Chartered Accountants, together with a copy of the Downtown Association Budget Estimates for the year 2012 for your approval.

BACKGROUND

Not applicable

ANALYSIS

The Downtown Association 2011 Annual Report is also attached for your information.

IMPACT

The 2012 Estimates of the Downtown Association are not a part of the City Budget Estimates and the levy is charged directly against the properties within the Downtown (Queenstown) area.

STRATEGIC PLAN

Not applicable

–More–

Queenstown Board of Management (O/A The Downtown Association)
2011 Audit Report and 2012 Budget Estimates
2012 05 28
Page 2.

RECOMMENDATION

That the report of the Commissioner of Finance and Treasurer concerning Queenstown Board of Management (O/A The Downtown Association) Audited Financial Statements for the year 2011, as prepared by KPMG LLP Chartered Accountants be received and that the Downtown Association Budget Estimates for the year 2012 be approved.

Respectfully submitted,

W. Freiburger, CMA
Commissioner of
Finance and Treasurer

WF/kl
attachments

RECOMMENDED FOR APPROVAL
Joseph M. Probst
Civil Administrative Office

**Downtown Association
Profit & Loss Budget Overview**

05/18/12

	Jan - Dec 12
Income	
Assessments Total	
Assessments	186,000.00
Assessment Adjustments	-19,000.00
Total Assessments Total	166,000.00
Associate Membership	1,000.00
Interest Income	450.00
Total Income	167,450.00
Expense	
Salaries & Benefits	
Payroll	75,000.00
Vehicle Costs	6,000.00
Total Salaries & Benefits	80,000.00
Office Expenses	
Rent	19,500.00
Office cleaning/maintenance	4,000.00
Supplies	1,000.00
Equipment Repairs & Maintenance	400.00
Internet/Telephone	3,740.00
Insurance	3,000.00
Postage & Courier	300.00
Photocopies	200.00
Recruiting	831.14
Total Office Expenses	32,971.14
Office Furniture & Equipment	500.00
Memberships / Publications	700.00
Marketing & Communication	
Radio Advertising	6,588.00
Social Media	3,000.00
Downtown Newsletters	3,700.00
Downtown Times	3,300.00
Downtown Days	2,290.00
Moonlight Magic	1,190.00
Celebrate 100!	1,000.00
SSM Tourism/Convention	1,275.00
Walk of Fame	930.00
CARHA Hockey	452.82
Outreach	1,000.00
AGM Materials	100.00
Total Marketing & Communication	24,825.82
Meetings & Seminars	
Board Meetings	1,500.00
AGM	1,100.00
Meetings(Staff) & Conferences	3,300.00
Staff Training	150.00
Total Meetings & Seminars	6,050.00
Professional Fees	
Accounting	2,960.00
Bookkeeping	1,700.00
Total Professional Fees	4,660.00
On Street Costs	
Lights on Street	10,000.00
Sound System	4,000.00
Total On Street Costs	14,000.00
Workers Compensation	800.00
Bank Service Charges	100.00
Total Expense	164,806.96
Net Income	2,843.04

Financial Statements

**BOARD OF MANAGEMENT OF QUEENSTOWN,
THE SAULT STE. MARIE CENTRAL BUSINESS
DISTRICT IMPROVEMENT AREA**

Year ended December 31, 2011



KPMG LLP
 111 Elgin Street at Queen
 Suite 200
 PO Box 578
 Sault Ste Marie ON P6A 5M6

Telephone (705) 949-5811
 Fax (705) 949-0911
 Intemet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Management
 of Queenstown, The Sault Ste. Marie Central Business
 District Improvement Area and Members of Council, Inhabitants
 and Ratepayers of The Corporation of the City of Sault Ste. Marie

We have audited the accompanying financial statements of the Board of Management of Queenstown, The Sault Ste. Marie Central Business District Improvement Area, which comprise the statement of financial position as at December 31, 2011, and the statements of financial activities and accumulated surplus and statement of changes in net financial assets for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

5(i)



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2011, and its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants, Licensed Public Accountants

March 13, 2012

Sault Ste. Marie, Canada

BOARD OF MANAGEMENT OF QUEENSTOWN, THE SAULT STE. MARIE CENTRAL BUSINESS DISTRICT IMPROVEMENT AREA

Statement of Financial Position

December 31, 2011, with comparative figures for 2010

	2011	2010
Financial assets:		
Cash	\$ 48,380	\$ 37,469
Term deposit	25,915	25,671
Accounts receivable	3,718	4,525
Total financial assets	78,013	67,665
Financial liabilities:		
Accounts payable and accrued liabilities	4,265	4,516
Net financial assets	73,748	63,149
Non-financial assets:		
Tangible capital assets (note 2)	4,687	5,032
Commitment (note 3)		
Accumulated surplus	\$ 78,435	\$ 68,181

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

On behalf of the Board:

Director

Director

BOARD OF MANAGEMENT OF QUEENSTOWN, THE SAULT STE. MARIE CENTRAL BUSINESS DISTRICT IMPROVEMENT AREA

Statement of Financial Activities and Accumulated Surplus

Year ended December 31, 2011, with comparative figures for 2010

	Budget (note 7)	2011	2010
Revenues:			
Annual assessments	\$ 185,000	\$ 185,000	\$ 184,600
Government grants - special projects	-	-	1,743
Downtown development initiative	-	-	3,462
FedNor Intern Funding	-	-	-
Membership fees	1,000	300	500
Interest	450	244	249
Total revenues	186,450	185,544	190,564
Expenses:			
Wages and benefits	94,500	92,980	95,029
Assessments written off and rebates	19,000	19,661	19,509
Rent	19,500	19,050	18,885
Promotion and marketing	25,178	19,530	16,433
Maintenance and beautification	2,300	1,359	10,068
Meetings and seminars	5,300	5,678	4,221
Office	5,490	6,993	5,806
Professional fees	4,660	4,406	4,743
Insurance	3,000	2,732	2,732
Telephone	2,400	1,385	2,275
Special project	-	-	1,706
Downtown development initiative	-	-	4,595
Miscellaneous	2,200	97	91
Amortization of tangible capital assets	-	1,119	1,258
Total expenses	183,528	175,290	187,351
Annual surplus	2,922	10,254	3,203
Accumulated surplus, beginning of year		68,181	64,978
Accumulated surplus, end of year		\$ 78,435	\$ 68,181

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

**BOARD OF MANAGEMENT OF QUEENSTOWN,
THE SAULT STE. MARIE CENTRAL BUSINESS
DISTRICT IMPROVEMENT AREA**

Statement of Changes in Net Financial Assets

Year ended December 31, 2011, with comparative figures for 2010

	Budget (note 7)	2011	2010
Annual surplus	\$ 2,922	\$ 10,305	\$ 3,203
Amortization of tangible capital assets	-	1,419	1,258
Acquisition of tangible capital assets	-	(1,074)	-
Change in net financial assets	2,922	10,596	4,461
Net financial assets, beginning of year	63,149	63,149	58,688
Net financial assets, end of year	\$ 66,071	\$ 73,745	\$ 63,149

BOARD OF MANAGEMENT OF QUEENSTOWN, THE SAULT STE. MARIE CENTRAL BUSINESS DISTRICT IMPROVEMENT AREA

Notes to Financial Statements

Year ended December 31, 2011

The Board was established on September 28, 1976 to foster and enhance commercial interests in the downtown business improvement area of Sault Ste. Marie, Ontario.

1. Significant accounting policies:

The financial statements of the Board are the representation of management prepared in accordance with Canadian generally accepted accounting principles for local government organizations, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) 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.

(b) 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 residual value of the tangible capital assets is amortized on the following annual rates and methods:

Asset	Method used	Rate
Furniture and equipment	Declining-balance	20%
Computer equipment	Declining-balance	30%
Leasehold improvements	Straight-line	10 years

(c) Reserves:

Certain amounts, as approved by the Board, are set aside in reserves for future operating and capital purposes. Transfers to and/or from the reserves are recorded as an adjustment to the respective reserve when approved.

BOARD OF MANAGEMENT OF QUEENSTOWN, THE SAULT STE. MARIE CENTRAL BUSINESS DISTRICT IMPROVEMENT AREA

Notes to Financial Statements

Year ended December 31, 2011

1. Significant accounting policies (continued):

(d) Revenue recognition:

Government subsidies are recognized in the financial statements as revenues in the period in which events giving rise to the subsidy occur providing the subsidies are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Assessments are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(e) Use of estimates:

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles 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 dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

2. Tangible capital assets:

Cost	Balance at December 31, 2010	Additions	Disposals	Balance at December 31, 2011
Furniture and equipment	\$ 2,426	\$ -	\$ -	\$ 2,426
Computer equipment	6,532	1,074	-	7,606
Leasehold improvements	12,581	-	-	12,581
Total	\$ 21,539	\$ 1,074	\$ -	\$ 22,613

BOARD OF MANAGEMENT OF QUEENSTOWN, THE SAULT STE. MARIE CENTRAL BUSINESS DISTRICT IMPROVEMENT AREA

Notes to Financial Statements

Year ended December 31, 2011

2. Tangible capital assets (continued):

Accumulated amortization	Balance at December 31, 2010	Disposals	Amortization expense	Balance at December 31, 2011
Furniture and equipment	\$ 2,426	\$ -	\$ -	\$ 2,426
Computer equipment	6,532	-	161	6,693
Leasehold improvements	7,549	-	1,258	8,807
Total	\$ 16,507	\$ -	\$ 1,419	\$ 17,926
 Net book value	 \$ 5,032			 \$ 4,687

3. Commitment:

The Board rents its premises with minimum annual lease payments plus common area costs of approximately \$18,720 plus applicable taxes. The lease expires January 31, 2014.

4. Statement of cash flows:

A statement of cash flows has not been presented as it would not provide any additional meaningful information.

5. Fair value of financial instruments:

The carrying value of the Board's cash, term deposit, accounts receivable and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items.

BOARD OF MANAGEMENT OF QUEENSTOWN, THE SAULT STE. MARIE CENTRAL BUSINESS DISTRICT IMPROVEMENT AREA

Notes to Financial Statements

Year ended December 31, 2011

6. Expenditure by object:

Total expenditures by object are as follows:

	2011	2010
Wages and benefits	\$ 92,980	\$ 99,624
Materials, supplies, services and capital	80,891	86,469
Amortization	1,419	1,258
	<hr/> \$ 175,290	<hr/> \$ 187,351

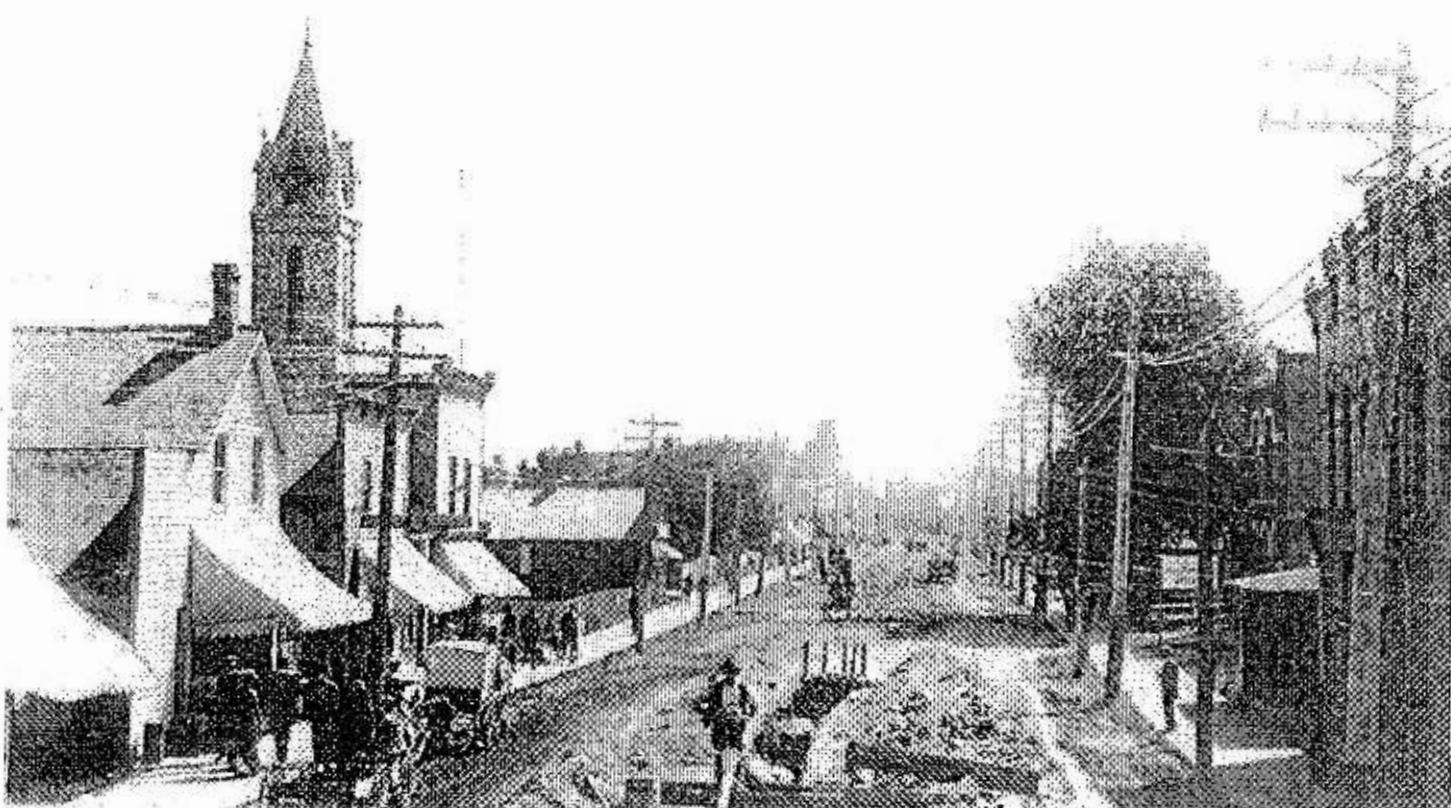
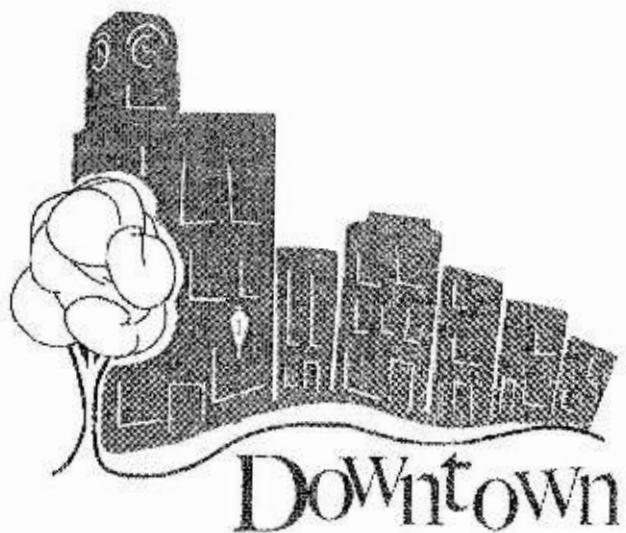
7. Budget figures:

The budget figures are as approved by the board and are unaudited.

2011 Annual Report

Downtown Association

Sault Ste. Marie, ON



Downtown Association Board of Directors 2011

Executive:

Chair: William Watts, Building Owner
Vice-chair: Richard Rosset, Savoy's Jewellers
Treasurer: Marian Theriault, Ithaka

Board Members:

Shirley Richards, Mann Florist
Steve Alexander, Loplops
Roberta Pozniak, Carlson Wagonlit Global Travel
Wanda Maki, The Grand Theatre
Dr. Grace Tridico, Calabrians Multicultural Society
Frank Gaccione, Building Owner
Lori Nowitski, City Meat Market
Charlie Thomlinson, Glassworks
Bev Teller, Algoma University
Peter Roussain, Career Blazers

Honourary past board members:

Candy Mitchell and Paul Moore

Staff 2011

Anna Boyonoski, Manager
Cindy Ellen Crawford, Communications Strategist

Staff 2012

Tasha Varpio, Manager
Joyce Uhl, Communications Coordinator



Here is a look at the Downtown Association office location from earlier days.

CHAIRMAN'S REPORT FOR YEAR ENDING December 31, 2011

The past year saw an introspective examination of the Downtown Association. We completed an effort to amalgamate business on Queen through to Gore Street. This was rejected by those businesses from Dennis to Gore. We completed an examination of the possibility of an expanded farmer's market in the Downtown. I believe there is much interest in the expanded farmer's market, but I believe it will not happen within our defined boundary. We completed a focus session with the Board examining our priorities and directions. We completed the rehiring of our staff following the exit of Cindy Crawford after 6 years of service and Anna Boyonoski after 4 years of service. A result of this introspection was looking at why we exist and defining the following mission statement.

BACKGROUND

The Downtown Association includes all business properties along Queen Street East between Pim and Dennis Streets. The Downtown Association operates under the Ontario laws governing "Business Improvement Areas" or "BIA's". Members pay a levy relative to their property assessments which provide funds for the operation of the Association. The Downtown Association works in conjunction with City Hall, other levels of government, and various community organizations to ensure mutual benefits. The Downtown Association is a non-for-profit organization governed by a volunteer Board of Directors. Membership to the Association allows for collective strength to achieve and deliver our mission.

MISSION STATEMENT

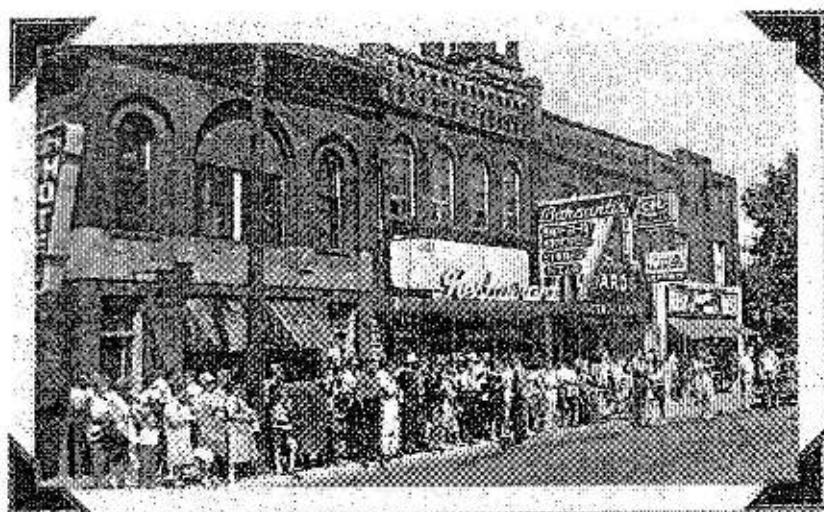
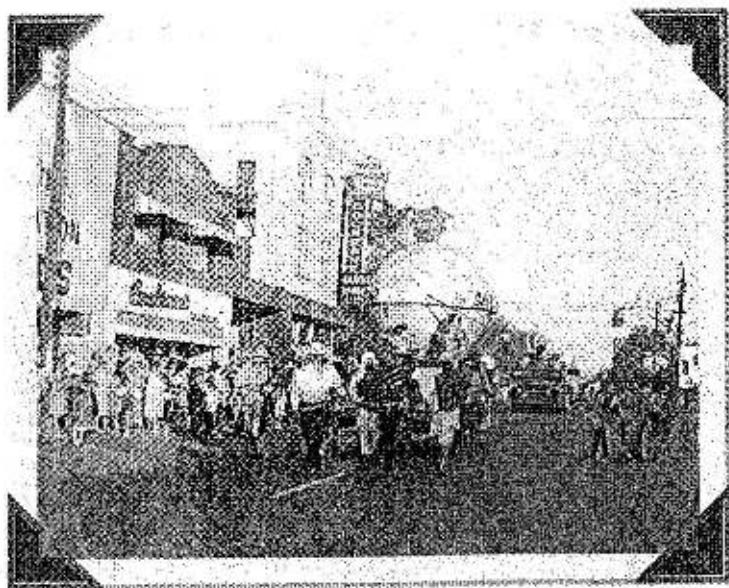
The Downtown Association's mission is to promote the awareness and growth of a vibrant and diverse Downtown business area. We promote a clean, safe and attractive environment for businesses and residents to work, live and play. Our goal is to bring area residents and visitors into Downtown and invite them to stay longer. The use of all available media allows the Association to promote the Downtown and Downtown events.

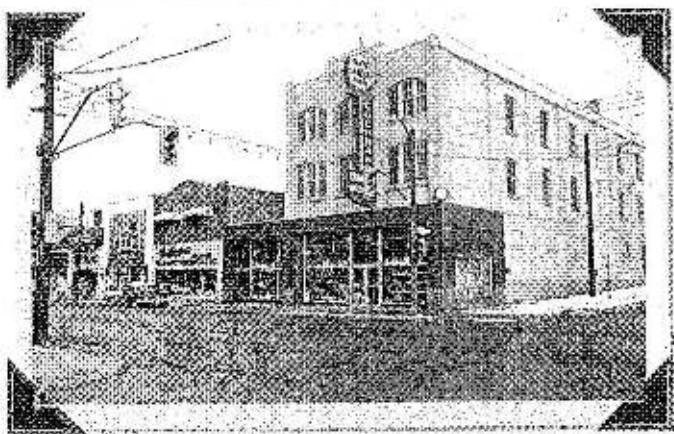
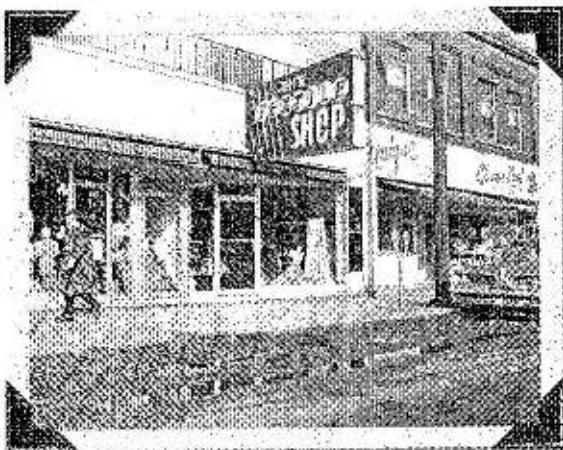
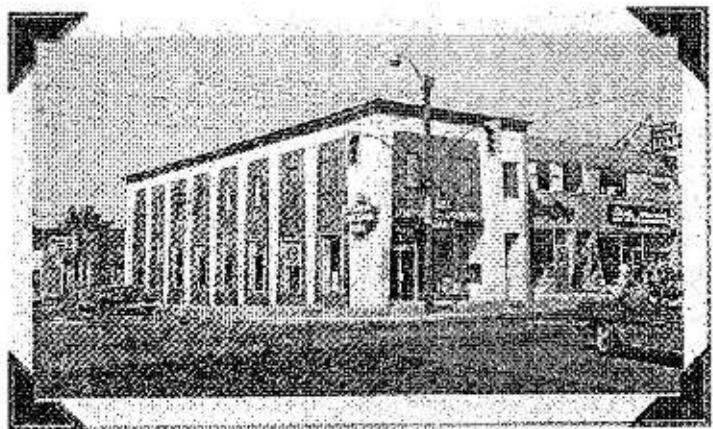
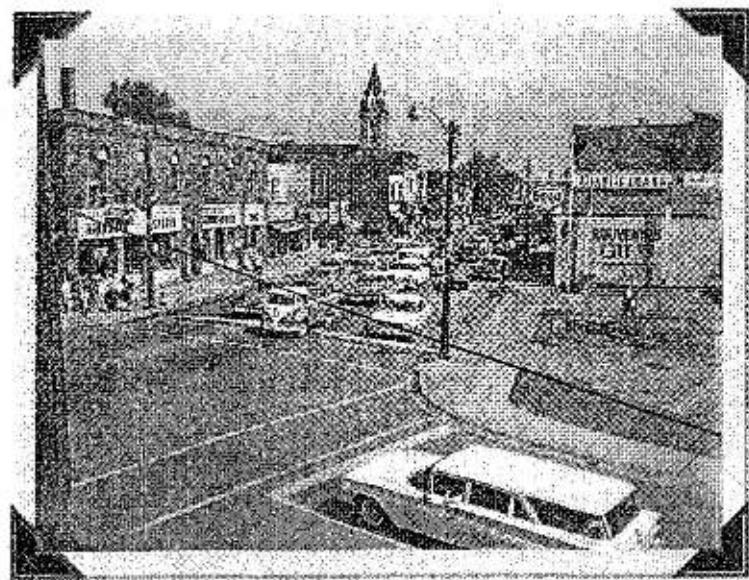
ON STREET PROJECTS

There are 4 "on street projects" that have been a key interest of this Chairman. These are improving parking, snow removal, sound system and tree lights. I believe the board is committed to these improvements. We have been frustrated in their progress but I am sure that under our new management we will persevere and affect improvements in these areas that have widespread public impact and appeal.

DOWNTOWN SECURITY

In 2011 we saw the start of student security patrols in the Downtown. This is a co-operative effort by Sault College, City Police, Crime Stoppers and the Downtown Association. These patrols cover the street, alleyways and parking lots in the afternoon and evening. They have been successful in stopping criminal activity and notably there has been a distinct drop in vehicle and property break and enters. We appreciate this initiative and look forward to continuing patrols.





NEW BUSINESSES

I am struck by a number of new businesses in our Downtown. Here are just a few examples of the maturing of our Downtown:

Palmer Paving purchased and recently occupied the old Queen Street Furniture Building and has purchased additional parking needed to properly provide for building occupants.

Scissors Hairstyling purchased their own building after renting on Queen for 16 years. They renovated to a whole new standard for hairdressers. One motivation was the apartment they have on the second floor that provides extra income.

A respected physician left Queen and located near the new hospital. The building was purchased by two young entrepreneurs who will open "**Outspoken Craft Beers**" in the summer of 2012. One motivation was the two apartments they have on the second floor that provides extra income.

A long established law firm has purchased a building to expand their practice on Queen in our Downtown area after being located for many years adjacent to our Downtown area. The building has had many lives, but the law firm has totally gutted and is rebuilding the premises to serve the needs of an active modern law office.

We have a very strong and very committed group of members that form our Board. I find it very interesting that 8 out of 12 of our Board members have residential units above the properties that they own. The synergy between business and residences is part of what makes the downtown core able to reinvent itself and change with the times. I personally have moved into a residential unit I own in the Downtown. We love it. And there is a strong demand from many others to share the lifestyle as well. Residential units combined with business in the Downtown may be our best kept secret.

NEW ACTIVITIES

Last year we tried some new events. We tried having bands on the street for the Downtown Days shopping event. We tried decorating a large spruce tree with lights for the Moonlight Magic shopping event. Board discussion has been directed toward more activities and events to draw people downtown and keep them here longer.

NEW MANAGEMENT

It takes a few months to find the right new management for such a dynamic organization. I appreciate all the assistance and support from the Board in finding our new manager – Tasha Varpio. This process contributed to our self introspection and realization that we are a marketing organization and we are about serving our members. I have confidence that we can now take the Downtown to a new level. Hang on and stay tuned.

CHAIRMAN – William M. Watts

2011 AUDIT STATEMENT

BOARD OF MANAGEMENT OF QUEENSTOWN, THE SAULT STE. MARIE CENTRAL BUSINESS DISTRICT IMPROVEMENT AREA

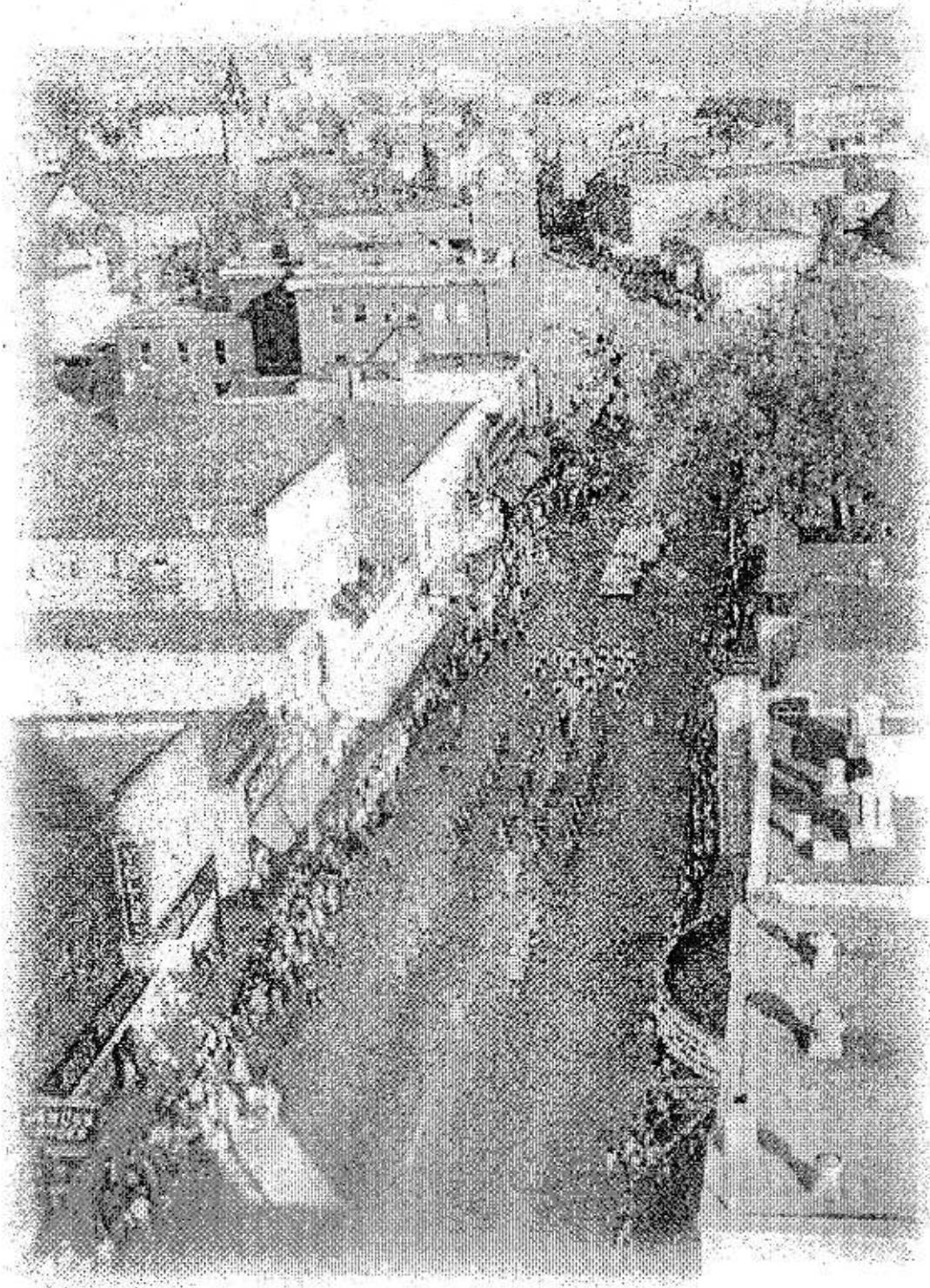
Statement of Financial Activities and Accumulated Surplus

Year ended December 31, 2011, with comparative figures for 2010

	Budget (note 7)	2011	2010
Revenues:			
Annual assessments	\$ 185,000	\$ 185,000	\$ 184,600
Government grants – special projects	-	-	1,743
Downtown development initiative	-	-	3,462
FedNor Intern Funding	-	-	-
Membership fees	1,000	300	500
Interest	450	244	249
Total revenues	186,450	185,544	190,554
Expenses:			
Wages and benefits	94,500	92,980	95,029
Assessments written off and rebates	19,000	19,661	19,509
Rent	19,500	19,050	18,885
Promotion and marketing	25,178	19,530	16,433
Maintenance and beautification	2,300	1,359	10,068
Meetings and seminars	5,300	5,678	4,221
Office	5,490	6,993	5,806
Professional fees	4,660	4,406	4,743
Insurance	3,000	2,732	2,732
Telephone	2,400	1,385	2,275
Special project	-	-	1,706
Downtown development initiative	-	-	4,595
Miscellaneous	2,200	97	91
Amortization of tangible capital assets	-	1,419	1,258
Total expenses	183,528	175,290	187,351
Annual surplus	2,922	10,254	3,203
Accumulated surplus, beginning of year		68,181	64,978
Accumulated surplus, end of year		\$ 78,435	\$ 68,181

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

Audit prepared by KPMG LLP in accordance with Canadian generally accepted auditing standards.
Complete audit available from the Downtown Association.



saultdowntown.com

All photos courtesy of The Sault Star.

5(j)

Peter A. Liepa
City Tax Collector



Finance Department
Tax & Licence Division

Celebrate 100!
1912 ~ 2012

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

RE: Registration of Tax Arrears Certificate(s) and Sale.

PURPOSE

City Council approval required to proceed with the registration of tax arrears certificates and sale in accordance with the Municipal Act, 2001.

BACKGROUND

Attached is a listing of properties recommended for the registration of tax arrears certificates and sale.

The steps in the tax sale process are as follows:

- 1) City Council endorses resolution for City Tax Collector to proceed.
- 2) City Tax Collector mails "Farm Mediation Service" notice to property owner, allowing assessed farmers a 15-day appeal forum.
- 3) Registration of Tax Arrears Certificate on Title.
- 4) First Notice to owners and any other person(s) who may have an interest in the property within 60 days of registration.
- 5) Final Notice to owners and any other person(s) who may have an interest in the property within 280 days of registration.
- 6) Redemption period expires 365 days from the date of registration.
- 7) Begin advertising in the Ontario Gazette and Sault Star following the 365-day redemption period.
- 8) City Tax Collector conducts Tax Sale.
- 9) Preparation of Documentation and Registration of Tax Deeds for properties sold at Tax Sale.

ANALYSIS

Not applicable

IMPACT

Not applicable

56j)

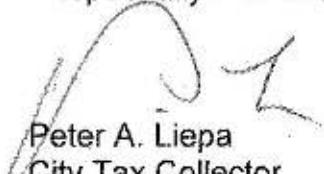
2012-05-28
Page 2

STRATEGIC PLAN
Not applicable

RECOMMENDATION

That the report of City Tax Collector dated 2012 05 28 be accepted to commence Tax Sale Proceeding in accordance with the Municipal Act, 2001.

Respectfully submitted,

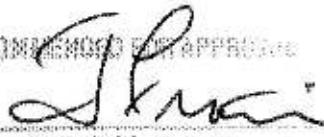


Peter A. Liepa
City Tax Collector

Recommended for approval,



William Freiburger
Commissioner of Finance & Treasurer



SECOND MUNICIPAL APPROVAL
Joseph M. Freitas
Chief Financial Officer

5(j)

CITY OF SAULT STE. MARIE - MUNICIPALITY 57-61
LIST OF LANDS LIABLE TO BE SOLD FOR TAX ARREARS AS OF 2011 12 31
IN ACCORDANCE WITH THE MUNICIPAL ACT, 2001

PARCEL NUMBER	ROLL NUMBER / TAX CLASS	PROPERTY DESCRIPTION	TOTAL TAXES OUTSTANDING
1	010-009-008 RT 161,500	151 Flume Dr Plan H460 Lot 72 56.00FR	7,670.54
2	010-017-037 RT 144,000	124 Incline Dr Plan H450 Lot 62 50.00FR .16AC	5,360.70
3	010-038-147 RT 138,500	88 Parklawn Dr Plan M312 Lot 38 PCL 8840 56.00FR	7,758.36
4	030-014-027 RT 98,250	115 Panoramic Dr Plan H520 Lot 227 P1 RP 1R 2954 Part 12 51.40FR	6,117.53
5	030-062-031-01 RT 1,980,250	NP Industrial Pk C Plan HT44 Lot 40 RCP RD IR326 Part 3 RP 1R1654 Part 3 233.82 FR .188 Ac	444,082.83
6	040-020-047 RT 28,250	1 Willow Ave Plan 19308 Lot 525 25.00FR	2,245.28
7	040-22-018 CT 50,310 RT 15,000	127 Gore St Plan 3598 PI Lot 14 PI Lot 14 PI Lot 15 30.50 FR	10,125.10
8	040-22-020 CT 42,672 RT 24,578	125 Gore St Plan 3598 PI Lot 14 PI Lot 14 PI Lot 16 32.00 FR	2,008.10
9	040-028-025 RT 38,875	113 Calhoun St Plan 7099 Lot 43 PI 38.00 FR	5,879.76
10	040-028-073 RT 34,092	274 Calhoun St Plan 727 Lot 126 33.00FR	1,978.50
11	040-022-074 CT 256,000	215 St James St Plan 127 Lot 124 Lot 125 66.00FR	32,240.75
12	040-022-075 GT 40,500	219 St James St Plan 727 Lot 123 60.00FR	5,669.11
13	040-022-077 RT 38,375	225 St James St Plan 727 Lot 121 40.00FR	2,500.54
14	040-022-078 RT 27,877	231 St James St Plan 727 Lot 120 40.00FR	1,999.13
15	050-036-002-01 RT 1,290,250	1046 Peoples Rd Plan M302 Blk Cpl Sec 25Fr Pcl 12262 12259 AWS RP 1R 9326 PI 5 6 7 8 10 & 11 .303.11 FR .148 Ac	96,197.18
16	050-038-032-05 RT 48,500	Plan Stewart Survey Blk 229T RP 1R4026 PI 1 2 3 PCL 12261 AWS 356.07FR .216 Ac	8,380.83
17	050-041-068 RT 220,000	119 Cedar Crest Plan H409 Lot 76 56.80FR	16,461.18
18	060-003-043 RT 31,500	774 Midgier St Plan 1751 Blk 13 Lot 11 RP 1R 4780 Part 2 35.50FR	3,805.25
19	060-005-063 RT 27,760	774 Dymont St Plan 2872 Blk 21 Lot 11 Lot 12 RP 1R4902 Part 2 78.00FR	2,504.79
20	060-005-062 RT 27,000	80 Glasgow Ave Plan 1618 Lot 309 RP 1R4911 Part 2 55.70FR	1,259.32
21	060-007-103 RT 4,875	168 Canfield Ave Plan H639 Lot 10PT RCP RP 1R5018 Part 2 to Part 5 50.00FR .22 Ac	326.05
22	060-016-071 RT 43,750	27 Maca Rd Plan H635 Lot 84 to 97 Lots 101 to 110 451.82FR .2.00 Ac	2,832.22
23	060-052-102 RT 140,000	780 Third Line W Sec 22 SE 1/4 PT RP 1R2021 Part 1 Part 2 764.43FR .72.27 Ac	9,108.03

Frank Coccimiglio
Manager, I.T.



**Finance
Information Technology
Division**

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

RE: Allow the Information Technology Division to participation in the Ontario Education Collaborative Marketplace (OECM) contract for the purchase of desktop and laptop/notebook computers for the initial contract term of three years with Dell Canada.

BACKGROUND

Ontario Education Collaborative Marketplace (OECM) is a not-for-profit Corporation. OECM was launched by the Broader Public Sector Supply Chain Secretariat at the Ministry of Finance, with ongoing input and support from the Ministry of Education and the Ministry of Training, Colleges and Universities. Its mission is to lead collaborative strategic sourcing initiatives in order to enable excellence in Strategic Sourcing and procurement for publicly funded School Boards, Colleges and Universities in Ontario.

OECM issued a competitive bid for Desktop Technology Products & Services in 2011. Dell was awarded the contract for an initial term of three (3) years beginning January 24, 2012. OECM has the option to extend the Agreement on the same terms and conditions for up to two (2) additional one-year terms.

OECM extended the terms and conditions of the contract to all of the Broader Public Sector (BPS). Municipalities are a member of the BPS, and as such are entitled to enjoy the cost savings of this contract.

Several Years ago, Information Technology has standardized on the reliable business-class Dell Optiplex line of workstations and the Dell Latitude line of laptops, as the corporation's desktop/notebook computer solution. This decision was based;

- standardized setup and configuration of desktop/notebook operation system image.
- superior technical Software and Hardware Support (Online web account, phone).
- onsite warranty service provided by local computer vendors.

-More-

2012 05 28
Page 2

There is no commitment under the terms of the contract to purchase any specific number of desktop or notebook computers during the term of the contract. We can purchase as many units as we require, based on the City's annual budget or replacement need, during the term of the contract.

IMPACT

Dell is providing significant pricing discounts under this contract with relationship to their Canadian web site prices. This pricing is less than quotations received in previous years from the current premier preferred pricing offered to the City by Dell Canada.

STRATEGIC PLAN

The refresh of Desktop Computers is not an activity listed in the Corporate Strategic Plan.

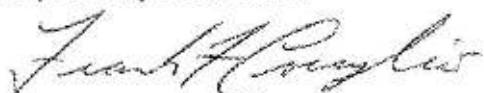
RECOMMENDATION

That Council approve the City of Sault Ste. Marie participation in the Ontario Education Collaborative Marketplace (OECM) contract for the purchase of desktop and notebook computers for the initial contract term of three years with Dell Canada.

A complete copy of the contracts including schedules can be viewed in the Clerk's Department.

By-law 2012-101 appears elsewhere on the agenda and is recommended for approval.

Respectfully submitted,



Frank Coccimiglio
Manager, Information Technology Division

Recommended for approval,



Bill Freiburger
Treasurer/Commissioner of Finance

Jerry Dolcetti, RPP
Commissioner

Don Elliott, P. Eng.
Director of Engineering Services



Engineering & Planning
Department

2012 05 28

File: 11.4

Mayor Debbie Amaroso and
Members of City Council

**Re: Algoma Bioseptic Technologies, Biosolids Composting Pilot
Indemnity Agreement**

PURPOSE

The purpose of this report is to recommend that Council authorize an indemnity agreement between Algoma Bioseptic Technologies (ABT) and the City and PUC for the supply of 4500 gallons of biosolids from the East End Plant for the purposes of a composting pilot project.

BACKGROUND

ABT owns and operates a composting facility near Blind River. ABT composts biosolids from the Blind River Wastewater Treatment Plant, and wants to try a pilot project for composting biosolids from our East End Plant. The Blind River Plant is operated by the PUC, so the PUC is familiar with this company.

ANALYSIS

The Engineering Division is willing to explore all viable alternatives for disposal of biosolids. An indemnity agreement is required to save the City and PUC harmless from any issues related to the fate of the biosolids after it is removed from the plant.

IMPACT

There is no budgetary impact to the City.

STRATEGIC PLAN

Initiatives of this nature are linked to Objective 1A, Environmental Leadership under the Developing Solid Infrastructure strategic direction.

RECOMMENDATION

It is recommended that Council authorize an indemnity agreement with Algoma Bioseptic Technologies for the provision of biosolids from the East End Plant for a pilot composting project. By-law 2012-106 can be found elsewhere on this evening's agenda.

2012 05 28
Page 2

5(1)

Respectfully submitted,


Don J. Elliott, P. Eng.
Director of Engineering Services

DE/bb

Recommended for Approval:


Jerry D. Dolcetti, RPP
Commissioner
Engineering & Planning Department

RECOMMENDED FOR APPROVAL

Joseph M. Frazee
Chief Administrative Officer

NUALA KENNY
CITY SOLICITOR

MELANIE BOROWICZ-SIBENIK
ASSISTANT CITY SOLICITOR



LEGAL
DEPARTMENT

File No. LS(1)

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

**RE: LANE CLOSING APPLICATION – HIGHLAND PARK SUBDIVISION,
PLAN 9110**

PURPOSE

The purpose of this report is to seek Council's approval to close and convey a public lane in the Highland Park Subdivision.

BACKGROUND

The Legal Department received a petition to close and convey the public laneway described as:

The first east/west lane, north of McNabb Street, west of Cameron Avenue and east of Blake Street abutting lots 7, to 12 and Lots 78 and 74 Plan 9110 described as part PIN 31550-0300 (LT) being Part of LANE PL 9110 abutting Lots 7 to 12 and Lots 74 and 78 Plan 9110; Sault Ste. Marie.

Attached as Schedule "A" is a portion of Map 42 showing the subject property.

There was one objection noted in the petition. One of the parties abutting the lane had a concern regarding drainage. The petition was circulated to the appropriate City departments. No department had any objection to the lane closure. The concern regarding drainage was not supported by City staff. The property is not in an area under the jurisdiction of the Sault Ste. Marie Region Conservation Authority.

-more-

2012 05 28

Page 2

IMPACT

There is no significant financial impact associated with this matter.

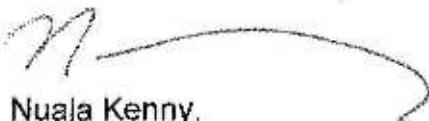
STRATEGIC PLAN

N/A

RECOMMENDATION

By-law 2012-103, a by-law to assume the lane for public use and establish it as a public lane and By-law 2012-104, a by-law to stop up, close and authorize the conveyance of the lane have been prepared for your consideration and appear elsewhere on your agenda. By-law 2012-103 is before Council for first and second reading this evening.

Respectfully submitted,



Nuala Kenny,
City Solicitor

NK/da
attachment(s)

RECOMMENDED FOR APPROVAL


Joseph M. Fratesi

Chief Administrative Officer

5(m)

SCHEDULE "A"

ELMWOOD

236	229	210
235	230	209
234	231	208
233	232	207
103'	105'	105'
36' 38'	36' 38'	36' 37'
135	136	110
38' 38'	37' 37'	36' 37'

CAMERON

203	227	184
204	228	183
205	229	182
206	230	181
105'	105'	105'
36' 37'	36' 37'	36' 37'

STEVENS

38	38	
132	131	74
1368'	1368'	
R 1833	1833	
1868	1868	
103'	105'	
34	35	60
37'	37'	37'
36	59	
37	58	
38	57	
39	56	
40	55	
41	54	
42	53	
43	52	
44	51	
45	50	
46	49	
47	48	
105'	105'	36' 37'
36'	36'	36' 37'
10	18	15
37'	37'	36'
19	17	14
10	16	13
38' 38'	36' 36'	36' 37'

66'

McNabb ST.

37	37	36	36	37	37
10	124	123	122	121	120
37'	37'	36'	36'	36'	36'
61	105	86	105	119	110
62		85			
63		84			
64		83			
65		82			
66		81			
67		80			
68		79			
69		78			
70		77			
71		76			
72		75			
73	105	74	105	105	105
36'	37'	36'	36'	36'	36'
10	11	10	9	8	7
37'	37'	36'	36'	37'	37'

66'

BLAKE

177		
178		
179		
180		
105'	105'	105'
36' 37'	36' 37'	36' 37'
149	150	151
37' 37'	36' 36'	36' 36'

← Subject Property
12 3751

Part of map 42

NUALA KENNY
CITY SOLICITOR

MELANIE BOROWICZ-SIBENIK
ASSISTANT CITY SOLICITOR



LEGAL
DEPARTMENT

FILE NO.: 11.1

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

**RE: RENEWAL OF CITY'S INSURANCE PROGRAM – JARDINE LLOYD
THOMPSON CANADA INC.**

PURPOSE

The purpose of this report is to recommend to Council the renewal of the City's insurance program for the period of June 1, 2012 to May 31, 2013 with Jardine Lloyd Thompson Canada Inc. through broker, Algoma Insurance Brokers Limited.

BACKGROUND

The City's current insurance coverage ends May 31st. Last year the City's insurance premium with Jardine was \$1,305,524.50. This year's premium is \$1,339,866.60. This is approximately a 2% increase.

ANALYSIS

Insurance is a municipal necessity. To date we have been pleased with the coverage provided. We are hoping to have Jardine provide risk management courses and seminars to City employees. We are also asking for software and training for our insurance claims.

-more-

2012 05 28

Page 2

IMPACT

Insurance is a necessity and is always a key component to the Legal Department budget.

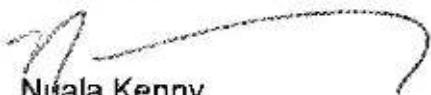
STRATEGIC PLAN

Not applicable.

RECOMMENDATION

My recommendation to Council is that the City's insurance package for the year June 1, 2012 to May 31, 2013 be placed with Jardine Lloyd Thompson Canada Inc. through local broker Algoma Insurance Brokers Limited.

Yours truly,



Nuala Kenny
City Solicitor

NK/cf

Staff/council reports/2012/insurance june 11/2012

5(n)



855 Queen Street East, Suite 200
 Sault Ste Marie, Ontario P6A 2B3
 Phone: 705-949-5555
 Fax: 705-949-3513

Invoice

Account	020785
Policy	JLTPS-365
Date	May 22, 2012
Page	1

The Corporation of the City of Sault Ste Marie
 PO Box 580
 99 Foster Drive
 Sault Ste Marie, Ontario
 P6A 5N1

Account Executive
Mitchell, Donald

Account Representative
Tracey, Paolucci C.A.I.B.

Insured's Name	Policy Number	Policy Period
The Corporation of the City of Sault Ste Marie	JLTPS-365	2012/06/01 - 2013/06/01

Transaction Type	Effective	Company	Description	Amount
Renewal	2012/06/01	Jardine Lloyd Thompson Canada	Liability Automobile Property Crime Umbrella Liability Accident Coverage Provincial Sales Tax- 8% on all lines excluding Automobile	\$ 540,000.00 337,362.00 327,503.00 10,000.00 48,592.00 2,150.00 74,259.60

Please call when the cheque is ready and we will arrange to pick it up. Thanks, Tracey.	Invoice Total
	\$ 1,338,866.60
	Thank you

Your premium is due on the effective date of policy. All Balances outstanding for 30 days or more shall carry a service charge of 1 1/4% per month (18% per annum).	Date
	May 22, 2012

City of Sault Ste. Marie

	2011-2012	2012-2013	Premium/Rate Difference
Population- Liability	74,566	74,566	0
Premium:	540,000	540,000	0
Automobile - Number of Vehicles	313	327	14
Premium:	331,074	333,018	1,944
Blanket Property Limit	242,085,167	257,694,824	15,609,657
Premium:	300,096	327,503	27,407
Crime Premium	10,000	10,000	0
Umbrella Liability Premium	48,580	48,592	12
Councillors Accident	2,150	2,150	0
Out of Province Medical			0
Vol Firefighters			0
Volunteer Accident			0
Critical Illness			0
Global Aerospace/C.N.A/Other Policy			0
RiskeMAP			0
TOTAL PREMIUM	1,233,343	1,261,263	27,920
Overall Percentage Change			2%
As of: May 16, 2012			

3
3

NUALA KENNY
CITY SOLICITOR

MELANIE BOROWICZ-SIBENIK
ASSISTANT CITY SOLICITOR



LEGAL
DEPARTMENT

File No. S.3.2.6.

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

**RE: EASEMENT REQUIRED FOR A TEMPORARY TURN AROUND FOR
MUNICIPAL VEHICLES FROM DENNIS MANINOS AND PATRICIA ROSA
MANINOS OVER A PART OF LOT 25 RCP H731 TARENTORUS**

PURPOSE

The purpose of this report is to recommend to Council that it authorize an easement to be acquired by the City from Dennis Maninos and Patricia Rosa Maninos for a portion of Lot 25 RCP H731 Tarentorus, City of Sault Ste. Marie ("Maninos' Property"), which property is shown as Part 1 on the attached draft reference plan, for a temporary turn around for municipal vehicles and vehicles used for municipal purposes including snow ploughs, graders, school buses, garbage trucks and emergency vehicles.

BACKGROUND

In the Subdivision Agreement between the City and the Developer of the Windsor Farms Subdivision Phase I and II ("Developer") made the 4th day of October, 2007, the City held in escrow Lot 27 until the following conditions were satisfied:

- (a) The underground services were installed and the road base was constructed to the extent that Preliminary acceptance was issued.

-more-

2012 05 28

Page 2

(b) The Financial Guarantee was deposited with the City in accordance with Clause 7 and Schedule "D".

(c) Foxborough Trail was extended northerly and accepted as a public right-of-way.

The Developer has satisfied conditions (a) and (b) above. Condition (c) was made part of the Subdivision Agreement to satisfy the need for a temporary turn around for City vehicles until such time as Foxborough Trail is extended.

The Developer has requested that the City release Lot 27 from escrow given that it has secured a purchaser for Lot 27. The Developer has advised that Dennis Maninos and Patricia Rosa Maninos are prepared to grant the City an easement over the Maninos' Property to permit a temporary turn around for City vehicles until such time as Foxborough Trail is extended.

The Legal Department has confirmed with the City's Engineering and Public Works and Transportation Departments that the easement over the Maninos' Property is adequate to satisfy the turnaround required. Moreover, the Engineering Department has advised the Legal Department that the easement over the Maninos' Property is more suitable for the turnaround than the present easement over Lot 27.

ANALYSIS

This easement is required until Foxborough Trail is extended. Further, the City can then release Lot 27 from escrow to the Developer.

IMPACT

There is no financial impact to the easement referenced herein.

STRATEGIC PLAN

Not applicable.

RECOMMENDATION

The recommendation is that the City of Sault Ste. Marie authorize the easement with Mr. and Mrs. Maninos.

-more-

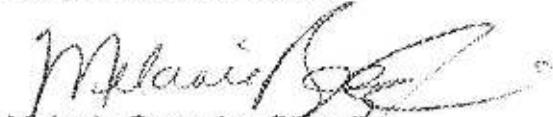
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2012 05 28

Page 3

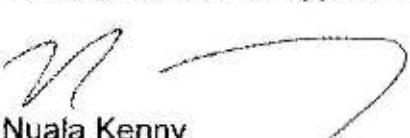
By-law 2012-102 appears elsewhere on the agenda and is recommended for your approval.

Respectfully submitted,



Melanie Borowicz-Sibenik
Assistant City Solicitor

Recommended for approval,



Nuala Kenny
City Solicitor

MBS/da

attachment(s)

da LEGAL\STAFF\COUNCIL REPORTS\2012\EASEMENT MANINOS MAY 28 12.DOC

三〇

Jerry D. Dolcetti, RPP
Commissioner

Donald B. McConnell, MCIP, RPP
Planning Director



ENGINEERING & PLANNING DEPARTMENT

Planning Division

Tel: (705) 759-5368
Fax: (705) 541-7165

Celebrate 100!
1912 - 2012

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

RE: Downtown Farmers' Market Feasibility Study

PURPOSE

The purpose of this report is to advise City Council of the status of the Downtown Farmers' Market Feasibility Study and request that City Council accept the report as information.

BACKGROUND

As part of the City's Downtown Development Initiative, the City received \$500,000 from FedNor. The bulk of this funding (\$470,000) was committed to the laneway improvements in the Downtown. The remainder (\$30,000) was identified to develop a feasibility study to determine if there are opportunities to enhance and expand the existing farmers' market operation. The current farmers' market operates twice-weekly under the small tent at Roberta Bonder Park during the summer and fall, then weekly at Wellington Square Mall during the remainder of the year.

The goal of the study was to review expansion opportunities and to determine, if required, other possible locations for either a permanent or seasonal farmers' market. An expanded farmers market has been identified as a key priority by the Downtown Association.

On January 24th 2011, City Council awarded a contract to Urban Marketing Collaborative to undertake this work. A Steering Committee with representation from the Algoma Farmers Market Association, Downtown Association, arts community and City staff worked with the consultants to complete the study. A copy of the study (minus appendices) has been included under separate cover.

ANALYSIS

This study concluded that there is sufficient interest and market to increase the current farmers market to approximately 50 - 60 vendors. The study also concluded that the current market location is limited in size and will continue to encounter programming conflicts with other events at Roberta Bondar Park. A single location for a four season market was recommended.

Several possible sites were evaluated during the course of the study. Upon completion of the study, the consultants working on the Gateway Project expressed interest in integrating a farmers market into that proposed facility. A copy of the report was provided to them.

At this time, City staff is recommending that City Council simply accept the report as information. The results of the Gateway Project feasibility study should hopefully be known soon. Should an expanded farmers market not be a part of the recommended project, staff will meet with the Algoma Farmers Market Association to determine the best approach to proceeding.

The study also included numerous recommendations concerning vendor mix, organization, marketing, signage and leasing.

IMPACT

There are no fiscal or operational impacts associated with accepting this report.

The report notes "It is envisioned that the Algoma Farmers' Market would remain a private entity and continue to operate on a municipal property as part of a rental type agreement or memorandum of understanding. This report does not recommend the City of Sault Ste. Marie or the Downtown Association assume the operation and management of the Algoma Farmers' Market."

SUMMARY

The Downtown Farmers Market Feasibility Study has been completed. Based on the information contained in the report, an expanded farmers market is being considered as a possible component of the Gateway Project. City staff is recommending that City Council accept the report as information.

STRATEGIC PLAN

The Downtown Development Initiative has been identified as an activity in the City's Strategic Plan. One component of this initiative was to review opportunities and to determine if an expanded farmers market was viable. This work has been completed.

RECOMMENDATION

That City Council accept the Downtown Farmers' Market Feasibility Study as information.

Respectfully submitted,



Donald B. McConnell, MCIP, RPP
Planning Director

Recommended for approval,



Jerry Dolcetti, RPP
Commissioner Engineering & Planning

DBM/ps

attachment(s)

DON SCOTT
MANAGER OF TRANSIT AND
PARKING



PUBLIC WORKS AND
TRANSPORTATION DEPARTMENT
TRANSIT DIVISION

Celebrate 100!
1912 ~ 2012

2012 05 28

Mayor Debbie Amaroso and
Members of City Council
Civic Centre

RE: REQUEST TO PROVIDE FREE BUS SERVICE ON COMMUNITY DAY

PURPOSE

This report is in response to the council resolution dated May 14, 2012 which read:

"Whereas Queen Street will be closed from Simpson to Pim Streets this summer and

Whereas the 90th Annual Rotary Parade which is scheduled for Saturday, July 21 follows a route that requires closure of Queen Street from Pim to Gore Streets and

Whereas Bay Street will also be closed on that day from Brock to Pim Streets for the parade line-up because of the Queen Street E. closure and

Whereas it is expected that traffic coming into the downtown area on the day of the parade will be extraordinarily heavy on Wellington and Albert Streets and on many of the side streets in the downtown core and may lead to safety concerns and

Whereas this is a special anniversary year for the rotary parade therefore the City and many other organizations that plan to participate will create increased numbers of public participation and attendance.

Therefore be it resolved that the appropriate staff prepare a brief report for City Council to consider providing free city bus service to the downtown area on that day to encourage people to leave their vehicles at home. Also staff will include any other suggestions to ease anticipated challenges in accessing the downtown and report back to City Council within one month with estimated costs."

2012 05 28

Page 2

BACKGROUND

Typically, the City provides a regular one hour service for the entire transit system during the weekends. The cost and projected revenue for normal one (1) hour service is as follows:

Total Cost:	\$15,200 (fixed)
Total Revenue:	\$3,000 (projected)

ANALYSIS

If Council chooses to provide bus service free of charge for the entire Community Day, the \$3,000 of projected revenue will not be attained.

IMPACT

For Council's consideration in this decision is the impact to the budget of lost revenues projected to be \$3,000.

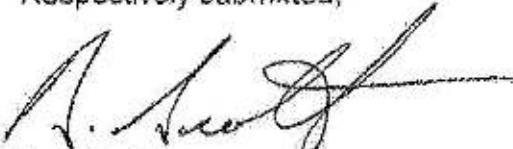
STRATEGIC PLAN

The topic of this report is not linked to any activity of the Corporate Strategic Plan.

RECOMMENDATION

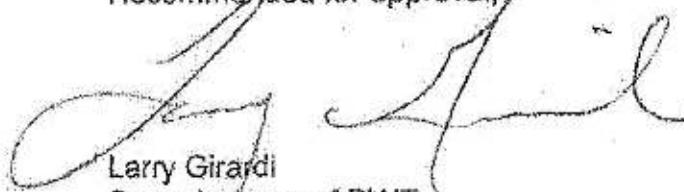
All of which is submitted for Council's information.

Respectively submitted,



Don Scott
Manager of Transit and Parking
Public Works and Transportation

Recommended for approval,



Larry Girardi
Commissioner of PWT
Public Works and Transportation

S. Hamilton Beach, P. Eng.
Deputy Commissioner



**Public Works and
Transportation**

Celebrate 100!
1912 ~ 2012

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

RE: PWT SIDEWALK AND CURB PROGRAM - 2012

PURPOSE

The purpose of this report is to inform Council of the proposed 2012 sidewalk & curb program.

BACKGROUND

Each year the program is reported to Council, for their information. This year it is proposed that the program include approximately 818 square metres of sidewalk, 563 linear meters of curb and 13 accessibility ramps to improve sidewalks and curbs. Attached is the listing of the 2012 locations. The program represents approximately 0.1% of the curb inventory and 0.3% of the sidewalks maintained by the City. The budget for this program is \$445,684.00.

ANALYSIS

Typically, each year the program has been compiled from requests from Councillors, residents and staff. Budgetary constraints allow for a limited amount work to be undertaken each year. It is necessary to prioritize the requests and normally not all requests can be accommodated.

It is proposed that the sidewalk and curb program commence in July of this year with a completion date in October 2012.

IMPACT

The proposed program maximizes the assigned operational budget for sidewalk and curb work.

2012 05 28
Page 2

STRATEGIC PLAN

The sidewalk and curb repair program is not linked to any activity of the Corporate Strategic Plan.

RECOMMENDATION

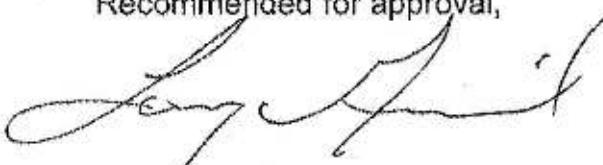
"That the report of the Deputy Commissioner concerning the proposed 2012 sidewalk and curb program be received as information."

Respectfully submitted,



Susan Hamilton Beach, P. Eng.
Deputy Commissioner

Recommended for approval,



Larry Girardi
Commissioner

2012 Sidewalk and Curb Repairs

Spring & Albert S/E Corner
Spring & Albert N/E Corner
Hare & Goulias Ave
Goulias & Chippawa St.
Dennis Street at Essar Center Entrance
Brock Street (Barton & Kitley Funeral Home)
Albert St. & Elgin St. S/W Corner
across from 695 Goulias Ave.
across from 667 McNabb St.
across from 480 Northern Ave.
across from 346 Albert St. W
across from 113 White Oak Dr.
999 North St
991 North St.
94 Bitonti Cr.
924 Pine St.
90 Glenn
83 Millcreek Dr.
79 Danby
766 Dyment
76 Village Ct
745 Goulias Ave
72 Prentice
72 Beaumont St.
719 Dyment
690 Queen St. E
681 McAllen
632 McNabb
6 Westridge
568 Second Line W
56 Curran Dr.
55 Weldon St
530 Farewell Terr.

2012 Sidewalk and Curb Repairs

498 Queen St. E.

483 Korah Rd.

452 Henry St.

436 Elizabeth St.

435 Chambers St.

41 Ried St.

400 Third Ave.

40 St. Georges

40 Greenfield

395 Douglas St.

39 Chapple

39 Burton

388 Queen St. E

38 Crestview

365 First Ave.

357 Second Ave.

336 Patrick St.

318 Goulias Ave.

312 & 314 Goulias Ave.

305 Chambers

302 Queen St. E.

30 Routledge St.

3 Bristol Place

298 Queen St. E

28 Amber

271 Chambers

27 Abbott St.

267 Spruce St.

261 Spruce St.

26 Northridge Dr.

25 Greenfield Dr.

243 Pjm St. on Wemyess

24 Hill St.

2012 Sidewalk and Curb Repairs

24 Greenfield Dr.
24 Amber
239 Doricaster
23 Ferris
22 & 24 St. Michaels Square
206 Lake St.
203 Lake St on Harten
202 Lake St.
20 Partridge
2 Bristol Place
197 St. Georges
189 Letcher
182 Lake Street
178 Princeton Dr.
174 Westridge
172 Cathcart St.
171 Albert St. W.
170 Grand Ave.
17 Huntington Park
168 -166 Upton Road
166 Princeton
16 Partridge
16 Abbott St.
152 St. Andrews Terrace
150 Pleasant Dr.
136 Leo Ave.
136 John St
132 MacDonald Ave.
132 Estelle
131 Gladstone Ave.
13 Simon
12 Partridge
11 Idaho

2012 Sidewalk and Curb Repairs

119 & 113 Breton Road

114 MacDonald Ave.

1137 Peoples Rd

111 Chestnut St

1072 Lake St.

107 Breton Rd.

1025 Lake St.

1020 Lake St

101 Spadina

101 Chartwell

1003 North St.

100 James. St.

Jerry D. Dolcetti, RPP
Commissioner

Donald B. McConnell, MCIP, RPP
Planning Director



Planning Division

Tel: (705) 759-5368
Fax: (705) 541-7165

2012 05 14

Mayor Debbie Amaroso and
Members of City Council

RE: Application No. A-13-10-T – filed by Premiere Landscaping & Garden Centre Inc.

PURPOSE

The applicant, Premiere Landscaping & Garden Centre Inc. is requesting to permit a topsoil stripping operation on the subject property.

PROPOSED CHANGE

Pursuant to Section 39 of the Planning Act, the applicant is requesting a Temporary Rezoning to permit the removal of topsoil, for a period not to exceed three (3) years. City Council originally deferred this application in September 2010. The applicant now wishes to proceed.

Subject Property:

- Location – Part 2 and Part 3 of 1R-7432 in former Twp of Korah, civic no. 1151 Second Line West
- Size – 10.5m (34.5') frontage, widening to 60.9m (200') by 452m (1483') depth totaling approximately 2.53 ha (6.25 acres)
- Present Use – Vacant
- Owner – Premiere Landscaping & Garden Centre Inc.

BACKGROUND

In 1986, Frank Mantello filed an application on this and adjoining properties for a residential subdivision. The application proposed 105 single detached residences, thirteen (13) semi-detached lots, plus land for multiple family development and parkland. City Council approved the application, however since then, the properties making up the draft approval have reverted back to separate ownership. The existing zoning reflects the 1986 approval.

*In August 2010, Premiere Landscaping filed a Temporary Rezoning application to permit a top soil stripping operation on the subject property. At the request of the applicant, the application was deferred to a future Council meeting.

The applicant now wishes to proceed with the original Temporary Rezoning application to permit a topsoil stripping operation on the subject property.

ANALYSIS

Conformity with the Official Plan

The City's Official Plan contains the following statement on temporary use by-laws:

"Council may pass by-laws to authorize the temporary use of land for a purpose that is otherwise prohibited by the Zoning By-law for a period not to exceed three years."

In considering the passing of temporary use by-laws, Council shall have regard to the compatibility and impact on abutting uses and municipal infrastructure as well as the use's ability to supply adequate parking. The construction of permanent buildings in association with the temporary use shall be discouraged.

The subject property is designated 'Residential' on Land Use Schedule 'C' of the Official Plan. The future residential development potential of the subject property will not be impacted by a topsoil stripping operation, which generally occurs prior to developing an urban, serviced residential subdivision.

Therefore, the applicant's request for approval of a three-year temporary use by-law to allow for a topsoil removal operation is consistent with the Official Plan.

Consultation

The following departments/agencies commented on the application as part of the consultation process:

- See attached letters – Building Division, PWT, Conservation Authority
- No objections/comments – CSD, Fire Services, Accessibility Advisory Committee, PUC Services, Engineering, EDC, Municipal Heritage Committee

Comments

Section 142(2) of the Municipal Act gives City Council the power to "prohibit or regulate the removal of topsoil," "require that a permit be obtained" and "impose conditions to a permit, including requiring the preparation of plans acceptable to the municipality related to grading, filling or dumping, the removal of topsoil and the rehabilitation of the site."

Section 4.7.2 of the City's Zoning By-law also regulates topsoil removal as follows:

"The removal of topsoil is prohibited in all zones. All applications for the approval of a topsoil stripping operation will be reviewed and an agreement entered into with the City, pursuant to Section 142 of the Municipal Act. This agreement shall include the following:

- A. The area where topsoil removal is to occur,
- B. Description of the phasing of soil removal and rehabilitation,
- C. Description of the rehabilitation prescription,
- D. The extent of the grade alteration,
- E. Description of the dust control measures, and
- F. Definition of the drainage impacts, as well as any remediation where necessary."

The subject property is located on the south side of Second Line West approximately 370m (1,215 feet) east of Nixon Road. The property has a narrow access onto Second Line and then widens out at the rear of the single detached residence at 1143 Second Line West. The property abuts other single detached residences to the east, south and west.

The property has longer-term residential potential and is zoned to permit a mixture of housing types. A topsoil stripping operation would not prevent the eventual reuse of this property for residential purposes. Residential subdivision development usually includes topsoil stripping prior to the beginning of construction.

Mr. Notte has provided a letter (attached) confirming that he will not be using the property as a landscaping contractor's yard and that a proposed temporary building will only be used for equipment and materials required for the topsoil removal operation. Mr. Notte writes that he intends to remove this building when the topsoil stripping operation is completed.

The applicant has provided a drawing and description of the proposed work prepared by Genivar Consultants dated May 7, 2010 (attached) which addresses each of the concerns identified in the Zoning By-law as summarized below:

Area of Removal - As shown on the attached site plan, the applicant has proposed a 2m wide buffer be retained along the westerly lot line and a 15m wide buffer along the rear lot line. A 5m wide access drive and swale will be constructed along the easterly lot line.

Even though topsoil stripping is only a temporary use, The Ministry of the Environment's 'D-Series' Guidelines outline minimum distance separations between industrial uses and nearby sensitive receptors. The guidelines consider off-site impacts such as noise, dust, odour and vibrations. In this case, it is staff's opinion that the proposed use is a 'Class II Industrial use'. Minimum separation is noted to be 70m (230') between the use and the nearest sensitive receptor. Therefore, it is recommended that no topsoil stripping or the piling of materials occur within 123m (403') of the front lot line and 22m (72') from the rear (south) lot line. Such setbacks would achieve a minimum of 70m of separation between the topsoil stripping operation and the nearest neighbours dwellings. Given the property has substantial depth (452m, 1483'), there remains ample space available for topsoil removal.

The distance between the west lot line of the subject property and the rear lot lines of the homes on Nixon Road is approximately 150m (492'), which is adequate and well within the MOE's Minimum Distance Separation Guidelines.

It is worth noting that MOE guidelines state that the potential influence area could be greater, however given the temporary nature of this proposal, the minimum (70m) is appropriate.

Phasing - The applicant proposes to conduct his operation in two equal phases as shown on the attached site plan, beginning with the area closest to Second Line West. Development of the second phase will not begin until 80 percent of the first phase is completed.

Rehabilitation - The applicant is proposing to retain enough topsoil to encourage natural re-vegetation. Seeding will be applied in areas where the natural re-vegetation is not sustaining ground cover. This process should be on-going as topsoil removal occurs. The applicant also receives nursery stock for commercial planting purposes and has indicated that some of this nursery stock will be planted on the property.

It is worth noting that the current and proposed temporary zoning would not permit the use of the subject property as a nursery or a landscape contractor's yard. Any nursery stock that is planted must remain on-site and cannot be removed to support the applicant's landscaping business.

Grading - Presently surface water drains to the southeast and this will not be altered. Straw check dams and silt fencing will be used to filter out sediment and slow the runoff.

Dust Control - The applicant proposes to suppress dust by spraying water until ground cover is re-established.

Drainage - The only drainage leaving the property occurs where surface water currently flows into Bennett Creek. At this location, a culvert will be placed across the access driveway with silt fencing and straw check dams to maintain the existing water flows. Approval from the Conservation Authority will be required for this culvert if this portion of the property is within a regulated area.

There have been a number of drainage concerns expressed by nearby residents. A general drainage plan was submitted by the applicant's consulting Engineer (Genivar) in support of this application. Given neighbour concerns that have arisen, Genivar has provided additional correspondence (attached) which provides a more detailed outline of the proposed drainage works. It is worth noting that the drainage works were prepared in consultation with the Sault Ste. Marie Region Conservation Authority in an effort to ensure 'positive drainage' (no long term ponding) and replication of the existing drainage pattern to the furthest extent possible.

Previous topsoil stripping agreements have included three other conditions which are also being recommended in this instance.

Cleaning of Roadways - The requirement relates to ensuring that topsoil is not deposited on Second Line West by trucks leaving the site. If this does occur, the applicant will be responsible for promptly removing the topsoil and cleaning the

roadway. The agreement will require that the applicant pave a 15m portion of the access driveway, commencing from the edge of the travelled portion of Second Line.

Hours of Operation - It is recommended that hours of operation be limited to between 8:00 AM and 5:00 PM daily Monday through Saturday.

Material Storage - This condition relates to the height of material stored on site. It is recommended that any topsoil that remains on site not exceed 4m in height to avoid becoming a visual nuisance.

Number of Trucks - The applicant has indicated that the volume of topsoil being brought from the site will vary, depending on off-site job requirements. The applicant anticipates that 20-truckloads in one week would be a 'busy week', however that is not to say that one job might require large volumes of topsoil. It is therefore recommended that the agreement limit the number of truckloads brought from the site to not more than 20 per day.

Up until the drafting of this report a petition and eight letters of objection have been received, which are attached.

Generally, correspondence (received to date are attached) from the neighbourhood addresses concerns such as noise, dust, hours of operation, drainage, introduction of a 'commercial use', and ecological impact. The majority of the concerns can be addressed through the required agreement between the Municipality and the owner.

Once this agreement has been entered into, the applicant must follow the conditions of approval or face prosecution of a Provincial offense. More specifically, the applicant shall ensure that among other things, positive drainage is maintained, erosion and dust are controlled and hours of operation are restricted to those outlined above.

In terms of the introduction of a commercial use, it is worth noting that topsoil stripping operations tend to be temporary. As previously mentioned, the future residential development potential of the subject property will not be impacted by the topsoil stripping operation, which generally occurs prior to developing an urban, serviced residential subdivision or a medium density residential development, which current zoning permits.

Traffic concerns have also been raised. Access would be from Second Line only. Second Line is a Provincial Highway and designated truck route. Therefore, increased traffic along Second Line will be negligible. However, truck traffic to and from the site would impact the abutting neighbours to the west. The current vegetation between the subject property and the abutting neighbours to the west is not visually solid. It is therefore recommended that as a part of the Agreement, the applicant be required to provide a buffer consisting of a fence, berm planting of vegetation or a combination thereof. The buffering must be a minimum of 1.8m (6') above established grade.

There is no doubt that the proposed use will result in the loss of vegetation, however, there is no current law stopping the applicant or any other private land owner from clearing vegetation from their property. In this instance, part of the agreement between the applicant and City will include a rehabilitation prescription, which has been outlined earlier in this report.

Due to the large number of concerns raised by neighbours, it is recommended that City Council approve a Temporary Rezoning for a period not to exceed one (1) year, rather than the three (3) years requested by the applicant. City Council approval will again be required if the applicant wishes to continue the operation beyond 1-year. Future approvals would be based on the applicant's ability to adhere to the conditions contained within the agreement. Furthermore, if the applicant cannot adhere to any of these conditions during the first year, the Municipality would have the ability to prosecute as a Provincial Offense.

The attached comments from the Building Division notes that a complaint was received in 2009 indicating that topsoil stripping had commenced on the subject property without the benefit of the proper approvals. The soil stripping was discontinued in 2010. Based upon recent site visits, there are two small piles of topsoil and/or sand that appear to be recent, as is no or very little vegetation growing within the piles. There is however, no evidence that additional topsoil stripping has occurred since 2009.

Staff from Public Works and Transportation have no objection to the approval of this application, however it is noted that the applicant should be responsible for keeping the abutting roadways clean and free of topsoil and clay. This condition will be included in the agreement.

SUMMARY

The applicant is proposing a topsoil stripping operation on property located on the south side of Second Line West between Allen's Side Road and Nixon Road. This use can be conducted while maintaining the longer-term residential potential of the area.

Both a temporary use permit and an agreement passed under Section 142 of the Planning Act are required. The agreement would include the conditions contained in this Report.

The conditions are intended to ensure that the operation is conducted with minimal impact on the abutting lands, with special regard for drainage, erosion, dust control and site rehabilitation.

IMPACT

Approval of this application would not have any direct financial impacts upon the Municipality.

STRATEGIC PLAN

Approval of this application does not directly impact the Corporate Strategic Plan.

RECOMMENDATION

That City Council approve the request to permit a topsoil stripping operation on the subject property for a period not to exceed one (1) year, subject to an Agreement as per Section 142 of the Municipal Act, with Premiere Landscaping and Garden Centre Inc. The Agreement will include, but not be limited to:

1. Area of removal
 - a. That no topsoil stripping or piling of materials occur within:
 - i. 123m of north front lot line
 - ii. 22m of south rear lot line
 - iii. 2m of east and west side lot lines
2. Phasing
 - a. That development of the second phase shall not commence until 80% of the first phase is completed, as per the Consultant's report.
3. Rehabilitation
 - a. That the process of re-seeding is on-going, as topsoil removal occurs.
4. Grading
 - a. That positive drainage be maintained and that straw check dams and silt fencing be installed as per the Consultant's report.
5. Dust Control
 - a. That dust be suppressed by spraying water until ground cover has re-established. Dust control shall be an on-going process.
6. Drainage
 - a. That drainage works be installed and maintained as per the Consultant's report.
7. Paving adjacent to Second Line
 - a. That a portion of the access be paved, commencing from the edge of the travelled portion of Second Line, to a point that is 15m back from the edge of the traveled roadway.
8. Hours of Operation
 - a. That hours of operation be limited to between 8:00 AM and 5:00 PM daily, Monday through Saturday.
9. Material Storage
 - a. That piles of material stored on-site not exceed 4m above established grade.
10. Number of Trucks
 - a. That the number of truckloads brought from the site be limited to not more than 20 per day.

11. Buffering

- a. That a buffer be established and maintained on either side of the access driveway. Such buffer may be in the form of a fence, hedge, berm or combination thereof, and shall be 100% visually solid and a minimum of 1.8m above established grade.

12. Buildings, Equipment and Materials Stored/Utilized On-site

- a. That as per the Applicant's letter dated August 9, 2010 and attached to this Report, that it is clearly understood that one temporary building may be erected, for the purpose of storing equipment and materials related to the top-soil stripping use only. Furthermore, that the storage of equipment and materials on-site is restricted to those required for the topsoil stripping use only.

13. Sault Ste. Marie Region Conservation Authority (SSMRCA) Permit

- a. That a permit from the SSMRCA be obtained prior to commencing the topsoil stripping operation.

Respectfully submitted,

Peter Tonazzo, MCIP, RPP
Planner

Recommended for approval,

Donald B. McConnell, MCIP, RPP
Planning Director

Recommended for approval,

Jerry Dolcetti, RPP
Commissioner Engineering & Planning

PT/ps
attachment(s)

(b)(a)

August 9, 2010

Premiere Landscaping
1215 Second Line West
Sault Ste. Marie, ON P6C 2L9

Mr. Peter Tonazzo
City Planning Division
Corporation of the City of Sault Ste. Marie
99 Foster Drive, Civic Centre
Sault Ste. Marie, ON P6A 5N1

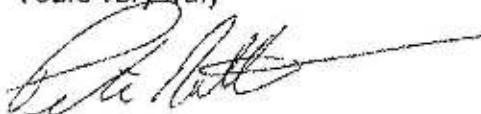
RE: Topsill Removal of 1151 Second Line West

I am writing this letter to reinforce my current application to rezone property owned by Premiere Landscaping to allow a temporary permit for three years to remove topsoil.

I would like to specifically mention that it is not my intention to utilize this property as a contractor's yard, and the temporary building being provided will be there only to provide for equipment and materials required for the topsill removal operation. I would like to note that I am fully aware that if this rezoning application is approved by City Council, that it only has a duration of three years and must be renewed at that time in order to allow the topsill removal to continue.

I agree that when top soil removal of the property is completed that the building proposed will be removed.

Yours very truly



Peter Notte
Owner, Premiere Landscaping

DSL:tcl

cc: D.S. Leask



May 7, 2010



Mr. Peter Tonazzo, MCIP, RPP
City Planner
Corporation of the City of Sault Ste. Marie
Civic Centre, 99 Foster Drive
Sault Ste. Marie, ON P6A 5N1

SS-10-012-00-SS

Dear Mr. Tonazzo

**RE: Topsoil Removal & Remediation Plan
1151 Second Line West, Sault Ste. Marie, ON**

We have been retained by Mr. Peter Notte, owner of Premiere Landscaping, which is situated at 1215 Second Line West. Mr. Notte has asked us to prepare a plan that would be satisfactory to allow him to enter into an Agreement with the City of Sault Ste. Marie pursuant to Section 142 of the Municipal Act and described in Item 4.7.2-Top Soil Stripping in the text of Bylaw 4500.

The following is our Topsoil Removal and Remediation Plan which answers the six questions, A through F, indicated in Section 4.7.2 of the Zoning Bylaw.

A. Area of Removal: The property is situated at 1151 Second Line West and is irregular in shape. There is a 10.058 metre wide frontage on Second Line and this width extends southerly for an approximate distance of 46 metres. At that location, the property widens to the east to approximately 60 metre in width. The entire length, from Second Line to the southerly limit of the subject property, is 452 metres. We believe a southerly portion of the property is a Conservation Authority Regulated Area.

The entire area, with the exception of a buffer at the southerly zone and minimal limits at the east and west extremities, is identified for topsoil removal. Reference to our Drawing N° A2-SS-10-012 indicates the intended limits the intended limits of topsoil removal.

B. Phasing & Remediation: The first phase of topsoil removal will be approximately 200 metres in length southerly. Access to the topsoil stripping areas will be via a 5-metre wide gravel access driveway constructed along the easterly limit of the property. This access driveway would act as a berm to any possible silt escaping from the stripped limits of land. A swale ditch will be located on the west side of the access driveway and will be enhanced with straw bale check dams and specific 450 mm diameter pipe outlets which will have siltation fencing around the inlets.

Phase 2 will entail topsoil removal from the next southerly 200 metre length of property which will stop 15 metres north of the south property line, leaving a 15 metre wide untouched buffer zone.

C. Remediation Prescription: Rehabilitation will be provided in the form of a new tree planting program and, at a minimum, a natural regrowth of grasses in the area.

Continued Page 2

It is intended that enough topsoil will remain such that the surface can be groomed to encourage natural re-vegetation. The planting of new seedling trees will occur on an "as available" basis. That is to say that, Mr. Notte receives stock on many occasions which is not suitable for commercial planting areas, or stock that has been damaged in some form. It is intended that these shrubs/trees which would normally be disposed of will be planted as a remediation measure in the topsoil stripping areas. As indicated above, in all other areas, natural re-vegetation will be encouraged by the grooming of the soil. Seeding would be applied in areas where natural re-vegetation is not sustaining ground cover.

It is proposed that no work would be completed on Phase 2 of the development until 80% of Phase 1 removal is attained. At that time, the access driveway to the south would be extended and tree-clearing operations would begin.

D. Grade Alterations: To the greatest extent possible the existing gradients over the surface of the subject property will be maintained. Presently, surface water drains in a sheet flow to the southeast and this method of drainage, as well as the direction and gradients, will not be altered. As indicated on the attached drawing, utilizing the new access driveway as a berm requires a culvert outlet to allow release. With the use of straw check dams and silt fencing as noted above, flows will be considerably clean and somewhat slower in dispersal. No significant increase in the overall flow is anticipated.

E. Dust Control: Once removal of topsoil begins, there is obviously the chance of dust becoming a nuisance and, as such, Mr. Notte will suppress the dust with the application of light doses of sprayed water from his irrigation truck. Once rehabilitation of the surfaces with vegetation begins to grow, dust will inherently become a significantly reduced nuisance.

F. Drainage Impacts: There are no significant drainage impacts, with the exception that at one location in the southerly end of the property and within Phase 2, there is a tiny tributary to the ~~Davignon Creek~~ to the east at which location surface water now flows to ~~Davignon Creek~~. With the extension of the gravel access driveway in Phase 2, a culvert will be placed at the location of this tributary and will be equipped with silt fencing and straw check dams.

We have discussed this matter with Frank Tesolin of the Sault Ste. Marie Region Conservation Authority and he has indicated that because of the low impact on the Regulated Area, the Agreement can be with the City. He would like to keep the opportunity to comment. By copy of this letter, we are asking for Conservation Authority comments.

The above Topsoil Removal and Remediation Plan is respectfully submitted on behalf of Mr. Notte, and I look forward to having the opportunity to discuss with you its acceptability and execution of an Agreement between the Municipality and Premiere Landscaping.

Yours very truly
GENIVAR


D. S. Leask, C.E.T.

Enc. / DSL:jlc

fc: Peter Notte, Premiere Landscaping

fc: Frank Tesolin, Sault Ste. Marie Region Conservation Authority



September 2, 2010

Mr. Peter Tonazzo, MCIP, RPP
 City Planning Division
 Corporation of the City of Sault Ste. Marie
 99 Foster Drive, Civic Centre
 Sault Ste. Marie, ON P6A 5N1

p.tonazzo@cityssm.on.ca
 Via Email
 101-14814-00
 2010-12

Dear Mr. Tonazzo

**RE: Re-zoning 1151 Second Line West, Sault Ste. Marie, ON
 Drainage Considerations**

I understand that there have been some concerns expressed in regards to drainage associated with the above-noted application. This letter provides additional information to clarify how run-off from the site will be accommodated. Previously we provided you with a *Topsoil Removal and Remediation Plan* that included a General Plan outlining the drainage works to be incorporated into the site.

At present, stormwater run-off in the area of the subject property flows overland in a south easterly direction to a small gully near the southeast corner of the property. This gully conveys run-off easterly to the Bennett Creek approximately 150 metres east of the site. The proposed drainage works on the site were developed in consultation with the Sault Ste. Marie Region Conservation Authority to replicate the existing drainage pattern to the furthest extent possible.

The proposed drainage works on the site are as follows:

- An access road will be constructed along the east side of the site. This road will act as a barrier to collect run-off in a newly constructed swale directly west of this access road. The swale will convey flows from north to south and will be equipped with straw bale check dams and silt curtains for siltation control.
- At the south end of Phase 1 of the development, an outlet culvert will be constructed across the access road to direct run-off collected in the swale easterly, essentially matching present conditions. The discharge from this culvert will flow overland through a vegetated area towards the gully mentioned previously.
- As the development progresses southerly towards the south limit of Phase 1, the swale along the west side of the access road will be extended southerly to the bottom of the gully near the southeast corner of the property. This will ensure positive drainage for excavated areas in the southern portion of Phase 1 and in Phase 2.
- An outlet culvert will be constructed across the access road near the southeast corner of the property to accommodate flows in this gully including those conveyed via the constructed swale.

Continued Page 2

(b)(6)(a)

Page 2

September 2, 2010

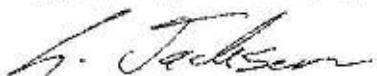
2010-12

- In the area of the southerly culvert, topsoil extraction depths will be limited, as necessary, to maintain positive gradients from the working area to the outlet culvert.

In summary, the drainage works indicated on the General Plan submitted with the Application have been developed to ensure positive drainage and replicate existing drainage conditions to the furthest extent possible. Run-off will be conveyed easterly from the site to an existing gully near the southeast corner that, in turn, conveys flows to the Bennett Creek.

I trust this addresses the drainage concerns raised in regards to this application. If there are any other questions, please do not hesitate to contact me.

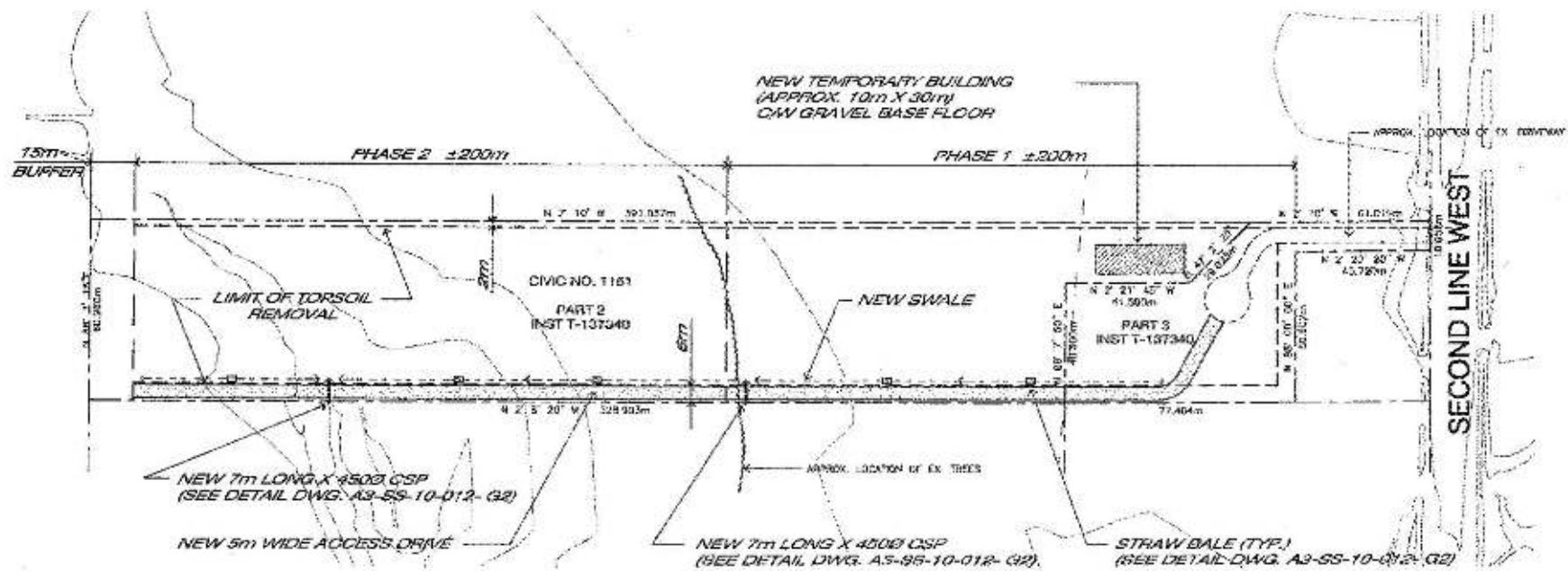
Yours very truly
GENIVAR Consultants LP



Larry Jackson, P.Eng.
Manager, Sault Ste. Marie

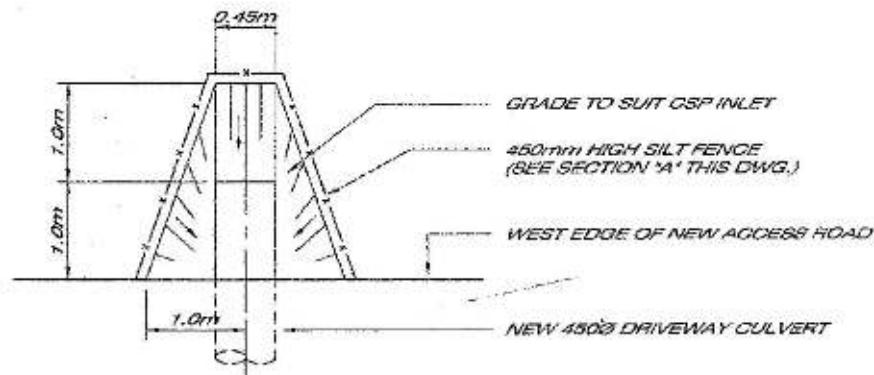
LJ:ljc

fc: Peter Notte, Premiere Landscaping (575-3657)

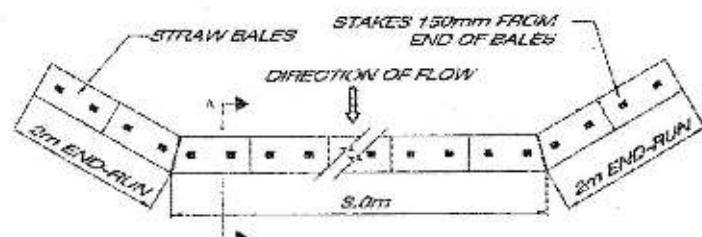


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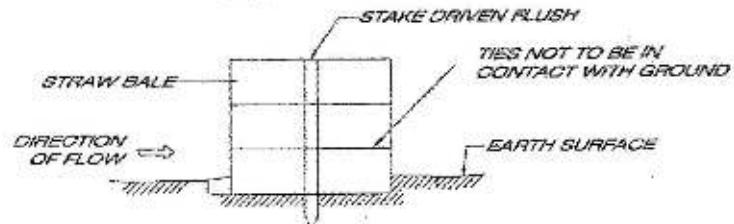
Notes	Revision	No.	Date	By	1151 SECOND LINE WEST		P.S. No.	Scale
					TOPSOIL REMOVAL & REMEDIATION	GENERAL PLAN		
					 GENIVAR 16 East Street, Suite 800, Mississauga, ON L4Z 2C6 T 905-629-1000 F 905-629-1001 www.genivar.com		A3-48	1:1,500
							A3-265	Dwg. No. A3-SS-10-012-G1 Rev. 0 Audit Date



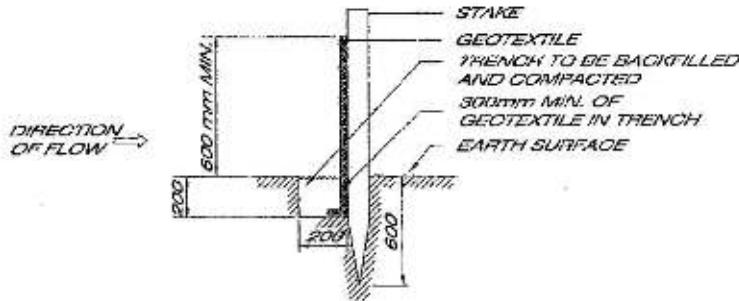
1 DRAINAGE DETAIL
SCALE 1:50



PLAN VIEW



SECTION A-A
STRAW BALE BARRIER
N.T.S.



SECTION A-A
SILT FENCE BARRIER
N.T.S.

Notes:

Reholder	No.	Date	By

1161 SECOND LINE WEST
TOPSOIL REMOVAL & REMEDIATION

DETAILS



GENIVAR
18 Earl Street, Suite 800, Mississauga, ON L4R 2C6
(905) 624-2246 / (866) 999-3822 www.genivar.com

P.O. No.	Ref.	AS NOTED
100	HS	
101	DL	

A3-SS-10-012-G2

GENIVAR

Pat Schinners

From: Don Maki
Sent: April 11, 2012 3:15 PM
To: Don McConnell; Pat Schinners
Subject: Rezoning ApplicationA-13-10-T 1151 Second Line West

Hi Don

We were called concerning this property in 2009 with regard to soil stripping. There was evidence of soil stripping so we initiated action to get the owner to comply. The soil stripping discontinued in 2010. There was no further action on our behalf.

Don

Don Maki CBCO
Chief Building Official
City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, ON P6A 5X6
Phone (705) 759-5399
d.maki@cityssm.on.ca

www.cityssm.on.ca
www.celebrate100saultstemarie.com
Celebrating 100 years as a city in 2012!

May 8, 2012

To the Sault Ste. Marie City Planning Department,
City Council Members and/or City Clerk:

Please accept this letter as a written indication of our objection to approving Application No. A-13-10-T filed by Premiere Landscaping & Garden Centre Inc. (PL&GCI) which would grant permission to conduct business at 1151 Second Line West.

PL&GCI's plans include destroying the existing landscape by removing the current layers of topsoil to sell and therefore to make a profit. In other words, to create a vast crater that will be one to two feet deep on about 6 acres of land.

Our residential property is located directly beside the land outlined and runs adjacently beside the entire property in this proposal (application) and we have major concerns, both personal and environmental, with allowing such a proposal to pass.

Our personal concerns also reflect the opinions of not only ourselves but other residents as well; including the majority of our neighbours along Second Line, those living along Ransome Av, Rosita Drive, Ellis Road (south adjoining properties) and Nixon Rd., (Many who currently adjoin PL&GCI's existing business at 1215 Second Line west).

Is it legal to remove all of the topsoil from a city property and sell it for profit? I don't believe it is unless the area is zoned for a sub division. This may be case here but the plans for the sub-division were made over twenty five years ago and much has changed since then. Is the clearance to PL&GCI's property at 1151 Second Line, wide enough for a city road? There is no access into the property from Ellis Rd. or Rosita Dr. to the south. Also there are no services such as city water or sewer along Second Line, so with out access or services how a sub-division could be planned for? Mr. Tonazzo the city planner has already told me that he is approving the application. How could this happen if the probability of a sub-division being put in is next to impossible? Is this a case of having the cart before the horse? Why wouldn't the city planning department wait until relevant plans are in place for a sub-division first? Would the zoning be approved for a sub-division today? Our ward counselor Frank Manzo informed us that PL&GCI's recent plans may include the proposal of building a multi-residence dwelling. We have not been informed of this and would re-zoning or public notice not be necessary first? Even so, why would 6 acres or topsoil need to be removed for the purpose of one dwelling?

First and most important, this area is zoned residential and not zoned commercial. Allowing this application to proceed will mean allowing loud heavy equipment usage constantly over the next three years. The driveway that PL&GCI has built is only 12m from our house. The business has been using heavy equipment such as dump trucks, back hoes, etc. at the site for the past 2 years regardless of whether or not the application has approved or denied. PL&GCI have not followed time regulations and the use of this heavy equipment occurs early in the mornings, late into the evenings and on the weekends. PL&GCI has been using the property at 1151 Second Line West as a holding area and mixing area for their waste and soil piles that they use for their business. Has the city granted PL&GCI permission to do so? Does the city of SSM currently purchase topsoil from PL&GCI (Mr. Notte). Are exceptions being made concerning PL&GCI or infractions overlooked for the city's self serving purposes? I realize these harsh questions are speculative but these thoughts are difficult to disregard as a home owner.

The dust is exorbitant and is covering our house to the point that we cannot open our windows. The fumes from the exhaust of the heavy equipment are also troubling and last summer we needed to keep our windows closed to prevent the dust and fumes from entering our house. The noise of this equipment operating and banging and the beeping of the trucks backing up is intolerable. In fact our entire house vibrates and shakes when dump trucks are travelling up and down the driveway. Is this driveway even legal for the constant use of such heavy equipment? This noise is loud and will affect the entire neighborhood as it already does at his present business location at 1215 Second Line West.
If this temporary re-zoning is granted by the city, what will be done to stop this dust, noise and vibration?

Was the same sort of temporary application not approved by city council several years ago for PL&GCI's current business at 1215 Second Line West? Did Mr. Notte (PL&GCI) not go ahead and build permanent greenhouses on a temporary re-zoning permit that eventually lead to a permanent business operation? Has the applicant (PL&GCI) not incurred several complaints and infractions at their current properties for unethical business practices and hours of operation? If so, why should he be granted permission to do the same at this property? We believe this company and individual (Mr. Notte) are not good corporate citizens and should be denied this application on these facts. Unfortunately, we do not have access to this information and need to apply for permission through the city of Sault Ste. Marie's legal department via a Freedom of Information and privacy Act request form. This may take several weeks for us to receive.

Regardless, we can hear large machinery constantly in use at PL&GCI's current business location located 700ft west of our property at 1215 Second Line West. As many who live along Nixon Road can attest, this company has no respect or consideration for their neighbors. They operate early in the morning, during

weekends and late into the evening; a nightmare for those who are shift-workers such as ourselves.

Back to the issues at hand, at 1151 Second Line West. There are already currently several large trucks, front-end loaders, etc. in and out of the property dumping large piles of waste products collected from their current business. The city has asked Mr. Notte to cease operations last year, yet he has NOT done so. Our question to the city is who will police this person to assure Mr. Notte follows the city's regulations and protocol for operation? Do we call the city or the police? The large waste piles of debris and dirt that are a terrible eyesore and the filthy mess in front our property along Second Line caused by Premiere's heavy equipment is constant; especially when the ground is wet. Young children and teenagers have found these large waste piles and are using them as gigantic jumps with their bicycles, motorbikes and now 4-wheelers. They are not wearing safety helmets or being supervised by the adult owners of the property. They have even built a large wooden jump ramp to fly these recreation vehicles over and this is clearly an accident waiting to happen.

Premiere Landscaping employees, who are working at the location at 1151 Second Line west, do so without proper washroom facilities and relieve themselves in clear view. Not something, we expect to watch while relaxing at home and while eating dinner outside on our back deck with our family and friends. The dust generated by the large bulldozers and loaders dumping, mixing and loading soil is already a major problem. Allowing future development would make the situation even worse. At times we cannot even sit in our backyard without breathing in dust and/or by being covered by it. The dust is also covering our house and we have to close our windows because of the dust and noise pollution.

We purchased our property to be in a residential area and for the valuable green space of the area.

The environmental and ecological repercussions of allowing this application to pass are significant, considering the senseless destructions of habitat, rich in biodiversity that would take place. Many wildlife species utilize this area and the proposed property as a natural corridor for gaining access to a nearby creek for water (located directly to the east). In addition, white-tailed deer give birth and raise their young here for 8 months out of the year. Many other animals also live here and destroying this land for the benefit of one human would be detrimental. It would take several years to regenerate to normal, if it can ever recover. The succession of the trees and flora has taken forty years to recover. If PL&GCI (Mr. Notte) destroys this, what could this wasteland isolated within a residential zone be useful for in the future?

Natural drainage of the area would also be a jeopardized. The proposed land is relatively low-lying and is already fitted with weeping tiles, thus allowing proper drainage to the nearby creek. Allowing topsoil removal from an area this size will form a huge catch basin for water collection and create swamp-like conditions. Then there could be the problems associated with stagnant water, especially mosquito infestations, therefore posing a real nuisance and health risk to people, their pets and wildlife in the area. Also, creating a 6 acre crater, will affect the ground water and natural drainage of our entire property and all the other surrounding homes that are also adjacent.

Before even considering this proposal, City Council should require an environmental assessment of the area to be conducted at 1151 Second line West. If an assessment is already done, can we obtain copies? Who paid for assessment the city or PL&GCI? If PL&GCI (Mr. Notte) has, would the assessment company not do so in his favor since he's the person paying them? Do we have the option of having our own assessment done or getting a second opinion? That is, to find out what risks or repercussions could occur to our property if this application is passed. Two weeks notification from the city does not allow us enough time to do so. The future erosion problems resulting from operations removing topsoil could also be devastating, especially to our trees and yards. Replacing a small amount of soil afterwards would not be a credible solution. Who would be responsible for all the damages if environmental assessment does not go as planned or is not adhered to properly? Who will monitor PL&GCI for the next three years?

Another fact that is disconcerting is that the notification of this re-zoning application was sent to so few people. Not only will those people who have properties directly adjoining 1151 Second Line west be affected but everyone in the entire 4 mile square neighborhood will be as well. We have started a petition and in doing so learned the majority of those living on Second Line, Allen Side road, Ransome Ave., Rosita Drive and Nixon were not sent notification by the city yet they will certainly be affected by the noise and the dust. In addition, virtually every household we visited (over 95%) signed the petition and were opposed to the PL&GCI's application. In fact the only households who did not sign the petition were those not home at the time or could not because of personal conflicts. So, if virtually all the home owners in a 4 square mile block surrounding the property at 1151 Second Line west are apposed to PL&GCI's application and are paying city taxes, why would the city planner's approve this re-zoning?

A perplexing issue at hand is how the city has asked for all submissions in opposition of granting the re-zoning application before May 10, 2012. Yet the plans by the city planner for the site are not released until after May 10, 2012.

This does not even give us one day to review the city's plans and reasoning for granting this application or a means to contest the city planner's decision.

Mr. Tonazzo has also indicated that he was not aware the neighborhood's concern with this re-zoning proposal. In September 2010, we submitted a petition of objection to this re-zoning application. At his request, the 4 page petition was given to Mr. Ozzie Grandinetti our Ward councilor at the time and he guaranteed us that he would hand deliver the petition to the city clerk himself. The petition had over 50 signatures. Mr. Tonazzo has recently indicated that the petition was not submitted by Mr. Grandinetti before the due date last September and furthermore, it was faxed to the city planner instead of being submitted by Mr. Grandinetti in person, as he had promised. The fax transmission was truncated and only 4 signatures were on that petition? The fact of the matter is, many people believed the city planner was aware of their opposition to this proposal since 2010 but apparently not the case. We have called and visited Mr. Grandinetti's home to retrieve our original petition and he has indicated that he is no longer aware of its location as the original was never brought to the city clerk's office.

We pay city taxes of about \$6000.00 per year for a residential property that is without city water and sewer availability or sidewalks. That is substantially higher than other parts of the city that have these services. Do we and our neighbors who pay taxes, not have rights? What about the losses to our privacy and to our property value? The area is zoned residential, allowing this proposal to go forward would destroy the privacy, living conditions and valuable green space for us any many others. We are strongly opposed to the approval of application number A-13-10-T. The resulting noise pollution, dust pollution, blight on our neighborhood and the environmental devastation, will be vast. As concerned citizens, we ask you; please do not approve this application.

Sincerely,

John Dedes
1167 Second Line West,
SSM, ON, P6C 2L9
705-253-5750

(b)(a)

Robert & Lois Burns
35 Rosita Street
Sault Ste. Marie, ON P6C 5R3

May 1, 2012

Steve Turco
Planner
99 Foster Drive,
Sault Ste. Marie, ON P6A 5X6

Dear Mr. Turco:

Regarding File Number: **A-13-10-T**

We are concerned about our residential area being affected by the noise from the diesel trucks and other large equipment, which would be used in this process. This area includes a large number of working class citizens who are subject to shift work, and require sleep at all different times of the day and night.

We are also concerned about the impact the smell will have on the environmental air we breathe in this area. In addition to our working class citizens, we do have a large number of young children and some elderly residents.

We would also like to know, if by any chance there will be any run off chemicals that will enter the near by creek, which is only metres away from the topsoil stripping operation site.

We are also concerned as to where the traffic flow will enter into our neighbourhood, as this is currently a bus route as well. We also have to consider the safety of the number of small children playing in the park on Rosita street, how will this affect them?

Regards,



Robert & Lois Burns



Dear City Clerk
Steve Turco, Planner
Reference#A-13-10-T

We are opposing the request to temporary rezone the piece of property on 1151 Second Line West in order to deliver top soil by Premier Landscaping and Garden Centre Inc.

We live behind the area in question and have concerns about the area being developed in a residential area that will possibly cause loss in value in the surrounding properties. What about the traffic for the neighbours and surrounding area?

I also have concerns with the noise level from machinery and trucks, as well as diesel fumes from them, as living in this end of town; we know that is carries depending on the direction of the wind and weather. There is also a creek that is natural drainage for this neighbourhood, if it is disturbed will this cause a problem down the road, and who is liable if something happens? Is the conservation authority involved in this process, do they do an assessment?

I am opposed to having this land developed, that is why we moved to this neighbourhood in the first place, because of the quiet location within a residential neighbourhood in the city limits.

Victor and Wahnta Lato
12 Ellis Road.
Sault Ste. Marie On
P6C 1N8
Lato649@shaw.ca
705 945-0245

(a)(a)

Peter Tonazzo

From: Malcolm White
Sent: May 08, 2012 9:05 AM
To: Peter Tonazzo
Subject: FW: Reference #A-13-10-T

From: Kim Vaudry **On Behalf Of** City Clerk
Sent: May 08, 2012 8:35 AM
To: Malcolm White
Subject: FW: Reference #A-13-10-T

From: Ellen Popejoy [mailto:i.am49@yahoo.ca]
Sent: May 07, 2012 5:29 PM
To: City Clerk
Subject: Reference #A-13-10-T

I do not want any topsoil taken from neighbours' property. Will not be able to attend meeting on May 13th. It is a definite NO. It would really disturb the whole area. This is residential property. Ellen Popejoy, 55 Ellis Road

Peter Tonazzo

From: Malcolm White
Sent: May 08, 2012 9:06 AM
To: Peter Tonazzo
Subject: FW: A-13-10-T

Importance: High

From: Kim Vaudry **On Behalf Of City Clerk**
Sent: May 07, 2012 8:42 AM
To: Malcolm White
Subject: FW: A-13-10-T
Importance: High

From: AMANDA CAPPER [mailto:Ajcap@shaw.ca]
Sent: May 06, 2012 9:04 AM
To: City Clerk
Subject: RE: A-13-10-T
Importance: High

TO: City Clerk of Sault Ste. Marie, ON

RE: A-13-10-T

Please consider this letter as an indication of my concern for the stripping of top soil at subject property by Mr. Notte, owner of Premiere Landscaping.

I have lived around the corner from Premier Landscaping, on Nixon Road, for thirty-five years, and watched as Mr. Notte's enterprise grew beyond my expectations. Good fortune for Mr. Notte but unfortunately, what I thought would enhance the neighbourhood, became a detriment. Back-up alarms at all hours, increased traffic turning off Second Line where there is no turning lanes, improper drainage and use of pesticides are a few of my concerns.

In reference to Mr. Notte's new enterprise, I worry the same problems will be compounded.

Three years of large equipment stripping the topsoil can only be bad for the environment. The water table in our area is already a major concern and taking down trees that soak up the water will only make it worse.

Just as worrisome is the safety factor. In 1986 Mr. Lucas, in charge of property maintenance for the Sault and now retired, expressed concern about businesses operating off Second Line West before the road, busy even then, was upgraded to handle the increasing traffic as more residents moved west to build their homes.

Please do not allow Mr. Notte to go forward with his removal of topsoil from the subject property.

Please distribute copies of this e-mail to each member of council in time for the May 14, 2012 agenda when this subject will be considered.

6(b)(a)

Thank you for your time.

Frank Bock
406 Nixon Road

Peter Tonazzo

From: Malcolm White
Sent: May 08, 2012 9:06 AM
To: Peter Tonazzo
Subject: FW: premier lanscape

From: Kim Vaudry **On Behalf Of** City Clerk
Sent: May 07, 2012 8:40 AM
To: Malcolm White
Subject: FW: premier lanscape

From: steve&heather [mailto:steveheather@shaw.ca]
Sent: May 06, 2012 8:31 PM
To: City Clerk
Subject: premier lanscape

What are the plans for not disturbing the creek that flows through this area, what are going to be the noise constraints put on this construction project? I am very much opposed to this.

see you may 14.....Steve Antoniou, ellis rd

(b)(a)

Peter Tonazzo

From: Malcolm White
Sent: May 08, 2012 11:54 AM
To: Peter Tonazzo
Subject: FW: reference#A-13-10-T (Please give a copy of this E-Mail to city council Members)

From: Kim Vaudry On Behalf Of City Clerk
Sent: May 08, 2012 11:54 AM
To: Malcolm White
Subject: FW: reference#A-13-10-T (Please give a copy of this E-Mail to city council Members)

From: The Guzzo's [mailto:pjguzzo@shaw.ca]
Sent: May 08, 2012 11:23 AM
To: City Clerk
Subject: reference#A-13-10-T (Please give a copy of this E-Mail to city council Members)

Please be advised that we Pat and Judy Guzzo of 1135 Second Line West have major concerns regarding the application #A-13-10-T by Premiere Landscaping and Garden Centre Inc.

They are as follows:

- a. It will significantly decrease the property value of my home and many others.
- b. Quality of living for a three year period will be unbearable. eg. Noise, poor air quality
 - Mud and debris on
 - Second Line
 - Major traffic concerns
 - Operational Hours

Realizing the urban line is west of Nixon Road,
Why is Premiere Landscaping even being considered for a topsoil stripping operation in a residential area?

Concerned Citizens,
Pat and Judy Guzzo.

Peter Tonazzo

From: Malcolm White
Sent: May 09, 2012 8:48 AM
To: Peter Tonazzo
Subject: FW: Ref. #A-13-10-T

From: Kim Vaudry **On Behalf Of** City Clerk
Sent: May 09, 2012 8:34 AM
To: Malcolm White
Subject: FW: Ref. #A-13-10-T

From: Helen Stewart [<mailto:havibay@shaw.ca>]
Sent: May 08, 2012 7:12 PM
To: City Clerk
Subject: Ref. #A-13-10-T

I am strongly opposed to Premiere Garden Centre's request to take top soil from the property behind mine and my neighbour's houses.

Helen Stewart
98 Ellis Rd.
Sault Ste. Marie, Ontario
P6C 1P1

Mr. Tonazzo,

I am writing to you regarding Application A-13-10-T. I own the abutting property to the east known as 0 Rosita St. I would like to note that I have recently walked my property, and cannot find stakes denoting the common property line between my property and Mr. Notte's property. While I am opposed to this application, I would at least ask that if Council approves it, a condition should require Mr. Notte to survey and stake his property, to ensure that topsoil is only being removed from his property.

Guido Denardo





2008 25cm Orthophoto Map
1151 Second Line West

APPLICATION
A-13-10-T



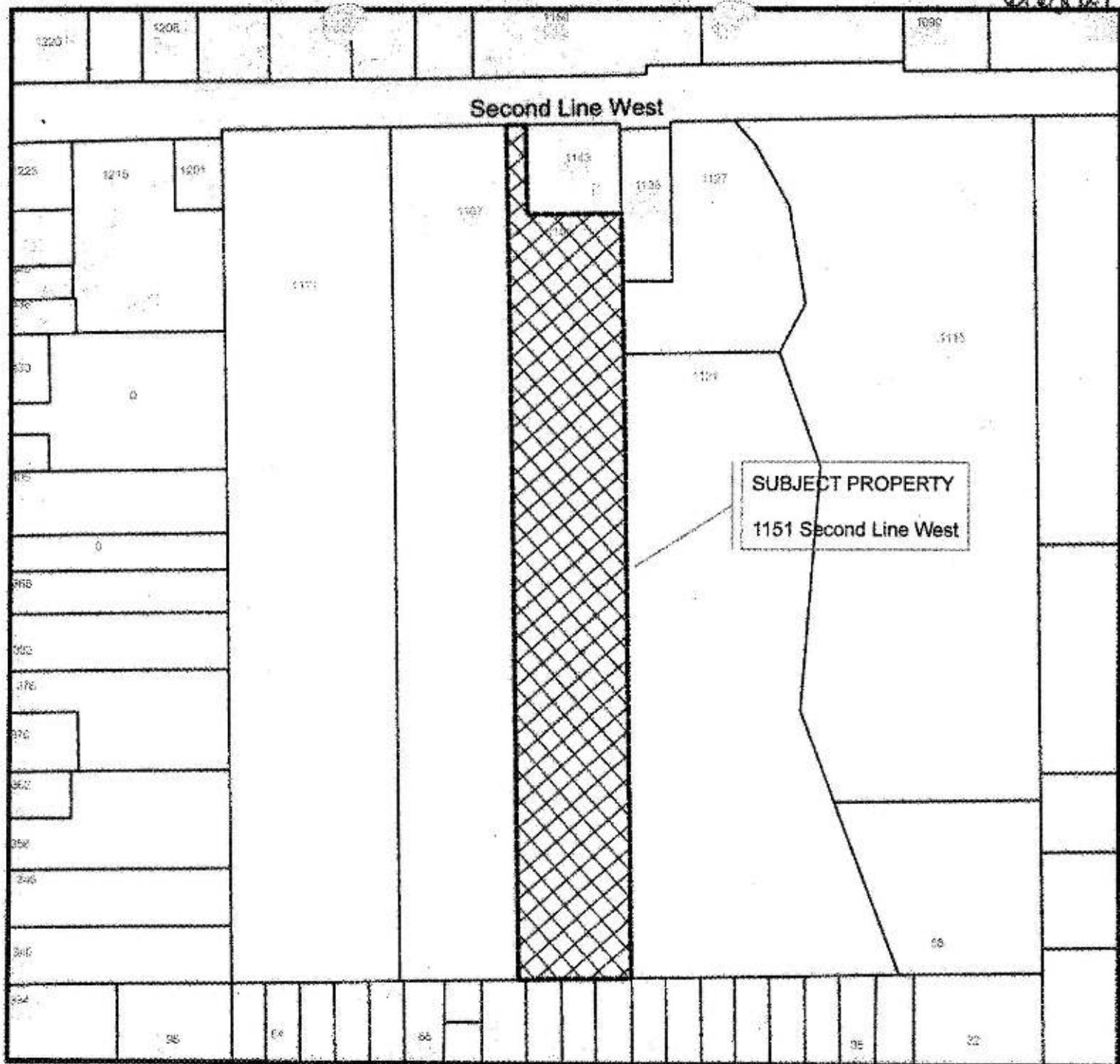
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MAPS
51 & 1-67



Subject Property - 1151 Second Line West

August 13, 2010



Subject Property Map

1151 Second Line West

**APPLICATION
A-13-10-T**



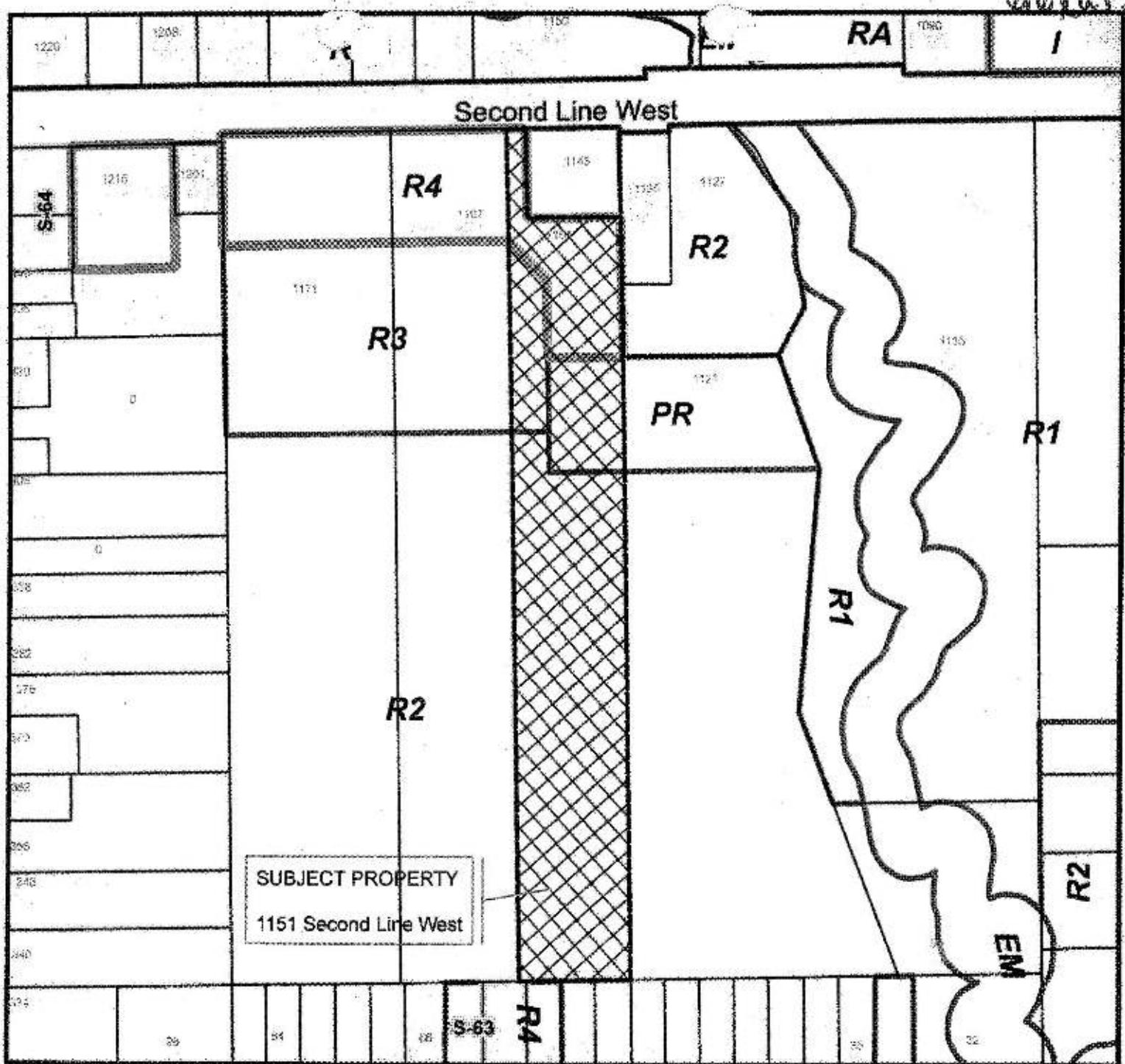
**Metric Scale
1:3,000**

**MAPS
51 & 1-67**



Subject Property - 1151 Second Line West

August 13, 2010



Existing Zoning Map 1151 Second Line West

APPLICATION
A-13-10-T



Metric Scale
1:3,000

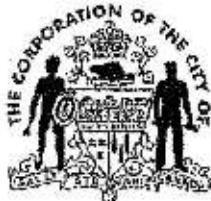
MAPS
51 & 1-67

- Subject Property - 1151 Second Line West
- Bylaw 2005-150 - Zoning
- Bylaw 2005-150-151 - Special Exceptions
- Bylaw 2005-150DC - Site Plan Control

August 13, 2010

(6)(b)(a)

S. Hamilton Beach, P. Eng
Deputy Commissioner



Larry Girardi
Commissioner

April 17, 2012

Donald McConnell
Planning Director

Subject: Application Number A-13-10-T
Request for a temporary rezoning for a topsoil stripping
operation for a period not to exceed three (3) years

Applicant: Premiere Landscaping & Garden Centre Inc.

Subject Property: 1151 Second Line West

Staff from Public Works and Transportation has reviewed this application and have no objections. We do, however, request that the applicant be responsible for keeping the abutting roadways clean and free of topsoil and clay.

If you have any further questions please contact me at (705) 759-5207.

A handwritten signature in black ink, appearing to read "S. Hamilton Beach".

Deputy Commissioner
Public Works and Transportation

H:\Planning Reports\Rezoning & OP Amend\Second Line West - 1151.doc

Pat Schinners

From: Marlene McKinnon <mmckinnon@ssmrca.ca>
Sent: April 17, 2012 1:38 PM
To: Pat Schinners
Cc: Peter Tonazzo; Anjum Amin; Linda Whalen
Subject: SSMRCA Response - A-13-10-T

April 17, 2012

Donald B. McConnell, MCIP, RPP,
Planning Director
City of Sault Ste. Marie
P.O. Box 580
Sault Ste. Marie, ON P6A 5N1

Conservation Authority Comments:

Application # A-13-10-T
Premiere Landscaping & Garden Centre
1151 Second Line West
Sault Ste. Marie

The subject property is located in an area under the jurisdiction of the Conservation Authority with regard to the O. Reg.176/06 for Development, Interference with Wetlands and Alterations to Shoreline and Watercourses.

Additionally we have the following comments:

1. The second phase of this soil removal process has an intermittent stream identified on O.Reg.176/06 mapping and is just outside the 15 metre allowance for the flood lines associated with the Bennett Creek located to the west of the property. Therefore, an application under O.Reg.176/06 is required prior to commencing with Phase II of this proposal including the installation of the driveway to access this area.
2. It is proposed to effect off site migration of sediments by incorporating check dams and silt control fencing that siltation of neighbouring stream will be controlled. These control measures are to be inspected and maintained from the commencement of the operation until such time as vegetation has satisfactorily rooted. Failure to maintain these measures will result in the withdrawal of an O.Reg.176/06 permit and the owner could become subject to prosecution.
3. The revegetation of harvested areas should be undertaken promptly and should be staged immediately after the extraction process has moved to the next area (i.e. after every 100 metres of extraction a revegetation process should be commenced). This will limit sediment movement and limit dust concerns.
4. Weekly inspections of all sediment/erosion control facilities/measures must be carried out during the extent of the entire period as well as after all rain events 15 millimetres or greater.

(b)(6)(a)

5. Any area that exceeds 30 days of inactivity shall be stabilized by hydroseeding and areas that have not sustained any growth within 14 days of application shall receive supplemental applications until the surface vegetation is established.
6. All equipment and materials used in the soil stripping process must be clean and free from leaks, oil and grease residues. No fuelling of equipment is permitted within the 15 metres of the intermittent stream located at the south side of the property.

The subject property is not under consideration of the Drinking Water Source Protection Program of the Conservation Authority with regard to Drinking Water Source Protection.

Should you have any questions on our comments please contact our office.

Marlene McKinnon

GIS Specialist

Sault Ste. Marie Region Conservation Authority

1100 Fifth Line East,

Sault Ste. Marie, Ontario P6A 5K7

Business: (705) 946-8530 ext 204

Fax: (705) 946-8533

Email: mmckinnon@ssmreca.ca

PETITION - Planning application objection

We, the undersigned, object to the planning application number A-13-10-T on the grounds that if the development went ahead, it would result in significant increases in the levels of **unsightly waste piles**, early morning and late night noise and **use of heavy equipment, dust pollution, water drainage and accumulation problems**, in the local area. It would also mean **habitat destruction** for an array of wildlife including birthing grounds for white-tailed deer.

Name	Address	Signature
Dave Stefanini	332 Nixon Rd SSM	D. Stefanini
Carolyn Doherty	444 Nivert Rd SSM	C. Doherty
Dane DeResti	449 Nivert Rd SSM	D. DeResti
Norma Lepelt	1208 2nd Line W. SSM	N. Lepelt
Andrea Lepelt	1208 2nd Line W. SSM	A. Lepelt
Judy Gazzola	1135 2nd Line W. SSM	J. Gazzola
Pat Gazzola	1135 2nd Line W. SSM	P. Gazzola
ERICH TUCKER	349 ALLEN'S RD RD	E. Tucker
DALE TUCKER	349 ALLEN'S RD RD	D. Tucker
ART MORRIS	323 ALLEN'S RD RD	A. Morris
JANET MORRIS	323 ALLEN'S RD RD	J. Morris
Mike Morris	323 ALLEN'S RD RD	M. Morris
Jeff McMillan	279 Allen's Side Rd	J. McMillan
Jeff McMillan	316 Allen's Side Rd	J. McMillan
Sylvia Shaw	261 Allen's Side Rd	S. Shaw
Diane Bates	2 Ransome Dr	D. Bates
Henry Bates	2 Ransome Dr	H. Bates
Mark Marzhanov	27 Ransome DR	M. Marzhanov
Dougm Hellingay	58 Rosita St	Doug McMillan
Kylie-Joefanson	54 Ellis Rd	K. Joefanson

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Name	Address	Signature
Joe Springfield	6 Ransom Dr.	
Karen Kennedy	16 Ransom Dr.	
Donating	181 James	
Bob	99	
Mark - Larrie Philip SAWYER	S P M	
JOE STALE	1127 2nd Line West	JOSEPH STALE
EDITH STALE	1127 2ND Line West	EDITH STALE
Jeanette STALE	1127 2nd Line West	Jeanette STALE
Lee PARADIS	303 Allen's Side Rd	Lee PARADIS
Todd Burns	21 Rosita St	
Linda Beck	21 Rosita Street	
TERRY NEAL	40 Ransom Dr.	
Judy Neal	40 Ransom Dr.	J. Neal
Guy Neal	154 WAINWICKE TERR	Guy Neal
Cathy Cole	26 Rosita St	(at)Nyle
Dawn Cole	26 Rosita St	Dawn Cole
B.F. Burns	33 Rosita, St	
Dawn Burns	33 Rosita	
Patricia Cole	12 ELLIS RD	Patricia Cole
Wahnita Cole	12 Ellis Rd.	W. Cole
Ray Antweiler	21 ELLIS RD	Ray Antweiler

(d)(6)(a)

PETITION - Planning application objection

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Name	Address	Signature
John Doe	440 Nixon Rd	
J. Thompson	440 Nixon Rd	
K. Johnson	438 Nixon Rd	
M. Miller	436 Nixon Rd	
Karen Williams	430 Nixon Rd	
R. Williams	425 Nixon Rd	
J. Roberts	415 Nixon Rd	
S. Johnson	400 Nixon Rd	
Yvonne Smith	400 Nixon Rd	
L. Williams	400 Nixon Rd	
T. Williams	400 Nixon Rd	
E. Black	400 Nixon Rd	LOCK
D. Williams	400 Nixon Rd	
H. Williams	382 Nixon Rd	
D. Williams	378 Nixon Rd	
M. Williams	376 Nixon Rd	
A. Black	370 Nixon Rd	
M. Parker	340 Nixon Rd	
C. M. B. T.	408 Nixon Rd	
G. Warner-Smith	24 Olio Rd	
Dave Warner-Smith		

(b)(a)

Grace Ayarawid	30 Ellis Rd	Holt
Stetson Nardi	48 Ellis Rd	John Paul
Suzette Guttman	154 Ellis Rd	Guttmann
Tom Keating	80 Ellis Rd	Tom Keating
Terri Keating	80 Ellis Rd	Terri Keating

U/H not found.

34 "

(d)(6)(A)

PETITION - Planning application objection

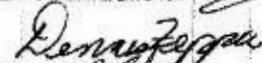
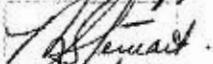
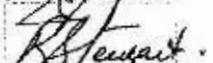
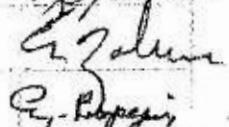
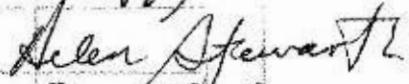
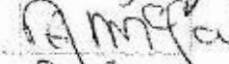
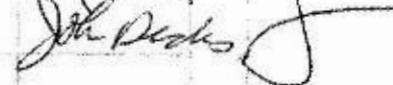
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Name	Address	Signature
Dawn Gruen	1140 Second Line W	Gruen
General	1160 Second Line W	General
Margherita	1160 Second Line W	Margherita
Robert	1176 Second Line W	Robert
T. C. Posti	1204 Second Line W	Posti
Colleen Cospisti	1204 Second Line W.	Cospisti
MAR6 BOURGEOIS	1150 Second Line W	M. Bourgoin
Michelle Finn	1090 Second Line L	M. Finn
Tam Finn	1070 Second Line West	T. Finn

6(6)(a)

PETITION - Planning application objection

We, the undersigned, object to the planning application number A-13-10-T on the grounds that if the development went ahead, it would result in significant increases in the levels of **unsightly waste piles, noise pollution and use of heavy equipment, dust pollution, water drainage and accumulation problems**, in the local area and possible decreases in property value.

Name	Address	Signature
Bob Cannard	68 ELLIS Rd	
DENNIS ZEPPE	72 ELLIS RD	
Marilyn Stewart	76 Ellis Rd.	
Robert Stewart	76 Ellis Rd.	
George Zolmer Sally Poppyj	55 ELLIS RD 55 Ellis Rd.	
Helen Stewart	98 Ellis Rd	
R McFady	1167 Second Line W	
John Deeks	1167 Second Line W	

(b)(6)(b)

Jerry D. Dotcetti, RPP
Commissioner

Donald B. McConnell, MCIP, RPP
Planning Director



ENGINEERING & PLANNING DEPARTMENT

Planning Division

Tel: (705) 759-5368
Fax: (705) 541-7165

Celebrate 100!
1912 - 2012

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

RE: Application No. A-17-12-Z – filed by Steve Roberts

PURPOSE

The applicant, Steve Roberts, is requesting a rezoning to permit a retail store to sell records and music memorabilia, to be located within a portion of the existing residence.

PROPOSED CHANGE

To rezone the subject property from "R3" (Low Density Residential) zone, to "R3.S" (Low Density Residential) zone with a Special Exception to permit a record store, including the sale of memorabilia

Subject Property:

- Location – Plan 402, Block 5, Lot 12, Civic No. 415 Northland Road
- Size – 12.2 m (40') x 36.6 m (120'), 0.04ha (0.11 acres)
- Present Use – Single detached residence and a record and collectables store
- Owner – Steve Roberts

BACKGROUND

The applicant has operated a record and collectables store from this property for a number of years; however, the use is not permitted under the subject property's current zoning. The applicant is seeking City Council's approval to amend the Zoning By-law in order for the retail operation to exist legally.

ANALYSIS

Conformity with the Official Plan

The subject property is designated Residential on Schedule "C" of the City of Sault Ste. Marie Official Plan. Policy R.7 of the Official Plan states that Commercial development of less than 200m² may be permitted on lands designated Residential without an Official Plan amendment. The current operation takes up approximately 30m² and therefore, an Official Plan amendment is not required.

Comments

The subject property is zoned "R3" (Low Density Residential) zone. The applicant is seeking to legalize an existing record store that has operated for a number of years.

The use of the subject property for a record store was brought to the City's attention via a complaint (see Building Division's comments). To legalize this use, an amendment to the Zoning By-law, by way of a Special Exception, is required.

The character of Northland Road is residential, with single-detached housing being the predominant housing type. The property is also located less than 70 meters from Northland Adult Learning Centre. The subject property backs onto commercially zoned properties that front along Wellington Street West and which form part of the Steelton commercial area.

Given the subject property's close proximity to the Steelton commercial area, it is Planning staff's opinion that the use of the subject property for a small scale record store is appropriate. However, with the established residential character of Northland Road, it is recommended that approval be based on providing a Special Exception to the definition of a home based business to allow the retail of music and similar goods on this property.

The existing record store does function more similarly to a home based business, as opposed to a typical retail store. The use occupies approximately 30 square meters of the first floor of the house, and has limited outdoor signage (see attached photo). However, retail uses are prohibited under the definition of a home based business.

Planning staff are also recommending that all other provisions related to a home based business be applied to the record store. These include:

- A maximum of 2 full-time employees, including at least 1 employee being a resident of the dwelling unit;
- The home based business is the secondary use to the dwelling unit;
- That there be no outdoor display or storage of goods and materials;
- The use not have an adverse effect on the area;
- That the floor area dedicated to the use not exceed 30% or 50m² of the gross floor area, whichever is less;
- Advertising signage be no larger than 0.2m²; and,
- The home based business provides the required parking as outlined in the By-law.

With respect to parking, in addition to the required parking for the dwelling unit, the use would need to provide 1 space to accommodate the required parking for retail use. It appears that both the required parking for the residence and the record store can be accommodated on site.

As for signage, the applicant does have an approximate 2.4m x 1.2m sign. If approved as a home based business, the applicant would need to replace this with a sign that conforms to the signage provisions of a home based business.

Consultation

The following departments/agencies commented on the application as part of the consultation process:

- See attached letters – Building Division, Conservation Authority, Accessibility Advisory Committee
- No objections/comments – Engineering Dept., Fire Services, PUC Services, CSD, EDC, PWT

Building Division has outlined that a change of use permit is required. As part of this, the building owner will require a review of the building by a qualified designer to determine if the building would need to be upgraded to meet the increased building hazard index. This should be addressed prior to finalizing the zoning.

The Conservation Authority has indicated that the property is located in an area under their jurisdiction, as it is within the flood plain of the Fort Creek. As such, prior to any development, a permit from the Conservation Authority is required. It should be noted that there is no planned development, as the use will be occupying the existing dwelling.

At time of writing, no other comments or neighbour objections were received.

IMPACT

There are no fiscal impacts anticipated as a result of this request.

SUMMARY

The applicant is seeking an amendment to the R3 (Low Density Residential) zone standards to legalize the existing record store. This store occupies approximately 30 square meters of the ground floor of the dwelling unit.

To facilitate this use on the subject property, Planning staff are recommending that a Special exception to allow the retail of music and similar goods under the home based business definition be approved.

STRATEGIC PLAN

The proposed application has no impact on the City's Strategic Plan.

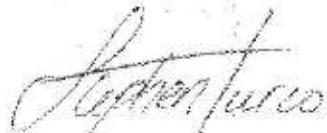
RECOMMENDATION

That City Council approve rezoning the subject property from "R3" (Low Density Residential) zone, to "R3.S" (Low Density Residential) zone with a Special Exception, subject to the following:

1. That the retail of music and similar goods (e.g. records, cd's, dvd's, books, apparel, memorabilia) be permitted as a home based business on the subject property.
2. That all other provisions under the definition of home based business in Zoning By-law 2005-150 are applicable to the above-noted use.
3. That prior to finalizing the zoning, a review be conducted by a qualified designer to determine what upgrades are required to meet the increased building hazard index associated with the above-noted use.

6(b)(b)

Respectfully submitted,



Stephen Turco, MCIP, RPP
Planner

Recommended for approval,



Donald B. McConnell, MCIP, RPP
Planning Director

Recommended for approval,



Jerry Dolcetti, RPP
Commissioner Engineering & Planning

ST/ps

attachment(s)

G:\PLANDIV\DATA\APPL\REPORT\17-12-Z.doc



(b)(6)(D)

Pat Schinners

From: Don Maki
Sent: April 23, 2012 4:18 PM
To: Don McConnell; Pat Schinners
Cc: Len Smith; Tyler Bertrand
Subject: Rezoning Application A-17-12-Z 415 Northland Road

Hi Don

The above noted property had been used as dwelling unit up until the owner located his record store in the dwelling. This matter was brought to our attention via a complaint. The owner has done this without obtaining the required change of used permit. The owner should be aware that the building would have to be reviewed by a qualified designer to determine if the building would need to be upgraded to meet the increased building hazard index. This should be provided prior to the occupancy of the retail store.

Don

Don Maki CBCO
Chief Building Official
City of Sault Ste. Marie
99 Foster Drive
Sault Ste. Marie, ON P6A 5X6
Phone (705) 759-5399
d.maki@cityssm.on.ca

www.cityssm.on.ca
www.celebrate100saultstemarie.com
Celebrating 100 years as a city in 2012!

Pat Schinners

From: Marlene McKinnon <mmckinnon@ssmrca.ca>
Sent: April 24, 2012 2:51 PM
To: Pat Schinners
Cc: Peter Tonazzo; Anjum Amin; Linda Whalen
Subject: SSMRCA Response - A-17-12-Z

April 24, 2012

Donald B. McConnell, MCIP, RPP,
Planning Director
City of Sault Ste. Marie
P.O. Box 580
Sault Ste. Marie, ON P6A 5N1

Conservation Authority Comments:

Application # A-17-12-Z
Steve Roberts
415 Northland Road
Sault Ste. Marie

The subject property is located in an area under the jurisdiction of the Conservation Authority with regard to the O. Reg.176/06 for Development, Interference with Wetlands and Alterations to Shoreline and Watercourses as it is within the flood plain of the Fort Creek. Therefore a permit is required for any development on the subject property.

The subject property is not under consideration of the Drinking Water Source Protection Program of the Conservation Authority with regard to Drinking Water Source Protection.

Should you have any questions on our comments please contact our office.

Marlene McKinnon
GIS Specialist
Sault Ste. Marie Region Conservation Authority
1100 Fifth Line East,
Sault Ste. Marie, Ontario P6A 5K7
Business: (705) 946-8530 ext 204
Fax: (705) 946-8533
Email: mmckinnon@ssmrca.ca

6(b)(b)



26 April 2012

Don McConnell
Planning Director
City Planning & Engineering Division

SUBJECT: REZONING APPLICATION REVIEW – A-17-12-Z

Dear Mr. McConnell

The Accessibility Advisory Committee makes the following recommendations in respect of barriers to access for person with disabilities on the subject rezoning application.

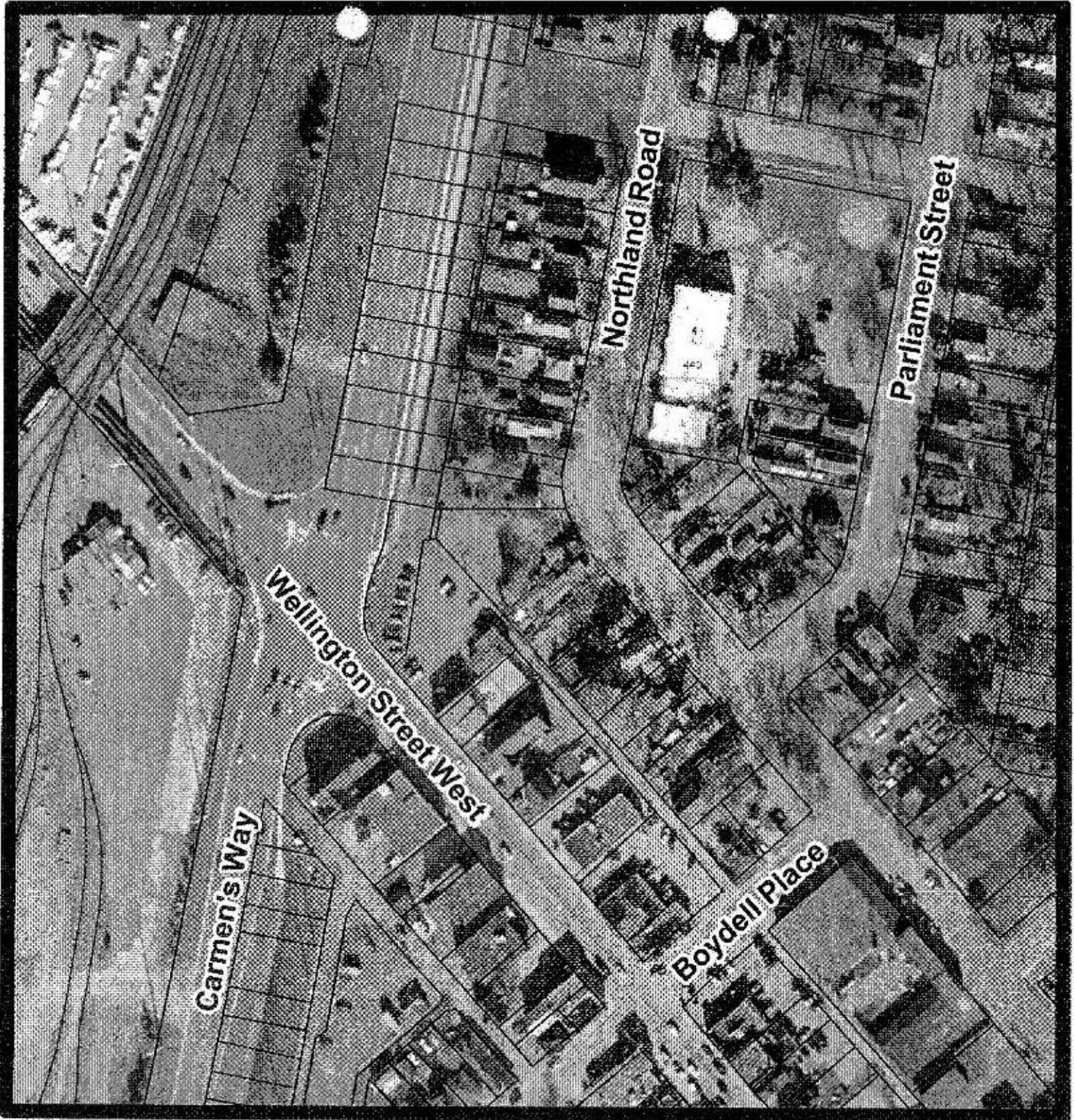
Exterior

1. Parking: A business should provide at least one accessible parking space.
2. Walkways & Sidewalks: A barrier free path of travel should provided to one entrance.
3. Curb Cuts: The site plan does not provide enough detail to make a comment.
4. Ramping: Keep at grade to ensure a safe path of travel or ensure that ramping is in compliance with Building Code.
5. Transit Access: N/A
6. Lighting: In accordance with the Illuminating Engineers Society of North America Standards
7. Signage: Should be in accordance with city by-laws.
8. Other:

Thank you for your attention to these recommendations.

We request a Site Plan We do not want a Site Plan for review

Sincerely,
Gerard Taylor
Chair, Site Plan Sub Committee
on behalf of The Accessibility Advisory Committee



2008 ORTHO PHOTO
415 NORTHLAND ROAD
Planning Application A-17-12-Z

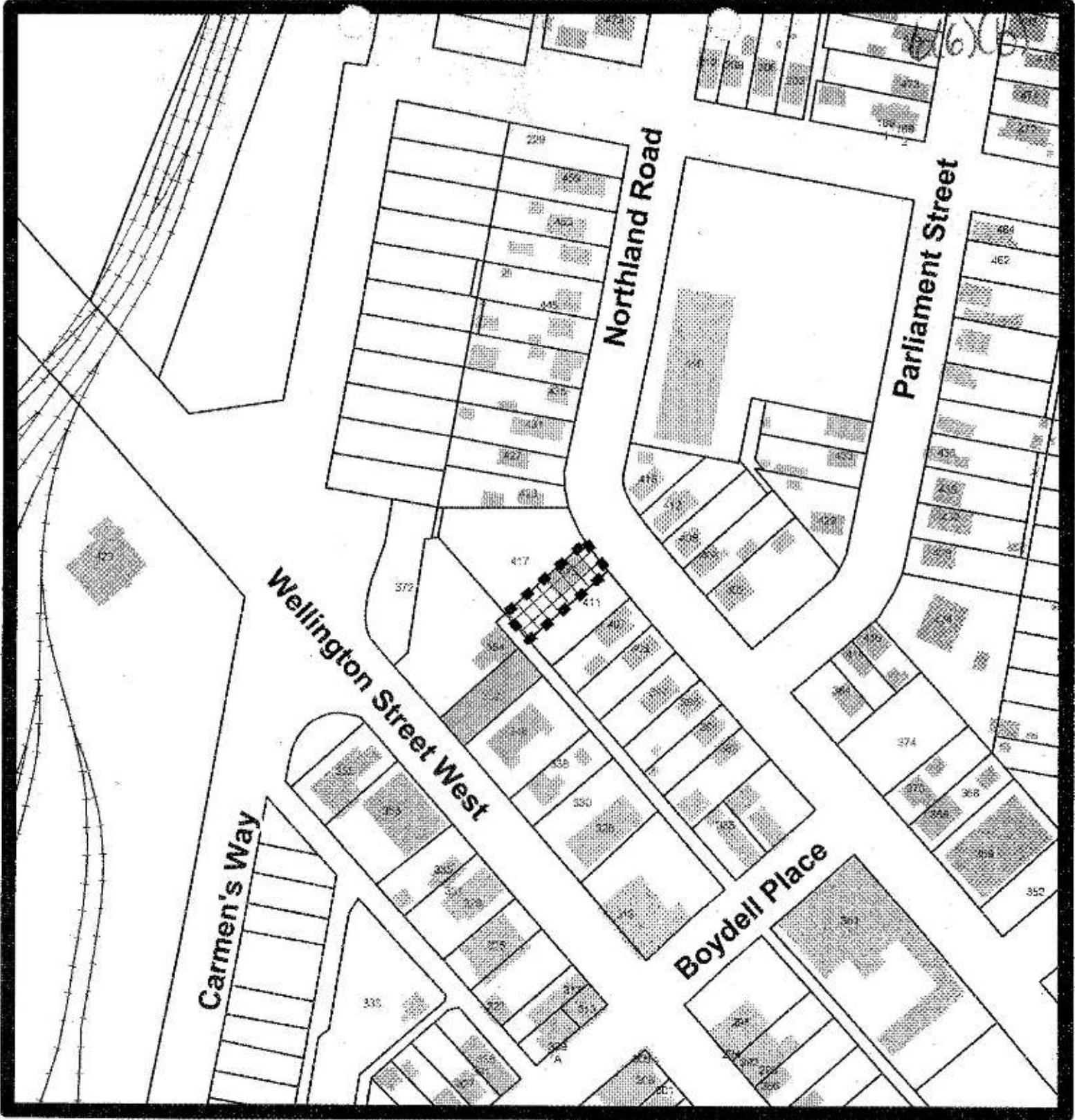
Mail Label ID
A-17-12-Z

Maps
40 & 1-47



Subject Property = 415 Northland Road

Metric Scale
1 : 1800



SUBJECT PROPERTY MAP

415 NORTHLAND ROAD

Planning Application A-17-12-Z

Mail Label ID
A-17-12-Z

Maps
40 & 1-47



■■■■ Subject Property = 415 Northland Road

XXXX Subject Property = 415 Northland Road

Metric Scale
1 : 1800



EXISTING ZONING MAP

415 NORTHLAND ROAD

Planning Application A-17-12-Z

Mail Label ID
A-17-12-Z

Maps
40 & 1-47

Subject Property = 415 Northland Road

C1 - Traditional Commercial Zone

M2 - Medium Industrial Zone

M3 - Heavy Industrial Zone

R3 - Low Density Residential Zone

R4 - Medium Density Residential Zone

EM - Environmental Management Zone

PR - Parks and Recreation Zone

S-No. = Special Exception Zoning

Metric Scale
1 : 1800



Jerry D. Dolcetti, RPP
Commissioner

Donald B. McConnell, MCIP, RPP
Planning Director



ENGINEERING & PLANNING DEPARTMENT

Planning Division

Tel: (705) 759-5368
Fax: (705) 541-7165

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1912 - 2012

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

RE: Application No. A-18-12-OP – filed by Lisa Lofstrom

PURPOSE

The applicant, Lisa Lofstrom, is requesting an Official Plan Amendment to facilitate an application to the Committee of Adjustment to create an additional lot in the Rural Area. Rural Area Policy 11 of the Official Plan limits new lot creation to one new severance, applied from December 2009. The subject property has already been severed once since December 2009.

PROPOSED CHANGE

The applicant is requesting an Official Plan Amendment by way of a notwithstanding clause to the Rural Area Policy 11 of the Official Plan

Subject Property:

- Location – The subject property is located on the southeast side of Great Northern Road, approximately 110m south of its intersection with Schulz Side Road, civic no. 680 Fifth Line East
- Size – The subject property has 576m (1,890') of frontage along Great Northern Road, 70m (230') of frontage along Schultz Side Road and 31m (102') of frontage along Fifth Line East, totaling approximately 5.4ha (13.34acres)
- Present Use – Rural Residential
- Owner – Lisa Lofstrom

BACKGROUND

In 2004 a rural residential lot was created from the southeastern portion of the subject property. In June 2010 the southwestern portion of the subject property was severed to create the current Martin's Trailers and Accessories site. On November 30 2010, the Applicant received approval from the Committee of Adjustment to create one new rural residential lot upon the northeast portion of the subject property.

ANALYSIS

Consultation

The following departments/agencies commented on the application as part of the consultation process:

- See attached letters – Engineering Dept., Conservation Authority
- No objections/comments – Building Division, PWT, Fire Services, PUC Services, CSD, Accessibility Advisory Committee, EDC

Conformity with the Official Plan

The subject property is designated 'Rural Area' on Land Use Schedule 'C' of the Official Plan. In December 2009 City Council approved a number of Amendments (OPA No. 167) to the Rural Area policies of the Official Plan. More specifically, Rural Area Policy 11 notes that the further development of lots in the Rural Area shall be limited to the creation of one new lot, plus the remnant or retained parcel. This limit is applied from the day of the adoption of Official Plan Amendment No. 167, which was December 2009.

The southwestern portion of the property was recently severed, however this was to facilitate relocating Martin's Trailers, and did not represent the creation of a new rural residential lot, therefore did not count towards the one-lot limit.

A recent (November 2010) severance of a rural residential lot on the northeast portion of the subject property did however count towards the one-lot severance, as outlined in Rural Area Policy 11 of the Official Plan. Consequently, this application does not conform to the current Rural Area Policies of the Official Plan.

The CN rail line (ACR) abuts the subject property to the southeast. The Transportation policies of the Official Plan indicate that proposed residential buildings within 300m of a railway right-of-way are required to undertake a noise study. Furthermore, where residential buildings are proposed to be located within 75m of a rail line, the proponent may be required to undertake a vibration study. Both studies must be to the satisfaction of the Municipality in consultation with the appropriate railway. Given the depth of the subject property, it is anticipated that future residential development will likely occur within 75m of the rail line. If approved by City Council, such issues will be addressed as part of any Committee of Adjustment applications.

Comments

The applicant, Lisa Lofstrum is requesting an Official Plan Amendment to facilitate a severance application to the Committee of Adjustment to create a severance for rural residential purposes.

In 2004 the subject property was part of a much larger parcel, bounded by Fifth Line, Great Northern Road, Schultz Side Road and the rail line. What was once a large acreage with easy access to the highway and rail line now comprises four separate lots, including the remnant. Approval of this application would be the fourth severance in eight years. As it relates to current Official Plan policies, the proposed severance is the second since City Council's adoption of the one lot limit in December 2009.

Referring to the maps attached, the proposed severed portion would have frontage on Great Northern Road and Schultz Side Road. The proposed retained portion would maintain frontage on Great Northern Road and Fifth Line East. It is understood that access to both properties would be from Schultz Side Road and Fifth Line East respectively, rather than Great Northern Road. While the proposed severed and remnant properties will adhere to the minimum lot area requirements, based on the drawings that have been provided by the applicant, it is difficult to confirm the frontages of each lot. If this application is approved, frontage requirements can be confirmed at the time of a Committee of Adjustment application.

Planning Division cannot support the approval of this application. The proposal does not conform to the recently amended Rural Area Policies of the Official Plan or Provincial Policy.

Released in 2005, the Provincial Policy Statement (PPS) is the guidance document which forms the backbone of local Official Plans throughout the Province. OP's and land use decisions 'shall be consistent with Provincial Policies.'

The overall goal of the PPS is to '*promote efficient development and land use patterns which sustain the financial well-being of Municipalities over the long-term*'. Section 1.1.3 of the PPS states that 'Settlement Areas shall be the focus of growth and their vitality and regeneration shall be promoted.' Section 1.1.4.1 of the PPS further states that '*permitted uses and activities within rural areas shall relate to the management of resources, resource-based recreational activities, limited residential development, and other rural land uses.*'

The basic philosophy of Provincial Policy is to promote efficient growth from within the urban area. Good planning principles are based on limiting sprawl and promoting development, redevelopment and intensification within the urban settlement area at densities that can effectively support city services such as water, sewer and road maintenance etc... A characteristic of the rural area is large lot sizes and low development densities. As people move to the rural area, there is a greater demand for services, even though densities are not high enough to generate a tax base capable of effectively sustaining such service demands.

Limiting urban sprawl and maintaining rural areas as large blocks also helps to accommodate the future growth of the community as well as traditional rural area uses such as agriculture, resource based activities and recreational uses. While it is recognized that agriculture is not likely a viable use given the soils, as large blocks of land are subdivided, future development potential is severely impacted.

It is difficult to predict specific development opportunities that may arise over the long term, however assembling 545 acres for the recently completed solar farm would have been more difficult, if not impossible without large blocks of land. Given readily available access to the highway and rail line, the City needs to keep future development opportunities in mind. Additional rural residential development will further sterilize the subject property from a wide variety of future development opportunities.

Correspondence from the Engineering Department and Sault Ste. Marie Region Conservation Authority note that the subject property is regulated under Ontario Regulation 176/06 and as such, a permit from the Conservation Authority is required prior to any development or site alteration.

IMPACT

The fiscal impact that rural area development could have on existing municipal service provisions is not fully understood. However, it is likely that the increase in rural development will lead to a long term increase in demand for higher levels of municipal services in the rural area.

STRATEGIC PLAN

The Mission Statement of the City's Strategic Plan is "to provide quality and cost-effective municipal services in a responsible and supportive manner." The approval of multiple lot severances threatens this goal.

SUMMARY

Traditionally Council has been sympathetic in allowing Rural Area property owners to sever or create one additional property where appropriate. There exists a local market for rural residential properties; however widespread 'rural sprawl' is not in accordance with ensuring the long term sustainability of the community, especially as it relates to providing a variety of future development sites.

Rural development occurs at densities that are not high enough to support the provision of city services in a cost effective manner. Experience shows that as more people move to an area, it eventually results in greater demands for local services, however at rural densities, the tax base is not sufficient enough to effectively sustain such services.

Further residential development on the subject property could also result in greater land use conflicts resulting from the noise generated by the abutting railway and TransCanada Highway; however, if approved by City Council, noise and vibration studies will be reviewed as part of any Committee of Adjustment applications.

Although it is recommended that the application be denied, if City Council chooses to approve this application, such approvals should be conditional upon the approval of an Official Plan Amendment, which would be attached to the implementing by-law at a future Council meeting.

It should be noted that notwithstanding Provincial Policy, City Council has approved several similar applications recently.

RECOMMENDATION

It is recommended that Council denies the applicant's request to amend the Official Plan in order to create an additional rural residential lot.

Respectfully submitted,



Peter Tonazzo, MCIP, RPP
Planner

Recommended for approval,



Donald B. McConnell, MCIP, RPP
Planning Director

Recommended for approval,



Jerry Dolcetti, RPP
Commissioner Engineering & Planning

PT/ps

attachment(s)

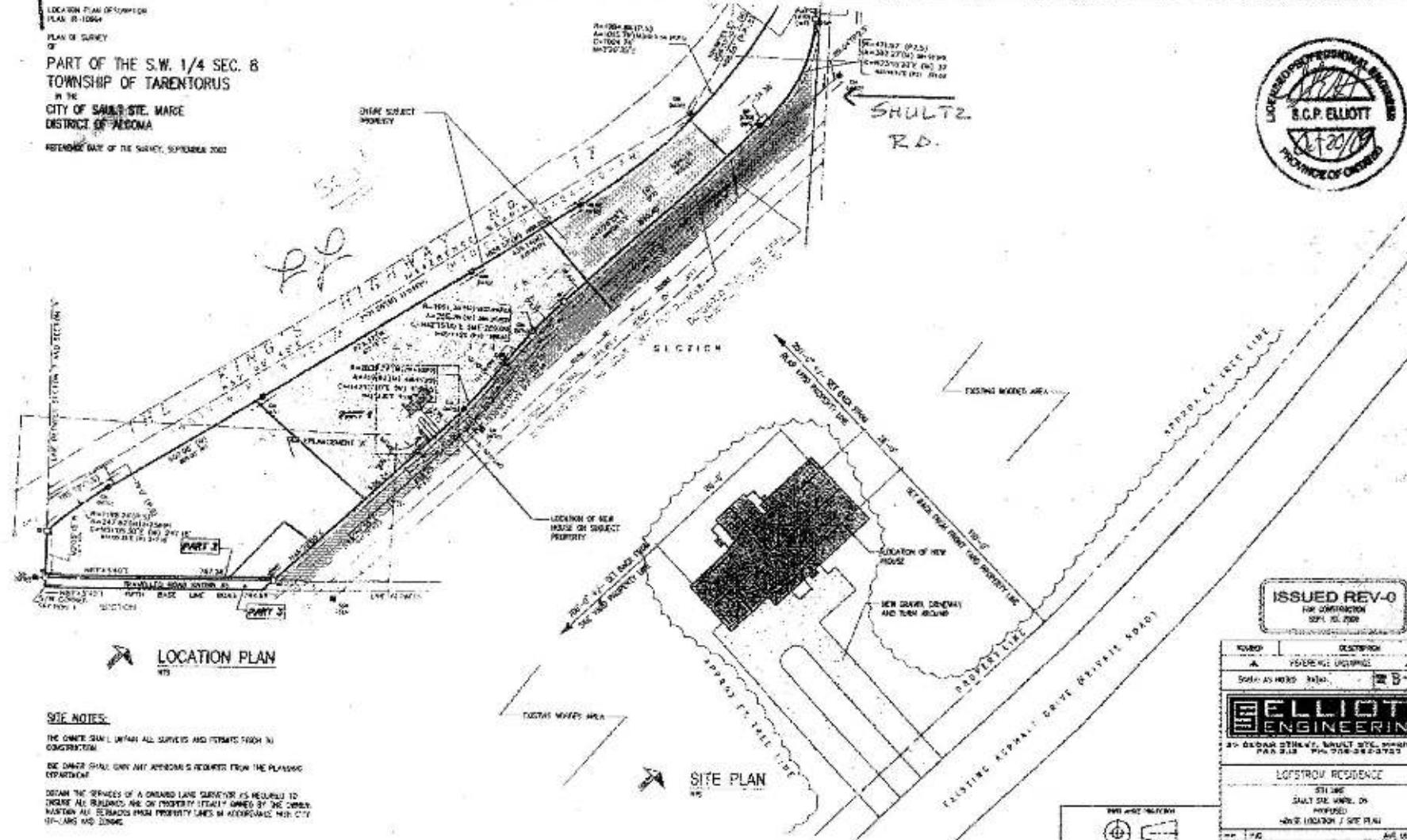
LOCATION PLAN DESCRIPTION
PLAN 01-1084

PLAN OF SURVEY
OF

PART OF THE S.W. 1/4 SEC. 8
TOWNSHIP OF TARENTORUS

CITY OF SAULT STE. MARIE
DISTRICT OF PEGONA

RECORDING DATE OF THE SURVEY, SEPTEMBER 2002



ISSUED REV-0
FOR CONSTRUCTION
SEP. 10, 2002

TOPOGRAPHIC
SURVEY
SHEET AS NOTED
DATE ISSUED: SEP. 10, 2002

ELLIOTT
ENGINEERING
39 GEORGE STREET, SUALST STE. MARIE, ON
PAS 212-777-2222

LOGSTROM RESIDENCE
ST. LANE
SAULT STE. MARIE, ON
PROPERTY
HOME LOCATION / SITE PLAN

PROP. AREA / LOCATION	ST. LANE	REV.
	SALT ST. LANE, ON	
	PROPERTY	
	HOME LOCATION / SITE PLAN	
REF. NO.	109122-001	
DATE ISSUED	SEP. 10, 2002	
DATE REVISED		0

666(c)

(b)(6)(C)

Jerry D. Dolcetti, RPP
Commissioner

Daniel Perri, EIT
Engineering Intern



ENGINEERING & PLANNING
DEPARTMENT

Engineering & Construction Division



2012 05 07
Our File: A-18-12-OP

Donald B. McConnell, MCIP, RPP
Planning Director
Engineering and Planning Department
City of Sault Ste. Marie

Dear Mr. McConnell:

**RE: A-18-12-OP ~ 680 FIFTH LINE EAST
REQUEST FOR AN AMENDMENT TO THE OFFICIAL PLAN**

The Engineering and Construction Division has reviewed the above noted application, and provides the following:

- The subject property is regulated under Ontario Regulation 176/06: Regulation of Development, Interference with Wetlands and Alterations to Shorelines and Watercourses.

If you have any questions, please contact the undersigned.

Yours truly,

Daniel Perri, EIT
Engineering Intern

c: Jerry Dolcetti, Commissioner, Engineering & Planning
Susan Hamilton Beach, P. Eng., Deputy Commissioner, PWT

Pat Schinners

From: Marlene McKinnon <mmckinnon@ssmrca.ca>
Sent: May 02, 2012 1:39 PM
To: Pat Schinners
Cc: Peter Tonazzo; Frank Tesolin (Home); Linda Whalen
Subject: SSMRCA Response - A-18-12-OP

May 2, 2012

Donald B. McConnell, MCIP, RPP,
Planning Director
City of Sault Ste. Marie
P.O. Box 580
Sault Ste. Marie, ON P6A 5N1

Conservation Authority Comments:

Application # A-18-12-OP
Lisa Lofstrom
680 Fifth Line East
Sault Ste. Marie

The subject property is located in an area under the jurisdiction of the Conservation Authority with regard to the O. Reg.176/06 for Development, Interference with Wetlands and Alterations to Shoreline and Watercourses. A permit is required for development on the subject property and the proposed severed lot.

The subject property is not under consideration of the Drinking Water Source Protection Program of the Conservation Authority with regard to Drinking Water Source Protection as it will be a residential development.

Should you have any questions on our comments please contact our office.

Marlene McKinnon
GIS Specialist
Sault Ste. Marie Region Conservation Authority
1100 Fifth Line East,
Sault Ste. Marie, Ontario P6A 5K7
Business: (705) 946-8530 ext 204
Fax: (705) 946-8533
Email: mmckinnon@ssmrca.ca



2008 ORTHO PHOTO
680 FIFTH LINE EAST
PLANNING APPLICATION A-18-12-OP



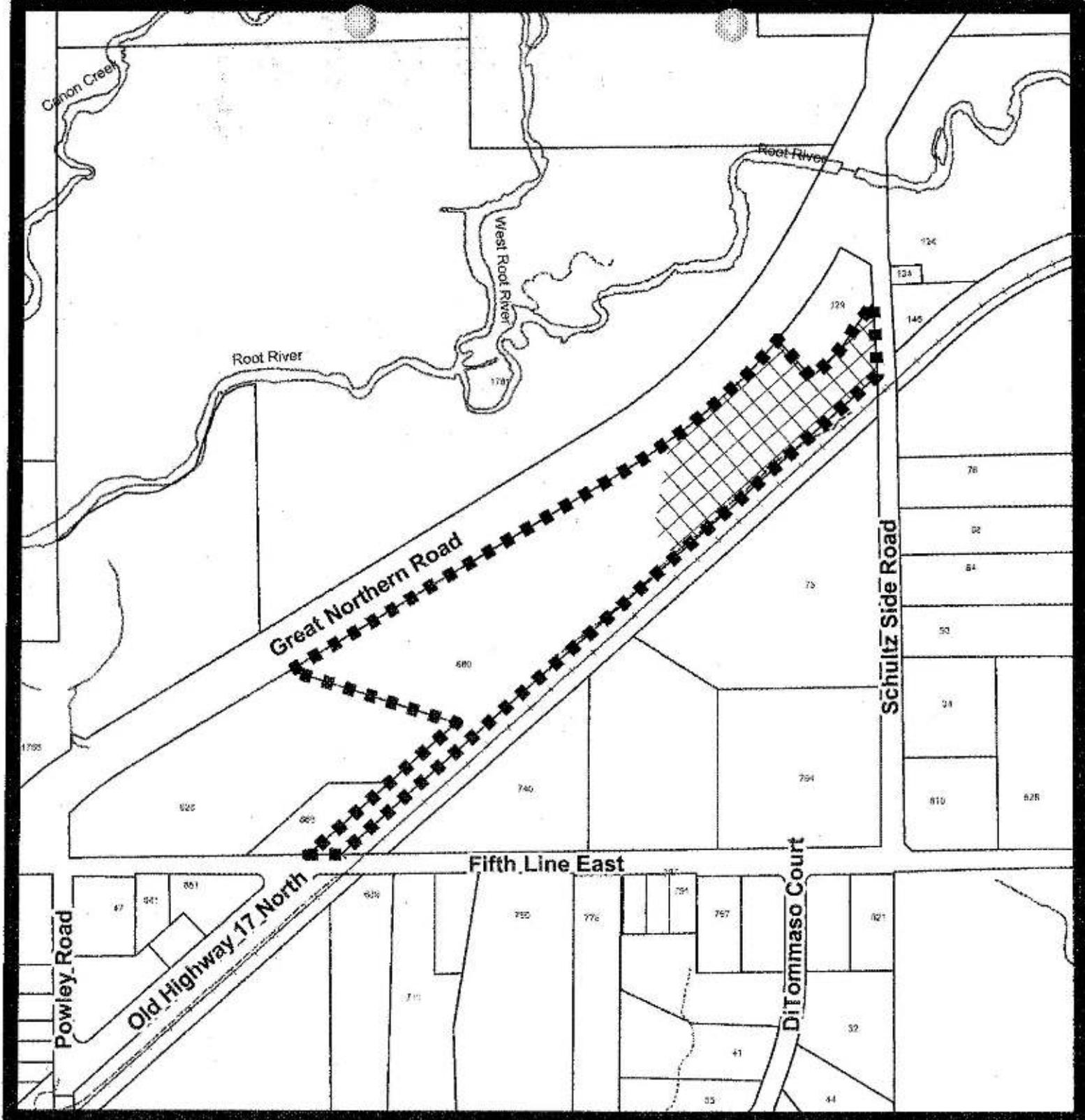
Metric Scale
1 : 5200

Subject Property = 680 Fifth Line E

Proposed Lot

Maps
504 & 2-62

Mail Label ID
A-18-12-OP



SUBJECT PROPERTY MAP

680 FIFTH LINE EAST

PLANNING APPLICATION A-18-12-OP



Metric Scale
1 : 5200



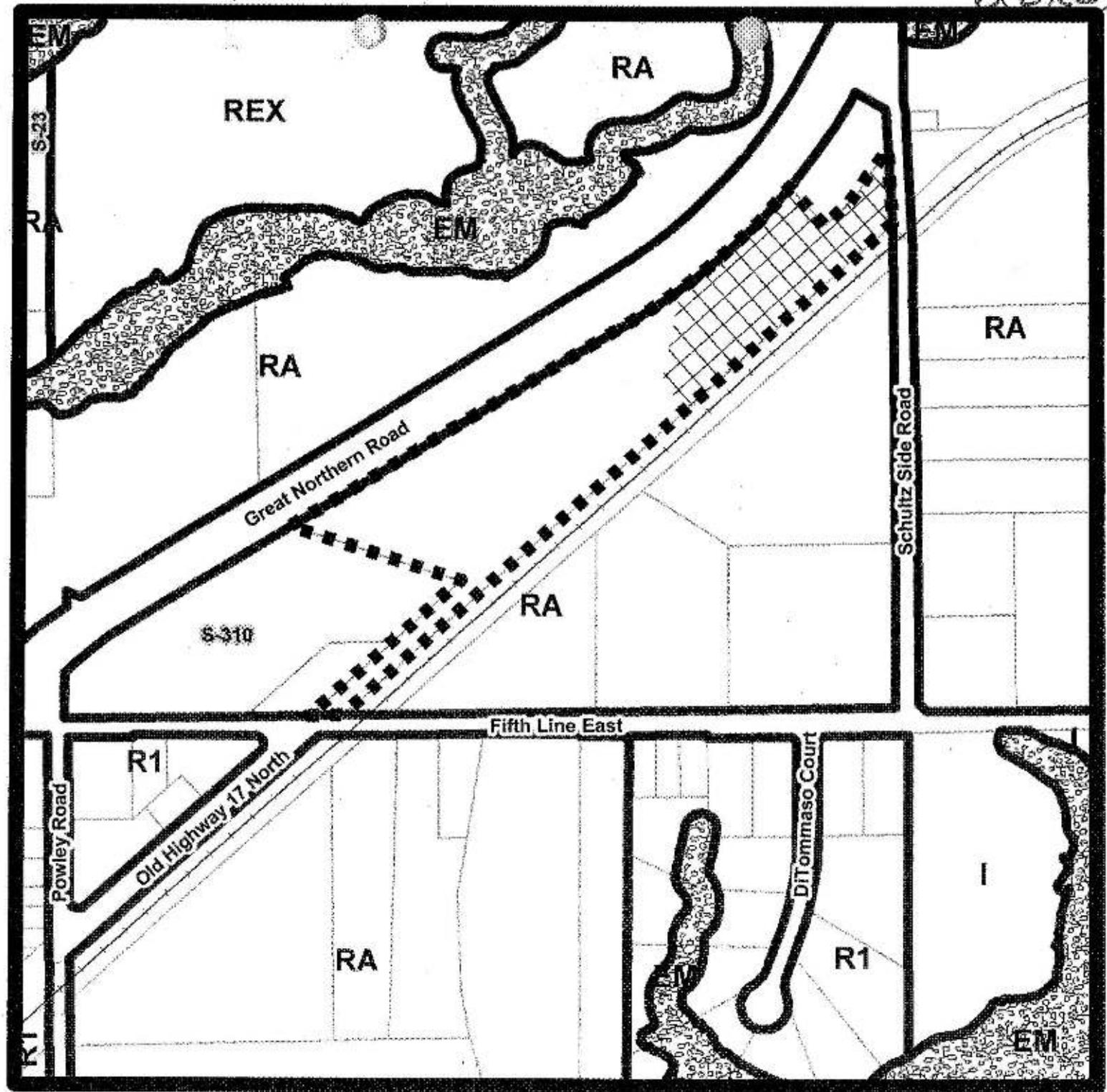
Subject Property = 680 Fifth Line E



Proposed Lot

Maps
504 & 2-62

Mail Label ID
A-18-12-OP



EXISTING ZONING MAP

680 FIFTH LINE EAST

PLANNING APPLICATION A-18-12-OP



- ■ ■ Subject Property = 680 Fifth Line E
- × × Proposed Lot
- R1 - Estate Residential Zone

- RA - Rural Area Zone; RAhp
- EM - Environmental Management Zone
- REX - Rural Aggregate Extraction Zone
- S-No. = Special Zoning

Metric Scale
1 : 5200

Maps
504 & 2-62

Mail Label ID
A-18-12-OP

(66)(d)

Jerry D. Dolcetti, RPP
Commissioner

Donald B. McConnell, MCIP, RPP
Planning Director



ENGINEERING & PLANNING DEPARTMENT

Planning Division

Tel: (705) 759-5368
Fax: (705) 541-7165

Celebrate 100!
1912 - 2012

2012 05 28

Mayor Debbie Amaroso and
Members of City Council

RE: Digital Signs By-law

PURPOSE

The Signs By-law Committee is requesting City Council's approval of the proposed Digital Signs By-law. If approved, it is also recommended that Council end the current moratorium on digital sign applications.

BACKGROUND

On September 26, 2011, City Council passed the following resolution:

"Whereas the City has been without a comprehensive review of its signs by-law for many years; and

Whereas electronic digital sign regulations are not part of the City's permanent signs by-law; and

Whereas applications for placement of these signs have increased in the city over the past year; and

Whereas a committee made up of City staff, City Council members and industry personnel will soon be created to review and perhaps amend the City's current signs by-law;

Therefore Be it Resolved that City Council decide on the digital sign application before it and institute a moratorium on all future digital sign requests until such time as a formal review of the City's sign policies have been completed and a final decision has been made regarding such policies."

ANALYSIS

Background Research

The following municipal Digital Sign By-laws were studied as part of the review, including:

- Toronto
- Saskatoon
- Nanaimo
- Oakville
- Clarington
- Calgary
- Pitt Meadows
- Traverse City

- Fredericton
- St. Johns
- Sudbury
- Pittsburgh
- Philadelphia

- Timmins
- Edmonton
- Windsor
- North Bay

General Findings

- Most Municipalities prohibit flashing, scrolling, fading or depicting movement, including video.
- All Municipalities regulate duration of message, brightness and transition of message.
 - Minimum duration of message times generally range from 6-15 seconds.
 - Transition of messages must occur in less than 1 second.
 - The overall effect is that sign messages must be static for a set period, and then change quickly to a new static message, with little or no effects of the change, such as scrolling, fading or flashing.
- Most Municipalities require automatic light sensors to ensure that sign brightness is continually adjusted to ambient lighting conditions.
- All by-laws reviewed had general prohibitions upon signs emitting sound or being interactive in any way.
- All by-laws reviewed differentiate and regulate on-site vs. off-site advertising.
- All by-laws contained general clauses noting that digital signage cannot block or reduce the visibility of a traffic control signal/device. This included depicting images that could be misinterpreted as an emergency vehicle or traffic control device/sign.

Public Consultation

- February 23 – A draft by-law was circulated to local sign industry stakeholders for comment – Feedback from this circulation was minimal, including:
 - Perceived inconsistency in enforcement.
 - The minimum message duration of at least 1 minute was seen as too restrictive.
- April 2 – Draft by-law provided to Council for information.
 - Public notice was sent to sign industry stakeholders and advertised in the Sault Star and Sault This Week.
- April 25 – Public Open House. The Open House was attended by approximately 30 people, primarily local business owners and the signs industry. Most of the attendees either had existing digital signs or were considering purchasing and installing a digital sign. In general, the comments at that meeting were quite critical of the draft regulations. Much of the regulations are focused on public safety. The group generally felt that the urban landscape is littered with distractions and that overly cautious regulations were not warranted. The following 6 main issues were identified:
 - Minimum Duration of Message – 1 minute is too long
 - Off-site vs. On-site advertising – The by-law should not restrict what can be advertised.

- Prohibition of flashing/scrolling/fading/video – The by-law should allow digital signs to be utilized to their fullest capabilities.
- Setbacks from Intersections – Safety Review. The by-law should not require a proponent to hire a qualified professional to conduct a safety review. This is onerous upon the Applicant and un-warranted.
- Prohibition of Digital Portable Signs – The group questioned why portable signage could not be made digital.
- Prohibition of Projected Signage – It was suggested that rather than prohibit projected signage, such signage could be permitted on a case-by-case 'trial' basis.
- Written Feedback – A total of **8 letters** were received from various stakeholders, including business owners, the signs industry and the general public. It is worth noting that written comments were far less critical of the draft by-law than those in attendance at the open house, however duration of message (proposed to be >1minute) was consistently cited as a concern.
- Anecdotal Feedback – The regulation of signage is a polarizing endeavour. The ability to advertise is crucial to the success of any business. Furthermore, the success of any sign company is directly based on the volume of signs which they are able to install and maintain. Therefore, formal feedback from stakeholders has been forthcoming. Formal feedback from the general public has not been so forthcoming. Staff has had a number of discussions with members of the public who feel that digital signs are a distraction, however for the most part, such input has not been formally submitted.

Discussion of Feedback

- Minimum Duration of Message – Of the by-laws reviewed, the minimum duration of message generally ranged from 6-15 seconds; however there were some at 30 seconds and 1 minute. Agreeing that 1 minute is out of line with most of the other by-laws, the Committee proposes to reduce the minimum duration of message from 1 minute to 15 seconds.
- Off-site vs. On-site Advertising – Of the by-laws reviewed, most regulated off-site vs. on-site advertising. Off-site advertising is the advertising of goods and services which are not available on the site in which the sign is located. Existing Signs By-law 2005-166 currently regulates off-site vs. on-site by defining 'billboards' as off-site advertising and only permitting them in certain areas, Trunk Road, Second Line West, Great Northern Road, Bruce Street and not more than 25 billboards within the downtown.

A recent change to the Municipal Act grants the Municipality the authority to directly regulate sign content as it pertains to off-site and on-site advertising. The rationale for such regulations is to curb a proliferation of signage and billboards. Although local business owners were quite critical of this regulation, written comments from national and local digital sign companies were not. One could surmise that digital sign companies doing business in other communities throughout Ontario and Canada have had to deal with such regulations for some time.

Having said this, it is recognized that such regulations would be very difficult to interpret and enforce. For example, public service announcements might be a positive by-product of digital signage. It is also recognized that restricting on-site

vs. off-site severely reduces the financial viability of investing in such signage. Finally, the argument of aesthetics and reducing sign clutter is philosophical and difficult to impose on sign and business owners within the local context. For these reasons, the Committee is proposing that the Digital Sign By-law not regulate on-site and off-site advertising.

- Prohibition of flashing/scrolling/fading/video – The majority of the by-laws reviewed prohibited flashing, scrolling, fading, video and any movement beyond a rapid (less than 1 second) transition between different messages. At the public open house it was recommended that such a prohibition was not appropriate. The Signs By-law Committee feels that it is appropriate in order to reduce potential distraction to motorists. Furthermore, such prohibitions are in line with the overwhelming majority of existing municipal digital signs by-laws. Apart from older digital signs and specific areas such as Yonge/Dundas Square, Toronto, there are very few digital signs which depict moving, flashing or scrolling images. Therefore, the draft by-law continues to prohibit flashing, scrolling, fading and video.
- Setbacks from Intersections – Safety Review – The original draft by-law required proponents to hire a qualified professional to conduct a 'safety review' for any digital signs proposed to be located within 100m of a signalized intersection or 50m of a non-signalized intersection or rail crossing. This regulation was consistent with Edmonton's recently approved by-law, current Ministry of Transportation (MTO) policies relating to digital signs on Highways and the interim policy provided by Martin Rendl and approved by City Council last summer. As a result of numerous comments provided, the distance from intersections has been significantly reduced to 30m from a signalized intersection and 15m of a non-signalized intersection. There is currently much debate as to whether or not digital signs pose a safety concern when located near intersections. The issue is distraction at or near 'driver decision points' such as intersections. A number of studies were submitted as a result of public notice. Each attached study concludes that digital signage is not a distraction and can be located near intersections. There also exist numerous studies which conclude that digital signage does in fact cause an undue distraction. Although it is recognized as a critical piece of information, the debate as to whether or not digital signs are a distraction is a much larger one, beyond the resources and time constraints of this project.

Given the current disagreement among experts and without the benefit of costly expert advice, City staff must rely on in-house expertise and a comparison of other Municipal By-laws. The City's Department of Public Works and Transportation has consistently opposed digital sign applications in close proximity to street intersections. It is also understood that the Traffic Safety Authority (TSA) is currently undertaking an independent study to develop digital sign regulations.

The Committee is of the opinion that safety review requirements are appropriate; until such time that the TSA study has been completed. At that time, this regulation can be re-visited.

At the Open House it was also suggested that City staff should conduct the safety review. This is inconsistent with current Municipal practises. Under most circumstances, Municipal organizations are review agencies, even where by-laws, codes, regulations or guidelines exist. In the case of digital signage, where a generally recognized regulation does not exist, it is imperative to have a qualified professional review the proposal if it is within close proximity to an intersection.

- Prohibition of Digital Portable Signs – Portable signs can be easily and quickly located and relocated on any property, thus making enforcement difficult. In many cases, the Municipality identifies an illegal portable sign and notifies the owner, who simply re-locates the sign, often without a permit and in contravention of the existing by-law. The situation then repeats itself. Building staff has spent countless resources attempting to enforce portable sign regulations, resulting in perceived enforcement inequalities. The prohibition of digital portable signs is therefore recommended, given the aforementioned difficulties with enforcement.
Given cost and vandalism concerns, it is not anticipated that a large number of digital portable signs would be forthcoming.
- Prohibition of Projected Signage – The original draft by-law prohibited projected signage. The technology employed to project digital signage onto a building, structure or any surface is quite accessible and portable. Special regard must be given to where the projector is located and how projected light may impact motorists. Furthermore, projected signage has the potential to be very large. Having said this, the Committee agrees that such signage could be appropriately located on a case-by-case basis. Consequently, a process for approving projected signage on a case-by-case basis has been included in the proposed by-law.
- Digital Signage Installed on Vehicles – In recent months a local company has been supplying digital reader boards to be installed on top of vehicles. It has been suggested that the Digital Signs By-law could regulate such signage. The Committee feels that such regulations would exceed local jurisdiction and is most appropriately dealt with by the Province under the Highway Traffic Act. Consequently, the proposed Digital Signs By-law will not regulate the installation of digital signage on vehicles.
- Applicability: By-law will not be Retro-active – As per the Municipal Act, the by-law is not retro-active. Existing lawful digital signs that do not meet the regulations contained in the proposed Digital Signs By-law may continue to operate in the same manner. There are also a number of recently approved digital signs with special agreements/regulations. Where an agreement or site specific regulation is more restrictive than a regulation within the proposed by-law (such as duration of message or on-site vs. off-site), the digital sign may begin to operate in accordance with the proposed by-law as approved by City Council.

IMPACT

There are no significant impacts resulting from the approval of this request.

STRATEGIC PLAN

Approval of this request is not related to any activity identified in the City's Corporate Strategic Plan.

SUMMARY

For every study that says digital signs are a distraction, there is a study that says they are not. One perspective is that without regulation, digital signage poses a distraction. The other perspective is that 'accidents happen' and it is not necessarily digital signs that cause the distraction. There are a number of studies that support both perspectives, and critics point out that a truly independent comprehensive study has yet to be completed.

The proposed Digital Signs By-law was originally drafted with a cautious eye toward public safety. Public consultation has resulted in a number of substantial changes, with special regard for allowing local businesses and entrepreneur's to take full advantage of this technology, while at the same time maintaining public safety. Based upon a review of Municipal Digital Sign By-laws from throughout Canada and the United States, the Committee is confident that the proposed by-law is in line with other regulations.

Once the Traffic Safety Authority completes a review and establishes general regulations, the proposed by-law can be reviewed and updated if necessary.

RECOMMENDATION

That City Council approves the proposed Digital Signs By-law and repeals the current moratorium on digital signage.

Respectfully Submitted,

Peter Tonazzo, MCIP, RPP
PLANNER

Recommended for approval,

Donald B. McConnell, MCIP, RPP
Planning Director

Recommended for approval,

Jerry Dolcetti, RPP
Commissioner Engineering & Planning

PT/ps

attachment(s)



(6)(d)

PROPOSED DIGITAL SIGNS BY-LAW

1 INTERPRETATION

- 1.1** Notwithstanding the provisions of Signs By-law 2005-166, this by-law shall exclusively regulate *digital signs and digital fuel price indicator signs*.
- 1.2** Where a specific provision of this by-law conflicts with a specific provision of by-law 2005-166, the provision contained herein shall prevail.

2 DEFINITIONS

- 2.1** **Billboard Sign** – An outdoor sign that advertises goods and services that are not available upon the same property or premises in which the sign is located.
 - 2.2** **Digital Sign** – Means any sign that is remotely changed on or off site and incorporates a technology or method allowing *sign copy* to be changed without having to physically or mechanically replace the *sign face* or its components. Such signage may include but is not limited to the following:
 - LED, LCD, Plasma screens and projectors which may depict and/or project text, pictures and/or videos
 - Digital readerboards which depict moving or static text only
- Exclusion – Digital Fuel Price Indicator Signs**
- 2.3** **Digital Fuel Price Indicator Sign** – A portion of a sign in association with a fuel sales use, as defined by zoning by-law 2005-150, as amended, which contains a digital display of current fuel prices only.
 - 2.6** **Sign** – A device or structure used or capable of being used as a visual medium to attract attention to a specific subject matter for identification, information or advertising purposes.
 - 2.7** **Sign Copy** – Any colour, graphic logo, symbol, word, numeral, text, image, message, picture or combination thereof displayed on a sign face.
 - 2.8** **Sign Face** – is the interior area of a sign, excluding the frame portion of the sign.

3 REGULATIONS FOR DIGITAL SIGNS

3.1 General Prohibitions

No *digital sign* shall:

- a. Flash, scroll or fade, during the transition of *sign copy* as described later in this by-law, including any lighting or backlighting effects;
- b. Emit sound or be interactive in any way;



66(d)

- c. Depict or display *sign copy* that could be misinterpreted as an emergency vehicle or traffic control device;
- d. Block or reduce the visibility of a traffic signal, traffic sign or other traffic control device;
- e. Contain the words or phrases 'Stop', 'Go Slow', 'Caution', 'Danger', 'Warning', 'Emergency', 'Yield' or 'Detour', unless such word or phrase is part of the name of a business or product and is displayed solely to identify such business or product;
- f. Be a portable sign as defined by Signs by-law 2005-166;
- g. Be projected onto a building structure or any surface, unless approved by the Commissioner of Engineering and Planning, or designate, as outlined in Section 5 of this by-law.
- h. Be located or encroach upon a public right of way, unless permitted herein or by Streets by-law 2008-131 as amended.

3.2 Duration of Message

Digital sign copy shall be displayed continuously in a static manner and without change for a period of time that is not less than **15 seconds**.

3.3 Transition of Messages

Sign copy may change if the transition:

- a. Is no longer than **1 second** in duration;
- b. Is a change of the entire *digital sign copy area*;
- c. Does not consist of partial, incremental or sequential changes of the *sign copy area*; and,
- d. Does not display any visible effects including but not limited to motion, fading, dissolving, flashing, intermittent or blinking light, scrolling or the illusion of such effects.

3.4 Brightness

- a. All *digital signs* shall be equipped with an automatic light sensor to adjust the brightness level of the *sign copy area*. The sensor must be set so that brightness levels do not exceed 3.23 lux (0.3 foot candles) above ambient light conditions as measured using a Lux meter at a preset distance depending on sign area. The measurement distance shall be calculated with the following formula: The square root of the sign area x 100. Example using a 5m² sign: $\sqrt{5m^2 \times 100} = 22.3m$.
- b. Notwithstanding maximum brightness levels, the sign shall not cause undue glare to the satisfaction of the Chief Building Official



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3.5 Location

- a. *Digital signs* are permitted in commercial, Industrial, Institutional and Parks and Recreation Zones as outlined in Zoning By-law 2005-150. *Digital signs* are also permitted in accordance with the billboard regulations set out in Signs by-law 2005-166, unless otherwise noted in this By-law.
- b. Unless otherwise noted in this By-law, *digital signs* shall adhere to the size, setback and sight triangle regulations set out in by-law 2005-166.
- c. *Digital signs* shall be setback a minimum of 22m from a residential zone.

3.6 Setbacks from Intersections

Where a *digital sign* is to be located within 30m of a signalized intersection or 15m of a non-signalized intersection of 2 publicly owned roadways or a railway crossing, prior to the issuance of a permit, a safety review must be conducted by a Professional Engineer, to the satisfaction of the Commissioner of Public Works and Transportation. The distances shall be measured from the lot lines abutting the intersection.

- a. The safety review shall identify why the sign is acceptable at the location being proposed, as well as any mitigating measures aimed at reducing potential risks, based upon but not limited to the following items:
 - i. Crash history
 - ii. Traffic and pedestrian volumes
 - iii. Roadway speed
 - iv. Existing and expected driver workload
 - v. Relative geometric complexity of the roadway and/or intersection.

The distance from any intersection shall be measured from the nearest curb that is adjacent to the intersection of 2 or more public and/or rail line right of ways.

3.7 Specific *Digital Sign* Regulations

Sign Types where Digital Sign Copy is Permitted	Maximum Size	Maximum Projection Where Applicable	Minimum Clearance above established grade	Maximum number of <i>Digital Signs</i> per Lot	Minimum setbacks, maximum height and sight triangle regulations, minimum separation between signs and any other provisions not specifically mentioned in this by-law.
<i>Billboard Sign</i>	20m ²	N/A	3m		
<i>Canopy, Awning, Marquee</i>	N/A	N/A	3m		Same as those outlined for specific sign types in By-law 2005-166
<i>Ground Sign</i>	7.5m ²	N/A	No minimum.		
<i>Projecting Sign</i>	1m ²	0.3m	3m	Not more than 1 <i>digital sign</i> per lot.	
<i>Roof Sign</i>	20% of roof area	0.3m	3m		
<i>Wall Sign</i>	15% of facade	0.3m	3m		
<i>Window Sign</i>	50% of total window area	N/A	3m		



4 REGULATIONS FOR DIGITAL FUEL PRICE INDICATOR SIGNS

Nothing in this by-law shall restrict the use of *Digital Fuel Price Indicator Signs* so long as they are in association with, and located upon the same site as a fuel sales use. Not more than 2 *digital fuel price indicator signs* are permitted. Each *digital fuel price indicator sign copy area* may not exceed 0.5m^2 (5.3sq.ft).

5 REGULATIONS FOR DIGITAL SIGNS THAT ARE PROJECTED ONTO A BUILDING, STRUCTURE OR ANY OTHER SURFACE.

- a. Prior to the issuance of a signs permit for any digital Signs that are to be projected onto a building, structure or any other surface, the written approval of the Planning Director is required. The review will be based upon consultation with relevant city departments and outside agencies, including but not limited to:
 - i. Public Works and Transportation
 - ii. Building Division
 - iii. Legal Department - For Municipal property.
 - iv. PUC Services Inc.
- b. An application to project digital signage onto any building, structure or surface, shall be submitted to the Planning Division, and must be accompanied by:
 - i. Application fee of \$150
 - ii. A site plan showing:
 1. Size and location of the projected sign
 2. Location of projector
 - iii. Written confirmation from the property owner, agreeing to the application to permit a projected digital sign, as well as projecting equipment.
- c. If the application is denied, the applicant may request a Council decision.

6 ADDITIONAL REGULATIONS FOR ALL DIGITAL SIGNS

- a. *Digital signs* shall be designed so as to cease operation in the case of a malfunction.

7 APPLICATION REQUIREMENTS

Applications for *digital signs* must include the following, in addition to the application requirements set out in Signs by-law 2005-166:

- a. One copy of a scaled drawing for each side of the sign, giving all dimensions and areas, as well as colours and materials used.



66(d)

- b. One copy of a site plan showing the proposed location of the sign in relation to sight triangles, signalized and non-signalized intersections and lot lines.
 - i. If applicable, a safety review, completed by a qualified Professional Engineer, as outlined above.
- c. One signed copy of Appendix A which includes the following statements:
 - i. The applicant agrees to only display on-site advertising, unless the application is for a billboard sign.
 - ii. The applicant has read, understands and agrees to adhere to the regulations contained in the following sections of this by-law:
 - General Prohibitions
 - Duration of Message
 - Transition of Messages
 - Brightness

8 PENALTY

Every person who contravenes the provisions of this by-law is guilty of an offence and on conviction is liable to a fine as provided for in the Provincial Offences Act.



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APPENDIX A

APPLICANT AFFIDAVIT FOR DIGITAL SIGNS

I hereby affirm and certify that the sign being installed under this permit application will adhere to the requirements of the City of Sault Ste. Marie Digital Signs By-law, including but not limited to:

1. The sign will display 'static' messages for a period of at least 15 seconds.
2. The transition between sign copy will take less than 1 second. Such transition will be a change of the entire digital sign copy area, without any effects such as flashing, fading or scrolling.
3. The digital sign will be equipped with an automatic light sensor, set so that brightness levels do not exceed 3.23 lux above ambient light conditions.

I _____ (print name) have read and understand the requirements and restrictions set out in the Digital Signs By-law.

X _____

Date: _____

Peter Tonazzo

(b)(6)(d)

From: John Dick <j.dickhdequip@gmail.com>
Sent: March 30, 2012 1:57 PM
To: Peter Tonazzo
Subject: Digital Sign

Dear Peter,

I have reviewed the Digital Sign by-law and there are a few items that stand out particularly "Duration of Message". The digital sign copy shall be displayed continuously in a static manner and without change for period of 1 minute. Accordingly to the sign supplier of message from 6 sec, 15 sec, to 30 second. One minute intervals are far too long of a period. I propose if possible for our sign on the hwy 15 - 30 sec intervals, due to hwy traffic & speeds driven. I can see the 1 min interval in the downtown business core due to traffic lights / intersections.

Peter for your information below:

At 15 seconds as timed on Hwy 17 E allowed for 16 cars gone by as of couple of minutes ago. Here we are dealing with 2 lanes of traffic and traffic not stopped by Lights or intersections.

Thanks Peter,

Jr.

--
John Dick Jr
Sales Marketing Manager NA, CA, SA
HD Equipment Sales & Service
967 Trunk Road
Sault Ste. Marie, ON Canada P6A5K9
Tel: 705.759.1133 / 123
Fax: 705.759.4521
Email: hdequip@soonet.ca
Website: www.AstencookNorthAmerica.com
www.AstencookCentralAmerica.com
www.AstencookSouthAmerica.com

Malcolm White

From: Kim Vaudry on behalf of City Clerk
Sent: May 11, 2012 8:34 AM
To: Malcolm White
Subject: FW: DIGITAL SIGNS

From: Domenic Coccimiglio [mailto:domco21@yahoo.ca]
Sent: May 10, 2012 4:30 PM
To: City Clerk
Subject: DIGITAL SIGNS

----- Forwarded Message -----

From: Bridgetown Realty <bridgetownrealty@shawbiz.ca>
To: domco21@yahoo.ca
Sent: Thursday, May 10, 2012 2:45:55 PM
Subject:

May 9, 2012

RE: DIGITAL SIGNS

Hi,

On Monday May 14th 2012, at city council meeting I believe council is going to create a by-law to regulate Digital Signs usage in Sault Ste. Marie. I attended the meeting on Wednesday April 25th and could not believe some of the remarks that were made. (examples: one minute intervals for messages to change, 100metres from intersection that has a traffic light, and others)

We were told that this is what is happening in other communities....there we go again, being FOLLOWERS rather than LEADERS.

What about a made in SAULT STE. MARIE solution, so other communities can compare to us.

Digital Signs are expensive but effective. Digital Signs may even eliminate some portable signs, therefore cleaning up the street level obstructions to traffic.

At the meeting all I kept hearing over and over was that they may be a distraction to motorists. This comment makes no sense. Storeowners that put out fancy displays in their storefronts is also a distraction. Motorists have to turn their heads to see the displays. Everything, from a car dealer displaying a fancy car at roadside to the other extreme of a person being drunk at the side of the road can be a distraction. At least with any signage the motorist is looking forward.

Perhaps the digital sign at Second Line East (across Water Tower) may be to much of a distraction, but I don't believe the city can prove it has caused any accidents.

There are presently some digital signs that are near traffic lights but these will be "grandfathered" in. Where is the fairness to this?

(d)(6)(d)

I choose to follow the rules while others hired out of town companies to install their digital signs (illegally) and apply for a permit later. Than a "deal" gets struck and they are "grandfathered" in. What a way to encourage business people to do business legally. What a SHAME

I believe there should be some controls with everything but everyone should abide by the same rules.

Limiting the size of the digital sign I can understand, but other than that if a permit can be obtained for a regular sign it should also apply equally to a digital sign.

Remember we are a city that proclaims we are OPEN FOR BUSINESS ---or are those just words we like to say.

If you have any questions please feel free to contact me.

Domenic Coccimiglio
Broker of Record/Owner
BRIDGETOWN REALTY INC.
705-946-5885 or my cell 705-941-8262

Peter Tonazzo

From: Ross Muzylo <ross.muzylo@outdooropportunities.com>
Sent: April 24, 2012 2:20 PM
To: Peter Tonazzo
Cc: allan.peck@outdooropportunities.com
Subject: Draft digital sign regulations

Dear Peter:

Further to our telephone conversation today we have read the draft digital signs By-law and wish to make the following comments.

1. We agree with the comments attributed to you in the Sault Star namely, "Digital signs are fairly expensive and that may deter someone from purchasing one." A ten foot by twenty foot digital billboard costs in the neighbourhood of \$90k. As a result, it would only be suitable in high traffic areas to warrant this type of expenditure.
2. In order for digital signs to be economically viable would require at least a 6 to 10 second interval between messages. Given the speed of vehicular traffic, a static 6-second digital message would be similar in duration to viewing a traditional static billboard.

Respectfully, we would ask you to consider a change to section 3.2 of the draft regulations to reflect a more appropriate duration in the case of billboard signs.

Also, would you kindly arrange to have our company placed on your contact list with respect to agendas, minutes and upcoming meetings concerning your sign by-law?

Yours truly,

Ross Muzylo
President
Outdoor Opportunities Inc.
Agents for Canadian Pacific Railway
(905) 763-7552

ROSS.MUZYLO@OUTDOOROPPORTUNITIES.COM

Malcolm White

From: Ross Muzylo <ross.muzylo@outdooropportunities.com>
Sent: May 18, 2012 12:35 PM
To: Peter Tonazzo; twincitysigns@live.com; northern.lights@shaw.ca; fiore.boschi@sisgroup.ca; febbz_77@hotmail.com; willson.carter.bruce@hotmail.com; superior7@shaw.ca; mmaki@mpg-arch-eng.ca; terra.fisher@daktronics.com; mdelfre@bushplane.com; domenic@bridgetownrealty.ca; jeffry@algomaastro.org; waynehudson@shaw.ca; 'John Dick'; ross.viotto@century21.ca; pjmcclarty@shaw.ca; danny@algomamortgage.com; 'CLASSIC SIGNS'; 'Leslie Cook'; shelley@ssmcoc.com; jeffrey@algomaastro.org
Cc: Malcolm White; allan.peck@outdooropportunities.com; karen.peck@outdooropportunities.com
Subject: RE: Re: Digital Signs By-law

Peter:

Thank you for the recent update. The only comments we wish to make is to respectfully ask you to reconsider the duration of 15 seconds. Some municipalities allow for as little as a 6-second duration which makes the digital display economically viable. A 15 second duration would pretty well guarantee no interest by either the sign owner or the advertiser, who would be faced with unreasonably high rental fees.

As you may be aware, the City of Ottawa is also considering digital advertising and has spent the last two years analyzing the effects of digital signage. We are taking the liberty of attaching a segment of their May 2012 "Draft Proposal" for your committee's review. As you can see, the City of Ottawa is recommending a ten second duration.

Timing of Image Changes

For the duration of the digital billboard pilot project, the billboards have operated at a minimum dwell time of six seconds. In other words, an image on a screen has been required to remain static for at least six seconds before it can be changed to another image. As part of the research undertaken, it was discovered that even though the six second minimum dwell time is common in North America, some municipalities choose to set these minimum periods of static images to eight or even 10 seconds. Since the digital billboard questionnaires showed a preference for longer image dwell times and it is thought that this may reduce the potential for driver distraction, it is recommended that the minimum dwell times on all digital billboards be extended from the current from six seconds to 10 seconds.

During the first half year of operation, the billboards displayed the current time and temperature for only two seconds, three times per minute. This was eliminated because the quick image changes led to concerns about driver distraction. However, many survey respondents expressed appreciation for this information, and as a result, the by-law will allow the time and/or temperature to be featured as part of the City messages, which will be displayed for 10 continuous seconds per minute of operation on digital billboards that are located on City property.

In view of the foregoing, we would respectfully request you amend section 3.2 of your proposed digital sign by-law from 15 seconds to 10 seconds.

Yours truly,

Ross Muzylo

President

(660d)

-----Original Message-----

From: Peter Tonazzo [mailto:p.tonazzo@cityssm.on.ca]
Sent: May 18, 2012 11:14 AM
To: twincitysigns@live.com; northern.lights@shaw.ca; fiore.boschi@sisgroup.ca; febbz_77@hotmail.com; willson.carter.bruce@hotmail.com; superior7@shaw.ca; mmaki@mgp-arch-eng.ca; terra.fisher@daktronics.com; mdelfre@bushplane.com; domenic@bridgetownrealty.ca; jeffry@algomaastro.org; waynehudson@shaw.ca; John Dick; ross.viotto@century21.ca; ross.muzylo@outdooropportunities.com; pjmclarty@shaw.ca; danny@algomamortgage.com; CLASSIC SIGNS; Leslie Cook; shelley@ssmcoc.com; jeffrey@algomaastro.org
Cc: Malcolm White
Subject: RE: Re: Digital Signs By-law

Hello,

Please find attached the proposed digital signs by-law. Copies are available online and at the Planning Division offices. The by-law will be on Council's May 28th Agenda. It is estimated that this will be discussed at approximately 6pm or thereafter. Notable changes include:

1. Min. Duration of message reduced from 1 minute to 15 seconds.
2. We will no longer regulate on-site vs. off-site advertising.
3. Projected signage will be permitted on a case-by-case basis.
4. Original draft by-law required a safety review if signs were proposed within 100m of a signalized and 50m of a non-signalized intersection or rail crossing. The distances have been reduced to 30m/15m respectively.

The covering report will be available Thursday of next week. I will forward it to you then. If you have any questions or comments, please contact me. If you wish to provide formal comments in writing, please forward them to:

M. White, City Clerk
P.O. Box 580, Sault Ste. Marie, ON, P6A 5N1
cityclerk@cityssm.on.ca

Regards,

Peter Tonazzo, MCIP, RPP
Planner
City of Sault Ste. Marie
99 Foster Dr.
Sault Ste. Marie, ON
P6A 5X6
Tel: 705.759.2780
Fax: 705.541.7165
p.tonazzo@cityssm.on.ca

From: Peter Tonazzo
Sent: May 11, 2012 3:58 PM
To: 'twincitysigns@live.com'; 'Northern Lights' (northern.lights@shaw.ca); 'fiore.boschi@sisgroup.ca'; 'febbz_77@hotmail.com'; 'willson.carter.bruce@hotmail.com'; Matt (superior7@shaw.ca); 'mmaki@mgp-arch-

66(d)

eng.ca'; 'terri.fisher@daktronics.com'; 'mdelfre@bushplane.com'; 'dominic@bridgetownrealty.ca'; 'jeffry@algomaastro.org'; 'waynehudson@shaw.ca'; 'John Dick'; 'ross.viotto@century21.ca'; Ross Muzylo (ross.muzylo@outdooropportunities.com); Peter McLarty (pjmcclarty@shaw.ca); Dan Alessandrini (danny@algomamortgage.com); 'CLASSIC SIGNS'; 'Leslie Cook'; 'shelley@ssmcoc.com'

Subject: Re: Digital Signs By-law

Hello,

Again, thanks for your input at the recent digital sign's open house. We have reviewed all comments, and substantial changes have been made to the Draft By-law. We have decided to bring the revised by-law forward for Council's approval on May 28th.

I anticipate the new by-law being available for your review later next week. I will forward a copy to everybody via email.

Have a nice weekend,

Peter Tonazzo, MCIP, RPP
Planner
City of Sault Ste. Marie
99 Foster Dr.
Sault Ste. Marie, ON
P6A 5X6
Tel: 705.759.2780
Fax: 705.541.7165
p.tonazzo@cityssm.on.ca

Peter Tonazzo

From: Peter McLarty <pjmclarty@shaw.ca>
Sent: April 25, 2012 10:17 PM
To: Peter Tonazzo
Subject: Digital Signs

Hi Peter

If the paper waas accurate I like the proposal.

Comments:

1. They should not be near busy intersections where they distract from turn signals...e.g. the present one near Leon's 2. They should "fade" on and off. The sudden flash causes a visual distraction to drivers..

3. I like the idea of an extended "on" period...30 to 60 seconds 4. I don't know how you regulate brightness... but it should be "limited".

The Toyota sign is too bright after dark.

Regards

Peter McLarty

755 Fifth Line EAst

6(6)(d)

Peter Tonazzo

From: Matt <superior7@shaw.ca>
Sent: April 30, 2012 8:30 AM
To: Peter Tonazzo
Subject: FW: sign bylaw

Peter
RE: Digital Sign bylaw

On behalf of Superior 7 Advertising, we are pleased with the current draft by-law.
Off site advertising has to be taken serious with no exceptions or else this will become a problem, and a proliferation of sign pollution. Superior 7 Adv has had to follow these by-laws, and expect everyone else to as well, also we need to make sure that once the by-laws is passed it needs to be enforced.
Good job!

Matt Patreau
Superior 7 Advertising
705 946 4357

From: Blayn [mailto:info@rezolutionprint.com]
Sent: Friday, April 27, 2012 2:15 PM
To: 'Matt'
Subject: sign bylaw

Hey I read thru the bylaw and I think its pretty good. The only thing I question is the 1 minute length of the ads. I think 6-10 sec min is the norm.

Also they have nothing in regards to size of displays (Max sign size) unless that falls under the existing bylaw for size.

Blayn Morley
Superior 7 Advertising
Tel: 705.946.4357
Cell: 705.257.2472
Fax: 705.946.1428
Email: info@rezolutionprint.com

No virus found in this message.
Checked by AVG - www.avg.com
Version: 10.0.1424 / Virus Database: 2411/4967 - Release Date: 04/29/12



The Mortgage Centre

Real Estate Stop
& The Mortgage Centre
2 Queen St. W.
Sault Ste. Marie, ON
P6A 1A2

Phone: 705-949-STOP
(7867)
Fax: 705-942-2116
Mortgage Centre
Fax: 705-942-9050

April 27, 2012

City of Sault Ste. Marie
Att: Mr. Peter Tonazzo, MCIP, RPP
Planner
99 Foster Drive
Sault Ste. Marie, ON

Mr Tonazzo:

Firstly, I know I speak for all the stakeholders when I say thank you for the opportunity to discuss the proposed bylaw for new digital sign erection in Sault Ste Marie. It is unfortunate that more staff and Committee/Council Members were not able to attend this forum as I think this bylaw will shape the future of a "New Signage" era in Sault Ste Marie.

There were several very relevant points which were made at the meeting which I hope you will take back and give strong consideration to during the formulation process for this new bylaw.

As I understand, the City's major concerns are 1/ safety and 2/ aesthetics/conformity.

I believe the biggest stumbling block for most of the participants is that the proposed by-law for any "newly erected" digital sign provides for a rather lengthy minimum transition time of one minute.

The question asked at the meeting was why this extraordinarily long period of time is being imposed, when the industry standard is anywhere in the range of 5-10 seconds.

.../2

-2-

Has any research revealed that a longer transition will result in increased public safety , or a significant reduction of motor vehicle/pedestrian accidents ? If such research does exist, are the statistics quantitatively significant enough to denote the necessity for implementation of such a restrictive rule in the bylaw?

As per your request I have provided a copy of a "Sign Accident Study" which was presented to Toronto Community Concil-2006 which suggests otherwise.

In my opinion, the inclusion of such a restriction will cause the end user to purchase a less sophisticated and less attractive sign, as the enhanced features of higher quality signs would be rendered useless, resultantly deeming the investment in such technology redundant. Had I been aware of the restrictions the City intended to impose on digital signage, I most definitely would not have purchased the caliber of sign that I did .

Giving my full support to the ambient light component of the by-law, I agree that digital signs should possess a dimming component so as not to "overlight" any area. Having said that, I would argue as such, that the portable roadside signs pose more of a safety hazard than digital signage due to the vibrance of their neon lettering and the choices of words used to overtly attract attention of drivers; for example, "Stop!", or "LOOK!". Conversely, digital signs allow for a more tasteful and less blatant means of communication.

It should also be duly noted that each installation of electronic Digital signage will enhance City beautification and modernization by resulting in less need for the unsightly portable road advertising signs .

The second concern I have is over a "billboard" bylaw which seems to be married with the digital sign bylaw.

I understand that there is an old bylaw which restricts the number of downtown billboards and I understand the bylaw was designed to maintain the aesthetics' of the downtown core.

-3-

My question is, if the City has given authorization for a digital sign to be erected in the downtown core, how can the restrictions of the billboard bylaw be imposed on the said sign after approval has already been granted? This concept is both confusing and contradictory. Not only does this interfere with business and "freedom of expression", but unfairly disadvantages the end user from utilizing off site activity for these signs. The billboard bylaw should be considered before installation of a digital sign is granted, rather than being used to the detriment of the ratepayer/entrepreneur after the fact to impose upon and restrict the usage of the sign.

Taking into consideration the fact that digital signs can be as small as 1ft x 1ft , whereas a billboard stands at typically 10ftx20ft , this by-law should be deemed irrelevant and inapplicable to the regulation of digital signs.

Lastly I am hopeful that any new bylaw will be instituted with an "open for business" approach as you can see the business community is reaching out to the City in the hopes to be able to utilize this new and exciting technology as a business development tool as so many other North Americans have.

I am prepared to personally provide any input that you may require and will assist any committees/council members and staff with any information/contacts I have developed since the installation of the LED Sign at 2 Queen St. W.

Thank you for your consideration

Sincerely,

THE REAL ESTATE STOP INC.

Danny Alessandrini, *AMP*
Broker of Record/Owner

Attachments

(b)(6)(d)

2012-04-23 10:45:45
2012-04-23 10:45:45

2012-04-23 10:45:45

April 23, 2012

Planning and Engineering Department
Attn: Peter Tonazzo
The Corporation of the City of Sault Ste Marie
99 Foster Drive
Sault Ste Marie, ON P6A 5N1

Re: Comments regarding the proposed digital sign bylaw

To Whom This May Concern:

We would like to provide the following comments regarding the proposed digital sign bylaw.

First and foremost we would like to applaud the city for its draft, as it is apparent much research and work has been put into it so far. In fact, overall, the draft is a step in the right direction for regulation of this valuable medium. We simply have a few suggestions for changes that we feel could be made to better regulate such signs.

Message Duration

It was stated in a recent newspaper article that the proposed bylaw is in-line with the majority of regulations throughout North America. With that being stated, requiring messages to remain static for a period of one minute is far out of the norm for regulations of these signs; especially for recently-passed regulations of digital signs.

Yes, it is true that one can find more restrictive message duration regulations for such signs, but the vast majority of municipalities that have considered regulation of this technology have passed message durations of six to eight seconds or less. Examples in Canada include Edmonton (six-second message duration with the allowance of animation in some cases), Toronto (10 seconds), Richmond Hill (three seconds), London (five seconds) and more. We have also included a list of message durations for cities throughout the U.S., for your reference.

Furthermore, the vast majority various safety studies that have been performed regarding digital signs have been performed on signs with message durations ranging from five to 10 seconds. None of the studies have found that digital signs did anything to reduce the safety of adjacent roadways. In fact, while not formally released, the U.S. Federal Highway Administration did release its executive summary and a memorandum about its soon-to-be released digital sign traffic safety study. They went so far as to state that such signs were "well below accepted 'concern' thresholds." We have included those documents for your reference as well.



DAKTRONICS

Therefore, regarding message duration, we would suggest implementing regulations that are more in-line with regulations throughout North America, by implementing a six-second hold time rather than a 60-second hold time.

Digital Sign Separation from Intersections and Railways

The proposed regulations would require that all digital signs within 100 metres of a signalized intersection or within 50 metres of a non-signalized intersection and/or railway crossing submit a safety study conducted by a Professional Engineer.

To our understanding, the proposed requirements are based on the assumption that digital signs could prevent people from identifying and responding to train crossings and intersections.

This is simply not the case on all counts. In fact, a study performed in Toronto and published by the *Transportation Research Record: Journal of the Transportation Research Board*, No. 1937, 2005, titled "Traffic Safety Evaluation of Video Advertising Signs," stated on page 107: "No evidence was found that glances at video signs reduced the proportion of glances at traffic signs or signals."

It is important to note that the abovementioned study was an analysis of signs running full-motion video. Such use is not typical for digital signs; nor would the proposed regulations permit such usage.

It is important to note, as stated above, numerous studies have been performed regarding digital signs; many of those studies dealt with digital signs running at a five- to 10-second hold time, i.e., signs with messages changing at intervals more frequently than the proposed regulations would permit. Regardless of proximity to other digital signs and regardless of proximity to intersections, no study has found these signs to be hazardous.

We would also like to point out that one would be hard-pressed to find a location that is not within 50 metres of an intersection. Therefore, such requirements would essentially force all prospective digital sign owners to purchase a safety analysis, as a substantial additional cost (professional engineers are not cheap). As with the proposed message duration requirements, this requirement is far out the realm of common regulation.

We understand that the city would like to ensure such signs produce a little of an impact as possible. However, such regulations are unneeded, and place a huge financial burden on businesses.

Brightness

On a final note, we would, again like to applaud the city for implementation of standard brightness regulations of 3 Lux above ambient light. We would simply like to encourage the city to insert the prescribed measuring distances into the bylaw, as the distance from where one were to measure a digital sign depends on how large the sign is.



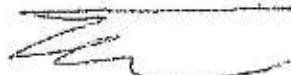
We have included the standards from which such regulations were based for your reference.

Also accompanying this letter, you will find some suggested changes to your proposed draft. We hope you find it beneficial in future revisions to your digital sign bylaw.

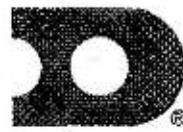
Daktronics, Inc. is the world leader in the design and manufacture of electronic display systems. We are dedicated to helping regulators implement provisions catering to both business owners and community tastes.

Please let me know if you have any questions or concerns.

Sincerely,
DAKTRONICS, Inc.



Terra Fisher
Signage Legislation
605-691-1285



6(6)(d)

Peter Tonazzo

From: jeffmccoy@digitaladvertisingnetwork.ca
Sent: May 09, 2012 1:36 PM
To: Peter Tonazzo
Subject: follow up - draft digital sign by-law

Hi Peter,

Apologies for getting this e-mail to you later than I had anticipated. Had to deal with some other matters out of town and it fell from my to do list.

Thank you again for taking the time to meet with me back on Apr 26th. It was great to meet you and I look forward to further discussion pertaining to the digital sign element of the by-law.

Peter, I wanted to commend you on what is obviously an extensive amount of research and work that has gone into the drafting of this digital sign component of the by-law. It is refreshing to see a city taking a proactive approach to an area of outdoor advertising that is growing and changing.

I have listed below my comments to the draft by-law for your review;

3.2 Duration of Message - changing of messages should be allowed to change somewhere in the vicinity of 15-30 seconds as opposed to 1 minute as proposed.

3.4 Brightness - You may want to add a clause that the level of brightness must not cause undue glare and meet with the satisfaction of the Chief Building Official as opposed to a specific lux.

3.5 Location - It would be my opinion that you consider more stringent regulations with respect to Hwy 17. Some portions of this road that fall within City limits and may be permitted under proposed guidelines are not conducive to digital ads as they would possibly distract attention from motorists on a busy road whereby drivers must be alert for wildlife as well. Traffic counts would be attractive to potential advertisers and industry but again in my opinion would be potentially too distracting on a road where speeds would get above the 80 km hour posted rate.

3.6 Setbacks from Intersections - It would be my opinion to involve City Engineer as well so as to not be subject to bias from "hired gun".

Hope some of the above may be helpful.

Feel free to contact me anytime. I can be reached at (416) 553-3813.

Best of luck with upcoming council meeting. Is the draft by-law still slated on the agenda to be heard this coming Monday May 14th?

Thank you again for your time Peter, talk to you soon.

Jeff McCoy
Digital Advertising Network Inc
10 Pippy Place
St.John's, NL
A1B 3N7
1 855 731-7370 Toll free
416 553-3813 Mobile

Draft Digital Signs By-Law Open House
Comments
Please use back of page if additional space is required

My concern regarding the by-law, If we don't have a life-long community
of members a digital sign has to be constantly from an administrator, it's a
cost concern how come my wife will be sign must stay away a selected
digital signs? When you think a mobile sign or digital signs is more
different and when it comes to an interpretation I would like to see
a by-law that fits both, I think an unregulated selected district for
digital signs is not fair for all
A point was brought up regarding the permits being to stringent
that this process would kill off the laws, if they were less strict
there are bad apples in any sort of industry. In and out - digital signs

Name J. Loprin Phone 705.445.0202 Email Info@DigitalSignsOpenHouse.com

These permits need to exist to make sure these rules are kept, ^{by business men,} not the other way around. Businesses

- Final point, there needs to be some sort of fine.
- Perhaps we should have something where those with Digital Signs should keep maintained. ICO Tires should be replaced when burnt out

(6)(d)

SUBJECT:

Briefing on Findings of "A Study on the Effects of Commercial Electronic Variable Message Signs (CEVMS) on Driver Attention and Distraction."

#17-90
Turner-Fairbank's Office of Research, Development, and Technology
(November 2010 Final Report)

QUESTION:

What, if any, Federal action is necessary to address operational and legal issues relating to State regulation of CEVMS under The Highway Beautification Act of 1965 (as amended), 23 U.S.C. 131 (HBA) in response to the research findings?

MAJOR ISSUE SUMMARY:

The study found:

- Drivers are exhibiting positive behaviors in regard to external stimuli by "keeping their eyes on the road" more than 80% of the time.
- The identifiable time spent viewing CEVMS or fixed signs was well below accepted "concern" thresholds.

Despite careful language explaining these findings, when taken out of context, they can be interpreted to support the opposing interests of both the industry (CEVMS are not distractions and should be more widely allowed) and scenic groups (FHWA's implicit endorsement of the industry's position and in direct contradiction to Secretary LaHood's serious concerns about driver distraction.)

Our September 25, 2007 Interim Guidance provided that States may permit CEVMS signs if they interpret them as not being contrary to the HBA's prohibition and are permitted under their State-Federal Agreement. Substantial controversy at local government and State levels has resulted in moratoria on CEVMS and heightened expectations pending the outcome of the FHWA study. Recently, there has been a dramatic increase in pressures on States to permit CEVMS due to technological/economic issues.

The study findings will require FHWA to take direct action to formally issue guidance that reiterates the standards proposed in our Interim Guidance and also aligns with the research results. This Guidance may be issued in either a policy Memorandum or in the Federal Register. (Per Administrator's recommendation)

This Memorandum will:

- Defend the HBA's prohibition of billboards that employ flashing, intermittent, or moving light(s)
- Support State DOT efforts to maintain "effective control" and prohibit CEVMS in accordance with their State-Federal Agreements

(d)(6)(d)

- Improve the consistency nation-wide of State's compliance with the prohibition
- Reiterate and clarify FHWA's stance and responsibilities under the HBA and provide State regulators with our support
- Clarify what states should consider prior to enacting legislation or regulations that would permit CEVMS signs along their control routes:
 - Duration of Message - each display is generally between 4 and 10 seconds; 8 seconds is recommended.
 - Transition Time between messages is generally between 1 and 4 seconds; 1-2 seconds is recommended.
 - Brightness - Adjust brightness in response to changes in light levels so their brightness does not affect the safety of the motoring public.
 - Spacing- If allowed, not less than minimum spacing requirements for signs under the Federal-State Agreement (FSA), or greater if necessary to ensure the safety of the motoring public.
 - Locations – Same as where allowed for signs under the FSA except such locations where determined inappropriate to ensure safety of the motoring public.

Action Needed/Timeline: HEP is proposing to formally issue guidance that reiterates the standards proposed in the 2007 Interim Guidance that are within a range of acceptability, and are based upon the research results. This may be issued as a policy memorandum Guidance Document upon formal release of the research report. This may be followed by formal issue of an FHWA Notice in the Federal Register if the Administrator so recommends.

Other Materials: Information on the Federal outdoor advertising control program is available from FHWA at http://www.fhwa.dot.gov/realestate/out_ad.htm.

POINT OF CONTACT: Janis Gramatins, Acting Director, Office of Real Estate Services, ext. 6-2030.

SUPERVISOR: Gloria Shepherd, Associate Administrator, Office of Planning, Environment and Realty, ext. 6-6221

Driver Visual Behavior in the Presence of Commercial Electronic Variable Message Signs (CEVMS) Summary of Conclusions

This study was conducted to investigate the effect of CEVMS outside the public right-of-way regulated by the Highway Beautification Act of 1965 on driver visual behavior. The study used an instrumented vehicle with an eye tracking system to measure where drivers were looking when driving past CEVMS and standard billboards. The CEVMS and standard billboards were measured with respect to luminance, location, size, and other relevant variables to extensively characterize these visual stimuli. Unlike previous studies on digital billboards, the present study examined CEVMS as deployed in two US cities that did not contain dynamic video or other dynamic elements. These billboards changed content approximately every 8 to 10 seconds. In addition, the eye tracking system had nearly a two-degree level of resolution that provided significantly more accuracy in determining what objects the drivers were looking at compared to an earlier study. Two experiments are reported that were conducted in two separate cities employing the same methodology but taking into account differences with respect to such variables as daytime or nighttime driving and the complexity of the roadway visual environment. The results and conclusions from the present study are presented in response to the three main research questions listed below.

1. Do drivers look at CEVMS more than at standard billboards?
2. Are there long glances to CEVMS that would be indicative of a decrease in safety?
3. Do drivers look at CEVMS and standard billboards at the expense of looking at the road ahead?

Key Research Questions:

1. Do drivers look at CEVMS more than at standard billboards?
 - In general drivers devoted more glances to CEVMS than to standard billboards; however, there were no significant decreases in the proportion of time to the road ahead (i.e., eyes on the road) that could be directly attributed to the CEVMS at the measured luminance and contrast levels.
 - In Study 1, drivers looked at CEVMS proportionally twice as much as standard billboards (3% vs. 1.5%), but there was no difference in the time spent looking at the road ahead (83% and 84%, respectively).
 - In Study 2, the only condition in which drivers looked at CEVMS proportionally more than at standard billboards was at night in low visually complex environments (4.5%).
 - Looking at the number of glances to advertising (per sign), the results from both studies show substantially more glances to CEVMS than to standard billboards both during the day and night conditions.

	Day		Night	
	CEVMS	Standard	CEVMS	Standard
Study 1	3.57	1.82	2.62	1.37
Study 2	4.26	1.60	3.11	0.92

- Regardless of study location or type of billboard, the mean percent of time drivers spent looking at target billboards was less than 5 percent.
 - Whereas Study 1 showed a greater proportion of glances to CEVMS situated in high visually complex surroundings relative to low visually complex surroundings, Study 2 showed the opposite: a greater proportion of glances to CEVMS situated in low visually complex surroundings relative to high visually complex surroundings.
 - o In the high visual complexity area of Study 1 there were two CEVMS and so there was overall more visual complexity but also more opportunity for drivers to look at CEVMS.
 - Study 1 showed a greater proportion of glances to CEVMS during the day than at night whereas Study 2 showed the most attention to CEVMS at night (under low visual complex conditions).
 - o The difference in Study 2 is largely due to the "bright beacon in the night" effect of the CEVMS in low visually complex surroundings.
2. Are there long glances to CEVMS that would be indicative of a decrease in safety?
- Across both studies, the longest glances were less than 1.3 seconds.
 - The average glance durations were 0.07 sec and 0.097 sec for the two studies, respectively.
 - The proportions of glances above three threshold levels are shown in the table below. The maximum glance duration observed across both studies was 1.28 seconds.

Proportion of Glances to Advertising		
Above .75 sec	Above 1.0 sec	Above 1.6 sec
Study 1	1.0%	.37%
Study 2	1.2%	.65%

- The NHTSA 100-car study showed a significant increase in crash odds at 2 second glances. An older analysis concluded 1.6 seconds is a duration threshold that is associated with increased risk. The most conservative threshold in the literature is .75 seconds, which is based on standard perceptual-reaction times.
3. Do drivers look at CEVMS and standard billboards at the expense of looking at the road ahead?
- No, the differences between time spent looking at CEVMS and standard billboards were not reflected in the time spent looking at the road ahead.
 - o The only factor that reduced driver gazes to the road ahead was the visual complexity of the overall environment. More visually complex environments reduced time spent looking at the road ahead.
 - o This is evidence to support restricting the concentration of roadside information sources: whether regulatory signs and/or advertisements (regardless of CEVMS or standard billboards).

66(d)



Signs Do Not Cause Traffic Accidents
(Correcting a Misconception)

Submission by:

Moneta Media & Marketing Inc.
593 Oslor Court, Newmarket, Ontario L3X 2B4
Phone / Fax: (416) 238 - 2594

For:

Toronto and East York Community Council

Date:

September 19, 2006

Purpose:

This is to correct the pervasive misconception and myth that signs, including the latest in electronic animation signs, are a cause of traffic accidents, which they are not.

Moneta conducted research into this issue for this submission. We appreciate this opportunity to provide this input for your consideration.

Do Outdoor Signs Contribute to Traffic Accidents?

- * Toronto Star Newspaper, October 4, 2005, Driven to Distraction, Drivers on Phones as Bad as Drunks.

... The top distractions:

- * Events, objects or people outside of the car
- * Other passengers, such as a crying child or argumentative spouse
- * A moving object (inside vehicle) such as a bee or an unsecured package
- * Eating or drinking
- * Adjusting a radio or CD

The statistics were compiled between 2000 and 2003 from national crash data compiled by the US Department of Transportation.

Video billboards also came under the microscope. Alison Smiley, President of Human Factors North, said her company studied reaction to video billboards at three Toronto intersections: Yonge-Bloor, Spadina-Dundas and Bay-College.

Mrs. Smiley concluded by saying "accident rates didn't change with the installation of those (video) billboards".

- * In the Executive Summary section of the 1980 Annual Report prepared by the (US) Federal Highway Administration, entitled: Safety and Environmental Design Considerations in the use of Commercial Electronic Variable-Message Signage, we quote:

"...the available evidence remains statistically insufficient to scientifically support (a demonstrable relationship between commercial electronic variable message signs and accidents)"

- The body of research is best summarized in the Outdoor Advertising Association of America's Signs and Traffic Safety Issue Portfolio, from which we provide the following three quotes

"Traffic safety experts have studied the relationship between outdoor advertising and traffic accidents, since the 1950's, finding no authoritative evidence that billboards are linked to traffic accidents".

"The US Department of Transportation, state transportation agencies and property / casualty companies' statistics on fatal accidents indicates no correlation between billboards and traffic accidents."

"A sampling of local (US) law enforcement agencies found no evidence that drivers' accidents were caused by billboard."

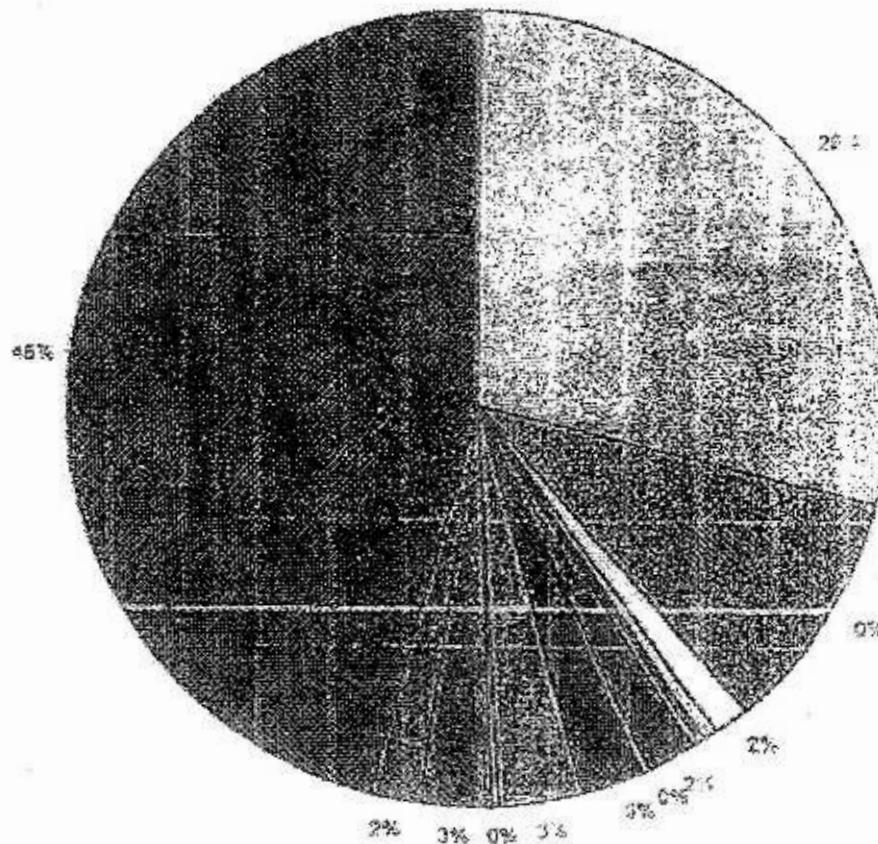
Driver Inattention / Operational Issues:

- * The U.S. National Highway Traffic Safety Association: 40th Annual Proceedings, Association for the Advancement of Automotive Medicine, October 7-9, 1996, Vancouver, Canada, pages 379, 380 & 381.

In 1993 the US National Highway Traffic Safety Association began employing the National Accident Sampling System crash data statistics. The purpose was to obtain more in-depth information on driver inattention related crash causes. The crash data analyzed 2,636,000 tow-away crashes and 4,644,000 involved driver crashes. (See results in attached charts) It is important to note that outdoor advertising is not named as a human factor in driver inattention accidents.

1996 American National Highway Traffic Safety Association Crash Data Statistic Analysis¹
Total-sway Crashes Analyzed 2,626,000; Involved Driver Crashes Analyzed 4,844,000

Percentage of Crashes Involving
Inattention/Distraction-related Crash Causes

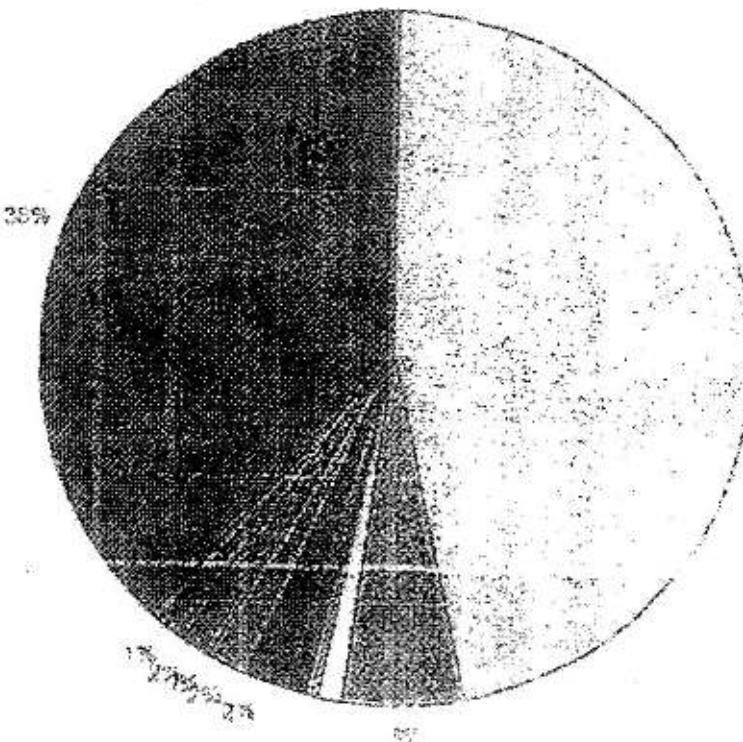


- 1) It is important to note that alcohol intoxication is not counted as a distinct factor in Driver Inattention/Inertia.
- Source: 40th Annual Proceedings, Association for the Advancement of Automotive Medicine, October 7-9th, 1998, Vancouver, Canada, Pages 372-382

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1995 American National Highway Traffic Safety Association Crash Data Statistic Analysis*
 Total Crashes Analyzed 2,536,090. Intoxicated Driver Crashes Analyzed 1,614,200

Percentage of Crashes Involving
 Inattention/Distraction-related Crash Causes Involving Drivers



Driver inattentive or distracted 2, 45.7%

Driver fatigued 1, 45.5%

Driver fatigued by driving alone (mark (speculate)) 0.9%

Driver fatigued by driving object in vehicle (speculate) 0.3%

Driver fatigued while driving, talking, listening, or listening to cellular or other electronic and tape (1 mark per one specified) 0.1%

Driver fatigued while adjusting radio controls 0.2%

Driver fatigued while adjusting radio cassette (2 marks listed) 1.7%

Driver fatigued while using other device/tool set in vehicle (mark listed) 0.1%

Driver fatigued while walking 1.1%

Driver fatigued by suddenly going from slow to fast (speculate) 0.6

Driver fatigued while driving 0.1%

Driver fatigued 0.1%

Driver fatigued inattentive or tired unknown 1.5%

Driver fatigued (not specified) 0.1%

Driver inattentive 3.8%

*It is important to note that inattention/distracted driving is not defined as a human factor category, rather than crashes.
 Source: 40th Annual Proceedings, An invitation for the Assessment of Experiments, Vol. 1, Oct 20-24th, 1995, Vancouver, C. Canada, p. 281-282.

(PDR)

The most in depth study to that date ever performed in the United States on crash causation, found that "recognition failure" was involved with 56% of crash cases. There were five principal forms of "inattention":

- * Looked, but did not see = faulty surveillance (23%).
- * Inattention, pre-occupation with competing thoughts (15%).
- * Internal distraction: attention to competing event or object inside vehicle (9%)
- * Driver drowsiness and fatigue (2%)
- * External distraction: attention to competing event, activity or object outside of the vehicle (4%).

The 4% belonging to External Distractions can be further defined as attention to traffic information signs, people in nearby cars or on roadside, geographical objects, sunsets, mountains, water and many external distractions other than outdoor advertising.

- * Australian Road Research Board Report Summary, July 1984, page 1-3, Laboratory study by Johnston & Cole, 1976.

It concluded that drivers have an ability to shed irrelevant information and the general effect of the distraction is not great. After conducting five major route studies no usable cause and effect relationships were established such that one could say that advertising signs constitute a traffic hazard.

- * Highway Safety Research Centre, University of North Carolina, Chapel Hill, N.C., October 1974. Bill Hunter, Highway Safety Research Associate, Volumes 8, Number 6, page 1.

This study computerized the accident report narrative for nearly 200,000 North Carolina traffic crashes. The computer scanned the narratives and printed out all with key words or phrases: "Billboard signs, eyes off the road, advertising, looked away and distracted."

Results: The computer produced a number of narratives concerning driver distraction. None were produced which could clearly indicate that billboards were the cause of distraction in these crashes.

Legal Cases:

- (US) Federal and state courts have concluded that there is no evidence that billboards impair traffic safety. We quote only two of the many supporting court citations supplied in the OAAA document:

"Wisconsin Circuit Court, City of Green Bay vs. George French: Green Bay has failed to come forward with any evidence that billboards actually impair traffic safety..."

"District Court; City and County of Denver, Combined Communications Corp. vs. City and County of Denver: On the subject of traffic safety the plaintiffs called as witnesses three highly-qualified, nationally recognized witnesses. Based upon the testimony of the witnesses presented to this Court the following facts were established beyond any reasonable doubt. No properly run or controlled study, whether done in the field or in the laboratory, has ever established that outdoor advertising devices are a factor in the causation of traffic accidents or that their removal would enhance traffic safety".

FOARE

THE FOUNDATION FOR OUTDOOR ADVERTISING RESEARCH AND EDUCATION

EMBARGOED UNTIL 7/11/07

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Ground-breaking Studies Determine Accidents Not More Likely To Occur Because of Digital Billboards

Washington D.C., July 11, 2007 –The combined results of two separate studies that examine crash causation and statistical data and driver performance in relation to digital billboards were released today. The research offers conclusive evidence that traffic accidents are no more likely to happen in the presence of digital billboards than in their absence.

The crash causation and statistical data study was conducted by Tantala Associates, a multi-disciplined, professional, consulting-engineering firm. The researchers conducted both a temporal and spatial analysis of the statistics of traffic and accident data near all seven existing digital billboards on Interstate routes in Cuyahoga County, Ohio, in periods of 18 months before and after the billboards were converted from conventional to digital.

"The analysis and statistics in Cuyahoga County demonstrate that digital billboards have no statistically significant relationship with the occurrence of accidents," said Albert M. Tantala, P.E. "Accidents are no more likely to occur near digital billboards than on highway sections without them."

The temporal analysis, or the incidence of traffic accidents near the digital billboards, was examined for an equal length of time before and after the billboards were converted to digital. The purpose was to establish if traffic accidents occurred more or less frequently with the presence of digital billboards.

The spatial analysis established statistical measures of the association, based on their locations, between two sets of data, in this case accidents and digital billboards. The results were analyzed for a variety of scenarios relating the

number of accidents to the number of billboards and the distance from a billboard that a driver is potentially within the influence of a billboard.

The human factors study was conducted by the Center for Automotive Safety Research at Virginia Tech's Transportation Institute (VTTI), one of the nation's premier research institutions on transportation and driving performance. This research concluded that driving performance measures in the presence of digital billboards are comparable with those associated with everyday driving. These performance measures included eyeglance patterns, speed maintenance and lane keeping.

"The digital billboards we studied can be considered safety-neutral in design and operations from a human factors perspective," according to Dr. Suzanne Lee of VTTI, the project's principal investigator. "The findings were consistent across several measures."

The VTTI study was conducted in Cleveland, Ohio. It followed the model of a previous study conducted by VTTI in 2004 which showed no measurable effects of conventional billboards on eyeglance patterns, speed maintenance or lane keeping. In the current study, 36 drivers, unaware of the purpose of the study, drove an instrumented vehicle on a 50-mile loop route along interstates and surface (non-interstate) streets in Cleveland. Along the route, participants encountered digital billboards, conventional billboards, comparison sites (those you might encounter in everyday driving, such as on-premise signs located at businesses) and baseline sites with no signs.

Eyeglance results showed no differences in the overall glance patterns or frequency of glances between the sites, but drivers did take longer glances in the direction of digital billboards. However, the mean glance length towards the digital billboards was less than one second, which is generally considered to be an acceptable amount of time for a glance away from the forward roadway.

Some participants returned for a nighttime session to explore the potential effects of the digital billboards at night. The findings were very similar to the daytime results.

Both studies were commissioned by the Foundation for Outdoor Advertising Research and Education (FOARE). "The industry and the public needed a targeted, empirical assessment to determine if digital billboards impact driver performance," said FOARE Chairman Paul Cook. "FOARE undertook these studies because no other government or private research exists that specifically examines a cause and effect link between outdoor digital billboards and driver behavior."

(d)(6)(d)

About VTTI

The Virginia Tech Transportation Institute is the largest university-level research center at Virginia Tech and is dedicated to the development and dissemination of advanced transportation knowledge. Research is focused on evaluation and deployment of advanced technology in areas of safety and human factors driving, among others. VTTI employs over 225 research faculty, staff and students and serves as the largest supporter of undergraduate and graduate students at Virginia Tech. The Institute is one of the country's three Federal Highway Administration Intelligent Transportation Systems research centers of excellence.

About Tantala Associates

Tantala Associates is a multi-disciplined, professional, consulting-engineering firm with an established practice for more than 40 years. The firm provides a unique union of research, consulting and design solutions, offering expertise in numerous practice areas encompassing civil engineering, transportation and risk management. The firm provides research and engineering to a diverse clientele spanning government, industry and academe.

About FOARE

The Foundation for Outdoor Advertising Research and Education is a 501(c)(3) charitable foundation. FOARE supports research and provides an educational forum and structure to assess new and emerging issues related to the outdoor advertising industry. The foundation also provides academic scholarships for students enrolled in undergraduate and graduate-level studies based on economic need, academic standing and field of study.

#

The executive summaries of these studies are attached. The full reports are available on VTTI's website at (www.vtti.vt.edu), Tantala Associates' website at www.tantala.com, and OAAA's website at (www.oaaa.org).

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Public Safety Is A Critical Concern For LED Sign Supply Inc.

We have designed our digital billboard products to meet and exceed all industry guidelines for brightness and content transition effects.



Each display is equipped with light sensors that dim the sign to appropriate day and night settings, as well as safe modes to ensure that display never exceeds appropriate light output levels.

Studies have been completed by traffic engineers where they analyzed possible impacts of signs with this technology. It was deduced from this research that they are safety neutral and there is no negative impacts of this sign to the public.

The light sensors on the digital signs are able to sense 1000 levels of ambient light such that lighting on the signs is automatically and seamlessly adjusted so as to prevent images that are too bright. This dimming process cannot be observed by the naked eye.

1. The digital signs manufactured by the company are equipped with multiple sensors such that even if the primary light sensor malfunctions, there is a back-up system in place that forces the sign to adjust the brightness based on the anticipated level of daylight at a given time of year at a specific location.
2. The transition between advertisements can be done in a number of different ways. The type of transition used by LED Sign Supply is a fading transition in which one advertisement is subtly transitioned into another without a noticeable flashing effect.
3. Based on traffic safety studies, digital signs have a safety neutral impact in terms of the incidents of motor vehicle accidents at locations containing digital signs.
4. Digital advertising signs have been widely adopted for purposes such as Amber Alerts and have been used effectively for that purpose.
5. The proposed sign makes use of the LED technology using RGB (red / green / blue pixel system)

Multiple research studies have examined the effect of digital billboards on public safety. These research studies support our experience in showing that these displays have no adverse effect on the traveling public.

OLG Modernization: A Strategic Economic Development Opportunity for Sault Ste. Marie

ECONOMIC DEVELOPMENT FUND (EDF) – APPLICATION REQUIREMENTS

(NOTE: ANNEX A IS A COPY OF THE COUNCIL APPROVED EDF CRITERIA)

1. Applicant Information

1.1. Legal name of business/organization: Sault Ste. Marie Economic Development Corporation

1.2. Names of Officers, Directors & Principals

- Greg Punch, President and Chair
- Geoff Meakin, Treasurer
- Donna Hilsinger, Chair, Tourism Committee
- Susan Myers
- Martin Pochtaruk
- Mayor Debbie Amaroso, ex-officio
- Dr. Richard Myers, Liaison, Algoma University
- Don Mitchell, Vice Chair
- Greg Peres, Secretary
- Armand Capisciolti
- Michael Moore
- Lori Naccarato-Sarlo
- Dennis Tatasciore
- Dr. Ron Common, Liaison, Sault College
- Hal McGonigal, Liaison, Community Development Corporation
- Tom Dodds, SSMEDC CEO

1.3. History of Organization

The Sault Ste. Marie Economic Development Corporation (SSMEDC) was incorporated as an independent, not for share capital (non-profit) legal entity in 1986. This incorporation marked an evolution of the previous economic development Commission and allowed for an autonomous organization to engage in economic development activities with primary financial support from the City of Sault Ste. Marie as well as federal, provincial, and private partners. 2012 marks the 25th anniversary of the SSMEDC, which has evolved and grown in its leadership role in community economic development initiatives. The Corporation status as a not-for-profit corporation, arms-length from the City, enables it to undertake economic development activities and initiatives that might not otherwise be possible through the City of Sault Ste. Marie. Collaboration and cooperation with City staff and Council are critical to its progress and success.

1.4. Organization Mandate:

"The Sault Ste. Marie Economic Development Corporation is a not-for-profit Corporation, funded by public and private partners. It is the City's lead agency on economic development, providing strategic

advice, policy, implementation of projects, economic development fund recommendations, pertaining to economic development (which is inclusive of tourism) and private sector relations."⁽¹⁾

- (1) Source: Memorandum of Understanding between the City of Sault Ste. Marie and the Sault Ste. Marie Economic Development Corporation for Accountability 2009

Mission Statement

To support the sustainable growth and the further development of a diversified community economy through activities and undertakings, that facilitate:

- the creation and retention of wealth in the community;
- increase productivity and global competitiveness;
- inward investment and trade; and,
- the marketing and promotion of local business development and tourism,

thereby achieving the Corporate vision.

SSMEDC Vision 2020

"Our community, City Council and other partners recognize and value the Corporation as their source for leadership and support in shaping and creating a competitive, sustainable and thriving economy for Sault Ste. Marie."

1.5. Key contact for initiative: Tom Dodds, CEO, SS MEDC 705 759 5436

1.6. Contributing Partners:

The SS MEDC has sought and received (\$5,000.00) support from the Community Development Corporation of Sault Ste. Marie and Area. The SS MEDC along with the mayor and City staff have met with OLG officials, who are prepared to help advise the community in determining how best to make the business case for Sault Ste. Marie as a competitive, commercially viable location where firms, who may be contracted to undertake various OLG services and initiatives, will want to locate. OLG's contribution will be there cooperation and support as the SS MEDC undertakes the work described. Likewise, Key economic development stakeholders including the City, Chamber of Commerce, Innovation Centre and both post-secondary institutions are prepared to assist where required.

1.7. References: N/A

2. Project Information

2.1. Project Description

The Sault Ste. Marie Economic Development Corporation is requesting \$100,000 in financial support from the City of Sault Ste. Marie's Economic Development Fund to develop and immediately

implement a strategy designed to retain and create new lottery, gaming, administrative and business service employment in the community. Financial support from the City's EDF will enable the SSMEDC:

- To work closely with OLG, helping to ensure that - to the extent possible - the historical economic benefits and opportunities afforded to the City by having of their Head Office here are retained and grow. The SSMEDC's expectation is that pro-active approaches to addressing an opportunity such as this will more likely result in a more positive outcome for the community.
- To immediately prepare a comprehensive, targetted and detailed business case(s) on Sault Ste. Marie's competitive advantages for private sector firms who contracted by the Government of Ontario through the Ontario Lottery and Gaming Corp. to deliver business, lottery and gaming services.

The SSM business case would promote the benefits, cost savings, human resource advantages and commercial growth opportunities that firms would receive by basing their business services and operations in the community. It would be made available to the OLG Board Directors, OLG senior management, Ontario Ministry staff and in particular to private sector organizations who may be interested in bidding on OLG contracted programs and services.

- To outline to OLG, the Province and participating third parties how the community can support OLG's strategic direction; to become more customer-focused; to expand regulated private sector delivery of lottery and gaming, and to increase support for responsible gambling while renewing OLG role in oversight of lottery and gaming.
- To undertake a proactive marketing and communications strategy designed to create greater awareness of the opportunities and resources that the community offers for firms who may potentially undertake these contracted OLG services.
- To the extent possible, assess potential economic impacts, develop mitigation strategies and seek to maximize the economic benefit to the community resulting from the Ontario Lottery and Gaming Corporation's Modernization Program.

(Refer to: http://www.olg.ca/assets/documents/media/strategic_business_review2012.pdf).

Depending on implementation strategy progress, the SSMEDC may require additional financial support to help address specific economic opportunities or impacts that could result from this restructuring process.

However, The most urgent and immediate action required is the development and promotion of a strong and compelling business case but Sault Ste. Marie is Ontario's best location for lottery, gaming and related business and administrative services.

NOTE:

The EDF project funding being requested by the SSMEDC is incremental to its ongoing operations. The SSMEDC did not budget for a contingency that would see one of its major employers undergo a major restructuring process –and the economic implications that would result. Due to the urgency of this matter, funding is required as soon as possible to undertake the objectives noted below. Should additional funds be required, the SSMEDC will work with FedNor and MNDM to secure specific initiatives and undertakings which may arise.

Considerations:

The Ontario Lottery Gaming Corporation's head office and associated organizational functions located in Sault Ste. Marie provide a substantial economic benefit to the community. There have been assurances by OLG senior management and the Premier of Ontario that the OLG head office will remain in Sault Ste. Marie. It is not clear what this will eventually mean from an economic benefit or impact standpoint, once the OLG modernization process is fully implemented. It is critical to understand how best to make the business case that encourages OLG and private sector interests that Sault Ste. Marie is the best place to locate its future modernized operations. The SSMEDC is currently engaging OLG with these matters in mind.

What is quite clear is that OLG is implementing a modernization process that will likely affect most its Crown Corporation employees and increase the number of employees who will be working in a privatized environment (i.e. they will not be government employees). In some parts of the Province this already the case. In fact, OLG has recently closed a number of its operations. It is not unreasonable to expect that the remuneration and duties of privately contracted employees will be different than their former Provincial (OLG) Crown corporation counterparts in similar roles. The combined total number of employees for OLG and OLG contracted private sector businesses could less here as well. It is also not unreasonable to expect that the operating location of many of the private companies contracted to undertake various elements of OLG's lottery, gaming and business services requirements may not be in Sault Ste. Marie.

Therefore, in seeking to maintain the economic benefit that the OLG has provided to the community, the Sault Ste. Marie Economic Development Corporation is proposing to undertake a number of actions. This includes engaging OLG on an ongoing basis to ensure that the community interests are well represented and to ensure that all parties and stakeholders are aware of and understand the compelling business case Sault Ste. Marie by locating their operations here.

Background:

In the late 1980s a progressive effort was undertaken by a David Peterson's Liberal minority government to relocate and establish government organizations in major urban centers in northern Ontario. The "Northern Ontario Relocation Program" involved the moving of eight different ministries and agencies encompassing approximately 1600 government jobs to Thunder Bay, Sault Ste. Marie, North Bay and Sudbury.

This major policy initiative resulted in the establishment of Ontario Lottery Corporation head office in Sault Ste. Marie. This undertaking ultimately provided significant economic benefits to the community and the OLG employed over 850 people, generating the payroll of \$45 million annually - most of which is spent in the community – thereby establishing a greater level of economic stability in the community by offsetting the cyclical nature of the region's resource and commodity based economy.

The benefits of OLC's relocation went well beyond simply having monies spent in Sault Ste. Marie through salaries, wages as well as products and services purchased here. Since 1987 the OLG presence in the community has helped: re-define the community's workforce, increased residential growth enhanced cultural and social activities and helped support numerous events and festivities in the community. This is precisely why the Ontario provincial policy known as the "Northern Ontario Relocation Program" was established. It was designed to address chronic unemployment in the North, build Northern community capacity and encourage the growth of major urban centers in the region.

2.2. Objectives

A. To identify, analyze, and prepare appropriate business cases that support and complement OLG's modernization efforts including the privatization of its operations, while emphasizing the compelling and competitive benefits of Sault Ste. Marie as the best location to operate lottery, gaming and business related services in Ontario.

Sault Ste. Marie has a number of distinct competitive advantages, for example: a critical mass of human resource expertise in managing and operating lottery and gaming activities and operations; information and communications technology infrastructure specifically designed to support lottery gaming and associated business requirements; low cost real estate and commercial space; attractive post-secondary institutions interested in supporting businesses wishing to locate here; a competitive cost of living and an outstanding quality of life. This objective is designed to organize, and present this information to target markets. The SSMEDC wishes to work with firms with demonstrated expertise in developing these focussed strong business case(s) that explain why Sault Ste. Marie is the preferred location to base future privatized elements and or activities related to OLG's modernization process.

This business case will include but not be limited to the following elements:

- **unique community attributes** attractive to firms undertaking the kind of services and business functions, for example:
 - a capable, skilled workforce with expertise in lottery and gaming activities
 - energy independence - the ability to operate "off-grid" in emergencies
 - information and telecommunications infrastructure - dedicated broadband capacity specifically designed for OLG
 - Innovation center and the programs and services it offers
 - examples of companies that are providing products and services to the province, country and globally that are based in Sault Ste. Marie

- availability of commercially competitive land and buildings
- **Cost comparisons** of Sault Ste. Marie in relation to other jurisdictions in Ontario. Eg:
 - wage rates for specific occupations and skills;
 - real estate - both commercial and residential
 - energy costs
- **Quality of life considerations**, e.g.:
 - educational opportunities
 - healthcare and social services
 - drive times to place of work
 - cultural, recreational and sport amenities
- **Business cases** targeting specific types of lottery, gaming and business services depending upon the manner in which they are tendered by OLG.

B. To maintain a strong level of communications and working relationship with key Ontario Lottery and Gaming Corporation staff to ensure that the SSMEDC and City have the opportunity to make the case for Sault Ste. Marie as the most commercially competitive location for the operation and delivery of lottery, gaming and related business administrative services in Ontario.

C. To quickly develop and implement a proactive and targeted marketing and communications strategy designed to create greater awareness of the opportunities and resources that the community offers for firms undertaking these contracted OLG services.

The OLG is undertaking a transparent tendering process consisting of: requests for expressions of interest & request for proposals to determine who will be selected to undertake the contracted work. They will be utilizing MERX Canadian Public Tenders service. This system will enable the SSMEDC to know which firms have expressed interest and will be responding to RFPs. This will be a critical target market for the SSMEDC's promotional communication activities. Likewise it will be important to keep the province of Ontario and the Ontario lottery and gaming Corporation informed on the Sault Ste. Marie business case.

2.3. Performance targets

Net Job Creation: one of the key goals of the project is: to retain an equivalent employment level in the community through the OLG or OLG contracted private firms comparable to or greater than pre-OLG modernization levels; to support business development initiatives through the OLG modernization process that result in creating new, wealth generating jobs in Sault Ste. Marie; the attraction/retention of private sector firms contracted by OLG to undertake lottery, gaming and

business services – who may undertake additional non-OLG lottery, gaming and business service work based in the community.

Wealth generating jobs are those that bring new monies (e.g., payroll) into the community. In the case of the OLG modernization process, the objective would be to encourage private sector businesses contracted to undertake elements of OLG's operations or related new OLG growth related initiatives to establish themselves in Sault Ste. Marie and further encourage them to use the community as their permanent base of operations for other business development activities driven by external market demands.

According to OLG information, as of February 2012, its Head office employed 563 people with an annual payroll of \$45.6 million – significant for the City. This is an average of \$80,995 per employee. By way of comparison, if as a result of this project, the SSMEDC were able to save two jobs, there would be a net economic benefit to the community assuming the project.

Increase Tax Assessment: The value is of the tax assessment provided to the City by OLG employees living here is not known. The objective of this project would be to retain and equivalent value of tax revenue, once the OLG modernization process is fully implemented.

A crude estimate of one aspect of the tax revenue implications is as follows. If one was to assume that each OLG employee currently represents one household in the community (563 households total) and the average household tax revenue to the city is \$2,500, the total estimated annual residential tax revenues coming from OLG employees is \$1.4 million. This is a conservative figure as the average salary for an OLG employee is roughly two times higher than the average working person in the City. Therefore it is reasonable to expect that their property taxes would be likely be higher as well.

This example does not take into consideration the multiplier effect of local OLG employee wages on the economy. The other consideration is the grant in lieu of taxes for OLG leased space at Bondar Place, along with products and services purchased in the community.

Economic Development Projects ("enhanced" promotion, marketing, research, and strategy development) that are consistent with Destiny SSM strategic priorities or that support the creation of new economic engines for Sault Ste. Marie.

This project is a combination of research, analysis, strategy development, marketing and promotion. The purpose of undertaking the project is to ensure that the Sault Ste. Marie has equivalent economic benefit or value of having the OLG head office after the OLG modernization process is complete. To enable this to occur, the SSMEDC is proposing the following:

- enhancing the strong working relationship between OLG, the community and SSMEDC
- identification of those elements of the OLG corporate structure that will be privatized and the development of appropriate business cases promoting Sault Ste. Marie as a competitive place to locate privatized operations

- development of targeted strategies to promote these business cases and to undertake an advocacy role that secures the best possible economic outcome for the community related to this modernization process.

The project is consistent with Destiny SSM strategic priorities and its Sterring Committee members. It provides the opportunity to create and reinforce lottery, gaming and related business services as an economic engine for the community.

2.4. Impacts and Limitations of Project

- The impacts of this project are as follows:
 - To retain and create new gaming and lottery related jobs in the community
 - To assess and address the business and economic opportunities resulting from the OLG modernization process and mitigation of any impacts on the community
 - To influence OLG and private sector decision-making and the opportunity to make a strong business case for Sault Ste. Marie to be the location for future, privatized OLG operations;
 - To make the case for maintaining employment and economic benefits here resulting from OLG modernization either as Crown Corporation or as private sector operation;
 - To improve the community's investment and business attraction marketing efforts, focussed of lottery, gaming and business services

2.5. Methodology and timing (including key dates for progress reports and final report to Council)

- A. Preparation of a terms of reference and request for proposal document June 10, 2012
- B. Contract with nationally recognized consultant to undertake work June 30, 2012
- C. Report to Council on progress, terms of reference and consultant methodology July 11, 2012
- D. Preliminary Report on Business Case: Findings August 6, 2012
- E. Interim Report to Council on business case(s), supporting implementation, Communication and marketing strategies August 20, 2012
- F. Final Report, Business Case and Strategies: September 6, 2012
- G. Ongoing Implementation 2012-2013*
- H. Quarterly reports to Council through 2012-2013*

* This element of the work described will be dependent upon the activities of OLG, their tendering processes and working arrangements established between the SSMEDC and OLG senior management.

3. Costs and Financing:

3.1. Detailed project costs

Budget:

○ Consultant's Fees and Expenses	\$65,000
○ Promotion & Marketing Campaign	\$10,000
○ Coordination and Project Management	\$20,000
○ Travel	<u>\$10,000</u>
	\$105,000

3.2. Financing arrangements (e.g., equity, loans, etc.) and funding partners

Financing:

○ Community Development Corporation	
Sault Ste. Marie and Area: Local Initiatives Partnership	\$5,000
○ Sault Ste. Marie EDF Request.....	<u>100,000</u>
	105,000

3.3. In-kind contributions

The Sault Ste. Marie Economic Development Corporation will provide in kind contributions in the form of project management, administration and coordination of this initiative. This required the support of the CEO, senior management and the involvement of business development and corporate staff. The total contribution is unknown at this time.

3.4. Balance, Financial Statements, Cash flow projections (historical and projected)

This information concerning the SSMEDC has been previously been provided to City Council and are available upon request.

3.5. Demonstrated need for assistance and supporting documentation and applications to other government assistance programs, etc.

The Sault Ste. Marie Economic Development Corporation will be unable to undertake this initiative without the support of EDF. Time is of the essence as the OLG is now commencing its tendering process for privatization of its operation. The application and approval process for funding either through NOHFC and FedNor are too long to accommodate the OLG timeframes.

4. Economic Benefits

4.1. Description of how the project promotes economic growth and diversification

This initiative falls under the category of business retention and expansion (BR&E). Sault Ste. Marie is at risk of losing a substantial number of white-collar (professional and technical) jobs as a result of the modernizing (restructuring) of OLG. It may also mean a substantial reduction in wages for those jobs that are privatized.

The purpose of this study is to determine what that impact is and determine how best to respond to it as a community. In this respect the project promotes economic growth and diversification by ensuring that one of the largest employers in the community is retained and, as a consequence, the community avoids substantial challenges that would impede its growth and diversification. In other words this project helps offset those impacts which could affect the community's growth and diversification. The expected outcomes are an economy that is unaffected by or sees an increase in activity as a result of OLG's modernization process.

The EDF funds will help enable the SSMECD to create new private sector jobs and or help retain existing jobs and tax base in the community through research, analysis strategic planning and active engagement with OLG senior officials by:

- encouraging and supporting private sector businesses undertaking work for OLG as a result of their modernization process to locate in Sault Ste. Marie, as well as encouraging them to establish new products, services, and innovation to remain competitive and undertake work in other parts of the country and internationally;
- Where warranted, contributing to the sustainability or expansion of existing enterprises to support OLG's modernization process as long as it does not unfairly compete with other local enterprises; only use of the City's EDF is absolutely necessary in order for the project to succeed;
- Supporting strategic, OLG modernization, community related initiatives that support creating the environment for business development (e.g. infrastructure development, educational/economic opportunities, labour development initiatives, specific sector strategy development, innovation, and support for new economic cluster development).

4.2. Projected job creation

- The equivalent economic benefit of having at least 585 quality jobs retained in the community with additional positions created.

4.3. Potential for tax assessment increase

- Tax assessment is not reduced as a result of the OLG modernization program and in fact the city sees a growth in tax assessment as new private sector business establishes itself year.

4.4. Other economic and community benefits

- Sault Ste. Marie has enjoyed a more stable economy and workforce as a result of the presence of OL G in the community. There are approximately 563 employees that work for OLG in its head office at Roberto Bonder Place. Their annual payroll is \$45.6 million. This means that the annual average wage for employee there is approximately \$81,000. This is well above the Sault Ste. Marie's annual wage typical employee in the community. The nature of the work is primarily technical and professional in nature. This human resource capacity adds considerable value to the community both in terms of demographics workforce in general contributions to the welfare of the city.

5. Community Benefits

- Sault Ste. Marie would not be the same community without OL G. Notwithstanding the economic considerations, the people and the organization have all made a valuable contributions to this city, as volunteers, parents, and community broad-minded individuals. Families have been able to stay together because children have found work at OL G - jobs that normally would be found in larger centers. The extent to which OL G has benefited Sault Ste. Marie is part of the purpose of the study.

5.1. How the project complements other local initiatives

- * This project complements initiatives like the Sault Ste. Marie Economic Development Corporations Business Retention and Expansion program, Destiny Sault Ste. Marie's Diversification strategy and the Sault Ste. Marie economic development Corporation strategic plan. All are geared at attracting Quality people who are capable of creating wealth in the community. \$45 million annually is wealth creation in Sault Ste. Marie.

5.2. Impact on the community as a whole

- The impact of having the OL G head office in Sault Ste. Marie, with 563 quality employees, with an annual payroll of \$45.6 million and associated product and service requirements is significant and would have a noticeable negative impact on the economy should these levels be reduced. The SSMEDC is endeavoring to determine the precise impact on the community as a whole so that efforts are made to mitigate any negative impacts that may arise as a result of the OL G modernization process.

10(a)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2012-101

AGREEMENT: (A.3.9.1.) A by-law to authorize an agreement between the City and Dell Canada for the participation in the Ontario Education Collaborative Marketplace (OECM) contract.

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 the Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to an agreement dated May 28, 2012 in the form of Schedule "A" located in the Clerk's Department and made between the City and Dell Canada for the participation in the Ontario Education Collaborative Marketplace (OECM) contract for the purchase of desktop and laptop/notebook computers for the initial contract term of three years with Dell Canada.

2. **SCHEDULE "A"**

Schedule "A" forms part of this by-law and is located 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 28th day of May 2012.

MAYOR – DEBBIE AMAROSO

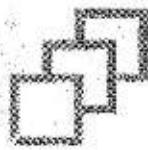
CITY CLERK – MALCOLM WHITE

of Bylaws\2012\2012-101 Agreement Dell

NOTICE

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CITY SOLICITOR



Standard CSA Precedent

Desktop Technology Products and Services
Master Agreement #OECM-C-2011-132

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CLIENT-SUPPLIER AGREEMENT

THIS CLIENT-SUPPLIER AGREEMENT, made in duplicate, for the **Supply of Desktop Technology Products and Services as outlined in Request for Proposals (RFP) OECM 2011-132** is effective as of the **30th day of April, 2012**

BETWEEN:

The Corporation of the City of Sault Ste. Marie

("the Client")

- and -

Dell Canada Inc.

("the Supplier")

WHEREAS the Supplier entered into a Master Agreement with Ontario Education Collaborative Marketplace ("OECM") referred to as **OECM-C-2011-132** for the provision of Resources;

AND WHEREAS the Client has decided to become a Client as defined under the Master Agreement by entering into this Client-Supplier Agreement (the "**CSA**");

NOW THEREFORE In consideration of their respective Agreements set out below and subject to the terms of the Master Agreement, the parties covenant and agree as follows:

Article 1.0 - Definitions

Unless otherwise specified in the CSA, capitalized words and phrases shall have the meaning set out in the Master Agreement.

When used in the CSA, the following words and phrases have the following meanings:

"Rates" means the applicable price for the Resources, as defined in the Master Agreement;

"Term" means the period of time from the CSA effective date first above written up to and including the later of (a) January 24, 2015 or (b) the expiry date of any extension to the CSA; which in any event shall be no later than the expiry of the Master Agreement or any extension thereto.

Article 2.0 - The Master Agreement

- 2.1 This CSA is entered into pursuant to, incorporates by reference and is governed by the Master Agreement.
- 2.2 All terms and conditions of the Master Agreement apply with the appropriate modifications to this CSA. In the event of a conflict between this CSA and the Master Agreement, the latter shall govern (unless this CSA provides otherwise).

Article 3.0 - Representatives for CSA

- 3.1 The Supplier's representative for purposes of this CSA shall be:

- Sheene Leung, Dell Canada
Tel: 416-773-5270
Email: sheene_leung@dell.com
- Technical Support 1800-387-5757

- 3.2 The Client representative for purposes of this CSA shall be:

Frank Coccimiglio
Manager, Information Technology Division
Phone: (705)759-5303
Email: f.coccimiglio@cityssm.on.ca

- 3.3 The OEMC representative for purposes of this CSA shall be:

- Sam Campisi
OEMC Sourcing Manager
Email: sam.campisi@oemc.ca
Tel: 416-847-1105
Fax: 416-847-1196

Article 4.0 - Term of CSA

- 4.1 This CSA shall expire at the end of the Term. Provided that OEMC has extended the Term of the Master Agreement, the Client shall have the option to extend this CSA for a further period of up to two (2) additional periods of up to one (1) year each, such extension to be upon the same terms, conditions and covenants contained in this CSA, excepting that there shall be no further option to renew in the renewal period. The option shall be exercisable by the Client upon fifteen (15) calendar day's prior written notice to the Supplier, setting forth the precise duration of the extension.

Article 5.0 - Resources, Delivery, Rates and Payment Process

- 5.1 The Supplier agrees to provide the Resources to the Client as described in the Master Agreement and as more particularly specified in **Schedule "B" (Rates) of this CSA**.

- 5.2 The Supplier shall deliver Resources within fifteen (15) Business Days from the time of receiving an order for Resources from the Client and the Resources shall be delivered free on board (FOB) to Client's location. Clients may have more than one (1) FOB location within their organization.
- 5.3 The Supplier shall adhere to the time lines set out in the Schedule "A" (Assignment).
- 5.4 The Client hereby consents to the use by the Supplier of the Subcontractors and personnel (if any) named in the CSA Schedule "A" (Assignment). Supplier may use the Subcontractors that it uses in the ordinary course of operating its business without seeking the consent of the Client.
- 5.5 The Client may request changes to the particular Assignment, which may include altering, adding to, or deleting any of the Resources. The Supplier shall comply with all reasonable Client change requests and the performance of such request shall be in accordance with the terms and conditions of the Master Agreement and CSA, including the Rates for such Resources set out in the Master Agreement. Any changes requested must be authorized in writing by the Client and accepted by the Supplier in writing in accordance with Article 12.3 of this CSA.

Article 6.0 - Rates and Payment

- 6.1 The Client shall pay the Supplier by way of **credit, Procurement Card, cheque, and or Electronic Funds Transfer (EFT)**.
- 6.2 The CSA payment terms shall be net thirty (30) days.
- 6.3 The Supplier shall bill the Client for Services in accordance with Article 4.04 of the Master Agreement, unless otherwise set out in Schedule B to this CSA or in Article 6.1 above.

Article 7.0 - Insurance

- 7.1 The Supplier shall furnish a Certificate of Insurance to the Client in accordance with the insurance requirements set out in Article 7 of the Master Agreement prior to commencing performance under the CSA.
- 7.2 The Supplier shall ensure that the Client is named as an additional insured party under the Supplier's insurance policy put in effect and maintained pursuant to Article 7.03 of the Master Agreement.

Article 8.0 - Notices

- 8.1 Notices shall be in writing and shall be delivered by e-mail, postage-prepaid envelope, personal delivery or facsimile and shall be addressed to, respectively, the Client address to the attention of the Client Representative and to the Supplier address to the attention of the Supplier Representative. The parties may change such addresses by notice in writing delivered to the other in accordance with this paragraph.
- 8.2 Notices shall be deemed to have been given (a) in the case of postage-prepaid envelope, five (5) Business Days after such notice is mailed; or (b) in the case of personal delivery or facsimile, e-mail, one (1) Business Day after such notice is sent in accordance with this paragraph.
- 8.3 In the event of a postal disruption, notices must be given by personal delivery or by facsimile or e-mail.
- 8.4 Unless the parties expressly agree in writing to additional methods of notice, notices may only be provided by the methods contemplated in this Article.

Article 9.0 -Termination

9.1 Termination by Either Party

Either party may terminate this CSA on written notice to the other where such other party neglects or fails to perform or observe any material term or obligation of the CSA and such failure has not been cured within thirty (30) days of written notice being provided.

9.2 Termination by Client

The Client shall be entitled to terminate the CSA, without liability, cost or penalty:

- (a) on written notice to the Supplier, if any proceeding in bankruptcy, receivership, liquidation or insolvency is commenced against the Supplier or its property;
- (b) on written notice to the Supplier, if the Supplier makes an Assignment for the benefit of its creditors, becomes insolvent, commits an act of bankruptcy, ceases to carry on its business or affairs as a going concern, files a notice of intention or a proposal or seeks any arrangement or compromise with its creditors under any statute or otherwise;
- (c) on written notice to the Supplier, following the occurrence of any material change in the Client's requirements which results from regulatory or funding changes or recommendations issued by any government or public regulatory body;
- (d) at any time, without cause, by giving the Supplier at least 180 days written notice; or
- (e) in accordance with any provision of the Master Agreement or the CSA which provides for termination.

9.3 Supplier's Obligations on Termination

The Supplier shall, in addition to its other obligations under the Contract and at law:

- (a) provide the Client with a report detailing (i) the current state of the provision of Resources by the Supplier at the date of termination; and (ii) any other information requested by the Client pertaining to the provision of the Resources and performance of the CSA;
- (b) execute such documentation as may be required by the Client to give effect to the termination of the CSA.

9.4 Supplier's Payment Upon Termination

A Client shall only be responsible for the payment for the Resources supplied on or before the effective date of any termination of the CSA and for any Client-unique items in Supplier's inventory ordered at the specific request of the Client (which such inventory shall be immediately delivered to the Client). Termination shall not relieve the Supplier of its warranties and other responsibilities relating to the Resources performed or money paid prior to termination. In addition to its other rights of hold back or set off, the Client may hold back payment or set off against any payments owed if the Supplier fails to comply with its obligations on termination.

9.5 Termination in Addition to Other Rights

The express rights of termination in the CSA are in addition to and shall in no way limit any rights or remedies of the Client or the Supplier under the CSA, at law or in equity.

9.6 Survival upon Termination

In the event that OEMC terminates the Master Agreement with the Supplier prior to the expiry of this CSA but does not terminate this CSA at the same time, the terms of the Master Agreement shall survive and continue to apply to this CSA.

Article 10.0 – Publicity

- 10.1 Any publicity or publications related to this CSA or the Resources shall be at the sole discretion of the Client. The Client may, in its sole discretion, acknowledge the Resources of the Supplier in any such publicity or publication. The Supplier shall not make use of its association with the Client without the prior written consent of the Client.

Article 11.0 - Legal Relationship between Client, Supplier and Third-Parties

11.1 Supplier's Power to Contract

The Supplier represents and warrants that it has the full right and power and all necessary licences, authorizations and qualifications to enter into and perform its obligations under this CSA and that it is not a party to any agreement with another Person which would in any way interfere with the rights of the Client under this Contract.

11.2 Representatives May Bind the Parties

The parties represent that their respective authorized signing representatives have the authority to legally bind them.

11.3 Independent Contractor

This CSA is for a particular and non-exclusive service. The Supplier shall have no power or authority to bind the Client or to assume or create any obligation or responsibility, express or implied, on the Client's behalf, or to hold itself out as an agent, employee or partner of the Client. Nothing in the CSA shall have the effect of creating an employment, partnership or institution relationship between the Client and the Supplier. For the purposes of this paragraph, the Supplier includes any of its directors, officers, employees, agents, partners, affiliates, volunteers or subcontractors.

11.4 No Subcontracting or Assignment

The Supplier shall not subcontract or assign the whole or any part of the CSA or any monies due under it without the prior written consent of the Client. Such consent shall be in the sole discretion of the Client and subject to the terms and conditions that may be imposed by the Client. Without limiting the generality of the conditions which the Client may require prior to consenting to the Supplier's use of a subcontractor, every contract entered into by the Supplier with a subcontractor shall adopt all of the terms and conditions of the Master Agreement and CSA as far as applicable to those parts of the Resources provided by the subcontractor. Nothing contained in the Master Agreement or CSA shall create a contractual relationship between any subcontractor or its employees and the Client.

Article 12 – General

12.1 Severability

If any term or condition of the CSA, or the application thereof to the parties or to any Persons or circumstances, is to any extent invalid or unenforceable, the remainder of the CSA, and the application of such term or condition to the parties, Persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

12.2 Force Majeure

Neither party shall be liable for damages caused by delay or failure to perform its obligations under the CSA where such delay or failure is caused by an event beyond its reasonable control. The parties agree that an event shall not be considered beyond one's reasonable control if a reasonable business person applying due diligence in the same or similar circumstances under the same or similar obligations as those contained in the CSA would have put in place contingency plans to either materially mitigate or negate the effects of such event. Without limiting the generality of the foregoing, the parties agree that force majeure events shall include natural disasters and acts of war, insurrection and terrorism and labour disruptions but shall not include shortages or delays relating to supplies or services. If a party seeks to excuse itself from its obligations under this CSA due to a force majeure event, that party shall immediately notify the other party of the delay or non-performance, the reason for such delay or non-performance and the anticipated period of delay or non-performance. If the anticipated or actual delay or non-performance exceeds fifteen (15) Business Days, the other party may immediately terminate the CSA by giving notice of termination and such termination shall be in addition to the other rights and remedies of the terminating party under the CSA, at law or in equity.

12.3 Changes By Written Amendment Only

Any changes to the CSA shall be by written amendment signed by both parties. No changes shall be effective or shall be carried out in the absence of such an amendment.

12.4 Section 217 Education Act et. al.

The Supplier represents and warrants that it has not knowingly employed, and that it will not during the Term knowingly employ, any teacher, supervisory officer or other employee of an Ontario district school board or of the Ontario Ministry of Education to promote, offer for sale or sell, directly or indirectly, any book or other teaching or learning materials, equipment, furniture, stationery or other article to any Ontario district school board, provincial school or teachers' college, or to any pupil enrolled therein, and that it has not given or paid, and will not during the Term give or pay, directly or indirectly, compensation to any such teacher, supervisory officer or employee for such purpose.

The Supplier further represents and warrants that it has not knowingly employed, and that it will not during the Term knowingly employ, any member of faculty or other employee of an Ontario college or university to promote, offer for sale or sell, directly or indirectly, any book or other teaching or learning materials, equipment, furniture, stationery or other article to any Ontario college or university, or to any student enrolled therein, and that it has not given or paid, and will not during the Term give or pay, directly or indirectly, compensation to any such member of faculty or employee for such purpose where such employment or compensation would place the member of faculty or employee in a conflict of interest with the college or university by which he or she is employed.

12.5 Criminal Records Check

Subject to Ontario human rights legislation, the Supplier covenants and agrees that it will not engage any employee or other person to perform services for the Supplier who may come into direct contact with students on a regular basis, or who may have access to student information to provide services hereunder, where such employee or other person has been charged with or convicted of an offence the nature of which may be construed as jeopardizing the safety and well being of the students of the Client. For the purposes of this CSA, the Client shall determine in its sole and unfettered discretion whether an employee of the Supplier or such other person may come into direct contact with students on a regular basis or have access to student information and whether or not any such offence is of a nature which may be construed as jeopardizing the safety and well-being of students.

The Supplier covenants and agrees to retain on file a criminal background check and offence declarations as required pursuant to Ontario Regulation 521/01, as amended, or any other Requirements of Law , for every employee of the Supplier or other person who will perform services for the Supplier who may come into direct contact with students on a regular basis or who may have access to student information, prior to the occurrence of such possible direct contact or prior to having access to student information. The Supplier shall advise the Client of the location of such records.

The Supplier agrees to indemnify and save harmless the Client from all claims, liabilities, expenses and penalties to which it may be subjected on account of: the Supplier engaging an employee or other person to perform services in contravention of this paragraph 12.5; or the Supplier's failure to retain a criminal background check or offence declaration as aforesaid. This indemnity shall survive the expiration or sooner termination of this CSA. In addition to and notwithstanding anything else herein contained, if the Supplier engages an employee or other person to perform services in contravention of this paragraph 12.5, or fails to retain a criminal background check and an offence declaration(s) for any employee of the Supplier or other person who performs services for the Supplier who may come into direct contact with students on a regular basis, or who may otherwise have access to student information prior to the occurrence of such possible direct contact, or prior to having access to student information then the Client will have the right to immediately terminate this CSA without prejudice to any other rights which it may have in this CSA, at law or in equity.

The Client shall be entitled, on forty-eight (48) hours prior written notice, to obtain copies and review the criminal background checks and offence declarations retained by the Supplier pursuant to this paragraph 12.5.

In the event that either the criminal background check or an offence declaration reveals a charge or a criminal conviction which is not acceptable to the Client in the circumstances and in its sole and unfettered discretion but subject to Ontario human rights legislation, then the Client will have the right to request that the Supplier prohibit the employee of the Supplier or other person who performs services for the Supplier from providing services to the Client hereunder. Upon such request, the Supplier will forthwith effect such removal, without prejudice to any other rights which the Client may have in this CSA, at law or in equity.

12.7 Purchasing Policies and Guidelines

The Supplier agrees to comply with the Client's purchasing or administrative policies and guidelines which apply to the provision of Resources under this CSA. Copies of the applicable policies and guidelines are attached as Schedule C.

IN WITNESS WHEREOF the parties hereto have executed this Client-Supplier Agreement as of the date first above written.

CLIENT NAME

Signature: _____

Name: _____

Title: _____

Date of Signature: _____

SUPPLIER NAME

Signature: _____

Name: _____

Title: _____

Date of Signature: _____

I have authority to bind the Supplier

10(a)

DESKTOP TECHNOLOGY PRODUCTS & SERVICES OECM-C-2011-132

For

DESKTOP TECHNOLOGY PRODUCTS & SERVICES INITIATIVE

Between

Ontario Education Collaborative Marketplace

And

Dell Canada Inc.

As of

24 day of January 2012

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Schedule 1 (Schedule of Resources and Rates)

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MASTER AGREEMENT

THIS MASTER AGREEMENT ("the Master Agreement"), made in duplicate pursuant to the Desktop Technology Products & Services Initiative effective as of 24 day of January 2012

BETWEEN:

Ontario Education Collaborative Marketplace

(referred to as "OECM")

AND:

Dell Canada Inc.

(referred to as the "Supplier")

WHEREAS OECM issued a Request for Proposals (RFP) and selected the Supplier to provide the Resources on a non-exclusive basis, on the terms and conditions set out herein:

AND WHEREAS the Supplier has agreed to enter into Client-Supplier Agreement(s) with one (1) or more Clients which shall be subject to the terms and conditions of this Master Agreement and the Contract documents.

NOW THEREFORE in consideration of their respective agreements set out below, the parties covenant and agree as follows:

ARTICLE 1 – INTERPRETATION AND GENERAL PROVISIONS

1.01 Defined Terms

When used in the Master Agreement, the following words or expressions have the following meanings:

"Authority" means any government authority, body or department, whether federal, provincial or municipal, having or claiming jurisdiction over the Contract; and **"Authorities"** means all such authorities, bodies and departments;

"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; Family Day; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day which OEMC or a Client has elected to be closed for business;

"Business Hours" mean 8:30 a.m. to 5:00 p.m. EST or EDT, as applicable, during any Business Day;

"Client" means any Institution which executes a Client-Supplier Agreement. In addition, "Client" covers all staff thereof that may order the Resources from the Supplier, including but not limited to administration staff, teachers/professors, and purchasing professionals;

"Client-Supplier Agreement" means the sub-agreement to be entered into between the Supplier and a Client setting out specific Resources required by the Client, along with any additional terms and conditions contained therein;

"Confidential Information" of a party means all information concerning the business or affairs of the party or its directors, governors, trustees, officers or employees that is of a confidential nature, which information if in written or other tangible form, is clearly designated as confidential, or if disclosed orally, is designated as confidential. In a written memorandum delivered by the disclosing party promptly following such disclosure. For the purposes of greater certainty, Confidential Information shall:

- (a) include: (i) all new information derived at any time from any such Confidential Information whether created by OEMC, the Client, the Supplier or any third-party; (ii) all information (including Personal Information) that OEMC or the Client is obliged, or has the discretion, not to disclose under provincial or federal legislation; and, (iii) pricing under this Contract;
- (b) not include information that: (i) is or becomes generally available to the public without fault or breach on the part of the disclosing party of any duty of confidentiality owed by it hereunder; (ii) the disclosing party can demonstrate to have been rightfully obtained by it, without any obligation of confidence, from a third-party who had the right to transfer or disclose it to the disclosing party free of any obligation of confidence; (iii) the disclosing party can demonstrate to have been rightfully known to or in the possession of it at the time of disclosure, free of any obligation of confidence when disclosed; or (iv) is independently developed by the disclosing party; but the exclusions in this subparagraph shall in no way limit the meaning of Personal Information or the obligations attaching thereto under the Contract or at law;

"Conflict of Interest" includes, but is not limited to, any situation or circumstance where:

- (a) in relation to the RFP process, the Supplier has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including but not limited to (i) having or having access to information in the preparation of its Proposal that is confidential to OEMC and not available to other respondents; (ii) communicating with any person with a view to influencing preferred treatment in the RFP process; or (iii) engaging in conduct that compromises or could reasonably be seen to compromise the integrity of the open and competitive RFP process and render that process non-competitive and unfair; or;
- (b) in relation to the performance of its contractual obligations in an OEMC contract, the Supplier's other commitments, relationships or financial interests (i) could or could reasonably be seen to exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgement; or (ii) could or could reasonably be seen to compromise, impair or be incompatible with the effective performance of its contractual obligations;

"Contract" means the aggregate of: (a) the Master Agreement, including Schedule 1 (Schedule of Resources and Rates), Schedule 2 (the form of Client-Supplier Agreement) and any other schedule or appendix attached at the time of execution; (b) the assignment-specific Client-Supplier Agreement; (c) the RFP, including any addenda or clarification; (c) the Proposal; and (d) any amendments executed in accordance with the terms of the Master Agreement;

"ECO Fee(s)" are fees as mandated by Stewardship Ontario.

"Expiry Date" means January 24, 2015 or, if the original term is extended, the final date of the extended term January 24, 2017;

"FIPPA" means the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31, as amended;

"Indemnified Parties" means OECM, each Client and their respective employees, directors, trustees, governors, officers, agents and subcontractors;

"Industry Standards" include, but are not limited to adherence to commonly accepted norms of ethical business practices, which shall include the Supplier establishing, and ensuring adherence to, precautions to prevent its employees or agents from providing or offering gifts or hospitality of greater than nominal value to any person acting on behalf of or employed by OECM and participating Institutions;

"Institutions" means all publicly supported educational institutions (school boards and authorities, colleges and universities) and other broader public sector entities in the Province of Ontario;

"Intellectual Property" means any intellectual, industrial or other proprietary right of any type in any form protected or protectable under the laws of Canada and the USA, or any foreign country, or any political subdivision of any country where Supplier or any affiliate thereof as defined in the *Business Corporations Act (Ontario)* does direct business, including, without limitation, any intellectual, industrial or proprietary rights protected or protectable by legislation, by common law or at equity;

"MFIPPA" means the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M. 56, as amended;

"OECM Address" and **"OECM Representative"** mean:

Director of Sourcing, OECM
90 Eglinton Avenue East, Suite 504
Toronto, ON M4P 2Y3

"Person", if the context allows, includes any natural persons, firms, partnerships or corporations, or any combination thereof;

"Personal Information" has the same definition as in subsection 2(1) of FIPPA and in subsection 2(1) of MFIPPA, that is, recorded information about an identifiable individual or that may identify an individual and includes all such information obtained by the Supplier from OECM or the Client or created by the Supplier pursuant to the Contract;

"Proceeding" means any action, claim, demand, lawsuit, or other proceeding;

"Procurement Card" means the corporate credit card(s) used by the Client, as may be changed from time to time;

"Procurement Card Protocols" means the manner in which the Supplier is required to process any payments under the Contract that the Client elects to make by way of Procurement Card, which shall include the requirement to (a) collect the authorized employee's name, the abbreviated Client name, the expiry date, the harmonized sales tax (HST) exemption number and the employee's authorization; (b) contact the financial institution identified on the Procurement Card each time the Procurement Card is used for payment; (c) receive payment from the financial institution named on the Procurement Card once that institution authorizes payment; and (d) bear the cost of any and all charges relating to the use of the Procurement Card, including the financial institution's charges for payment through the Procurement Card; typically used for consumables;

"Proposal" means the proposal submitted by the Supplier in response to the RFP;

"Rates" means the applicable price, in Canadian funds, to be charged for the applicable Resources, as set out in the RFP/Proposal, representing the full amount chargeable by the Supplier for the provision of the Resources, including but not limited to (a) all applicable duties and taxes, other than those which the Client has expressly agreed to pay; (b) all labour and material costs associated with the provision of the Resources; (c) all travel and carriage costs for the Resources to the Client's location; (d) all insurance costs; and (e) all other overhead including any fees or other charges required by law. Additional Resources may be added to the list of Resources available with the prior written approval of the parties;

"Record", for the purposes of the Contract, means any recorded information, including any Personal Information, in any form: (a) provided by OECM or by the Client to the Supplier, or provided by the Supplier to OECM or the Client, for the purposes of the Contract; or (b) created by the Supplier in the performance of the Contract; and shall include or exclude, as the case may be, any information specifically described in Schedule 1 or in a particular Client-Supplier Agreement;

"Requirements of Law" mean all applicable requirements, laws, statutes, codes, acts, ordinances, orders, decrees, injunctions, by-laws, rules, regulations, official plans, permits, licences, authorisations, directions, and agreements with all Authorities that now or at any time hereafter may be applicable to either the Contract or the Resources or any part of them;

"Resources" means all Supplier branded hardware and services provided to a Client pursuant to this Agreement;

"RFP" means the Request for Proposals dated July 28, 2011 for Desktop Technology Products & Services, reference OECM 2011-132 issued by OECM for the Resources and any addenda to it;

"Supplier's Subcontractor" includes the Supplier's subcontractors or their respective directors, officers, agents, employees or independent contractors, who shall fall within the meaning of Supplier for the purposes of this Contract;

"Supplier Address" means:

Dell Canada Inc.
155 Gordon Baker Road, Suite 501
North York, Ontario
M2H 3N5

"Supplier Representative" means:

David Onafrychuk, Account Executive

"Term" means the period of time from the effective date first above written up to and including the later of (a) January 24, 2015 or (b) the expiry date of any extension to the Contract;

"Third-Party Intellectual Property" means any Intellectual Property owned by a party other than OECM, Client or the Supplier.

1.02 Entire Agreement

The Contract embodies the entire agreement between the parties with regard to the provision of Resources and supersedes any prior understanding or agreement, collateral, oral or otherwise, existing between the parties at the date of execution of the Master Agreement, with exception of Legacy Agreements.

1.03 Severability

If any term or condition of the Contract, or the application thereof to the parties or to any Persons or circumstances, is to any extent invalid or unenforceable, the remainder of the Contract, and the application of such term or condition to the parties, Persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

1.04 Interpretive Value of Contract Documents

In the event of a conflict or inconsistency in any provisions in the Contract: (a) the main body of the Master Agreement shall govern over the Schedules to the Agreement; (b) the Master Agreement (including its Schedules) shall govern over any Client-Supplier Agreement; (c) the Master Agreement (including its Schedules) and a Client-Supplier Agreement shall govern over the RFP and the Proposal; and (d) the RFP shall govern over the Proposal.

1.05 Force Majeure

Neither party shall be liable for damages caused by delay or failure to perform its obligations under the Contract where such delay or failure is caused by an event beyond its reasonable control. The parties agree that an event shall not be considered beyond one's reasonable control if a reasonable business person applying due diligence in the same or similar circumstances under the same or similar obligations as those contained in the Contract would have put in place contingency plans to either materially mitigate or negate the effects of such event. Without limiting the generality of the foregoing, the parties agree that force majeure events shall include natural disasters and acts of war, insurrection and terrorism and labour disruptions but shall not include shortages or delays relating to supplies or services. If a party seeks to excuse itself from its obligations under this Contract due to a force majeure event, that party shall immediately notify the other party of the delay or non-performance, the reason for such delay or non-performance and the anticipated period of delay or non-performance. If the anticipated or actual delay or non-performance exceeds fifteen (15) Business Days, the other party may immediately terminate the Contract by giving notice of termination and such termination shall be in addition to the other rights and remedies of the terminating party under the Contract, at law or in equity.

1.06 Notices by Prescribed Means

Notices shall be in writing and shall be delivered by postage-prepaid envelope, personal delivery or facsimile and shall be addressed to, respectively, the OEMC Address to the attention of the OEMC Representative and to the Supplier Address to the attention of the Supplier Representative. The parties may change such addresses by written notice to the other given in accordance with this paragraph. Notices shall be deemed to have been given (a) in the case of postage-prepaid envelope, five (5) Business Days after such notice is mailed; or (b) in the case of personal delivery or facsimile one (1) Business Day after such notice is sent in accordance with this paragraph. In the event of a postal disruption, notices must be given by personal delivery or by facsimile. Notices relating to a particular Client-Supplier Agreement shall also be governed by this paragraph, but shall be delivered to the particular representatives and addresses established under the specific Client-Supplier Agreement. Unless the parties expressly agree in writing to additional methods of notice, notices may only be provided by the methods contemplated in this paragraph.

1.07 Governing Law

The Contract shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of the Province of Ontario.

1.08 Third Party Benefits

Supplier acknowledges that a Client may enforce provisions included in Master Agreement for such Client's benefit even though such Client is not a party to the Master Agreement.

1.09 Counterparts

This Agreement may be executed in counterparts, each of which will constitute an original, and all of which will constitute one agreement.

1.10 Headings

The division of this Master Agreement into Articles, Sections and Schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Master Agreement.

1.11 Extended Meanings

The parties agree to the following interpretive terms and conditions:

- (a) words importing the singular number include the plural and vice versa and words importing gender include all genders in this Contract;
- (b) reference to any agreement, indenture or other instrument in writing means such agreement, indenture or other instrument in writing as amended, modified, replaced or supplemented from time to time, unless otherwise agreed to herein;
- (c) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day;
- (d) unless the context otherwise requires, words importing a particular gender shall include the other gender;
- (e) "in writing" or "written" means and includes printing, typewriting or any electronic means of communication capable of being permanently reproduced in alphanumeric characters at the point of reception;
- (f) the words "include" and "including" mean "include, without limitation," and "including, without limitation," throughout this Contract;
- (g) any reference to a statutory or regulatory provision shall include that provision as from time-to-time modified or re-enacted providing that in the case of modifications or re-enactments made after the date of this Contract the same shall not have effective substantive change to that provision, unless otherwise agreed to herein; and,
- (h) time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences, but including the day on which the period ends.

1.12 Condonation Not a Waiver

Any failure by OEMC or the Client to insist in one or more instances on strict performance by the Supplier of any of the terms or conditions of the Contract shall not be construed as a waiver by OEMC and the Client of the right to require strict performance of any such terms or conditions, and the obligations of the Supplier with respect to such performance shall continue in full force and effect.

1.13 Changes by Written Amendment Only

Any changes to the Contract shall be by written amendment signed by the parties. No changes shall be effective or shall be carried out in the absence of such an amendment. Amendments to this Contract can only be made by the parties to this Contract. For greater certainty, a Client may not amend this Contract.

1.14 Rights and Remedies and Supplier Obligations Not Limited to Contract

The express rights and remedies of OEMC and the Client and obligations of the Supplier set out in the Contract are in addition to and shall not limit any other rights and remedies available to OEMC and the Client or any other obligations of the Supplier at law or in equity.

ARTICLE 2 – LEGAL RELATIONSHIP BETWEEN OEMC/CLIENT, SUPPLIER AND THIRD-PARTIES

2.01 Supplier's Power to Contract and Perform the Contract

The Supplier represents and warrants that it has the full right and power and all necessary licences, authorizations and qualifications to enter into and perform its obligations under the Contract and that it is not a party to any agreement with another Person which would in any way interfere with the rights of OEMC or the Client under this Contract. Without limiting the generality of the foregoing, if the Supplier is not the manufacturer of any of the Resources, Supplier represents and warrants that it has all necessary

rights, licences and permissions to supply such Resources to the Clients and that the manufacturer thereof will provide complete warranty support in respect thereto in accordance with the warranty provided with such Resources. Details of Supplier's standard warranty for Resources as set out in Schedule 1.

2.02 Representatives May Bind Parties

The parties represent that their respective authorized signing representatives have the authority to legally bind them to the extent permissible by the Requirements of Law.

2.03 Parties Not a Partner, Agent or Employee

Neither party shall have any power or authority to bind the other or to assume or create any obligation or responsibility, express or implied, on behalf of the other and shall not hold itself out as an agent, partner or employee of the other. Nothing in the Contract shall have the effect of creating an employment, partnership or agency relationship between OECM and the Supplier (or any of the Supplier's directors, officers, employees, agents, partners, affiliates, volunteers or subcontractors).

2.04 Responsibility of Supplier

The Supplier agrees that it is liable for the acts and omissions of its directors, officers, employees, agents, partners, affiliates, volunteers and subcontractors. This paragraph is in addition to any and all of the Supplier's liabilities under the Contract and under any applicable law. The Supplier shall advise these individuals and entities of its obligations under the Contract and, without limiting the generality of the foregoing, shall take appropriate action to ensure compliance with (a) the Contract generally and (b) with the requirements of Article 5 (Confidentiality FIPPA/MFIPPA) of the Master Agreement. In addition to any other liabilities of the Supplier pursuant to the Master Agreement or otherwise at law or in equity, the Supplier shall be liable for all damages, costs, expenses, losses, claims or actions arising from any breach of the Contract resulting from the actions of the above mentioned individuals and entities. This paragraph shall survive the termination or expiry of this Contract.

2.05 No Liability of OECM

The Supplier acknowledges and agrees that OECM shall not be liable or responsible to the Supplier for any matter arising under any Client-Supplier Agreement or through the provision of the Resources and, without limiting the generality of the foregoing, the Supplier acknowledges and agrees that:

- OECM will not be liable or responsible for any act or omission of a Client in relation to the Client's access to the provision of Resources under the Contract or with respect to any breach by the Client of its obligations of confidentiality to the Supplier; and,
- OECM, in its sole discretion, may restrict access by Clients to the provision of Resources under the Contract and the Supplier agrees to comply with any procedures or requirements established by OECM for such access.

2.06 No Assignment

The Supplier shall not assign the whole or any part of the Contract or any monies due under it without the prior written consent of OECM. Such consent shall be in the sole discretion of OECM and subject to the terms and conditions that may be imposed by OECM.

2.07 Conflict of Interest

The Supplier shall: (a) avoid any Conflict of Interest in the performance of its contractual obligations; (b) disclose without delay any actual or potential Conflict of Interest that arises during the performance of its contractual obligations; and (c) comply with any requirements prescribed by OECM or the Client to resolve any Conflict of Interest. In addition to all other contractual rights or rights available at law or in equity, OECM may, at its sole and absolute discretion, immediately terminate the Contract upon giving notice to the Supplier where (a) the Supplier fails to disclose an actual or potential Conflict of Interest; (b) the Supplier fails to comply with any requirements prescribed by OECM or the Client to resolve a Conflict of Interest; or (c) the Supplier's Conflict of Interest cannot be resolved. Before any termination of either the Master Agreement or Client-Supplier Agreement pursuant to the provisions of this Section 2.07, there must be a cure period of no less than thirty (30) days. This paragraph shall survive any termination or expiry of the Contract.

2.08 Client-Supplier Agreement

The Supplier agrees to enter into Client-Supplier Agreements with Institutions who request the Supplier to do so at any time following the effective date of this Master Agreement, provided that the Supplier has had the opportunity to review and confirm that it will comply with any purchasing policy or guideline of an Institution with which it is being requested to enter into a Client-Supplier Agreement. Execution of a Client-Supplier Agreement by the Supplier shall constitute the Supplier's agreement to comply with such policies or guidelines as may be referred to in the Client-Supplier Agreement.

2.09 Contract Binding

The Contract shall enure to the benefit of and be binding upon the parties and their successors, administrators and their permitted assigns.

ARTICLE 3 - PERFORMANCE BY SUPPLIER

3.01 Supplier Performance and Client-Supplier Agreement

This Master Agreement sets out terms and conditions in connection with the acquisition of Resources and contemplates the execution by the Supplier and Clients, during the Term, of one (1) or more Client-Supplier Agreements in the form set out in Schedule 2 Client-Supplier Agreement for the purpose of providing specific Resources. Furthermore, with respect to Client-Supplier Agreements:

- (a) only Clients as defined under the Master Agreement may obtain Resources on the terms and conditions provided for in the Contract, and only by entering into a Client-Supplier Agreement executed by a duly authorized representative of the Client and accepted by the Supplier and the Supplier shall provide monthly reports to OECM summarizing the Client-Supplier Agreements entered into, the particular Clients and Resources provided;
- (b) Resources shall be provided only pursuant to a Client-Supplier Agreement and in accordance with the Contract;
- (c) the Supplier shall not, under the Contract, sell or offer to sell any Resources to any person, organization that is not a Client as defined in the Master Agreement;
- (d) the terms and conditions of the Master Agreement shall apply to each Client-Supplier Agreement and the same terms and conditions that apply between the Supplier and OECM under the Master Agreement shall also apply between the Supplier and each Client under each Client-Supplier Agreement and, without limiting this paragraph, the duties owing to OECM under the Master Agreement shall also be owing to the Client under the particular Client-Supplier Agreement and the rights exercisable by OECM under the Master Agreement shall also be exercisable by the Client under the particular Client-Supplier Agreement;
- (e) each Client-Supplier Agreement shall refer to this Master Agreement by setting out the agreement number set out on the first page of this Master Agreement, and shall, at minimum, also include (i) the name or description of each Resource, along with the related Rates payable and tentative delivery dates; (ii) the type, term and commencement date of each assignment; (iii) the name and contact information for the Client, OECM and the Supplier for the purposes of the particular Client-Supplier Agreement; (iv) any other terms and conditions agreed upon by the parties in accordance with the Contract;
- (f) the terms and conditions set out in a Client-Supplier Agreement shall have no effect on any other Client-Supplier Agreement and shall only apply to the provision of Resources under that particular Client-Supplier Agreement; and,
- (g) in the event of an inconsistency between the terms of the form of Client-Supplier Agreement attached hereto and a Client-Supplier Agreement executed by the Supplier and a Client, the terms and conditions set out in the former shall govern.

3.02 Performance Warranty

Supplier represents and warrants: (a) that the Resources conform to the samples provided by Supplier to OECM or a Client and all specifications and Resource literature supplied by Supplier or its agents and representatives to OECM or a Client; (b) all Resources shall be new and unused, unless agreed to in writing by the parties; and (c) on delivery, the Resources shall be in good operating condition and free of defects in workmanship and material.

The Supplier hereby represents and warrants that the Resources shall be provided in accordance with: (a) the Contract (including without limitation, being in compliance with the specifications to the Resources set out in the RFP); (b) Industry Standards; and (c) Requirements of Law. If any of the Resources, in the reasonable opinion of OEMC or the Client, are inadequately provided or require corrections, the Supplier shall forthwith make the necessary corrections at its own expense as specified by OEMC or the Client in a rectification notice. All such corrections shall comply with the terms and conditions of the Supplier warranty for the Resource in question.

If any of the Resources proves defective or non-conforming to the Contract, and without limiting the rights and remedies of the Client otherwise contained in the Contract, Supplier shall repair the defective or non-conforming Resource in accordance with the warranty for such Resource, or, at Supplier's option (i) replace at no cost to Client, any such defective or non-conforming Resource with a non-defective or conforming Resource (as applicable) or (ii) credit Client's account for all amounts paid with respect to the defective or non-conforming Resource upon Supplier's receipt (at the Supplier's expense) of the defective or non-conforming Resource.

In no event shall Supplier have any obligation or liability for Resources not being available for use, lost or corrupted data or software or for any exemplary, punitive, incidental, indirect, special or consequential damages (including but not limited to loss of profits, use or goodwill), whether based on contract, tort (including negligence), strict liability, or any other theory or form of action, even if Supplier has been advised of the possibility thereof.

The warranties expressly stated in this section 3.02 supersede all inconsistent provisions of any and all purchase orders, invoices, acknowledgments, or other writings or statements, written or otherwise.

Except as provided in the Contract, the Supplier makes no warranty, whether written, oral, express or implied, as to any matter whatsoever with respect to the Resources, and does not warrant uninterrupted or error-free provision of any Resources supplied as part of the Resources. All other warranties are expressly disclaimed by the Supplier, including, but not limited to any implied warranty of merchantability, or fitness for a particular purpose. Some jurisdictions do not permit the exclusion of implied warranties, in which case the exclusion of implied warranties may not apply.

3.03 Use and Access Restrictions

The Supplier acknowledges that unless it obtains specific written preauthorization from OEMC and the Client, any access to or use of OEMC or Client property, technology or information that is not necessary for the performance of its contractual obligations with OEMC and the Client is strictly prohibited. The Supplier further acknowledges that OEMC and the Client may monitor the Supplier to ensure compliance with this paragraph. This paragraph is in addition to and shall not limit any other obligation or restriction placed upon the Supplier.

3.04 Notification by Supplier

During the Term, the Supplier shall advise OEMC and the Client promptly of: (a) any contradictions, discrepancies or errors found or noted in the Contract; (b) supplementary details, instructions or directions that do not correspond with those contained in the Contract; and (c) any omissions or other faults that become evident and should be corrected in order to provide the Resources in accordance with the Contract and Requirements of Law.

3.05 Work Volumes

The Supplier acknowledges that it may be providing the Resources on a non-exclusive basis. OEMC and the Clients make no representation regarding the volume of Resources required under the Contract. OEMC and the Clients reserve the right to contract with other parties for the same or similar Resources as those provided by the Supplier and reserve the right to obtain the same or similar Resources internally.

3.06 Reporting

- (a) The Supplier must provide standard Supplier monthly electronic sales history reports to OEMC for all Resource sales made under this Agreement for orders placed via Premier Page with a valid e-quote number from the OEMC Premier Page. The form of such standard reports shall be those available from Premier Page or otherwise as mutually agreed upon.

OEMC will work with the Supplier to develop the template, which will be in Microsoft Excel format.

The first report would be due on March 5, 2012 and the last report would be due on January 17, 2015.

Such reports shall be presented by the 5th Business Day of the month following each month and include, as a minimum, the information set out in (b) below.

- (b) Sales history reports shall consist of, at a minimum, the following fields of information:

- i. Delivery address
- ii. Client name
- iii. Invoice date
- iv. Supplier order number
- v. Item description
- vi. Supplier's public part number
- vii. Order quantity
- viii. Purchase order date (if applicable)
- ix. Purchase order number (if applicable)
- x. Unit price
- xi. Unit of measure
- xii. Supplier's part number
- xiii. Sub total
- xiv. HST
- xv. Total

- (c) Clients may require other reporting, such as those set out below. The details of other Clients reporting requirements will be set out in each Client-Supplier Agreement and shall be as mutually agreed upon between the Client and the Supplier.

- i. Asset tagging report
- ii. Imaging report
- iii. Delivery report
- iv. Purchasing history
- v. Service history
- vi. Standard Warranty registration confirmation

- (d) The Supplier must provide quarterly Client-Supplier Agreement status reports to OEMC summarizing the Client-Supplier Agreements entered into, as set out in section 3.01(a).

- (e) Ad hoc reports as reasonably required by OEMC or the Client from time to time and shall be in a form and format that are mutually agreeable.

3.07 Resource Delivery

The Supplier shall deliver Resources within fifteen (15) Business Days from the time of receiving an order for Resources from the Client via Premier Page and other ordering methods and the Resources shall be delivered free on board (FOB) to Client's location. Title to the Resources, except software that is subject to licensing agreements (see "Software" definition in Schedule 1), passes from Supplier to Client when Client receives the Resources at its location(s). Clients may have more than one (1) FOB location within their organization. Orders are subject to acceptance by the Supplier. A Client may change or cancel an order until the time the Supplier begins to manufacture it. The delivery time for remote locations will be as mutually agreed upon for the remote locations identified by OEMC. Supplier will ship Resources using Supplier's designated carrier. Supplier will pay all shipping and handling costs. Supplier will bear the risk of loss of, or damage to, the Resources during shipping and until Resources reach the Client location(s).

3.08 Returning or Exchanging Resources

Before returning or exchanging a Resource, the Client must contact Supplier directly to obtain an authorization number to include with the return. The Client must return Resources to Supplier in its original or equivalent packaging, and the Client is responsible for risk of loss, as well as shipping and handling fees. Additional fees, including up to a fifteen percent (15%) restocking fee, may apply. If the Client fails to follow the return or exchange instructions provided by Supplier, the Supplier will not be responsible for any loss, damage, or modification of a Resource, or processing of a Resource for disposal or resale. Credit for partial returns may be less than invoice or individual component prices due to bundled or promotional pricing associated with the Client's original purchase price.

ARTICLE 4 - PAYMENT FOR PERFORMANCE AND AUDIT

4.01 Payment According to Contract Rates

The Client shall, subject to the Supplier's compliance with the provisions of the Contract, pay the Supplier for the Resources provided at the Rates established under the Contract. OEMC shall not be responsible for any payment payable to the Supplier in accordance with any Client-Supplier Agreement.

4.02 Invoicing

The Supplier will provide electronic and / or hardcopy invoices to each Client for which they sign the Client-Supplier Agreement at the address specified by the Client. The invoices will contain the following information at a minimum. Further details may be specified within the individual Client-Supplier Agreement.

- (a) Price per Resource purchased;
- (b) Quantity ordered;
- (c) Applicable taxes - shown as a separate line item on all orders;
- (d) Any other costs; and
- (e) Reference to relevant Client purchase order number(s), if applicable.

4.03 Payment by Client

The Supplier will accept the payment option requested by the Clients, which may include but not be limited to: credit, Procurement Card, cash, cheque, Electronic Funds Transfer (EFT). The payment term for this contract shall be net thirty (30) days. Any proposed changes must be written in the Client-Supplier Agreement.

4.04 Default Billing and Payment Process

Unless the parties expressly set out an alternative billing and payment process in a particular Client-Supplier Agreement, the following process shall govern:

- (a) the Supplier shall provide the Client with an invoice for every Resource ordered by Client upon its shipment.
- (b) the Client shall approve or reject the invoice within fifteen (15) Business Days and in the event that the Client rejects the invoice, it shall so advise the Supplier promptly in writing and the Supplier shall provide additional information as required by the Client to substantiate the invoice; and
- (c) each invoice must be approved by the Client before any payment is released; and
- (d) payment, in any case, shall be made within thirty (30) days of invoice date, or as defined by Schedule 2- Client-Supplier Agreement of such approval.

Any subparagraph set out above that is not expressly replaced in a particular Client-Supplier Agreement with an alternative provision shall remain in full force and effect.

4.05 Hold Back or Set Off

The Client may hold back or set off against payment if, in the opinion of OEMC or the Client acting reasonably, the Supplier has failed to comply with any requirements of the Contract. These rights may be

exercised within the context of a particular Client-Supplier Agreement or between various Client-Supplier Agreements pertaining to the same Client.

4.06 No Expenses or Additional Charges

There shall be no other charges payable to the Supplier under the Contract other than the Rates established under the Contract. Applicable taxes are extra including increases in taxes and Eco Fee(s) that are legislated subsequent to the effective date of the Contract and shall be listed separately on Supplier's invoice.

4.07 Payment of Taxes and Duties

Unless otherwise stated in the Contract, the Client shall pay all applicable HST with respect to the Contract.

4.08 OEMC Cost Recovery Fee

For all purchases of Resources via Premier Page and any other means of ordering which Supplier shall enter into Premier Page made under this Agreement, Supplier shall report and pay to OEMC a quarterly, based on the Supplier's fiscal quarter, Cost Recovery Fee calculated on the before tax amount billed by the Supplier for the Resources net of returns and credits provided to Clients by the Supplier pursuant to the Contract and in accordance with Supplier's standard rebate program:

Contract Year	Applicable Cost Recovery Fee
1	0.50%
2	0.75%
3	1.00%
4 (optional extension year)	2.00%
5 (optional extension year)	2.50%

The Supplier shall provide OEMC with sales history reporting on a quarterly basis within thirty (30) days of each Supplier fiscal quarter.

Payments to OEMC will be made within forty-five (45) days of the end of each Supplier fiscal quarter for Client purchases made in the previous quarter.

OEMC shall have thirty (30) Business Days to review and advise of any discrepancies. In the event OEMC believes there is a discrepancy, OEMC must provide Supplier with information related to the discrepancy. After this review period, the Cost Recovery Fee shall be considered final and shall not be subject to future adjustments. Supplier reserves the right to make adjustments to Cost Recovery Fees paid for duplicate orders, returns, etc. within the review period.

The Supplier shall report all sales history from all ordering channels used by Clients, which may include purchase orders, credit, Procurement Cards, cash, cheques, EFT through the Supplier's electronic ordering facility called Premier Page, including other orders entered by Supplier into Premier Page.

OEMC may, for optional years four (4) and five (5), review the above-noted Cost Recovery Fee with the Supplier at its sole and absolute discretion. Should OEMC decide to review the Cost Recovery Fee percentage, at that time, OEMC will negotiate a mutually agreeable Cost Recovery Fee with the Supplier for the optional year(s).

Agreements will be amended accordingly, if necessary. If OEMC does not choose to review the Cost Recovery Fee for the optional years, the Cost Recovery Fee from year three (3) shall apply.

4.09 Interest on Late Payment

If a payment is in arrears through no fault of the Supplier, the interest charged by the Supplier, if any, for any late payment shall not exceed the pre-judgment interest rate established under section 127(2) of the Courts of Justice Act, R.S.O. 1990, c. C45, in effect on the date that the payment went into arrears.

4.10 Document Retention and Audit

For seven (7) years from the dates of purchase of the Resources, the Supplier shall maintain all necessary records to substantiate (a) all charges and payments under the Contract and (b) that the Resources were provided in accordance with the Contract and with Requirements of Law. During the Term, and for seven (7) years from the dates of purchase of the Resources, the Supplier shall permit and assist OEMC or the Client in conducting audits of the operations of the Supplier to verify (a) and (b) above. OEMC or the Client shall provide the Supplier with at least ten (10) Business Days prior notice of its requirement for such audit. The Supplier agrees to provide to OEMC or the Client such Records as may be reasonably required by OEMC or the Client in order to respond to an Authority within a reasonable period of time. The Supplier's obligations under this paragraph shall survive any termination or expiry of the Contract.

ARTICLE 5 - CONFIDENTIALITY AND FIPPA/MFIPPA

5.01 Confidentiality and Promotion Restrictions

Any publicity or publications related to the award of the Contract shall be at the sole discretion of OEMC and the Client. OEMC and the Client may, in their sole discretion, acknowledge the Resources provided by the Supplier in any such publicity or publication. Such publicity or publication shall not constitute disclosure of Confidential Information hereunder. The Supplier shall not make use of its association with OEMC or the Client without the prior written consent of both OEMC and the Client. Without limiting the generality of this paragraph, the Supplier shall not, among other things, at any time directly or indirectly communicate with the media in relation to the Contract unless it has first obtained the express written authorization to do so by both OEMC and the Client.

5.02 Confidential Information

During and following the Term, the parties shall:

- (a) take all reasonable steps to keep all Confidential Information confidential and secure;
- (b) limit the disclosure of Confidential Information to only those employees who have a need to know it and who have been specifically authorized to have such disclosure;
- (c) not directly or indirectly disclose any Confidential Information (except if required by order of a court or tribunal or pursuant to the requirements of FIPPA or MFIPPA), without first obtaining: (i) the written consent of the other party and (ii) in respect of Confidential Information about any third-party, the written consent of such third-party; and,
- (d) return all Confidential Information to the other party before the termination or expiry of the Term, without keeping a copy.
- (e) Notwithstanding anything contained herein to the contrary, OEMC shall be permitted to disclose to any Institution pricing and other details of this Contract and any information generated by OEMC from the reports provided to it by the Supplier hereunder.

5.03 Restrictions on Copying

Neither party shall copy any Confidential Information, in whole or in part, unless copying is essential for the provision of the Resources. On each copy made by a party, the party must reproduce all notices which appear on the original.

5.04 Injunctive and Other Relief

Each party acknowledges that breach of any provisions of this Article may cause irreparable harm to the other or to any third-party to whom the other party owes a duty of confidence, and that the injury to the other party or to any third-party may be difficult to calculate and inadequately compensable in damages. Each party agrees that the other is entitled to seek injunctive relief (without proving any damage sustained by it or by any third-party) or any other remedy against any actual or potential breach of the provisions of this Article.

5.05 Notice and Protective Order

If a party or any of its directors, trustees, governors, officers, employees, agents, representatives or advisors become legally compelled to disclose any Confidential Information, such party will provide the other with prompt notice, unless prohibited by a court or competent jurisdiction, to that effect in order to allow the other party to seek one or more protective orders or other appropriate remedies to prevent or limit such disclosure, and it shall co-operate with the other party and its legal counsel to the fullest extent.

If such protective orders or other remedies are not obtained, the party will disclose only that portion of the Confidential Information which it is legally compelled to disclose, only to such person or persons to which it is legally compelled to disclose, and shall provide notice to each such recipient (in co-operation with legal counsel for the other party) that such Confidential Information is confidential and subject to non-disclosure on terms and conditions equal to those contained in the Master Agreement and, if possible, shall obtain each recipient's written agreement to receive and use such Confidential Information subject to those terms and conditions.

5.06 FIPPA and MFIPPA Records

The Supplier, OEMC and the Client acknowledge and agree that FIPPA or MFIPPA applies to and governs all Records of OEMC and the Client and may require the disclosure of such Records to third parties. Furthermore, the Supplier agrees:

- (a) to keep Records secure;
- (b) not to access any Personal Information unless the Client determines, in its sole discretion, that access is permitted under FIPPA or MFIPPA and is necessary in order to provide the Resources;
- (c) not to directly or indirectly use, collect, disclose or destroy any Personal Information for any purposes that are not authorized by the Client;
- (d) to ensure the security and integrity of Personal Information and keep it in a physically secure and separate location safe from loss, alteration, destruction or intermingling with other records and databases and to implement, use and maintain the appropriate Resources, tools, measures and procedures to do so;
- (e) to restrict access to Personal Information to those of its employees who have a need to know it and who have been specifically authorized to have such access for the purpose of providing the Resources;
- (f) to implement other specific security measures that in the reasonable opinion of the Client would improve the adequacy and effectiveness of the Supplier's measures to ensure the security and integrity of Personal Information and Records generally; and
- (g) that any confidential information supplied to OEMC or the Client may be disclosed by OEMC or the Client where they are obligated to do so under FIPPA or MFIPPA as appropriate, by an order of a court or tribunal or pursuant to a legal proceeding;
- (h) and the provisions of this paragraph shall survive any termination or expiry of the Contract and shall prevail over any inconsistent provisions in the Contract.

5.07 PIPEDA

The Supplier represents and warrants that if it is or becomes subject to any private sector privacy legislation during the Term of this Agreement it will be solely responsible for compliance with such legislation. Without limitation, the Supplier represents and warrants that if it is subject to the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5, including any further amendments thereto (PIPEDA): (a) it and all its subcontractors shall ensure the PIPEDA compliance of all PIPEDA Protected Information it collects directly from individuals or indirectly from OEMC or others, uses or discloses in the course of performing their obligations under this Agreement; and (b) without limitation, it shall ensure the PIPEDA compliance of all PIPEDA Protected Information it transfers or discloses to OEMC. For the purpose of this Agreement "PIPEDA Protected Information" means any "Personal Information" or "Personal Health Information" as defined under PIPEDA.

5.08 Survival

The provisions of this Article shall survive any termination or expiry of the Contract.

ARTICLE 6 – INTELLECTUAL PROPERTY AND USE OF OEMC OR CLIENT INSIGNIA**6.01 Intellectual Property**

The Supplier agrees that all Intellectual Property and every other right, title and interest in and to all concepts, techniques, ideas, information and materials, however recorded, (including images and data) provided by OEMC or the Client to the Supplier shall remain the sole property of OEMC or the Client at all times. All pre-existing Intellectual Property of the Supplier shall remain the property of the Supplier. By virtue of a Client purchasing Resources from the Supplier, neither party is transferring any of its intellectual property rights, in the case of the Supplier, or those of its subcontractors, to the other party.

6.02 No Use of OEMC or Client Insignia

The Supplier shall not use any insignia or logo of OEMC or the Client except where required to provide the Resources, and only if it has received the prior written permission of OEMC and the Client to do so.

The Supplier acknowledges that it does not acquire any interest or other rights in respect of any copyright, patent, trademark, trade name, logo or any other Intellectual Property relating to the design and/or supply of Resources to a Client, whether or not the Supplier has created or assisted in the creation of such items. For greater certainty, all Intellectual Property rights to any items designed for use by a Client during the Term of the Contract shall remain the sole and exclusive property of the Client, and the Client shall retain the full and unrestricted right to continue use of such items following the termination or expiration of the Contract or any extension thereof.

6.03 Supplier Representation and Warranty Regarding Third-Party Intellectual Property

The Supplier represents and warrants that the provision of the Resources shall not infringe or induce the infringement of any Third-Party Intellectual Property rights in countries where Supplier or any affiliate thereof as defined in the *Business Corporations Act, (Ontario)* does direct business and that the Supplier has obtained all rights and licenses required to supply the Resources to the Clients and for their intended use. The Supplier further represents and warrants that the terms and conditions of all such rights and licenses shall not contain any terms, conditions, qualifications, conditions or other provisions that may, in any manner or to any extent, interfere with, limit, detrimentally affect, harm, or otherwise restrict a Client from using the Resources for their intended use. This indemnity does not cover and specifically excludes (a) intellectual property rights recognized in countries and jurisdictions other than Canada and the United States or countries other than where Supplier or any affiliate thereof as defined in the *Business Corporations Act, (Ontario)* does direct business; and (b) claims relating to non-Supplier branded software and peripherals and products distributed to Client by Supplier. Supplier has no obligation under this Section for any claim resulting or arising from Client's unauthorized modification of a Resource or from any combination, operation or use of the Resource with systems other than those provided by Supplier to the extent that the claim is caused by such modification, combination, operation or use of the Resources. Supplier's duty to indemnify under this Section is contingent upon Supplier receiving prompt notice of a claim and Supplier's right to solely control resolution of a claim.

6.04 Survival

The obligations contained in this Article shall survive the termination or expiry of the Contract.

ARTICLE 7 – INDEMNITY AND INSURANCE**7.01 Supplier Indemnity**

The Supplier shall defend, at its expense, any third party claim or action brought against any of the Indemnified Parties arising out of or related to:

- (a) claims for bodily injury, including death, and loss or damage to tangible property, and claims asserted by third parties for bodily injury, including death, and loss or damage to tangible property to the extent that such injury or death is caused by the negligence or wilful misconduct of the Supplier (or that of its officers, employees or agents) in performing the Supplier's obligations hereunder or by any breach or alleged breach by the Supplier of any of its obligations, warranties or representations in the Contract;
- (b) any breach by the Supplier (or that of its officers, employees or agents) of Article 5 (Confidentiality and FIPPA/MFIPPA) or Article 6 (Intellectual Property and Use of OEMC or Client Insignia);

- (c) any failure by the Supplier (or that of its officers, employees or agents) to comply with the Requirements of Law (unless such failure is a result of the failure by OEMC or the Client so to comply);
- (d) any alleged inaccuracy or improper statement or claim or direction on the label or packaging of the Resources; and,
- (e) any or all allegations that the operation or use of any Resources, or any part thereof, infringes any third party's copyright, trade secret, patent or any other Intellectual Property right.

The Supplier shall indemnify and hold the Indemnified Parties harmless against any such claim or action with respect to all resulting costs, liabilities and damages, including reasonable related legal costs on a substantial indemnity basis ("Losses"), provided that OEMC or the Client promptly notifies the Supplier of any claim or action in respect of which this indemnity may apply and of which OEMC and the Client has knowledge and the Supplier shall solely conduct the defence of any such claim and OEMC and the Client shall co-operate with the Supplier in the defence of any such claim or action. No such claim or action shall be settled or compromised by the Supplier without the prior written consent of OEMC and the Client not to be unreasonably withheld.

Provided that the Supplier shall not be liable to indemnify the Indemnified Parties to the extent that any such loss, liability, cost and expense is caused by the negligent act or omission, or wilful default, of the Indemnified Parties.

Except with respect to a breach of Article 5 (Confidentiality and FIPPA/MFIPPA) or Article 6 (Intellectual Property and Use of OEMC or Client Insignia), Supplier will not be liable for lost profits, loss of business, lost data, or incidental, indirect, or consequential or punitive damages, even if advised of the possibility of such damages.

The obligations contained in this paragraph shall survive the termination or expiry of this Contract.

7.02 Injunction Against Continued Use of Resources

In the event that an injunction or order is obtained against a Client's use of any Resources or if, in the Supplier's opinion, any Resources are likely to become the subject of a claim of infringement or violation of any Intellectual Property right (including, but not limited to, patent, copyright, trade secret, trade name, trade mark or a proprietary right of a third party) in Canada or the U.S., the Supplier shall, at its expense:

- (a) procure for the Client the right to continue using the affected Resources; or
- (b) modify or replace the affected Resources so that such Resources become non-infringing, but only if the modification or replacement does not materially affect the Resources or their use by the Client; or if neither of the actions specified in (a) or (b) is commercially practicable in the reasonable opinion of OEMC, remove the affected Resources from the Client and unconditionally refund and pay to the Client all amounts paid to the Supplier by the Client in respect of such Resources.

The remedies in this paragraph 7.02 are in addition to the Indemnification rights of OEMC and the Client stated in paragraph 7.01 and any other remedy available to OEMC or the Client at law or in equity.

The obligations contained in this paragraph shall survive the termination or expiry of this Contract.

7.03 Supplier's Insurance

The Supplier hereby agrees to obtain and maintain insurance for the Term, 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 in the business of the Supplier would maintain including, but not limited to, the following:

- (a) commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and tangible property damage, to an inclusive limit of not less than \$2,000,000 per occurrence, \$2,000,000 Resources and completed operations aggregate. The policy is to include the following:

- a. the Indemnified Parties as additional insured with respect to liability arising in the course of performance of the Supplier's obligations under, or otherwise in connection with, the Contract
- b. contractual liability coverage
- c. cross-liability clause
- d. employers liability coverage (or compliance with the paragraph below entitled "Proof of Workplace Safety and Insurance Act (WSIA) Coverage" is required)
- e. 30 day written notice of cancellation, termination or lapsing of coverage.
- f. tenants legal liability coverage (if applicable and with applicable sub-limits)
- g. non-owned automobile coverage with blanket contractual coverage for hired automobiles

7.04 Proof of Insurance

The Supplier shall provide OECM with proof of the insurance required by this Master Agreement in the form of valid certificates of insurance that reference this Master Agreement and confirm the required coverage, on or before the commencement of this Master Agreement, and renewal replacements on or before the expiry of any such insurance. Upon the request of OECM, a certificate of insurance shall be made available to it. The Supplier shall ensure that each of its subcontractors obtains all the necessary and appropriate insurance that is described in Section 7.03 that a prudent person in the business of the subcontractor would maintain and that the Indemnified Parties are named as additional insured with respect to any liability arising in the course of performance of the subcontractor's obligations under the subcontract for the provision of the Resources.

7.05 Proof of W.S.I.A. Coverage

If required by OECM or a Client in order to satisfy their obligations pursuant to the WSIA with respect to the provisions of Resources hereunder, the Supplier shall submit a valid clearance certificate of WSIA coverage to OECM prior to the commencement date of the Master Agreement. In addition, the Supplier shall, from time to time at the request of OECM, provide additional WSIA clearance certificates. The Supplier covenants and agrees to pay when due, and to ensure that each of its subcontractors pays when due, all amounts required to be paid by it/its subcontractors, from time to time during the Term of the Contract, under the WSIA, failing which OECM or the Client shall have the right, in addition to and not in substitution for any other right it may have pursuant to the Contract or otherwise at law or in equity, to pay to the Workplace Safety and Insurance Board any amount due pursuant to the WSIA and unpaid by the Supplier or its subcontractors and to deduct such amount from any amount due and owing from time to time to the Supplier pursuant to the Contract together with all costs incurred by OECM or the Client in connection therewith.

7.06 Supplier Participation in Proceeding

The Supplier shall, at its expense, to the extent requested by OECM or the Client, participate in or conduct the defence of any Proceeding against any Indemnified Parties referred to in this Article for which the Supplier is responsible and any negotiations for their settlement. OECM or the Client may elect to participate in the defence of any such Proceeding at its own expense by notifying the Supplier in writing of such election without prejudice to any other rights or remedies of OECM or the Client under the Contract, Master Agreement, Client-Supplier Agreement, at law or in equity. Supplier shall solely conduct the defence and settlement of any claim for which it is responsible. Each Party participating in the defence shall do so by actively participating with the other's counsel. No settlement shall be entered into by the Supplier unless it has obtained the prior written approval of OECM and the Client not to be unreasonably withheld. If the Supplier is requested by OECM or the Client to conduct the defence of any such Proceeding, OECM and the Client agree to co-operate with and assist the Supplier to the fullest extent possible in the Proceedings and any related settlement negotiations.. This paragraph shall survive any termination or expiry of the Contract.

7.07 Disaster Recovery

Supplier must include a copy of their Disaster Recovery process. Such process is set out in Appendix C.

ARTICLE 8 – TERMINATION, EXPIRY AND EXTENSION

8.01 Immediate Termination of Contract

OECM may immediately terminate the Contract upon giving notice to the Supplier where:

- (a) the Supplier is adjudged bankrupt, makes a general assignment for the benefit of its creditors or a receiver is appointed on account of the Supplier's insolvency;
- (b) the Supplier breaches any provision in Article 5 (Confidentiality and FIPPA/MFIPPA) of the Master Agreement;
- (c) the Supplier breaches the Conflict of Interest paragraph in Article 2 (Legal Relationship Between OECM/Clien, Supplier and Third-Parties) of the Master Agreement;
- (d) the Supplier, prior to or after executing the Master Agreement, makes a material misrepresentation or omission or provides materially inaccurate information to OECM;
- (e) the Supplier assigns the Contract without first obtaining the written approval of OECM; or
- (f) the Supplier's acts or omissions constitute a substantial failure of performance; and the above rights of termination are in addition to all other rights of termination available at law, or events of termination by operation of law.

8.02 Dispute Resolution by Rectification Notice

Subject to OECM's right to terminate the Contract pursuant to the foregoing paragraph, where the Supplier fails to comply with any of its obligations under the Contract, OECM or the Client may issue a rectification notice to the Supplier setting out the manner and time-frame for rectification. Within twenty (20) Business Days of receipt of that notice the Supplier shall either (a) comply with that rectification notice; or (b) provide a rectification plan satisfactory to OECM or the Client. If the Supplier fails to either comply with that rectification notice or provide a satisfactory rectification plan with which it subsequently complies, OECM may immediately terminate the Contract or the Client may immediately terminate the Client-Supplier Agreement. Where the Supplier has been given a prior rectification notice, the same subsequent type of non-compliance by the Supplier shall allow OECM to immediately terminate the Contract or shall allow the Client to immediately terminate the Client-Supplier Agreement without issuing a further rectification notice.

8.03 Supplier's Obligations on Termination

Upon termination, the Supplier shall, in addition to its other obligations under the Contract and at law:

- (a) provide OECM with a report detailing (i) the current state of the provision of Resources by the Supplier at the date of termination; and (ii) any other information reasonably requested by OECM pertaining to the provision of the Resources and performance of the Contract;
- (b) execute such documentation as may be required by OECM to give effect to the termination of the Contract; and
- (c) comply with any instructions provided by OECM, including but not limited to instructions for facilitating the transfer of the Supplier's obligations to another Person.

8.04 Effect of Termination on Client-Supplier Agreements

Termination of the Contract by OECM effectively terminates all Client-Supplier Agreements between the Supplier and Clients, unless OECM stipulates to the contrary. Such termination does not prevent Supplier from attempting to negotiate retention of or a new agreement with affected Clients. Termination by the Supplier or a Client of a particular Client-Supplier Agreement shall not affect any other Client-Supplier Agreement or the Master Agreement.

8.05 Supplier's Payment Upon Termination

On termination of the Contract, OECM is not responsible for any payment to the Supplier. The Client shall only be responsible for the payment of the Resources provided under the Client-Supplier Agreement up to and including the effective date of any termination of the Contract. Termination shall not relieve the Supplier of its warranties and other responsibilities relating to the Resources supplied or money paid prior to termination. In addition to its other rights of hold back or set off, the Client may hold back payment or set off against any payments owed if the Supplier fails to comply with its obligations on termination.

8.06 Scope of Termination Rights

The termination rights under this Article may be exercised (a) by OECM for the purposes of terminating one or more Client-Supplier Agreements between the Supplier and a specific Client or Clients; or (b) by

OECM for the purposes of terminating the Master Agreement and Contract, which shall have the effect of terminating all Client-Supplier Agreements between the Supplier and all Clients. These express rights of termination are in addition to and shall in no way limit any rights or remedies of OECM or the Clients under the Contract, at law or in equity.

8.07 Expiry, Client-Supplier Agreement Survival and Extension of Contract

The Contract shall expire at the end of the Term of the Master Agreement. The Term of any Client-Supplier Agreement executed prior to the end of the Term of the Master Agreement shall expire no later than the expiry of the Master Agreement or any extension thereto, unless OECM stipulates to the contrary.

OECM shall have the option to extend the Contract for up to two (2) additional periods of up to one (1) year each, such extensions to be upon the same terms, conditions and covenants contained in the Contract, excepting that there shall be no option to renew in the second renewal period. The option shall be exercisable by OECM upon at least thirty (30) calendar day's written notice to the Supplier before the expiration of the original term of the Contract, or the first renewal period, as the case may be.

8.08 Alternative Dispute Resolution

(a) In the event of a dispute regarding this Agreement which may be submitted to arbitration in accordance with paragraph 8.08(b), before either party may submit the dispute to arbitration, such party shall first provide written notice to the other party of the particulars of the dispute, following which each party shall promptly advise its senior management of the dispute and provide them with a copy of such written notice. Within (3) three Business Days following delivery of such notice, a senior executive from each party shall meet either in person or by telephone (the "Senior Conference") to attempt to resolve the dispute. If, following the Senior Conference, the dispute is not resolved, either party may then proceed to submit the matter to arbitration as contemplated by paragraph 8.08(b). If neither party submits the matter to arbitration pursuant to paragraph 8.08(b) within six (6) months following the delivery of the written notice referred to in this paragraph 8.08(a), the parties shall be deemed to have waived their claims as to such matters.

(b) A dispute in respect of OECM's rights to terminate the Contract pursuant to sub-paragraphs 8.01 (a), (b), (c), (d) or (e) shall not be subject to arbitration pursuant to this paragraph 8.08. If pursuant to paragraph 8.08(a), the parties cannot come to a resolution of any other dispute regarding this Agreement within five (5) Business Days of the date of delivery of the written notice referred to in paragraph 8.08(a), the dispute may be submitted to arbitration by either party. Arbitration shall be conducted pursuant to the Arbitration Act, 1991 of Ontario, as amended and then in effect to the extent not inconsistent with the rules herein specified. Such arbitration shall be held in Toronto, Ontario, or in any other mutually agreed upon location. Unless otherwise mutually agreed, the dispute shall be heard by one arbitrator who has not previously been employed by either party, does not have a direct or indirect interest in either party and shall be disinterested in the subject matter of the dispute. Such arbitrator shall either be as mutually agreed by the parties within fifteen (15) Business Days after the dispute has been submitted to arbitration or failing agreement, shall be selected under the rules of the Arbitration Act, 1991 Ontario. The judgment rendered by the arbitrator may be enforced in any court of competent jurisdiction. All costs of the arbitration shall be paid equally by the parties, unless the award shall specify a different division of the costs. Each party shall be responsible for its own expenses unless the award shall specify differently. Both parties shall be afforded adequate opportunity to present information in support of its position on the dispute being arbitrated. The arbitrator may also request additional information from the parties.

(c) Should the parties submit a dispute to arbitration pursuant to paragraph 8.08(b), then the following arbitration rules shall apply. The arbitrator shall be bound by the terms of this Agreement and may not detract from or add to its terms. The parties may by mutual agreement specify the rules that are to govern the arbitration proceedings and limit the matters to be considered. The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the parties and shall not be subject to appeal. Each party agrees that it will not bring a lawsuit concerning any dispute covered by this arbitration provision.

IN WITNESS WHEREOF the parties hereto have executed the Master Agreement effective as of the date first above written:

ONTARIO EDUCATION COLLABORATIVE MARKETPLACE

Signature:

Name:

Terry Kyrtsis

Title:

President and CEO

Date of Signature:

Jan. 23, 2012

Dell Canada Inc.

Signature:

Name:

Paul Cooper

Title:

V.P & GM PUBLIC & LARGE
ENTERPRISE SEGMENT - DELL

Date of Signature:

Jan 23rd 2012

I have authority to bind the Supplier

10(b)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
BY-LAW 2012-106

AGREEMENT: (G1.3) A by-law to authorize an indemnity agreement between the City and PUC Services Inc. and Algoma Bioseptic Technologies for the provision of biosolids from the East End Plant for a pilot composting project.

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 the Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to an indemnity agreement in the form of Schedule "A" attached hereto, dated May 28, 2012 and made between the City and PUC Services Inc. and Algoma Bioseptic Technologies for the provision of biosolids from the East End Plant for a pilot composting project.

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 28th day of May 2012.

MAYOR – DEBBIE AMAROSO

CITY CLERK – MALCOLM WHITE

of Bylaws\2012\2012-106_Agreement biosolids

NOTICE

THIS IS A DRAFT DOCUMENT. This document has not been enacted by City Council. It may not be enacted at all AND if enacted, it may not be in the form of the DRAFT copy.

CITY SOLICITOR

10(b)

Schedule "A"

- 1 -

INDEMNITY AGREEMENT made this 28th day of May, 2012.

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "City")

AND

PUC SERVICES INC.

("Services")

AND

ALGOMA BIO-SEPTIC TECHNOLOGIES INC.

("Contractor")

WHEREAS the City, Services and Contractor have entered into discussions with respect to the supply by the City and Services to the Contractor of approximately 4,500 imperial gallons of Processed Organic Waste ("POW") from the East End Municipal Sewage Treatment Plant owned by the City and operated by Services for a pilot project being conducted by the Contractor;

AND WHEREAS the City and Services are prepared to supply the aforementioned amount of POW to the Contractor for the pilot project, subject to the terms and conditions of the within Indemnity Agreement ("Agreement");

NOW THEREFORE this Agreement witnesseth that in consideration of the mutual covenants and agreements herein contained and subject to the terms and conditions hereinafter set out, the parties agree as follows:

1. The City and Services permit the Contractor to remove and load 4,500 imperial gallons of POW from the East End Municipal Sewage Treatment Plant, City of Sault Ste. Marie, to it's composting facility near Blind River at some time between May 28th and August 31st, 2012 for a pilot project to be completed by the Contractor.

2. The Contractor shall assume full responsibility for all activities, costs and expenses related directly or indirectly to the aforementioned removal, loading, hauling and delivery of POW's from the East End Municipal Sewage Treatment Plant to it's composting facility near

- 2 -

Blind River, and the entirety of the pilot project. The parties hereto acknowledge and agree that it is the intention of this Agreement that the City and Services shall be at no risk or expense to which it would not have been put had the aforesaid pilot project not been undertaken by the Contractor.

3. The Contractor agrees to defend, indemnify and save harmless the City and Services and their respective councilors, officials, officers, directors, employees, consultants, agents, successors, contractors and assigns, or any of them, from any actions, causes of actions, claims, demands, interest, damages, expenses, liens, losses, costs, charges and other proceedings (including without limitation those relating to environmental, work place safety and insurance compensation, and occupational health and safety matters) made or brought against or suffered by or imposed upon all or any of them or their respective property in respect of any loss or damage to property, personal injury or death or any other losses of any nature or other relief to any person or property directly or indirectly arising out of or resulting from or sustained by reason of any act, error, default, failure, fault, neglect, negligence, omission or wrong doing of the Contractor, its directors, officers, employees, consultants, subcontractors, agents or other persons for which it is responsible in law or any of them including but not limited to the acceptance, loading, removal, hauling, delivery, transportation, sorting, weighing, storage, separation, preparation, processing, reprocessing, reuse, marketing, disposal, sale or disposition of the POW by the Contractor, or any other activity arising out of or connected with this Agreement.

4. This Agreement also extends but is not limited to any claims against the City or Services that may arise from products made by the Contractor or by any third parties out of the POW supplied to the Contractor.

5. Before commencement of the supply of the POW the Contractor shall cause the City and Services to be added as Additional Insureds to its commercial general liability and contractor's pollution liability insurance policies, insuring all claims for damage to property, personal injury or death or any other losses or damages, both direct or indirect, including such other costs and

- 3 -

expenses, howsoever and whatsoever incurred, suffered or sustained in relation to or in connection with this Agreement. Prior to any supply of POW by the City and Services, the Contractor shall provide a Certificate of Insurance to the City and Services, satisfactory to the City and Services, confirming such coverages.

6. The Contractor agrees that the supply of POW by the City and Services as proposed is on a completely as is basis, and the City and Services has no responsibility whatsoever for the POW's condition or state once the Contractor has commenced any work related directly or indirectly to this Agreement and pilot project.

7. The City and Services hereby agree that they will become familiar with the proprietary aspects of the Contractor's business affairs including Confidential Information, Business Activities, and Intellectual Property and by executing this Agreement, hereby agree that the City and Services will not on behalf of any person or corporation, directly or indirectly contact any supplier, client, partner or associate of the Contractor for the purpose of initiating competition to the Business Activities of the Contractor anywhere. It is understood that engagement in any such activity that adversely affects the business or prospects of the Contractor or its affiliates in any material way, this may give rise to irreparable injury to the Contractor and may subject the City and Services to damages and injunctive proceedings. It is understood that this paragraph in no way limits the City and/or Services from entering into any agreements or business relationships with other persons or corporations regarding POW's and shall in no way be construed as a non-competition agreement between the parties herein.

8. It is further understood and agreed that this Agreement is subject to the City and Services executing the Contractor's *Confidentiality Agreement* and abiding by all terms therein.

9. 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.

- 4 -

10. This Agreement shall be exclusively governed by, and construed in accordance with, the laws of the Province of Ontario, and the federal laws of Canada applicable therein.

11. The parties hereto agree that paragraphs 2, 3, 4, and 6 herein survive the termination of this Agreement.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals as of the day and year first above written.

CORPORATION OF THE CITY OF SAULT STE. MARIE

ALGOMA BIO SEPTIC TECHNOLOGIES

Per: _____ Mayor - Debbie Amaro

Per: _____

Per: _____ City Clerk - Malcolm White

Per: _____

Per: _____

Per: _____

I / We have authority to bind the Corporation

I / We have authority to bind the Corporation

WITNESS _____

WITNESS _____

PUC SERVICES INC.

Per: _____

Per: _____

Per: _____

I / We have authority to bind the Corporation

WITNESS _____

10(c)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2012-97

DEVELOPMENT CONTROL: A by-law to designate the lands located at 849 Second Line East an area of site plan control.

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

1. DEVELOPMENT CONTROL AREA

The lands described on Schedule "A" attached hereto are hereby designated to be an area of site plan control pursuant to Section 41 of the Planning Act, R.S.O. 1990, chapter P. 13 and amendments thereto.

2. SITE PLAN POWERS DELEGATED

The Council hereby delegates to the Planning Director and in his absence to the Planner of the City of Sault Ste. Marie, Council's powers to enter into a site plan agreement dealing with any of the works or matters mentioned in Section 41 of the Planning Act as amended, for the lands more particularly described in Schedule "A" to this by-law.

3. SCHEDULE "A"

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

4. PENALTY

Any person who contravenes this by-law including the obligations pursuant to the agreement entered into under the authority of this by-law is liable upon conviction therefore to penalty provisions as contained in the Planning Act and the Municipal Act.

5. EFFECTIVE DATE

This by-law takes effect from the date of its final passing.

PASSED in Open Council this 28th day of May, 2012

MAYOR - DEBBIE AMAROSO

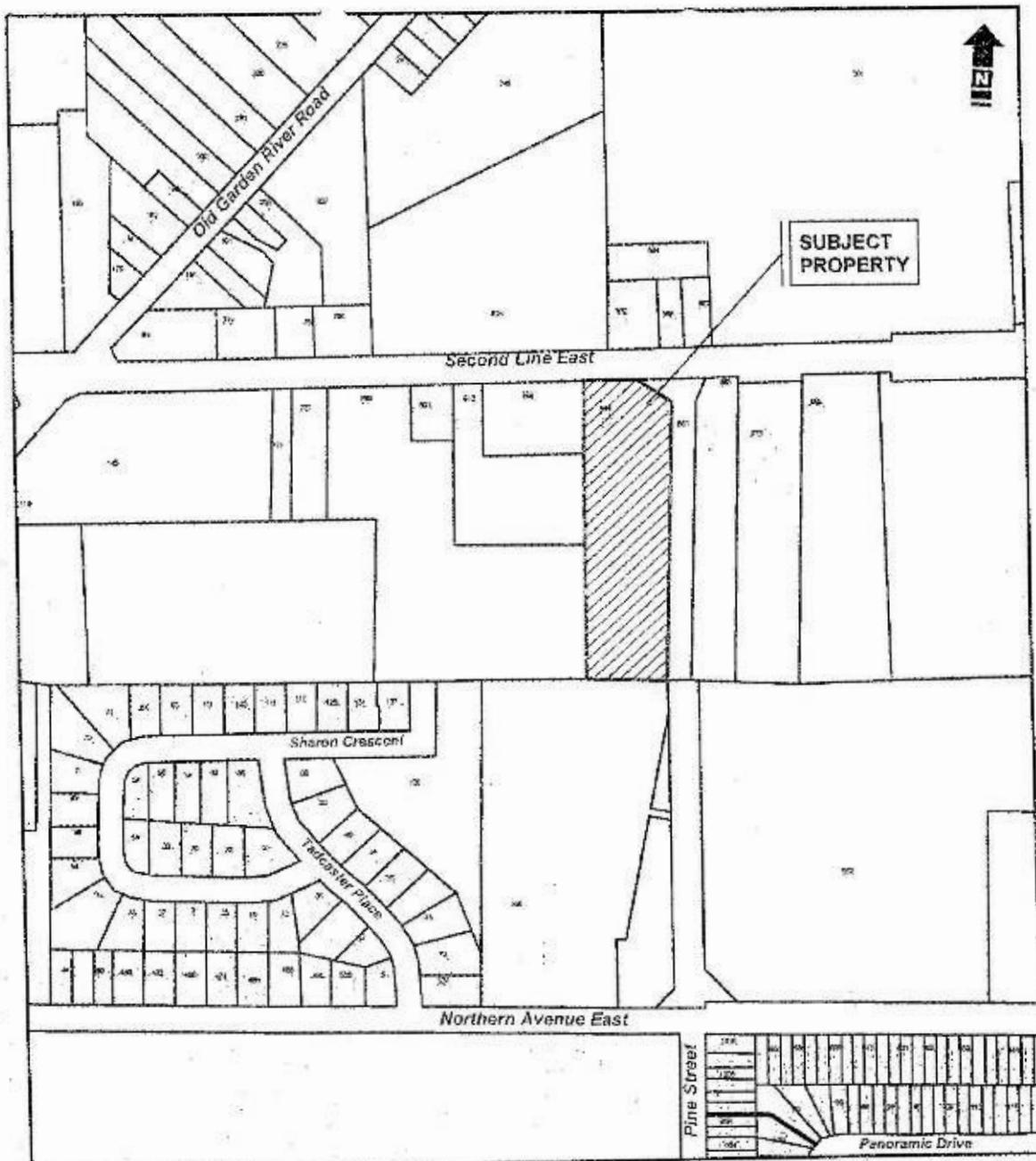
NOTICE

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CITY SOLICITOR

CLERK - MALCOLM WHITE

10(c)

SCHEDULE "A" TO BY-LAW 2012-97 OF THE CORPORATION OF THE CITY OF SAULT STE. MARIE BE PASSED IN OPEN COUNCIL THIS 28TH DAY OF MAY, 2012.



SUBJECT PROPERTY MAP

Application No.: A-18-11-Z
Civic No.: 849 Second Line East



Subject Property - 849 Second Line East

The Corporation of the City of Sault Ste. Marie
Engineering & Planning Department
Planning Division
June 27, 2012

This map is for general reference only.
For official mapping, see the
Engineering and Planning Department,
Ordnophoto, Fall 2008 25cm

0 25 50 100 Meters

Reference Details:

Map Ref.: 711-128
Mailing Label Ref.: A11-18-Z

Projection Details:

NAD 1983 UTM Zone 18N
GCS North American 1983

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
BY-LAW NO. 2012-99

DEVELOPMENT CONTROL. A by-law to designate the lands located at 39 Stevens Street an area of site plan control.

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

1. DEVELOPMENT CONTROL AREA

The lands described on Schedule "A" attached hereto are hereby designated to be an area of site plan control pursuant to Section 41 of the Planning Act, R.S.O. 1990, chapter P. 13 and amendments thereto.

2. SITE PLAN POWERS DELEGATED

The Council hereby delegates to the Planning Director and in his absence to the Planner of the City of Sault Ste. Marie, Council's powers to enter into a site plan agreement dealing with any of the works or matters mentioned in Section 41 of the Planning Act as amended, for the lands more particularly described in Schedule "A" to this by-law.

3. SCHEDULE "A"

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

4. PENALTY

Any person who contravenes this by-law including the obligations pursuant to the agreement entered into under the authority of this by-law is liable upon conviction therefore to penalty provisions as contained in the Planning Act and the Municipal Act.

5. EFFECTIVE DATE

This by-law takes effect from the date of its final passing.

PASSED in Open Council this 28th day of May, 2012.

MAYOR - DEBBIE AMAROSO

CLERK - MALCOLM WHITE

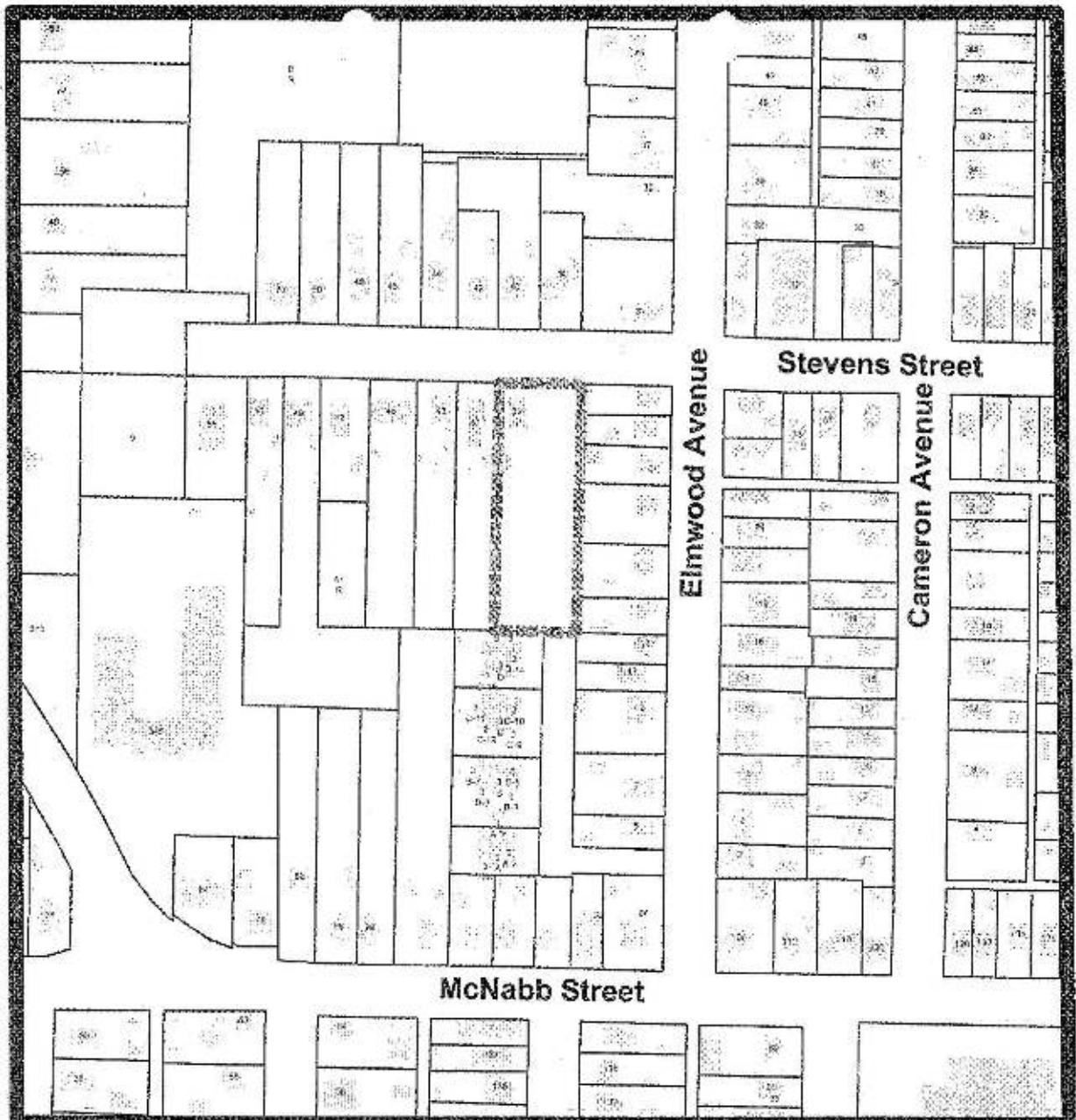
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CITY SOLICITOR

10(d)

SCHEDULE "A" TO BY-LAW 2012-99 OF THE CORPORATION OF THE CITY
OF SAULT STE. MARIE BE PASSED IN OPEN COUNCIL THIS 28TH DAY OF
MAY, 2012.

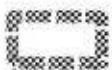


SUBJECT PROPERTY MAP

39 STEVENS STREET

Planning Application A-15-12-Z

Legend



Subject Property = 39 Stevens St

Metric Scale
1 : 2000

Maps
42 & 1-49

Mail Label ID
A-15-12-Z

10(e)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2012-102

EASEMENT: (P.4.2.176) A by-law to authorize an easement with Dennis Maninos and Patricia Rosa Maninos to The Corporation of the City of Sault Ste. Marie over a portion of Lot 25 RCP H731 Tarentorus, shown as Part 1 on the draft reference plan prepared by Tulloch Geomatics Inc. ("Easement Lands") for the purposes of a temporary turn around for municipal vehicles and vehicles used for municipal purposes including snow ploughs, graders, school buses, garbage trucks and emergency vehicles.

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. **CONDITION OF EASEMENT**

The Council hereby authorizes the Mayor and Clerk to sign any documents required to obtain an easement from Dennis Maninos and Patricia Rosa Maninos for a temporary turn around for municipal vehicles and vehicles used for municipal purposes including snow ploughs, graders, school buses, garbage trucks and emergency vehicles. Upon the extension of Foxborough Trail this easement shall be terminated and the City shall execute such releases as may be required to delete this easement from the title of the Easement Lands. A copy of the draft reference plan prepared by Tulloch Geomatics Inc. is attached as Schedule "A".

2. **SCHEDULE "A"**

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

3. **EFFECTIVE DATE**

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

PASSED in open Council this 28th day of May, 2012.

MAYOR – DEBBIE AMAROSO

CITY CLERK – MALCOLM WHITE

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CITY SOLICITOR

10(e)

10(f)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2012-103

LANE ASSUMPTION: LS(1) a by-law to assume for public use and establish as a public lane, a lane in the Highland Park Subdivision, Plan 9110.

THE Council of the Corporation of the City of Sault Ste. Marie, pursuant to the Municipal Act, S.O. 2001, **ENACTS** as follows:

1. **LANES ESTABLISHED AND ASSUMED**

The Corporation of the City of Sault Ste. Marie hereby assumes for public use and establishes as a public lane, the lane more particularly described on Schedule "A" to this by-law.

2. **SCHEDULE "A"**

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

3. **EFFECTIVE DATE**

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

PASSED in open Council this 28th day of May, 2012.

MAYOR – DEBBIE AMAROSO

CITY CLERK - MALCOLM WHITE

da\LEGALISTAFF\BYLAWS\2012\2012-103_LANE ASSUMP HIGHLAND PARK SUB.DOC

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CITY SOLICITOR

10(f)

SCHEDULE "A"

ELMWOOD

236	229	210
235	230	209
234	231	208
233 103'	232 105'	207 105'
135	136	110'
38'	38'	37'

CAMERON

203	227	184
204	228	183
205	229	182
206	230	181 105'
110'	110'	36' 37'
37'	37'	36' 37'

BLAKE

177	178	179
36' 37'	180 105'	36' 37'
110'	110'	36' 37'
37'	37'	36' 36'
149	150	151

STEVENS

38"	38"
132	131
136	136
R 1933	74
103'	37' 36'
34	35
36	59
37	58
38	57
39	56
40	55
41	54
42	53
43	52
44	51
45	50
46	49
47 105'	48 105'
36' 37'	36' 37'
110'	110'
18	17
16	15
15	14
14	13
13'	12'
37'	37'
36'	36'
37'	37'

ST.

37'	37'	36'	36'	37'	37'
110'	124	123	122	121	120
129	128	127	126	125	119 110'
110'	110'	110'	110'	110'	110'
37'	37'	36'	36'	36'	37'

37'	105'	105'	86	85
61	62	63	64	63
62	63	64	65	62
63	64	65	66	81
64	65	66	67	80
65	66	67	68	79
66	67	68	69	78
67	68	69	70	77
68	69	70	71	76
69	70	71	72	75
70	71	72	73 105'	74 105'
71	72	73	74	75
72	73	74	75	76
73 105'	74 105'	75	76	77
74	75	76	77	78
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101	102	103	104	105
102	103	104	105	106
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169	169	170	171	173
170	170	171	172	174
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244	244	245	246	248
245	245	246	247	249
246	246	247	248	250
247	247	248	249	251
248	248	249	250	252
249	249	250	251	253
250	250	251</td		

10(g)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2012-96

ZONING: A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 849 Second Line East.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to Section 34 of the Planning Act, R.S.O. 1990, chapter P.13 and amendments thereto, ENACTS as follows:

1. **849 SECOND LINE EAST; LOCATED ON THE SOUTH SIDE OF SECOND LINE EAST, APPROXIMATELY 400M EAST OF ITS INTERSECTION WITH OLD GARDEN RIVER ROAD; CHANGE FROM RA TO R.4.S.**

The zone designation on the lands described in Section 2 of this by-law, which lands are shown on Map 1-76 of Schedule "A" to By-law 2005-150, is changed from RA (Rural Area) zone to R.4.S (Medium Density Residential) zone with a "Special Exception".

2. **BY-LAW 2005-151 AMENDED**

Section 2 of By-law 2005-151 is amended by adding the following subsection 2(312) and heading as follows:

"2(313) 849 Second Line East

Despite the provisions of By-law 2005-150, the zone designation on the lands located on the south side of Second Line East, approximately 400 metres east of its intersection with Old Garden River Road, having civic no. 849 Second Line East and outlined and marked "Subject Property" on the map attached as Schedule 312 hereto is changed from RA (Rural Area) zone to R.4.S (Medium Density Residential) zone with a "Special Exception" to permit the following conditions:

- (a) That the maximum building height be increased from five (5) to six (6) storeys;
- (b) That the required front yard setback be reduced from 7.5m to 7.0m; and
- (c) That the required landscape area be reduced from 30% to 27%."

3. **SCHEDULE "A"**

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

4. **CERTIFICATE OF CONFORMITY**

It is hereby certified that this by-law is in conformity with the Official Plan for the City of Sault Ste. Marie authorized and in force on the day of the passing of this by-law.

PASSED in Open Council this 28th day of May, 2012.

NOTICE

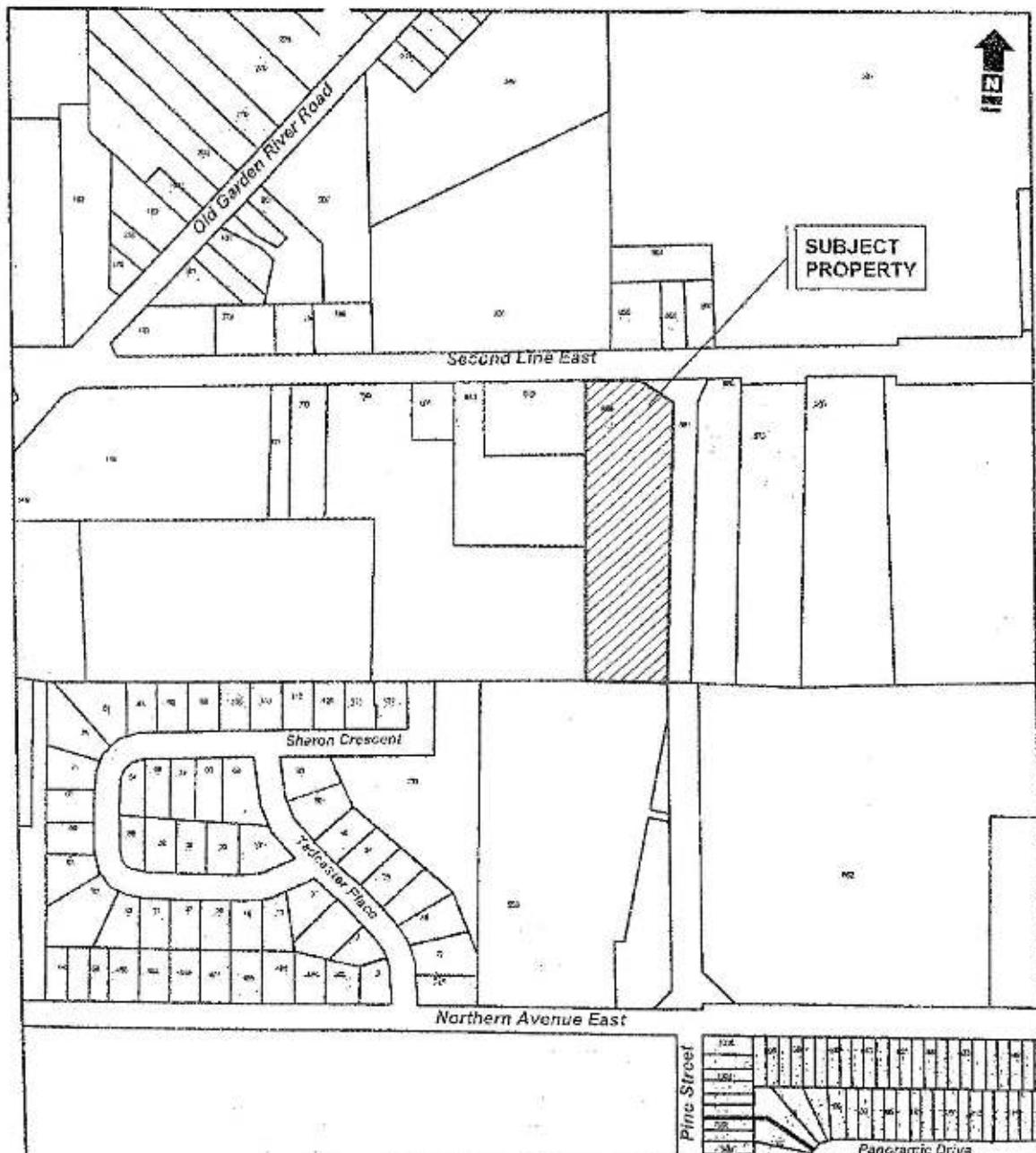
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MAYOR – DEBBIE AMAROSO

CITY CLERK – MALCOLM WHITE

10(g)

SCHEDULE "A" TO BY-LAW 2012-96 AND SCHEDULE 313 TO BY-LAW
2005-151 OF THE CORPORATION OF THE CITY OF SAULT STE. MARIE BE
PASSED IN OPEN COUNCIL THIS 28TH DAY OF MAY, 2012.



SUBJECT PROPERTY MAP

Application No.: A-18-11-2
Civic No.: 849 Second Line East



Subject Property - 849 Second Line East

The Corporation of the City of Sault Ste. Marie
Engineering & Planning Department
Planning Division
June 27, 2011

This map is for general reference only.
For official mapping, see the
Engineering and Planning Department
Orthophoto, Fall 2008 25cm

0 25 50 100 Meters

0 14.00ft

Reference Details:

Map Ref: 7111-76
Mailing Label Ref: A-1-18-2

Projection Details:

NAD 1983 UTM Zone 18N
GCS North American 1989

10(h)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2012-98

ZONING: A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 39 Stevens Street.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to Section 34 of the Planning Act, R.S.O. 1990, chapter P.13 and amendments thereto, ENACTS as follows:

1. 39 STEVENS STREET; LOCATED ON THE SOUTH SIDE OF STEVENS STREET, APPROXIMATELY 45M WEST OF ITS INTERSECTION WITH ELMWOOD AVENUE; CHANGE FROM R.2 TO R.3.S WITH A "SPECIAL EXCEPTION".

The zone designation on the lands described in Section 2 of this by-law, which lands are shown on Map 1-49 of Schedule "A" to By-law 2005-150, is changed from R.2 (Single Detached Residential) zone to R.3.S (Low Density Residential) zone with a "Special Exception".

2. BY-LAW 2005-151 AMENDED

Section 2 of By-law 2005-151 is amended by adding the following subsection 2(312) and heading as follows:

"2(312) 39 Stevens Street

Despite the provisions of By-law 2005-150, the zone designation on the lands located on the south side of Stevens Street, approximately 45 meters west of its intersection with Elmwood Avenue and having civic no. 39 Stevens Street and outlined and marked "Subject Property" on the map attached as Schedule 312 hereto is changed from R.2 (Single Detached Residential) zone to R.3.S (Low Density Residential) zone with a "Special Exception" subject to the following condition:

1. That the required rear yard setback be reduced from 10 meters to 7.5 meters.

3. SCHEDULE "A"

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

4. CERTIFICATE OF CONFORMITY

It is hereby certified that this by-law is in conformity with the Official Plan for the City of Sault Ste. Marie authorized and in force on the day of the passing of this by-law.

PASSED in Open Council this 28th day of May, 2012.

MAYOR – DEBBIE AMAROSO

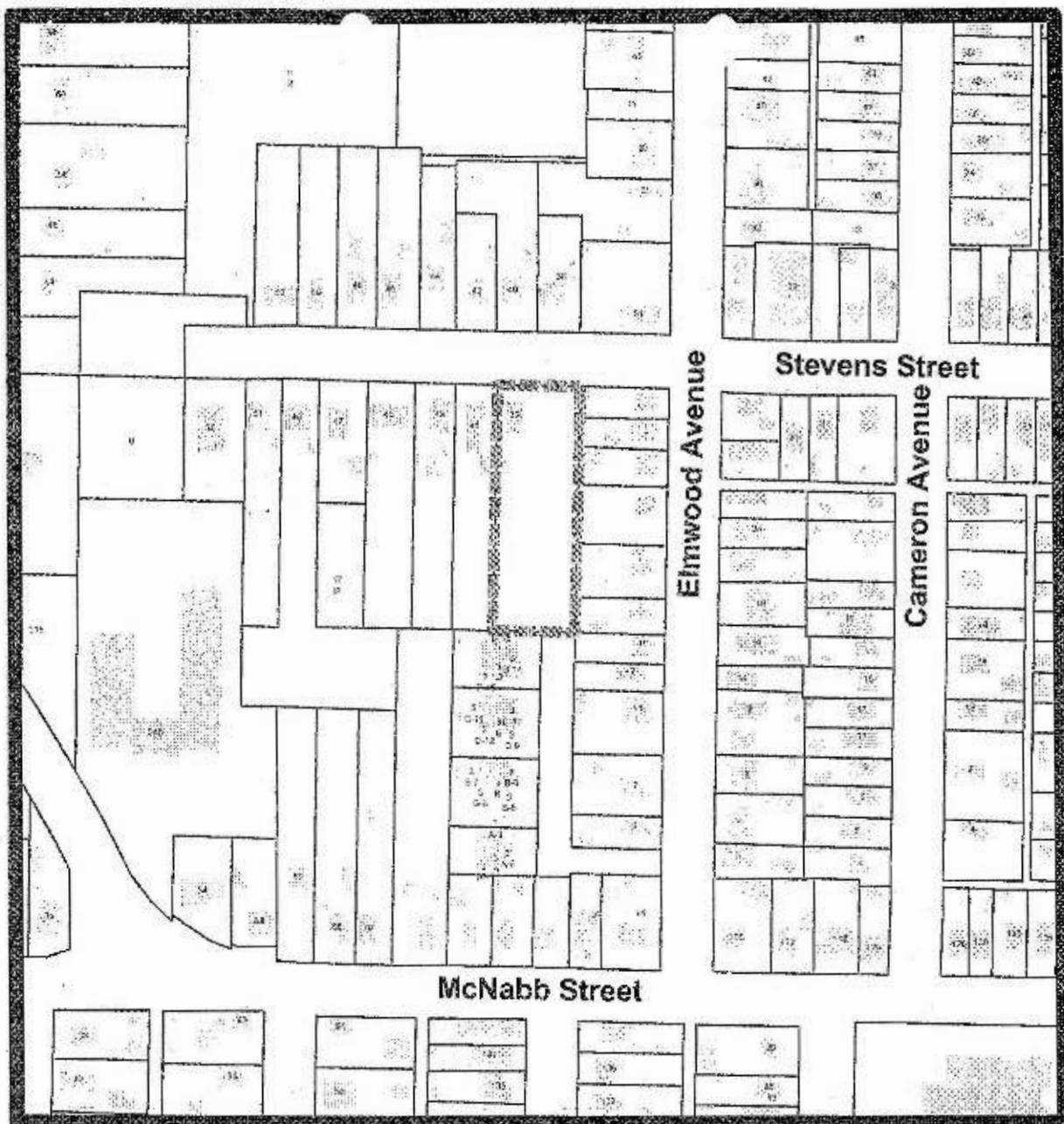
CITY CLERK – MALCOLM WHITE

Staff/zoning/7 zoning & do with special exception/Johson/39 Stevens

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CITY SOLICITOR

10(h)

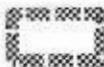
SCHEDULE "A" TO BY-LAW 2012-98 AND SCHEDULE 312 TO BY-LAW 2005-151 OF THE CORPORATION OF THE CITY OF SAULT STE. MARIE BE PASSED IN OPEN COUNCIL THIS 28TH DAY OF MAY, 2012.



SUBJECT PROPERTY MAP 39 STEVENS STREET

Planning Application A-15-12-Z

Legend



Subject Property = 39 Stevens St

Metric Scale
1:2000

Maps
42 & 1-49

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10(i)

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO 2012-104

LANE CLOSING: LS(1) a by-law to stop up, close and authorize the conveyance of a lane in the Highland Park Subdivision Plan 9110.

WHEREAS the lane more particularly hereinafter described was established as a public lane and assumed for public use by By-law 2012-103;

NOW THEREFORE the Council of The Corporation of the City of Sault Ste. Marie, pursuant to the Municipal Act, S.O. 2001, **ENACTS** as follows:

1. **LANE CLOSED**

The lane more particularly described in Schedule "A" to this by-law, having been assumed by the Corporation for public use, is hereby stopped up and closed.

2. **LANE DECLARED SURPLUS**

The lane more particularly described in Schedule "A" to this by-law is surplus to the requirements of the municipality.

3. **EXECUTION OF DOCUMENTS**

The Mayor and Clerk are hereby authorized for and in the name of the Corporation to execute and to affix the seal of the Corporation to all documents required to give effect to this by-law.

4. **EASEMENTS TO BE RETAINED**

The laneway is subject to the retention of easements if required. The Corporation shall stop up, close and authorize the conveyance of the lane more particularly described in Schedule "A" to this by-law.

5. **SCHEDULE "A"**

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

6. **EFFECTIVE DATE**

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

READ the FIRST and SECOND time in open Council this 28th day of May, 2012.

NOTICE

THIS IS A DRAFT DOCUMENT. This document has not been enacted by City Council. It may not be enacted at all AND if enacted, it may not be in the form of the DRAFT copy.
CITY SOLICITOR

MAYOR – DEBBIE AMAROSO

CITY CLERK - MALCOLM WHITE

10(i)

SCHEMULE "A"

ELMWOOD

	229		210
	230		209
	231		208
36' 37'	232		207
	105'		105'
	112	3457	3485
110	137	138	139
37'	37'	36'	36'
140	141	142	143
37'	37'	37'	37'

CAMERON

203	22	184
204	21	183
205	21	182
206	21	181
105	11	105

BLAKE

	177	
	178	
36	179	
37		
36	180	
	105	

STEVENS

37	37	36	36	37	37
10	30				
129	121	128		127	126
37	35			60	59
37	36			58	
37	38			57	
37	39			56	
37	40			55	
37	41			54	
37	42			53	
37	43			52	
37	44			51	
37	45			50	
37	46			49	57
36	47			48	56
10	105			105	105
18	17	16	15	14	13
37	37	38	36	37	37

ST.

37	37	36	36	37	37
10	124	123	122	121	120
37	105 61			105 86	119
	62			85	
	63			84	
	64			83	
	65			82	
	66			81	
	67			80	
	68			79	
	69			78	
	70			77	
	71			76	
35	37	72		75	37
35	105 73			74	105
10	12	11	10	9	8
37	37	36	36	37	37

McNabb ST.

- Subject
property

part of map 42

U R B A N • M A R K E T I N G • C O L L A B O R A T I V E

**Downtown Sault Ste. Marie
Algoma Farmers' Market
Feasibility Study and Business Plan**



June 2011

J • R • K • S • T • A • M

M • A • R • K • E • T • I • N • G

C • O • L • I • A • S • O • R • A • T • I • V • E

Downtown Sault Ste. Marie Algoma Farmers' Market Feasibility Study and Business Plan

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Executive Summary

The growth of the Algoma Farmers' Market coupled with the momentum from the Downtown Improvement Plan initiatives have led to the stage whereby the City of Sault Ste. Marie, the Downtown Association, and the Algoma Farmer's Market want to pursue the feasibility study of a permanent farmers' market in Downtown. To move the process forward, a steering committee had been formed and included relevant stakeholders. It is noted that the Downtown Association has been a catalyst for moving this project towards this stage in the process.

The process extended beyond this final report and included four working sessions with the stakeholder committee to develop and refine the evaluation criteria, the size and scope of the potential redeveloped Market, possible site locations, and the corresponding operational and capital budgets.

The redevelopment of the Algoma Farmers' Market will provide a needed boost to the Market's sustainability. It has been documented that the Market requires the organizational resources to create a valuable cultural asset for the City. There is a requirement for a stable, single location for the Algoma Farmers' Market to expand into a full-service asset for the region - a place that allows producers to showcase the best products of the region as well as a venue for social interaction and gathering.

Organization

Requires a part-time Market manager to oversee the development and progress of the Market as a professional business and cultural amenity for the City and the Algoma District.

Marketing

A commitment to advertise and promote the Market based on professional materials that will draw people to the Market. An appeal to local and regional residents as well as tourists based on an authentic Sault Ste. Marie market experience will be well received.

Vendor Recruitment

The number of vendors needs to be augmented to help draw customers including a full range of fruit and vegetable, meat, dairy, other protein, prepared foods, arts and crafts. There should be an aim to have approximately 50 to 60 vendors.

Site Redevelopment

The current site of the Algoma Farmers' Market is limited in size and scope and will continue to encounter programming conflicts with other events at the park. A permanent home in Downtown Sault Ste. Marie that will be an anchor for the site is required. This will allow for a single location for a four-season market that will offer the

opportunity to grow the range of goods grown/produced in the Algoma District. It will also draw the community together to celebrate food and craft diversity in a fun, interactive, and learning environment.

Action items include:

Expansion/Relocation

- Select to expand existing Algoma Farmers' Market and relocate into a permanent location in Downtown with a minimum 5,000 sq. ft. building that can accommodate summer and winter vendors.
- Market will be a showcase for local available products that are authentic to Algoma District.

Organization

- Designate/hire a market manager. This person's salary must be part of the Algoma Farmers' Market expenses or through grant programs. It should be noted that this person is required to work a minimum of two days a week throughout the year with a heavier workload during the prime growing season. Also, it is important to note that the manager hired to transition the Market may not be the same individual or skill set required to manage the day-to-day operations of the Market.
- Along with other committees, establish a vendor selection committee of unbiased regional representatives that will decide who is allowed to sell at the market and what spot they can occupy.

Vendor Mix

The Market Manager in coordination with the Board will:

- Complete an "ideal" tenant mix;
- Develop a list of potential farmers and vendors to contact;
- Offer opportunities for producers to develop cooperative tables whereby several producers can share a stall.

While the requirement is for local produce, the presence of the producer should be encouraged (direct contact of farmer with consumer) but it is not mandatory (maybe include a minimum number of days producer must be present at the market).

Special Appeal

- Begin to develop a calendar of events (see example in Section 7.9 Marketing Plan).

Cleanliness/Lease Provisions

- Review Algoma Food Network's Food Charter when complete

- Contact the Algoma Health Office to determine government regulations that are required before recruiting and signing farmers and vendors.
- Schedule health inspections at regular intervals as required.

Signage

- It may be necessary to contact a signage firm that can produce the desired signs, as many vendors will not know how to do this (properly).

Other Leasing Issues

- While already present, review the lease regulations for the Market in terms of hours of operation, signage, rental rates, health and safety, merchandise, and other issues deemed important. Stipulate penalties if rules are not followed. Have these regulations agreed upon before recruiting farmers and vendors. Examples of lease regulations are included in Appendix H.
- Develop a professional information package that will include the following:
 - A concise description of the Market
 - Rationale for its future success
 - A marketing program (including a calendar of events and other marketing initiatives)
 - Schematic drawings
 - Lease regulations

Interview farmers and vendors in person and inspect the quality of their products. Ensure that the products are farm grown/produced as claimed by the farmer/vendor. Consider using MyPick or other verification programs.

1.0 Introduction

The growth of the Algoma Farmers' Market coupled with the momentum from the Downtown Improvement Plan initiatives have led to the stage whereby the City of Sault Ste. Marie, the Downtown Association, and the Algoma Farmer's Market want to pursue the feasibility study of a permanent farmers' market in Downtown. The Downtown Association has been a strong catalyst moving this project forward along in the process and are to be thanked for their contribution.

Based on this impetus, a steering committee had been formed and included relevant stakeholders.

City of Sault Ste. Marie

- Don McConnell, Planning Director
- Steve Turco, Planner
- Virginia McLeod, Community Services Department



Downtown Association

- Bill Watts, Chair of the Downtown Association Board of Directors, building owner in the Downtown
- Anna Boyonoski, Manager of the Downtown Association
- Cindy Ellen Crawford, Communications Strategist for the Downtown Association, Chair of the Market Committee
- Dr. Grace Tridico, Member of the Downtown Association Board of Directions

Algoma Farmers Market

- Marti Lemieux, President of the Algoma Farmers' Market, Operates 'Valleyfield Local 638' - an 80 acre farm in Sylvan Valley
- Rebecca Pereira, Owner of Purple Urchin (company that makes skincare products)

Arts Community

- Sheri McKay Gladu, Past acting-curator at Art Gallery of Algoma

To move the process forward, the Steering Committee hired a team of professionals headed by Urban Marketing Collaborative (part of the J.C. Williams Group). In addition, the UMC Team retained the services of Bob Usher, the current Manager of the London Covent Garden Market. In addition, Mr. Usher has sat on the Board of Farmers' Markets Ontario; as well, he is the current Chair of the Downtown London BIA.

Enhancing the Algoma Farmers' Market in Downtown Sault Ste. Marie will require commitment on the part of the Farmers' Market and the City as well as support from other agencies and organizations to ensure success. This report is intended to (a) inform the stakeholders of options available for development, (b) suggest plausible pros and cons, and (c) discuss revenue/cost implications. Considering several alternatives, the final section presents a detailed business plan for the potential of the Downtown Sault Ste. Marie Farmers' Market that would serve the Algoma Region.

2.0 Farmers' Markets

2.1 Farmers' Markets and Food Trends

Farmers' markets are one of the most effective means farmers/producers have for obtaining the highest possible return on their investment. By eliminating the middlemen, farmers' markets return the profits to farmers'/producers' pockets, making it more economical, while putting the "face" of the farmer/producer on the food/product.

Farmers' markets are where producers and customers connect, where a handful of sellers can meet thousands of buyers on a typical Saturday. While some producers may sell a dozen apples for \$6.00 at one urban market, others will sell their dozen for only \$4.00 twenty kilometers down the road. This situation demonstrates the laws of supply and demand at its best, enhanced by the warm feeling of satisfaction consumers get at a market.

In recent years, North America has been experiencing a health awakening and an increase in global consciousness. The increase of produce imported from foreign countries such as China has led to a movement to buy locally; at the same time, health concerns have increased the local market for organic food and healthy alternatives. These trends have reduced the "carbon footprint" of the individual buyer, while also providing an assurance of product quality. Nevertheless, the influx of cheaper imported food at supermarkets is an increasing concern for families.

Aware of the trend towards experiential retailing and the growth in farmers' markets, supermarkets have been redesigned to create the atmosphere of an open-air market in their produce departments.

Selling the benefits and attributes of buying local fresh goods at a market is augmented by the following:

- Seventy-two percent of shoppers point to "freshness" as the most important food quality according to a recent survey by *HealthFocus Inc.*
- Over 50% of consumers think medical therapies and drug use could be reduced by eating certain foods.
- Profit margins for natural foods are in the retail range of 5% to 8% compared to the typical 1% to 2% of the grocery business.

- Consumers appear to have less time for cooking but more interest in it. Witness the growing popularity of cooking shows, burgeoning cookbook sales, and kitchen remodeling trends that include induction heat cook tops, professional stoves, and restaurant-style refrigerators. In addition, as the size of formal dining rooms shrinks, large kitchens remain more popular than ever.

Consumer research conducted by Algoma Farmers' Market in the summer of 2010 illustrates the success the market has had recently appealing to a broad base of both older and younger customers as well as their breadth of product purchases. The use of social media has enhanced the marketing reach of the market to an increased audience interested in buying local and fresh farm products and crafts.

See Appendix A for the Algoma Farmers' Market 2010 Review (summarized).

2.2 Criteria for Success

Based on information gained from other farmers'/public markets and research, there are certain fundamental attributes that, if present, can significantly contribute to the success and viability of building a destination type farmers' market. Success is not necessarily dependent on all attributes being present; however, the chance of success is greater if they are.

1. Strong Management and Marketing

One consistent feature of viable markets is the presence of a strong, competent leadership figure. Ideally, this person has retail experience in leasing, as well as marketing and personnel experience in order to manage a multitude of independent businesses present at a market.

A board of directors currently manages the Algoma Farmers' Market. For the 2010 summer season, they were able to obtain funding to hire a Communications and Marketing Coordinator. The key person interviews indicated the market operated better by having a staff person in place. Marketing is critical to the success of farmers' markets. It is noted that funding was again obtained for the 2011 season.

Farmers and producers are busy producing their product so a qualified staff person is essential to manage the logistics of a market. It is important that a strong effort be made to attract customers by adding extra dimensions to the market (e.g., entertainment, education) so that the whole market is a special experience. Partnerships will be key to success as well. Joint venture marketing programs with the Downtown Association, arts organizations, Rotary, among others will help to share the burden of marketing and achieve greater reach.

2. Highly Visible and Accessible Location

All retail businesses rely on good visibility and accessibility to ensure a steady stream of customers. The market must make its presence known to serve as an anchor for the area. A Downtown location is ideal, as most visitors know/understand where Downtown Sault Ste. Marie is. However, within Downtown there are several options.

Visibility includes consideration of signage that will direct customers to the site with ease and properly identify the location when they arrive. Traffic must be able to approach the site without difficulty. Several entrances assist with flow, and nearby parking is critical in this type of environment. While pedestrian connections are important, the most important connection will be to nearby parking spaces. The front entrance to the market will be at a location where vendors are directly adjacent to any parking.

3. Critical Mass

In order for a market to appeal to destination shoppers, it must be large enough to address the needs of the customer. A larger market with a diverse mix of vendors and sufficient product choices will also create internal competition that ensures customers of reasonable prices and a variety of choices not found in other venues. Critical mass comes from the number of vendors per category and not the square footage. At present, there are 20 stalls/vendors on a typical market day. The consultants recommend the number of stalls be increased to 50 to 60 (some vendors may occupy more than one stall and some stalls may have a group of vendors selling from the same table). Consideration may be given that in the future, the market will continue to be successful and could expand to accommodate more vendors to meet consumer demand. Flexibility in the design may be necessary to ensure that further growth could possibly occur on the chosen site.

4. Mix of Products and Events

Reliance on a single product is highly speculative. Most successful markets have a good mix of vendors, including farmers, processed foods, prepared foods, artists, and craftspeople. At present, there are no resellers allowed and it will be important to remain true to that mission. Categories of items for sale might include beads, candles, soaps and beauty products, handmade clothing, native Canadian items, fine arts, print-making, jewellery, photography, signs, textiles (kitchen linens, woven rugs), woodwork, small home furnishings, and gifts. Also, seasonal goods such as wreaths, carved pumpkins, Easter goods and confectionary, corn shocks, and Christmas trees ideally are present at the appropriate times of the year. It is important to stay away from a flea market approach.

Food vendors can range from meat, seafood, dairy, eggs, cheese, fresh fruit and vegetables, horticultural/floricultural, prepared meals to take home (meat pies, cooked meat, pasta dishes, baked goods and confectionary, maple syrup products, ethnic food, and desserts), prepared foods to eat at the market (hot dogs, drinks, empanadas, ice cream, sandwiches/paninis, etc.).

5. Mix of Buyers

Reliance on a single segment of customers can be as risky as depending on a single product to serve customers' needs. Although most markets rely predominantly on local traffic for anywhere from 50% to 75% of their business, the balance of their customers comes from places outside of the general trading area. Trading areas are generally considered to be within 5 km of markets (most of the built up portions of the City of Sault Ste. Marie). The market's ability to pull in traffic from outside the local community is one reason many economic development agencies view farmers' markets as an important economic development tool.

Apart from the local customer base, daytime business shoppers and tourists are the next two largest segments frequenting farmers' markets. Destination shoppers are also an important customer base for farmers' markets.

Shopping is a form of recreation, and many people find farmers' markets a great way to spend time with the family. Many experts believe that destination type farmers' markets rely on a customer base with high household incomes.

The tourist market can be fickle and difficult to determine. Tourists do like to visit markets but their expenditure is often low. They tend to buy prepared foods if anything.

6. Low Cost/Free Site

Most municipal markets are located on municipal land, including parks, parking lots, and underutilized buildings (e.g., old armoury, brewery, etc.). Private markets can locate on a number of sites including municipal land, shopping centre parking lots, house of worship parking lots, or on private land/buildings. Not all farmers'/public markets require buildings, and there are many examples of successful, large, open-air year-round markets such as the Port Colborne Farmers' Market. However, the Algoma Farmers' Market is located indoors during the winter and the evaluation criteria should include the ability to find a moderate sized building (minimum of 5,000 sq. ft.) to accommodate the vendors who would prefer to sell inside in the summer (e.g., meat vendors) and those who want to sell year-round (e.g., arts and crafts, prepared foods, etc.). Note that some summer outdoor vendors could vend inside in the winter if they wanted to sell year-round.

Indeed, based on our research, it is clear that few, if any, farmers'/public markets generate sufficient cash flows to pay debt service either for land or for buildings. While most markets are able to pay normal operating costs such as insurance, advertising, trash removal, and professional staff fees, only the largest are able to generate sufficient cash flows to pay for capital improvements.

It is envisioned that the Algoma Farmers' Market would remain a private entity and continue to operate on a municipal property as part of a rental type agreement or memorandum of understanding. This report does not recommend the City of Sault Ste. Marie nor the Downtown Association assume the operation and management of the Algoma Farmers' Market.

7. Local Advocate with Significant Development Experience

Farmers'/public markets are businesses, and as such, they typically are subject to many if not all of the same rules and regulations as any other business. Planning and design, building codes and zoning permits, food safety and health inspections, financing, accounting, marketing, advertising, and promotion are all integral parts of developing a project of the scale and complexity of a farmers'/public market. It is important to find a leader/group with the characteristics of an "idea champion" to spearhead the development process. This person/group will be responsible for developing key partnerships with the city, Ministry of Northern Development, FedNor, Rural Agricultural Innovation Network - RAIN, Nordik, Algoma Food Network, artist guilds and art resources, colleges, farmers, producers, artists, and culinary organizations, among others.

8. Attractive Environment

If there is no "there" when you arrive, there is probably no reason to go. When trying to create a destination type location, marketers need to make shoppers feel that they have arrived at a special place that has site magic. The character of the market must respond to both the physical needs and the emotional expectations of the customers it serves. Many managers have to work hard to preserve the "farm experience" while catering to his/her customers' expectations for modern conveniences (i.e., rustic farm experience but not overly rustic).

9. Incremental or Phased Growth

The location should also offer opportunities for expansion as the market grows. Providing sufficient land for parking is oftentimes a challenge, particularly in urban areas. Automobiles require, on average, 350 square feet per parking space, including turning aisles and driveways. Most experts recommend three to four parking spaces per vendor. Parking should be within a few hundred feet of the market, with a turnover of space, on average, every 30 minutes.

10. Outside Commitment

There are municipally owned and privately owned farmers' markets (that may be non-profit managed). The Algoma Farmers' Market is a privately owned operation by the members of the Market that rents space from the municipality. Both the City and the Downtown Association have shown an interest in enhancing the current market as both an economic development tool for businesses and as a venue for social interaction, learning, and experiential retailing in the Downtown and the City/region. This may include spinoff sales to other nearby businesses or the opportunity to incubate new agricultural type products in the Algoma District that did not exist previously, as there is a venue to sell these goods at high enough profit margin. At the same time, farmers' markets do extend social goals of community building of creating a vibrant meeting place in the City that showcases authentic products of the region (similar to arts organizations).

It will be up to the City of Sault Ste. Marie, the Downtown Association, the Algoma Farmers' Market, and other agencies such as NOHPC, FedNor, OMAFRA, among others that will help to finalize both the capital costs and the operating costs of an enhanced Algoma Farmers' Market in Downtown Sault Ste. Marie and the corresponding economic and social benefits that may accrue.

2.3 Types of Farmers' Markets

Farming and the sale of fresh farm goods arguably is one of the oldest industries in Canada and farmers' markets may be the public's most tangible connection to the industry. One of the most compelling distinctions of a farmers' market is the ability to put a "face" on the food. The urban dweller can bite into a perfectly ripened, locally grown apple from the market. He or she then connects this delicious food with a real person – the farmer – and associates both with local farmland. In effect, the buying becomes a more fulfilling and complete experience.

As the number of small family farms continues to decrease, there is a corresponding resurgence of interest in farmers'/public markets. In Ontario, 152 farmers' markets are part of Farmers' Markets Ontario, up from 60 in 1980. It should be noted that Algoma Farmers' Market and Johnson Township are both members of Farmers' Market Ontario.

Farmers'/public markets come in many sizes and forms. On-farm stands, roadside stands, farmers' markets, farm and craft (or antique or flea) markets, public markets, and festival marketplaces are all forms of retail establishments where direct marketing or sales of fresh products and crafts can occur.

Farmers' Markets

Farmers' markets are the answer for many farmers that are located out-of-the-way, but would like to benefit from the potential higher profits of direct marketing to consumers. Farmers' markets are often informal groups of farmers that make arrangements with non-profit service clubs or municipalities that provide land (usually a parking lot) as a service, or for nominal rents. They are usually sited in heavily populated areas that allow farmers to capitalize on customer density. The collective or aggregate drawing power of several farmers also helps to establish critical mass, a mutually beneficial phenomenon that helps farmers attract customers from longer distances because of the internal competition that keeps prices low for consumers.

The ability to share operating costs such as insurance and trash removal is another benefit of organized farmers' markets. Most are open-air type arrangements since the seasonal nature of sales does not offer the opportunity for conventional financing for permanent structures. Few, if any, farmers' markets generate sufficient returns to pay debt service either for land or for buildings.

Farm and Craft Markets

The seasonal nature of farming and the difficulty for farmers to provide fresh produce year-round has resulted in several hybrid-type farmers' markets whereby non-farming vendors are included. Farm and craft markets, farm and antique markets, and farm and flea markets all seek to capitalize on consumers' demand for fresh farm produce while providing additional products that round out sales during the shoulder season. These partnerships vary in the degree to which farmers/producers will benefit, which then depends on how the partnerships are organized, laid out, and managed.

Guidelines have been developed in a number of markets to define what is allowable:

- Types of goods sold (e.g., producer only, non-farming type vendors).
- Words used to define goods (e.g., organic, hand-made).
- Geographic restrictions.

Festival Marketplaces

Festival markets or marketplaces are a phenomenon of the 1980s and 1990s that used a formula model to attempt to revitalize major cities. They are specialty shopping centres that are intended to create a leisurely shopping experience and entertain customers rather than provide basic food services. Most festival marketplaces are homogenized recreations of suburban shopping malls occupied by national retail chains (usually heavily dependent on prepared foods). Le Faubourg in Downtown Montréal, Eau Claire in Downtown Calgary, Faneuil Hall/Quincy Market in Downtown Boston, and Denver Pavilions in Downtown Denver are types of festival marketplaces.

Public Markets

Public markets have three distinguishing characteristics:

1. Public goals that give a defined public purpose to the market activity, such as preserving farmland.
2. Located on and/or creates a public space within the community that attracts a wide range of people that can interact easily, not necessarily on public land.
3. Made up of locally owned, independent businesses that are operated by their owners.

While a public market does not have to be a farmers' market, most farmers are part of the mix. Public markets typically are year-round multiple day operations that serve the community as much as the vendors. The mix of tenants typically includes farmers and artisans that set up day stalls during peak growing seasons and anchor tenants like restaurants, cafés, bakers, butchers, florists, and grocers, which enables the facility to operate permanently (i.e. year-round and on most business days). The rent stream will need to provide sufficient cash flows to pay normal operating costs. Examples include St. Lawrence Market in Downtown Toronto and London Covent Garden Market in Downtown London.

Summary

As stated, the Algoma Farmers' Market is a farmer and craft market that is a producer only market. That means that no reselling is allowed (i.e., buying product at the Ontario Food Terminal at wholesale and selling it to the consumer). This is an important distinction for the market and a chief branding opportunity for products grown or produced in the Algoma District.

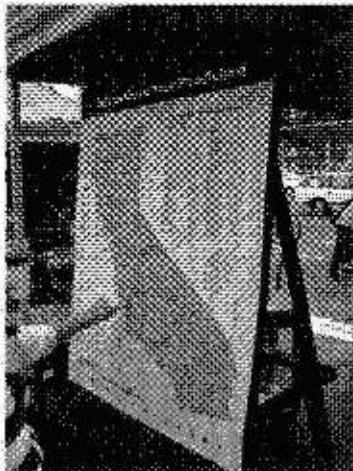
With this distinction, the issue becomes one related to verification. There are several programs. The Algoma Farmers' Market (or a non-biased selection committee) should be allowed to visit and audit each farm or producer to ensure through observation and way bills that the product is locally produced. Other markets use programs such as MyPick from Farmers' Market Ontario, and others allow for further classification such as organic certification or Local Food Plus (i.e., use of sustainable food growing practices).

2.4 Product Availability

Another important element is the distinction that the Algoma Farmers' Market is located in Northern Ontario. Programs and ideas that try to replicate successful markets from Southern Ontario need to be viewed with caution. A distinctive program that builds upon the Northern Ontario food growing experience should be the basis of the farmers' market. This includes recognition of shorter growing seasons, less arable land, longer travel distances, and unique available regional products. The resulting vendor mix will be different from those in Southern Ontario, which have a greater reliance on fresh fruit and vegetables. The Algoma Farmers' Market will be more reliant on meat and seafood, prepared foods, and craft products to sustain the operation throughout the year.

In addition, there is an increased education and learning opportunity on buying local, healthy food options, etc.

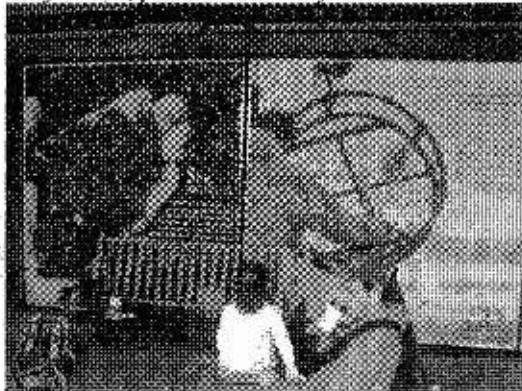
More and more, markets, vendors, and retailers are trying to create an enhanced experience by drawing the linkage between the producer, where it came from, and the benefits of obtaining it locally. This instills pride of place and increased appreciation for the products that are from the region.



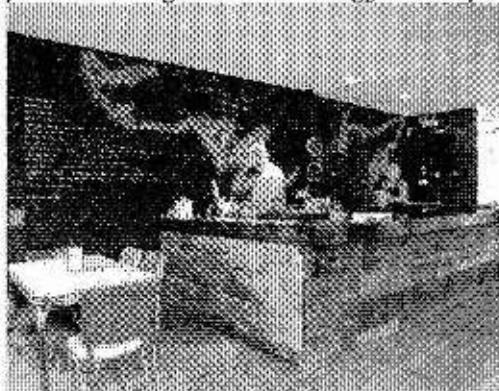
Maps at markets are used to illustrate where the farmers/producers come from



This grocery store connects the consumer with the producer using media technology and display boards



These large display boards throughout the market in San Francisco illustrate key concepts of the local agriculture and aquaculture community



This retailer uses only locally sourced ingredients in their hot dogs. The map on the wall is used to illustrate where the ingredients are from in the local community.

Appendix B includes a review of the Algoma and Manitoulin Island agricultural industry. Note that this market is primarily connected to agricultural opportunities in the Algoma region as Manitoulin Island is too far away.

The report also identifies potential partnership and funding agencies for marketing programs. Included should be the Rural Agricultural Innovation Network (RAIN) in the Algoma District.

http://www.ssmic.com/documents/assets/uploads/files/en/rain_pressrelease.pdf

In addition, a public meeting was held with Algoma District's farmers and producers to ascertain their level of interest in an expanded Algoma Farmers' Market in Downtown Sault Ste. Marie. There was a very good participation rate of 45 who overwhelmingly endorsed the idea. They were keen to support cooperative vending (several farmers occupy one stall and take turns selling) and were optimistic on the ability to develop additional enhanced agricultural derived products (e.g., meat pies) that could be sold to consumers for a higher profit margin. The cooperative idea was also supported at an artist and craft focus group.

Appendix C includes notes made during these meetings and an attendee list.

3.0 Existing Conditions

One of the objectives of the Sault Ste. Marie Downtown Association is the development of a farmers' market in the Downtown. This would provide additional consumer demand and potential spin off for resulting businesses.

There are mixed results on the benefits of a farmers' market on existing business sales. The following chart illustrates evidence of potential catalyst activity. However, UMC's work with other markets reveals that many businesses do not actually witness an increase in sales. This may be due to a number of circumstances such as:

- Hours of operation - some markets begin very early (7:00 or 8:00 am, well before other businesses are open);
- Consumers are buying larger quantities and do not want to carry bags around to different stores;
- Consumers are buying fresh, perishable items and do not want to potentially let them spoil in their vehicle while they do other shopping.

- However, there does appear to be opportunities related to food service operations (cafes, breakfast/lunch) as well as those consumers who make it a larger family outing with smaller children.

% of Shoppers that Spend on Nearby Retail	Average Spend in Market	Additional Spend at Neighbouring Businesses	Source
58%	\$71	\$20	2008, St. Lawrence Market, Toronto
25%	\$32	\$20	2009, Crescent City Farmers' Market, New Orleans
	\$29		2005, Duluth Minnesota Farmers' Market - Estimated Average of 40% spending \$40-\$50 and 46% spending \$10-\$20
60%	\$10	\$9	2002, PPS - Project for Public Spaces
47%	n/a	\$12-\$19	2001, Oregon State University - Technical Report 3 - Assessment of Five Oregon Farmers' Markets

Additional Notes

- An increase in grocery store sales from farmers' markets located in their car-parks accounted for an additional 5% to 10% of revenue (Source: Farmers' Market News, 2000).
- For each dollar of direct sales at farmers' markets in Mississippi, an additional 41.3 cents in secondary/indirect effects was yielded (e.g., business employment, tax revenue) (Source: Economic Impact of Farmers' Markets in Mississippi).

3.1 Background Study Review - Downtown Sault Ste. Marie

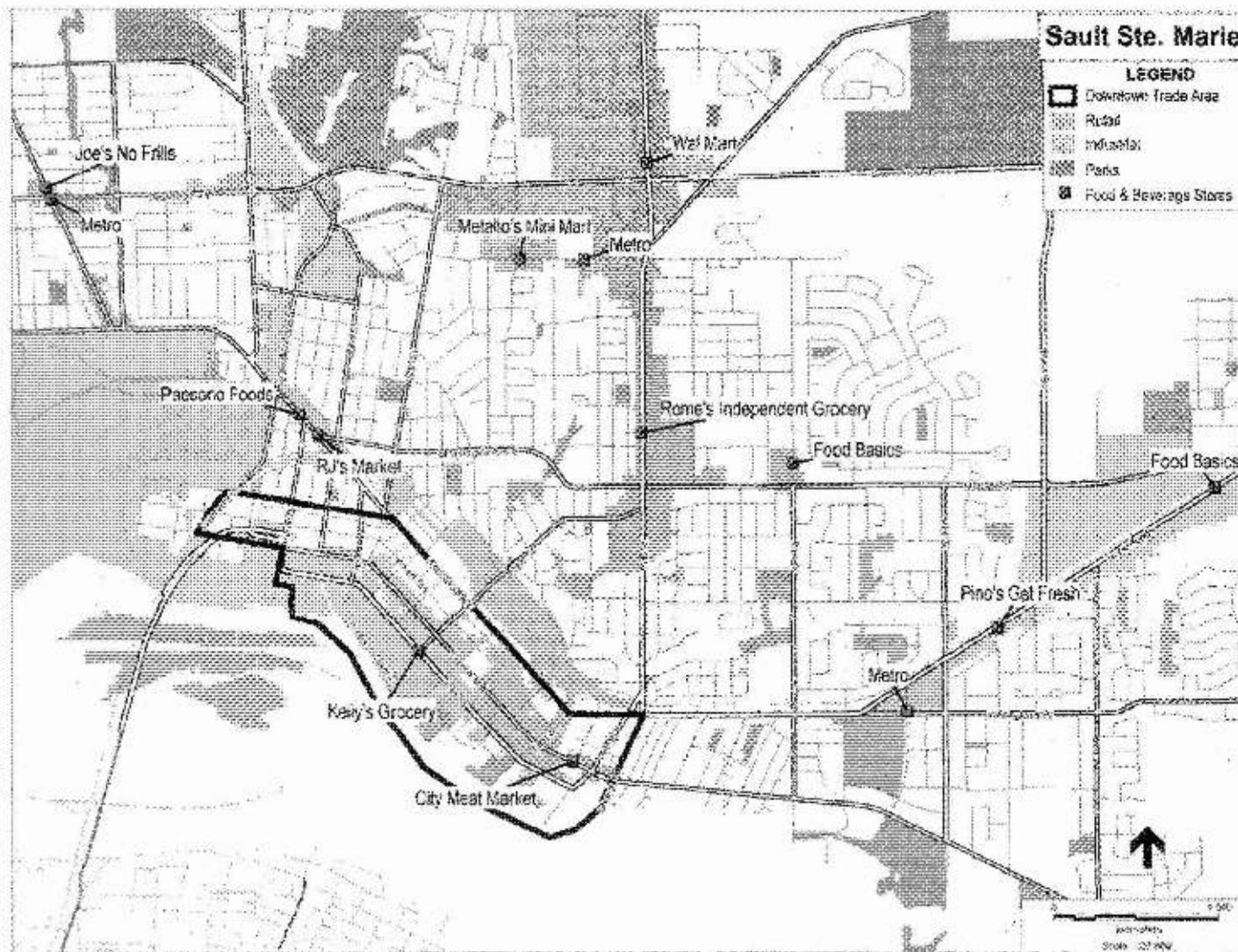
There are 286 businesses and 128 building owners. There is a good proportion of retail merchandise as well as food services. The convenience retail component is small. A breakdown of retail categories includes the following:

Downtown Association Retail Audit

	Number of Businesses	% of Total
Retail Merchandise		
Clothing and Accessories	18	6%
Sporting, Book, Music, Leisure Goods	11	4%
Specialty Retail	30	10%
Other Retail	4	1%
Total Retail Merchandise	63	21%
Convenience Goods		
Food and Beverage	6	2%
Health Care Supplies, Pharmacy	0	0%
Total Convenience Goods	6	2%
Food Services		
Cafes and Limited Service	11	4%
Full Service Restaurants	7	2%
Drinking Places	9	3%
Total Food Services	27	9%
Services		
Personal Services	40	14%
Professional Services	99	35%
Banking, Finance, Investment	11	4%
Business Services	4	1%
Total Services	154	54%
Other Retail		
Entertainment Recreation	4	1%
Community and Associations	27	9%
Accommodation	2	1%
House of Worship	2	1%
Learning	1	0%
Total Other	36	12%
Total (excludes any vacancy)	286	100%

Source: Downtown Association January 2011

Food-Related Retail in Sault Ste. Marie



3.2 Issues Evaluation of the Existing Algoma Farmers' Market

It is noted that the Algoma Farmers' Market operates from the first Saturday in June to Thanksgiving on Saturday mornings and Wednesday afternoons in Roberta Bondar Park. The market rents the location from the City for a nominal fee. The City sets up and takes down the market and provides cleaning and maintenance. The City and the market share the capital costs of the replacement for the canopy. The City pays to install the canopy. The remainder the market operates on Saturday at Wellington Square Mall

Roberta Bondar Park – Summer

- Site magic next to the pavilion and waterfront
- Centrally located but visually not close to Queen Street
- Parking available onsite and in nearby lots such as Station Mall, Delta Hotel, and City of Sault Ste. Marie
- Washrooms and some storage available on site
- Relatively easy set up for the vendors (back their vehicle in and vend off the back)
- Lacks good visibility and only has one entrance (can create vehicular bottlenecks)
- Lacks density of residents
- Conflicts with other major events at the pavilion
- Inability to expand beyond the 20 stalls (some vendors sell on the grass area nearby)
- Have already moved from former park at current Essar Centre
- Lineup of customers waiting to attend the market in the morning as product availability means that vendors will sell out - result is that people come and shop but do not necessarily linger and socialize
- Limited retailers located near the market to build a business upon
- Any prepared food vendors would have to pay part of their sales back to the City as it conflicts with the concession vendor located in the pavilion

Wellington Square Mall – Winter

- High vacancy rate at mall
- Difficult access and egress to mall parking lot from the road (note that later in 2011 there is anticipated improvement with the addition of a new stop light)
- Limited vendor mix due to conflicts with existing grocery store (i.e., any product the grocery store sells cannot be sold at the market). The result is primarily a craft market with limited food such as maple syrup and smoked fish
- Located at eastern end of town
- Despite issues with the site, there are vendors willing to set up and it does draw a limited number of customers to make it sustainable for them
- Some customer confusion that the two locations are for the same market

Vendors

Following is a current list of 26 vendors:

Algoma Farm Fresh	Janie D	Peter's Pickle Patch
Artisaani Textile	Beauty by Nature	Purple Urchin
Barr Road Flower Kart	Mashall Farm	Salamander Ridge Farm
Be True Farm	Mary's Bees and Crafts	Sayers Superior Smoked Fish
Bijoux de Lux	Mary Hunt	Home Baked Goods
Catalina Omolida	Meadowview Alpaca Farm	Taste of Scandia
Cheryl's Sp. Baking	Meakin Forest Products	Valleyfield Local 638
Edwards Century Farm	Ox Bow Garden	Wood Crafts Extraordinaire
Fairisle Maple Products	Pearce Farm	

Existing Financial Performance - Algoma Farmers' Market (2010)

	Summer	Winter
Revenue		
Membership	\$1,350	
Tables	\$3,970	\$3,300
Bags, Soup Kitchen	\$587	\$228
Total	\$5,907	\$3,528
Expenses		
Office	\$1,714	\$333
Advertising	\$2,408	\$1,458
Table Set Up/Rent	\$720	\$2,670
Total	\$4,842	\$4,461

Source: *Algoma Farmers' Market*

- Vendors generate fees of approximately \$10,000 annually.
- Additional funds through government grant programs were used to hire the marketing coordinator for the summer of 2010 and renewed in 2011.
- Average Saturday attendance is 957; Wednesday is 747 – both days are strong. Inclement weather and competitive events at the pavilion reduce customer volumes.

Competition

1. Johnson Township Farmers' Market
 - Location: Desbarats, ON
 - Outdoor market
 - 13 vendors – local produce
 - June to Thanksgiving
 - Friday afternoons (Jul-Aug) and Saturday mornings
 - New market pavilion was constructed in 2009, partially with funds from FedNor
2. Note there is another small market in Iron Bridge and several located on Manitoulin Island



4.0 Consumer Appeal

4.1 *Important Consumer Attributes*

Although the market currently attracts customers from a large proportion of the City of Sault Ste. Marie and beyond, most customers will come from the City. The trade area of Sault Ste. Marie Algoma Farmers' Market provides a significant majority of the regular customers necessary to support the market. Several factors govern the size of the trade area such as accessibility and physical barriers, such as buildings, but psychological barriers such as safety and security will be important.

It is envisioned that a redeveloped Algoma Farmers' Market will need to be highly advertised to provide increased exposure for an expanded Market.

The demographics that are important for food markets are age, income, and household size. These three characteristics largely decide overall food spending patterns.

According to an *American Demographics* article titled "Finding Food Markets," heavy purchasers of food for home consumption are between 45 and 54 years of age. Households headed by this age group spend 31% more than the average household on food. In addition, they spend 40% more on beef, pork, seafood, and eggs than other age groups.

Customers between 35 and 44 years of age also tend to spend a higher percentage on food items—30% more—than the average customer. Households in the 55 to 64 years of age range tend to purchase more seafood and fresh fruit compared to the rest of the population.

The other two determinants are related to size. The more the household earns and the larger the household, the more that is spent on food items.

4.2 Trade Area Analysis

For the Sault Ste. Marie Algoma Farmers' Market, the trade area was divided into the following:

- Downtown - from Huron Street to Church Street and south of Wellington Street
- City of Sault Ste. Marie
- Algoma District

Additional sales will derive from out-of-town visitors including both overnight and day-trippers.



Socio-Economic Characteristics

	Downtown	Sault Ste. Marie (CSD) ¹	Algoma District
2009 Population	3,553	83,282	122,006
Annual Growth	0.70%	1.30%	1.30%
2009 Household	2,166	35,694	52,816
Median Age	50	44.8	46.2
Under 20	13.3%	20.6%	20.2%
20 to 29	13.9%	12.6%	11.7%
30 to 39	9.9%	10.6%	9.9%
40 to 49	12.9%	14.6%	14.4%
50 to 59	14.6%	16.1%	16.4%
60 to 69	13.1%	11.8%	13.1%
Over 70	22.3%	13.5%	14.4%
Female	52.10%	51.40%	50.90%
Persons Per Household	1.62	2.32	2.29
Renters	71.40%	29.40%	27.80%
Children	15.70%	41.60%	38.20%
Married	35.90%	58.40%	60.40%
5 yr Mobility	14%	9%	12%
Avg. Household Income	\$36,463	\$69,810	\$66,799
Per Capita Income	\$20,214	\$26,724	\$25,856

Source: Statistics Canada, Environics 2010 estimates

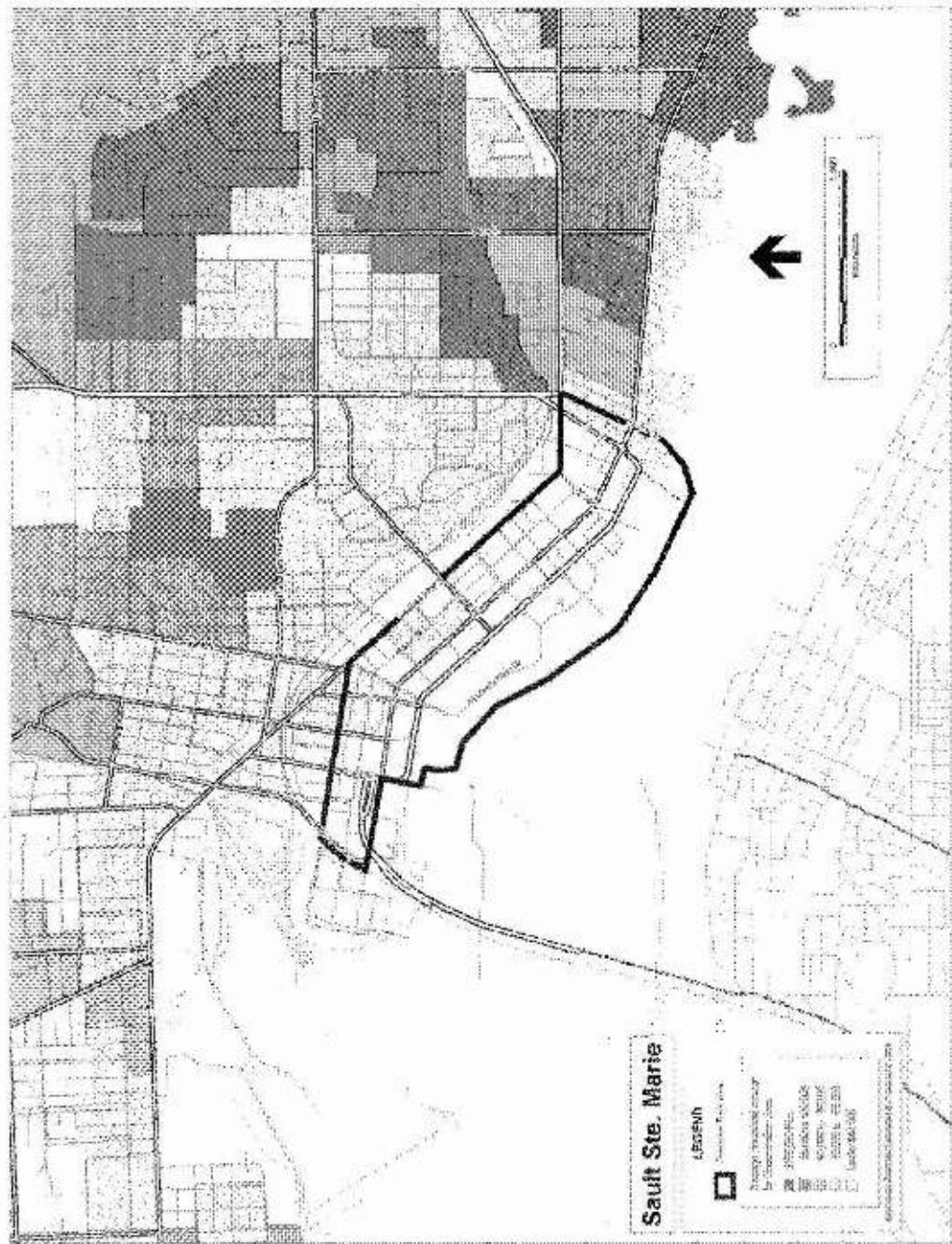
¹ Note, this is a slightly larger geographic area than the City of Sault Ste. Marie proper.

The following are salient findings from the Downtown Trade Area analysis:

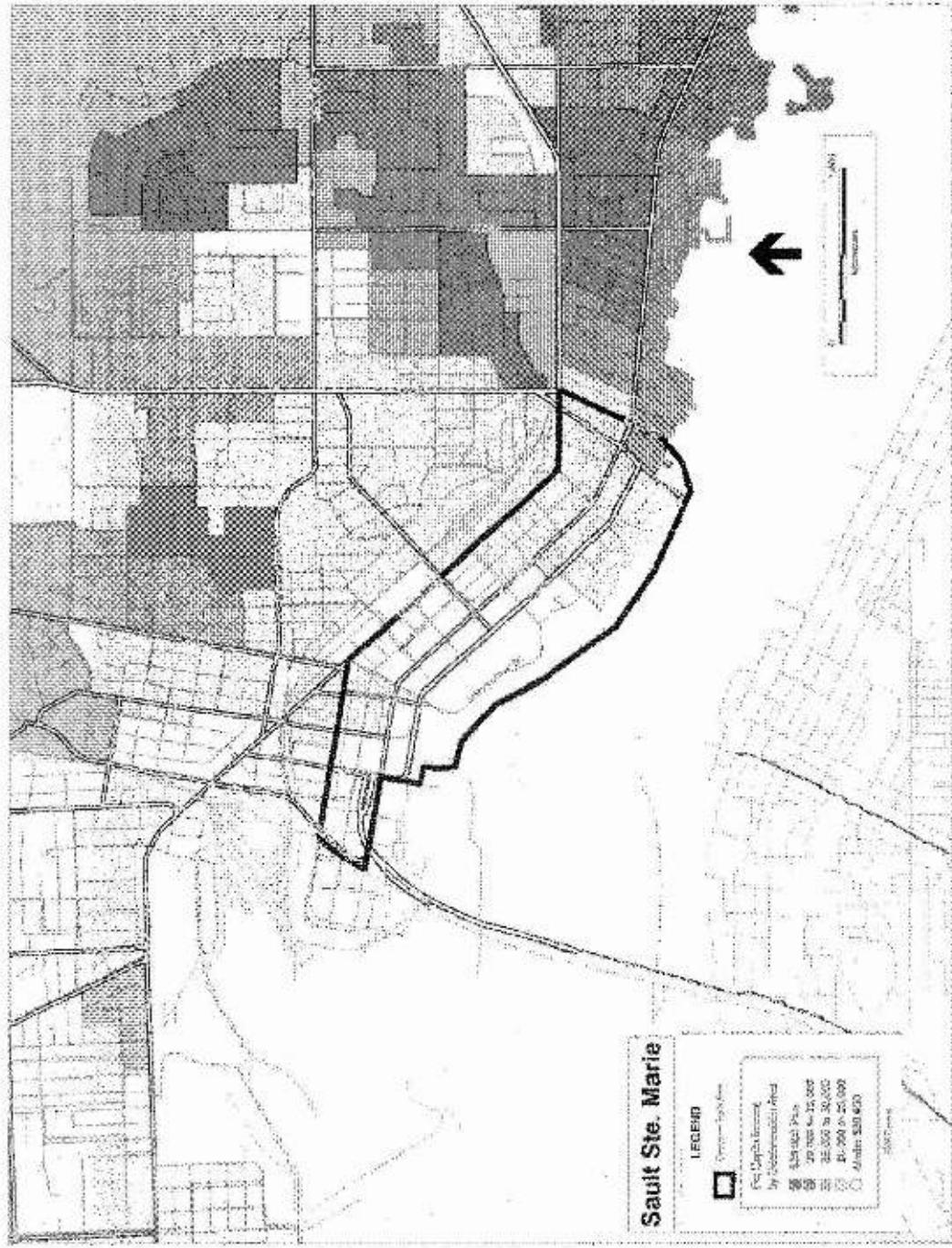
- There are over 3,500 residents who live relatively close to Downtown, and over 122,000 in Algoma District
- While there were population losses in the past, the projected population growth for the City, District, and Downtown is positive
- Downtown has more seniors and overall the median age is high. There are fewer children under 19 years of age compared to the City and District
- Twenty-eight percent of the Downtown population is 40 to 59 years of age and there is a relatively small young adult population (30 to 39 years of age) although it is on par with the other trade areas
- There is a very high proportion of single-person households and a small proportion of larger families in Downtown
- Approximately 16% of households in Downtown have children at home but 42% of the City's households have children at home (a high proportion and indicative of high spending on food)
- Household income is lower in Downtown but the differential is less when compared on a per capita basis
- The eastern edge of the City has higher income levels than elsewhere

The following maps assist to illustrate household income and per capita income in the Downtown and surrounding region.

Average Household Income



Per Capita Income



4.3 Household Expenditure Analysis

Annual household expenditure on food products and location as well as other salient type products include the following:

Household Expenditure Analysis

	Downtown	Sault Ste. Marie	Algoma District
Food stores	\$3,488	\$5,155	\$5,076
Supermarkets	\$2,911	\$4,250	\$4,184
Specialty food stores	\$236	\$333	\$311
Restaurants	\$1,413	\$2,259	\$2,163
Meat	\$706	\$1,057	\$1,042
Seafood	\$122	\$158	\$151
Dairy, Eggs	\$494	\$755	\$744
Bakery, Cereal	\$479	\$750	\$738
Fruits, Nuts	\$399	\$577	\$558
Vegetables	\$341	\$485	\$479
Coffee, Tea	\$73	\$88	\$84
Pet	\$96	\$204	\$219
Nursery	\$61	\$154	\$147
Art, antiques	\$32	\$107	\$105

Source: Statistics Canada, Mapinfo 2011 Food Expenditure

An analysis of expenditures in relation to household income of Downtown households and City households to Algoma District reveal that the following categories account for a higher proportion of their budget (for Downtown, not necessarily a higher dollar volume).

Downtown Households

- Coffee, tea
- Specialty food stores
- Seafood
- Fruit and nuts
- Vegetables



Sault Ste Marie Households

- Specialty food stores
- Restaurants
- Seafood
- Coffee, tea
- Nursery

Total expenditures on food (fresh and frozen food items) for Algoma District are approximately \$196 million (meat, seafood, vegetable, fruit, bakery, dairy/eggs). This includes \$135 million from the City of Sault Ste. Marie and \$5.5 million from Downtown residents.

Markets *may* be able to capture 1.25% of this, which is equivalent to \$2.45 million in sales. This is not enough to sustain a full-time market but it is enough to sustain a larger farmers' market than currently exists.

4.4 Additional Target Markets

- Downtown workers - 7,000
- Over 1,100 hotel beds, Occupancy 48% (Jan to Jun 2010) = 340,000 overnight visitors
(Source: pfk consulting, Statistics Canada, Ontario Ministry of Tourism and Culture)
- U.S. visitors to Algoma: halved from over 1 million to less than 500,000

5.0 Evaluation Criteria

Throughout the process, there have been four working meetings with the steering committee. During each session, the team reviewed the evaluation criteria for the Downtown Farmers' Market. These will form the basis for the mission statement, vision, the growth, and leasing at the market.

The four major product categories of items sold at the market include only locally produced goods:

- Agricultural - includes agri-food including fruit, vegetables, nuts, mushrooms, meats, seafood, eggs, and horticultural and floricultural products
- Processed Agricultural - includes agri-food derivative type products that include processing elements such as bakery, cheese, confectionary, oven cooked foods (meat pies), etc.
- Prepared - includes food that is cooked or assembled to eat on-site such as sandwiches, beverages
- Arts and Crafts - hand made goods by an artisan or crafts person

The evaluation criteria include the following:

Overall Goals

- Improve production of, stimulate public interest in, and increase consumption of local products

Vision

- Primarily food (raw and prepared foods), but include crafts as supplement - maker/grower market
- During the peak selling season, craft vendors should not represent more than 30% of the total number of vendors
- Not a public market (no resellers)
- Vendors sell locally produced goods
- Stronger linkage with food and crafts
- Guarantee that product is local - may not be required at present but should assess programs such as MyPick or similar programs such as Savour Ottawa

Definition of Local

- Algoma District

Number of Vendors

- Min 20 stalls but should expand to accommodate 40 to 60 stalls - the maximum number of stalls per vendor is two however, the preference will be for most vendors to occupy only one
- May include program for cooperative renting of booths. This may be a complicated process to administer and the market should be careful not to get involved in cooperative vendor disputes. A dispute mechanism by a third party may be required. This allows for small businesses, incubator businesses to sell at the market for a fraction of a full stall (note the existing Algoma Farmers' Market bylaws will need to be reviewed as they currently require the producer to be at the market)

Parking

- Approx 100 to 120 free parking spaces close to the Market (need about 3 parking stalls per vendor), the majority of which should be on the Market property.

Access

- Simple in and out, try to have trucks on-site
- More than one access/egress point to avoid significant congestion during peak times

Timing

- Year round operation in one location
- Minimum two days/week
- Other uses for building on non-market days - arts, community centre, event centre, cafe, small grocer, office (depends on the final location as to the other uses)

Synergy

- Should provide compatibility with other nearby uses. This may include:
 - Queen Street retail businesses
 - Arts, museum, among others

Operating Feasibility

- Aim is for the Algoma Farmers' Market to be operationally sustainable through either raised vendor revenues or through cost/expense sharing
- May include a permanent retailer - small grocer, café

Building

- Flexible indoor space to use for other purposes on non-market days (have to remove vendor display cases and tables or move them to one compact location)
- Minimum building size - 5,000 sq. ft.; however, a larger building will allow for further expansion
- Heating, air conditioning, access, trucks, commercial, health inspected kitchen, cold storage
- Outdoor canopy system

Management and governance

- Needs staffing component - marketing, manage vendors, etc.

Vendor Selection

- Unbiased committee for vendor selection and location

6.0 Site Options

The steering committee and the UMC Team reviewed several sites throughout the four-workshop process. The end goal was not to decide upon one site but to use the established criteria to rank the sites and add and eliminate sites that suited the market's needs. Included in the list of sites was the option of staying in the present site at Roberta Bondar Park.

There are several sites that are still being considered including Gateway site and the former brewery site.

At present three sites had made the top list of preferred locations:

- Algoma Health building
- Pilgrim Car Wash
- Clergue Park

While there are several other possible location, at present, Clergue Park makes the most ideal location for a number of reasons:

- City owned (would not require the purchase of land or building on the market's behalf).
- There is the potential need for a structure on the site for storage and events.
- It is very attractive on the waterfront.
- It is adjacent to the library and museum (two venues that would appeal to a similar demographic).
- It is located in close proximity to the east end of Downtown including higher income households and more complementary type businesses (e.g., cafes, restaurants).
- Very close to several housing projects including seniors housing and waterfront residential.
- It could complement the smaller planned events at Clergue Park and relieve pressure on Roberta Bondar Park for larger events that conflict with the market.
- It would be a permanent home to the market and considered a mainstay of the park's overall vision.

The difficulty of this location is that it is not located directly in the Downtown retail core. This may not fit in with the goals and objectives of the Downtown Association.

Appendix D includes an assessment of each site as well as copies of the three presentations that reviewed the sites.

7.0 Business Plan

7.1 ***Background Assumptions and Ideas***

The focus of the Algoma Farmers' Market will primarily be on real farmers and food producing vendors as well as local crafts people and artisans. The goal is to find one suitable location in Downtown Sault Ste. Marie that can accommodate the combined summer and winter market. For this to happen, an indoor facility must be found or developed. The minimum size would be approximately 5,000 sq. ft. In addition, there is an opportunity for an enhanced farmers' market that is both larger and includes the opportunities to have new products to be sold (e.g., eggs with the development of a grading station in the area or more higher order produced goods such as baked goods, cheeses, and home meal replacement that use locally available goods).

Also, UMC recommends that there be a very strong marketing/special events/entertainment component to the Market to help ensure a special experience and to help build traffic.

Action

- Select to expand existing Algoma Farmers' Market and relocate into a permanent location in Downtown with a minimum 5,000 sq. ft. building that can accommodate summer and winter vendors.
- Market will be a showcase for local available products that are authentic to Algoma District.

7.2 Organization

Market Manager Position

There has been increased marketing and management of the Algoma Farmers' Market compared to other years. This is a process that should continue. As the market expands at its new location, increased vendor liaison, marketing, and recruitment need to be undertaken. There will be a requirement to provide for a part-time Market Manager. This person's responsibilities will be to:

- Oversee and manage the development project, including strategy administration/implementation for funding, phasing, marketing, etc. - Note that often the manager that is hired to oversee the development of the expanded market may not be the same type of manager that the market would require to handle the week-to-week operations;
- Handle the overall management of the Market;
- Propose and manage budgets;
- Develop and implement a marketing plan, including public relations for the Market;
- Work with City staff, the Downtown Association, and other agencies including Farmers' Market Ontario, Algoma Food Network, etc.;
- Coordinate the activities of volunteers;
- Be a spokesperson for the Algoma Farmers' Market at community functions;
- Set leasing policies and leases and/or bylaws.

The Market Manager should manage the weekly and day-to-day operations of the Market. The Market Manager will coordinate with other City departments for cleaning, security, a special event schedule, among other needs. The Market Manager is also the liaison to the vendors and a proposed Market Advisor Committee (vendor association) with respect to all matters regarding the operations of the Market. This person will also be responsible for enforcing lease/bylaw regulations.

This may be a paid position from the Market revenue or funded partially by grants and programs. The type of person who is best suited to this position would be someone with public market experience and/or retail shopping centre knowledge. It is important that the person chosen have marketing experience.

The Market Manager should coordinate special events. Efforts should be made towards partnerships with other organizations (e.g., Downtown Association, Weavers' Guild, Algoma Food Network, museums and library) to provide additional events and cost sharing.

Action

- Designate/hire a market manager. This person's salary must be part of the Altonia Farmers' Market expenses or through grant programs. It should be noted that this person is required to work a minimum of two days a week throughout the year with a heavier workload during the prime growing season. Also, it is important to note that the manager hired to transition the Market may not be the same individual or skill set required to manage the day-to-day operations of the Market.

Board of Directors

The present set up for the Board of Directors is sufficient. Committees of the board may include executive, marketing and events, parking, and leasing (including incubator). However, note that is advisable that a separate vendor selection committee be struck (one for food and one for crafts) that are unbiased and would work to determine the vendors allowed to sell at the market and their location. This committee would report to the leasing committee of the board.

Action

- Along with other committees, establish a vendor selection committee of unbiased regional representatives that will decide who is allowed to sell at the market and what spot they can occupy.

7.3 Vendor Mix

The space should be as flexible as possible to accommodate new vendors. Although this flexibility is recognized, important points to keep in mind regarding vendor mix and layout are outlined below:

- The key to successful markets is the number of vendors per category, not just the total space. The more vendors per category, the better (within reason) - supports the notion of a cooperative vendor approach.
- While the ideal vendor mix may not be immediately available, key elements of any vendor mix plan staying relevant to Northern Ontario/Algoma District production conditions. Within those parameters, vendor types may include:
 - Variety (e.g., vegetables, fruit, meat/protein, plants);
 - Anchor vendors (e.g., produce, meat, dairy);
 - Basics vendors (e.g., greens, tomatoes, root vegetables, fruit);
 - Food specialists (e.g., bakery, ethnic, sweets); and
 - Specialty items (e.g., flowers, nursery, and arts and crafts).



*Vendor stalls should always present an image of plenty with key specialization.
Abundance of key food groups adds value to the Market.*

Tenant Mix Guidelines

The Market should accommodate approximately 60 stalls depending on the size of the Market building. During the summer, at least 10 stalls should be located inside and 50 outside, and during the winter approximately 20 smaller stalls should be accommodated inside.

Agricultural (farmers)	22
<i>Plant/nursery</i>	3
<i>Meat, seafood</i>	8
<i>Fruit and vegetable</i>	8
<i>Other</i>	3
Processed Agricultural	12
Prepared foods (sandwiches)	4
Crafts	16
Total	54

(Note this is 54 vendors as some vendors may occupy more than one stall.)

In addition, there may be an opportunity for a permanent retailer such as a cafe (approximately 1,000 sq. ft.+) if a Queen Street location is chosen.

Action

The Market Manager in coordination with the Board will:

- Complete an "ideal" tenant mix;
- Develop a list of potential farmers and vendors to contact;
- Offer opportunities for producers to develop cooperative tables whereby several producers can share a stall.

While the requirement is for local produce, the presence of the producer should be encouraged (direct contact of farmer with consumer) but it is not mandatory (maybe include a minimum number of days producer must be present at the market).

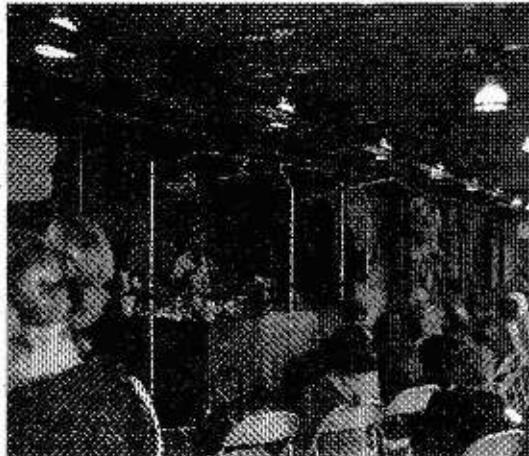


7.4 Special Appeal

As the consumer appeal of the Algoma Farmers' Market grows (shifting from approximately 1,000 Saturday visitors to over 3,000 visitors), other dimensions that already exist can be expanded/added to it.

This will give it a wider draw and build on its special role in Sault Ste. Marie. Elements that could be added in the future include the following:

- Musicians and buskers on busy weekends for shopper entertainment.
- Special events such as pie baking contests, pumpkin carving contests, Easter egg painting, Terroir festival (wine and food matching), etc.
- Educational activities: nutrition, recipes, cooking, etc.



A portable kitchen for learning and education can be set up at the Market similar to the one at the Ferry Market in Downtown San Francisco, or a permanent commercial kitchen can be included in the project.

The whole Market experience must go far beyond that of the farmers and vendors. It must be a centre for food diversity, entertainment, and social celebrations.





Action

- Begin to develop a calendar of events (see example in Section 7.9 Marketing Plan).

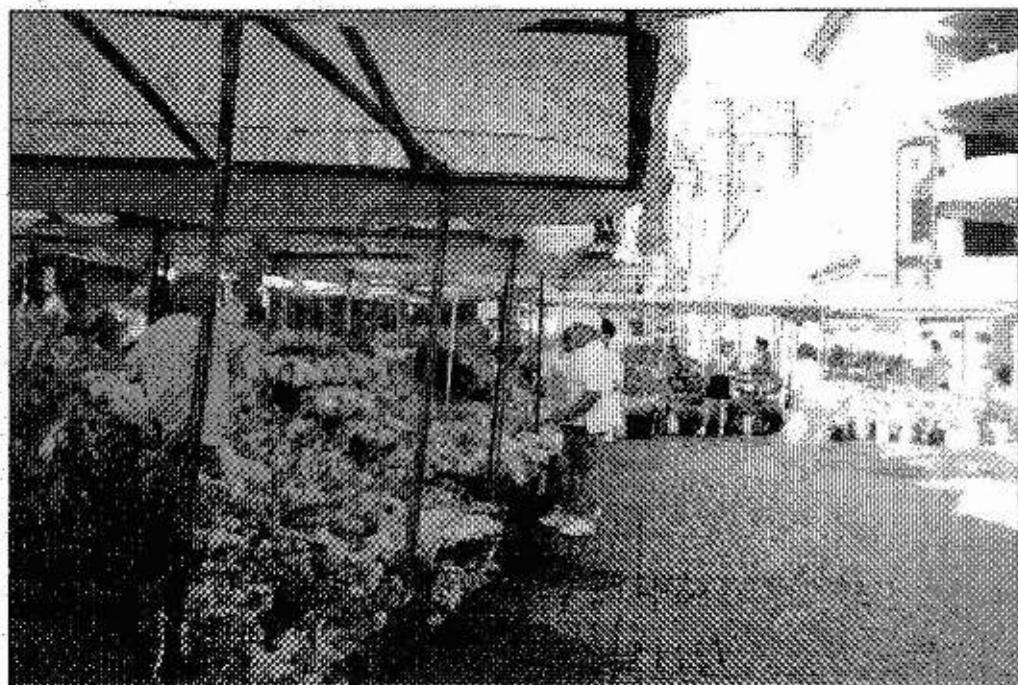
7.5 Space for an Ideal Market

The following table outlines the physical space needed for an "ideal" outdoor and indoor market. It includes the following:

Building

- Minimum 5,000 sq. ft. in size (note may be larger to allow for growth or other activities in the building)
- Long and narrow configuration is more ideal for vendor layout (central aisle)
- Typical stalls should be about 12x12 or smaller but extra space should be planned for circulation
- The market may opt for one electrical unit for two to four stalls (indoor). Outdoor there will be a small need for additional electrical and one post can be used for four vendors.
- There is a need for sinks on site if the commercial kitchen is in use during the market. There is a requirement for one sink for every 20 vendors. This may be accommodated by washroom sinks. Proper commissary type sinks are required for food preparation. The market should opt for additional portable sinks (and proper disposing of gray water) rather than having them permanently installed at vendor locations. Permanent sinks at vendor stalls will make it difficult to use the building other times for events. Rather, portable sinks at vendor stalls should be used.
- Indoor seasonally/yearly leased food and craft stalls. It is suggested that these face each other and have a central 10 foot aisle (may be narrower or wider). Vendors on one side may be able to sell from inside and outside using roller doors that open
- Indoor market will require washrooms and cleaning/maintenance facilities
- Additional needs are commercial kitchen (fixed or movable) and cold storage (as well as regular storage) - less than 500 sq. ft. Storage space is rented to vendors for their food and crafts (will need strict rules on usage of storage). Additional storage for tables, chairs, canopies will be required
- Small ramps for ease of deliveries - minimize the use of stairs
- Garbage disposal facilities will have:
 - Major, coded container(s) for recyclables, organic waste, and non-recyclable waste.
 - Containers for recycling of paper/cardboard, glass, and metal. Vendors must be held responsible for sorting their garbage into appropriate bins.
- The market manager should be located on-site with a small office with a phone and internet connection.
- The physical design of the site should be enlivened with landscaping, lights, signs, graphics, and banners.
- Vendors need to have consistent signage and design guidelines (see Appendix E for an example of Dallas Farmers' Market).

- Clustering of stalls by category will show the variety within the category and facilitate comparison shopping.
- All vendors should be individual producers or entrepreneurs. No chain organizations or businesses are allowed to be part of the Market (e.g., no chain restaurants).
- Flower and produce vendors should be located close to entrances to provide an initial impact of colour and visual appeal.
- There should be at least two entrances into the market building.



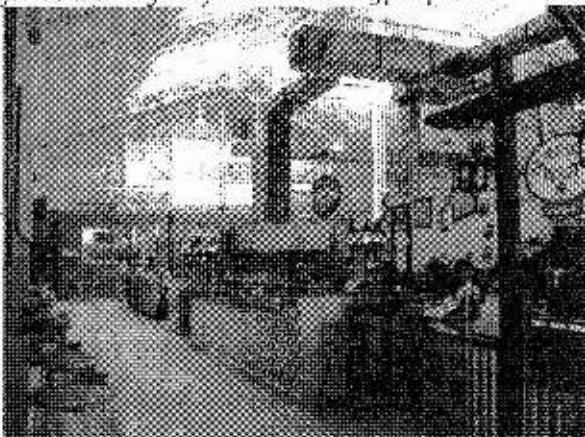
Entrances can be enlivened with colour from flower vendors, wood working demonstrations, or other entertaining or colourful vendor or program

Interior Market Building

A long and narrow building would be more ideal for vendor layout for this small type space



The aisles may be too narrow but overall there is a strong market atmosphere



The market should be discouraged from creating very high open spaces that have to be cooled and heated creating very high energy bills



The interior aisle could be used for seasonal vending in small unique spaces



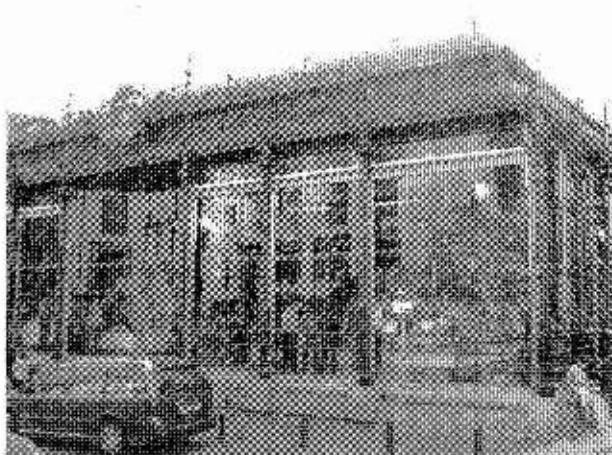
The aisles at the Dieppe Market are narrow to accommodate the craft vendors. Non market days the space is used for bingo and other rental facilities



Welland Farmers' Market – the simple market includes a number of display cases that can be moved. The interior should be more festive looking



The Cambridge Farmers' Market has very small stalls to accommodate more vendors inside. The Downtown Sault Ste. Marie Market will have to be flexible to accommodate higher sales volumes during the summer season and then allow for more stalls to be added in the winter when it is primarily arts and craft vendors along with some food vendors. Display cases will either have to be removed at the end of each day or additional storage space found on-site. Drapery may be needed to hide some of the permanent features such as sinks



Madrid – the glass wall allows visitors views directly into the building



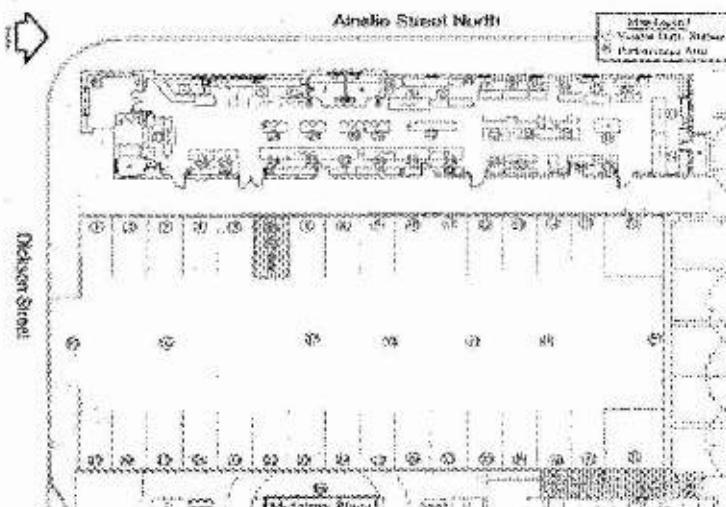
Madrid – the central corridor with vendor stalls on each side. Also, stall lighting is a very important detail that should be consistent for all vendors



A temporary market structure such as this in Spruce Grove Alberta, could be developed to accommodate vendors in the winter or as a temporary measure until a building is built.

Outdoor

- Outdoor yearly or seasonally leased farm/producer stalls that are rented on a seasonal basis (June to October) or monthly or daily. It is suggested that these face each other or may be in a grid formation.
- Stalls that are large enough to allow the vendor to work off of a small sized truck or canopies - each stall should be approximately 10x10.



The overall look of the market should be similar to Downtown Cambridge Farmers' Market that includes a small indoor market and farmers that are set up in the adjacent parking lot

Exterior Market



Common canopies for the outdoor vendors

The outdoor vendor plaza can include trees and landscaping to ensure that when the market is not open that the plaza remains attractive



North Market – the outdoor vendor space includes a canopies section for both vendors to sell off of tables and for vendors to sell off the back of their trucks

Consideration should be given to lighting especially understanding how the natural light changes throughout the seasons



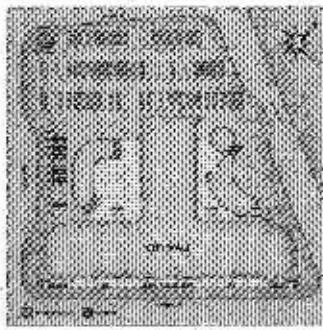
Stall booths can be more modern looking



Stalls create a sense of excitement through the use of coloured umbrellas



Findlay Market – farmers can park their trucks up to the back of the canopy system and sell into the central corridor



A grid pattern may also work with vendors set up around the square



Ithaca Farmers' Market – the attractive location on the river leading into Lake Cayuga blends well with this liberal arts town. The market building is quite impressive on the water's edge



Attractive awnings with lighting and power to properly highlight the merchandise

7.6 Financial Considerations

The following is an estimate of capital requirements. It is based on standard industry costs. They were completed by Bruce Caughill at Caughill Consulting, local architect and engineering firm in the Sault Ste. Marie area. Note that throughout there are estimates that are not accounted for including new roofs, environmental cleanup, and outside landscaping that will add to these costs.

See Appendix F for estimates of the capital costs for the three properties that were considered; Algoma Health Building, Pilgrim Car Wash, and Clergue Park.



UMC estimates the following capital costs based on the estimates provided:

- Algoma Health Building - \$750,000 plus roof and environmental as well as outdoor landscaping.
- Pilgrim Car Wash - \$750,000 plus roof and environmental as well as outdoor landscaping and costs for the separate Queen Street East tenant build out.
- Clergue Park - \$1.2 to \$1.5 million plus extra for an outdoor canopy system and landscaping. Increased design may require additional funds (must have air conditioning).

Capital Funding

There are several options for consideration:

Federal

- FedNor - FedNor's Community Economic Development Program is able to pay up to 33% of eligible costs associated with the farmers' market but they are a funder of last resort
- Agrifoods Canada - may have funds associated for the development of a market Ontario
- Growth Plan for Northern Ontario - identifies agriculture as an existing and emerging priority economic sector but no specific funding has been announced related to markets.
- NOHFC - Infrastructure and Community Development program can provide funding of 50% of the eligible costs to a maximum of \$1 million
- OMAFRA - has been actively working towards improving the agricultural sector in Ontario and in part addressing issues such as buy local and farmers' market. Most funding is primarily funneled through Pick Ontario Freshness (marketing campaign) that works with Foodland Ontario, Savour Ontario, and Ontario Market Investment Fund



Organization: Ministry of Agriculture, Food & Rural Affairs
Program: Pick Ontario Freshness Marketing Campaign (multi-state marketing campaign)
Objectives: Encourage consumption of local, fresh and/or Ontario-grown and processed food

Savour Ontario



Organization: Ontario Culinary Tourism Alliance, Ministry of Tourism Ontario Tourism and Marketing Corporation
Program: Savour Ontario

Objectives: Promote Ontario Foods in State and non-State dining establishments

Organization: Ministry of Agriculture, Food & Rural Affairs
Program: Foodland Ontario Promotional program

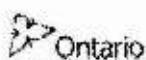
Objectives: Encourage Ontario People to Eat the "Ontario Way" and the promotion of Ontario Produced and Processed food through a "Foodland" brand



Organization: Ontario Ministry of Agriculture, Food and Rural Affairs
Program: Ontario Market Investment Fund

Objectives: Encourage individuals to purchase and consume Ontario-produced foods and encourage Ontario businesses to buy locally

Farmers' Market Ontario - has some programs primarily marketing/research, verification (MyPick), insurance, as well as some capital funds (such as tables and tend to be smaller amounts).



Organization: Ministry of Agriculture, Food & Rural Affairs
Program: Ontario Farmers' Market Strategy
 Description: Ontario Farmers' Market Strategy is a government program designed to support the growth of farmers' markets across Ontario.

Organization: Farmers' Market Ontario
Program: MyPick Card

Description: MyPick Card is a card used by farmers to verify the quality of their produce. It also provides a research and market analysis service.



Organization: Ontario Farm Fresh Marketing Association

Description: Ontario Farm Fresh Marketing Association is a non-profit organization that helps farmers sell their products directly to consumers through farmers' markets and other outlets.

7.7 Lease Provisions

The Algoma Farmers' Market has a good set of rules and regulations governing vendors at the Market within their lease agreements. Different lease arrangements are required in order to manage the different Market vendors more effectively.

The following list outlines, by topic, some necessary additions and modifications to the rules and regulations that should be in the leases (a copy of guidelines is appended).

Merchandise

The lease agreement must have specific product controls in order to ensure a variety of products/vendors. This means that the vendor will specify the products that will be sold, and must receive permission from the Market Manager to sell any other products. Other "product line" specifications are as follows:

- Must be high quality.
- Source/origin of product marked - especially for cooperative vendor stalls.
- Prices must be clearly visible.
- Tainted, spoiled, or wilted products must be removed and discarded to maintain a fresh appearance.
- Pricing must be competitive with major supermarkets.
- Weighing scales must have measurement visible to the customer.
- All prepared foods (such as jams and pickles) must be properly labeled according to local health and safety regulations and come from a certified kitchen facility.



Cleanliness

Rules and regulations regarding cleanliness must be specific. Recommendations follow:



- Vendor practices must be in accordance with the Algoma Public Health food handling standards.
- Garbage must be removed from stalls at regular intervals.
- Waste from stalls must be put into proper containers (e.g., recyclables and trash) and stall waste receptacles cleaned nightly.
- No waste material may be thrown on the ground.
- Management will provide regular central garbage removal and appropriate containers for recyclable materials (i.e., water, paper/cardboard, plastic, glass, and metal as appropriate).
- Cooking can be done only in designated food areas according to regional health and safety standards.
- Sinks may be provided on site or a central sink for commissary purposes. Outdoor sinks may also be provided through the use of temporary kiosks.

Action

- Review Algoma Food Network's Food Charter when complete
- Contact the Algoma Health Office to determine government regulations that are required before recruiting and signing farmers and vendors.
- Schedule health inspections at regular intervals as required.

Hours of Operation

A major operational concern with markets is their hours of operation. Regulations stating that stalls must be open and fully staffed during set business hours are crucial (although this will be difficult to enforce initially). The information can be changed and formalized over time.

During the summer high growing season, the Market should be open two days of the week – Wednesday afternoon/evenings and Saturday mornings. In winter, it will open only on Saturday.

- Wednesday: 3:00 to 6:00 p.m.
- Saturday: 9:00 am to 1:00 p.m.

It will be important to keep the following recommended regulations:

- An abundance of products must be for sale during all hours that the Market is open.
- Loading and unloading for some stalls must take place before or after Market operating hours (those that cannot vend off the back of a truck)

Rental Rates

The policy of the Algoma Farmers' Market should be to have rental rates that are comparable to retail rental rates in the Downtown and at other markets.

See Appendix G for a review of other markets including rental rates. On average, a vendor should pay at least \$35/day or \$1,000 for year (\$600 for summer season).

Indoor vendors, meat vendors, and prepared food vendors should be charged higher rents (\$2,500/year). Arts-and-craft and community vendors will be charged less (\$500/year). Food vendors are charged approximately \$2500 per vendor. Rates will be based on a stall basis and some vendors will require more stalls than others. (The above figures represent average rates per vendor.)

There may be Common Area Maintenance charges for indoor vendors. Revenues typically are on the low side when compared to annual retail rents. However, the spaces are small, and thus, if sales volumes are high, then at least break-even cash flow can be projected.

The cooperative model also allows vendors to receive a rent break by being responsible for one-quarter or one-fifth of the total rent for the year or season.

Annual membership fees should still apply.

Marketing Fund

It is possible to levy a separate charge for marketing on all vendors. The Market Manager may set up a marketing committee to administer this with input from vendors. Initially, vendors would pay \$1.00/day/stall rental towards this fund. This would be adjusted as the sales and the marketing program grows. An aggressive marketing plan is needed to communicate the news about the new market and to build sales to justify the rents charged.

Signage

Guidelines on height, size, and colours should be given to prospective vendors. Signs should be creative and fun within these guidelines, and individuality should be encouraged. Signage guidelines are as follows:

- Central stall service area signs:
 - To be above sight lines
 - All at a uniform level
 - Vendor identification to have the following features:
 - * "Stall name"
 - * Graphic or cut-out sign approximately 3'x3'
 - * Positioned over central service area

All signs must have the Market Manager's approval with regard to not only size, shape, material, weight, colour, etc. as covered by the design guidelines, but also regarding location and lighting.



Pike Place Farmers' Market



St. John City Market

Action

- It may be necessary to contact a signage firm that can produce the desired signs, as many vendors will not know how to do this (properly).

Other Leasing Issues

Vendors should own their own business, not their stalls. In some markets, the practice of selling stalls exists. This should not be the case at the Algoma Farmers' Market.

Other issues that should be included in the lease are as follows:

- The Market management should have control over transfer of ownership of the stalls.
- Provisions must be included for the termination of leases (annual renewal or three years).
- A system of addressing customer complaints enforceable by the lease should be developed and included in the lease agreement.

Action

- While already present, review the lease regulations for the Market in terms of hours of operation, signage, rental rates, health and safety, merchandise, and other issues deemed important. Stipulate penalties if rules are not followed. Have these regulations agreed upon before recruiting farmers and vendors. Examples of lease regulations are included in Appendix B.
- Develop a professional information package that will include the following:
 - A concise description of the Market
 - Reasons for its future success
 - A marketing program (including a calendar of events and other marketing initiatives)
 - Schematic drawings
 - Lease regulations

Interview farmers and vendors in person and inspect the quality of their products. Ensure that the products are farm grown/produced as claimed by the farmer/vendor. Consider using MyPick or other verification programs.

7.8 Financial Pro Forma

The following page shows an estimated year pro forma for a new Algoma Farmers' Market. It has been developed based on the experience of markets throughout North America. It may take a few years to achieve full vendor capacity.

The Algoma Farmers' Market may choose to share expenses or cover some of the costs through volunteer work. They may be able to adjust rents down accordingly. In addition, the fee that the market should pay the City for use and cleaning of the facility will need to be negotiated and finalized with a Memorandum of Understanding.

The financial pro forma is based on the following assumptions:

- The Market will operate on Saturdays throughout the year and one weekday throughout the growing season.
- The pro forma does not include revenue or expenses related to running any additional events components of the proposed Market building.
- Salary expenses are for part-time personnel. This person should be required to work a minimum of two days per week throughout the year with more days during prime growing season.
- Insurance and permits cover expenses associated with liability insurance and special business licenses.
- Additional marketing expenses related to grand openings should be allocated out of the capital budget. This is equivalent to an additional \$10,000 for a grand opening.

Pro Forma

	Charge	Number of Vendors	Total
Outdoor Vendors - Seasonal			
Agricultural	\$600	25	\$15,000
Processed Agricultural, Meat	\$2,000	7	\$14,000
Prepared Food	\$2,000	2	\$4,000
Crafts	\$350	14	\$4,900
Indoor Vendors - Annual			
Agricultural	\$1,000	2	\$2,000
Processed Agricultural, Meat	\$2,500	6	\$15,000
Prepared Food	\$2,500	2	\$5,000
Crafts	\$500	2	\$1,000
Additional Weekday - Wednesday			\$1,470
Marketing Fee (\$1/week)			\$1,440
Common Area Maintenance (\$2/day)			\$1,040
Total Income			\$64,850
Expenses			
Salaries and Benefits			\$25,000
Marketing/Special Events			\$15,000
Other Expenses			\$10,000
Rent and Cleaning/Maintenance			\$15,000
Total Expenses			\$65,000

7.9 Marketing Plan

Major Role

The marketing concept for the expanded Algoma Farmers' Market should reflect the vision of an authentic, local only, Algoma District farmers/producers venue that has both economic and social benefits. This includes the following:

- Serve the Algoma District's farmers/producers as well as the City of Sault Ste. Marie's and the Algoma District's residents by providing an attractive venue for the sale and purchase of the Algoma District products.
- Offer a wide range of fresh and prepared foods.
- Be an economic stimulus for local business and community for Algoma producers and for Downtown businesses.
- Draw people into and around Downtown Sault Ste. Marie.

Target Market

It is expected that the Market will serve primarily residents of Sault Ste. Marie including residents in the Downtown and beyond into Algoma District. Although the Market will have mass consumer appeal, the primary market segment to be targeted is moderate- to upper-income families who desire a market experience. The renewed Market should work towards increasing visibility to drive-by traffic in and out of the Downtown, as well as to pedestrian traffic.

Downtown office workers will be drawn to the market for afternoon shopping opportunities on their way home from work if marketed effectively. Also, workers are most likely to return on Saturday if they know there are events happening at the Market.

Markets will have tourist appeal, but tourists are not a major source of business. The tourist appeal is in seeing local products of the Algoma District. Tourist purchases will be mainly in craft products, locally produced packaged foods, and prepared foods for immediate consumption.

Market Positioning

In terms of market positioning, the image of the Algoma Farmers' Market should suggest the following:

- The basic, traditional, grassroots, rural/agricultural appeal of farm grown, raised, or produced products.
- Freshness.
- An emphasis on education of use benefits and usage of local agriculture goods
- Interesting types of food of a specialty nature (e.g., ethnic such as Italian, organic, local sustainable species, native foods, wild foods such as fresh/smoked fish from Lake Superior, etc.).
- Seasonal products.
- A social, people-place where one goes to "see and be seen" in an entertaining setting.
- An opportunity to talk to and get to know real farmers/producers.

The marketing strategy is to:

- Be a leader in the region by offering a wide selection of fresh foods, specialty food items, and arts-and-craft items.
- Be top-of-mind in awareness as a venue for fresh foods, specialty food items, and arts-and-crafts, sold by farmers and producers.
- Be first class (not second rate) but also not too upscale.
- Communicate the concept through a very coordinated promotional and special events campaign.

The marketing objective is to create high awareness of the expanded Algoma Farmers' Market as a desirable place in which to shop. This will build shopper traffic, which will in turn generate the sales and revenues required by the individual Market vendors.

Guidelines

This section outlines the key components of a marketing plan and gives examples (rather than a finalized, formal plan). The plan itself should be developed in specific detail by a marketing committee set up for the Market.

Guidelines should be developed to set strict standards for the graphic, visual, and verbal elements of the Market's communication program, such as:

- Name - Urban Marketing Collaborative advocates keeping the name as the Algoma Farmers' Market rather than including the word Downtown;
- Branding ;
- Typeface and type system;
- Colours;
- Symbol/logo;
- Positioning statement or slogan;
- Music (if applicable);
- Adaptation of type and logo to stationery, signs, posters, banners, etc.;
- Extensions into other media (e.g., shopping bags, T-shirts, vendor aprons, etc.);
- Control (i.e., who will "sign-off" approvals).

Key Elements

The following are the key elements to be considered in the marketing plan for the Algoma Farmers' Market:

- General theme
- Visual theme
- Advertising media
- Publicity plan
- Special events
- Vendor communication and motivation
- Packaging
- Signage
- Research and audit
- Organization and responsibility
- Budget

Special events are a major component of the recommended marketing plan and are discussed in detail in the following section. Nevertheless, marketing communications include all media forms from which the public develops its perceptions of and attitudes toward the Market. Therefore, all physical and operational aspects of the Market must support the image that is being marketed through advertising and promotion. For example, colour schemes, signage, banners, types of vendors, etc. should be consistent with the desired image.

Special Events

The special event planning process needs to consider both the Grand Opening and the calendar of events in order to build shopper traffic.

Pre-Opening Plan

The pre-opening plan is designed to create a high level of awareness of the Market amongst all Sault Ste. Marie and Algoma District area residents. The focal point is the Grand Opening, where the objective is to create the largest possible base of sales from which to build future business. The pre-opening plan should take advantage of the many low-cost, valuable opportunities that can begin almost immediately.

Specific segments to reach are:

- Business and consumer press;
- Potential vendors;
- Priority consumers; and
- Community leaders (political and non-political).

Typically, extra money is allocated in the budget to be used in the pre-opening and opening activities.

Site Identification

Countdown signage should begin four to six months before the planned opening (e.g., "Four months till the re-opening of the Algoma Farmers' Market – a Sault Ste. Marie tradition").

Public Relations

Public relations initiatives:

- Distributing fact kits and giveaways to the media, business leaders, municipal leaders, community groups, and potential vendors.
- Getting involved in community projects (e.g., schools, recreation centres).
- Distributing brochures about the new Market to Sault Ste. Marie and area residents.
- Working social media angles including Facebook, Twitter, and You Tube to develop a following of loyal shoppers to market to – as noted there will be a core base of shoppers who come to the market on a regular basis. It is wiser to spend more targeted to this niche market rather than broad appeals.
- Distributing small shopping bags with giveaways, vouchers, etc. to pre-selected customers, just prior to opening.

Advertising

Advertising will include a full complement of:

- Site signage;
- An informative and attractive website;
- Social media;
- Yellow pages;
- Notices and publicity through Farmers' Market Ontario;
- Radio;
- Print (e.g., newspapers, special flyers, local magazines/newspapers, business directories);
- Hand-outs.

Vendor Leasing

In order to attract quality vendors, Algoma Farmers' Market should:

- Develop and distribute first-class brochures detailing the following:
 - Market demographics;
 - Unique components of the site;
 - Key illustrations that depict the Market as a special place.
- Send out news bulletins to potential vendors.
- Arrange special invitations for site tours.

Grand Openings

The following key elements must be addressed to ensure the successful opening of each phase of the project:

Timing

- It is important that the timing of the Grand Opening event coincide with a time that plenty of locally grown, fresh produce is available. Also, it is important to ensure that enough farmers are planning on planting crops for the upcoming season (a major concern, particularly with the extensive drought in the area).

Celebrity

- Employ the presence of someone, or several people, who would create a major draw (i.e., someone from the area to whom the target customer would relate); e.g., sports celebrity, singer, actor, and/or television personality.
- A special guest should be part of the grand opening ceremony. The mayor and council members, and/or local television personalities, are all possibilities, including a nationally or regionally known celebrity chef or cookbook author.

Music

- Music should be festive and uplifting and appropriate to image (e.g., a local band).

Contests

- Raffle for impressive grand prize (e.g., car, airline tickets, etc.).
- Pie eating or watermelon spitting contests for lesser prizes (e.g., shopping spree, sports tickets, and concert tickets).

Advertising

- Grand openings typically attract a large number of first-time farmers' market shoppers. Therefore, media ads and on-site information should inform as well as attract. Let people know what to expect prior to their arrival with respect to products and price. Tell them that the new Market is more than fruit and vegetables.

Press releases should be prepared and all local media invited to attend.

Giveaways

- Shopping bags
- Balloons
- Coupons

Vendor Support

- Vendor aprons
- Giveaways at vendor stalls (e.g., buttons)

Grand Opening Team

- Have a team with clearly defined roles and tasks to coordinate major aspects of the Grand Opening.

Ongoing Calendar of Events

In addition to the Grand Opening event, the marketing plan for the Sault Ste. Marie Algoma Farmers' Market should have ongoing elements. Added to the schedule of events, there should be:

- Announcements of new vendors as they come in;
- An internal newsletter for vendors to keep them informed of and involved in upcoming events (note that more organizations are moving to only on-line newsletters or just email blasts rather than printed newsletters);
- A tie-in to events elsewhere in the City and region.

The ongoing calendar of events should contain events with local appeal, both for local area neighbourhood residents and broader Algoma District residents, as well as for tourists. The market can reach out to the community by:

- Holding community events at the Market (e.g., Rotary);
- Letting community organizations promote their events at the Market;
- Sponsoring activities at the Market for community groups;
- Using events such as charity tie-ins and fundraisers (e.g., UNICEF at Hallowe'en receives the proceeds from the pumpkin carving contest [entry fees] and donation boxes in vendor stalls);
- Having seasonal agricultural themes.

The Algoma Farmers' Market should develop strong ties with the following groups:

- Downtown Association
- Schools (elementary and secondary)
- Library
- Art Gallery of Algoma
- Museums - Canadian Bushplane Heritage Centre, Museum Sault Ste. Marie
- Bon Soo
- Soo Youth, Passport to Unity, Indian Friendship Centre
- Culinary associations and organizations, including the Sault College Culinary and Hospitality Department
- Algoma University Fine Arts program
- Seed Exchange program
- Rotary Club and other similar organizations

These groups can provide valuable assistance or be partners in events at the Market.

Promotional events should focus on building traffic. They should be supported with posters or flyers handed out at the Market in the weeks before the event. Additionally, there should be press releases issued before all events, and media advertising before major events.

Other guidelines that events should follow are as follows:

- All events are done to first class standards or not at all; there will be fewer events, which will all be well done, rather than many mediocre ones.
- Funds spent are in relation to shopping potential (i.e., a large amount during harvest seasons; not much during January/February).
- Set measurable objectives for each event and modify or drop the event if the objective is not met.

No event should be isolated from other marketing elements. Whenever possible, the event and advertising will:

- Feature a theme that supports vendor sales and merchandise;
- Use more than one communication medium (e.g., print and/or radio, posters and/or sales contest and/or public relations, etc.);
- Include a community organization or charity;
- Add to shopping enjoyment, not detract from it by interfering with the Market shopping experience.

The following page contains a list of possible events that could be held at the new Market over the course of the calendar year.

Sault Ste. Marie Algoma Farmers' Market Feasibility Study and Business Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Occasions, holidays, local events	New Year's Day	Family Day	Easter (or April)	Easter (or March)	Mother's Day	Father's Day	Canada Day	Civic Holiday	Labour Day	Thanksgiving Day	Remembrance Day	Christmas
	Valentine's Day						Country festival			Halloween		
	Shrove Tuesday		St. Patrick's Day		Victoria Day				Back to School			New Year's
Marketing Theme	Diet and nutrition			Spring Festival		Children's Festival			Harvest Festival			
Cooking Demo	Low Calorie Themes	Office Worker On the Go!	New Recipes for Old World Standards	Spring Festival	Cooking for Kids	Cool Desserts	Barbecue Cook Off	Mexican Fiesta	Healthy Snappy Meals	Thanksgiving Cooking Demo	Multi-cultural Cooking Demo	Christmas Cooking Demo
			Flower Arranging Classes	Egg Decorating Contest and Face Painting	Egg Decorating Contest and Face Painting		Strawberry Festival	Blueberry Festival				
Special Events			Pancake Flipping/Eating Contest	Candy Making			Rhubarb Pie Rating Contest		Corn Eating Contest	Apple Pie Contest	Pumpkin Carving Contest	
						Mother's Day Sales (flowers and breakfast items free for mothers)						
Promotions	Heart Month - Low Cholesterol			Plant and Garden Sale		Fathers Day Ugly Tie Contest	Summer Barbecue Sale		Apples for the Teacher	Win a Turkey Contest		Christmas Sale (gift baskets)
Charity Tie-in	Culinary Lecture Series	Heart Fund	Rotary	Red Cross	MADD	Child Safety	Downtown Association	Food and Wine Festival	Blood Donor Clinic	LINK UP	Poppies/ Remembrance Day	

8.0 Conclusion

The redevelopment of the Algoma Farmers' Market will provide a needed boost to the Market's sustainability. It has been documented that the Market requires the organizational resources to create a valuable cultural asset for the City. There is a requirement for a stable, single location for the Algoma Farmers' Market to expand into a full-service asset for the region – a place that allows producers to showcase the best products of the region as well as a venue for social interaction and gathering.

Organization

Requires a part-time Market manager to oversee the development and progress of the Market as a professional business and cultural amenity for the City and the Algoma District.

Marketing

A commitment to advertise and promote the Market based on professional materials that will draw people to the Market. An appeal to local and regional residents as well as tourists based on an authentic Sault Ste. Marie market experience will be well received.

Vendor Recruitment

The number of vendors needs to be augmented to help draw customers including a full range of fruit and vegetable, meat, dairy, other protein, prepared foods, arts and crafts. There should be an aim to have approximately 50 to 60 vendors.

Site Redevelopment

The current site of the Algoma Farmers' Market is limited in size and scope and will continue to encounter programming conflicts with other events at the park. A permanent home in Downtown Sault Ste. Marie that will be an anchor for the site is required. This will allow for a single location for a four-season market that will offer the opportunity to grow the range of goods grown/produced in the Algoma District. It will also draw the community together to celebrate food and craft diversity in a fun, interactive, and learning environment.

Consolidated Financial Statements of

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

Year ended December 31, 2011

DRAFT

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Financial Statements

Year ended December 31, 2011

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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 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 Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the City's consolidated financial statements.

Chief Administrative Officer

Commissioner of Finance & Treasurer

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying 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, 2011, the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2011, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants
May 28, 2012
Sault Ste Marie, Canada

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Financial Position

Year ended December 31, 2011, with comparative figures for 2010

	2011	2010
Financial assets:		
Cash and cash equivalents	\$ 43,616,273	\$ 36,555,017
Taxes receivable	4,699,342	6,832,002
Accounts receivable	18,883,753	23,296,921
Other current assets	348,709	470,709
Investment in government business enterprises (note 5)	67,975,054	63,905,996
	<u>135,523,131</u>	<u>131,060,645</u>
Financial liabilities:		
Accounts payable and accrued liabilities	23,034,078	25,136,502
Temporary advances from trust funds	981,422	853,269
Employee future benefit obligations (note 11)	31,650,501	29,852,135
Deferred revenue (note 3)	2,377,607	2,824,253
Landfill closure and post closure liability (note 12)	16,631,552	14,376,905
Net long-term liabilities (note 4)	16,718,442	17,936,258
	<u>91,393,602</u>	<u>90,979,322</u>
Net financial assets	44,129,529	40,081,323
Non-financial assets:		
Tangible capital assets (note 13)	417,951,866	402,639,960
Prepaid expenses	1,194,841	695,227
Inventories	2,044,743	2,018,128
	<u>421,191,450</u>	<u>405,353,315</u>
Commitments (note 9)		
Contingent liabilities (note 10)		
Accumulated surplus (note 14)	\$ 465,320,979	\$ 445,434,638

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

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2011, with comparative figures for 2010

	Budget	2011	2010
	(unaudited)		
Revenue:			
Property taxation	\$ 94,609,224	\$ 95,609,707	\$ 90,343,766
Taxation from other governments	4,514,085	4,643,592	4,440,907
Fees and user charges	55,237,632	53,492,407	51,524,601
Government grants (note 15)	22,716,250	37,019,467	42,817,251
Investment income	5,654,507	5,028,441	5,492,957
Other	829,944	3,464,084	2,514,882
Gain on disposal of tangible capital assets	-	45,328	32,865
Government business enterprises operating results (note 5)	-	4,679,138	1,525,221
Total revenue	183,561,642	203,982,164	198,692,450
Expenses:			
General government	13,459,382	15,527,145	14,298,802
Protection services	37,755,989	39,333,714	37,522,145
Transportation services	33,223,693	33,117,768	33,100,014
Environmental services	20,779,624	24,127,221	19,670,512
Health services	7,608,500	7,560,626	7,626,613
Social and family services	25,311,573	24,934,041	28,350,681
Social housing	2,268,100	2,237,272	2,310,037
Planning and development	3,430,380	4,556,993	5,990,309
Recreation and cultural services	13,961,951	14,130,026	14,876,529
Contribution to new hospital construction	2,100,000	2,100,000	19,684,952
Amortization of tangible capital assets	-	16,471,017	15,332,665
Total expenses	159,899,192	184,095,823	198,763,259
Annual surplus (deficit)	23,662,451	19,886,341	(70,809)
Accumulated surplus, beginning of year	445,434,638	445,434,638	445,505,447
Accumulated surplus, end of year	\$ 469,097,089	\$ 465,320,979	\$ 445,434,638

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

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2011, with comparative figures for 2010

	Budget (unaudited)	2011	2010
Annual surplus (deficit)	\$ 23,662,451	\$ 19,886,341	\$ (70,809)
Acquisition of tangible capital assets	(17,680,520)	(31,809,145)	(31,369,097)
Amortization of tangible capital assets	-	16,471,017	15,332,665
Gain on sale of tangible capital assets	-	(45,328)	(32,865)
Proceeds on sale of tangible capital assets	-	71,550	250,799
	5,981,931	4,574,435	(15,889,307)
Change in prepaid expenses	-	(499,614)	(52,200)
Change in inventories	-	(26,615)	(41,661)
Change in net financial assets	5,981,931	4,048,206	(15,983,168)
Net financial assets, beginning of year	40,081,326	40,081,323	56,064,491
Net financial assets, end of year	\$ 46,063,257	\$ 44,129,529	\$ 40,081,323

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

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Consolidated Statement of Cash Flows

Year ended December 31, 2011, with comparative figures for 2010

	2011	2010
Cash provided by (used in):		
Operating Activities:		
Annual surplus (deficit)	\$ 19,886,341	\$ (70,809)
Items not involving cash:		
Amortization of tangible capital assets	16,471,017	15,332,665
Gain on sale of tangible capital assets	(45,328)	(32,865)
Developer contributions of tangible capital assets	(1,547,239)	(197,645)
Change in future employee benefit obligations	1,798,366	3,054,344
Change in landfill closure and post-closure liability	2,254,647	208,483
Government business enterprises operating results	(4,679,138)	(1,525,221)
Change in non-cash assets and liabilities:		
Taxes receivable	2,132,659	1,553,286
Accounts receivable	4,648,065	(978,400)
Prepaid expenses	(499,613)	(52,200)
Other current assets	122,000	129,500
Inventories	(26,616)	(41,661)
Accounts payable and accrued liabilities	(1,783,425)	3,429,729
Deferred revenue	(446,977)	55,133
Temporary advances from trust funds	128,153	625,187
Net change in cash from operating activities	38,412,912	21,489,526
Capital Activities:		
Proceeds on sale of tangible capital assets	71,550	250,800
Cash used to acquire tangible capital assets	(30,261,907)	(31,171,453)
Net change in cash from capital activities	(30,190,357)	(30,920,653)
Investing Activities:		
Dividends received from government business enterprises	610,080	610,080
Financing Activities:		
Proceeds from long-term liabilities	663,447	-
Repayment of long-term liabilities	(2,434,826)	(3,234,431)
Net change in cash from financing activities	(1,771,379)	(3,234,431)
Net change in cash	7,061,256	(12,055,478)
Cash and cash equivalents, beginning of year	36,555,017	48,610,495
Cash and cash equivalents, end of year	<u>\$ 43,616,273</u>	<u>\$ 36,555,017</u>

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

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

The City of Sault Ste. Marie (the "City") is a municipality that was created on January 1, 1950 pursuant to the City 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 of Sault Ste. Marie (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 Canadian Institute of Chartered Accountants. 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
- City of Sault Ste. Marie Public Utilities Commission
- Sault Ste. Marie Public Library

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. On December 31, 2010 PUC Inc. was restructured creating two separate companies: PUC Inc and PUC Services Inc. Previous to the restructuring, PUC Services Inc. was owned by PUC Inc. and thus included in the consolidated financial statements of PUC Inc. Under the modified equity basis, PUC Inc.'s and PUC Services Inc.'s accounting policies are not adjusted to conform with those of the municipality and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income or loss of PUC Inc. and PUC Services Inc. in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends that the City may receive from PUC Inc. and PUC Services Inc. will be reflected as reductions in the investment asset account.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

1. Summary of significant accounting policies (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 Health Unit
District of Sault Ste. Marie Social Services Administration Board
Board of Management of Queenstown
The Sault Ste. Marie Central Business District Improvement Area
Board of Management of City Centre Business Improvement Area
Sault Ste. Marie Public Region Conservation Authority

(iv) Trust funds:

Trust funds and their related operations administered by the City are not included in their 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) Government transfers:

Government transfers received relate to social services, child care, housing and health programs. Government transfers paid relate to social services programs. Transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(d) Temporary investments:

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

(e) Inventories:

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

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

1. Significant accounting policies (continued):

(f) Deferred revenue:

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

(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. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

1. Significant accounting policies (continued):

(h) Use of estimates:

The preparation of 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 revenues and expenditures during the reporting period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, landfill liability and in performing actuarial valuations of employee future benefits.

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

Actual results could differ from these estimates.

(i) Employee future benefits:

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

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

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

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

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

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

1. Significant accounting policies (continued):

(j) Landfill liability:

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

2. Tax revenues:

Property tax billings are prepared by the City based on an assessment roll prepared by the Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government. All assessed property values in the City were reviewed and new values established based on a common valuation date which was used by the City in computing the property tax bills for 2011. 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 a contingency reserve for tax appeals and other items in the amount of \$1,754,638 (2010 - \$2,004,638). Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined.

3. Deferred revenue:

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

	2011	2010
Development charges act	\$ 350,905	\$ 344,255
Provincial Gas Tax	22,763	9,929
Federal Gas Tax	-	563,606
Parkland	316,919	281,221
Building permits Bill 124	1,687,020	1,625,242
	<hr/> \$ 2,377,607	<hr/> \$ 2,824,253

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

3. Deferred revenue (continued):

Continuity of deferred revenue is as follows:

	2011	2010
Balance, beginning of year:		
Development charges act	\$ 344,255	\$ 340,208
Provincial Gas Tax	9,929	135,738
Federal Gas Tax	563,606	178,107
Parkland	281,221	233,627
Building permits Bill 124	1,625,242	1,881,440
	<u>2,824,253</u>	<u>2,769,120</u>
Other revenue	34,670	45,175
Interest earned	36,488	21,832
Total revenue	71,158	67,007
Contributions used	(517,804)	(11,874)
Balance, end of year	<u>\$ 2,377,607</u>	<u>\$ 2,824,253</u>

4. Net long-term liabilities:

	2011	2010			
Total long-term liabilities incurred by the City	\$ 16,718,442	\$ 17,936,258			
Principal payments due on net long-term liabilities for the next five fiscal years and thereafter are as follows:					
	2012 to 2016	2017 to 2021	2022 and thereafter	2011 Total	2010 Total
From general municipal revenues	\$8,690,555	\$6,698,332	\$1,123,145	\$16,718,442	\$17,936,258

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

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

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

4. Net long-term liabilities (continued):

The above long-term debt has various maturity dates and interest rates ranging from due on demand to 2021 and 0% to 8.07% respectively.

Interest paid in the year and included in current expenses is \$945,770 (2010 - \$1,051,500).

5. 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. 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 note payable to the City of \$6,720,000 is unsecured, bears interest at 8.5% per annum, and is payable one year after demand. The note payable to the City of \$25,000,000 is unsecured, bears interest at rates negotiated periodically, currently 6.1%, and is payable one year after demand.

The following schedule reflects the financial information of PUC Inc. and PUC Services Inc. for 2011, and the consolidated PUC Inc. for 2010.

	2011	2010
Financial Position:		
Current assets	\$ 41,913,467	\$ 33,144,831
Notes receivable	8,310,000	-
Future income tax assets	2,062,600	3,061,800
Capital assets	57,146,727	50,734,173
Regulatory assets	4,894,792	4,789,723
Total assets	\$ 114,327,586	\$ 91,730,527
Current liabilities	\$ 24,905,739	\$ 16,238,363
Employee future benefit obligations	1,501,284	1,302,203
Notes payable	46,122,003	36,720,000
Regulatory liabilities	5,543,506	5,283,965
Total liabilities	78,072,532	59,544,531
Shareholder's equity	36,255,054	32,185,996
Total liabilities and equity	\$ 114,327,586	\$ 91,730,527

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

5. Investment in government business enterprises (continued):

	2011	2010
Results of Operations:		
Revenues	\$ 91,886,525	\$ 78,362,493
Expenses	(88,255,557)	(76,649,472)
Gain on sale of assets	2,005,070	-
Provision for payment in lieu of taxes	(956,900)	(187,800)
Net income for the year	<u>\$ 4,679,138</u>	<u>\$ 1,525,221</u>
 The City's investment in government business enterprises is comprised of:		
Common shares	\$ 15,668,248	\$ 14,618,249
Special shares	15,513,300	14,620,000
Retained earnings	5,073,506	2,947,747
 Equity, end of year	36,255,054	32,185,996
Notes receivable	31,720,000	31,720,000
 Investment in government business enterprises	<u>\$ 67,975,054</u>	<u>\$ 63,905,996</u>

6. Pension agreements:

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

The amount contributed to OMERS for 2011 was \$5,386,606 (2010 - \$4,616,049) is included as an expense on the consolidated statement of financial activities.

7. Operations of school boards:

During 2011, the City collected and transferred property taxes totaling \$19,332,217 (2010 - \$19,250,458) on behalf of area school boards.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

8. Trust funds:

The trust funds administered by the City amounting to \$7,046,488 (2010 - \$6,863,450) are presented in a separate financial statement of trust fund balances and operations. As such balances are held in trust by the City for the benefit of others; they are not presented as part of the City's financial position or financial activities. At December 31, 2011, the trust fund balances are comprised of:

	2011	2010
Cemetery Care and Maintenance funds	\$ 4,665,443	\$ 4,522,057
Pre-need assurance	2,119,418	2,088,708
Transit employees pension	71,894	74,319
Historic Sites	95,919	74,912
Heritage Sault Ste. Marie	58,414	57,780
Ontario Home Renewal Program	25,400	32,822
Ontario Home Renewal Plan (Rental)	-	2,852
Cultural Endowment	10,000	10,000
	<hr/> \$ 7,046,488	<hr/> \$ 6,863,450

9. Commitments:

The City has committed to providing funding of \$29,500,000 for the new hospital in Sault Ste. Marie of which \$24,609,101 (2010 - \$22,509,101) has been contributed to date. \$22,509,101 was contributed up to March 31, 2010 and the remaining funding is provided in installments of \$2,100,000 with the first payment having been made in 2011 and the remainder until such time that the full commitment is advanced. Of the annual contribution, \$1,100,000 is to be levied upon the taxpayers of Sault Ste. Marie, while the other \$1,000,000 is derived from the City's share of Charity Casino revenues.

10. 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 financial statements. Should any loss result from these claims, such loss would be charged to operations in the year of resolution.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

11. 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, 2011:

	2011	2010
Future payments required to W.S.I.B.	\$ 13,325,860	\$ 12,517,461
Post employment and post retirement benefits	10,346,815	9,963,686
Vacation pay	7,475,494	6,925,788
Sick leave benefits	501,882	445,200
Employee future benefit obligations	\$ 31,650,501	\$ 29,852,135

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, 2011.

The benefit liability continuity is as follows:

	2011	2010
Accrued benefit liability, January 1	\$ 9,963,686	\$ 9,296,601
Expense	746,170	1,025,215
Payments	(363,041)	(358,130)
Accrued benefit liability, December 31	\$ 10,346,815	\$ 9,963,686

Significant assumptions

Discount rate	3.75%
Health cost increase	5.00%-7.00%

Accrued sick leave

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.

Accrued vacation pay

Accrued vacation pay represents the liability for vacation entitlements earned by employees but not taken as at December 31, 2011.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

11. Employee future benefit obligation (continued):

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

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

12. Landfill closure and post-closure liability:

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

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

The City operates one primary landfill site, the 5th Line Landfill. The site has capacity of approximately 3,000,000 metric tons with approximately 534,000 metric tons of remaining capacity. At current average fill rates, the site has a remaining operating life of approximately 8.9 years.

It is estimated that the total net present value of the cost to close and maintain the 5th Line Landfill site is approximately \$20,233,000 (2010 - \$17,580,000). The City has established a reserve to contribute to the cost of closing and maintaining the landfill site. At December 31, 2011, an amount of \$16,631,552 (2010 - \$14,376,905) with respect to landfill closure and post-closure liability has been accrued and will be funded from future taxation revenues.

The City will be undertaking a full Environmental Assessment of the landfill site to determine future options which may extend the operating life of the landfill.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

13. Tangible capital assets:

	2011							
	Land	Landfill and Improvements	Buildings and Building Improvements	Infrastructure	Machinery and Equipment	Vehicles	Assets under Construction	Total
Cost								
Balance, beginning of year	\$ 24,505,879	\$ 10,937,944	\$ 79,805,883	\$ 430,626,947	\$ 21,814,870	\$ 26,151,928	\$ 24,394,216	\$ 618,237,667
Additions	486,403	160,086	-	35,302,729	1,612,934	3,036,749	13,843,440	54,442,341
Disposals	(3,703)	-	-	(843,328)	(479,079)	(576,958)	(22,633,196)	(24,536,264)
Balance, end of year	24,988,579	11,098,030	79,805,883	465,086,348	22,948,725	28,611,719	15,604,460	648,143,744
Accumulated Amortization								
Balance, beginning of year	-	(4,036,248)	(24,982,230)	(163,008,893)	(9,579,154)	(13,991,182)	-	(215,597,707)
Disposals	-	-	-	850,261	480,204	546,381	-	1,876,846
Amortization Expense	-	(610,727)	(1,777,904)	(10,327,493)	(1,837,989)	(1,916,904)	-	(16,471,017)
Balance, end of year	-	(4,646,975)	(26,760,134)	(172,486,125)	(10,936,939)	(15,361,705)	-	(230,191,878)
Net Book Value, end of year	24,998,579	6,451,055	53,045,749	292,600,223	12,011,786	13,250,014	15,604,460	417,951,866
Net Book value, beginning of year	\$ 24,505,879	\$ 6,901,696	\$ 54,823,653	\$ 267,618,054	\$ 12,235,716	\$ 12,160,745	\$ 24,394,216	\$ 402,639,960

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

13. Tangible capital assets (continued):

	2010							
	Land	Landfill and Improvements	Buildings and Building Improvements	Infrastructure	Machinery and Equipment	Vehicles	Assets under Construction	Total
Cost								
Balance, beginning of year	\$ 24,185,437	\$ 8,226,410	\$ 78,927,189	\$ 412,931,905	\$ 20,604,976	\$ 22,697,987	\$ 23,017,645	\$ 590,591,549
Additions	342,600	2,711,534	977,113	19,682,660	1,796,466	4,482,154	15,187,536	45,180,063
Disposals	(22,158)	-	(98,419)	(1,987,618)	(586,572)	(1,028,213)	(13,810,965)	(17,533,945)
Balance, end of year	24,505,879	10,937,944	79,805,883	430,626,947	21,814,870	26,151,928	24,394,216	618,237,667
Accumulated Amortization								
Balance, beginning of year	-	(3,569,102)	(23,245,264)	(155,381,056)	(8,332,197)	(13,242,470)	-	(203,770,089)
Disposals		-	19,684	1,987,500	523,212	974,650	-	3,505,046
Amortization expense	-	(467,146)	(1,756,650)	(9,615,337)	(1,770,169)	(1,723,362)	-	(15,332,665)
Balance, end of year	-	(4,036,248)	(24,982,230)	(163,008,893)	(9,579,154)	(13,991,182)	-	(215,597,707)
Net book value, end of year	24,505,879	6,901,696	54,823,653	267,618,054	12,235,716	12,160,745	24,394,216	402,639,960
Net book value, beginning of year	\$ 24,185,437	\$ 4,657,308	\$ 55,681,925	\$ 257,550,849	\$ 12,272,779	\$ 9,455,517	\$ 23,017,645	\$ 386,821,460

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

13. Tangible capital assets (continued):

a) Assets under construction:

Assets under construction having a value of \$15,604,460 (2010 - \$24,394,216) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Contributed tangible capital assets:

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year was \$1,547,239 (2010 - \$197,645) comprised of water infrastructure, land and roads infrastructure.

c) Tangible capital assets disclosed at nominal values:

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

d) Works of art and historical treasures:

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

e) Write-down of tangible capital assets:

The write-down of tangible capital assets during the year was \$nil (2010 - \$nil).

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

14. Accumulated surplus:

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

	2011	2010
Surplus:		
Invested in tangible capital assets	\$ 417,951,866	\$ 402,639,960
Invested in government business enterprises	67,975,054	63,905,996
Other	18,759,553	14,572,412
Unfunded		
Net long-term liabilities	(16,718,442)	(17,936,258)
Landfill closure costs	(16,631,552)	(14,376,905)
Employee benefits	(31,650,501)	(29,852,135)
Total surplus	439,685,978	418,953,070
Reserves set aside for specific purpose by Council:		
Working capital	1,081,007	2,163,507
Acquisition of tangible capital assets	3,466,771	3,190,577
Planning and development	717,572	662,252
Parking facilities	3,614	3,614
Other programs	6,388,292	6,539,288
Waste disposal site	9,564,427	9,151,015
Total reserve	21,221,683	21,710,253
Reserve funds set aside for specific purpose by Council:		
Sewage plants	470,183	456,840
Cemetery development	1,257,397	1,260,571
Industrial land	44,259	43,781
Property purchases	936,815	941,569
Hospital development	1,530,603	1,884,580
Other programs	174,061	183,974
Total reserve funds	4,413,318	4,771,315
	<hr/> \$ 465,320,979	<hr/> \$ 445,434,638

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

15. Government transfers:

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 Statement of Operations are:

	2011	2010
Revenue:		
Provincial grants	\$ 26,560,917	\$ 33,043,828
Federal grants	10,458,550	9,773,423
Total revenues	<u>\$ 37,019,467</u>	<u>\$ 42,817,251</u>

16. Segmented information:

The City of Sault Ste. Marie 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 Chief Administrators' Office (CAO), Clerks Department, Legal Department, Human Resources Department and the Finance Department. Each of these departments provides program support to various other areas.

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.

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

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

16. Segmented information (continued):

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, purchasing and information technology.

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.

Police Services

The mandate of the Police Services is to ensure the safety of the lives and property of citizens; preserve the peace and good order; prevent crimes from occurring; detect offenders; and enforce the law.

Engineering and Planning

The Engineering and Planning Department provides diverse services. It manages urban development for business interests, environmental concerns, local neighborhoods and the downtown through city planning and community development. It ensures the quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-law for the protection of occupants. It facilitates economic development by providing services for the approval of all land development plans, the application of enforcement of zoning by-laws and the processing of building permit applications

Public Works and Transportation

The Public Works and Transportation Department is responsible for maintenance of municipal infrastructure, such as streets, sewers, transit, parks and cemeteries. 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.

Community Services

The Community Services Department provides public services in the area of recreation and culture. In addition it is responsible for the operations of the City-run Day Nurseries and Community Centres.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

16. Segmented information (continued):

Social Services

The Social Services Department provides administration support to the Sault Ste. Marie District Social Services Administration Board. This includes assisting in the development of client action plans designed to facilitate financial independence; providing employment resources to assist consumers in the transition to self-sufficiency; coordination of community child care services; administering and managing the Rent-Geared-to-Income Public Housing Portfolio and central administration and coordination for the Rent Supplement Program and the Non-Profit and Cooperative Housing Developments.

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THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

16. Segmented information (continued):

2011

	General Government	Fire Services	Police Services	Engineering and Planning	Public Works and Transportation	Community Services	Social Services	Government Business Enterprises	Total
Revenues:									
Taxation	\$ 17,014,166	\$ 9,982,591	\$ 19,006,233	\$ 6,294,764	\$ 26,751,169	\$ 7,732,048	\$ 13,472,328	\$ -	\$ 100,253,299
Fees and user charges	2,696,891	4,384,644	396,890	25,084,266	7,972,797	5,216,180	7,740,737	-	53,492,405
Government grants	3,397,693	1,940,753	4,178,061	14,942,787	6,090,598	3,225,068	3,244,507	-	37,019,467
Investment income	4,440,688	115,750	351,775	49,060	30,993	40,175	-	-	5,028,441
Other	158,500	13,791	266,235	2,759,283	135,030	131,245	-	-	3,464,084
Gain (loss) on disposal of capital assets	5,897	-	-	(43)	39,474	-	-	-	45,328
Government business enterprises	-	-	-	-	-	-	-	4,679,138	4,679,138
Total revenues	27,713,837	16,437,529	24,199,194	49,130,117	41,020,061	16,344,716	24,457,572	4,679,138	203,982,164
Expenses:									
Salaries, wages and employee benefits	6,361,807	15,749,867	21,153,599	7,447,761	24,017,349	8,700,043	7,371,475	-	90,801,901
Materials	1,955,836	1,495,634	1,669,521	7,826,276	14,084,422	2,701,854	505,093	-	30,238,636
Contracted services	-	261,071	949,795	8,371,657	3,688,970	1,814,257	148,606	-	15,234,356
Rents and financial	5,770,028	2,429	65,723	100,296	13,188	858,841	431,244	-	7,241,749
Grants to others	8,284	-	-	3,144,413	-	2,485,481	16,369,987	-	22,008,165
Contribution to new hospital	2,100,000	-	-	-	-	-	-	-	2,100,000
Amortization	588,511	391,688	522,171	11,144,989	2,133,723	1,574,646	115,284	-	16,471,013
Total expenses	16,784,471	17,900,689	24,360,809	38,035,391	43,937,652	18,135,122	24,941,687	-	184,095,823
Annual surplus (deficit)	\$ 10,929,366	\$ (1,463,160)	\$ (161,615)	\$ 11,094,726	\$ (2,917,591)	\$ (1,790,406)	\$ (484,117)	\$ 4,679,138	\$ 19,886,341

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

16. Segmented information (continued):

	2010										
	General Government	Fire Services	Police Services	Engineering and Planning	Public Works and Transportation	Community Services	Social Services	Government Business Enterprises	Total		
Revenues:											
Taxation	\$ 1,249,760	\$ 9,753,189	\$ 17,685,730	\$ 4,708,671	\$ 26,655,636	\$ 8,365,454	\$ 16,366,234	\$ -	\$ 94,784,674		
Fees and user charges	2,662,003	4,134,513	361,712	23,342,518	7,939,587	5,372,438	7,711,831	-	51,524,602		
Government grants	5,696,207	2,055,588	3,928,965	16,953,857	6,652,938	3,697,263	3,832,432	-	42,817,250		
Investment income	4,990,634	109,475	332,092	46,236	14,521	-	-	-	5,492,958		
Other	249,426	-	397,833	1,270,795	251,617	378,074	-	-	2,547,745		
Government business enterprises	-	-	-	-	-	-	-	1,525,221	1,525,221		
Total revenues	24,848,030	16,052,765	22,706,332	46,322,077	41,514,299	17,813,229	27,910,497	1,525,221	198,692,450		
Expenses:											
Salaries, wages and employee benefits	7,037,160	15,256,023	19,963,054	7,343,791	23,724,895	8,393,770	7,535,473	-	89,254,166		
Materials	3,019,374	949,498	1,875,761	7,834,973	13,396,735	3,683,802	401,178	-	31,161,321		
Contracted services	-	212,817	895,182	6,751,025	3,893,645	1,210,824	130,507	-	13,094,000		
Rents and financial	2,717,722	2,429	79,912	400,730	23,916	904,208	503,674	-	4,632,591		
Grants to others	35,484	-	-	3,134,108	-	2,588,982	19,844,989	-	25,603,563		
Contribution to new hospital	19,684,952	-	-	-	-	-	-	-	19,684,952		
Amortization	601,061	368,272	357,440	10,307,014	2,048,985	1,532,067	117,827	-	15,332,666		
Total expenses	33,095,753	16,789,039	23,171,349	35,771,641	43,088,176	18,313,653	28,533,648	-	198,763,259		
Annual surplus (deficit)	\$ (8,247,723)	\$ (736,274)	\$ (465,017)	\$ 10,550,436	\$ (1,573,877)	\$ (500,424)	\$ (623,151)	\$ 1,525,221	\$ (70,809)		

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Notes to Consolidated Financial Statements

Year ended December 31, 2011

17. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

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Financial Statements

**THE CORPORATION OF THE CITY OF
SAULT STE. MARIE – TRUST FUNDS**

Year ended December 31, 2011

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the trust funds of The Corporation of The City of Sault Ste. Marie (the "City"), which comprise the statement of financial position as at December 31, 2011 and the statement of continuity of the trust funds for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the trust funds of the City as at December 31, 2011, and the continuity of the trust funds for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants
May 28, 2012
Sault Ste Marie, Canada

The Corporation of the City of Sault Ste. Marie

Trust Funds

Statement of Financial Postion

December 31, 2011, with comparative figures for 2010

									2011	2010
	Care and Maintenance	Pre-need Assurance	Ontario Home Renewal Plan	Ontario Home Renewal Plan (Rental)	Historic Sites	Heritage SSM	Transit Employees Pension	Cultural Endowment	Total	Total
Assets										
Cash and investments	\$ 4,473,878	\$ 1,360,483	\$ 26,282	\$ -	\$ 39,886	\$ 58,414	\$ 71,894	\$ -	\$ 6,030,837	\$ 5,971,392
Receivable from other funds	191,565	758,935	-	-	56,033	-	-	10,000	1,016,533	888,398
Loans receivable (note 2)	-	-	34,522	-	-	-	-	-	34,522	39,111
	\$ 4,665,443	\$ 2,119,418	\$ 60,804	\$ -	\$ 95,919	\$ 58,414	\$ 71,894	\$ 10,000	\$ 7,081,892	\$ 6,898,901
Liabilities										
Payable to other funds	\$ -	\$ -	\$ 35,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,404	\$ 35,451
Fund Balance	4,665,443	2,119,418	25,400	-	95,919	58,414	71,894	10,000	7,046,488	6,863,450
	\$ 4,665,443	\$ 2,119,418	\$ 60,804	\$ -	\$ 95,919	\$ 58,414	\$ 71,894	\$ 10,000	\$ 7,081,892	\$ 6,898,901

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

December 31, 2011, with comparative figures for 2010

							2011		2010	
	Care and Maintenance	Pre-need Assurance	Ontario Home Renewal Plan	Ontario Home Renewal Plan (Rental)	Historic Sites	Heritage SSM	Transit Employees Pension	Cultural Endowment	Total	Total
Fund balance, beginning of the year	\$ 4,522,057	\$ 2,088,708	\$ 32,822	\$ 2,852	\$ 74,912	\$ 57,780	\$ 74,319	\$ 10,000	\$ 6,863,450	\$ 6,200,930
Revenue:										
Capital receipts	143,386	128,813	-	-	350	-	-	-	272,549	735,117
Contributions from revenue fund	-	-	-	-	20,226	-	-	-	20,226	27,491
Interest earned	51,420	14,767	318	-	431	634	-	-	67,570	63,519
	194,806	143,580	318	-	21,007	634	-	-	360,345	826,127
Expenditures:										
Contributions to revenue fund	51,420	112,870	267	-	-	-	-	-	164,557	150,365
Transfer to Province of Ontario	-	-	7,241	2,380	-	-	-	-	9,621	4,431
Administration charges	-	-	232	472	-	-	2,425	-	3,129	5,995
Distributions	-	-	-	-	-	-	-	-	-	2,816
	51,420	112,870	7,740	2,852	-	-	2,425	-	177,307	163,607
Fund balance, end of year	\$ 4,665,443	\$ 2,119,418	\$ 25,400	\$ -	\$ 95,919	\$ 58,414	\$ 71,894	\$ 10,000	\$ 7,046,488	\$ 6,863,450

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

The Corporation of the City of Sault Ste. Marie
Trust Funds
Notes to Financial Statements

Year ended December 31, 2011

1. Summary of Significant Accounting Policies:

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.

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, 2011 comprise repayable loans of \$9,537 (2010 - \$9,967) and deferred loans of \$24,985 (2010 - \$29,144). 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. Investments:

Total investments by the trust funds of \$3,219,624 (2010 - \$3,181,816) included in cash and investments on the Statement of Financial Position at cost, have a market value of \$3,446,000 (2010 - \$3,311,812).