



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

Monday, October 26, 2020

4:30 pm

Council Chambers
Civic Centre

	Pages
1. Adoption of Minutes	10 - 23
Mover Councillor R. Niro	
Seconder Councillor M. Shoemaker	
Resolved that the Minutes of the Regular Council Meeting of 2020 10 13 be approved.	
2. Questions and Information Arising Out of the Minutes and not Otherwise on the Agenda	
3. Declaration of Pecuniary Interest	
4. Approve Agenda as Presented	
Mover Councillor M. Bruni	
Seconder Councillor D. Hilsinger	
Resolved that the Agenda for 2020 10 26 City Council Meeting as presented be approved.	
5. Proclamations/Delegations	
5.1. Taoist Tai Chi Arts 50th Anniversary Day	
5.2. National Francophone Immigration Week	
5.3. Twin Pad Arena/McMeeken Centre	24 - 60
Franco Pastore, Principal Architect and Designer, IDEA Inc.	

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

Mover Councillor R. Niro

Seconder Councillor D. Hilsinger

Resolved that all the items listed under date 2020 10 26 – Agenda item 6 – Consent Agenda be approved as recommended.

6.1. CAO Evaluation Process

61 - 63

The report of the Chief Administrative Officer is attached for the consideration of Council

Mover Councillor R. Niro

Seconder Councillor M. Shoemaker

Resolved that the report of the Chief Administrative Officer dated 2020 10 26 concerning CAO Evaluation Process be accepted and the recommendation to adopt the CAO evaluation process developed by the Canadian Association of Municipal Administrators be approved.

6.2. Pandemic Financial Update

64 - 68

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

Mover Councillor M. Bruni

Seconder Councillor M. Shoemaker

Resolved that the report of the Chief Financial Officer and Treasurer dated 2020 10 26 concerning Pandemic Financial Update be received as information.

6.3. Third Quarter Financials

69 - 91

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

Mover Councillor R. Niro

Seconder Councillor D. Hilsinger

Resolved that the report of the Manager of Finance dated 2020 10 26 concerning Third Quarter Financial Report 2020: COVID-19 Financial Implications be received as information.

6.4. Property Tax Appeals

92 - 93

The report of the Manager of Taxation is attached for the consideration of Council.

Mover Councillor R. Niro

Seconder Councillor M. Shoemaker

Resolved that the report of the Manager of Taxation dated 2020 10 26 concerning Property Tax Appeals be received and that the tax records be amended pursuant to sections 354 and 357 of the *Municipal Act*.

6.5. Tender for Six (6) 40-Foot Low Floor Passenger Buses 94 - 96

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

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that the report of the Manager of Purchasing dated 2020 10 26 be received and that the tender for the supply and delivery of six (6) 40-Foot Low Floor Passenger Buses as required by the Transit and Parking Division, Community Development and Enterprise Services be awarded to New Flyer Industries Canada ULC at their tendered price of \$549,399 plus HST per unit.

6.6. Tender for Four (4) 35-Foot Low Floor Passenger Buses 97 - 99

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

Mover Councillor R. Niro

Seconder Councillor M. Shoemaker

Resolved that the report of the Manager of Purchasing dated 2020 10 26 be received and that the tender for the supply and delivery of Four (4) 35-Foot Low Floor Passenger Buses as required by the Transit and Parking Division, Community Development and Enterprise Services be awarded to New Flyer Industries Canada ULC at their tendered price of \$546,149 plus HST per unit.

6.7. Cultural Vitality Committee Terms of Reference 100 - 106

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

Mover Councillor M. Bruni

Seconder Councillor M. Shoemaker

Resolved that the report of the Manager of Recreation and Culture dated 2020 10 26 concerning Cultural Vitality Committee Terms of Reference be received and that Council establish a new Cultural Vitality Committee to replace the Cultural Advisory Board and new Terms of Reference.

6.8. Sault Ste. Marie Branded Products 107 - 110

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

Mover Councillor M. Bruni

Seconder Councillor M. Shoemaker

Resolved that the report of the Director of Community Services dated 2020 10 26 concerning Sault Ste. Marie Branded Projects be received and that the Ermatinger-Clergue National Historic Site be the primary location for sale of Sault Ste. Marie branded products and be a distributor to local tourist sites/retailers within the community.

6.9. Gore Street at Albert Street Traffic Safety Improvements 111 - 113

The report of the Manager Design and Transportation Engineering is attached for the consideration of Council.

Mover Councillor R. Niro

Seconder Councillor D. Hilsinger

Resolved that the report of the Manager of Design and Transportation Engineering dated 2020 10 26 be received and that the traffic by-law be amended to add a stop sign to the northbound approach on Gore Street at Albert Street and that the eastbound lanes on Albert Street between Andrew and Gore be reduced to one lane.

6.10. Rental Housing Incentive Program – 13 114 - 116

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

Mover Councillor R. Niro

Seconder Councillor D. Hilsinger

Resolved that the report of the Planning Director dated 2020 10 26 concerning the Rental Housing Incentive Program be received and that Council authorize a four-year incremental tax rebate program (75%, 75%, 50%, 25%) for the property at 462 McNabb Street, subject to:

1. That the municipal rebate applies only to the increase in assessment resulting from new construction, and
2. After the rebate program is completed the full municipal taxes will apply.

6.11. Snow Plough Turnaround Agreement – 58 Churchill Avenue 117 - 118

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

The relevant By-law 2020-199 is listed under item 11 of the Agenda and will be read with all by-laws under that item.

7. Reports of City Departments, Boards and Committees

7.1. Administration

- 7.2. Corporate Services**
- 7.3. Community Development and Enterprise Services**
- 7.3.1. Twin Pad Arena/McMeeken Centre**
 - The reports of the Deputy CAO, Community Development and Enterprise Services and the Chief Financial Officer and Treasurer are attached for the consideration of Council.
- 7.3.1.1. Twin Pad Arena Project Recommendation** 119 - 127
 - Mover Councillor M. Bruni
 - Seconder Councillor D. Hilsinger
 - Resolved that the report of the Deputy CAO, Community Development and Enterprise Services dated 2020 10 26 concerning Twin Pad Arena/McMeeken Centre Project be received and that staff be authorized to proceed with the development of a twin pad arena located at 616 Goulais Avenue;
 - Further, that staff begin the procurement process to obtain services to construct a twin pad arena and demolish the McMeeken Centre with a total project budget not to exceed \$28,800,000.
- 7.3.1.2. Twin Pad Arena/McMeeken Centre Replacement Long Term Debt Review** 128 - 131
 - Mover Councillor R. Niro
 - Seconder Councillor M. Shoemaker
 - Resolved that the report of the Chief Financial Officer and Treasurer dated 2020 10 26 concerning Long Term Debt Review for Twin Pad Arena / McMeeken Centre replacement be received as information.
- 7.4. Public Works and Engineering Services**
- 7.5. Fire Services**
- 7.6. Legal**
- 7.7. Planning**
- 7.7.1. James Street Neighbourhood Strategy** 132 - 215
 - The report of the Senior Planner and Junior Planner is attached for the consideration of Council.
 - Mover Councillor M. Bruni
 - Seconder Councillor D. Hilsinger
 - Resolved that the report of the Senior Planner and Junior Planner dated 2020

10 26 concerning the James Street Neighbourhood Strategy be received and that Council:

- Approve the James Street Neighbourhood Strategy 2021–2025 as attached;
- Direct staff to begin efforts on all action items recommended in the James Street Neighbourhood Strategy, including reaching out to community partners to pursue various neighbourhood improvements as indicated; and
- Direct staff to review and report annually on the progress of implementing the James Street Neighbourhood Strategy.

7.8. Boards and Committees

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

8.1. Walmart Laneway – Great Northern Road

Mover Councillor M. Shoemaker

Seconder Councillor L. Dufour

Whereas in February 2018 Council approved a rezoning for a new Pino's grocery store on Great Northern Road; and

Whereas as part of that rezoning approval, Council approved a traffic light to be installed at a to-be constructed entrance to Pino's adjacent to the Walmart laneway just north of Superior Home Bakery; and

Whereas businesses in the immediate vicinity of the proposed intersection were concerned about the ability of their clients and customers to get in and out of their premises; and

Whereas a potential solution to the access issue for those businesses would be for Walmart to grant them access to their laneway that will be controlled by a traffic signal; and

Whereas construction has begun on the installation of the traffic signals but agreements have not yet been reached between businesses that abut Walmart's laneway, and Walmart, for access to the Walmart laneway, and Walmart has been difficult to communicate with on the issue, ignoring various outreaches and correspondence;

Now Therefore Be It Resolved that Council direct that installation of traffic signals at the new intersection be paused until such time as agreements are reached or progress has been made on negotiations of such agreements between neighbouring businesses and Walmart for access to their laneway;

Further Be It Resolved that staff continue to make efforts to reach out to Walmart to facilitate the negotiations for said access, as they've been attempting to do for quite some time.

8.2. Downtown Security

Mover Councillor M. Shoemaker

Seconder Councillor R. Niro

Whereas the 2016 Downtown Strategy has a vision that includes seven vision pillars for an improved downtown, one of which is to create a “safe place”; and

Whereas businesses have recently expressed frustration at increased petty crime, which is on the rise across the city, but is acutely present downtown in the off-business hours when many buildings are unoccupied; and

Whereas to create a safe downtown, the City must invest in technology or resources to create the “safe place” our Downtown Strategy strives for;

Now Therefore Be It Resolved that staff be requested to investigate and report on options to create a “safe place” downtown, which option could include either surveillance in the downtown core or security patrols in the downtown core during non-core hours and determine if partnerships with downtown merchants or the Downtown Association can facilitate whichever option is recommended.

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

10. Adoption of Report of the Committee of the Whole

11. Consideration and Passing of By-laws

Mover Councillor R. Niro

Seconder Councillor M. Shoemaker

Resolved that all By-laws under item 11 of the Agenda under date 2020 10 26 be approved.

11.1. By-laws before Council to be passed which do not require more than a simple majority 216 - 291

11.1.1. By-law 2020-199 (Agreement) 58 Churchill Avenue Snow Plough Turnaround 292 - 294

A report from the City Solicitor is on the Agenda.

Mover Councillor R. Niro

Seconder Councillor M. Shoemaker

Resolved that By-law 2020-199 being a by-law to authorize the execution of the Agreement between the City and Paula Genua and Gino Genua to allow the City to continue to utilize a portion of 58 Churchill Avenue as a snow plough turnaround be passed in open Council this 26th day of October, 2020.

- 11.1.2. **By-law 2020-200 (Agreement) 4 Front End Wheel Loaders** 295 - 370
Council Report was passed by Council resolution on July 13, 2020.
Mover Councillor R. Niro
Seconder Councillor M. Shoemaker
Resolved that By-law 2020-200 being a by-law to authorize the execution of the Agreement between the City and Toromont Cat, a division of Toromont Industries Ltd. for the lease of four (4) Articulated Front End Wheel Loaders be passed in open Council this 26th day of October, 2020.
- 11.1.3. **By-law 2020-201 (Zoning) 312 Langdon Road (Maione)** 371 - 373
Council report was passed by Council resolution on October 13, 2020.
Mover Councillor R. Niro
Seconder Councillor M. Shoemaker
Resolved that By-law 2020-201 being a by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 312 Langdon Road (Maione) be passed in open Council this 26th day of October, 2020.
- 11.1.4. **By-law 2020-202 (Development Control) 312 Langdon Road (Maione)** 374 - 375
Council report was passed by Council resolution on October 13, 2020.
Mover Councillor R. Niro
Seconder Councillor M. Shoemaker
Resolved that By-law 2020-202 being a by-law to designate the lands located at 312 Langdon Road (Maione) an area of site plan control be passed in open Council this 26th day of October, 2020.
- 11.2. **By-laws before Council for FIRST and SECOND reading which do not require more than a simple majority**
- 11.3. **By-laws before Council for THIRD reading which do not require more than a simple majority**
12. **Questions By, New Business From, or Addresses by Members of Council Concerning Matters Not Otherwise on the Agenda**
13. **Closed Session**
Mover Councillor M. Bruni
Seconder Councillor M. Shoemaker
Resolved that this Council move into closed session to discuss one item subject to third party confidentiality.

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

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

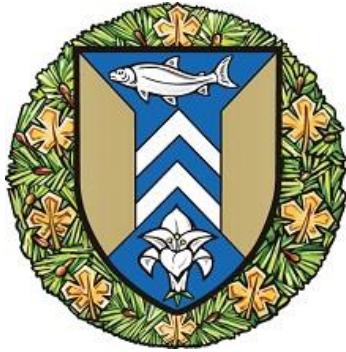
14.

Adjournment

Mover Councillor M. Bruni

Seconder Councillor D. Hilsinger

Resolved that this Council now adjourn.



REGULAR MEETING OF CITY COUNCIL MINUTES

Tuesday, October 13, 2020

4:30 pm

Council Chambers
Civic Centre
by videoconference

Present: Mayor C. Provenzano, Councillor P. Christian, Councillor L. Dufour, Councillor L. Vezeau-Allen, Councillor D. Hilsinger, Councillor M. Shoemaker, Councillor M. Bruni, Councillor C. Gardi, Councillor M. Scott

Absent: Councillor S. Hollingsworth, Councillor R. Niro

Officials: M. White, R. Tyczinski, L. Girardi, T. Vair, K. Fields, S. Schell, P. Johnson, D. Elliott, D. McConnell, B. Lamming, M. Zuppa, R. Clayton

1. Adoption of Minutes

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that the Minutes of the Regular Council Meeting of 2020 09 28 be approved.

Carried

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

3. Declaration of Pecuniary Interest

3.1 Councillor M. Shoemaker – Sewage Infrastructure Electrical Upgrades Contract Award

Successful contractor is a client of law firm.

3.2 Councillor M. Shoemaker – By-law 2020-149 (Agreement) Sewage Infrastructure Electrical Upgrades (2020-6E)

Successful contractor is a client of law firm.

3.3 Councillor M. Shoemaker – By-law 2020-192 (Property Surplus) 206 Cathcart Street

Purchaser is a client of law firm.

3.4 Councillor M. Shoemaker – By-law 2020-195 (Zoning) 1102 Fourth Line Extension W Holding Provision

Applicant is a client of law firm.

4. Approve Agenda as Presented

Moved by: Councillor M. Bruni

Seconded by: Councillor M. Shoemaker

Resolved that the Agenda for 2020 10 13 City Council Meeting as presented be approved.

Carried

5. Proclamations/Delegations

5.1 20th Annual Child Care Worker and Early Childhood Educator Appreciation Day

5.2 Rett Syndrome Awareness Month

5.3 Application A-12-20-Z 312 Langdon Road

Angelo Maione, Applicant was in attendance by telephone.

Leo Bertolo was in attendance by telephone.

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

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that all the items listed under date 2020 10 13 – Agenda item 6 – Consent Agenda save and except Agenda item 6.1 be approved as recommended.

Carried

6.2 Celebrate Canada Program Funding Application 2021

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

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that the report of the Manager of Recreation and Culture dated 2020 10 13 concerning Celebrate Canada Program funding application 2021 be received and that staff be authorized to apply to the Department of Canadian Heritage for the 2021 Celebrate Canada Program.

Carried

6.3 New Horizons Seniors Program Grant Application

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

Moved by: Councillor M. Bruni

Seconded by: Councillor M. Shoemaker

Resolved that the report of the Manager of Recreation and Culture dated 2020 10 13 concerning New Horizons Seniors Program grant application be received and that staff be authorized to apply to Employment and Social Development Canada for funding to support active healthy lifestyle programming.

Carried

6.4 Municipal Law Enforcement Officers

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

The relevant By-law 2020-191 is listed under item 11 of the Minutes.

6.5 Grader Repair

The report of the Deputy CAO, Public Works and Engineering Services was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that the report of the Deputy CAO, Public Works and Engineering Services dated 2020 10 13 concerning grader repairs be received and the repairs totalling \$111,816.13 (sole-sourced to Toromont CAT) be approved with funding from the Public Works Winter Control 2020 budget.

Carried

6.6 Landfill Operations and Monitoring 2019 – Environmental Monitoring Committee

The report of the Land Development and Environmental Engineer was received by Council.

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that the report of the Land Development and Environmental Engineer dated 2020 10 13 concerning annual operations and monitoring reports for the municipal landfill be received as information.

Carried

6.7 Sewage Infrastructure Electrical Upgrades Contract Award

Councillor M. Shoemaker declared a conflict on this item. (Successful contractor is a client of law firm.)

The report of the Land Development and Environmental Engineer was received by Council.

The relevant By-law 2020-149 is listed under item 11 of the Minutes.

6.8 Licence Agreement and Noise By-law Exemption – Remembrance Day Ceremony

The report of the City Solicitor was received by Council.

The relevant By-laws 2020-197 and 2020-198 are listed under item 11 of the Minutes.

6.1 Best for Kids Transit Pilot Update

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

Moved by: Councillor M. Bruni

Seconded by: Councillor M. Shoemaker

Resolved that the report of the Director of Community Services dated 2020 10 13 be received and that in order to collect more data the Best for Kids Transit program be extended for one year with the program to commence the last weekend in June 2021 to the day after Labour Day in September 2021 and report back to Council.

Amendment:

Moved by: Councillor M. Shoemaker

Seconded by: Councillor C. Gardi

Resolved that the words "and again commencing the last weekend of June 2022 to the day after Labour Day in September 2022" be added after the words "September 2021".

October 13, 2020 Council Minutes

	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro			X
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	9	0	2
			Carried

Motion as Amended:

Moved by: Councillor M. Bruni

Seconded by: Councillor M. Shoemaker

Resolved that the report of the Director of Community Services dated 2020 10 13 be received and that in order to collect more data the Best for Kids Transit program be extended for two years with the program to commence the last weekend in June 2021 to the day after Labour Day in September 2021 and again commencing the last weekend of June 2022 to the day after Labour Day in September 2022 and report back to Council.

	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		

Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro			X
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	9	0	2

Carried

7. Reports of City Departments, Boards and Committees

7.1 Administration

7.2 Corporate Services

7.3 Community Development and Enterprise Services

7.4 Public Works and Engineering Services

7.5 Fire Services

7.6 Legal

7.7 Planning

7.7.1 A-12-20-Z 312 Langdon Road (Maione)

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that the report of the Planner dated 2020 10 13 concerning Rezoning Application A-12-20-Z be received and that Council rezone the subject property from Single-Detached Residential Zone (R2) to Single-Detached Residential Zone (R2.S) with a special exception, subject to the following provisions:

1. Permit the existing triplex, in addition to the uses permitted in a Single-Detached Residential Zone (R2);
2. Reduce the rear yard setback (west) from 10 metres to 5 metres for the existing triplex only;
3. Permit the existing swimming pool, accessory buildings and structures to be located in an interior side yard;

4. Permit an existing shed to be located in the required front yard;
5. Permit an existing shed to be located within 0 metres of the main building, where 1 metre would otherwise be required;
6. Permit parking to be located in the required exterior side yard and in the required front yard;
7. That the property be deemed subject to site plan control pursuant to section 41 of the *Planning Act*

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

	For	Against	Absent	
Mayor C. Provenzano	X			
Councillor P. Christian	X			
Councillor S. Hollingsworth			X	
Councillor L. Dufour	X			
Councillor L. Vezeau-Allen	X			
Councillor D. Hilsinger	X			
Councillor M. Shoemaker	X			
Councillor M. Bruni	X			
Councillor R. Niro			X	
Councillor C. Gardi	X			
Councillor M. Scott	X			
Results	9	0	2	Carried

7.8 Boards and Committees

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

8.1 Blake Avenue

Moved by: Councillor M. Shoemaker

Seconded by: Councillor L. Dufour

October 13, 2020 Council Minutes

Whereas for many years businesses in Great Northern Road have been acquiring properties on Blake Avenue to widen their lots and provide access to their customers or visitors to an alternate exit onto a less congested street; and

Whereas neighbours on Blake Avenue have been concerned that if businesses from Great Northern Road gain access to Blake Avenue, it will cause safety concerns for pedestrians as Blake Avenue is a Class B road with ditches and without sidewalks; and

Whereas in 2019, when discussing the request of a local business owner that fronts on Great Northern Road for access onto Blake Avenue, Council rejected the request of the business owner, believing that providing access onto Blake Avenue would be better to do when Blake Avenue was upgraded to Class A services; and

Whereas Council has deferred the Sackville Road extension project and staff is currently undertaking a prioritization process for remaining deferred projects from the current Capital Transportation Plan;

Now Therefore Be It Resolved that staff bring forward a plan for the upgrade of Blake Avenue to Class A services to be considered in the Capital Transportation Plan.

	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	X		
Councillor M. Bruni	X		
Councillor R. Niro			X
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	9	0	2
			Carried

8.2 Walmart Laneway – Great Northern Road

Moved by: Councillor M. Shoemaker
Seconded by: Councillor D. Hilsinger

Whereas in February 2018 Council approved a rezoning for a new Pino's grocery store on Great Northern Road; and

Whereas as part of that rezoning approval, Council approved a traffic light to be installed at a to-be constructed entrance to Pino's adjacent to the Walmart laneway just north of Superior Home Bakery; and

Whereas businesses in the immediate vicinity of the proposed intersection were concerned about the ability of their clients and customers to get in and out of their premises; and

Whereas a potential solution to the access issue for those businesses would be for Walmart to grant them access to their laneway that will be controlled by a traffic signal; and

Whereas construction has begun on the installation of the traffic signals but agreements have not yet been reached between businesses that abut Walmart's laneway, and Walmart, for access to the Walmart laneway, and Walmart has been difficult to communicate with on the issue, ignoring various outreaches and correspondence;

Now Therefore Be It Resolved that Council direct that installation of traffic signals at the new intersection be paused until such time as agreements are reached or progress has been made on negotiations of such agreements between neighbouring businesses and Walmart for access to their laneway;

Further Be It Resolved that staff continue to make efforts to reach out to Walmart to facilitate the negotiations for said access, as they've been attempting to do for quite some time.

Postponed

- 9. Committee of the Whole for the Purpose of Such Matters as are Referred to it by the Council by Resolution**
- 10. Adoption of Report of the Committee of the Whole**
- 11. Consideration and Passing of By-laws**

Moved by: Councillor M. Bruni
Seconded by: Councillor D. Hilsinger

Resolved that all By-laws under item 11 of the Agenda under date 2020 10 13 save and except By-laws 2020-149, 2020-192 and 2020-195 be approved.

Carried.

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

11.1.2 By-law 2020-190 (Street Assumptions)

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-190 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 13th day of October, 2020.

Carried

11.1.3 By-law 2020-191 (Parking) Municipal Law Officers

Moved by: Councillor M. Bruni

Seconded by: Councillor C. Gardi

Resolved that By-law 2020-191 being a by-law to appoint by-law enforcement officers to enforce the by-laws of The Corporation of the City of Sault Ste. Marie be passed in open Council this 13th day of October, 2020.

Carried

11.1.5 By-law 2020-193 (Property Sale) 88 Goulais Avenue

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-193 being a by-law to authorize the sale of surplus property being civic 88 Goulais Avenue, legally described in PIN 31592-0211 (LT) to Carmen Muto Plumbing and Heating Inc. be passed in open Council this 13th day of October, 2020.

Carried

11.1.6 By-law 2020-194 (Zoning) 62 Sherbrook Drive (R&J Holdings Inc. c/o Ronald Champagne)

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-194 being a by-law to amend Sault Ste. Marie Zoning By-law 2005-150 concerning lands located at 62 Sherbrook Drive (R&J Holdings Inc. c/o Ronald Champagne) be passed in open Council this 13th day of October, 2020.

Carried

11.1.8 By-law 2020-196 (Traffic) Amend Traffic By-law 77-200

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-196 being a by-law to amend Schedule "F" and Schedule "H" of Traffic Bylaw 77-200 be passed in open Council this 13th day of October, 2020.

Carried

11.1.9 By-law 2020-197 (Regulations) Royal Canadian Legion Remembrance Day Agreement

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-197 being a by-law to authorize the execution of the Agreement between the City and her Majesty the Queen in Right of Canada, as represented by the Minister of National Defence for the purpose of a Remembrance Day Ceremony Gun Salute, in support of the annual Remembrance Day commemoration scheduled for November 11, 2020 be passed in open Council this 13th day of October, 2020.

Carried

11.1.10 By-law 2020-198 (Regulations) 49th Field Regiment Noise By-law Exemption

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-198 being a by-law to exempt Her Majesty the Queen in Right of Canada, as represented by the Minister of National Defence (49th Field Regiment), while using the Hub Trail Boardwalk, from By-law 2008-168 being a firearms by-law to prohibit the discharge of firearms in the municipality and from By-law 80-200 being a by-law respecting noises in the City of Sault Ste. Marie be passed in open Council this 13th day of October, 2020.

Carried

11.1.1 By-law 2020-149 (Agreement) Sewage Infrastructure Electrical Upgrades (2020-6E)

Councillor M. Shoemaker declared a conflict on this item. (Successful contractor is a client of law firm.)

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-149 being a by-law to authorize the execution of the Agreement between the City and S&T Electrical Contractors Limited for Sewage Infrastructure Electrical Upgrades (Contract 2020-6E) be passed in open Council this 13th day of October, 2020.

	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		
Councillor D. Hilsinger	X		
Councillor M. Shoemaker	conflict		
Councillor M. Bruni	X		
Councillor R. Niro			X
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	8	0	2
			Carried

11.1.4 By-law 2020-192 (Property Surplus) 206 Cathcart Street

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

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-192 being a by-law to declare the City owned property legally described as PIN 31575-0160 (LT) PT LT 159 PL 727 KORAH AS IN T436131; SAULT STE. MARIE being civic 206 Cathcart Street, as surplus to the City's needs and to authorize the disposition of the said property be passed in open Council this 13th day of October, 2020.

	For	Against	Absent
Mayor C. Provenzano	X		
Councillor P. Christian	X		
Councillor S. Hollingsworth			X
Councillor L. Dufour	X		
Councillor L. Vezeau-Allen	X		

Councillor D. Hilsinger	X		
Councillor M. Shoemaker	conflict		
Councillor M. Bruni	X		
Councillor R. Niro			X
Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	8	0	2

Carried

11.1.7 By-law 2020-195 (Zoning) 1102 Fourth Line Extension W Holding Provision

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

Moved by: Councillor M. Bruni

Seconded by: Councillor D. Hilsinger

Resolved that By-law 2020-195 being a by-law to remove the Holding (H) Provision from Zoning 2005-150 and 2005-151 for a part of the lands known municipally as 1102 Fourth Line West (Avery Construction c/o Amanda Williams) be passed in open Council this 13th day of October, 2020.

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

October 13, 2020 Council Minutes

Councillor C. Gardi	X		
Councillor M. Scott	X		
Results	8	0	2

Carried

- 11.2 By-laws before Council for FIRST and SECOND reading which do not require more than a simple majority**
- 11.3 By-laws before Council for THIRD reading which do not require more than a simple majority**
- 12. Questions By, New Business From, or Addresses by Members of Council Concerning Matters Not Otherwise on the Agenda**
- 13. Closed Session**
- 14. Adjournment**

Moved by: Councillor M. Bruni

Seconded by: Councillor M. Shoemaker

Resolved that this Council now adjourn.

Carried

Mayor

City Clerk



NCC TWIN PAD EXPANSION



City Council - October 26, 2020

Purpose of this Presentation

Provide Update

- Project Scope
- Project Design
- Project Costs

Identify “go forward” strategies / options



Process and Participants

Schematic Design +Design Development +
Construction Documents are now **complete**

Shaping the Project

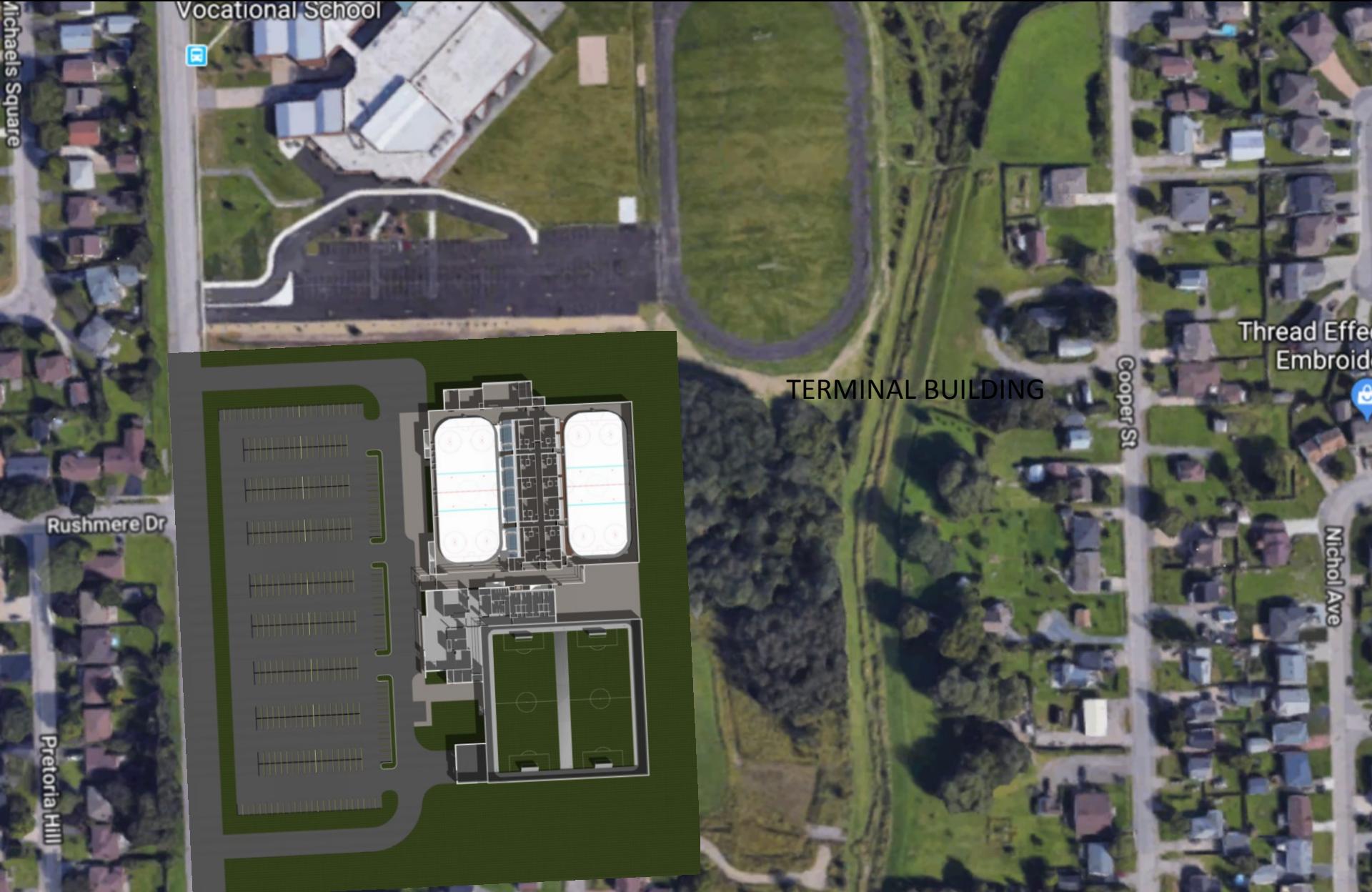
Input received by project Stakeholders

- Project Steering Committee
- SSM Accessibility Advisory Committee
- Soo Greyhounds
- Sault Thunderbirds
- Sault Ringette Association
- Sault Women's Hockey League
- Sault Female Hockey Association (SFHA)
- Lake Superior Figure Skating Club (LSFSC)
- Sault Major Hockey Association (SMHA)
- Soo Pee Wee Hockey League (SPWHL)

Project Scope

Space Program = 85,000 SF

- 2 NHL Size Ice Pads (85' x 200')
- 10 accessible player changerooms (2 with enhanced accessibility)
- 2 accessible referee changerooms
- 750 Spectator seating ice pad 1
- 300 Spectator seating ice pad 2
- Community meeting rooms and gathering areas
- Elevated barrier free lobby for viewing into rinks
- Standing / seating areas for viewing to both rinks
- Concession (Food and Beverage)
- Public Washrooms, Universal Washrooms
- Ice Plant (refrigeration equipment / ice resurface room)
- Skate Sharpening / Pro Shop
- Ticket office
- Storage
- Walking Track – separate price option



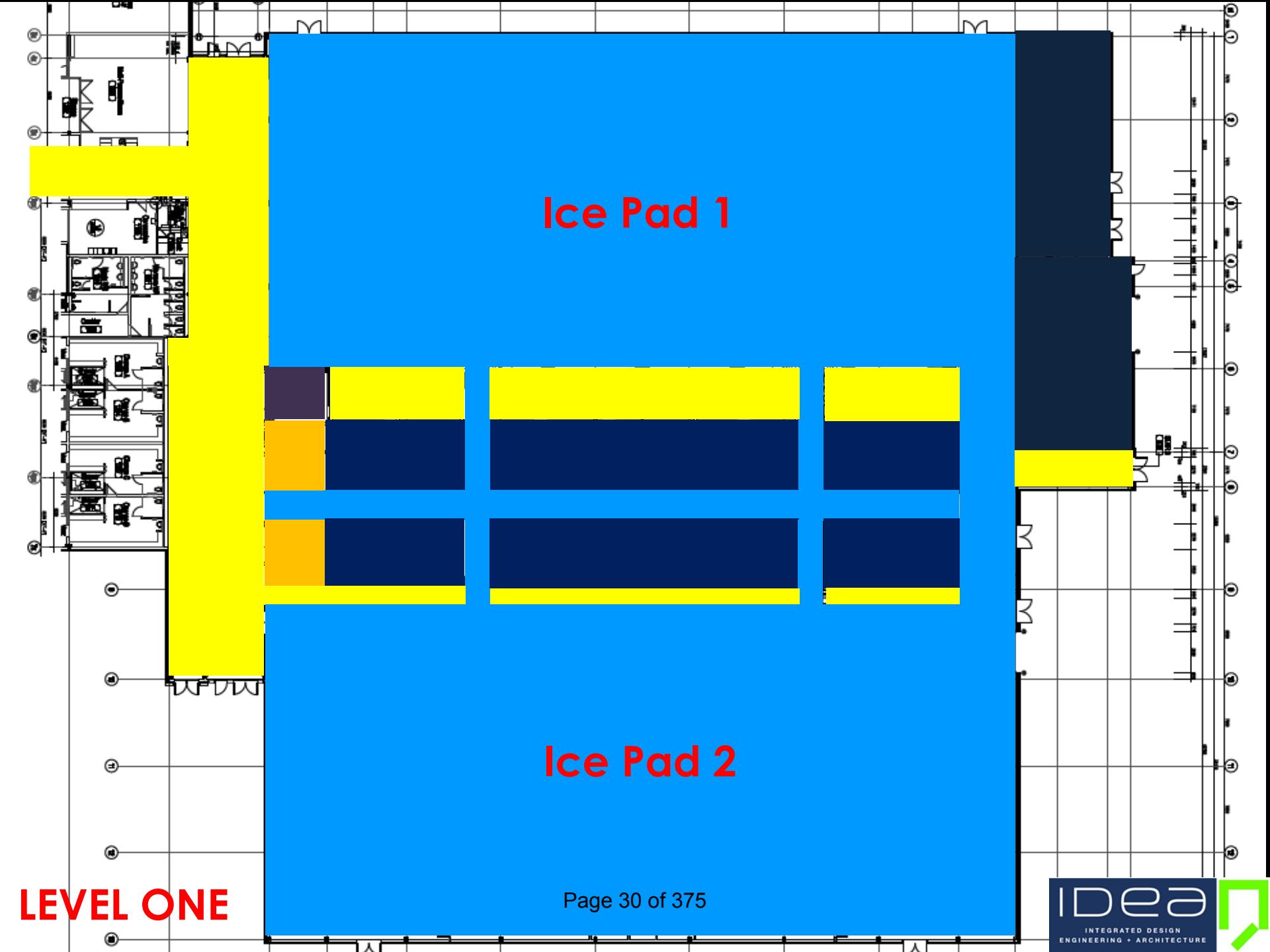
CONTEXT



BEFORE



AFTER

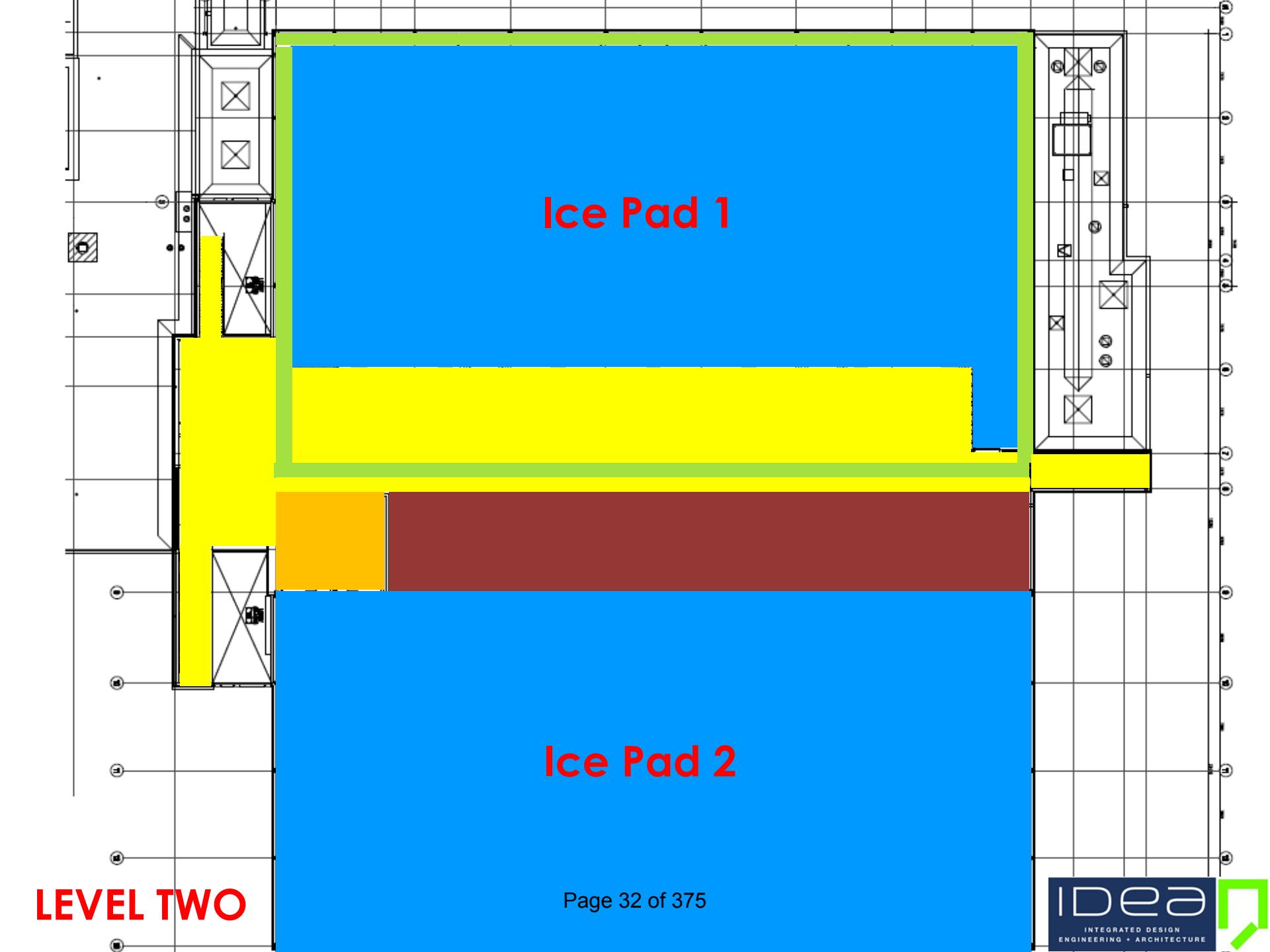


Ice Pad 1

Ice Pad 2

LEVEL ONE



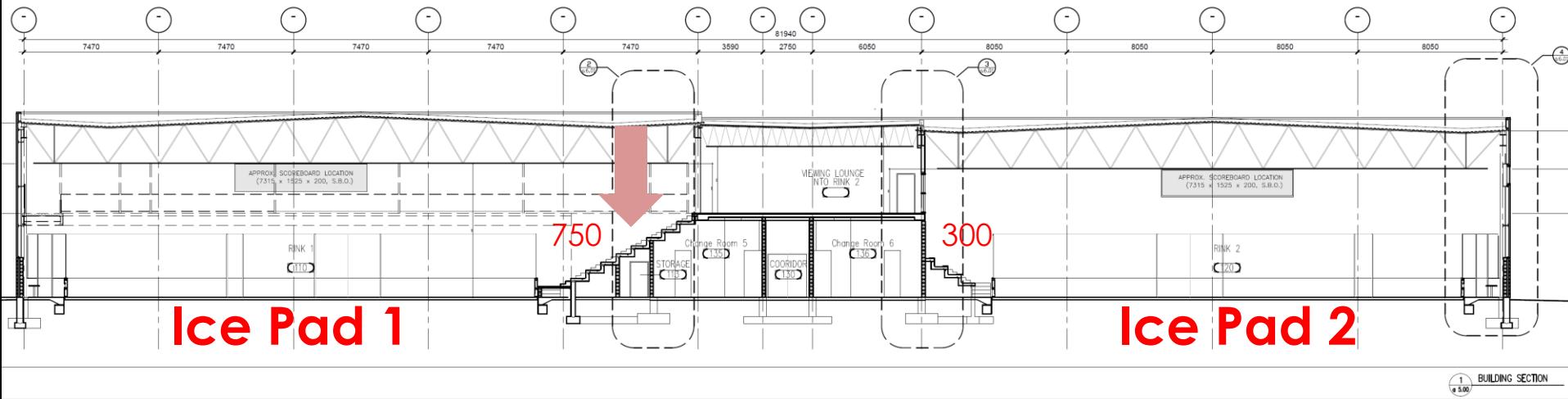


Ice Pad 1

Ice Pad 2

LEVEL TWO





Building Section



NEW TWIN PAD EXPANSION

EXISTING NCC









Class B Cost Estimate

50% Construction Documents package submitted to Hanscomb Consultants for a “**Class B**” estimate in May 2020

Class B estimates are considered to be within 10 to 15% accuracy

COST ESTIMATE CLASSIFICATION SYSTEM				
AACE	Class 5	Class 4	Class 3	Class 1
DND			Indicative	
RAIC	OME	Sketch Design	Design Develop	Tender Documents
GOC	OME	D	C	A
Design Documentation % Complete		12.5%	25.0%	100.0%
Cost Estimate Accuracy (+/-%)	+/- 30%	+/- 20-30%	+/- 15-20%	+/- 5-10%

Legend

- AACE Association for the Advancement of Cost Engineering
DND Department of National Defence
GOC Government of Canada
RAIC Royal Architectural Institute of Canada
OME Order of Magnitude Estimate

50%
Construction
Documents
Cost Estimate

Walking Track SPO
 \$1 million additional

NCC Twin Pad Expansion

Value Management Options

		Option 1 - Full Project
Construction Costs		
Net Construction Cost		\$20,957,800
	subtotal	\$20,957,800
General Requirements	7%	\$1,467,046
Fee	3%	\$672,745
	subtotal	\$23,097,591
Pricing Contingency	3%	\$692,928
Escalation Allowance	0%	\$0
	subtotal	\$23,790,519
Construction Contingency	5%	\$1,189,526
Building Permit		\$249,800
HST Tax Liability	0.00%	\$0
Construction Cost Subtotal		\$25,230,000
Ancillary Costs		
Architect and Engineering Design Fees	5.33%	\$1,344,759
Other Professional Fees		\$0
Disbursements (Printing, Adv, etc)		\$25,000
FF&E - Supplied by Owner, Installed by Owner		\$500,000
Ancillary Cost Sub-Total		\$1,870,000
Demolition of McMeeken Arena		
DSS for McMeeken Demo		\$4,045
McMeeken Abaitment		\$250,000
McMeeken Demo		\$775,500
Demo Prof. Fee's		\$54,659
Demo Tax Liability		\$0
Demolition Cost Sub-Total		\$1,084,000
Total Project Cost		\$28,200,000
Page 40 of 575		
Projected Savings		

“Go Forward Strategies”

Anticipated ICIP funding application was denied

Options available to City at this time:

1. Proceed with full project
2. Proceed with partial project – defer Ice Pad 2
3. Proceed with a reduced project - single pad
4. Proceed with partial project – defer Community Rooms
5. Do not proceed at this time – wait for future funding

Ice Pad 1

**OPTION 2
LEVEL ONE**

Defer Ice Pad 2
Page 42 of 375

Ice Pad 1

**OPTION 2
LEVEL TWO**

Defer Ice Pad 2
Page 43 of 375

Cost Estimate for Option 2

Defer Ice Pad 2

Walking Track SPO
\$1 million additional

NCC Twin Pad Expansion

Value Management Options

		Option 2 - Defer 1 Rink
Construction Costs		
Net Construction Cost		\$16,817,300
	subtotal	\$16,817,300
General Requirements	7%	\$1,177,211
Fee	3%	\$539,835
	subtotal	\$18,534,346
Pricing Contingency	3%	\$556,030
Escalation Allowance	0%	\$0
	subtotal	\$19,090,377
Construction Contingency	5%	\$954,519
Building Permit		\$200,449
HST Tax Liability - Rate 1.76%	1.76%	\$0
Construction Cost Subtotal		\$20,245,000
Ancillary Costs		
Architect and Engineering Design Fees	5.33%	\$1,344,759
Other Professional Fees		\$79,710
Disbursements (Printing, Adv, etc)		\$25,000
FF&E - Supplied by Owner, Installed by Owner		\$500,000
Ancillary Cost Sub-Total		\$1,949,000
Demolition of McMeeken Arena		
DSS for McMeeken Demo		\$4,045
McMeeken Abaitment		\$250,000
McMeeken Demo		\$775,500
Demo Prof. Fee's		\$54,659
Demo Tax Liability		\$0
Demolition Cost Sub-Total		\$1,084,000
Total Project Cost		\$23,300,000
Page 44 of 575		
Projected Savings		\$4,900,000



Reduce
refrigeration
plant

Ice Pad 1

Delete Ice Pad 2 and associated changerooms

OPTION 3
LEVEL ONE



Ice Pad 1

~~Delete Ice Pad 2 and associated
Community Rooms and refrigeration
plant~~

OPTION 3
LEVEL TWO

Cost Estimate for Option 3

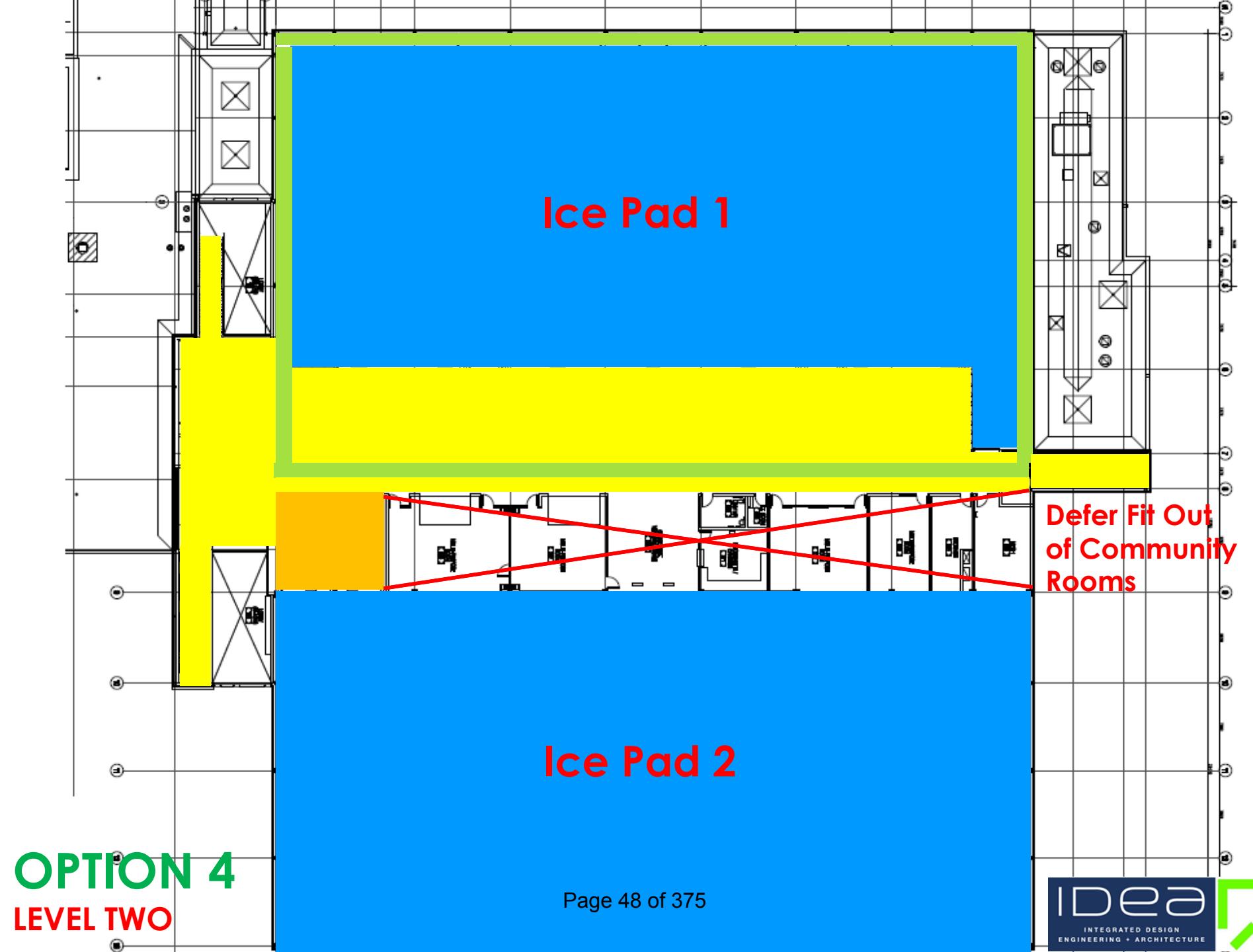
Delete Ice Pad 2

Walking Track SPO
\$1 million additional

NCC Twin Pad Expansion

Value Management Options

	Option 3 - Delete 1 Rink
Construction Costs	
Net Construction Cost	\$14,666,700
subtotal	\$14,666,700
General Requirements	7%
Fee	3%
subtotal	\$16,164,170
Pricing Contingency	3%
Escalation Allowance	0%
subtotal	\$16,649,095
Construction Contingency	5%
Building Permit	\$174,815
HST Tax Liability - Rate 1.76%	1.76%
	\$0
Construction Cost Subtotal	\$17,656,000
Ancillary Costs	
Architect and Engineering Design Fees	5.33%
Other Professional Fees	
Disbursements (Printing, Adv, etc)	
FF&E - Supplied by Owner, Installed by Owner	
Ancillary Cost Sub-Total	\$2,072,000
Demolition of McMeeken Arena	
DSS for McMeeken Demo	\$4,045
McMeeken Abaitment	\$250,000
McMeeken Demo	\$775,500
Demo Prof. Fee's	\$54,659
Demo Tax Liability	\$0
Demolition Cost Sub-Total	\$1,084,000
Total Project Cost	\$20,800,000
Page 47 of 575	
Projected Savings	\$7,400,000



OPTION 4
LEVEL TWO

Cost Estimate for Option 4

Defer Community Rooms

Walking Track SPO
\$1 million additional

NCC Twin Pad Expansion

Value Management Options

		Option 4 - Defer Level 2 Fit-up
Construction Costs		
Net Construction Cost		\$20,744,700
	subtotal	\$20,744,700
General Requirements	7%	\$1,452,129
Fee	3%	\$665,905
	subtotal	\$22,862,734
Pricing Contingency	3%	\$685,882
Escalation Allowance	0%	\$0
	subtotal	\$23,548,616
Construction Contingency	5%	\$1,177,431
Building Permit		\$247,260
HST Tax Liability - Rate 1.76%	1.76%	\$0
Construction Cost Subtotal		\$24,973,000
Ancillary Costs		
Architect and Engineering Design Fees	5.33%	\$1,344,759
Other Professional Fees		\$4,109
Disbursements (Printing, Adv, etc)		\$25,000
FF&E - Supplied by Owner, Installed by Owner		\$500,000
Ancillary Cost Sub-Total		\$1,874,000
Demolition of McMeeken Arena		
DSS for McMeeken Demo		\$4,045
McMeeken Abaitment		\$250,000
McMeeken Demo		\$775,500
Demo Prof. Fee's		\$54,659
Demo Tax Liability		\$0
Demolition Cost Sub-Total		\$1,084,000
Total Project Cost		\$27,900,000
Page 49 of 575		
Projected Savings		\$300,000

Cost Estimates - Options Analysis

NCC Twin Pad Expansion

Value Management Options

	Option 1 - Full Project	Option 2 - Defer 1 Rink	Option 3 - Delete 1 Rink	Option 4 - Defer Level 2 Fit-up
Construction Costs				
Net Construction Cost	\$20,957,800	\$16,817,300	\$14,666,700	\$20,744,700
subtotal	\$20,957,800	\$16,817,300	\$14,666,700	\$20,744,700
General Requirements	7%	\$1,467,046	\$1,177,211	\$1,026,669
Fee	3%	\$672,745	\$539,835	\$470,801
subtotal	\$23,097,591	\$18,534,346	\$16,164,170	\$22,862,734
Pricing Contingency	3%	\$692,928	\$556,030	\$484,925
Escalation Allowance	0%	\$0	\$0	\$0
subtotal	\$23,790,519	\$19,090,377	\$16,649,095	\$23,548,616
Construction Contingency	5%	\$1,189,526	\$954,519	\$832,455
Building Permit		\$249,800	\$200,449	\$174,815
HST Tax Liability	0.00%	\$0	\$0	\$0
Construction Cost Subtotal	\$25,230,000	\$20,245,000	\$17,656,000	\$24,973,000
Ancillary Costs				
Architect and Engineering Design Fees	5.33%	\$1,344,759	\$1,344,759	\$1,344,759
Other Professional Fees		\$0	\$79,710	\$201,847
Disbursements (Printing, Adv, etc)		\$25,000	\$25,000	\$25,000
FF&E - Supplied by Owner, Installed by Owner		\$500,000	\$500,000	\$500,000
Ancillary Cost Sub-Total	\$1,870,000	\$1,949,000	\$2,072,000	\$1,874,000
Demolition of McMeeken Arena				
DSS for McMeeken Demo		\$4,045	\$4,045	\$4,045
McMeeken Abaitment		\$250,000	\$250,000	\$250,000
McMeeken Demo		\$775,500	\$775,500	\$775,500
Demo Prof. Fee's		\$54,659	\$54,659	\$54,659
Demo Tax Liability		\$0	\$0	\$0
Demolition Cost Sub-Total	\$1,084,000	\$1,084,000	\$1,084,000	\$1,084,000
Total Project Cost	\$28,200,000	\$23,300,000	\$20,800,000	\$27,900,000
Projected Savings		\$4,900,000	\$7,400,000	\$300,000

Timelines

With City Council approval the project would:

- **Option 1** – Tender (6 weeks), Construction (14 to 16 months)
- **Option 2** – Revise drawings (4 weeks), Tender (6 weeks), Construction (12 to 14 months)
- **Option 3** – Revise drawings (2 months), Tender (6 weeks), Construction (12 to 14 months)
- **Option 4** – Revise drawings (2 weeks), Tender (8 weeks), Construction (14 to 16 months)



Debt Summary

- Interest rate available to City 2.14%
- Amortization period 25 years
- Debt retiring from GFL Memorial Gardens (2022) and John Rhodes (2020) frees \$1.6M in debt servicing in 2022



Options Analysis

- Option 1 – Twin Pad - \$28.2M - \$1.46M annual debt servicing
- Option 2 – Single Pad and defer - \$23.3M - \$1.21M annual debt servicing (\$255,124 difference from twin pad)
- Option 3 – Single Pad only - \$20.8M - \$1.07M annual debt servicing
- Option 4 – Can be applied to any project as a cost savings of \$300,000



Options Analysis (cont'd)

- For all options:
 - No impact to the levy – considerations for future project needs to be factored and the CFO will outline to Council
 - No increase anticipated to operations budget due to transfer of McMeeken budget and increased costs offset by increased revenue



Options Analysis (cont'd)

- Cost differential between options is not substantial given total project cost
- Interest rates are currently very low
- Demand was clearly documented in third party ice time utilization report



Options Analysis (cont'd)

- No funding programs have been found to support at this time – however, this will be monitored
- Condition of McMeeken Arena requires action if we want to continue to provide reasonable service levels – the do nothing option is not cost-free as a minimum of \$3M is required in coming years
- If we delay the second pad, the cost to build at a future date will be higher

Recommendation

- Given the analysis, the recommendation from the Twin Pad Arena Committee is to proceed with Option 1 - Full Twin Pad Project utilizing debt financing to fund project.



Timeline

- Tender (6 weeks)
 - November 2020 – January 2021
- Construction (14 to 16 months)
 - May 2021 – September 2022
- Demolition
 - May 2022 – August 2022

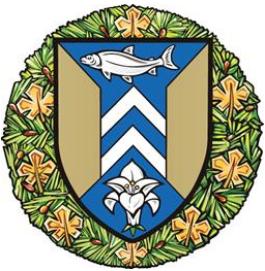
*McMeeken Arena will be required to operate in the 2020/21 and 2021/22 seasons.



Summary

- Recognized that the Twin Pad project is a significant investment on the part of the City of Sault Ste. Marie
- Staff and the Twin Pad Committee weighed the different options and concluded that there is a unique opportunity to proceed at this time:
 - Debt-servicing costs for the twin pad project will be below the retiring debt servicing costs and result in no impact to the levy
 - Interest rates at 2.14%
- Project will also generate construction jobs in the near term and help the community to attract tournaments in the future
- The demand for ice time has been clearly documented and exists with all current community arenas in operation
- This is an exciting project what will serve the community well in the future





The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Malcolm White, CAO
DEPARTMENT: Chief Administrative Officer
RE: CAO Evaluation Process

PURPOSE

To seek Council approval to adopt a new process for evaluating the position of Chief Administrative Officer

BACKGROUND

The performance current evaluation process for non-union staff, including the CAO position has been in place since approximately 2004. The process has been used to evaluate the CAO position since 2006, although not always on an annual basis. The process is now dated, particularly in the area of linking key activities to the strategic plan, assessment criteria and alignment with evaluating a municipal public sector role.

ANALYSIS

A review has been conducted to assess a number of evaluation processes, both private and public sector, as well as canvassing other Ontario municipalities for their practices. There is a significant variance in approaches and processes for amongst municipalities. Among Northern Ontario cities the process recommended below is also used by the City of Greater Sudbury.

The recommended process (summary attached) has been developed by the Canadian Association of Municipal Administrators (CAMA) specifically for the role of municipal CAO. The complete process and guidance documents can be found at <http://www.camacam.ca/about/resources/cao-performance>. The process benefits from being designed to evaluate all aspects of the CAO role, including a review of position by-law(s) and policies associated with the position. The evaluation criteria are more aligned to municipal administration core competencies and the development of goals align well with the municipal strategic planning process.

Should Council approve the adoption of this process the evaluation would proceed immediately and be concluded by the end of the year with goal development completed in January. In future years the process would operate

on a similar timeline which aligns with our fiscal year and other reporting milestones.

FINANCIAL IMPLICATIONS

There is no financial impact associated with the adoption of a new CAO evaluation process.

STRATEGIC PLAN / POLICY IMPACT

Adoption of this new evaluation process will strengthen the link and relationship between the focus areas and activities of the corporate Strategic Plan and the priority activities of the CAO position.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Chief Administrative Officer dated 2020 10 26 concerning CAO Evaluation Process be accepted and the recommendation to adopt the CAO evaluation process developed by the Canadian Association of Municipal Administrators be approved.

Respectfully submitted,



Malcolm White
CAO
705.759.5347
cao.white@cityssm.on.ca

CAO Performance Evaluation Toolkit

A Free Resource Benefiting Canadian Municipalities.



The Canadian Association of Municipal Administrators (CAMA) has introduced a three-step CAO Performance Evaluation Toolkit that will benefit municipalities across the country.

Developed and piloted over a two-year period, the toolkit will enhance the CAO / Council relationship and help local elected officials achieve their strategic goals and objectives. It is available for free to member and non-member municipalities.



An effective working partnership between Council and its CAO can be one of the most critical prerequisites for municipal success.

Local elected officials rely on their CAO to be the link between them and municipal operations; to implement the municipality's policies and programs; and, to help them achieve their strategic goals and objectives.

That said, in a survey conducted by CAMA in 2014, while a majority of elected officials and CAOs indicated they participated in a performance evaluation process, far less reported they felt prepared for the process or that the outcomes were tied to actual results. Overwhelmingly, both parties identified the need for a performance evaluation system benefiting each.

As a result, CAMA developed the three-step CAO Performance Evaluation Toolkit.



The toolkit was prepared using surveys and best practice research, with input and support from CAMA members, the Federation of Canadian Municipalities (FCM), public sector / human resource experts, and the International City/County Managers Association (ICMA).

The result is a toolkit that uses a "pick and choose" format, which can be adapted to support existing evaluation processes. It builds on foundational steps and core competencies to help set clear goals for the success of the municipality, to guide and support the evaluation process, and to foster open conversations between Council and CAOs.

CAO Performance Evaluation Toolkit Quick Reference Guide

CAO's Process

Creating the CAO Handbook for Performance Evaluation

- 1.1 Review Governance Requirements
- 1.2 Review Hiring Documents
- 1.3 Review Goals & Key Results
- 1.4 Review Core Competencies & Performance Metrics
- 1.5 Pull the Data Together
- 1.6 Conduct the Self-Assessment



Mayor and Council's Process

Creating the Final Performance Evaluation Report

- 2.1 Council Receives the CAO's Information Package
- 2.2 Mayor and Council Organize Their Review
- 2.3 Use a Template for Performance Evaluation
- 2.4 Mayor and Council Discuss Their Review of the CAO's Self-assessment
- 2.5 Council Prepares for the Discussion with the CAO
- 2.6 Council Shares the Final Performance Evaluation Report with the CAO



CAO, Mayor and Council Meet to Discuss the Performance Evaluation Report

- 3.1 Joint Review of the Final Performance Evaluation Report
- 3.2 Final Review of Proposed New Goals for the CAO
- 3.3 Meet to Sign off on the Final Performance Evaluation Report
- 3.4 A new year



About CAMA

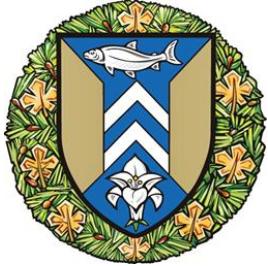
The Canadian Association of Municipal Administrators (CAMA) is a national, non-profit association open to all Chief Administrative Officers / City Managers and any person employed in a senior management position that reports directly to the CAO.

With a membership of approximately 550 senior municipal employees, from all parts of Canada, CAMA collectively represents more than 70% of the nation's population.

Find out more by visiting

camacam.ca/CAOevaluation
or contacting the CAMA National Office at **1-866-771-2262** or admin@camacam.ca.





The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Shelley J Schell, CPA, CA Chief Financial Officer/Treasurer
DEPARTMENT: Corporate Services
RE: Pandemic Financial Update

PURPOSE

The purpose of this report is to provide Council with an update on the financial implications of the pandemic and Safe Restart Agreement Municipal Funding.

BACKGROUND

The Province of Ontario declared a State of Emergency on March 17, 2020 at which time municipal operations were significantly impacted. Staff has been tracking the financial impacts on revenue losses, additional expenditures and mitigation efforts.

On August 12, 2020 the Province announced to municipalities the federal-provincial Safe Restart Agreement to provide support to municipalities and municipal transit systems “to help them deal with the financial pressures related to COVID-19, maintain critical services and protect vulnerable people as the province safely and gradually opens”.

Elsewhere on the agenda the 2020 Third Quarter Report is presented. The many impacts and their financial implications, actual or best estimate, to September 30, 2020 are provided to update Council on the current situation.

ANALYSIS

The City of Sault Ste. Marie received \$4,189,100 for Phase 1 funding for Municipal Pressures and \$1,215,737 for Phase 1 Municipal Transit Pressures. The Province anticipated that Phase 1 funding would be sufficient to address COVID-19 operating costs and pressures for most municipalities.

Pandemic Financial Update

2020 10 26

Page 2.

Municipal Operating:

The Phase 1 funding under this stream is to cover to December 31, 2020. Current forecasts prepared indicate that there is sufficient funding under Phase 1 to cover the City of Sault Ste. Marie costs and pressures (Appendix A). Included are costs incurred by Police Services, a separate board from the City. Increases that levy boards that have been incurred and anticipated to be invoiced to the municipality that are not covered by funding they received, would also be covered by the funds that the City received in this stream. At this time, it has been indicated that there are no costs that would be flowed to the City. The excess funding is to be placed into a reserve to be accessed to support COVID-19 costs and pressures that may continue in 2021.

Transit:

The Phase 1 funding under this stream is to cover municipal transit pressures incurred from April 1, 2020 to September 30, 2020. There is no Phase 2 application process as with the municipal operating stream. Current forecasts prepared indicate that there is sufficient funding under Phase 1 to cover costs incurred to September 30 (Appendix B). Excess funds are to be used to support costs incurred up to March 31, 2021.

The forecast to December 31, 2020 currently indicates a shortfall of just over \$225,000. Reporting to the Province requires estimates to March 31, 2021. Phase 2 funding requirements have not been released yet and the City has provided the requested information. Once the parameters are provided and if additional funding is received an update will be provided to Council.

FINANCIAL IMPLICATIONS

The receipt of funding from the Federal and Provincial government has assisted the City in managing the pressures associated with COVID-19 without significant impact to the 2020 budget.

STRATEGIC PLAN / POLICY IMPACT

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

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Chief Financial Officer/Treasurer dated October 26, 2020 concerning the Pandemic Financial Update be received as information.

Respectfully submitted,



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

Assumptions and Changes in Revenue and Expenses resulting from COVID-19
 Projected to December 31, 2020

APPENDIX A

<i>Item</i>	<i>Change from Budget</i>
Operating Budget	
Sewer Surcharge revenue	-\$2,147,554
MAT revenue	-\$504,701
Property Tax revenue	+\$13,000
Property Tax interest and penalties	-\$829,231
Supplementary Tax revenue	-\$300,000
Accts Receivable interest and penalties	-\$13,078
Public Works fuel expense savings	+\$73,172
CD&ES Rec Facilities revenue	-\$1,819,796
CD&ES Rec Facilities expenses	+\$939,193
CD&ES Marina revenue	-\$91,635
CD&ES Marina expenses	+\$38,458
John Rhodes Centre rent revenue	-\$23,114
School Crossing Guard expenses	+\$101,931
POA Court expense savings	+\$54,818
Summer Student expenses	+\$684,058
Benefit expense savings	+\$663,500
Job vacancy expense savings	+\$108,761
Electricity expenses	+\$222,827
Travel and training expenses	+\$621,022
Fire overtime expenses	-\$39,515
Fire Permit revenue	+\$25,954
Fire fuel expense savings	+\$11,948
Casino revenue	-\$1,103,020
Interest revenue	-\$8,232
NOHFC Loan Interest expense	+\$2,278
Miscellaneous expenses	-\$201,117
Projected Change in Budgeted Surplus / (Deficit)	<u><u>-\$3,520,072</u></u> A
Reserves	
Public Works landfill revenue	+\$131,771
Building Inspection Permit revenue	-\$38,712
Projected Increase / (Decrease) in Reserve Transfers	<u><u>\$93,059</u></u> B
Police Services	<u><u>(355,040)</u></u> C
Total Estimated COVID Operating	-\$3,782,052 A+B+C
Safe Restart Agreement Municipal Operating grant	4,189,100
Excess funding estimated to December 31, 2020	407,048

Time Period: April 1 - September 30, 2020

Financial pressures that are eligible for reimbursement under this program include both financial pressures associated with the need to continue to operate with reduced revenue and new expenses resulting from COVID-19:

- Reduced revenue would include pressures related to, at the ministry's sole discretion, the following:
 - o Farebox;
 - o Advertising;
 - o Parking; and
 - o Contracts (e.g., school contracts)
- New expenses incurred in response to the COVID-19 outbreak would include, at the ministry's sole discretion, the following:
 - o Cleaning costs [costs not claimed as part of MTO's dedicated cleaning funding program];
 - o New contracts;
 - o Labour costs;
 - o Driver protection;
 - o Passenger protection; and
 - o Other capital costs.

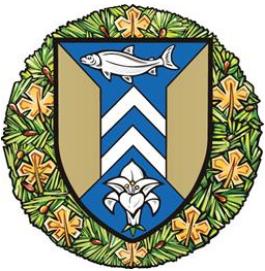
Reduced Revenues:

Farebox	(671,619.24)
Advertising	3,874.83
Parking	(135,274.60)
Contracts	-
Total Revenue Reduction	(803,019.01)

New Expenses:

Cleaning ¹	17,373.55
New Contracts	-
Labour	(772.37)
Driver protection	15,470.81
Passenger protection	-
Other capital costs	-
Cost Mitigation	(234,843.77)
Total Expense Increase (Decrease)	(202,771.78)
Net Transit Pressure	(600,247.23)
Phase 1 Funding	1,215,737.00
Excess Funding estimate to September 20, 2020	<u>615,489.77</u>

1. Cleaning expenses are net of COVID Enhanced Cleaning funding of \$44,803.



The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Jacob Bruzas, CPA, CA Manager of Finance

DEPARTMENT: Corporate Services

RE: Third Quarter Financial Report – September 30, 2020:
COVID-19 Financial Implications

PURPOSE

The purpose of this report is to provide a Nine-Month Financial Report to September 30, 2020, and a detailed update on the financial implications of the City's COVID-19 response.

BACKGROUND

The Finance Committee reviewed the 2020 Third Quarter Financial Report on October 21, 2020. Unaudited Financial Reports are provided to Council quarterly for information.

ANALYSIS

With the changing Stages of the COVID-19 pandemic, it is difficult to predict what financial position the City will be in at year end 2020.

However trends are continuously developing and the financial implications of COVID-19, actual or best estimate, to September 30, 2020, are provided to update Council on the current situation. See Appendix A for details.

The following is an update of some notable changes to the estimates and assumptions that were provided to Council at the August 10, 2020, Council meeting:

Tax Revenue and Taxes Receivable

Taxes fund approximately 65% of the City's budget, including local and levy boards. It is the main source of funding to provide municipal services, including those essential services, such as transit, waste water services, landfill and waste

collection, cemetery, building permits/inspections and road maintenance, that are still being provided to the community during the pandemic.

Net assessment growth to September 30, 2020, was -0.05% compared to +0.13% to Q3 2019. The total number of permits to date has dropped from 1,265 in 2019 to 1,237, an approximate 2% reduction. This is summarized in Appendix C.

Council has extended the waiving of interest on all arrears taxes until December 31, 2020, or sooner if amended by Council resolution. This measure in effect allows all taxpayers to defer the required tax payments without penalty and assists the community as the economy starts to reopen. The budget revenue for interest on taxes for 2020 is \$1,215,000. To October 1, 2020, \$871,645 has been waived, resulting in a permanent revenue loss that will contribute to a financial pressure in the City's operating budget as detailed in Appendix A.

Transit

One of the most significant financial impacts has been in the area of transit. Transit operations resumed front-door entry and charging regular fare as of July 13, 2020. However, Transit revenue has been projected to decline by approximately \$1,000,000 through December 31, 2020. Elsewhere on the agenda is the Pandemic Financial Update Report which speaks to this matter in detail.

Community Centres

The City closed all recreational facilities on March 16, 2020. All programming was cancelled. The leases for various facilities were also suspended as the proponents were unable to access the facilities, resulting in additional revenue foregone. Until the pandemic crisis is over and physical distancing measures are lifted, this area will continue to experience revenue impacts.

Certain restrictions were lifted with the implementation of Phases 2 and 3 of reopening. This allowed the reopening of pools, the splash pad, parks and recreational facilities under specific restrictions related to health and safety of users.

The deficit for Community Centres is estimated at approximately \$650,000 through September 30, 2020.

Employee Benefits

The City's benefit plans to employees has experienced decreased usage due to providers not being considered essential and services cannot be accessed.

The savings to fiscal end 2020 is estimated at up to \$700,000.

Casino Revenue

The Gateway Casino has been closed since mid-March.

Casinos are reopening as part of Phase 3 of the Provincial government's reopening plan but with a limited number of patrons permitted and a limited number of games available. However, Gateway Casino Sault Ste. Marie did not reopen at the start of Phase 3. The Casino reopened under these restrictions on October 10, 2020.

The estimated decrease in Casino Revenue to year end is approximately \$1,100,000.

Summer Students

Summer student hiring was significantly reduced due to COVID-19. The 2020 operating budget for summer students is approximately \$1,350,000 with an estimated savings of up to \$700,000 to year end.

Sanitary Sewer Revenue

On April 27, 2020, Council approved a motion to waive the sanitary sewer fee for the months of April and May. The estimated revenue foregone is \$2.1 million.

2020 Capital Budget Update

Appendix D provides an update on the status of the capital projects approved in the 2020 Budget. Of note:

- Construction on the new West End Sanitary Treatment Plant has yet to begin, however, Council has approved the construction contract in 2020. Construction is expected in 2021;
- Construction on the new Biosolids Treatment Facility has also yet to begin, accounting for the large balance remaining for Sanitary Sewer projects. Construction is expected in 2021/2022; and
- The procurement process has begun for Transit projects that the City has received confirmation of funding for through the ICIP program, however, minimal costs have been incurred to date.

FINANCIAL IMPLICATIONS

The estimated 2020 COVID-19 fiscal impact as of September 30, 2020, is approximately \$3.6 million. Details of the impacts are included in Appendix A. The

Pandemic Financial Update Report that is included elsewhere on the agenda will detail the costs and pressures directly related to the COVID-19 pandemic to December 31, 2020, and the impact of the Phase 1 federal-provincial Safe Restart Agreement funding.

The third quarter financial report details are provided in Appendix B.

STRATEGIC PLAN / POLICY IMPACT

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

RECOMMENDATION

It is therefore recommended that Council take the following action:

That the report of the Manager of Finance dated October 26, 2020, concerning the Third Quarter Financial Report to September 30, 2020: COVID-19 Financial Implications be received as information.

Respectfully submitted,

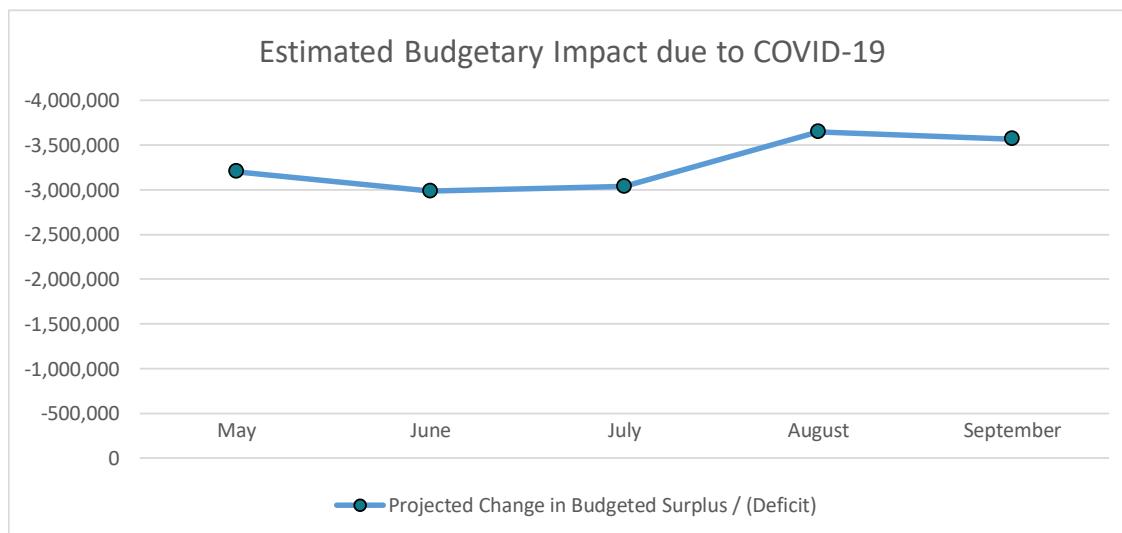


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Manager of Finance
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Appendix A

Assumptions and Changes in Revenue and Expenses resulting from COVID-19

<i>Item</i>	<i>Change from Budget</i>
	<i>as at Sept. 30, 2020</i>
Operating Budget	
Sewer Surcharge revenue	-\$2,147,554
M.A.T. revenue	-\$196,219
Property Tax revenue	+\$12,000
Property Tax interest and penalties	-\$871,645
Supplementary Tax revenue	-\$225,000
Accts Receivable interest and penalties	-\$13,078
Transit revenue	-\$803,019
Transit expenses	+\$202,772
Public Works fuel expense savings	+\$73,172
CD&ES Rec Facilities revenue	-\$1,411,269
CD&ES Rec Facilities expenses	+\$844,029
CD&ES Marina revenue	-\$91,635
CD&ES Marina expenses	+\$29,973
John Rhodes Centre rent revenue	-\$23,114
School Crossing Guard expenses	+\$101,931
POA Court expense savings	+\$54,818
Summer Student expenses	+\$684,058
Benefit expense savings	+\$663,500
Job vacancy expense savings	+\$108,761
Electricity expenses	+\$222,827
Fire overtime expenses	-\$39,515
Fire Permit revenue	+\$25,954
Fire fuel expense savings	+\$11,948
Casino revenue	-\$753,020
Interest revenue	-\$11,383
NOHFC Loan Interest expense	+\$2,278
Miscellaneous expenses	-\$187,686
Travel and training expenses	+\$388,553
Police Services expenses	-\$220,339
Projected Change in Budgeted Surplus / (Deficit)	<u>-\$3,567,899</u>





City of Sault Ste. Marie - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019 Actual To: September	2019 Actual Year End	Budget	Percentage Budget-Rem
	Actual	2020		25%			2019	YTD 2019
REVENUE								
Taxation	(\$120,946,857.83)	(\$120,985,175.00)	(\$38,317.17)	0.03%	(\$117,187,357.68)	(\$117,484,711.15)	(\$117,173,658.00)	(0.01%)
Payment in lieu of taxes	(\$2,836,367.76)	(\$4,347,584.00)	(\$1,511,216.24)	34.76%	(\$2,867,184.83)	(\$4,347,638.03)	(\$4,366,415.00)	34.34%
Fees and user charges	(\$15,875,528.82)	(\$29,874,141.00)	(\$13,998,612.18)	46.86%	(\$21,328,048.39)	(\$29,051,497.04)	(\$29,367,019.00)	27.37%
Government grants	(\$15,865,721.58)	(\$20,362,847.00)	(\$4,497,125.42)	22.08%	(\$14,283,824.39)	(\$20,746,197.27)	(\$20,497,434.00)	30.31%
Interest and Investment income	(\$2,055,586.75)	(\$4,320,000.00)	(\$2,264,413.25)	52.42%	(\$2,836,959.19)	(\$5,355,145.41)	(\$4,320,000.00)	34.33%
Contribution from own funds	(\$14,712.30)	(\$195,000.00)	(\$180,287.70)	92.46%		(\$3,514,664.57)	(\$165,500.00)	100.00%
Other income	(\$1,025,405.82)	(\$3,070,093.00)	(\$2,044,687.18)	66.60%	(\$1,970,362.53)	(\$3,416,087.14)	(\$3,030,000.00)	34.97%
Change in future employee benefits			\$0.00	0.00%		(\$15,294.99)		0.00%
	(\$158,620,180.86)	(\$183,154,840.00)	(\$24,534,659.14)	13.40%	(\$160,473,737.01)	(\$183,931,235.60)	(\$178,920,026.00)	10.31%
EXPENDITURES								
Salaries	\$47,772,217.66	\$67,967,693.00	\$20,195,475.34	29.71%	\$47,606,116.64	\$70,630,953.06	\$64,570,659.00	26.27%
Benefits	\$12,990,267.76	\$19,063,685.00	\$6,073,417.24	31.86%	\$13,139,619.49	\$17,048,211.25	\$19,082,175.00	31.14%
TOTAL SALARIES/BENEFITS	\$60,762,485.42	\$87,031,378.00	\$26,268,892.58	30.18%	\$60,745,736.13	\$87,679,164.31	\$83,652,834.00	27.38%
Travel and training	\$313,205.25	\$1,168,243.00	\$855,037.75	73.19%	\$494,393.82	\$741,780.15	\$1,064,334.00	53.55%
Vehicle allowance, maintenance and repairs	\$4,169,162.02	\$4,696,446.00	\$527,283.98	11.23%	\$4,770,718.33	\$6,494,796.08	\$4,136,964.00	(15.32%)
Utilities and Fuel	\$6,267,626.65	\$10,808,363.00	\$4,540,736.35	42.01%	\$6,411,202.73	\$10,041,765.92	\$10,718,177.00	40.18%
Materials and supplies	\$4,993,639.75	\$6,485,810.00	\$1,492,170.25	23.01%	\$4,757,584.90	\$6,929,431.49	\$6,345,889.00	25.03%
Maintenance and repairs	\$1,767,992.93	\$2,524,059.00	\$756,066.07	29.95%	\$2,007,545.58	\$2,609,206.58	\$2,551,303.00	21.31%
Program expenses	\$420,197.81	\$930,720.00	\$510,522.19	54.85%	\$670,631.23	\$947,926.75	\$922,725.00	27.32%
Goods for resale	\$229,478.05	\$576,422.00	\$346,943.95	60.19%	\$441,095.24	\$610,810.99	\$600,690.00	26.57%
Rents and leases	\$148,258.16	\$288,152.00	\$139,893.84	48.55%	\$116,533.07	\$168,312.41	\$220,950.00	47.26%
Taxes and licenses	\$1,648,843.85	\$1,842,089.00	\$193,245.15	10.49%	\$1,346,215.69	\$1,535,856.93	\$1,829,701.00	26.42%
Financial expenses	\$3,199,886.57	\$2,640,058.00	(\$559,828.57)	(21.21%)	\$1,899,189.65	\$3,572,341.07	\$2,647,601.00	28.27%
Purchased and contracted services	\$6,786,671.13	\$10,556,197.00	\$3,769,525.87	35.71%	\$7,312,261.07	\$10,401,125.41	\$10,439,594.00	29.96%
Grants to others	\$19,277,116.78	\$25,589,424.00	\$6,312,307.22	24.67%	\$19,897,184.92	\$26,462,042.48	\$26,641,187.00	25.31%
Long term debt	\$1,671,410.95	\$2,875,685.00	\$1,204,274.05	41.88%	\$1,706,941.33	\$2,867,066.52	\$2,875,685.00	40.64%
Transfer to own funds	\$939,313.94	\$23,832,785.00	\$22,893,471.06	96.06%	\$851,121.00	\$22,424,900.16	\$23,641,782.00	96.40%
Capital expense	\$1,012,137.76	\$1,529,139.00	\$517,001.24	33.81%	\$677,058.87	\$1,223,793.70	\$850,740.00	20.42%
Depreciation			\$0.00	0.00%		\$16,822,853.13		0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$104,020.94)		0.00%
Clearing accounts			\$0.00	0.00%				0.00%
Less: recoverable costs	(\$259,144.63)	(\$220,130.00)	\$39,014.63	(17.72%)	\$95.00	(\$278,613.60)	(\$779,085.35)	(26.57%)
TOTAL OTHER EXPENSES	\$52,585,796.97	\$96,123,462.00	\$43,537,665.03	45.29%	\$53,081,158.83	\$112,970,903.48	\$95,267,192.00	44.28%
	\$113,348,282.39	\$183,154,840.00	\$69,806,557.61	38.11%	\$113,826,894.96	\$200,650,067.79	\$178,920,026.00	36.38%
NET (REVENUE)/EXPENDITURE	(\$45,271,898.47)	\$0.00	\$45,271,898.47	0.00%	(\$46,646,842.05)	\$16,718,832.19	\$0.00	0.00%
Mayor and Council	\$460,161.61	\$721,836.00	\$261,674.39					
Chief Administrative Officer	\$273,669.14	\$388,675.00	\$115,005.86					
Corporate Services	\$5,444,526.11	\$8,317,831.00	\$2,873,304.89					
Legal Services	\$1,318,821.63	\$1,588,462.00	\$269,640.37					
Fire Services	\$9,698,561.67	\$14,208,309.00	\$4,509,747.33					
Public Works and Engineering	\$28,733,711.60	\$43,777,582.00	\$15,043,870.40					
Community Development and Enterprise Services	\$10,699,217.67	\$15,830,125.00	\$5,130,907.33					
Levy Board	\$15,989,413.50	\$21,319,218.00	\$5,329,804.50					
Outside Agencies	\$22,963,383.94	\$31,357,096.00	\$8,393,712.06					
Outside Agencies - Other	\$267,502.93	\$277,890.00	\$10,387.07					
Economic Diversification Fund	\$206,616.72	\$500,000.00	\$293,383.28					
Corporate	(\$142,858,470.99)	(\$147,055,289.00)	(\$4,196,818.01)					
Capital and Debt	\$1,530,986.00	\$8,768,265.00	\$7,237,279.00					
	(\$45,271,898.47)	\$0.00	\$45,271,898.47					



Mayor & Council - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Percentage Budget-Rem	
	Actual	2020		25%	Actual To: September	Actual Year End		
REVENUE								
Contribution from own funds			\$0.00	0.00%		(\$13,406.17)		0.00%
	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	(\$13,406.17)	\$0.00	0.00%
EXPENDITURES								
Salaries	\$326,783.84	\$467,925.00	\$141,141.16	30.16%	\$322,677.52	\$400,570.59	\$453,967.00	28.92%
Benefits	\$52,222.01	\$64,726.00	\$12,503.99	19.32%	\$46,803.41	\$56,956.30	\$55,817.00	16.15%
TOTAL SALARIES/BENEFITS	\$379,005.85	\$532,651.00	\$153,645.15	28.85%	\$369,480.93	\$457,526.89	\$509,784.00	27.52%
Travel and training	\$7,164.79	\$53,500.00	\$46,335.21	86.61%	\$5,806.11	\$6,431.93	\$53,500.00	89.15%
Vehicle allowance, maintenance and repairs	\$23,571.99	\$35,675.00	\$12,103.01	33.93%	\$23,316.43	\$28,658.98	\$35,675.00	34.64%
Materials and supplies	\$48,687.81	\$61,910.00	\$13,222.19	21.36%	\$55,564.59	\$62,280.07	\$63,503.00	12.50%
Purchased and contracted services	\$306.17	\$3,100.00	\$2,793.83	90.12%	\$2,599.31	\$2,599.31	\$3,100.00	16.15%
Grants to others	\$1,425.00	\$35,000.00	\$33,575.00	95.93%	\$10,750.01	\$12,811.45	\$35,000.00	69.29%
Transfer to own funds			\$0.00	0.00%		\$15,641.77		0.00%
Depreciation			\$0.00	0.00%		\$687.16		0.00%
TOTAL OTHER EXPENSES	\$81,155.76	\$189,185.00	\$108,029.24	57.10%	\$98,036.45	\$129,110.67	\$190,778.00	48.61%
	\$460,161.61	\$721,836.00	\$261,674.39	36.25%	\$467,517.38	\$586,637.56	\$700,562.00	33.27%
NET (REVENUE)/EXPENDITURE	\$460,161.61	\$721,836.00	\$261,674.39	36.25%	\$467,517.38	\$573,231.39	\$700,562.00	33.27%



CAO's Office - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Budget 2019	Percentage Budget-Rem
	Actual	2020		25%	Actual To: September	Actual Year End		YTD 2019
REVENUE								
Contribution from own funds			\$0.00	0.00%			(\$6,760.02)	0.00%
	\$0.00	\$0.00	\$0.00	0.00%		\$0.00	(\$6,760.02)	\$0.00
EXPENDITURES								
Salaries	\$211,132.53	\$296,395.00	\$85,262.47	28.77%	\$241,693.03	\$408,158.97	\$288,555.00	16.24%
Benefits	\$53,028.18	\$69,220.00	\$16,191.82	23.39%	\$61,044.37	\$75,173.20	\$70,999.00	14.02%
TOTAL SALARIES/BENEFITS	\$264,160.71	\$365,615.00	\$101,454.29	27.75%	\$302,737.40	\$483,332.17	\$359,554.00	15.80%
Travel and training	\$814.79	\$5,050.00	\$4,235.21	83.87%	\$2,987.20	\$2,987.20	\$9,215.00	67.58%
Vehicle allowance, maintenance and repairs	\$3,682.62	\$4,480.00	\$797.38	17.80%	\$5,058.14	\$5,430.99	\$4,480.00	(12.90%)
Materials and supplies	\$5,011.02	\$13,290.00	\$8,278.98	62.29%	\$8,192.05	\$10,943.40	\$9,364.00	12.52%
Maintenance and repairs			\$0.00	0.00%			\$150.00	100.00%
Purchased and contracted services		\$90.00	\$90.00	100.00%			\$90.00	100.00%
Capital expense		\$150.00	\$150.00	100.00%			\$150.00	100.00%
TOTAL OTHER EXPENSES	\$9,508.43	\$23,060.00	\$13,551.57	58.77%	\$16,237.39	\$19,361.59	\$23,449.00	30.75%
	\$273,669.14	\$388,675.00	\$115,005.86	29.59%				
					\$318,974.79	\$502,693.76	\$383,003.00	16.72%
NET (REVENUE)/EXPENDITURE	\$273,669.14	\$388,675.00	\$115,005.86	29.59%	\$318,974.79	\$495,933.74	\$383,003.00	16.72%



Corporate Services - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019		Percentage Budget-Rem	
	Actual	2020		25%	Actual To: September	Actual Year End	Budget 2019	YTD 2019	
REVENUE									
Fees and user charges	(\$79,573.09)	(\$152,270.00)	(\$72,696.91)	47.74%	(\$116,235.42)	(\$152,390.83)	(\$194,402.00)	40.21%	
Government grants	\$50.88	(\$1,540.00)	(\$1,590.88)	103.30%		(\$127,269.78)	(\$1,540.00)	100.00%	
Contribution from own funds			\$0.00	0.00%		(\$72,952.42)		0.00%	
Other income	(\$86,747.39)	(\$120,293.00)	(\$33,545.61)	27.89%	(\$110,749.50)	(\$139,197.38)	(\$116,400.00)	4.85%	
	(\$166,269.60)	(\$274,103.00)	(\$107,833.40)	39.34%	(\$226,984.92)	(\$491,810.41)	(\$312,342.00)	27.33%	
EXPENDITURES									
Salaries	\$2,964,533.66	\$4,476,419.00	\$1,511,885.34	33.77%	\$2,964,047.41	\$4,153,782.48	\$4,277,751.00	30.71%	
Benefits	\$1,298,234.86	\$1,905,077.00	\$606,842.14	31.85%	\$1,493,894.28	\$1,962,301.37	\$1,841,206.00	18.86%	
TOTAL SALARIES/BENEFITS	\$4,262,768.52	\$6,381,496.00	\$2,118,727.48	33.20%	\$4,457,941.69	\$6,116,083.85	\$6,118,957.00	27.15%	
Travel and training	\$25,924.92	\$139,445.00	\$113,520.08	81.41%	\$30,213.76	\$57,363.34	\$88,445.00	65.84%	
Vehicle allowance, maintenance and repairs	\$469.32	\$1,340.00	\$870.68	64.98%	\$566.42	\$1,069.39	\$1,700.00	66.68%	
Materials and supplies	\$36,707.89	\$80,496.00	\$43,788.11	54.40%	(\$45,759.01)	\$45,196.62	\$92,069.00	149.70%	
Maintenance and repairs	\$501,534.73	\$670,037.00	\$168,502.27	25.15%	\$533,839.06	\$625,374.76	\$658,123.00	18.88%	
Goods for resale	\$9,600.00	\$19,200.00	\$9,600.00	50.00%	9600	\$9,600.00	\$19,200.00	50.00%	
Rents and leases	\$5,093.56	\$3,000.00	(\$2,093.56)	(69.79%)	\$9,333.24	\$11,294.33	\$7,625.00	(22.40%)	
Financial expenses	\$21,366.85	\$60,750.00	\$39,383.15	64.83%	\$24,891.24	\$44,517.45	\$65,000.00	61.71%	
Purchased and contracted services	\$679,462.72	\$1,040,620.00	\$361,157.28	34.71%	\$799,103.42	\$1,305,185.45	\$1,073,348.00	25.55%	
Grants to others		\$2,000.00	\$2,000.00	100.00%	583.39	\$583.39	\$2,000.00	70.83%	
Transfer to own funds		\$75,000.00	\$75,000.00	100.00%		\$72,290.43	\$75,000.00	100.00%	
Capital expense	\$67,867.20	\$118,550.00	\$50,682.80	42.75%	\$78,791.62	\$99,542.51	\$117,887.00	33.16%	
Depreciation			\$0.00	0.00%		\$290,995.92		0.00%	
TOTAL OTHER EXPENSES	\$1,348,027.19	\$2,210,438.00	\$862,410.81	39.02%	\$1,441,163.14	\$2,563,013.59	\$2,200,397.00	34.50%	
	\$5,610,795.71	\$8,591,934.00	\$2,981,138.29	34.70%		\$5,899,104.83	\$8,679,097.44	\$8,319,354.00	29.09%
NET (REVENUE)/EXPENDITURE	\$5,444,526.11	\$8,317,831.00	\$2,873,304.89	34.54%	\$5,672,119.91	\$8,187,287.03	\$8,007,012.00	29.16%	
HR	\$1,508,404.24	\$2,081,320.00	\$572,915.76	27.53%					
IT	\$1,579,423.30	\$2,445,001.00	\$865,577.70	35.40%					
Clerks	\$654,033.00	\$1,095,081.00	\$441,048.00	40.28%					
Finance	\$1,702,665.57	\$2,696,429.00	\$993,763.43	36.85%					
	\$5,444,526.11	\$8,317,831.00	\$2,873,304.89						



Legal Department - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Budget	Percentage Budget-Rem
	Actual	2020		25%	Actual To: September	Actual Year End	2019	YTD 2019
REVENUE								
Fees and user charges	(\$978,539.99)	(\$1,767,019.00)	(\$788,479.01)	44.62%	(\$1,706,273.56)	(\$2,160,551.91)	(\$2,261,698.00)	24.56%
Government grants		(\$27,518.00)	(\$27,518.00)	100.00%				0.00%
Interest and Investment income	(\$3,736.81)		\$3,736.81	0.00%	(\$8,973.72)	(\$15,383.76)		0.00%
Contribution from own funds			\$0.00	0.00%		(\$15,426.65)		0.00%
	(\$982,276.80)	(\$1,794,537.00)	(\$812,260.20)	45.26%	(\$1,715,247.28)	(\$2,191,362.32)	(\$2,261,698.00)	24.16%
EXPENDITURES								
Salaries	\$762,374.65	\$1,135,535.00	\$373,160.35	32.86%	\$752,440.39	\$1,049,864.40	\$1,040,668.00	27.70%
Benefits	\$197,987.43	\$292,617.00	\$94,629.57	32.34%	\$203,699.16	\$260,154.64	\$289,740.00	29.70%
TOTAL SALARIES/BENEFITS	\$960,362.08	\$1,428,152.00	\$467,789.92	32.75%	\$956,139.55	\$1,310,019.04	\$1,330,408.00	28.13%
Travel and training	\$6,582.74	\$25,335.00	\$18,752.26	74.02%	\$16,907.98	\$26,063.13	\$21,285.00	20.56%
Materials and supplies	\$36,541.67	\$79,730.00	\$43,188.33	54.17%	\$55,085.46	\$75,517.71	\$75,837.00	27.36%
Maintenance and repairs		\$2,146.00	\$2,146.00	100.00%	\$30,072.14	\$30,072.14	\$4,000.00	(651.80%)
Rents and leases	\$52,973.44	\$78,802.00	\$25,828.56	32.78%	\$59,303.25	\$79,670.16	\$78,075.00	24.04%
Taxes and licenses	\$1,127,919.90	\$1,438,464.00	\$310,544.10	21.59%	\$1,017,709.69	\$1,166,406.20	\$1,441,736.00	29.41%
Purchased and contracted services	\$114,119.91	\$322,370.00	\$208,250.09	64.60%	\$239,252.79	\$330,112.00	\$302,000.00	20.78%
Transfer to own funds			\$0.00	0.00%			\$92,558.82	100.00%
Capital expense	\$2,598.69	\$8,000.00	\$5,401.31	67.52%	\$969.51	\$4,983.15	\$10,000.00	90.30%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$7,588.09)		0.00%
TOTAL OTHER EXPENSES	\$1,340,736.35	\$1,954,847.00	\$614,110.65	31.41%	\$1,419,300.82	\$1,797,795.22	\$2,035,133.00	30.26%
	\$2,301,098.43	\$3,382,999.00	\$1,081,900.57	31.98%	\$2,375,440.37	\$3,107,814.26	\$3,365,541.00	29.42%
NET (REVENUE)/EXPENDITURE	\$1,318,821.63	\$1,588,462.00	\$269,640.37	16.97%	\$660,193.09	\$916,451.94	\$1,103,843.00	40.19%



Fire Services - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Budget	Percentage Budget-Rem
	Actual	2020		25%	Actual To: September	Actual Year End	2019	YTD 2019
REVENUE								
Fees and user charges	(\$250,969.41)	(\$252,142.00)	(\$1,172.59)	0.47%	(\$158,804.23)	(\$195,793.36)	(\$221,442.00)	28.29%
Government grants			\$0.00	0.00%		(\$1,547.00)		0.00%
Contribution from own funds			\$0.00	0.00%		(\$19,808.75)		0.00%
Other income	(\$381.81)	(\$2,700.00)	(\$2,318.19)	85.86%	(\$1,573.87)	(\$2,701.93)	(\$6,000.00)	73.77%
	(\$251,351.22)	(\$254,842.00)	(\$3,490.78)	1.37%	(\$160,378.10)	(\$219,851.04)	(\$227,442.00)	29.49%
EXPENDITURES								
Salaries	\$7,572,140.93	\$10,298,901.00	\$2,726,760.07	26.48%	\$7,064,269.35	\$12,070,900.34	\$9,620,896.00	26.57%
Benefits	\$1,956,244.80	\$3,061,275.00	\$1,105,030.20	36.10%	\$1,937,161.18	\$2,832,475.24	\$3,029,918.00	36.07%
TOTAL SALARIES/BENEFITS	\$9,528,385.73	\$13,360,176.00	\$3,831,790.27	28.68%	\$9,001,430.53	\$14,903,375.58	\$12,650,814.00	28.85%
Travel and training	\$44,180.74	\$116,220.00	\$72,039.26	61.99%	\$44,827.89	\$62,857.16	\$110,720.00	59.51%
Vehicle allowance, maintenance and repairs	\$118,145.09	\$145,929.00	\$27,783.91	19.04%	\$177,215.04	\$239,348.16	\$100,580.00	(76.19%)
Utilities and Fuel	\$120,616.70	\$264,989.00	\$144,372.30	54.48%	\$163,090.21	\$225,071.22	\$250,769.00	34.96%
Materials and supplies	\$17,341.37	\$80,600.00	\$63,258.63	78.48%	\$51,352.24	\$147,966.34	\$134,846.00	61.92%
Maintenance and repairs	\$99,597.84	\$110,771.00	\$11,173.16	10.09%	\$141,600.90	\$172,927.97	\$110,965.00	(27.61%)
Financial expenses	\$4,242.55	\$2,500.00	(\$1,742.55)	(69.70%)	\$2,214.91	\$2,636.27	\$2,500.00	11.40%
Purchased and contracted services	\$5,171.44	\$18,400.00	\$13,228.56	71.89%	\$7,847.92	\$15,448.30	\$15,755.00	50.19%
Transfer to own funds		\$303,000.00	\$303,000.00	100.00%		\$333,201.18	\$303,000.00	100.00%
Capital expense	\$12,231.43	\$60,566.00	\$48,334.57	79.80%	\$17,114.12	\$43,135.82	\$60,566.00	71.74%
Depreciation			\$0.00	0.00%		\$442,751.21		0.00%
TOTAL OTHER EXPENSES	\$421,527.16	\$1,102,975.00	\$681,447.84	61.78%	\$605,263.23	\$1,685,343.63	\$1,089,701.00	44.46%
	\$9,949,912.89	\$14,463,151.00	\$4,513,238.11	31.21%				
NET (REVENUE)/EXPENDITURE	\$9,698,561.67	\$14,208,309.00	\$4,509,747.33	31.74%	\$9,446,315.66	\$16,368,868.17	\$13,513,073.00	30.09%



Public Works & Engineering - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019		Percentage Budget-Rem
	Actual	2020		25%	Actual To: September	Actual Year End	Budget 2019	YTD 2019
REVENUE								
Fees and user charges	(\$2,717,712.36)	(\$3,455,659.00)	(\$737,946.64)	21.35%	(\$2,677,497.53)	(\$3,724,212.95)	(\$3,102,230.00)	13.69%
Government grants	(\$405,430.91)	(\$664,013.00)	(\$258,582.09)	38.94%	(\$392,274.21)	(\$711,357.46)	(\$689,013.00)	43.07%
Contribution from own funds		(\$5,000.00)	(\$5,000.00)	100.00%		(\$96,658.93)	(\$10,500.00)	100.00%
Other income	(\$54,988.28)	(\$75,000.00)	(\$20,011.72)	26.68%	(\$85,088.65)	(\$120,451.80)	(\$18,500.00)	(359.94%)
	(\$3,178,131.55)	(\$4,199,672.00)	(\$1,021,540.45)	24.32%	(\$3,154,860.39)	(\$4,652,681.14)	(\$3,820,243.00)	17.42%
EXPENDITURES								
Salaries	\$12,807,406.78	\$18,508,964.00	\$5,701,557.22	30.80%	\$13,083,537.05	\$17,962,458.14	\$17,724,110.00	26.18%
Benefits	\$3,397,748.41	\$5,116,965.00	\$1,719,216.59	33.60%	\$3,477,212.20	\$4,413,604.52	\$5,261,474.00	33.91%
TOTAL SALARIES/BENEFITS	\$16,205,155.19	\$23,625,929.00	\$7,420,773.81	31.41%	\$16,560,749.25	\$22,376,062.66	\$22,985,584.00	27.95%
Travel and training	\$39,416.75	\$85,926.00	\$46,509.25	54.13%	\$47,074.94	\$84,774.89	\$105,509.00	55.38%
Vehicle allowance, maintenance and repairs	\$2,623,439.26	\$2,632,188.00	\$8,748.74	0.33%	\$3,246,347.50	\$4,358,928.84	\$2,475,237.00	(31.15%)
Utilities and Fuel	\$4,147,429.68	\$6,987,530.00	\$2,840,100.32	40.65%	\$3,897,970.34	\$6,312,813.02	\$6,887,326.00	43.40%
Materials and supplies	\$3,141,159.01	\$3,658,299.00	\$517,139.99	14.14%	\$2,980,085.01	\$4,254,899.93	\$3,757,415.00	20.69%
Maintenance and repairs	\$170,233.78	\$199,140.00	\$28,906.22	14.52%	\$194,095.06	\$238,509.26	\$260,000.00	25.35%
Taxes and licenses	\$76,307.39	\$124,715.00	\$48,407.61	38.81%	\$72,255.92	\$80,260.00	\$127,715.00	43.42%
Financial expenses	\$11,236.66	\$5,518.00	(\$5,718.66)	(103.64%)	\$4,749.28	\$6,244.72	\$2,507.00	(89.44%)
Purchased and contracted services	\$5,018,730.36	\$7,050,675.00	\$2,031,944.64	28.82%	\$4,848,846.93	\$6,788,990.88	\$7,015,823.00	30.89%
Transfer to own funds	\$692,415.00	\$3,732,846.00	\$3,040,431.00	81.45%	\$851,121.00	\$4,244,834.06	\$3,241,738.00	73.74%
Capital expense	\$45,464.70	\$94,618.00	\$49,153.30	51.95%	\$7,420.67	\$17,343.40	\$51,022.00	85.46%
Depreciation			\$0.00	0.00%		\$13,547,967.88		0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$91,432.85)		0.00%
Less: recoverable costs	(\$259,144.63)	(\$220,130.00)	\$39,014.63	(17.72%)	(\$278,613.60)	(\$779,085.35)	(\$220,130.00)	(26.57%)
TOTAL OTHER EXPENSES	\$15,706,687.96	\$24,351,325.00	\$8,644,637.04	35.50%	\$15,871,353.05	\$39,065,048.68	\$23,704,162.00	33.04%
	\$31,911,843.15	\$47,977,254.00	\$16,065,410.85	33.49%	\$32,432,102.30	\$61,441,111.34	\$46,689,746.00	30.54%
NET (REVENUE)/EXPENDITURE	\$28,733,711.60	\$43,777,582.00	\$15,043,870.40	34.36%	\$29,277,241.91	\$56,788,430.20	\$42,869,503.00	31.71%
Public Works	\$20,766,483.53	\$30,177,585.00	\$9,411,101.47	31.19%				
Engineering	\$7,967,228.07	\$13,599,997.00	\$5,632,768.93	41.42%				
	\$28,733,711.60	\$43,777,582.00	\$15,043,870.40					



Public Works - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Percentage Budget-Rem	
	Actual	2020		25%	Actual To: September	Actual Year End	Budget 2019	YTD 2019
REVENUE								
Fees and user charges	(\$1,894,427.32)	(\$2,249,886.00)	(\$355,458.68)	15.80%	(\$1,902,370.22)	(\$2,483,204.96)	(\$1,902,604.00)	0.01%
Government grants	(\$334,651.71)	(\$634,013.00)	(\$299,361.29)	47.22%	(\$332,191.15)	(\$647,539.90)	(\$659,013.00)	49.59%
Contribution from own funds		(\$5,000.00)	(\$5,000.00)	100.00%		(\$79,833.28)	(\$10,500.00)	100.00%
Other income	(\$54,927.05)	(\$75,000.00)	(\$20,072.95)	26.76%	(\$84,972.99)	(\$120,336.14)	(\$18,500.00)	(359.31%)
	(\$2,284,006.08)	(\$2,963,899.00)	(\$679,892.92)	22.94%	(\$2,319,534.36)	(\$3,330,914.28)	(\$2,590,617.00)	10.46%
EXPENDITURES								
Salaries	\$10,698,673.78	\$15,437,391.00	\$4,738,717.22	30.70%	\$11,046,889.07	\$15,092,996.30	\$14,732,971.00	25.02%
Benefits	\$2,884,430.18	\$4,374,324.00	\$1,489,893.82	34.06%	\$2,951,651.14	\$3,739,017.56	\$4,452,457.00	33.71%
TOTAL SALARIES/BENEFITS	\$13,583,103.96	\$19,811,715.00	\$6,228,611.04	31.44%	\$13,998,540.21	\$18,832,013.86	\$19,185,428.00	27.04%
Travel and training	\$33,581.50	\$58,070.00	\$24,488.50	42.17%	\$41,075.16	\$71,221.13	\$78,040.00	47.37%
Vehicle allowance, maintenance and repairs	\$2,605,458.94	\$2,605,677.00	\$218.06	0.01%	\$3,233,613.53	\$4,336,346.38	\$2,449,933.00	(31.99%)
Utilities and Fuel	\$1,012,565.59	\$1,626,188.00	\$613,622.41	37.73%	\$1,217,930.93	\$1,713,207.40	\$1,561,574.00	22.01%
Materials and supplies	\$2,959,332.83	\$3,428,283.00	\$468,950.17	13.68%	\$2,818,372.43	\$4,052,850.93	\$3,513,292.00	19.78%
Taxes and licenses	\$76,307.39	\$124,715.00	\$48,407.61	38.81%	\$72,255.92	\$80,260.00	\$127,715.00	43.42%
Financial expenses	\$10,733.53	\$5,000.00	(\$5,733.53)	(114.67%)	\$4,106.82	\$5,402.34	\$2,000.00	(105.34%)
Purchased and contracted services	\$2,300,334.79	\$3,348,217.00	\$1,047,882.21	31.30%	\$2,160,551.66	\$3,180,570.16	\$3,292,995.00	34.39%
Transfer to own funds	\$692,415.00	\$2,307,149.00	\$1,614,734.00	69.99%	\$851,121.00	\$1,996,122.18	\$1,829,512.00	53.48%
Capital expense	\$35,800.71	\$46,600.00	\$10,799.29	23.17%			\$3,000.00	100.00%
Depreciation			\$0.00	0.00%			\$2,673,098.18	0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%			(\$92,131.81)	0.00%
Less: recoverable costs	(\$259,144.63)	(\$220,130.00)	\$39,014.63	(17.72%)	(\$278,613.60)	(\$779,085.35)	(\$220,130.00)	(26.57%)
TOTAL OTHER EXPENSES	\$9,467,385.65	\$13,329,769.00	\$3,862,383.35	28.98%	\$10,120,413.85	\$17,237,861.54	\$12,637,931.00	19.92%
	\$23,050,489.61	\$33,141,484.00	\$10,090,994.39	30.45%	\$24,118,954.06	\$36,069,875.40	\$31,823,359.00	24.21%
NET (REVENUE)/EXPENDITURE	\$20,766,483.53	\$30,177,585.00	\$9,411,101.47	31.19%	\$21,799,419.70	\$32,738,961.12	\$29,232,742.00	25.43%
Operations								
Winter Control: Roadways and Sidewalks	\$6,168,436.11	\$7,946,887.00	\$1,778,450.89	22.38%				
Sanitary Sewers	\$1,594,278.96	\$1,976,217.00	\$381,938.04	19.33%				
Storm Sewers	\$397,256.26	\$620,779.00	\$223,522.74	36.01%				
Roadways and Sidewalks	\$2,056,470.54	\$3,600,228.00	\$1,543,757.46	42.88%				
Supervision and Overhead	\$2,278,093.15	\$3,069,218.00	\$791,124.85	25.78%				
Traffic & Communications	\$1,369,004.19	\$1,621,055.00	\$252,050.81	15.55%				
Carpentry	\$620,261.22	\$643,588.00	\$23,326.78	3.62%				
Administration	\$1,265,604.71	\$1,638,007.00	\$372,402.29	22.74%				
Buildings & Equipment	\$1,164,649.86	\$2,217,699.00	\$1,053,049.14	47.48%				
Waste Management	\$1,402,706.23	\$3,449,145.00	\$2,046,438.77	59.33%				
Parks	\$2,449,722.30	\$3,394,762.00	\$945,039.70	27.84%				
	\$20,766,483.53	\$30,177,585.00	\$9,411,101.47					



Engineering - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Percentage Budget-Rem	
	Actual	2020		25%	Actual To: September	Actual Year End	Budget 2019	YTD 2019
REVENUE								
Fees and user charges	(\$823,285.04)	(\$1,205,773.00)	(\$382,487.96)	31.72%	(\$775,127.31)	(\$1,241,007.99)	(\$1,199,626.00)	35.39%
Government grants	(\$70,779.20)	(\$30,000.00)	\$40,779.20	(135.93%)	-60083.06	(\$63,817.56)	(\$30,000.00)	(100.28%)
Contribution from own funds			\$0.00	0.00%		(\$16,825.65)		0.00%
Other income	(\$61.23)		\$61.23	0.00%	(\$115.66)	(\$115.66)		0.00%
	(\$894,125.47)	(\$1,235,773.00)	(\$341,647.53)	27.65%	(\$835,326.03)	(\$1,321,766.86)	(\$1,229,626.00)	32.07%
EXPENDITURES								
Salaries	\$2,108,733.00	\$3,071,573.00	\$962,840.00	31.35%	\$2,036,647.98	\$2,869,461.84	\$2,991,139.00	31.91%
Benefits	\$513,318.23	\$742,641.00	\$229,322.77	30.88%	\$525,561.06	\$674,586.96	\$809,017.00	35.04%
TOTAL SALARIES/BENEFITS	\$2,622,051.23	\$3,814,214.00	\$1,192,162.77	31.26%	\$2,562,209.04	\$3,544,048.80	\$3,800,156.00	32.58%
Travel and training	\$5,835.25	\$27,856.00	\$22,020.75	79.05%	\$5,999.78	\$13,553.76	\$27,469.00	78.16%
Vehicle allowance, maintenance and repairs	\$17,980.32	\$26,511.00	\$8,530.68	32.18%	\$12,733.97	\$22,582.46	\$25,304.00	49.68%
Utilities and Fuel	\$3,134,864.09	\$5,361,342.00	\$2,226,477.91	41.53%	\$2,680,039.41	\$4,599,605.62	\$5,325,752.00	49.68%
Materials and supplies	\$181,826.18	\$230,016.00	\$48,189.82	20.95%	\$161,712.58	\$202,049.00	\$244,123.00	33.76%
Maintenance and repairs	\$170,233.78	\$199,140.00	\$28,906.22	14.52%	\$194,095.06	\$238,509.26	\$260,000.00	25.35%
Financial expenses	\$503.13	\$518.00	\$14.87	2.87%	\$642.46	\$842.38	\$507.00	(26.72%)
Purchased and contracted services	\$2,718,395.57	\$3,702,458.00	\$984,062.43	26.58%	\$2,688,295.27	\$3,608,420.72	\$3,722,828.00	27.79%
Transfer to own funds		\$1,425,697.00	\$1,425,697.00	100.00%		\$2,248,711.88	\$1,412,226.00	100.00%
Capital expense	\$9,663.99	\$48,018.00	\$38,354.01	79.87%	\$7,420.67	\$17,343.40	\$48,022.00	84.55%
Depreciation			\$0.00	0.00%		\$10,874,869.70		0.00%
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		\$698.96		0.00%
TOTAL OTHER EXPENSES	\$6,239,302.31	\$11,021,556.00	\$4,782,253.69	43.39%	\$5,750,939.20	\$21,827,187.14	\$11,066,231.00	48.03%
	\$8,861,353.54	\$14,835,770.00	\$5,974,416.46	40.27%	\$8,313,148.24	\$25,371,235.94	\$14,866,387.00	44.08%
NET (REVENUE)/EXPENDITURE	\$7,967,228.07	\$13,599,997.00	\$5,632,768.93	41.42%	\$7,477,822.21	\$24,049,469.08	\$13,636,761.00	45.16%



Community Development & Enterprise Services - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019 Actual To: September	2019 Actual Year End	Budget	Percentage Budget-Rem	
	Actual	2020		25%			2019	YTD 2019	
REVENUE									
Fees and user charges	(\$3,623,887.95)	(\$8,412,655.00)	(\$4,788,767.05)	56.92%	(\$6,364,217.64)	(\$8,489,132.86)	(\$8,165,217.00)	22.06%	
Government grants	(\$1,632,852.19)	(\$2,058,376.00)	(\$425,523.81)	20.67%	(\$872,707.28)	(\$2,043,124.90)	(\$1,859,805.00)	53.08%	
Contribution from own funds		(\$100,000.00)	(\$100,000.00)	100.00%		(\$337,047.44)	(\$75,000.00)	100.00%	
Other income	(\$186,690.64)	(\$242,100.00)	(\$55,409.36)	22.89%	(\$136,958.84)	(\$188,014.30)	(\$141,600.00)	3.28%	
	(\$5,443,430.78)	(\$10,813,131.00)	(\$5,369,700.22)	49.66%	(\$7,373,883.76)	(\$11,057,319.50)	(\$10,241,622.00)	28.00%	
EXPENDITURES									
Salaries	\$8,878,751.11	\$13,899,699.00	\$5,020,947.89	36.12%	\$8,976,379.54	\$12,530,909.76	\$12,581,351.00	28.65%	
Benefits	\$2,382,396.99	\$3,394,225.00	\$1,011,828.01	29.81%	\$2,155,594.00	\$2,770,421.41	\$3,270,733.00	34.09%	
TOTAL SALARIES/BENEFITS	\$11,261,148.10	\$17,293,924.00	\$6,032,775.90	34.88%	\$11,131,973.54	\$15,301,331.17	\$15,852,084.00	29.78%	
Travel and training	\$28,592.87	\$166,722.00	\$138,129.13	82.85%	\$43,822.44	\$52,888.68	\$71,870.00	39.03%	
Vehicle allowance, maintenance and repairs	\$693,216.21	\$963,069.00	\$269,852.79	28.02%	\$820,921.88	\$1,089,231.21	\$882,962.00	7.03%	
Utilities and Fuel	\$1,710,112.17	\$3,104,934.00	\$1,394,821.83	44.92%	\$2,040,978.23	\$3,086,918.87	\$3,137,142.00	34.94%	
Materials and supplies	\$405,544.30	\$935,363.00	\$529,818.70	56.64%	\$505,445.46	\$750,682.37	\$773,343.00	34.64%	
Maintenance and repairs	\$689,807.71	\$1,221,630.00	\$531,822.29	43.53%	\$794,819.49	\$1,149,989.17	\$1,205,750.00	34.08%	
Program expenses	\$40,150.31	\$170,625.00	\$130,474.69	76.47%	\$121,112.23	\$215,234.75	\$162,725.00	25.57%	
Goods for resale	\$219,878.05	\$557,222.00	\$337,343.95	60.54%	\$431,495.24	\$601,210.99	\$581,490.00	25.79%	
Rents and leases	\$1,841.64	\$81,350.00	\$79,508.36	97.74%		\$1,841.64	\$10,250.00	100.00%	
Taxes and licenses	\$163,687.98	\$172,400.00	\$8,712.02	5.05%	\$161,764.13	\$187,308.13	\$170,750.00	5.26%	
Financial expenses	\$52,808.02	\$91,960.00	\$39,151.98	42.58%	\$87,034.62	\$133,432.09	\$83,264.00	(4.53%)	
Purchased and contracted services	\$704,800.02	\$1,583,942.00	\$879,141.98	55.50%	\$1,035,954.57	\$1,387,820.89	\$1,465,078.00	29.29%	
Grants to others	\$117,803.79	\$16,500.00	(\$101,303.79)	(613.96%)	\$21,713.48	\$68,731.04	\$14,000.00	(55.10%)	
Transfer to own funds		\$224,510.00	\$224,510.00	100.00%		\$441,339.50	\$196,205.00	100.00%	
Capital expense	\$53,257.28	\$59,105.00	\$5,847.72	9.89%	\$36,835.59	\$171,946.54	\$51,085.00	27.89%	
Depreciation			\$0.00	0.00%		\$1,765,393.68		0.00%	
Gain/Loss on Disposal of Capital Assets			\$0.00	0.00%		(\$5,000.00)		0.00%	
TOTAL OTHER EXPENSES	\$4,881,500.35	\$9,349,332.00	\$4,467,831.65	47.79%	\$6,101,897.36	\$11,098,969.55	\$8,805,914.00	30.71%	
	\$16,142,648.45	\$26,643,256.00	\$10,500,607.55	39.41%		\$17,233,870.90	\$26,400,300.72	\$24,657,998.00	30.11%
NET (REVENUE)/EXPENDITURE	\$10,699,217.67	\$15,830,125.00	\$5,130,907.33	32.41%	\$9,859,987.14	\$15,342,981.22	\$14,416,376.00	31.61%	
Planning	\$812,423.33	\$989,152.00	\$176,728.67	17.87%					
LIP	(\$130,098.87)	\$0.00	\$130,098.87	.00%					
Humane Society	\$449,650.98	\$600,122.00	\$150,471.02	25.07%					
Recreation & Culture	\$795,257.96	\$1,583,691.00	\$788,433.04	49.78%					
Community Centres									
John Rhodes Community Centre	\$818,694.59	\$1,483,879.00	\$665,184.41	44.83%					
McMeeken Centre	\$73,689.94	\$158,029.00	\$84,339.06	53.37%					
Northern Community Centre	\$21,437.23	(\$21,660.00)	(\$43,097.23)	198.97%					
Outdoor Pools/Misc Concessions	\$543,838.14	\$918,016.00	\$374,177.86	40.76%					
Administration	\$494,719.74	\$811,641.00	\$316,921.26	39.05%					
GFL Memorial Gardens	\$413,605.67	\$718,592.00	\$304,986.33	42.44%					
Locks Operations	\$22,173.14	\$27,896.00	\$5,722.86	20.51%					
Cemetery	\$239,156.36	(\$8,842.00)	(\$247,998.36)	2,804.78%					
Transit	\$4,886,598.88	\$6,481,374.00	\$1,594,775.12	24.61%					
School Guards	\$83,977.25	\$309,245.00	\$225,267.75	72.84%					
Economic Development	\$738,156.32	\$1,214,166.00	\$476,009.68	39.20%					
Tourism & Community Development	\$338,110.91	\$444,656.00	\$106,545.09	23.96%					
Parking	\$97,826.10	\$120,168.00	\$22,341.90	18.59%					
	\$10,699,217.67	\$15,830,125.00	\$5,130,907.33						



Levy Boards - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Budget	Percentage Budget-Rem
	Actual	2020		25%	Actual To: September	Actual Year End	2019	YTD 2019
REVENUE								
EXPENDITURES								
Grants to others	\$15,989,413.50	\$21,319,218.00	\$5,329,804.50	25.00%	\$15,760,224.57	\$21,088,928.00	\$21,257,110.00	25.86%
TOTAL OTHER EXPENSES	\$15,989,413.50	\$21,319,218.00	\$5,329,804.50	25.00%	\$15,760,224.57	\$21,088,928.00	\$21,257,110.00	25.86%
	\$15,989,413.50	\$21,319,218.00	\$5,329,804.50	25.00%	\$15,760,224.57	\$21,088,928.00	\$21,257,110.00	25.86%
NET (REVENUE)/EXPENDITURE	\$15,989,413.50	\$21,319,218.00	\$5,329,804.50	25.00%	\$15,760,224.57	\$21,088,928.00	\$21,257,110.00	25.86%



Outside Agencies (Main) - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Budget	Percentage Budget-Rem
	Actual	2020			Actual To: September	Actual Year End	2019	YTD 2019
REVENUE								
Government grants	(\$77,847.91)	(\$200,000.00)	(\$122,152.09)	61.08%	(\$59,345.45)	(\$169,666.61)	(\$200,000.00)	70.33%
	(\$77,847.91)	(\$200,000.00)	(\$122,152.09)	61.08%	(\$59,345.45)	(\$169,666.61)	(\$200,000.00)	70.33%
EXPENDITURES								
Grants to others	\$23,041,231.85	\$31,477,096.00	\$8,435,864.15	26.80%	\$22,690,750.04	\$30,874,487.72	\$29,367,005.00	(5.13%)
Transfer to own funds		\$80,000.00	\$80,000.00	100.00%		\$80,000.00	\$80,000.00	100.00%
TOTAL OTHER EXPENSES	\$23,041,231.85	\$31,557,096.00	\$8,515,864.15	26.99%	\$22,690,750.04	\$30,954,487.72	\$29,447,005.00	(5.12%)
	\$23,041,231.85	\$31,557,096.00	\$8,515,864.15	26.99%	\$22,690,750.04	\$30,954,487.72	\$29,447,005.00	(5.12%)
NET (REVENUE)/EXPENDITURE	\$22,963,383.94	\$31,357,096.00	\$8,393,712.06	26.77%	\$22,631,404.59	\$30,784,821.11	\$29,247,005.00	(5.26%)



Outside Agencies (Other) - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Budget 2019	Percentage Budget-Rem
	Actual	2020		25%	Actual To: September	Actual Year End		YTD 2019
REVENUE								
Fees and user charges	(\$145,713.00)	(\$130,000.00)	\$15,713.00	(12.09%)	(\$132,894.12)	(\$117,181.12)	(\$120,000.00)	(10.75%)
Contribution from own funds		(\$90,000.00)	(\$90,000.00)	100.00%		(\$78,120.75)	(\$80,000.00)	100.00%
	<u>(\$145,713.00)</u>	<u>(\$220,000.00)</u>	<u>(\$74,287.00)</u>	<u>33.77%</u>	<u>(\$132,894.12)</u>	<u>(\$195,301.87)</u>	<u>(\$200,000.00)</u>	<u>33.55%</u>
EXPENDITURES								
Materials and supplies	\$135,325.93	\$220,000.00	\$84,674.07	38.49%	\$117,034.30	\$195,301.88	\$200,000.00	41.48%
Grants to others	\$277,890.00	\$277,890.00	\$0.00	0.00%	\$1,188,514.47	\$1,492,056.00	\$1,492,056.00	20.34%
TOTAL OTHER EXPENSES	\$413,215.93	\$497,890.00	\$84,674.07	17.01%	\$1,305,548.77	\$1,687,357.88	\$1,692,056.00	22.84%
	<u>\$413,215.93</u>	<u>\$497,890.00</u>	<u>\$84,674.07</u>	<u>17.01%</u>	<u>\$1,305,548.77</u>	<u>\$1,687,357.88</u>	<u>\$1,692,056.00</u>	<u>22.84%</u>
NET (REVENUE)/EXPENDITURE	\$267,502.93	\$277,890.00	\$10,387.07	3.74%	\$1,172,654.65	\$1,492,056.01	\$1,492,056.00	21.41%



Economic Diversification Fund - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Budget 2019	Percentage Budget-Rem
	Actual	2020		25%	Actual To: September	Actual Year End		YTD 2019
REVENUE								
Contribution from own funds			\$0.00	0.00%			(\$183,253.62)	0.00%
	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	(\$183,253.62)	\$0.00	0.00%
EXPENDITURES								
Materials and supplies	\$206,616.72		(\$206,616.72)	0.00%			\$113,835.04	0.00%
Transfer to own funds		\$500,000.00	\$500,000.00	100.00%			\$500,000.00	100.00%
TOTAL OTHER EXPENSES	\$206,616.72	\$500,000.00	\$293,383.28	58.68%	\$113,835.04	\$683,253.62	\$500,000.00	77.23%
	\$206,616.72	\$500,000.00	\$293,383.28	58.68%	\$113,835.04	\$683,253.62	\$500,000.00	77.23%
NET (REVENUE)/EXPENDITURE	\$206,616.72	\$500,000.00	\$293,383.28	58.68%	\$113,835.04	\$500,000.00	\$500,000.00	77.23%



Corporate Financials - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019	2019	Percentage Budget-Rem	
	Actual	2020		25%	Actual To: September	Actual Year End	Budget 2019	YTD 2019
REVENUE								
Taxation	(\$120,946,857.83)	(\$120,985,175.00)	(\$38,317.17)	0.03%	(\$117,187,357.68)	(\$117,484,711.15)	(\$117,173,658.00)	(0.01%)
Payment in Lieu of taxes	(\$2,836,367.76)	(\$4,347,584.00)	(\$1,511,216.24)	34.76%	(\$2,867,184.83)	(\$4,347,638.03)	(\$4,366,415.00)	34.34%
Fees and user charges	(\$7,704,896.78)	(\$15,001,696.00)	(\$7,296,799.22)	48.64%	(\$9,570,302.88)	(\$13,368,008.24)	(\$14,537,330.00)	34.17%
Government grants	(\$12,453,148.69)	(\$15,960,400.00)	(\$3,507,251.31)	21.97%	(\$12,133,637.69)	(\$15,906,337.69)	(\$15,543,586.00)	21.94%
Interest and Investment income	(\$2,051,849.94)	(\$4,320,000.00)	(\$2,268,150.06)	52.50%	(\$2,827,985.47)	(\$5,339,761.65)	(\$4,320,000.00)	34.54%
Contribution from own funds	(\$14,712.30)		\$14,712.30	0.00%		(\$2,366,705.50)		0.00%
Other income	(\$657,540.44)	(\$2,530,000.00)	(\$1,872,459.56)	74.01%	(\$1,562,860.90)	(\$2,812,113.21)	(\$2,647,500.00)	40.97%
Change in future employee benefits			\$0.00	0.00%		(\$15,294.99)		0.00%
	(\$146,665,373.74)	(\$163,144,855.00)	(\$16,479,481.26)	10.10%	(\$146,149,329.45)	(\$161,640,570.46)	(\$158,588,489.00)	7.84%
EXPENDITURES								
Salaries	(\$174,305.30)		\$174,305.30	0.00%	\$478.78	\$2,360,233.28		0.00%
Benefits	\$14,000.00	\$20,000.00	\$6,000.00	30.00%	\$12,000.00	\$16,000.00	\$20,000.00	40.00%
TOTAL SALARIES/BENEFITS	(\$160,305.30)	\$20,000.00	\$180,305.30	901.53%	\$12,478.78	\$2,376,233.28	\$20,000.00	37.61%
Materials and supplies	\$223,224.00	\$308,427.00	\$85,203.00	27.63%	\$305,720.11	\$318,843.82	\$312,427.00	2.15%
Program expenses	\$380,047.50	\$760,095.00	\$380,047.50	50.00%	\$549,519.00	\$732,692.00	\$760,000.00	27.69%
Financial expenses	\$3,108,811.52	\$2,479,330.00	(\$629,481.52)	(25.39%)	\$1,778,371.70	\$3,383,029.48	\$2,494,330.00	28.70%
Purchased and contracted services	\$8,226.09	\$11,000.00	\$2,773.91	25.22%	\$659.35	\$3,134.78	\$7,000.00	90.58%
Grants to others		\$865.00	\$865.00	100.00%	\$863.72	\$863.72	\$865.00	0.15%
Transfer to own funds	\$246,898.94	\$12,509,849.00	\$12,262,950.06	98.03%		\$10,217,017.40		100.00%
TOTAL OTHER EXPENSES	\$3,967,208.05	\$16,069,566.00	\$12,102,357.95	75.31%	\$2,635,133.88	\$14,655,581.20	\$12,736,059.00	100.00%
	\$3,806,902.75	\$16,089,566.00	\$12,282,663.25	76.34%	\$2,647,612.66	\$17,031,814.48	\$16,330,681.00	83.84%
NET (REVENUE)/EXPENDITURE	(\$142,858,470.99)	(\$147,055,289.00)	(\$4,196,818.01)	2.85%	(\$143,501,716.79)	(\$144,608,755.98)	(\$142,257,808.00)	(0.87%)



Capital Levy & Debenture Debt - Third Quarter Ended September 30, 2020

FISCAL YEAR REMAINING% :	YTD	Budget	Variance	Percentage Budget-Rem	2019 Actual To: September	2019 Actual Year End	Budget	Percentage Budget-Rem
	Actual	2020		25%			2019	YTD 2019
REVENUE								
Fees and user charges	(\$140,424.95)	(\$350,000.00)	(\$209,575.05)	59.88%	(\$232,640.69)	(\$341,494.53)	(\$350,000.00)	33.53%
	(\$140,424.95)	(\$350,000.00)	(\$209,575.05)	59.88%	(\$232,640.69)	(\$341,494.53)	(\$350,000.00)	33.53%
EXPENDITURES								
Long term debt	\$1,671,410.95	\$2,875,685.00	\$1,204,274.05	41.88%	\$1,706,941.33	\$2,867,066.52	\$2,875,685.00	40.64%
Transfer to own funds		\$6,242,580.00	\$6,242,580.00	100.00%		\$6,263,017.00	\$6,242,580.00	100.00%
TOTAL OTHER EXPENSES	\$1,671,410.95	\$9,118,265.00	\$7,446,854.05	81.67%	\$1,706,941.33	\$9,130,083.52	\$9,118,265.00	81.28%
	\$1,671,410.95	\$9,118,265.00	\$7,446,854.05	81.67%	\$1,706,941.33	\$9,130,083.52	\$9,118,265.00	81.28%
NET (REVENUE)/EXPENDITURE	\$1,530,986.00	\$8,768,265.00	\$7,237,279.00	82.54%	\$1,474,300.64	\$8,788,588.99	\$8,768,265.00	83.19%

Appendix C

Net Assessment Growth to September 30, 2020

	2020 Total Assessment Based on Returned Roll	2020 Total Assessment to September 30, 2020	Difference Between Returned Roll and Year End	
Class	CVA	CVA	\$	%
Taxable				
Residential	5,529,607,618	5,540,104,919	10,497,301	0.19%
New Multi-residential	3,405,000	3,405,000	0	0.00%
Multi-residential	430,646,638	430,646,638	0	0.00%
Com. Occupied	700,359,444	692,445,649	-7,913,795	-1.13%
Com. Exc. Land	4,940,660	5,315,560	374,900	7.59%
Com. On-Farm Bus.	3,800	3,800	0	0.00%
Shopping Occ.	149,508,430	143,041,124	-6,467,306	-4.33%
Office Occupied	17,383,500	16,802,400	-581,100	-3.34%
Parking/Vac. Land	29,771,800	29,812,800	41,000	0.14%
Ind. Occupied	44,474,800	44,474,800	0	0.00%
Ind. Exc. Land	811,800	811,800	0	0.00%
Ind. Vac. Land	6,483,500	6,622,500	139,000	2.14%
Ind.On-Farm Bus.	37,800	37,800	0	0.00%
Large Ind. Occ.	58,851,900	58,851,900	0	0.00%
Large Ind. Exc.	1,437,200	1,437,200	0	0.00%
Pipelines	26,281,000	26,281,000	0	0.00%
Farm	2,101,400	2,205,400	104,000	4.95%
Managed Forests	2,490,200	2,490,200	0	0.00%
Commercial Total Taxable	901,967,634	887,421,333	-14,546,301	-1.61%
Industrial Total Taxable	112,097,000	112,236,000	139,000	0.12%
Total Taxable	7,008,596,490	7,004,790,490	-3,806,000	-0.05%

Appendix D

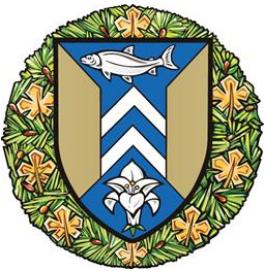
THE CORPORATION OF THE CITY OF SAULT STE MARIE

2020 CAPITAL BUDGET

SUMMARY OF PROJECTS

As at September 30, 2020

	2020 Approved Capital Budget	% of Total	Council Approved/ Costs Incurred to Date	Remaining
Roads/Bridges/Storm Sewers	\$ 19,801,135	29.3%	\$ 17,235,067	\$ 2,566,068
Sanitary Sewer	\$ 33,578,000	49.6%	\$ 18,255,592	\$ 15,322,408
Transit Fleet & Equipment	\$ 4,595,000	6.8%	\$ 6,299	\$ 4,588,701
Building Capital Maintenance	\$ 1,595,000	2.4%	\$ 299,840	\$ 1,295,160
Boardwalk Repairs	\$ 1,500,000	2.2%	\$ 920,100	\$ 579,900
Bondar Marina Sewage Pumpout	\$ 15,000	0.0%	\$ 15,000	\$ -
Fire Fleet & Equipment	\$ 872,000	1.3%	\$ 21,508	\$ 850,492
Public Works Fleet & Equipment	\$ 3,143,000	4.6%	\$ 2,876,979	\$ 266,021
Community Development and Enterprise				
Services Fleet & Equipment	\$ 456,250	0.7%	\$ 248,904	\$ 207,346
Growth Projects	\$ 500,000	0.7%	\$ 398,516	\$ 101,484
Landfill Upgrades	\$ 1,610,000	2.4%	\$ -	\$ 1,610,000
TOTAL	\$ 67,665,385	100%	\$ 40,277,806	\$ 27,387,579



The Corporation of the City of Sault Ste. Marie

COUNCIL REPORT

Date of Council Meeting

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: **Lisa Petrocco, CPA, CGA Manager of Taxation**
DEPARTMENT: Corporate Services
RE: Property Tax Appeals

PURPOSE

Staff is seeking Council approval of property tax appeals as required pursuant to Sections 354 and 357 of the *Municipal Act*.

BACKGROUND

A listing of applications received for adjustment of realty taxes pursuant to Sections 354 and 357 of the *Municipal Act* is attached to this report.

ANALYSIS

The Municipal Property Assessment Corporation has recommended the amount of the assessment to be adjusted.

FINANCIAL IMPLICATIONS

There is an annual budget allocation for tax write-offs. The decreased revenue of \$25,542.24 can be accommodated within the existing budget allocation.

STRATEGIC PLAN / POLICY IMPACT

Not applicable.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Taxation dated 2020 10 26 concerning Property Tax Appeals be received and the recommendation that the tax records be amended pursuant to Sections 354 and 357 of the Municipal Act be approved.

Respectfully submitted,

Lisa Petrocco, CPA, CGA
Manager of Taxation
705.541.7065
l.petrocco@cityssm.on.ca

**APPLICATION TO COUNCIL TO CANCEL
OR REFUND PROPERTY TAXES PURSUANT TO SECTION 357
OF THE MUNICIPAL ACT, 2001**

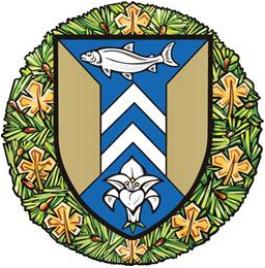
**THE CORPORATION OF THE CITY OF SAULT STE. MARIE
PROPERTY TAX APPEALS**

DATE: 2020 10 26
PAGE: 1 of 1

PROPERTY ADDRESS	PERSON ASSESSED	TAX CLASS	REASON	APPEAL NO.	TAXES	INTEREST	TOTAL
2019							
010-018-039-02	00625 Trunk Rd ETCO Investments Ltd.	CT/ST	(G)	19-080	4,848.30	536.19	5,384.49
040-021-004-00	Berto, Robert Ronald (Previous Owner)	CX	(D) (i)	19-081	(113.00)	-	(113.00)
050-023-095-00	Nacarrato, Emma (Current Owner) MacWilliam, Scott J C	RT/FT	(D) (i)	19-082	24.42	-	24.42
2020							
020-042-119-00	00324 Queen St E 1372162 Ontario Ltd	CT/RT	(A)	20-015	1,951.77	5.85	1,957.62
020-042-147-04	00451 Queen St E Canada Post Corporation	CT/DT	(B)	20-016	6,577.37	15.88	6,593.25
020-045-009-00	01009 Queen St E Schryer, Raymond Rene	RT/CT	(A)	20-017	Confirmed - Changed through 2020 RFR		
030-014-023-01	00135 Panoramic Dr Moran, Mernie John	RT	(D) (i)	20-018	493.47	-	493.47
030-085-025-01	00742 Third Line E Old Apostolic Lutheran Church of Sault Ste Marie	E	(A)	20-019	522.66	-	522.66
040-022-002-01	00261 Queen St W Province of Ontario Minister of Infrastructure	CT/CG	(A)	20-020	Confirmed - Changed through 2020 RFR		
060-042-053-00	00135 Arden St New Apostolic Church Canada	RT/E	(A)	20-021	10,679.33	-	10,679.33
				REPORT TOTAL	24,984.32	557.92	25,542.24

- A. CEASES TO BE LIABLE FOR TAX AT RATE IT WAS TAXED
- B. BECAME VACANT OR EXCESS LAND
- C. BECAME EXEMPT
- D. SICKNESS OR EXTREME POVERTY

- D(i). RAZED BY FIRE, DEMOLITION OR OTHERWISE
- D(ii). DAMAGED AND SUBSTANTIALLY UNUSABLE
- E. MOBILE UNIT REMOVED
- F. GROSS OR MANIFEST CLERICAL/FACTUAL ERROR
- G. REPAIRS/RENO'S PREVENTING NORMAL USE (MIN 3 MONTHS)



The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Tim Gowans, Manager of Purchasing

DEPARTMENT: Finance Department

RE: Tender for Six (6) 40 Foot Low Floor Passenger Buses

PURPOSE

Attached hereto for your information and consideration is a summary of the tenders received for the supply and delivery of Six (6) 40 Foot Low Floor Passenger Buses required by the Transit & Parking Division – Community Development & Enterprise Services (CDES). Staff is seeking Council approval of the tender recommendation.

BACKGROUND

The tender was publicly advertised and tender documents forwarded to all firms on our bidders list. The closing date for submission of tenders was September 22, 2020.

ANALYSIS

The tenders received have been thoroughly evaluated and reviewed by the Director of Community Services-CDES and staff from the Transit & Parking Division; and the low tendered prices, meeting specifications, have been indicated on the attached summary.

FINANCIAL IMPLICATIONS

The total purchase price for six (6) 40 foot buses including the non-rebatable portion of the HST will be \$3,354,411. Funding is provided through the Invest in Canada Infrastructure Program (ICIP) in the amount of \$2,459,790. The City share of \$894,621 is provided for in the 2019 and 2020 approved Capital Budgets, and is \$25,494 under budget.

STRATEGIC PLAN / POLICY IMPACT

Acquisition of this equipment is linked to Delivery of New Infrastructure as listed in the Infrastructure Focus Area of the Corporate Strategic Plan and aligns with the City's commitment to Delivering Excellent Customer Service.

Tender for Six (6) 40 Foot Low Floor Passenger Buses

2020 10 26

Page 2

RECOMMENDATION

Resolved that the report of the Manager of Purchasing dated 2020 10 26 be received, and the recommendation that the tender for the supply and delivery of Six (6) 40 Foot Low Floor Passenger Buses as required by the Transit & Parking Division – Community Development & Enterprise Services, be awarded to New Flyer Industries Canada ULC at their tendered price of \$549,399 plus HST, per unit, be approved.

Respectfully submitted,



Tim Gowans
Manager of Purchasing
705.759.5298
t.gowans@cityssm.on.ca

FINANCE DEPARTMENT
PURCHASING DIVISION

RECEIVED: September 22, 2020
FILE: #2020CDE-CS-TR-02-T

**SUMMARY OF TENDERS
SIX (6) 40 FOOT LOW FLOOR PASSENGER BUSES**

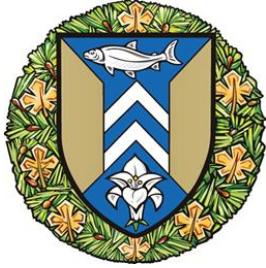
<u>Description</u>	<u>Qty</u>	<u>New Flyer Industries</u> <u>Canada ULC</u> <u>Winnipeg, MB</u>	<u>Nova Bus</u> <u>division of Volvo Group Canada Inc</u> <u>Saint-Eustache, QC</u>
		<u>Unit Price</u> HST Extra	<u>Unit Price</u> HST Extra
		<u>Total Price</u> HST Extra	<u>Total Price</u> HST Extra
40' Low Floor Passenger Buses	6	\$549,399.00	\$566,839.00
		\$3,296,394.00	\$3,401,034.00
<u>Remarks</u>		2020 New Flyer Xcelior Diesel 40' (XD40) Meets Specifications	2020 Nova Bus LFS 40FT Diesel Does not meet Specifications

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$3,354,411 including the non-rebatable portion of the HST.

It is my recommendation that the tendered price, submitted by New Flyer Industries Canada ULC, be accepted.

Tim Gowans
Manager of Purchasing



The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Tim Gowans, Manager of Purchasing

DEPARTMENT: Finance Department

RE: Tender for Four (4) 35 Foot Low Floor Passenger Buses

PURPOSE

Attached hereto for your information and consideration is a summary of the tenders received for the supply and delivery of Four (4) 35 Foot Low Floor Passenger Buses required by the Transit & Parking Division – Community Development & Enterprise Services (CDES). Staff is seeking Council approval of the tender recommendation.

BACKGROUND

The tender was publicly advertised and tender documents forwarded to all firms on our bidders list. The closing date for submission of tenders was September 22, 2020.

ANALYSIS

The tenders received have been thoroughly evaluated and reviewed by the Director of Community Services-CDES and staff from the Transit & Parking Division; and the low tendered prices, meeting specifications, have been indicated on the attached summary.

FINANCIAL IMPLICATIONS

The total purchase price for four (4) 35 foot buses including the non-rebatable portion of the HST will be \$2,223,045. Funding is provided through the Invest in Canada Infrastructure Program (ICIP) in the amount of \$1,630,149. The City share of \$592.896 is provided for in the 2019 and 2020 approved Capital Budgets, \$9,856 under budget.

STRATEGIC PLAN / POLICY IMPACT

Acquisition of this equipment is linked to Delivery of New Infrastructure as listed in the Infrastructure Focus Area of the Corporate Strategic Plan and aligns with the City's commitment to Delivering Excellent Customer Service.

Tender for Four (4) 35 Foot Low Floor Passenger Buses

2020 10 26

Page 2

RECOMMENDATION

Resolved that the report of the Manager of Purchasing dated 2020 10 26 be received, and the recommendation that the tender for the supply and delivery of Four (4) 35 Foot Low Floor Passenger Buses as required by the Transit & Parking Division – Community Development & Enterprise Services, be awarded to New Flyer Industries Canada ULC at their tendered price of \$546,149 plus HST, per unit, be approved.

Respectfully submitted,



Tim Gowans
Manager of Purchasing
705.759.5298
t.gowans@cityssm.on.ca

SUMMARY OF TENDERS
FOUR (4) 35 FOOT LOW FLOOR PASSENGER BUSES

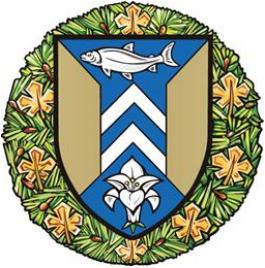
<u>Description</u>	<u>Qty</u>	<u>City View Bus</u> <u>Sales & Service Ltd.</u> <u>Mississauga, ON</u>		<u>Grande West</u> <u>Transportation Group Inc.</u> <u>Aldergrove, BC</u>		<u>New Flyer Industries</u> <u>Canada ULC</u> <u>Winnipeg, MB</u>	
		<u>Unit Price</u> <u>HST Extra</u>	<u>Total Price</u> <u>HST Extra</u>	<u>Unit Price</u> <u>HST Extra</u>	<u>Total Price</u> <u>HST Extra</u>	<u>Unit Price</u> <u>HST Extra</u>	<u>Total Price</u> <u>HST Extra</u>
35' Low Floor Passenger Buses	4	\$635,102.80	\$2,540,411.20	\$435,500.00	\$1,742,000.00	\$546,149.00	\$2,184,596.00
<u>Remarks</u>		Current Year Axess-HD 35'		2021 Grande West Vicinity Vi35D		2020 New Flyer Xcelior Diesel 35' (XD35)	
		Does not meet Specifications		Does not meet Specifications		Meets Specifications	

Note: The low tendered price, meeting specifications, is boxed above.

The total cost to the City will be \$2,223,045 including the non-rebatable portion of the HST.

It is my recommendation that the tendered price, submitted by New Flyer Industries Canada ULC, be accepted.

Tim Gowans
Manager of Purchasing



The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Virginia McLeod, Manager of Recreation and Culture

DEPARTMENT: Community Development and Enterprise Services

RE: Cultural Vitality Committee – Terms of Reference

PURPOSE

The purpose of this report is to seek council approval to establish a Cultural Vitality Committee to replace the Cultural Advisory Board and approve the Terms of Reference.

BACKGROUND

The Cultural Advisory Board (CAB) was established in 1991 and is responsible for making recommendations on all matters referred to it by City Council utilizing the Cultural Policy. The Cultural Policy was first adopted by City Council in 1991 and has been amended a number of times since; most recently in December of 2016.

In July 2017, a summary report developed by the Community Adjustment Committee (CAC), "A Common Cause and New Direction for Sault Ste. Marie" was provided to City Council for information and in August, 2017 City Council approved the allocation of funds to support the implementation of the recommendations. The goals and recommendations developed in the report were organized around a four pillar approach to community development, one of which was the Cultural Vitality Pillar. Culture is a pillar of a resilient community, and is one tool we can use in building a vibrant, high quality of life city.

While the carriage of the implementation of the recommendations would pass to the City staff, the CAC recommended the formation of a Community Development Roundtable (CDR) and several sector specific action teams. The CDR and action teams were developed to ensure the involvement and participation of a broad base of different community organizations in the implementation process.

To support the Cultural Vitality Pillar, the FutureSSM team hired an Arts and Culture Coordinator and the Arts and Culture Action Team was formed in June of 2018.

Cultural Vitality Committee – Terms of Reference

2020 10 26

Page 2.

On September 24, 2020 the Cultural Advisory Board met to review the draft terms of reference for the Cultural Vitality Committee. The following resolution was passed:

Moved by: S. Meades

Seconded by: N. A. Harrison

“Resolved that the Cultural Advisory Board approve the changes to the committee name, and composition and update the Cultural Policy to reflect the changes be approved.”

CARRIED

ANALYSIS

During the past two years both the Cultural Advisory Board and the Arts and Culture Action Team have been meeting independently.

The Cultural Advisory Board continued to oversee programs such as Cultural Financial Assistance Grants and Community Recognition Award, as well as participating in workshops and providing feedback which assisted in the formation of the Community Cultural Plan.

Through FutureSSM the development of a comprehensive Community Cultural Plan was a key recommendation in the CAC Report as a way to increase cultural vitality in Sault Ste. Marie. The development of the Community Cultural Plan was a key focus for the Arts and Culture Action Team.

On Sept 23, 2019, City Council approved the Community Cultural Plan 2019-2024. As we move forward with the implementation, staff is recommending the Cultural Advisory Board and the Arts and Culture Action Team complete their responsibilities as of December 31, 2020 and a new Cultural Vitality Committee be formed. The two-year term for existing CAB members ends on December 31st, 2020 and applications for boards and committees of Council will be accepted during the month of November for the 2021-2022 term.

The terms of reference for the Cultural Vitality Committee must be approved by council resolution (Appendix A).

The proposed changes are summarized below:

1. Name Change: Cultural Advisory Board to Cultural Vitality Committee. The shift from an advisory board to a committee is intended to assist staff in the implementation of the Community Cultural Plan.
2. Composition: An increase from a minimum of five members of the community to six, the addition one member of the Mayor’s Youth Advisory Council is proposed.

3. Meetings: An increase in the frequency of meetings along with a set date each month is included to provide applicants additional information on expectations.
4. The new terms of reference for the Cultural Vitality Committee includes new sections and greater detail to be consistent with other Committees of Council:
 - a. Duties
 - b. Responsibilities
 - c. Meetings
 - d. Delegations

In addition, the Cultural Policy will be updated when the new Cultural Vitality Committee is formed. The policy framework will be revised based on the terms of reference to reflect the changes in name and composition

The new Cultural Vitality Committee would then complete a full review of the Cultural Policy in 2021 and prepare a report to Council to approve the additional amendments.

FINANCIAL IMPLICATIONS

There is no financial impact related to the formation of the Cultural Vitality Committee.

STRATEGIC PLAN / POLICY IMPACT

This matter is addressed in the Corporate Strategic Plan Focus Area: Quality of Life (Promote and Support Arts and Culture).

RECOMMENDATION

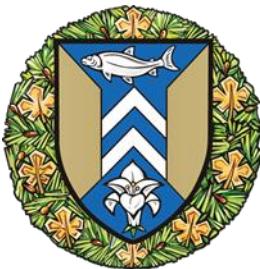
It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Recreation and Culture dated 2020 10 26 concerning the Cultural Vitality Committee – Terms of Reference be received and that Council establish a new Cultural Vitality Committee to replace the Cultural Advisory Board and the new Terms of Reference be approved."

Respectfully submitted,



Virginia McLeod
Manager of Recreation and Culture
705.759-5311
v.mcleod@cityssm.on.ca



TERMS OF REFERENCE (CULTURAL VITALITY COMMITTEE)

COMMITTEE NAME

Cultural Vitality Committee

COMMITTEE TYPE

Committee of Council

PURPOSE

The Cultural Vitality Committee is a committee of City Council that works within the Cultural Policy for the City of Sault Ste. Marie to ensure equal access to all individuals, groups and organizations to enjoy opportunities for the preservation, development and appreciation of cultural expression with the committed support of the City of Sault Ste. Marie.

The Committee's role is to oversee and implement the City of Sault Ste. Marie Cultural Policy and the Community Cultural Plan and provide advice to City Council on issues, policies and strategies related to cultural enterprises and activities in the city. The Cultural Vitality Committee oversees cultural support programs, participates in city planning and development processes and undertakes special initiatives approved by Council.

DUTIES

- To make recommendations on all matters referred to it by City Council utilizing the Cultural Policy approved by City Council on February 19, 2013 and as amended by City Council from time to time.
- Oversee and assist with the implementation the City of Sault Ste. Marie Cultural Policy and the Community Cultural Plan.
- Screen applications for civic grants for cultural endeavors, under the Sault Ste. Marie Arts and Culture Assistance Program and The Provincial/National/International Cultural Competition Policy and to recommend to City Council the awarding of such grants within the Municipality's Designated Budget. City Staff will receive applications and assist with the review and recommendations to the committee.
- Present annual award(s) under the, Community Recognition Award Program, to individuals, groups or organizations who contribute significantly to the cultural life of the community

- Encourage cultural activity in community events
- Create a forum at least every four years which will encourage and support the exchange of information related to the activities of local individuals/groups covered by the policy
- Participate in the selection of locally-produced cultural items to be used as municipal gifts to dignitaries, through a call for submissions from artists and juried process as outlined by each new council.
- Through the City of Sault Ste. Marie Cultural Endowment Trust Fund, safeguard and direct funds to purposes consistent with the Cultural Policy for the Corporation of the City of Sault Ste. Marie.

COMPOSITION OF THE COMMITTEE

The members of the Cultural Vitality Committee are appointed every two (2) years and they include:

- a) Mayor - Ex-officio
- b) One (1) City Councillor
- c) One (1) member of Mayors Youth Advisory Council.
- d) Minimum of six (6) members of the community based on their knowledge, interest and involvement in culture as defined in the Cultural Policy.

OFFICERS

At the first meeting of each year, the Committee shall elect a Chair and Vice Chair from its membership.

MEMBER RESPONSIBILITIES

Committee members are responsible for:

- Attending and actively participating in meetings.
- Declaring any conflict of interest regarding specific agenda items.
- Keeping confidential any information, which is identified by the Committee as such.

CHAIR RESPONSIBILITIES

A Chair and Vice Chair shall be selected by the Committee members at their first meeting of each year. The responsibilities of the Chair include.

- In consultation with others, determine the agenda and ensure that the appropriate materials are distributed in advance of the meeting.
- Chair all meetings of the Committee.
- Monitor members' participation on the Committee.
- Guide the Committee in addressing issues and concerns as they arise.
- Act as the official spokesperson for the Committee as required.

The Vice Chair will undertake these responsibilities in the absence of the Chair.

VACANCIES

When vacancies on the Committee arise, the Committee shall request that the Clerk's Department advertise the vacant positions. Applications received shall be reviewed by the Board and Committees Nominating Committee who make a recommendation to City Council for appointment to the Committee. All recommended candidates shall meet the requirements under Section 2 of this by-law, and are not required to be a member of a local cultural group.

MEETINGS

- The Committee shall meet on the third Wednesday of every month (excluding July and August) at 4:30 pm unless the Chair or Vice Chair cancel a meeting due to lack of business. In no event should the committee go longer than four months without a meeting. There will be flexibility given to the Chair or Vice Chair to call meetings at noon hour should quorum prove difficult at the stated time.
- Additional meetings called at the discretion of the Chair or Vice Chair.
- All meetings of the Committee shall be subject to the open meeting provisions of the Municipal Act, 2001.
- When no quorum exists, the meeting will be cancelled.
- The Committee shall keep Minutes of meetings and keep all papers and documents pertaining to the business of the committee and all books, documents and files kept by the committee shall be open to the inspection of City Council or any other person or persons appointed for that purpose by City Council.
- All out of town travel by Committee members for business related to the Committee shall first be approved by a resolution of City Council.

AD HOC/SUB-COMMITTEES

- Sub-committees may be formed for specific tasks and dissolved once the mandate is met.
- Chairs of sub-committees must be members of the Cultural Vitality Committee
- Membership on such Sub-Committees may be extended to community representatives and/or experts outside of the Committee's membership.
- Membership on such Sub-Committees must be approved by a resolution of the Committee.
- Sub-Committees shall report their findings to the Committee, and shall have no authority to make decisions on behalf of the Committee.

DELEGATIONS

Where members of public wish to address the Committee, a request must be made in writing, at least one week prior to the scheduled meeting. It is the Chair's responsibility to grant or deny the request.

Where members of the public attend open meetings, they may only participate at the Chair's discretion.

CONFLICT OF INTEREST

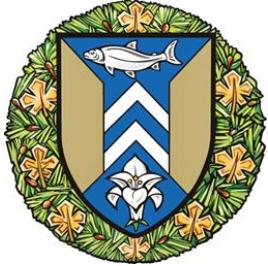
Where a member has a direct or indirect pecuniary interest, the member shall;

- Disclose the interest and its general nature before the matter is considered at the meeting.
- Not take part in the discussion of, or voting on the matter.
- Not attempt to influence the discussion before, during or after the meeting.

See Municipal Conflict of Interest Act for further information.

Procedures By-law 2013-100

Procedures By-law 2013-100, governs aspects of meeting procedure for the Cultural Vitality Committee



The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council

AUTHOR: Brent Lamming, Director of Community Services

DEPARTMENT: Community Development and Enterprise Services

RE: Sault Ste. Marie Branded Products

PURPOSE

This report has been prepared to seek Council's approval to have the Ermatinger-Clergue National Historic Site (ECNHS) be the primary location for sale of Sault Ste. Marie Branded products and be a distributor to local tourist sites/retailers within the community.

BACKGROUND

At a Council meeting held April 23, 2018 the following resolution was passed.

Whereas Saultites are proud of their community, and the Council of the City of Sault Ste. Marie recognizes that pride and seeks to promote even greater community pride; and

Whereas Sault Ste. Marie-branded items are popular with both locals and former Saultites; and

Whereas making Sault Ste. Marie branded products more widely available would help promote community pride

Now Therefore Be It Resolved that staff investigate and report back on the feasibility of making Sault Ste. Marie-branded products available for sale to the public both online and by partnering with local retailers.

ANALYSIS

City staff representing Recreation and Culture, Tourism and Corporate Communications have reviewed the resolution and determined that the ECNHS is an excellent location to supply SSM Branded products for the following reasons.

- The site is one of the major Tourist destinations in our community.
- Will aid in driving additional traffic to the site and gift shop.

- Provides another reason for local residents to attend the site
- Room available at the gift shop to hold some inventory on hand.
- Existing staff resources can be utilized on site to administer.
- ECHNS has excellent relations with other Tourist partners in the community and happy to coordinate as a distributor for their purposes.
- Protocol in place to ensure safe social distancing in place with respect to sign in and waiver forms.
- Added option for tourists visiting the site to obtain a local keepsake.
- ECHNS can buy in bulk and ensure brand standards are maintained while making purchases.
- Fully accessible location.
- Parking available during the day.
- Amenities at the site.

Please reference Appendix A which indicates what products will be available for the initial intake. Products available at this time were determined based on consultation with Tourism as to what the top five (5) sellers have been in our Community over the past number of years. Flexibility will be provided to staff as demand is determined for certain products (subsequently allowing replacement or additions of products). A news release will be issued to inform the public as well as an ongoing social media campaign on the City's and the ECNHS platforms to ensure there is awareness. This can be tailored to city staff, citizens and or tourists visiting the City.

Staff will also work with local business owners for bulk purchases who may be interested. Staff will continue to explore on-line ordering options to augment the proposed process, which will be order in advance by phone or email.

Phone 705-759-5443

Email old.stone.house@cityssm.on.ca

Address: [800 Bay Street](#)

City staff are recommending this option as it will allow staff in to provide direct oversight and ensure that the brand standards are being maintained as well as providing control over pricing of products at the ECNHS to ensure product offerings are fairly priced within the market.

FINANCIAL IMPLICATIONS

It is estimated that there will be a positive impact to operating revenue at the Gift Shop for 2021 of approximately \$3,000.

This will be reflected in the operating results under Historic Site Board – Old Stone House souvenirs.

Sault Ste. Marie Branded Products
2020 10 26
Page 3.

STRATEGIC PLAN / POLICY IMPACT

The recommendation supports the focus area of the Community Strategic Plan for 2016-2020 in a number of ways.

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

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Director, Community Services – Community Development & Enterprise Services dated 2020 10 23 be received.

Furthermore, that Council approval the Ermatinger-Clergue National Historic Site (ECNHS) be the primary location for sale of Sault Ste. Marie Branded products and be a distributor to local tourist sites/retailers within the community.

Respectfully submitted,



Brent Lamming, PFP, CPA, CMA
Director, Community Services
Community Development & Enterprise Services
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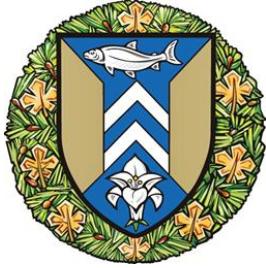
APPENDIX A

Sault Ste. Marie Branded Products - Items on list as discussed by:
Corporate, TSSM, Rec & Cult, ECNHS staff

Proposed top items to have in the gift shop at the Heritage Discovery Centre.

ITEM	DESCRIPTION	SIZING	NEW CORPORATE LOGO
T-shirts	Various colours	Various sizing	Logo & logo with words. Examples below.
Golf shirts	Limited colours	Various sizing	Logo with words
Sweatshirts	Limited colours	Various sizing	Both
Ball caps	Limited colours	One size	Both
Masks	Limited colours	One size	Just logo
Magnets	Artwork to be determined	Depending on availability	Both
Mugs	Limited colours	One size	Both
Key chains	Artwork to be determined	One size	Both
Water bottles	Researching options	One size	Both
City pins	As per Mayor's office – lapel pins	One size	





The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Carl Rumiel, Manager of Design and Transportation Engineering
DEPARTMENT: Public Works and Engineering Services
RE: Gore Street at Albert Street Traffic Safety Improvements

PURPOSE

The purpose of this report is to address an on-going traffic safety concern at the Gore Street at Albert Street intersection.

BACKGROUND

At the May 30, 2016 Council meeting, Council approved the removal of traffic signals at several locations throughout the City including this intersection. In the fall of 2016, the traffic signals at this intersection were removed and replaced with a stop sign on Albert Street. Since the removal of the traffic signals there has been a significant number of angle collisions.

In the 2020 Capital Budget, Council approved hiring CIMA+, a traffic engineering specialist, to provide traffic advisory services throughout the City. Due to higher than normal collision counts at these intersections, staff has since had CIMA+ do intersection safety studies at the Gore Street/Albert Street and Andrew Street/Albert Street intersections. Staff has already implemented safety recommendations to the Andrew Street/Albert Street intersection and the Gore Street/Albert Street recommendations are the subject of this report.

ANALYSIS

In response to a previous Council resolution, the Engineering Division retained the City's traffic advisory specialist, CIMA+, to do a review of traffic safety and operations as well as make recommendations on how the City may enhance traffic safety at the intersection of Andrew Street and Albert Street. Since collision data was also high at the Gore/Albert intersection, staff also had CIMA+ perform a safety review there as well as part of their traffic advisory services.

The CIMA+ report indicates there have been approximately 17 vehicle collisions per year at this intersection since the traffic signals were removed which is a significant increase in vehicular collisions, almost all of which are angle collisions.

Gore Street at Albert Street Traffic Safety Improvements

2020 10 26

Page 2

CIMA+ has recommended that the following mitigation measures should be considered for implementation:

- Convert Intersection to All-Way Stop Control
- Convert Intersection to All-Way Stop Control with One Lane per Approach
- Eliminate Skew Angle between Intersection Approaches

The report states that at a minimum the eastbound intersection approach should be reduced to one lane with the all-way stop implementation. Therefore, staff recommends that the traffic by-law be amended to add a stop sign to the northbound approach on Gore Street at Albert Street, which would make this intersection an all-way stop. Further, staff recommends that the eastbound lanes between Andrew and Gore be reduced to one lane, which is a continuation of the improvements implemented at the Andrew Street intersection. This can be included in the 2021 Miscellaneous Construction program. In the interim, the north lane on Albert Street can be blocked off by Public Works with concrete barricades. As Gore Street is a newly reconstructed road, it will remain two lanes for now and staff will monitor the improvements over the coming months.

FINANCIAL IMPLICATIONS

It is anticipated that concrete curb construction to facilitate the lane reduction on Albert Street will cost approximately \$50,000 and staff will recommend to Council that it be included as part of the 2021 Miscellaneous Paving Program. Staff will include this during upcoming budget deliberations. The new stop sign and temporary blocking of the lane financial implications to this recommendation are minimal; the cost of moving the signage and installing barricades.

STRATEGIC PLAN / POLICY IMPACT

Traffic related recommendations are related to the infrastructure focus area of the strategic plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Design and Transportation Engineering dated October 26, 2020 be received and the recommendations that the traffic by-law be amended to add a stop sign to the northbound approach on Gore Street at Albert Street and that the eastbound lanes on Albert Street between Andrew and Gore be reduced to one lane, be approved.

Gore Street at Albert Street Traffic Safety Improvements

2020 10 26

Page 3

Respectfully submitted,

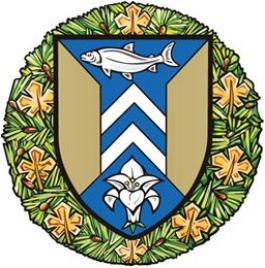


Carl Rumiel, P. Eng.

Manager, Design & Transportation Engineering

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The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Donald B. McConnell MCIP, RPP, Planning Director
DEPARTMENT: Community Development and Enterprise Services
RE: Rental Housing Incentive Program - 13

PURPOSE

The purpose of this report is to recommend a project for a municipal tax rebate under the City's Rental Housing Community Improvement Plan. The subject property is the former St. Bernadette's elementary school at 462 McNabb Street.

BACKGROUND

In 2013, City Council approved a Rental Housing Community Improvement Plan under Section 28 of the Planning Act and Section 365.1 of the Municipal Act. This legislation allows municipalities to provide property tax assistance for qualified projects. Recently, City Council extended this program which will now expire on September 9, 2022.

The development of additional rental units is important to provide for a range of housing types to match residents' needs; to ensure the overall supply of affordable housing is maintained and to provide good short-term housing options for persons wishing to move to Sault Ste. Marie.

The Rental Housing Community Improvement Plan provides for tax rebates on a declining basis over a three-year period (75%, 50%, 25%) with an additional incentive for facilities which support assisted-living programs or where additional barrier free units are constructed.

City Council has previously approved twelve projects to create a total of 267 new rental units under this program. The total construction value of these projects is approximately \$29 million.

ANALYSIS

The subject property has been purchased by Ontario Aboriginal Housing Support Services Corporation.

The former St. Bernadette's elementary school is being converted into an Urban Indigenous Homeward Bound facility. The goal of this program is to provide

single indigenous mothers with support services and child care services while attending post secondary school. A number of local agencies are partnering to ensure the success of this project. The building includes 11 residential units along with space to support Head Start, toddler, pre-school, and daycare programs, a multipurpose early learning space and resource room.

Given the extent of assisted living services being provided, this project qualifies for the fourth year tax rebate program.

The total construction value exceeds \$5,000,000.

A drawing of the proposed completed building is attached.

FINANCIAL IMPLICATIONS

The tax rebate will result in a levy increase which will negate the assessment growth during the 4 years. The tax rebate results in the deferral of the incremental tax increase resulting from the project until after the rebate period.

STRATEGIC PLAN / POLICY IMPACT

This recommendation is not directly linked to any specific policies contained within the Corporate Strategic Plan.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Planning Director, dated 2020 10 26, concerning the Rental Housing Incentive Program be received and that City Council authorize a four-year incremental tax rebate program (75%, 75%, 50%, 25%) for the property at 462 McNabb Street, subject to:

1. That the municipal rebate applies only to the increase in assessment resulting from new construction, and
2. After the rebate program is completed, the full municipal taxes will apply.

Respectfully submitted,



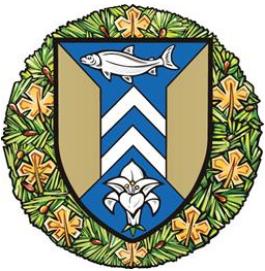
Donald B. McConnell, MCIP RPP
Director of Planning
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 MGP ARCHITECTS + ENGINEERS INC.

HOMeward BOUND SAULT STE. MARIE

SOUTH ELEVATION



The Corporation of the City of Sault Ste. Marie

COUNCIL REPORT

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Karen Fields City Solicitor
DEPARTMENT: Legal Department
RE: 58 Churchill Avenue Snow Plough Turnaround Agreement

PURPOSE

The purpose of this report is to recommend that the City enter into an agreement with Mr. and Mrs. Genua, the new property owners of 58 Churchill Avenue, to allow the City to continue to utilize a portion of 58 Churchill Avenue as a snow plough turnaround.

BACKGROUND

The City has entered into snow plough turnaround agreements with various property owners throughout the City. The agreements permit the City's snow ploughs to enter on to private property during the winter months in order to turn around and exit dead end streets.

Lidstone Street is one such area of the City where such a turnaround is required. The property at 58 Churchill Avenue abuts the end of Lidstone Street. The City has entered into an agreement with the property owners of this property since 1990 to allow the use of a portion of the property as a snow plough turnaround. The agreement is brought forward as the property has changed hands again. The new owners have agreed to have the agreement with the City as previous owners had.

ANALYSIS

The snow plough turnaround in this location is required by Public Works. Mr. and Mrs. Genua have agreed to enter into the agreement. The agreement can be found attached as Schedule "A" to By-Law 2020-199 which appears elsewhere on the agenda.

FINANCIAL IMPLICATIONS

As compensation for allowing the City to use this property, a stipend in the amount of \$264.23 will be paid this year and the amount will increase by the percentage increase in the tax levy for each succeeding year for this property.

STRATEGIC PLAN / POLICY IMPACT

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

58 Churchill Avenue Snow Plough Turnaround Agreement

2020 10 26

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RECOMMENDATION

It is therefore recommended that Council take the following action:

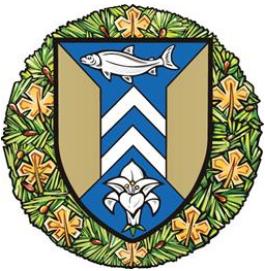
By-law 2020-199 which appears elsewhere on the agenda, authorizes the City to enter into the Agreement between the City and Mr. and Mrs. Genua, and is recommended for approval.

Respectfully submitted,



Karen Fields
City Solicitor
705.759.5407
k.fields@cityssm.on.ca

AGT5\\citydata\\LegalDept\\Legal\\Staff\\COUNCIL\\REPORTS\\2020\\58 Churchill Avenue Turnaround Agreement OPEN.docx



The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Tom Vair, Deputy CAO, Community Development and Enterprise Services
DEPARTMENT: Community Development and Enterprise Services
RE: Twin Pad Arena Project Recommendation

PURPOSE

The purpose of this report is to provide Council with a recommendation on a replacement facility for the McMeeken arena and seek approval to advance this significant infrastructure project.

BACKGROUND

On January 22, 2018, LeisurePlan International, Inc. provided a comprehensive review and evaluation of indoor ice utilization at the City's arenas. This report concluded that there is demand for the replacement of the W.J. McMeeken Centre and further recommended that two new ice pads be constructed.

Upon receipt of this report, Council passed the following resolution:

Resolved that the report of the Deputy CAO, Community Development and Enterprise Services dated 2018 01 22 concerning a third party ice time utilization study be received.

Further that Council request staff complete a report that outlines facility options, the cost associated with these options and financing options (including sources of external funding) to construct a new facility to replace the W.J. McMeeken Centre.

On March 19, 2018, a report was brought to Council and approved to engage LeisurePlan International Inc. and STEM Engineering Group Inc. to undertake work not exceed \$15,000 to assist in properly planning the future development of ice arenas in the community and:

- Evaluate the condition of the McMeeken arena for future potential investment
- Complete a cost/benefit analysis for the Sault College option

Twin Pad Arena Project Recommendation

2020 10 26

Page 2.

- Examine other facility options for the replacement McMeeken facility and associated costs
- Assess the costs of expanding the soccer pitch

On March 18, 2019, Council received a comprehensive report outlining a number of options for the twin pad project and the following resolution was passed:

Resolved that the report of the Deputy CAO Community Development and Enterprise Services dated 2019 03 18 concerning ice capacity expansion be accepted and that Council:

- Approve the establishment of a steering committee responsible for driving the process and reporting back to Council to provide updates on significant matters.
- Proceed in a request for proposal process for “Construction Management Services” and “Architectural and Engineering Services” for a new twin pad arena to be located at 616 Goulais Ave. with a guaranteed maximum price of \$25 million dollars.
- Approve City Staff to apply for Infrastructure Funding when available in support of the project.
- Authorize the Finance department to internally fund in the short term the architectural and engineering design services up to \$1.1M in 2019 to advance the project.
- Authorize staff to investigate options and costs to decommission the W.J. McMeeken and report back to Council.

Subsequent to this resolution, Council authorized a revised RFP approach to a traditional design-bid-build development process and authorized an application to the Investing in Canada Infrastructure Program (ICIP) within the Recreation and Culture stream.

On September 14, 2020 Council received a report indicating that the application to the ICIP program was not nominated by the Provincial government to be further considered and the following resolution was passed:

Resolved that the report dated 2020 09 14 be received as information and Council request staff report back with options and a recommendation on a replacement for the W.J. McMeeken arena no later than October 26, 2020.

In terms of the current state of the project, schematic design, design development and construction documents are now complete. To finalize the design, input was received by community stakeholders including:

- Twin Pad Arena Committee

Twin Pad Arena Project Recommendation

2020 10 26

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- SSM Accessibility Advisory Committee
- Soo Greyhounds
- Sault Thunderbirds
- Sault Ringette Association
- Sault Women's Hockey League
- Sault Female Hockey Association (SFHA)
- Lake Superior Figure Skating Club (LSFSC)
- Sault Major Hockey Association (SMHA)
- Soo Pee Wee Hockey League (SPWHL)

Construction documents (50% stage) were submitted to Hanscomb Consultants for a "Class B" estimate in May 2020. Class B estimates are considered to be within 10 to 15% accuracy. The full twin pad project is estimated to cost \$28.2M, which includes the demolition of the McMeeken arena (\$1M). It should be noted that this is an estimate (+/10-15%) and the true cost won't be determined until a procurement process is complete.

The features of the proposed twin pad design include:

- 85,000 sq. ft.
- 2 NHL Size Ice Pads (85' x 200')
- 10 accessible player change rooms (2 with enhanced accessibility)
- 2 accessible referee change rooms
- 750 spectator seating capacity in ice pad 1
- 300 spectator seating capacity in ice pad 2
- Community meeting rooms and gathering areas
- Elevated barrier free lobby for viewing into rinks
- Standing / seating areas for viewing to both rinks
- Concession (Food and Beverage)
- Public Washrooms including universal washrooms
- Ice Plant (refrigeration equipment / ice resurface room)
- Skate Sharpening / Pro Shop
- Ticket office
- Storage

A value management process was undertaken to bring the project cost down as close to the budget of \$25M. The Twin Pad Arena Committee worked to balance the desire for features with the budget and there were a number of features that were desired that did not make the final design. One prominent feature that the committee hoped to be included but did not make the final design is a walking track. The walking track is estimated to cost \$1M.

The design presented to Council tonight represents the recommended design by the Twin Pad Arena Committee. Images of the facility are contained in Appendix A – Twin Pad Presentation.

ANALYSIS

Staff have been investigating options to advance a replacement facility for the McMeeken arena since learning of the results of the ICIP funding program. A meeting of the Twin Pad Arena Committee was held on October 15, 2020 to present project analysis and finalize a recommendation for Council.

Five options were evaluated as part of the analysis:

1. Proceed with full project
2. Proceed with partial project – defer Ice Pad 2
3. Proceed with a reduced project - single pad only
4. Proceed with partial project – defer Community Rooms (this can be applied to any of Options 1-3 in order to decrease costs)
5. Do not proceed at this time – wait for future funding

Hanscomb Consultants was engaged to provide cost estimates for the different options. In addition, staff worked with the Finance department to establish debt costs for the different options. Interest rates are currently quite low and the City will be able to obtain an interest rate of 2.14% for the project over a 25-year amortization period.

The Finance Department also confirmed there is debt retiring in 2020 from the John Rhodes project (\$489,884) and the GFL Memorial Gardens project (\$581,881). This totals \$1,071,765 in 2021. In addition, there is \$581,881 retiring from the GFL Memorial Gardens in 2022. The total of these two amounts is \$1,653,646, which provides debt servicing capacity for the arena project.

The debt servicing costs for each of the options is as follows:

- Option 1 – Full Twin Pad Project
 - Project Cost: \$28.2M
 - Debt Servicing Cost: \$1,468,265 annually
 - Timing: Tender 6 weeks, 14-16 months construction
- Option 2 – Partial Project – Defer Ice Pad 2
 - Project Cost: \$23.3M
 - Debt Servicing Cost: \$1,213,141 annually (\$255,124 difference from full twin pad project)
 - Timing: Revise drawings 4 weeks; Tender 6 weeks, 14-16 months construction
- Option 3 – Reduced Project - Single Pad only
 - Project Cost: \$20.8M
 - Debt Servicing Cost: \$1,082,975 annually (\$385,290 difference from full twin pad project)

Twin Pad Arena Project Recommendation

2020 10 26

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- Timing: Revise drawings 2 months; Tender 6 weeks, 14-16 months construction
- Option 4 – Defer Community Rooms
 - Can be applied to any project as a cost savings of \$300,000
 - Timing: Revise drawings 2 weeks
 - Debt Servicing Cost: \$1,457,852

A spreadsheet with more detailed numbers for each option can be found in Attachment B - Twin Pad CD Cost Summary.

For all options, the debt servicing costs will be below the debt servicing amounts that will soon be retiring from the John Rhodes and GFL Memorial Gardens projects. Therefore, there would be no impact to the levy for any of the options should a project be advanced at this time. There are, however, other municipal projects that may require debt servicing in the future and a separate report from the Chief Financial Officer appears elsewhere on the agenda to provide further information for Council consideration.

Staff do not anticipate an increase to the operations budget for any of the options. In the case of a full twin pad project, the transfer of the McMeeken budget along with an increased revenue stream from having two ice surfaces to rent (which are available for a longer period of time each season) will help offset other operational costs associated with a larger facility. Due to the condition of the McMeeken arena, staff typically do not start up the arena until the weather gets cold and take the ice out earlier in the Spring to avoid operating the facility in higher temperatures. The new facility will permit longer seasons similar to the John Rhodes or GFL Memorial Gardens.

When reviewing and evaluating the options, key considerations for the Twin Pad Arena committee included:

- The cost differential between the options is not substantial given the total project cost and this cost differential was lower than expected. The incremental cost to move from a single pad option to the full twin pad is \$4.9M and relatively small (in relation to total project cost and upside benefit).
- Interest rates are currently very low (2.14%) which presents an opportune time to obtain debt for the project.
- The original goal of the project was to build a twin pad arena. This meets the demand that was clearly documented in the third party ice time utilization report.

Twin Pad Arena Project Recommendation

2020 10 26

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- No funding programs have been found to support the project at this time nor indication that a new program is imminent. City staff can and will continue to monitor this situation and pursue any eligible funding opportunities that arise.
- The age and condition of the McMeeken Arena requires action if the City wants to continue to maintain current service levels. All user groups will be affected if the McMeeken has a failure as staff will be required to spread less ice time among user groups.
- Option 5 – the defer option – is not cost-free as a minimum of \$3M is required for the McMeeken Arena in coming years based on a recently completed third party engineering report. Further, if there is a serious failure the costs could be greater.
- Delaying the construction of the second ice surface will likely result in a higher construction should the City decide to expand to a second ice surface in the future. At \$4.9M in estimated cost, the second ice surface can currently be achieved at an obtainable cost.

Given the financial comparison of the options and the key considerations above, the recommendation from the Twin Pad Arena Committee is to proceed with “Option 1 - Full Twin Pad Project” utilizing debt financing to fund the project.

Should Council approve, the timeline for the project is anticipated to be as follows:

- Tender (6 weeks)
 - November 2020 – January 2021
- Construction (14 to 16 months)
 - May 2021 – September 2022
- Demolition of McMeeken
 - May 2022 – August 2022
- Arena opening
 - September 2022

This scenario and timing will still require the McMeeken Arena to operate in the 2020/21 and 2021/22 seasons. This forms part of the motivation and recommendation to advance this project at this time.

It is recognized that the Twin Pad project represents a significant investment on the part of the City of Sault Ste. Marie. Staff and the Twin Pad Committee weighed the different options and concluded that there is a unique opportunity to proceed with the project at this time. The City is in a fortunate position that the debt from two previous arena projects will be paid off in 2022. The debt-servicing

Twin Pad Arena Project Recommendation

2020 10 26

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costs for the twin pad project will be below the debt servicing costs for these previous projects and result in no impact to the levy.

From an economic perspective, the twin pad project will also generate construction jobs in the near term and help the community to attract tournaments in the future. Perhaps most importantly, the demand for ice time has been clearly documented and exists even with all current community arenas in operation (and a number of our community arenas are at a significant age).

For all the reasons cited above, the recommendation from the Twin Pad Arena committee is to proceed with this exciting project, at this time, and build a twin pad arena which will serve the community well in the future.

FINANCIAL IMPLICATIONS

As outlined above, the financial implications of the recommended twin pad project are as follows:

- Project Cost - \$28,200,000
- Debt servicing cost - \$1,468,265 annual debt servicing

The project cost excludes construction financing costs.

Schedule of Current Debt Retirement Availability		2021	2022	2023
GFL Memorial Gardens		581,881	581,881	
John Rhodes Community Centre		489,884		
Northern Community Centre				71,060
		1,071,765	581,881	71,060
Cumulative			1,653,646	1,724,706

The broader considerations for debt levels for the City are addressed in a separate report from the CFO that appears elsewhere on the agenda.

STRATEGIC PLAN / POLICY IMPACT

The project links directly to the Infrastructure Focus Area of the Corporate Strategic Plan – “New infrastructure is essential to the City’s growth, economic development, citizen safety and quality of life.”

Further the project ties in to the Service Delivery Focus Area – “Providing outstanding service to citizens benefits the resilience of our community and our collective future as a society.”

Finally, the project aligns with the Quality of Life Focus Area – “The City of Sault Ste. Marie is distinctly poised to provide and promote a superior quality of life.”

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Deputy CAO, Community Development and Enterprise Services dated 2020 10 26 be received and Council approve and authorize staff to proceed with the development of a twin pad arena located at 616 Goulais Avenue.

Further, that staff begin the procurement process to obtain services to construct a twin pad arena and demolish the McMeeken Arena with a total project budget not to exceed \$28,800,000.

Respectfully submitted,



Tom Vair

Deputy CAO, Community Development & Enterprise Services

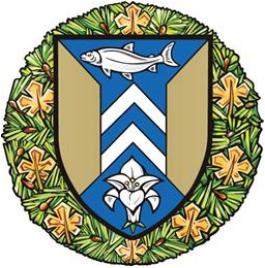
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NCC Twin Pad Expansion

Value Management Options

	Option 1 - Full Project	Option 2 - Defer 1 Rink	Option 3 - Delete 1 Rink	Option 4 - Defer Level 2 Fit-up
Construction Costs				
Net Construction Cost	\$20,957,800	\$16,817,300	\$14,666,700	\$20,744,700
subtotal	\$20,957,800	\$16,817,300	\$14,666,700	\$20,744,700
General Requirements	7%	\$1,467,046	\$1,177,211	\$1,026,669
Fee	3%	\$672,745	\$539,835	\$470,801
subtotal	\$23,097,591	\$18,534,346	\$16,164,170	\$22,862,734
Pricing Contingency	3%	\$692,928	\$556,030	\$484,925
Escalation Allowance	0%	\$0	\$0	\$0
subtotal	\$23,790,519	\$19,090,377	\$16,649,095	\$23,548,616
Construction Contingency	5%	\$1,189,526	\$954,519	\$832,455
Building Permit		\$249,800	\$200,449	\$174,815
HST Tax Liability	0.00%	\$0	\$0	\$0
Construction Cost Subtotal	\$25,230,000	\$20,245,000	\$17,656,000	\$24,973,000
Ancillary Costs				
Architect and Engineering Design Fees	5.33%	\$1,344,759	\$1,344,759	\$1,344,759
Other Professional Fees		\$0	\$79,710	\$201,847
Disbursements (Printing, Adv, etc)		\$25,000	\$25,000	\$25,000
FF&E - Supplied by Owner, Installed by Owner		\$500,000	\$500,000	\$500,000
Ancillary Cost Sub-Total	\$1,870,000	\$1,949,000	\$2,072,000	\$1,874,000
Demolition of McMeeken Arena				
DSS for McMeeken Demo		\$4,045	\$4,045	\$4,045
McMeeken Abaitment		\$250,000	\$250,000	\$250,000
McMeeken Demo		\$775,500	\$775,500	\$775,500
Demo Prof. Fee's		\$54,659	\$54,659	\$54,659
Demo Tax Liability		\$0	\$0	\$0
Demolition Cost Sub-Total	\$1,084,000	\$1,084,000	\$1,084,000	\$1,084,000
Total Project Cost	\$28,200,000	\$23,300,000	\$20,800,000	\$27,900,000
Projected Savings		\$4,900,000	\$7,400,000	\$300,000



The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council

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

DEPARTMENT: Corporate Services

RE: Twin Pad/McMeeken Replacement Long Term Debt Review

PURPOSE

The purpose of this report is to provide Council with information on long term debt regarding the McMeeken Replacement project scenarios.

BACKGROUND

On March 18, 2019 Council authorized staff to proceed with the architectural and engineering services for a new twin pad arena to replace the W.J. McMeeken Centre. Elsewhere on the agenda is a report that provides the options and costs for various options. At the same meeting Council authorized staff to apply for Infrastructure Funding to support the project. Funding was applied for but was not approved.

Due to grant support not being approved, the project will now require full funding by the City utilizing long term debt financing. To assist Council in their review and discussion of the options, this report will provide the current and projected long term debt and debt servicing requirements, as well as other capital requirements that are projected in the short term.

On September 28, 2020 Council approved the Debt Management Policy. The recommendations of the policy as it pertains to this project will also be included in the analysis.

ANALYSIS

The report elsewhere on the agenda provides 4 scenarios and applicable costing for each. All scenarios will require long term debt to fund the entire project. The Debt Management Policy recommends a maximum of 60% of the project costs be financed with long term debt to provide long term flexibility and sustainability. The application for Infrastructure Funding was not approved and at this time there are not sufficient capital reserves to support the remaining 40%.

Twin Pad/McMeeken Replacement Long Term Debt Review

2020 10 26

Page 2.

The City is in a unique situation in that virtually all debt will be retired in 2022. The current debt servicing included in the levy that will be available by 2022 is \$1.6 million, sufficient to service 100% of the estimated debt for the full Twin Pad project, if Council decides to recommend the exception to the Debt Management Policy. To make this decision Council also should review future debt projections and other capital allocation requirements and levy implications of same as well as the debt servicing levels recommended in the Debt Management Policy.

Twin Pad Project Debt Requirement

Funding the Twin Pad Project will require 100% long term debt financing. The assumptions used for the analysis are a 25 year term and the current estimated borrowing cost of 2.14%. Below is a summary of the debt servicing required for each scenario:

	<u>Project Cost(millions)</u>	<u>Debt Servicing-annual</u>
Scenario 1: Full Twin Pad Project	\$28.2	\$1,468,265
Scenario 2: Defer One Rink	\$23.3	\$1,213,141
Scenario 3: Delete One Rink	\$20.8	\$1,082,975
Scenario 4: Defer Level 2 Fit-up	\$27.9	\$1,457,852

Future Projected Debt Requirements:

Current projects that will require long term debt financing in the next 5 years include:

New Fire Hall \$6 million

The cost estimate is based upon the Fire Master Plan. Details and updated costing are not finalized. Debt servicing will be levy based. Current capital allocations will not support 60% debt recommendation and this project will likely require an exception to the Debt Management Policy.

Downtown Plaza \$1.2 to \$3.7 million

The final cost to City is dependent upon funding from other levels of government. The debt will be serviced from the \$500,000 annual capital allocation for growth projects for 3-8 years, depending upon the final City cost, and will not impact the levy.

Sanitary Projects \$18 million

Debt requirement is based upon current cost estimates for the West End Plant, which is currently underway, and the Biosolids facility, which the scope was revised and is now at the preliminary design phase. It should be noted that the Biosolids facility is being redesigned to accommodate the requirement for organics disposal. It is not yet known what the additional costs will be. Sanitary long term debt will be serviced from the sanitary sewer fee revenue. The organics portion of the Biosolids facility will be serviced from the levy.

Other \$7 million

Preliminary forecasts for the update to the Asset Management review of Buildings indicates significant requirements for the John Rhodes Community Centre. Further analysis and review is in progress and other requirements may also need to be addressed. Debt servicing may be available from the annual capital allocation to the Asset Management reserve but this will not be known until the update is fully analyzed and costs forecasted.

PUC water, Library and Police Services will also factor into the City's debt levels but have not been included in the analysis.

Debt Servicing Requirements

The Debt Management Policy recommends a debt servicing level of 5% of Net Revenues. The level as at December 31, 2019 was 1.4%, which provides for approximately \$5.0 million additional debt servicing room, regardless of funding source. Estimating potential debt servicing costs known at this time requires an additional amount of approximately \$3.5 million over and above the current levy provision. Removing the debt servicing accounted for by sanitary sewer revenues and capital growth annual allocation, there is an estimated levy impact estimated at approximately \$650,000 annually in the next 5 years. It is recommended that if Council proceeds with the Twin Pad project that it considers annual increases to the Asset Management Reserve at a minimum of \$150,000 to build the reserve for debt servicing and other ongoing capital requirements in the short term.

Capital Budget Annual Allocations

There are several areas that require additional resources to maintain fleet requirements that will be presented in the 2021 capital budget. Addressing these items will have a levy impact. As part of the Asset Management Plan, all capital requirements are being reviewed and updated so that a long term plan to finance can be addressed.

Transit Fleet and Other Capital requires approximately \$1.2 million annually for the City's 26.67% share of the Invest in Canada Infrastructure Program grant for the next several years. The current capital allocation for Transit is \$130,000 annually. After the program the City's capital requirements for Transit will be based upon the capital replacement schedule.

A request to increase Fire Services annual capital allocation will be included on the 2021 budget. The current allocation is \$300,000 annually and is approximately half of what is required to maintain the fleet.

Twin Pad/McMeeken Replacement Long Term Debt Review
2020 10 26
Page 4.

Public Works and Engineering is currently undertaking a fleet services review and will have future budgetary impacts based upon the final results, likely in 2022.

FINANCIAL IMPLICATIONS

Financial impacts to the levy for debt servicing will depend upon the direction of Council for the Twin Pad project and other future projected projects.

STRATEGIC PLAN / POLICY IMPACT

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

RECOMMENDATION

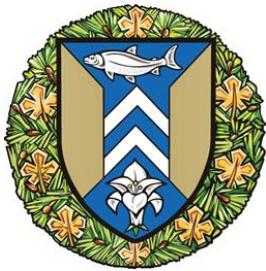
It is therefore recommended that Council take the following action:

Resolved that the report of the Chief Financial Officer/Treasurer dated October 26, 2020 concerning Long Term Debt Review for the McMeeken Replacement be received as information.

Respectfully submitted,



Shelley J. Schell, CPA, CA
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s.schell@cityssm.on.ca



The Corporation of the City of Sault Ste. Marie

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

October 26, 2020

TO: Mayor Christian Provenzano and Members of City Council
AUTHOR: Stephen Turco, RPP, Senior Planner
Patrick Lo, RPP, Junior Planner
DEPARTMENT: Community Development and Enterprise Services
RE: James Street Neighbourhood Strategy

PURPOSE

The purpose of this report is to recommend a five-year James Street Neighbourhood Strategy for rejuvenating this area. This report includes an overview of the process staff undertook to develop this strategy and the recommendations contained within this strategy. The full James Street Neighbourhood Strategy 2021–2025 is attached to this report and is recommended for approval.

BACKGROUND

Staff's work on this project was conducted in response to the following Council Resolution, dated March 5, 2018:

James Street and Surrounding Area Revitalization Plan

Moved by: Councillor M. Shoemaker
Seconded by: Councillor O. Grandinetti

Whereas the CTV W5 program “Steel Town Down” focused on the opioid crisis across Canada, and how it is affecting mid-sized cities like Sault Ste. Marie; and

Whereas the program featured Sault Ste. Marie’s Jamestown neighbourhood as one of the areas in Sault Ste. Marie where the use of opioids and other substances is prominent; and

Whereas the Sault Ste. Marie Innovation Centre’s GIS department has been presenting data to stakeholders in the community for a number of years on the lack of park services and outdoor recreation activities in the Jamestown area and throughout the downtown core; and

Whereas the lack of activities in Sault Ste. Marie was cited as one of a wide number of factors that results in individuals turning to substance use, and ultimately substance abuse, in Sault Ste. Marie; and

Whereas the provision of park services and outdoor recreational activities is an area of direct municipal responsibility and an area where the City can play a leading role in combating part of this issue;

Now Therefore Be It Resolved that Community Development and Enterprise Services staff, in consultation with the Innovation Centre's GIS department, be requested to bring forward to City Council forthwith a James Street and surrounding area revitalization plan, including, but not limited to:

- possible expansion of Anna Marinelli Park;
- conversion of unused green space in the area for recreational use;
- an examination and assessment of James Street and a recommendation on how best to use James Street as a public space; and
- recommendations on the creation of a park or green space in the Downtown core.

At the September 23, 2019 Council meeting, Planning provided an update to Council responding to this Council Resolution, outlining the process Planning would be taking to develop a revitalization plan for the James Street neighbourhood.

ANALYSIS

Neighbourhood Strategy Overview

Planning staff have conducted a multi-pronged process to create a plan to rejuvenate the James Street neighbourhood, focusing in particular on ideas for improving the areas between Carmen's Way and the steel plant. This included:

- Working with the Sault Ste. Marie Innovation Centre to develop a comprehensive data profile for this neighbourhood – this document is attached to this report as the James Street Neighbourhood Profile;
- Reaching out and consulting with "local champions" – community stakeholders who together represent a wide diversity of area interests and perspectives;
- Hosting a series of public neighbourhood meetings (open houses) at the Soup Kitchen Community Centre to hear ideas directly from neighbourhood residents and community members;
- Discussing technical considerations of potential improvements with City staff in Community Development & Enterprise Services and Public Works & Engineering Services; and
- Conducting a mail-out to area residents and property owners, as well as partnering with the Soup Kitchen Community Centre to set up a window display, to share information about the draft recommendations for improvements to the neighbourhood.

This multi-pronged process has culminated in the attached James Street Neighbourhood Strategy 2021–2025 – a five-year action plan for improving the James Street neighbourhood, with items recommended to be completed immediately (in 2021 and 2022) and in the medium term (3 to 5 years).

The Strategy is based on a vision for the James Street neighbourhood to be a:

- Neighbourhood for **all ages**.
- **Safe** neighbourhood.
- **Complete** neighbourhood.
- Neighbourhood **connected** with the rest of the city.
- **Positive and celebrated** neighbourhood.

The recommended action items contained within the Strategy are organized into six overarching key directions:

1. **Rejuvenate the heart of the neighbourhood – James Street between Albert & Cathcart.** (7 action items)
2. **Create new recreational amenities that could serve neighbourhood residents and other Saultites.** (2 action items)
3. **Connect the neighbourhood to the rest of the city.** (4 action items)
4. **Attract new businesses and economic activity to the neighbourhood.** (2 action items)
5. **Continue efforts on safety, property standards and beautification.** (3 action items)
6. **Foster partnerships to bring in services and other neighbourhood improvements.** (3 action items)

Over this past summer, City staff have already begun work on some of the recommended action items, including procuring new play equipment for Anna Marinelli Park, preparing for the construction of new recreational amenities on the vacant large green space at West Street, and collaborating with community organizations to host an event on James Street in which neighbourhood residents participated in painting and creating colourful art.

FINANCIAL IMPLICATIONS

The James Street Neighbourhood Strategy includes 21 specific action items which are intended to be considered further and implemented over the next five years.

Community Services, Public Works, Future Sault Ste. Marie, Engineering Services, Police Services and DSSAB have all been extensively involved throughout the process of creating this document. All of the action items include a lead agency which has agreed to accept that responsibility. Most of the immediate action items can be completed within existing operating budgets and staff complements. Any item requiring additional funding will be included as part of future budget requests.

James Street Neighbourhood Strategy

2020 10 26

Page 4.

Specifically, the strategy identifies 10 action items for 2021 and/or 2022. All of these items can be completed with existing budgets with the exception of the Carmen's Way pedestrian crossing at Albert Street West. Engineering Services has included this as part of their capital budget request for next year. The improvements to Anna Marinelli Park were approved for this year as part of the new Parks Master Plan. The City received \$70,000 in funding for these park improvements from donations to the Soup Kitchen.

STRATEGIC PLAN / POLICY IMPACT

The recommendations in the James Street Neighbourhood Strategy 2021–2025 are consistent with all four focus areas of the Corporate Strategic Plan:

- Infrastructure – in terms of addressing infrastructure concerns to make the area safer, more comfortable and more attractive.
- Service Delivery – in terms of delivering excellent service by addressing pressing needs of residents.
- Quality of Life – in terms of providing amenities for residents that will contribute to social engagement and recreational opportunities.
- Community Development and Partnerships – in terms of working with neighbourhood and community stakeholders to realize impactful community improvements and economic rejuvenation.

RECOMMENDATION

It is therefore recommended that Council take the following action:

Resolved that the report of the Planning Division dated 2020 10 26 concerning the James Street Neighbourhood Strategy be received and that Council:

- Approve the James Street Neighbourhood Strategy 2021–2025 as attached;
- Direct staff to begin efforts on all action items recommended in the James Street Neighbourhood Strategy, including reaching out to community partners to pursue various neighbourhood improvements as indicated; and
- Direct staff to review and report annually on the progress of implementing the James Street Neighbourhood Strategy.

Respectfully submitted,



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James Street Neighbourhood Strategy 2021–2025

**City of Sault Ste. Marie
DRAFT October 2020**



The vision for the James Street neighbourhood is a ...

Neighbourhood for **all ages**

The neighbourhood has something for everyone – toddlers, young children, teenagers, adults and seniors.

Safe neighbourhood

Where people feel safe and comfortable to live, work and visit at all times of day throughout the whole year.

Complete neighbourhood

Contains good housing options, offers opportunities for work, and has places to go for groceries and basic needs and services.

Neighbourhood **connected** with the rest of the city

Where people don't feel that they are physically separated and socially isolated from the larger Sault Ste. Marie community.

Positive and celebrated neighbourhood

One with a unique history and character that's seen with pride by Saultites across the city.

The James Street Neighbourhood

The James Street neighbourhood is located in the original west end of the City of Sault Ste. Marie, and has been known by different names over the years, such as "Jamestown", "Little Italy" and the "West End". It is surrounded on three sides by Algoma Central Railway and Algoma Steel. There isn't a precise definition as to where the neighbourhood's easterly boundary lies. Some consider Carmen's Way as the neighbourhood's easterly boundary, while others who live as far as Huron Street also consider themselves residents of this neighbourhood.

This is one of the most storied neighbourhoods in Sault Ste. Marie, especially to European immigrants who came to the city in the early 20th century and chose to settle here. It was known as a lively community of immigrants, including Italians, Ukrainians, Croatians and others ⁽¹⁾. Residents often remember it as a neighbourhood where one could easily get everything a household needed. A survey in 1960 counted almost 2,000 residents living between the steel plant and the Canadian Pacific (CP) rail tracks ⁽²⁾. A local neighbourhood organization at that time, the West End Ratepayers Association – also known as the West Street to Huron Street Ratepayers Association – consisted of 600 members ⁽³⁾.

Today, 60 years later, Statistics Canada's Census data show that approximately 850 people live in the area between Cathcart Street to the north, West Street to the west, the Algoma Central Railway to the south, and Hudson and Toronto streets to the east ⁽⁴⁾. Of the residents in the neighbourhood, 56% live in apartment buildings, and almost three-quarters rent rather than own their home. Over the decades, the neighbourhood has gained a reputation as a place that needs help ⁽⁵⁾. In 2019, the average residential property assessment value per dwelling unit was around \$60,000 in the James Street neighbourhood, compared to \$166,000 city-wide ⁽⁶⁾.

(1) SooToday and Sault Ste. Marie Public Library. December 9, 2018. "Anna Marinelli: The volunteer midwife who helped deliver more than 1,500 babies."

(2) E.G. Faludi. 1960. Rebuilding a City: The Urban Renewal of Greater Sault Ste. Marie.

(3) Sault Star. August 16, 1969. "Majority of west end people favor urban renewal project."

(4) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

(5) The Steel Town Down (2018) documentary by CTV and Vice shone a spotlight on this neighbourhood.

(6) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

The James Street Neighbourhood

However, looking closer at property assessment values, while total residential assessment values in the James Street neighbourhood are low overall, the neighbourhood's average residential assessment value on a per hectare basis is comparable to that of most other urban areas in Sault Ste. Marie⁽⁷⁾. This is because of James Street's denser traditional form of development, which is often more efficient and more productive than some newer, sparser forms of development on the outskirts of the Sault's urban area. In terms of commercial property assessment values, James Street is comparable to other traditional commercial areas in the Sault, such as the south end of Korah Road (the area traditionally known as Buckley) and Wellington Street West in the Steelton area⁽⁸⁾.

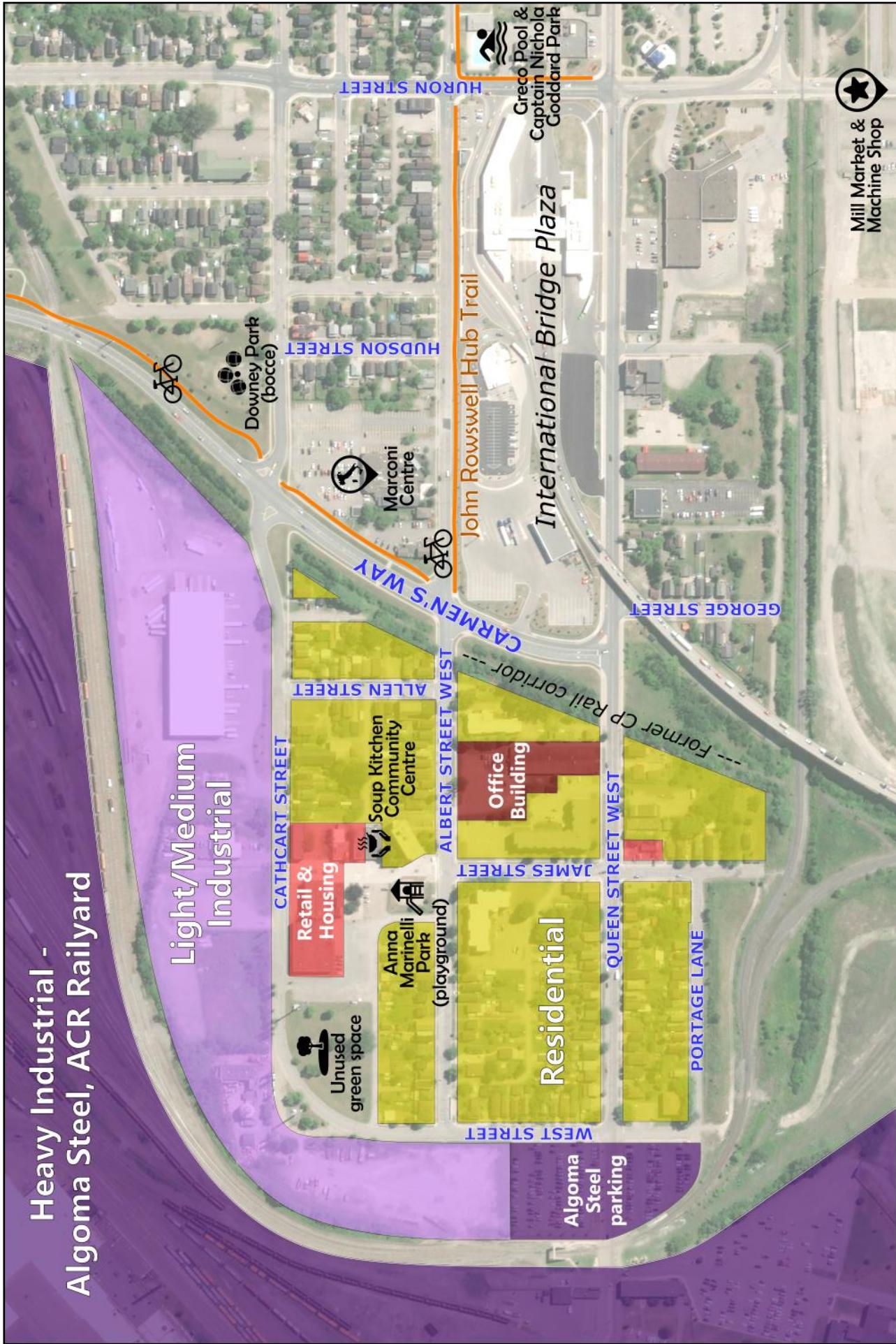
Despite some of the perceptions of this neighbourhood, there is optimism that this neighbourhood can be rejuvenated. Many of the people who still live, work and volunteer in this area are very passionate and engaged about their neighbourhood. In addition, the James Street neighbourhood already has some of the key components of a 'complete neighbourhood': it's a neighbourhood where generations of families can live within close proximity to one another; a neighbourhood that provides a diverse range of housing options; a neighbourhood that has (although underutilized) a tremendous amount of public space; and, a mix of land uses with the potential to provide goods, services and employment opportunities all within walking distance.

It's clear from Planning staff's conversations that there is great interest among both current members of the neighbourhood as well as organizations and leaders in the wider Sault Ste. Marie community to 'do something' to better this neighbourhood.

Recognizing the current form of the neighbourhood, this James Street Neighbourhood Strategy focuses on recommendations for improving the areas west of Carmen's Way to the steel plant.

(7) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."
(8) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

Map of the James Street Neighbourhood today



What We Heard

The following are some of the recurring messages that Planning staff heard from community members during the “**Shape the Sault**” public and stakeholder engagement sessions held in October 2019.

Make it a safe place to be.

A store, or 2, or 3, or...

Crosswalks at Carmen’s Way
and Albert & Cathcart.

A variety of activities
for a variety of ages.

Bike path through or around
Jamestown. Hub Trail.

Pop up markets.

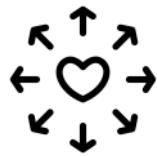
More people! More life!

Change the stigma.

Make Jamestown a
better destination.

A cleaner environment
for everyone.

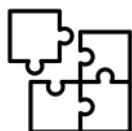
Key Directions



1. Rejuvenate the heart of the neighbourhood – James Street between Albert & Cathcart.



2. Create new recreational amenities that could serve neighbourhood residents and other Saultites.



3. Connect the neighbourhood to the rest of the city.



4. Attract new businesses and economic activity to the neighbourhood.

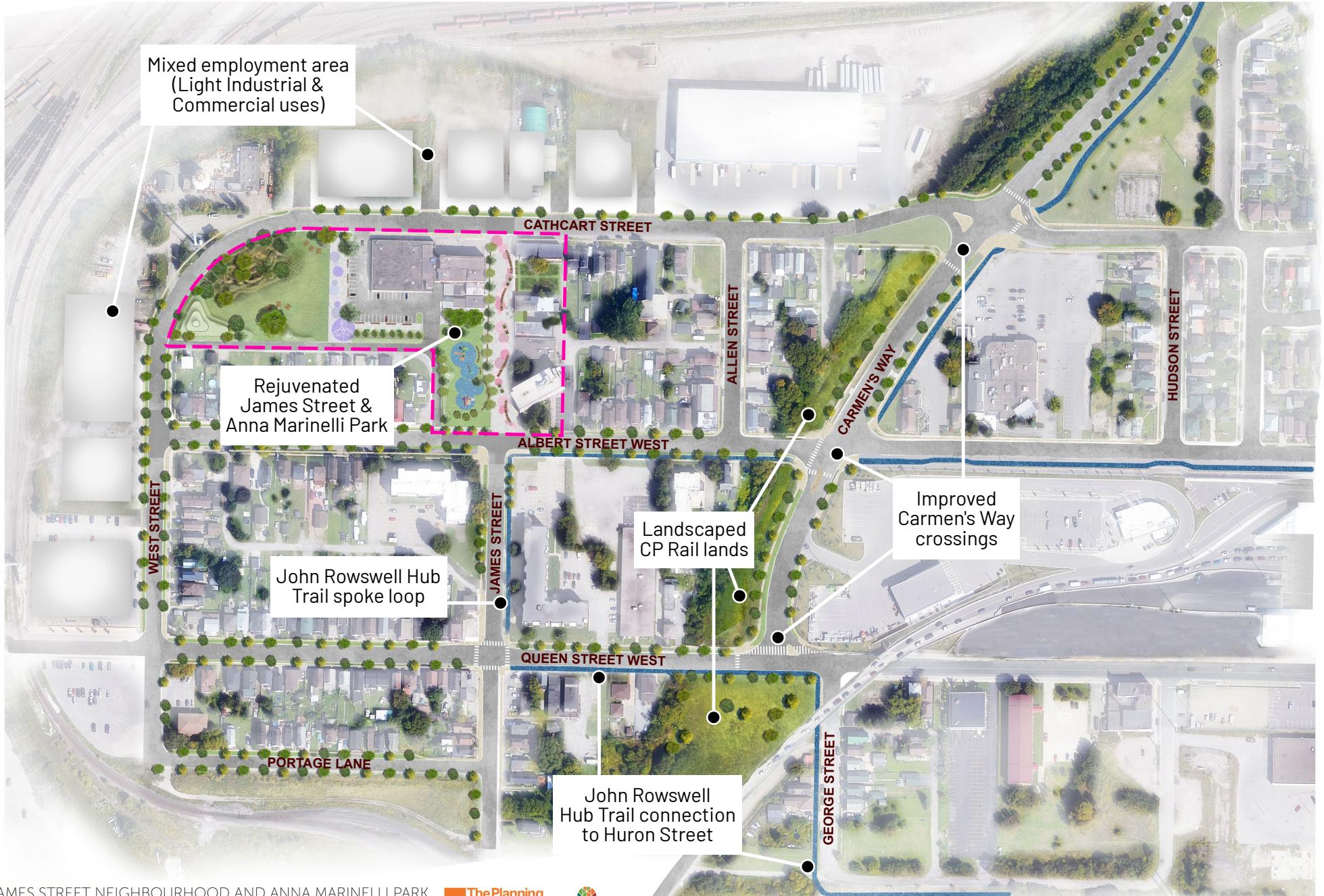


5. Continue efforts on safety, property standards and beautification.



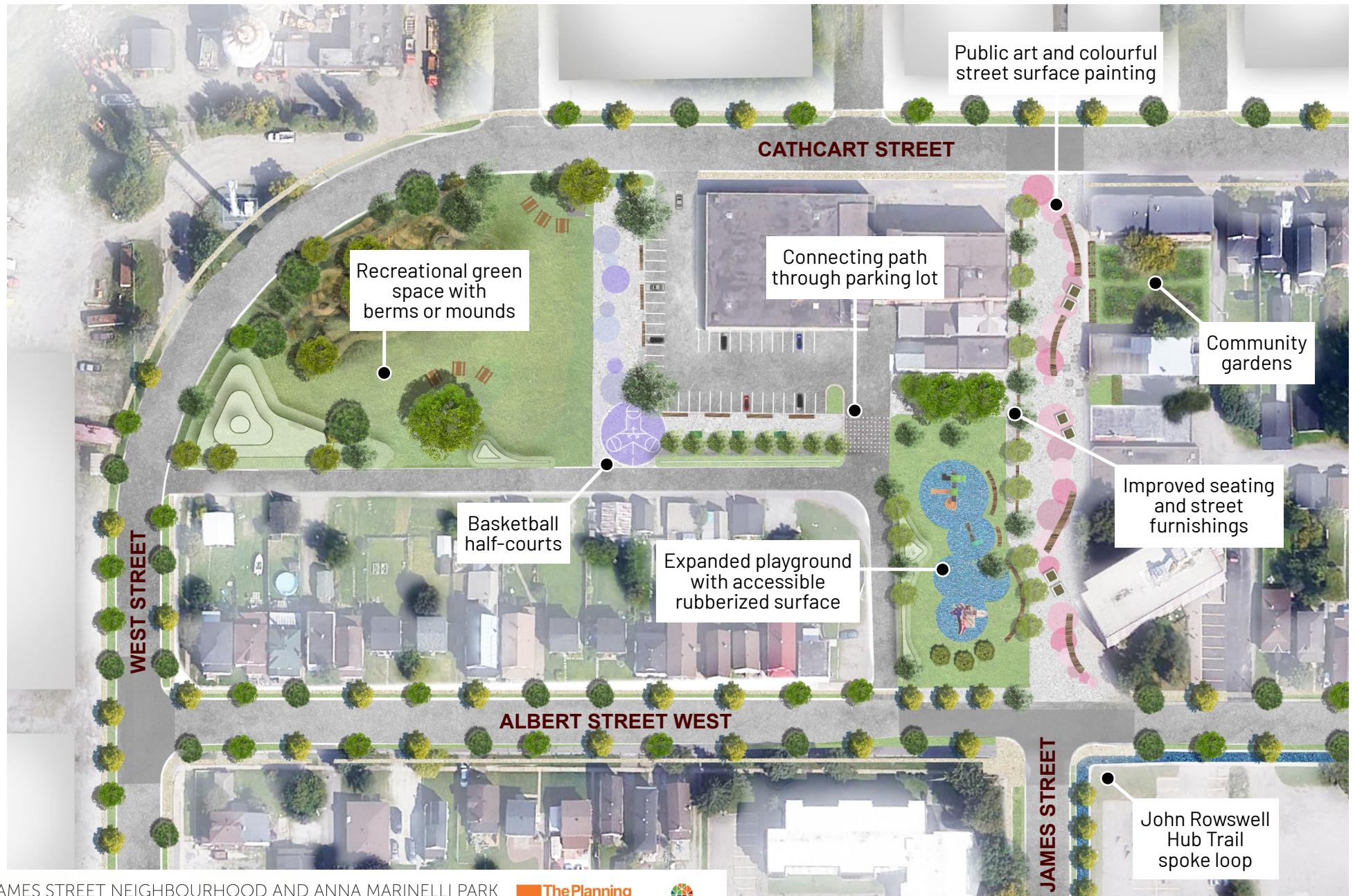
6. Foster partnerships to bring in services and other neighbourhood improvements.

Each of these key directions is associated with a set of recommended action items. A time frame is also indicated for each action item:
Immediate – 2021 and 2022; Medium term – 3 to 5 years.



JAMES STREET NEIGHBOURHOOD AND ANNA MARINELLI PARK

Note: Conceptual illustration – exact design subject to change.



JAMES STREET NEIGHBOURHOOD AND ANNA MARINELLI PARK

Note: Conceptual illustration – exact design subject to change.

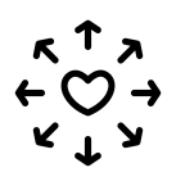
The Planning
Partnership

SUULT STE. MARIE

REJUVENATED PARK AND STREET

1. Rejuvenate the heart of the neighbourhood

– James Street between Albert & Cathcart.



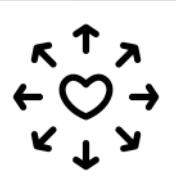
The block of James Street between Albert and Cathcart forms the social heart of the neighbourhood. The Soup Kitchen Community Centre on James Street is a regular hub for community activity and social gathering, and Anna Marinelli Park at the corner of James and Albert is currently the only place within the neighbourhood for families to go for outdoor play and recreation.

Despite being termed a 'pedestrian mall', it is clear from Planning staff's observations that the current state of James Street does not work in terms of being a vibrant and attractive place for people to visit and stay. Planning staff heard that residents are troubled by potential needles in the playground, public drinking and drug activity, and general safety concerns. While the Soup Kitchen is a bustling hub of activity, James Street, just outside its doors, is often deserted and a completely different picture.

Anna Marinelli Park currently contains a playground with a swing set for toddlers, and a play structure and another swing set for grade-school children. However, residents have indicated that they wish to see a greater variety of play offered at the park, especially for toddlers and older youth. Another suggestion was that the park could be improved by adding more seating for families and older adults – more places to sit and relax would help foster parent-child engagement as well as neighbourhood socialization.

By making James Street and Anna Marinelli Park a more welcoming and interesting place for children, parents, youth, seniors and other community members, it is hoped that the heart of this neighbourhood can begin to be restored.

1. Rejuvenate the heart of the neighbourhood – James Street between Albert & Cathcart.



	Action Item	Time Frame
1.1	Resurface Anna Marinelli Park using a rubberized, accessible surface, and add playground equipment for a range of ages and abilities.	Immediate
1.2	Make the street more welcoming by refurbishing existing street furniture, benches and planters, and removing the concrete blocks at the north end of James Street.	Immediate
1.3	Start up a community garden program at the Soup Kitchen Community Centre.	Immediate
1.4	Use public art and celebratory plaques to enliven the James Street public realm as well as to narrate the James Street neighbourhood's unique history.	Immediate
1.5	Consider expanding Anna Marinelli Park onto the existing unpaved parking lot abutting the park, in front of the Soup Kitchen.	Medium term
1.6	Activate James Street through programming such as markets and events.	Medium term
1.7	Consider replacement of existing large street furniture with more modular and contemporary furnishings.	Medium term

2. Create new recreational amenities that could serve neighbourhood residents and other Saultites.



The James Street neighbourhood falls into the category of most 'materially deprived', according to the 2016 Ontario Marginalization Index⁽¹⁰⁾. This means there is a very high proportion of residents and households in this neighbourhood who are unable to afford typical consumer goods and services. Based on the 2016 Census, 53% of residents in the James Street neighbourhood are considered low-income, including 68% of children aged 0 to 17 years⁽¹¹⁾. In contrast, across Sault Ste. Marie, 16% of all residents and 22% of children aged 0 to 17 years are considered low-income. Furthermore, 39% of the families who live in the James Street neighbourhood are lone-parent families, compared to 20% across the city.

All of this translates to low participation rates in organized sports and membership clubs. Data received from various sports and recreation organizations in Sault Ste. Marie, including the YMCA, Sault Youth Soccer, CanSkate and Sault Minor Football, indicate that very few residents from the James Street neighbourhood are registered in organized sports and other recreational programs⁽¹²⁾.

Given the low participation rates in organized sports and recreation, additional opportunities should be explored to provide informal or less-structured activities that allow a range of athletic and recreational play within the neighbourhood.

The current Anna Marinelli Park consists of approximately 1,200 square metres. It is a quarter of the size of the original Anna Marinelli Park that was located just east of the CP rail tracks between Albert Street West and Queen Street West beside the former St. Mary's elementary school⁽¹³⁾. The former park included a playground, baseball diamond and tennis court. It was relocated in 2005 to its current location at the corner of James and Albert in order to accommodate the construction of Carmen's Way⁽¹⁴⁾. In addition to its reduced size, there is currently no space or equipment for sports or athletic forms of recreation.

There is a significant amount of City-owned vacant land that could be repurposed for providing recreational amenities for the James Street neighbourhood. The large green space at the corner of West and Cathcart streets was originally created during the 1970s Urban Renewal projects through clearance of homes in the Cathcart-West-Rome Street-May Lane area⁽¹⁵⁾, but has sat vacant ever since. This underutilized space could be used for some relatively low-cost recreation installations that might not be commonly found across the city, especially in the Sault's core areas. This would not only serve residents living in James Street, but potentially also attract Saultites from other parts of the city to visit a rejuvenated neighbourhood.

(10) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

(11) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

(12) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

(13) Based on comparisons between 1998 and current air photos, and 2002 and current property maps.

(14) SooToday. October 20, 2005. "Jim Marinelli strings Frank Manzo a line."

(15) Sault Star. August 14, 1969. "Ottawa approves west end renewal."

2. Create new recreational amenities that could serve neighbourhood residents and other Saultites.

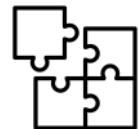


	Action Item	Time Frame
2.1	<p>Consider new recreational amenities on the City-owned green space at the corner of West Street and Cathcart Street. New amenities on this green space could include:</p> <ul style="list-style-type: none"> • Berms or mounds that could function as a tobogganing hill and sitting space. • Small dirt-surface bike track. • Small soccer field with goalposts. • Benches and picnic tables around existing mature trees. 	Immediate
2.2	Connect the West Street green space to James Street using colourful painting or landscaping on the existing parking lot to create a contiguous public park.	Medium term



Air photograph taken in 1998, labeled with the locations of the former and present-day Anna Marinelli Park.

3. Connect the neighbourhood to the rest of the city.



One of the ideas expressed most vividly by community members was that the James Street neighbourhood is isolated, both physically and socio-psychologically, from nearby Downtown and the rest of Sault Ste. Marie. Public transit services do serve the neighbourhood and are very well-used. However, many people have expressed safety concerns about walking to and from other areas of the city, particularly due to the presence of Carmen's Way – a designated truck route.

Carmen's Way has a posted speed limit of 50 km/h, and based on measurements done in December 2019, most vehicles using Carmen's Way between Queen and Cathcart streets travel at or below 60 km/h⁽¹⁶⁾:

Location and direction of travel	Carmen's Way – Queen to Albert, Northbound	Carmen's Way – Queen to Albert, Southbound	Carmen's Way – Albert to Cathcart, Northbound	Carmen's Way – Albert to Cathcart, Southbound
85th Percentile Speed	63.44 km/h	60.17 km/h	55.41 km/h	56.85 km/h

More problematic is that the width of Carmen's Way does not make it easy for pedestrians and cyclists to cross. Carmen's Way's three vehicular lanes have a combined width of approximately 14m, but rounded corners at its intersections that allow vehicles to perform quicker turns add significant distances for crossings. For example, at the Albert Street intersection, a pedestrian needs to cross approximately 25m of roadway to get from one side of Carmen's Way to the other side⁽¹⁷⁾. Also, there currently is no signage or other clear visual indication to motorists that pedestrians can legally cross Carmen's Way.

Many free and affordable activities for youth and families are offered at Greco Pool, Captain Nichola Goddard Park (i.e. Etienne Brule Park), Kina Awiiya (formerly Etienne Brule school) and Esposito Park. All are within a 10-to-15-minute walk from the James Street neighbourhood across Carmen's Way⁽¹⁸⁾. The nearest food establishments are also all across Carmen's Way, with the Marconi Centre being the closest. The nearest grocery store is RJ's Market in the Steelton neighbourhood, which is a 15-minute walk and just over one kilometre away, and again involves crossing Carmen's Way.

An improved intersection at Albert Street West and Carmen's Way can be an effective conduit between the James Street neighbourhood and the rest of the city. Albert Street directly connects James Street with the many amenities and services in the Greco Pool and Captain Nichola Goddard Park area, as well as the Gore Street area. Furthermore, there already exists a Hub Trail multi-use path along Albert Street beside the International Bridge Plaza, just east of Carmen's Way.

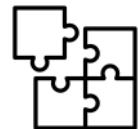
Extending the John Rowswell Hub Trail into the James Street neighbourhood, via a spoke trail loop, would better integrate the neighbourhood with nearby areas such as Gore Street, Steelton, the Machine Shop and Mill Market area, and Downtown as a whole. At the same time, a Hub Trail extension could also bring more Saultites into the neighbourhood and enliven the James Street area.

(16) City of Sault Ste. Marie, Engineering Services. December 2019.

(17) Based on measurements done using Google Earth.

(18) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

3. Connect the neighbourhood to the rest of the city.



	Action Item	Time Frame
3.1	Construct a pedestrian crossing facility at the intersection of Carmen's Way and Albert Street West, similar to the new crossing at Wellington Street West and Beverley Street.	Immediate
3.2	Extend the John Rowswell Hub Trail system into the James Street neighbourhood, via a spoke trail loop. This could be done with a new multi-use path along Albert Street West, James Street, Queen Street West, George Street and then connecting back to the existing Hub Trail at Huron Street.	Medium term
3.3	Undertake an analysis to determine appropriate improvements to better facilitate pedestrian and cyclist crossings at: <ol style="list-style-type: none">1. Carmen's Way at Cathcart Street2. Carmen's Way at Queen Street3. Queen Street at James Street4. Albert Street at Huron Street (by Greco Pool and Captain Nichola Goddard Park)	Medium term
3.4	Explore the creation of more visible and intuitive pedestrian connections to the Steelton neighbourhood along the existing Hub Trail north of Cathcart Street.	Medium term

4. Attract new businesses and economic activity to the neighbourhood.



Today, only three retail businesses – Spadoni's Furniture, Mathewson Office Pro and Pristine Auto Detailing – remain in a neighbourhood that used to have a thriving commercial core. Many residents expressed a strong desire to see more stores locate in the James Street area, such as a grocery store, convenience store, laundromat, coffee shop and restaurant, so that residents would not need to always leave the neighbourhood to obtain everyday goods and services.

While the City cannot simply build new stores, the City can try to foster an environment that could potentially attract stores and businesses to invest and locate in the James Street neighbourhood.

There is an abundance of vacant privately-owned land in the neighbourhood, especially along Cathcart Street and West Street. Encouraging a mix of commercial and light industrial development on these lands could create a more attractive interface and visual buffer between the neighbourhood's residential buildings and the heavy industrial uses that surround this area. Additionally, if enough new businesses set up here, bringing more employees to work in the area, that might generate the market conditions needed to support new stores in the James Street neighbourhood.

	Action Item	Time Frame
4.1	Change the Official Plan designation of the lands along the north side of Cathcart Street and the west side of West Street to permit a mix of light industrial as well as commercial uses.	Immediate
4.2	Utilize the City's Economic Growth Grant Program to catalyze export based industries on vacant lands within the area.	Medium term

5. Continue efforts on safety, property standards and beautification.



Safety and property standards on both private and public lands is an ongoing concern in the James Street neighbourhood. As some Saultites suggested, improvements of any kind do not matter unless safety is simultaneously addressed.

A cleaner neighbourhood increases community morale as well as makes the neighbourhood a more attractive place to live, work, visit and invest in. Having the City take the lead on cleaning up public lands, and coupling that with proactive enforcement, can produce an environment that encourages private property owners to follow suit in working to create and maintain a better neighbourhood.

	Action Item	Time Frame
5.1	Support ongoing work by the city-wide, multi-agency By-law Enforcement Task Force and Integrated Municipal Enforcement Team.	Immediate
5.2	Clean up City-owned lands including vacant lots and road right-of-ways, and explore updates to streetscaping as appropriate.	Immediate
5.3	Conduct a Crime Prevention Through Environmental Design (CPTED) safety audit with the Sault Ste. Marie Police Service.	Medium term

6. Foster partnerships to bring in services and other neighbourhood improvements.



The **rejuvenation** of the James Street neighbourhood cannot happen simply on City actions alone. If improvements to the neighbourhood are to be sustained over time, it is critically important to obtain support and form partnerships with community stakeholders. Fortunately, based on Planning staff's preliminary discussions with various groups and organizations, there does seem to be great interest in helping James Street and other struggling neighbourhoods in the city.

Physical and mental wellbeing in the neighbourhood is one key aspect that requires collaboration among wider community stakeholders in order to achieve lasting positive impact. The James Street neighbourhood is one of the 'hotspots' in the city with higher incidence of confirmed opioid overdoses⁽¹⁹⁾. In addition, as mentioned previously, the James Street neighbourhood is considered a highly materially deprived neighbourhood. Residents in such neighbourhoods generally experience over 2 times the rate of cardiovascular disease, 5 times the rate of mental health emergency department visits, 2.8 times the rate of youth self-harm emergency department visits and over 3 times the rate of potentially avoidable deaths, compared to residents in least deprived neighbourhoods⁽²⁰⁾. Bringing health and wellness services to James Street residents would go a long way toward making life in the neighbourhood better.

James Street is a stigmatized neighbourhood, and community members believe this stigma may be partially attributable to the physical appearance of the neighbourhood, particularly its entrance along Carmen's Way. The Canadian Pacific Railway lands beside Carmen's Way have been vacant since the rail line was decommissioned, and is now little more than unsightly bush. Working with corporate and community partners to transform the CP lands into an attractive and enjoyable neighbourhood edge can shed new light onto the James Street neighbourhood and create a more positive impression for this area.

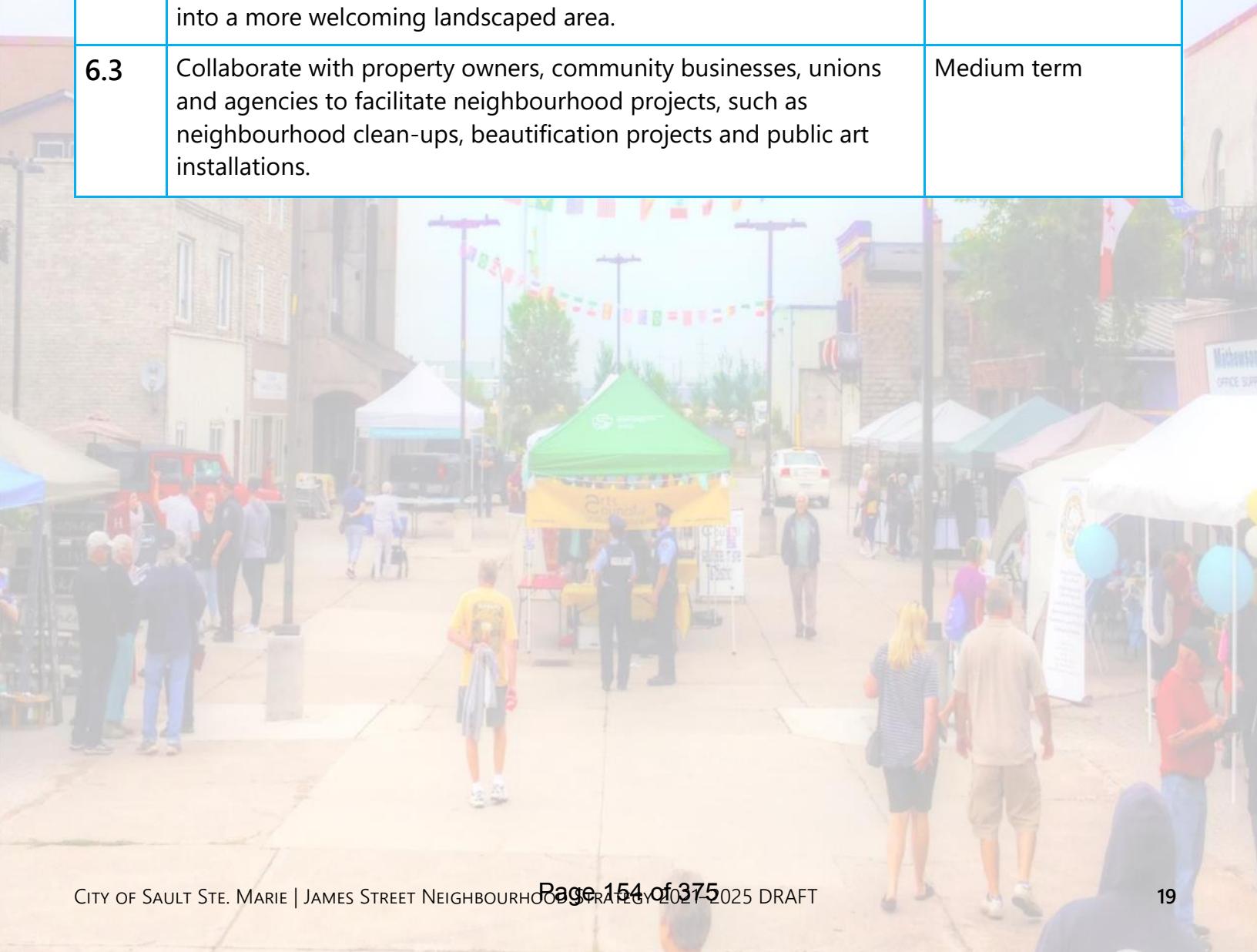


(19) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."
(20) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

6. Foster partnerships to bring in services and other neighbourhood improvements.



	Action Item	Time Frame
6.1	Reach out to city-wide health and social services agencies to explore the possibility of establishing a “wellness centre” in or within walking distance of the James Street neighbourhood that can provide a variety of health and social services for residents. A good model to explore is the Garden River Wellness Centre, which provides a wide range of programs and services that support wellness through all life stages.	Immediate
6.2	Work with Canadian Pacific Railway (CP) to clean up and transform the former railway right-of-way on the west side of Carmen's Way into a more welcoming landscaped area.	Medium term
6.3	Collaborate with property owners, community businesses, unions and agencies to facilitate neighbourhood projects, such as neighbourhood clean-ups, beautification projects and public art installations.	Medium term



Recognizing the Past, Looking to the Future

James Street is a neighbourhood that has experienced upheaval multiple times throughout the last 60 years – from the demolition of the Highline in 1958, to the development and redevelopment of the International Bridge Plaza, the Urban Renewal projects of the 1970s and the construction of Carmen's Way in the early 2000s.

The 2016 census indicates that the James Street neighbourhood is home to a higher proportion of new and transient residents than Sault Ste. Marie as a whole – 21% of residents in the neighbourhood moved to the city only within the past five years, whereas in comparison, 8% of residents city-wide are newcomers to the Sault⁽²¹⁾. Both Census data and community stakeholders indicate that people who relocate to Sault Ste. Marie from other cities in Ontario often choose the James Street neighbourhood for their first home, perhaps due to the availability of affordable rental housing. Yet, these new residents frequently leave for other neighbourhoods after a short time.

Recently, community members have noticed an influx of international students choosing to live in the James Street neighbourhood while studying at local post-secondary schools. Despite its shortcomings, this neighbourhood still has its advantages and appeal. If the recommendations in this James Street Neighbourhood Strategy are implemented, James Street can be transformed into a model of a positive, complete neighbourhood, bringing tangible social, cultural and economic benefits for both the James Street neighbourhood and all of Sault Ste. Marie.

(21) Sault Ste. Marie Innovation Centre. 2020. "James Street Neighbourhood Profile."

Recommended Action Items at a Glance

Immediate (2021 and 2022)

	Action Item	Lead
1.1	Resurface Anna Marinelli Park using a rubberized, accessible surface, and add playground equipment for a range of ages and abilities.	Community Services, Public Works
1.2	Make the street more welcoming by refurbishing existing street furniture, benches and planters, and removing the concrete blocks at the north end of James Street.	Public Works
1.3	Start up a community garden program at the Soup Kitchen Community Centre.	Soup Kitchen Community Centre, Public Works
1.4	Use public art and celebratory plaques to enliven the James Street public realm as well as to narrate the James Street neighbourhood's unique history.	Planning, Community Services, Community Development (FutureSSM)
2.1	Consider new recreational amenities on the City-owned green space at the corner of West Street and Cathcart Street. New amenities on this green space could include: <ul style="list-style-type: none"> Berms or mounds that could function as a tobogganing hill and sitting space. Small dirt-surface bike track. Small soccer field with goalposts. Benches and picnic tables around existing mature trees. 	Community Services, Public Works
3.1	Construct a pedestrian crossing facility at the intersection of Carmen's Way and Albert Street West, similar to the new crossing at Wellington Street West and Beverley Street.	Engineering Services
4.1	Change the Official Plan designation of the lands along the north side of Cathcart Street and the west side of West Street to permit a mix of light industrial as well as commercial uses.	Planning
	<i>Continued on next page...</i>	

Recommended Action Items at a Glance

Immediate (2021 and 2022)

	Action Item	Lead
	<i>Continued from previous page...</i>	
5.1	Support ongoing work by the city-wide, multi-agency By-law Enforcement Task Force and Integrated Municipal Enforcement Team.	Engineering Services
5.2	Clean up City-owned lands including vacant lots and road right-of-ways, and explore updates to streetscaping as appropriate.	Public Works
6.1	Reach out to city-wide health and social services agencies to explore the possibility of establishing a “wellness centre” in or within walking distance of the James Street neighbourhood that can provide a variety of health and social services for residents. A good model to explore is the Garden River Wellness Centre, which provides a wide range of programs and services that support wellness through all life stages.	Planning, Community Development (FutureSSM), Social Services

Recommended Action Items at a Glance

Medium term (3 to 5 years)

	Action Item	Lead
1.5	Consider expanding Anna Marinelli Park onto the existing unpaved parking lot abutting the park, in front of the Soup Kitchen.	Community Services, Public Works, Planning
1.6	Activate James Street through programming such as markets and events.	Social Services
1.7	Consider replacement of existing large street furniture with more modular and contemporary furnishings.	Planning, Public Works
2.2	Connect the West Street green space to James Street using colourful painting or landscaping on the existing parking lot to create a contiguous public park.	Community Services, Public Works, Planning
	<i>Continued on next page...</i>	

Recommended Action Items at a Glance

Medium term (3 to 5 years)

	Action Item	Lead
	<i>Continued from previous page...</i>	
3.2	Extend the John Rowswell Hub Trail system into the James Street neighbourhood, via a spoke trail loop. This could be done with a new multi-use path along Albert Street West, James Street, Queen Street West, George Street and then connecting back to the existing Hub Trail at Huron Street.	Planning
3.3	Undertake an analysis to determine appropriate improvements to better facilitate pedestrian and cyclist crossings at: 1. Carmen's Way at Cathcart Street 2. Carmen's Way at Queen Street 3. Queen Street at James Street 4. Albert Street at Huron Street (by Greco Pool and Captain Nichola Goddard Park)	Engineering Services
3.4	Explore the creation of more visible and intuitive pedestrian connections to the Steelton neighbourhood along the existing Hub Trail north of Cathcart Street.	Engineering Services
4.2	Utilize the City's Economic Growth Grant Program to catalyze export based industries on vacant lands within the area.	Planning
5.3	Conduct a Crime Prevention Through Environmental Design (CPTED) safety audit with the Sault Ste. Marie Police Service.	Police Service
6.2	Work with Canadian Pacific Railway (CP) to clean up and transform the former railway right-of-way on the west side of Carmen's Way into a more welcoming landscaped area.	Planning (to reach out & coordinate)
6.3	Collaborate with property owners, community businesses, unions and agencies to facilitate neighbourhood projects, such as neighbourhood clean-ups, beautification projects and public art installations.	Planning (to reach out & coordinate)

Acknowledgements

The City of Sault Ste. Marie Planning Division would like to thank:

City staff in Community Development & Enterprise Services and Public Works & Engineering Services, as well as our consultants The Planning Partnership, for assisting in the development of this strategy.

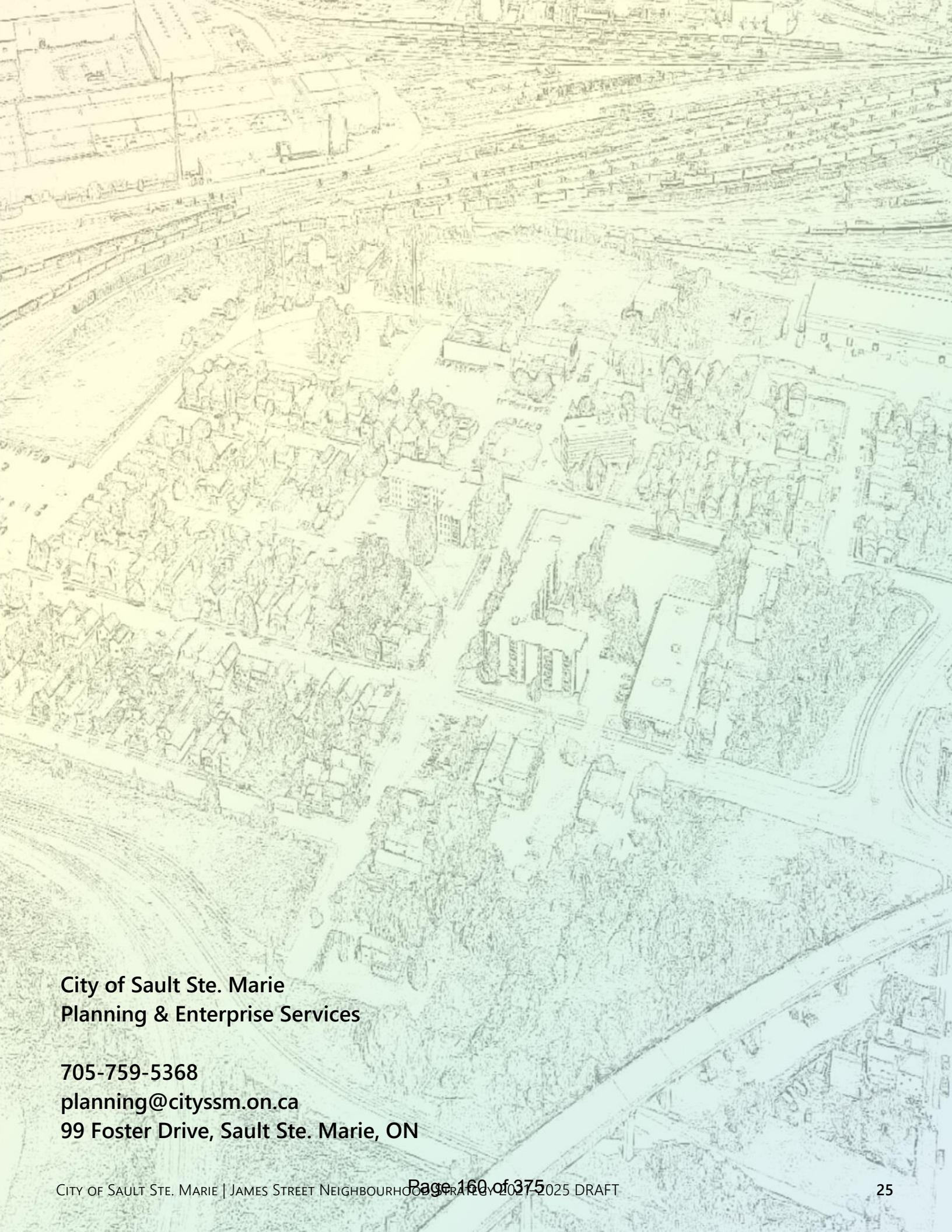
The Sault Ste. Marie Innovation Centre for developing the accompanying [James Street Neighbourhood Profile](#), along with the following local organizations for sharing their data with us:

- Algoma Public Health
- Group Health Centre
- Neighbourhood Resource Centre & Superior Family Health Team
- Social Services Sault Ste. Marie District
- Sault Ste. Marie YMCA
- Sault Youth Soccer Club
- CanSkate
- Sault Minor Football League

The following community stakeholders and "Local Champions" for sharing their time, insights & knowledge:

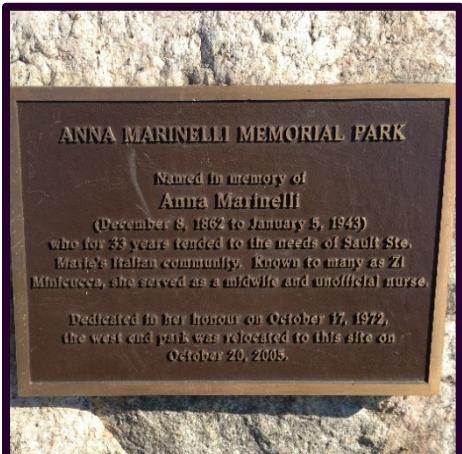
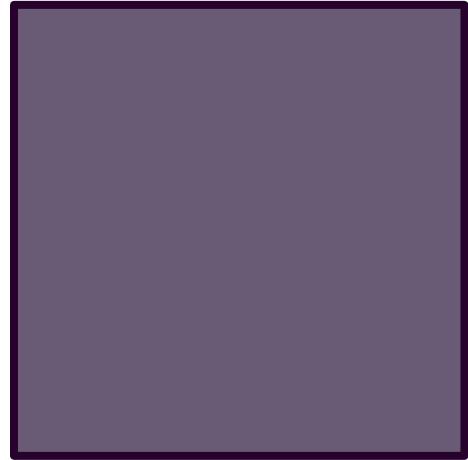
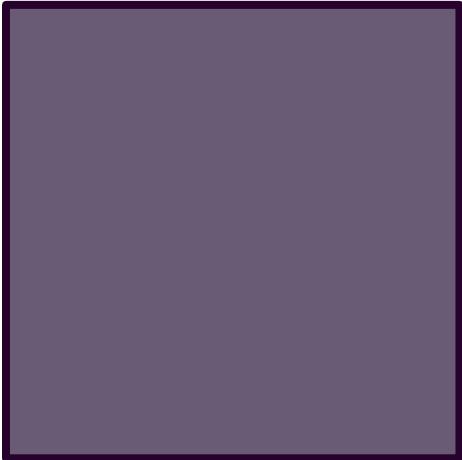
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- Lisa Vezeau-Allen – Ward 2 City Councillor
- Luke Dufour – Ward 2 City Councillor
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- Tracey McClelland – Algoma Public Health

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James Street Neighbourhood Neighbourhood Profile

Created by Acorn Information Solutions
(Sault Ste. Marie Innovation Centre)



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EXECUTIVE SUMMARY

The James Street Neighbourhood profile provides an in-depth look at the community, the physical area, quality of life and other areas of interest.

The James Street Neighbourhood is made up of residential, commercial, industrial and institutional land. The Anna Marinelli Park is located in this neighbourhood, which is a reasonable (400-500m) walking distance from the James Street Neighbourhood residents' who live west of Carmen's Way. Those who live east of Carmen's Way are beyond a 500m walking distance. The park lacks greenspace; however, it contains two swing sets and a play system.

There is one transit route that serves the James Street Neighbourhood, the Korah Road route. The James Street Neighbourhood has a higher percentage of working residents utilizing public transit as their main mode of transportation compared to residents in Sault Ste. Marie. In terms of housing availability, apartments account for the majority of the occupied private dwelling types in the James Street Neighbourhood.

The James Street Neighbourhood has a higher percentage when compared with Sault Ste. Marie (SSM) and Ontario (ONT) for the following measures:

- **Lone-parent families:** 39.0% in the James Street Neighbourhood, 19.6% in SSM, 17.1% in ONT
- **Indigenous identity population:** 22.0% in the James Street Neighbourhood, 11.3% in SSM, 2.8% in ONT
- **Total income from government transfer payments:** 58.0% in the James Street Neighbourhood, 47.2% in SSM, 41.9% in ONT
- **Prevalence of low-income measure after tax:** 53.3% in the James Street Neighbourhood, 15.8% in SSM, 14.4% in ONT
- **Private households by tenure - renters:** 74.2% in the James Street Neighbourhood, 31.3% in SSM, 30.2% in ONT
- **Spending 30% or more of household total income on shelter costs:** 41.9% in the James Street Neighbourhood, 21.3% in SSM, 27.7% in ONT
- **No certificate, diploma or degree:** 40.4% in the James Street Neighbourhood, 19.0% in SSM, 17.5% in ONT
- **Not in the labour force:** 54.0% in the James Street Neighbourhood, 42.6% in SSM, 35.3% in ONT
- **Moved from another place in the city:** 36.0% in the James Street Neighbourhood, 23.6% in SSM, 20.0% in ONT
- **Moved from another place in Ontario:** 18.9% in the James Street Neighbourhood, 6.1% in SSM, 11.0% in ONT

The James Street Neighbourhood has a higher percentage of private households with an after-tax income under \$40,000 compared to Sault Ste. Marie and Ontario. Of the total subsidized housing units in Sault Ste. Marie, 3.4% are located in the James Street Neighbourhood. Those living in the far west and south parts of the James Street Neighbourhood are more than 1 km away from a healthy food source.

The neighbourhood also falls within the "Most Marginalized" quintile for the Ontario Marginalization Index. Areas that fall in this quintile generally experience poorer mental and physical health outcomes. The National Ambulatory Care Reporting System disclosed that there is a higher concentration of opioid related Emergency Department visits from residents in the James Street Neighbourhood.

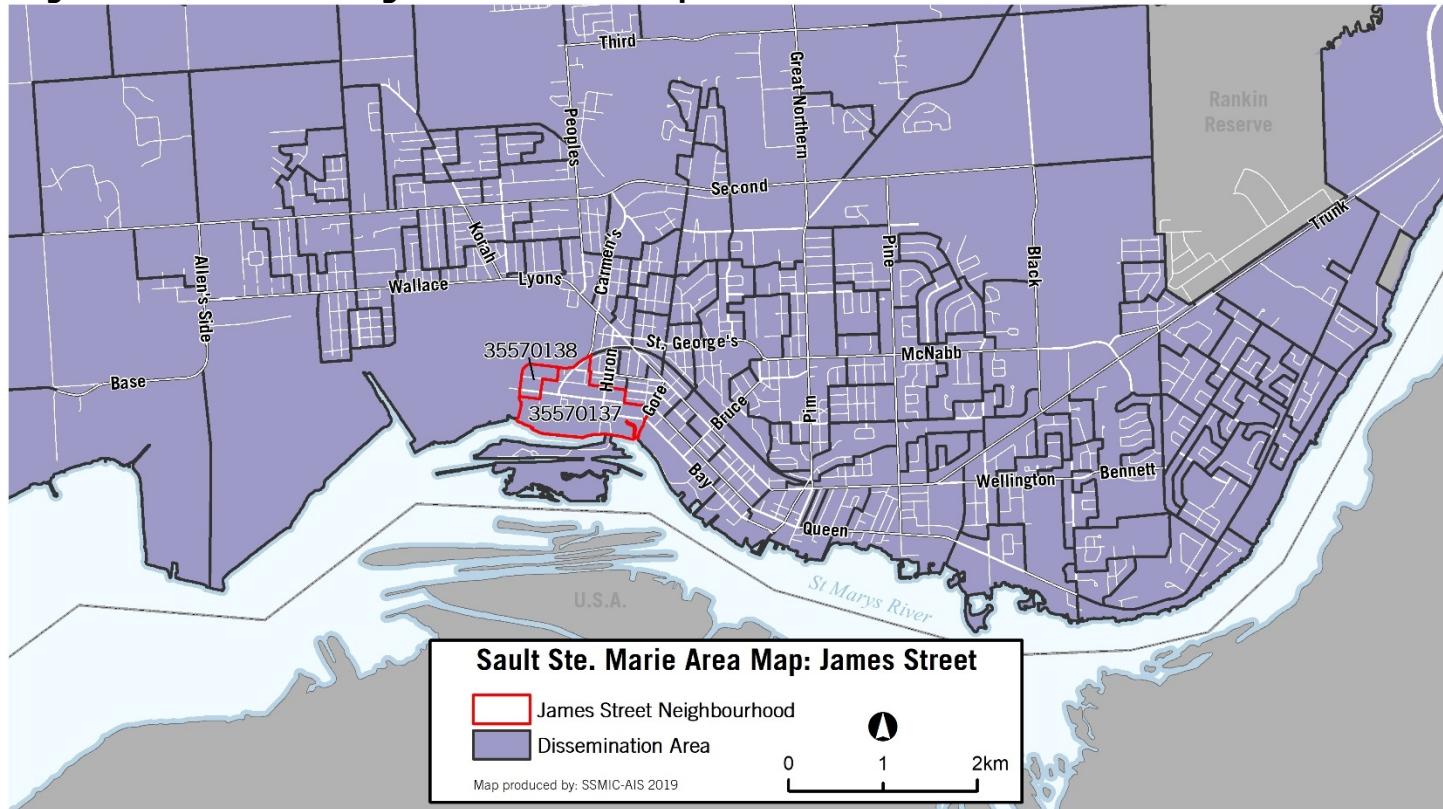
Families with children aged 0 to 4 who live in the James Street Neighbourhood are less likely to visit EarlyON Centres than those who live elsewhere in the City of Sault Ste. Marie. Children who reside in the Downtown area of Sault Ste. Marie are more likely to be vulnerable in the physical health and well-being domain of the Early Development Instrument. Participation in organized physical activity was reportedly low in the James Street Neighbourhood.

The James Street Neighbourhood profile highlights data and information collected from Statistics Canada, community partners and other government agencies. The data and information in the following profile will provide a clearer understanding of the neighbourhood as a whole.

AREA MAP

The following map Figure 1 shows the Dissemination Areas that make up the James Street Neighbourhood, which is highlighted in red. A Dissemination Area (DA) is a small, relatively stable geographic unit composed of one or more adjacent dissemination blocks with an average population of 400 to 700 persons based on data from the previous Census of Population Program. It is the smallest standard geographic area for which all census data are disseminated. DAs cover all the territory of Canada (Statistics Canada, 2016).

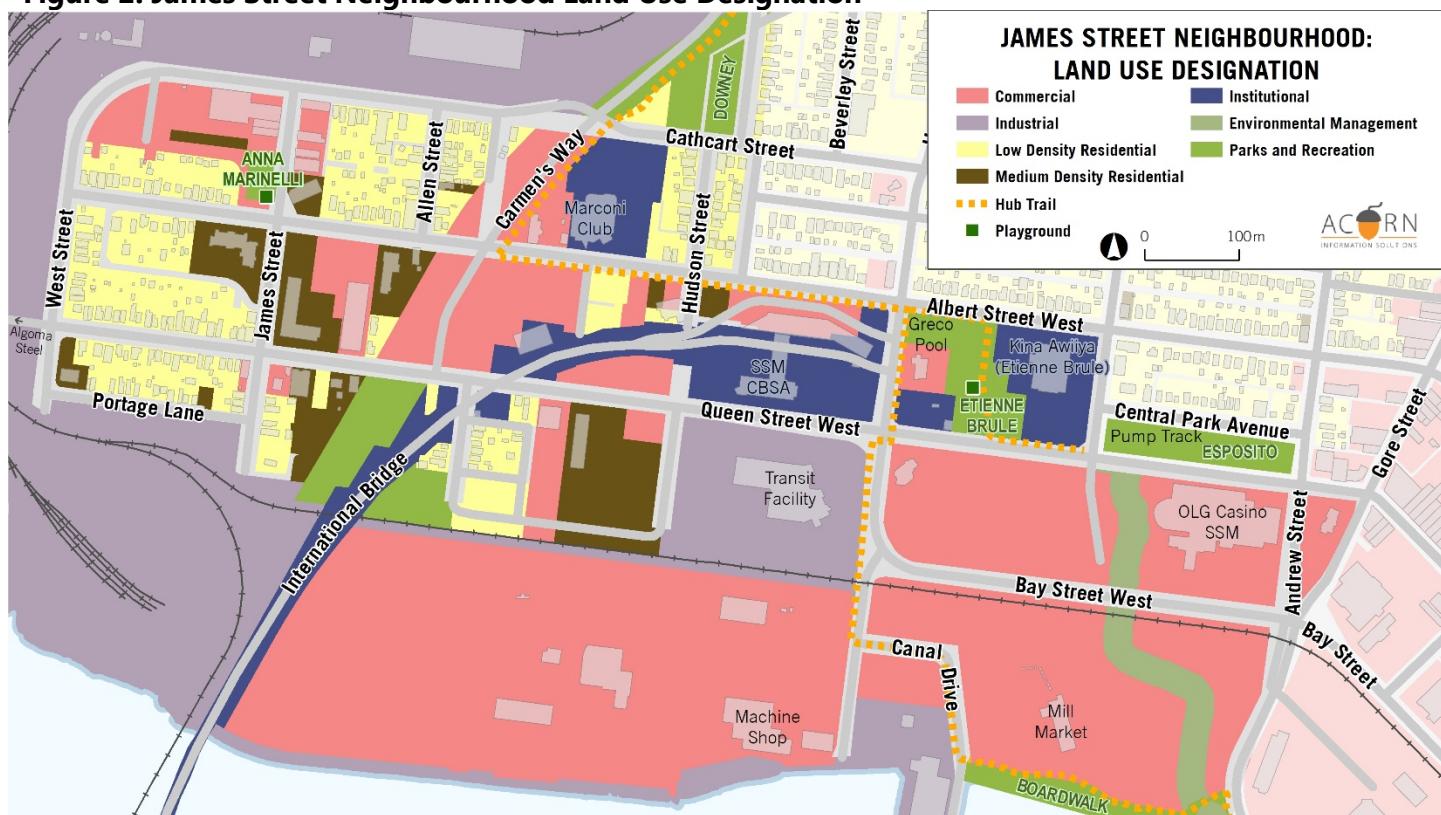
Figure 1: James Street Neighbourhood Area Map



LAND USE DESIGNATION

Land use designations outline the permitted land use for each parcel and are regulated by the City of Sault Ste. Marie. The James Street Neighbourhood is a mixed neighbourhood with commercial zones, industrial zones, institutional zones, medium density residential zones and low-density residential zones. In Figure 2, it should be noted that almost all residences in this neighbourhood are located west of Hudson Street. Anna Marinelli Memorial Park is located at the corner of Albert Street West and James Street and has playground equipment, but very little greenspace. There is also playground equipment on the Étienne Brûlé property, approximately a 10-minute walk away. Several other undeveloped greenspace lands exist within the James Street Neighbourhood area.

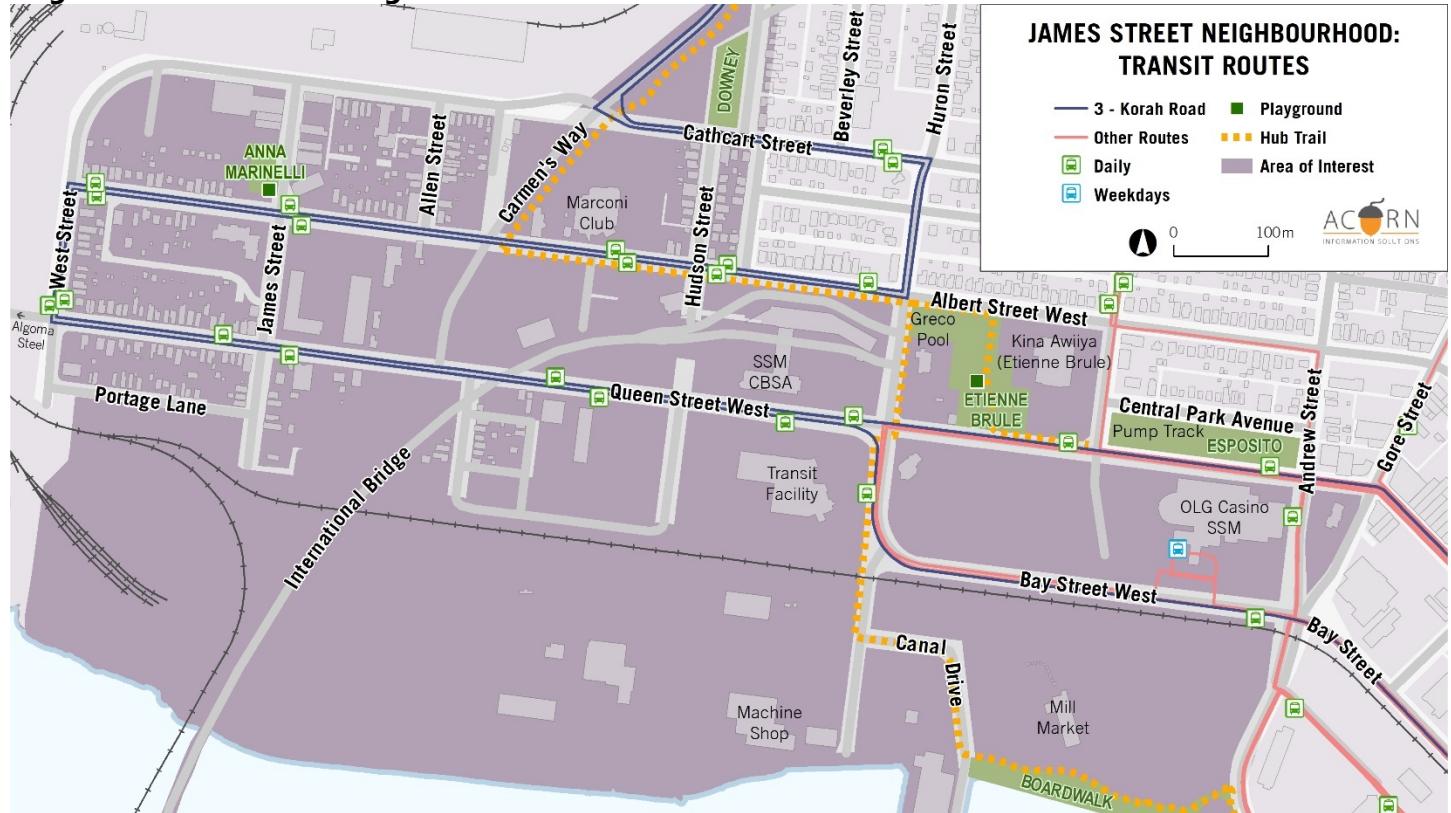
Figure 2: James Street Neighbourhood Land Use Designation



TRANSIT ROUTES

Currently, there is one regular transit route that serves the James Street Neighbourhood: the Korah Road route. This route travels along Queen and Albert street and connects residents to the Downtown and Market Mall area in the west end.

Figure 3: James Street Neighbourhood Transit Routes



ANNA MARINELLI PARK AREA

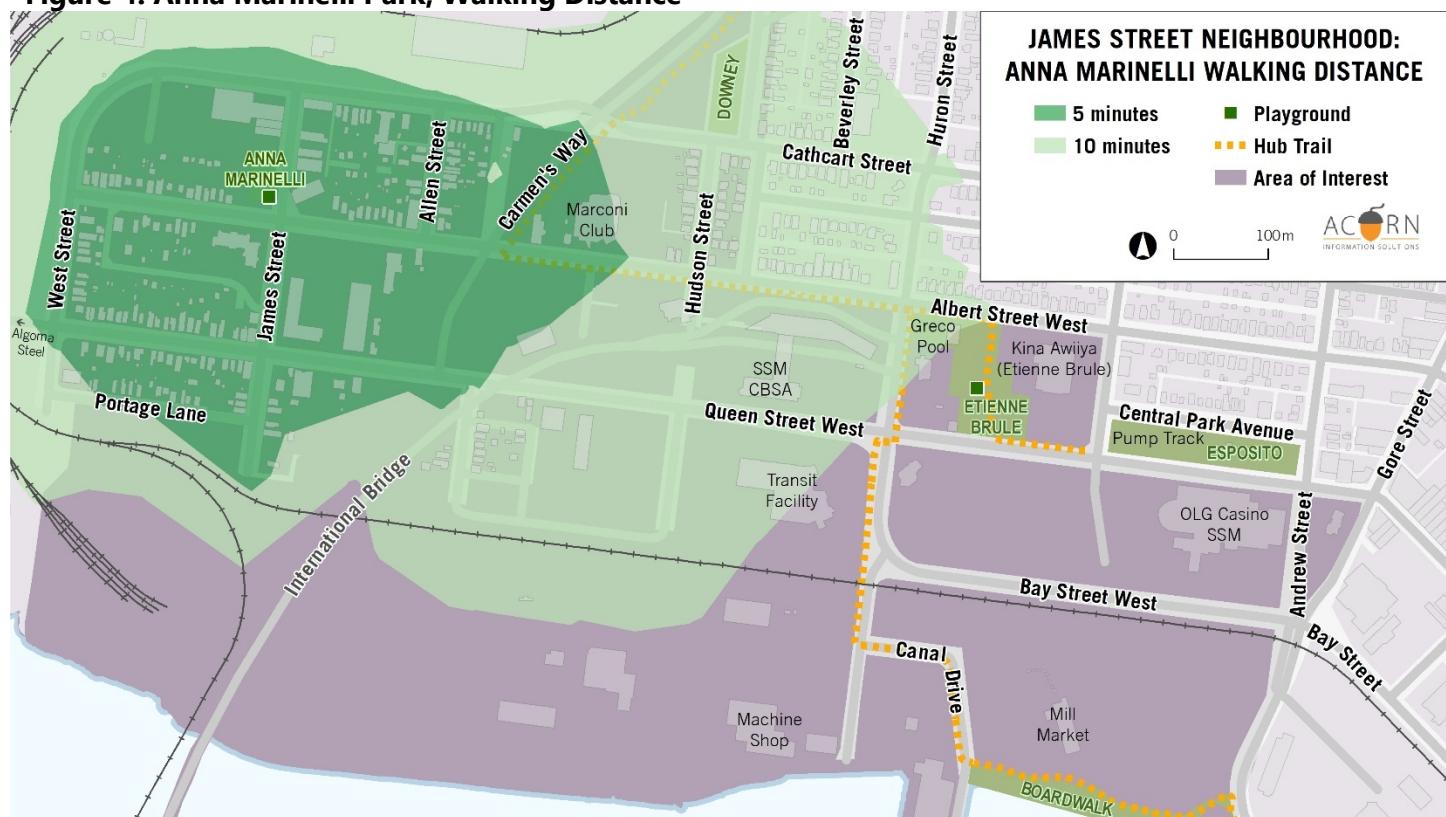
Walking Distance from the Park

Anna Marinelli Park is within a reasonable (5-10 minute) walking distance from all James Street Neighbourhood residences. However, those who live east of Carmen's Way may have a longer walk because of the need to cross Carmen's Way. The nearest parks and recreation land to Anna Marinelli are indicated in Table 1 below.

Table 1: Approximate Walk Time from Anna Marinelli Park to Nearby Recreation Areas

Recreation Areas	Approximate Walk Time from Anna Marinelli Park	Distance in Metres
Downey Park	7 minutes	561m
Greco Pool	10 minutes	763m
Étienne Brûlé Park	11 minutes	904m
Esposito Park (Pump Track location)	11 minutes	1137m
Mill Market Boardwalk	16 minutes	1249m
Sault Ste. Marie Canal National Historic Site	21 minutes	1664m

Figure 4: Anna Marinelli Park, Walking Distance



Playground Area

The City of Sault Ste. Marie's Community Development and Enterprise Services utilizes a parks analysis that examines parks within the city. Their analysis uses a criterion that includes size/area of park, playground equipment/amenities/age, total population within 500 metres of the park, household median income, neighbourhood walkability to another park, and low-income household status. Based on the Parks Analysis, at a November 2019 City Council Meeting it was recommended that in 2020, city staff and community partners work to revitalize Anna Marinelli Park.

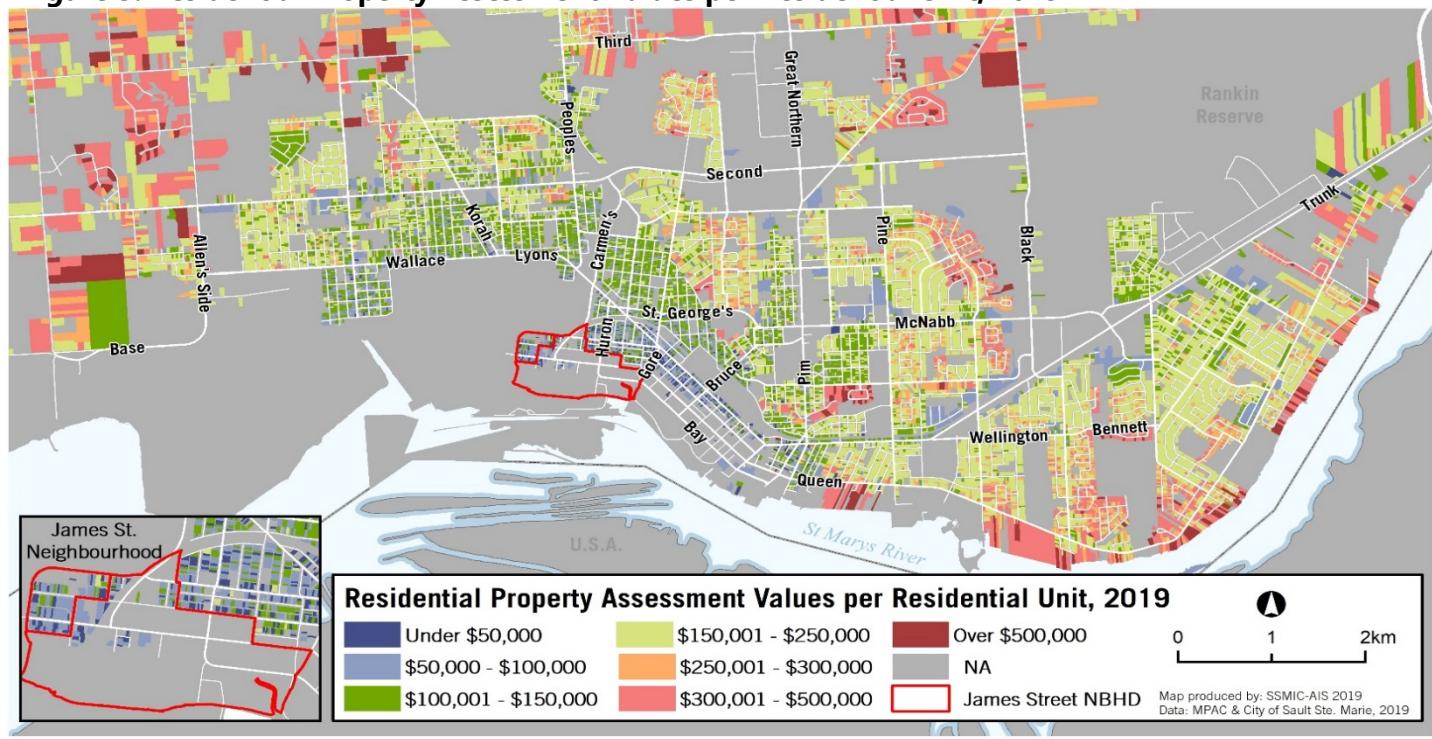
The Anna Marinelli Park playground contains two swing sets (one with bucket swings and one with belt seats) and a play system that includes two slides, four climbers/bars, and a sliding pole. This equipment was installed in 2006. The bucket swings are appropriate for ages 18 months to 3 years. Whereas the belt seat swings are appropriate for ages 3 years to 14 years. The play system is appropriate for ages 5 years to 12 years. The parks analysis conducted by SSMIC staff in 2018, scored Anna Marinelli Park as "Good," with a score of 80 out of 100. This analysis was conducted by an evaluation of the playground which included, age appropriateness of equipment, equipment variety, equipment condition, greenspace and sports fields. Playgrounds that contained limited equipment, minimal greenspace, or hazards/conditions that may cause injury (damaged equipment, corrosion, loose railings, etc.) were given successively lower scores depending on the number of infractions identified. Playgrounds were also docked points if they were strewn with litter and/or contained vulgar graffiti. Several visits by SSMIC staff over the years to Anna Marinelli Park have found that the equipment is generally in good shape but is prone to markings/graffiti. The playground is mostly fenced in. The surface type beneath the play equipment is sand and there is grass around the perimeter. The total fenced-in area is approximately 1,000 square metres.



TAX ASSESSMENT

The municipality sets and determines tax rates and collects property taxes to pay for municipal services. For the James Street Neighbourhood, tax assessments have been analyzed for residential and commercial properties. The Municipal Property Assessment Corporation (MPAC) primarily looks at the following characteristics in residential properties: (1) age of property and if the property has been adjusted for major renovations or additions, (2) living area, (3) location, (4) lot dimensions and (5) quality of construction.¹ This assessment is then provided to the municipality, which is utilized for classification of properties and as a basis for calculating property taxes. Figure 5 indicates the Residential Property Assessment values per Residential Unit for the City of Sault Ste. Marie in 2019. This map includes an inset of the James Street Neighbourhood that shows the range in residential property assessment values per residential unit in this area. For commercial properties, MPAC states that they must have the following characteristics; (1) uses may include retail, food service, office or other general commercial uses, (2) they are multi-purpose buildings that include interior finish, (3) special purpose features are limited and (4) they can be converted to another use without extensive alterations.² MPAC utilizes a cost approach to value commercial properties, which is a means of estimating the replacement cost of the structure, adjusting the cost for any depreciation and adding value of the land.³ Table 2 indicates the tax assessment value for the city of Sault Ste. Marie as a whole, as well as the totals for the James Street Neighbourhood.

Figure 5: Residential Property Assessment Values per Residential Unit, 2019



¹ Municipal Property Assessment Corporation. (2019). Residential Properties. Retrieved from <https://www.mpac.ca/PropertyTypes/ResidentialProperties>

² Municipal Property Assessment Corporation. (2019). Commercial Properties. Retrieved from <https://www.mpac.ca/PropertyTypes/CommercialProperties>

³ Municipal Property Assessment Corporation. (2019). Commercial Properties. Retrieved from <https://www.mpac.ca/PropertyTypes/CommercialProperties>

Table 2: Tax Assessment Statistics

	James Street Neighbourhood	City of Sault Ste. Marie	Notes
Total residential tax assessment value	\$29,703,415	\$5,480,241,205	The James Street Neighbourhood makes up 0.5% of the total Sault Ste. Marie residential tax assessment value.
Total commercial tax assessment value	\$8,299,752	\$753,783,927	The James Street Neighbourhood makes up approximately 1% of the total Sault Ste. Marie commercial tax assessment value.
Average residential assessment per residential unit	\$60,373	\$165,591	The James Street Neighbourhood's average residential unit assessment value is approximately 2/3 lower than the City of Sault Ste. Marie as a whole.
Average residential property assessment value per hectare of residential land	\$3,263,993	\$983,674	James St. Neighbourhood's average residential assessment value per hectare of residential land is more than 3x higher than the average per hectare for the whole of the City of Sault Ste. Marie.

Figure 6: Total Residential Property Assessment Values by DA, 2019

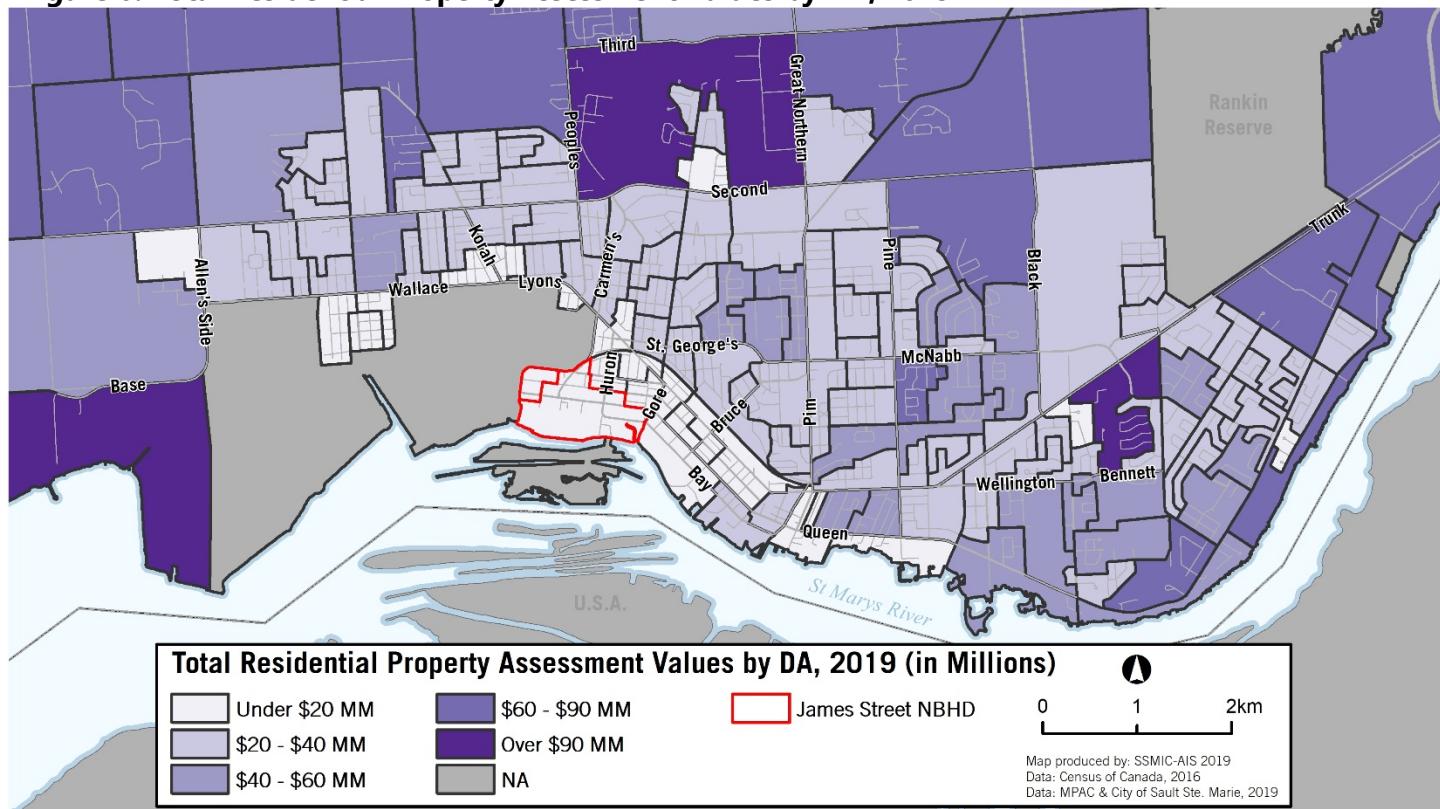


Figure 7: Total Commercial Property Assessment Values by DA, 2019

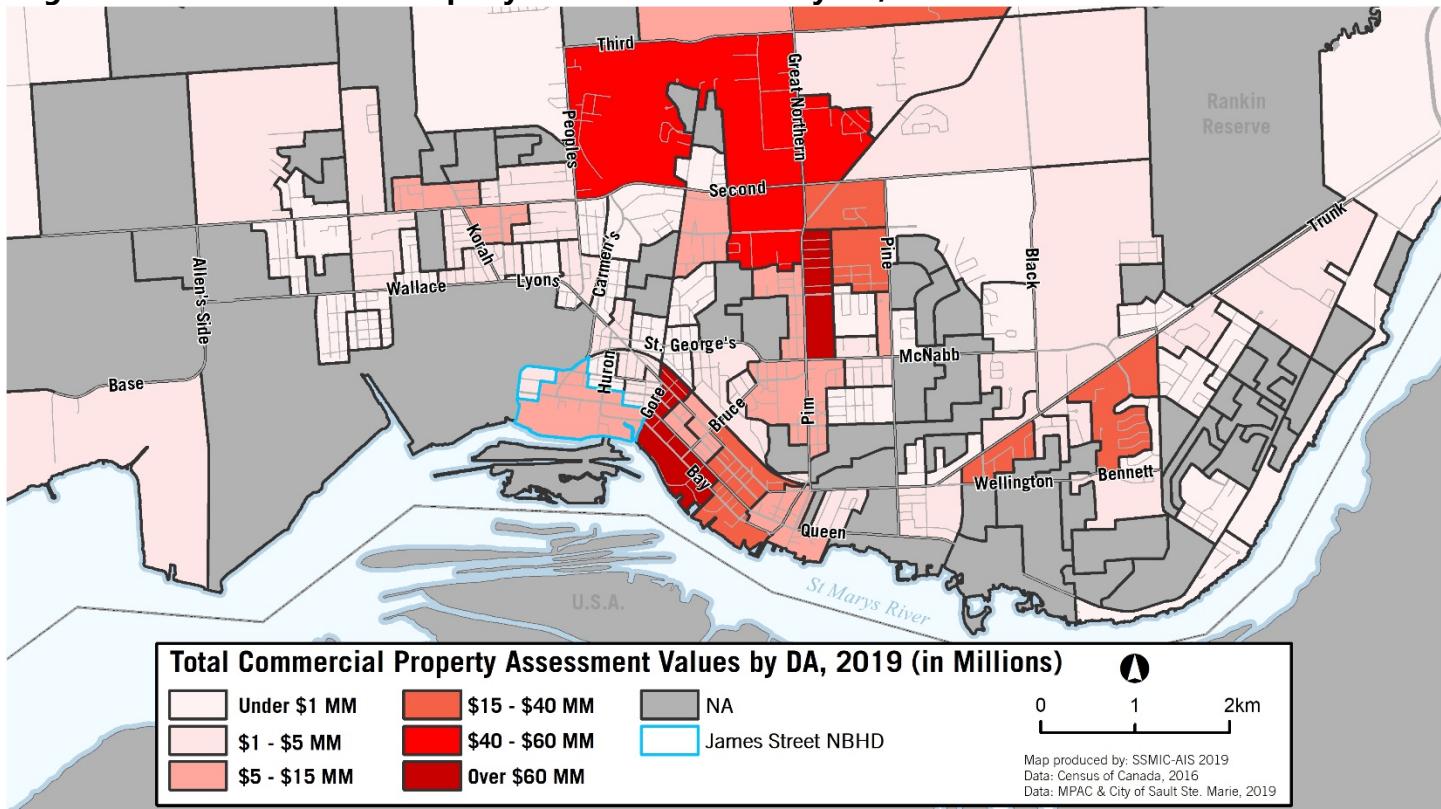


Figure 8: Average Residential Property Assessment Values per Residential Unit by DA, 2019

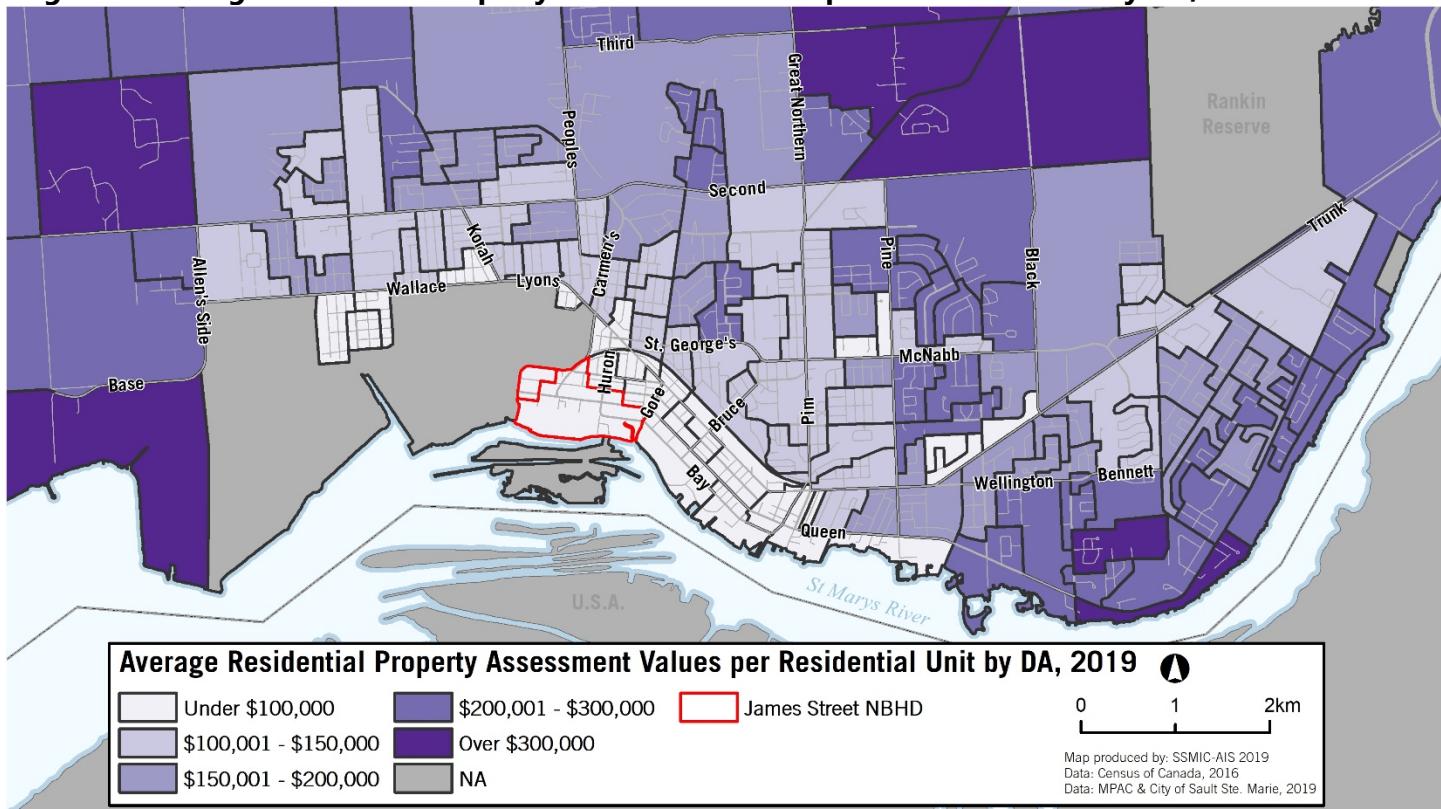
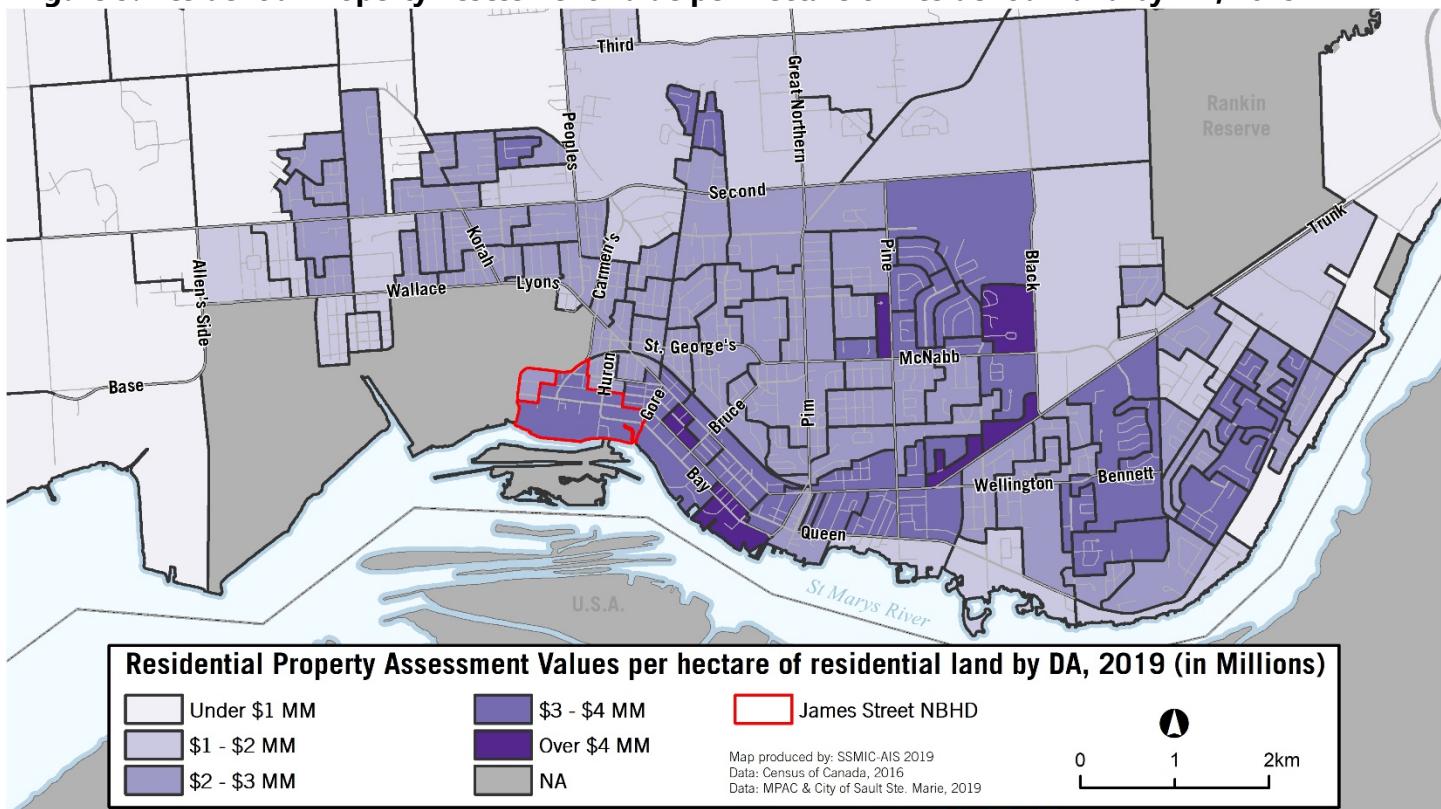


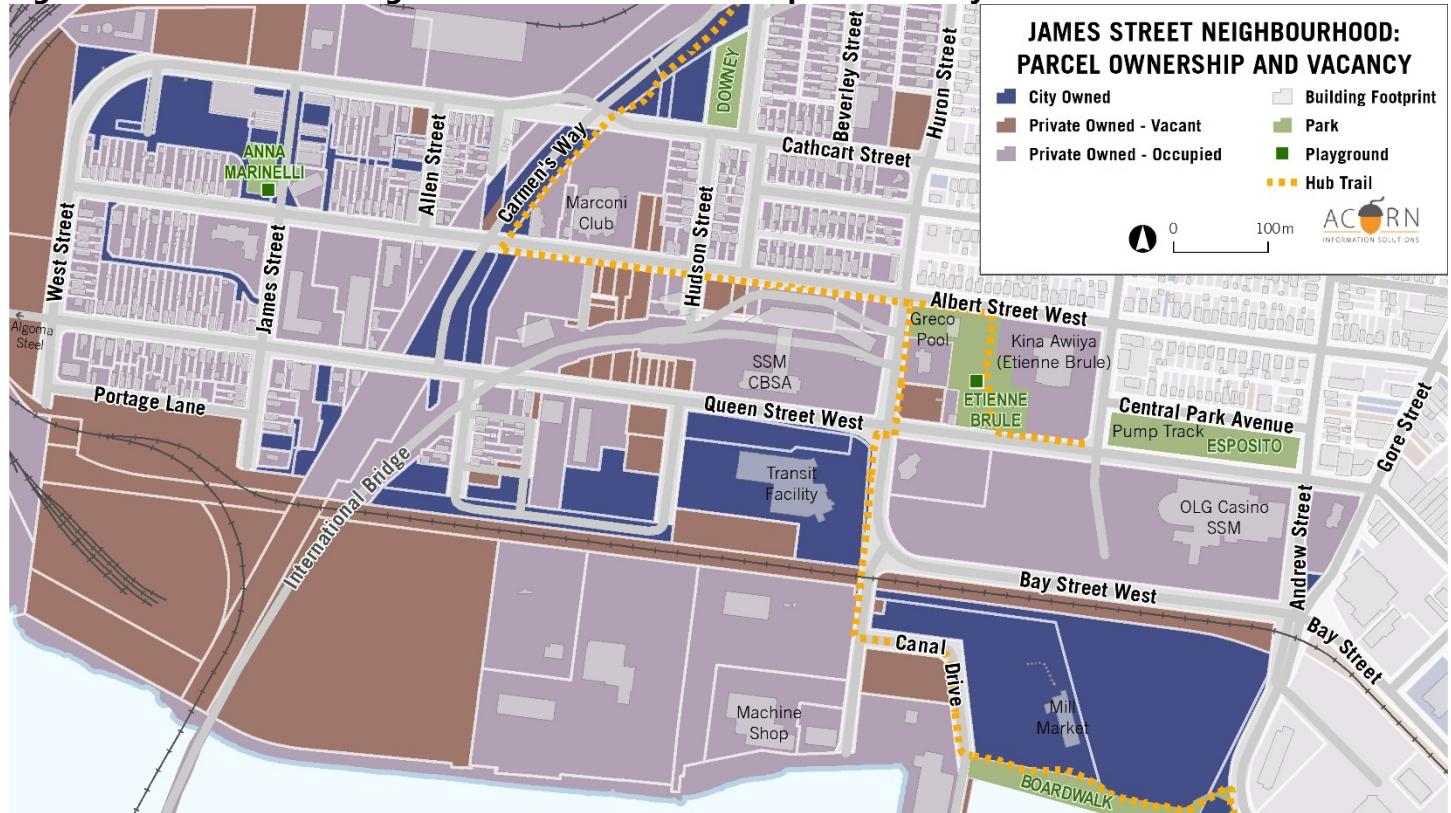
Figure 9: Residential Property Assessment Value per Hectare of Residential Land by DA, 2019



JAMES STREET NEIGHBOURHOOD AREA LAND OWNERSHIP AND VACANCY

Figure 10 below shows parcel ownership and vacancy. Vacancy of a parcel was established based on whether a building currently exists on the parcel or not. Parcels that are only used for parking or storage (garage or shed) are considered vacant for the purposes of this study.

Figure 10: James Street Neighbourhood Parcel Ownership and Vacancy



SOCIO-DEMOGRAPHIC PROFILE

The data for the James Street Neighbourhood was calculated by combining the data for the two Dissemination Areas (DAs) that comprise that neighbourhood area. The two DAs that have been combined to create the James Street Neighbourhood Area are 35570137 and 35570138. Data for the Sault Ste. Marie Census Subdivision (CSD) and Ontario have been included for purposes of comparison.

Population & Median Age

The median age of the population in the James Street Neighbourhood in 2016 was 39.8 years (Table 3). This is lower than the city's median age by 7 years, and lower than the province's median age by 1.5 years.

Table 3: Population and Median Age – James Street Neighbourhood, Sault Ste. Marie CSD and Ontario

	James Street Neighbourhood		Sault Ste. Marie		Ontario	
	#	%	#	%	#	%
Total Population 2016	845	-	73,368	-	13,448,494	-
Median Age 2016	39.8	-	46.8	-	41.3	-
2011-2016 Population Change	-14	-1.7	-1,773	-2.4	596,673	4.6

Source: Statistics Canada, Census of Canada 2016

Age & Sex

Table 4: 5 Year Age Groups Breakdown – James Street Neighbourhood and Sault Ste. Marie (CSD)

	James Street Neighbourhood		Sault Ste. Marie	
	#	%	#	%
Total Population	840	-	73,365	-
0 to 4 years	55	6.5%	3,470	4.7%
5 to 9 years	50	6.0%	3,495	4.8%
10 to 14 years	25	3.0%	3,490	4.8%
15 to 19 years	45	5.4%	3,835	5.2%
20 to 24 years	75	8.9%	4,530	6.2%
25 to 29 years	60	7.1%	4,180	5.7%
30 to 34 years	65	7.7%	4,065	5.5%
35 to 39 years	55	6.5%	4,010	5.5%
40 to 44 years	45	5.4%	4,005	5.5%
45 to 49 years	75	8.9%	4,395	6.0%
50 to 54 years	70	8.3%	5,690	7.8%
55 to 59 years	80	9.5%	6,330	8.6%
60 to 64 years	50	6.0%	5,470	7.5%
65 to 69 years	35	4.2%	4,900	6.7%
70 to 74 years	40	4.8%	3,660	5.0%
75 to 79 years	20	2.4%	2,930	4.0%
80 to 84 years	15	1.8%	2,420	3.3%
85 to 89 years	5	0.6%	2,495	3.4%

Source: Statistics Canada, Census of Canada 2016

Figure 11: Male Population by 5 Year Age Groups – James Street Neighbourhood and Sault Ste. Marie (CSD)

Male Population: James Street Neighbourhood and Sault Ste. Marie

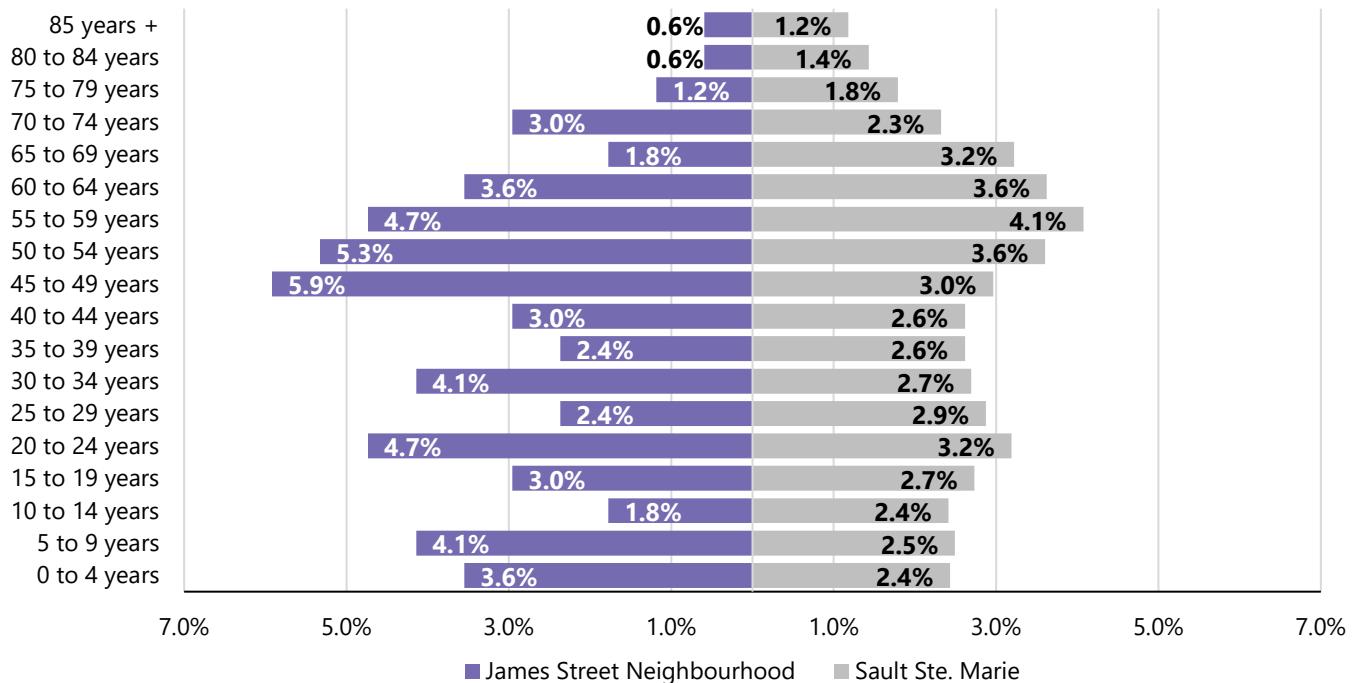


Figure 12: Female Population by 5 Year Age Groups – James Street Neighbourhood and Sault Ste. Marie (CSD)

Female Population: James Street Neighbourhood and Sault Ste. Marie

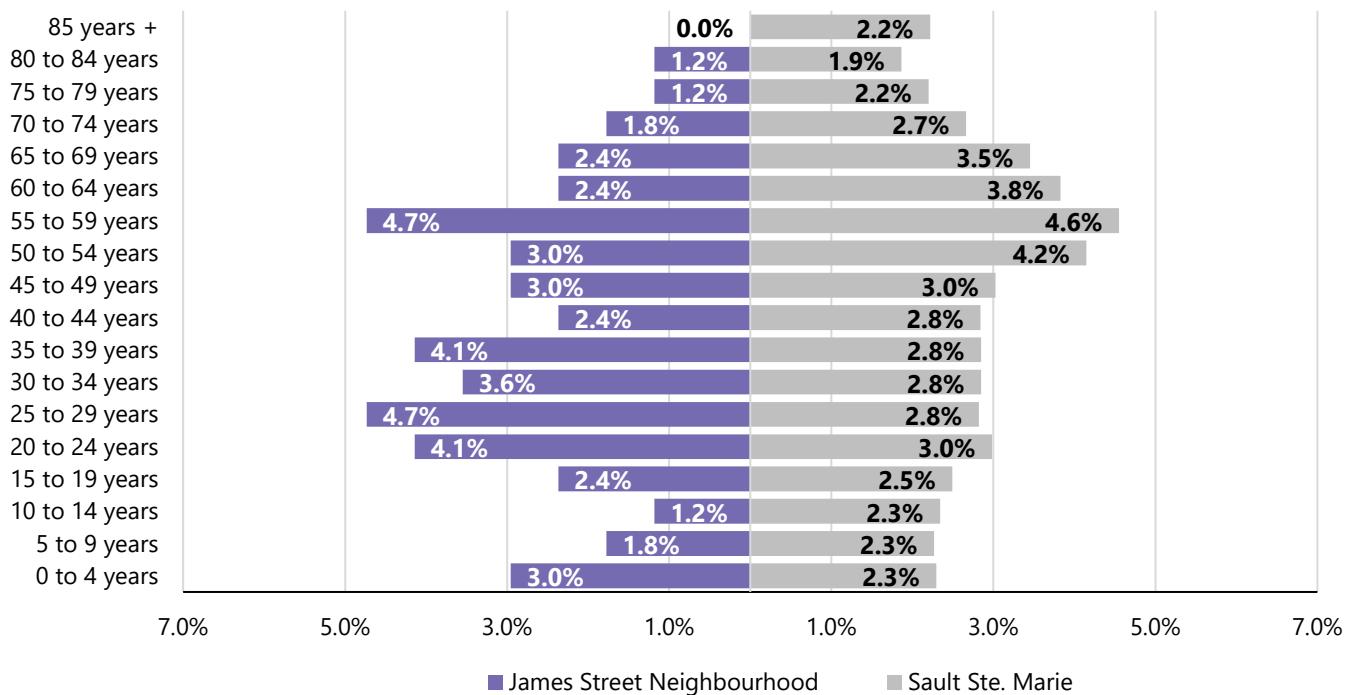


Figure 13: Male Population James St. Neighbourhood

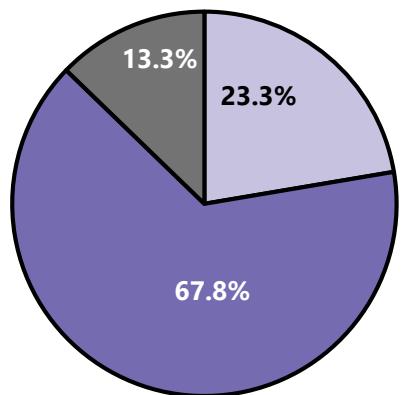
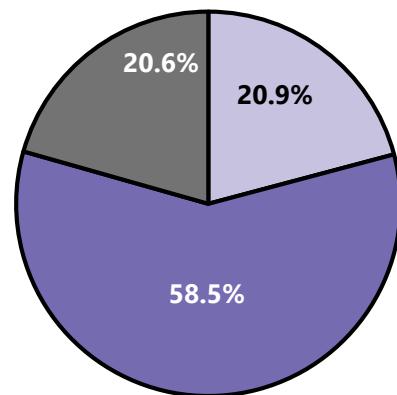


Figure 14: Male Population Sault Ste. Marie



□ 0 to 19 years ■ 20 to 64 years ■ 65 years +

□ 0 to 19 years ■ 20 to 64 years ■ 65 years +

Figure 15: Female Population James St. Neighbourhood

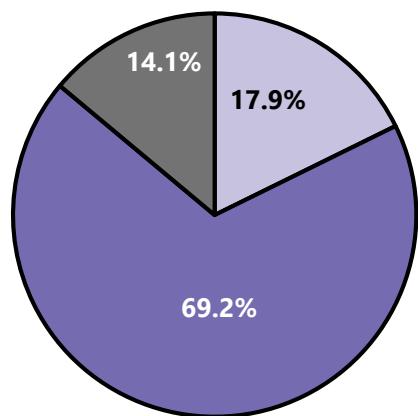
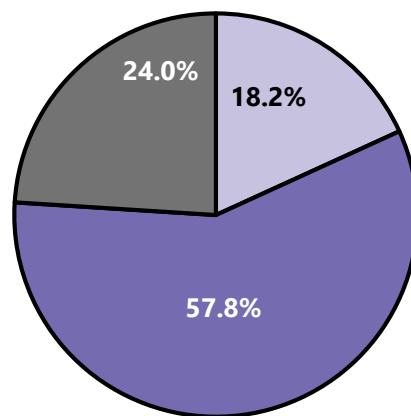


Figure 16: Female Population Sault Ste. Marie



□ 0 to 19 years ■ 20 to 64 years ■ 65 years +

□ 0 to 19 years ■ 20 to 64 years ■ 65 years +

Family Structure

Census family is defined as a married couple (with or without children of either and/or both spouses), a common-law couple (with or without children of either and/or both partners) or a lone parent of any marital status, with at least one child living in the same dwelling.⁴ Table 5 outlines the family structure of those living in private households. The James Street Neighbourhood has a lower percentage of couple families (56.1%) and a higher percentage of lone-parent families (39.0%) in comparison to the city (80.4% and 19.6% respectively).

Table 5: Family Structure – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

	James Street Neighbourhood		Sault Ste. Marie		Ontario
	#	%	#	%	%
Total number of census families in private households	205	-	21,305	-	-
Total – Couple census families in private households	115	56.1%	17,120	80.4%	82.9%
Couples without children	65	31.7%	9,470	44.4%	37.8%
Couples with children	55	26.8%	7,655	35.9%	45.2%
1 child	30	14.6%	3,485	16.4%	17.4%
2 children	15	7.3%	3,150	14.8%	19.5%
3 or more children	10	4.9%	1,025	4.8%	8.2%
Total – Lone-parent census families in private households	80	39.0%	4,180	19.6%	17.1%
By sex of parent					
Female parent	70	34.1%	3,280	15.4%	13.7%
Male parent	15	7.3%	895	4.2%	3.3%
Lone parent with children					
1 child	60	29.3%	2,715	12.7%	10.2%
2 children	15	7.3%	1,080	5.1%	4.9%
3 or more children	5	2.4%	390	1.8%	1.9%

Source: Statistics Canada, Census of Canada 2016

⁴ Statistics Canada. (2019). Dictionary, Census of Population, 2016.

Table 6: Private households by household size

	James Street Neighbourhood		Sault Ste. Marie		Ontario	
	#	%	#	%	#	%
Total – Private households by household size	460	-	32,635	-	516,9175	-
1 person	235	51.1%	10,590	32.4%	1,341,305	25.9%
2 persons	130	28.3%	11,990	36.7%	1,693,520	32.8%
3 persons	65	14.1%	4,875	14.9%	834,255	16.1%
4 persons	25	5.4%	3,700	11.3%	796,320	15.4%
5 or more persons	15	3.3%	1,475	4.5%	503,775	9.7%
Average household size	1.8	-	2.2	-	2.6	-

Source: Statistics Canada, Census of Canada 2016

The two DAs that make up the James Street Neighbourhood are highlighted on the map in Figure 17, which shows the percentage of Lone Parent Census Families in the city by DA. Both DAs in the neighbourhood have a high percentage of lone parent families at 38% for the west James Street Neighbourhood DA and 40% for the east James Street Neighbourhood DA.

Figure 17: Lone-Parent Families as a Percentage of All Families by Dissemination Area, 2016

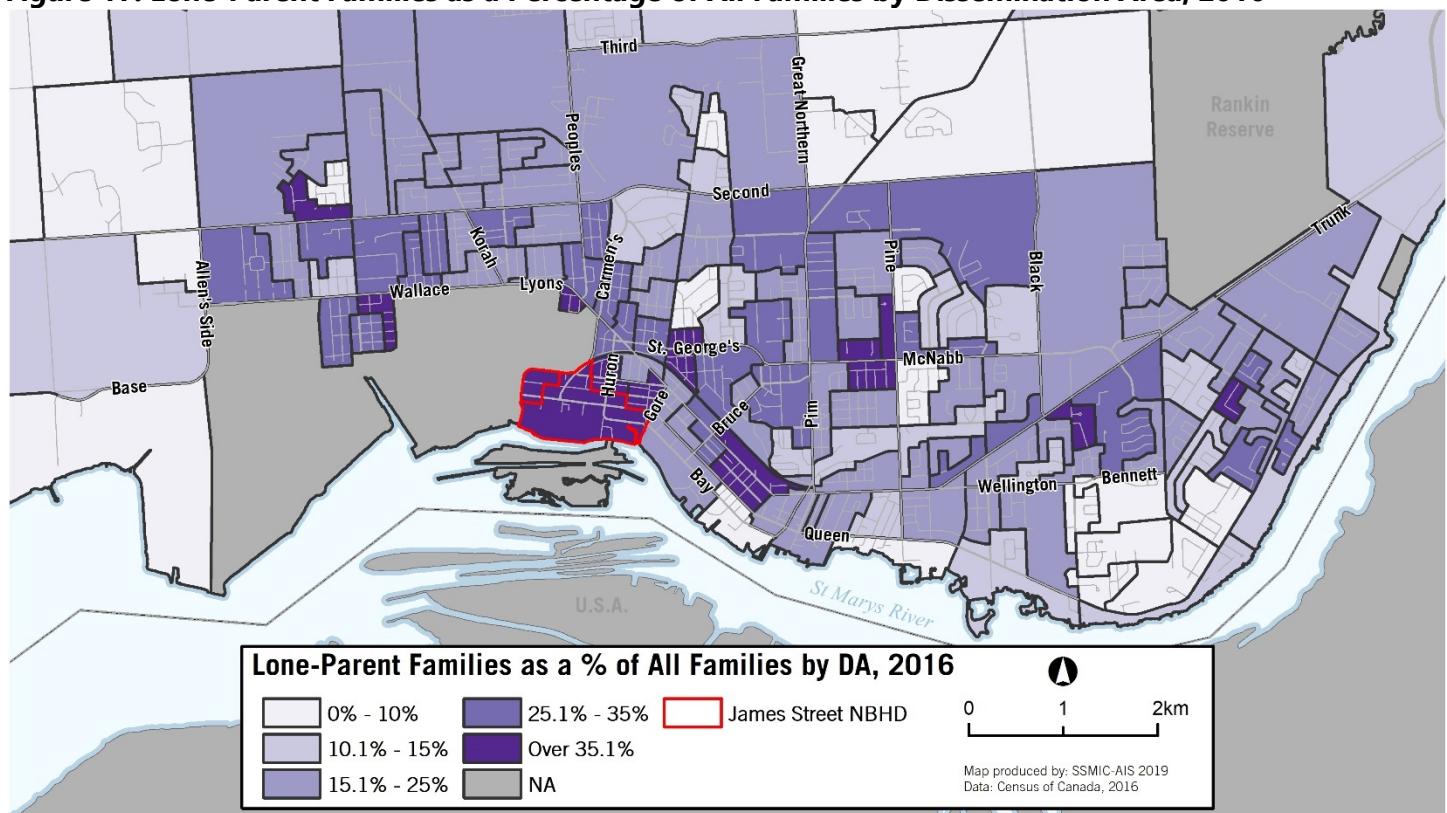
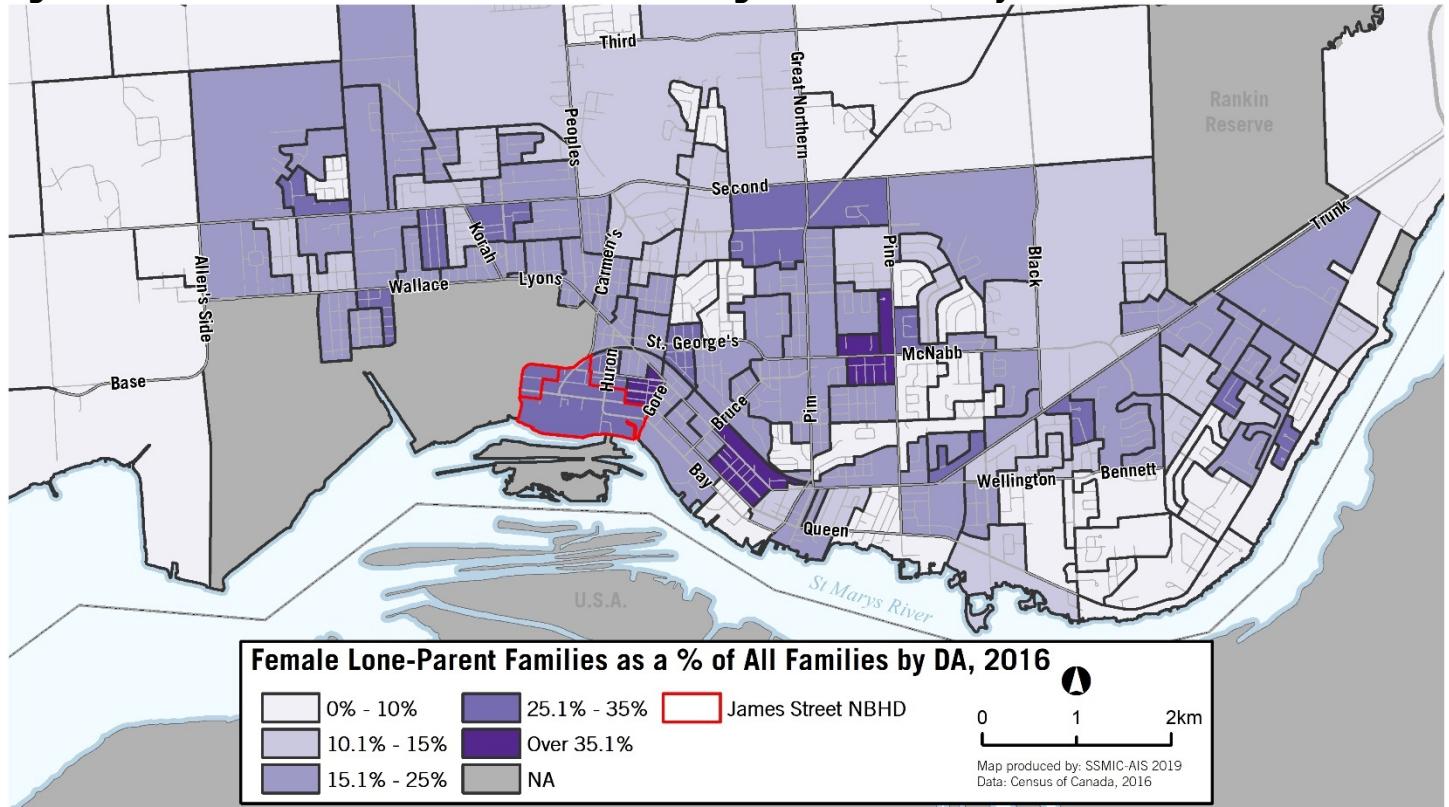


Figure 18 shows the percentage of Female Lone-Parent Families in the city. The James Street Neighbourhood has a higher percentage of Female Lone-Parent Families (34.1%) compared to Sault Ste Marie as a whole (15.4%).

Figure 18: Female Lone-Parent Families as a Percentage of All Families by Dissemination Area, 2016



Indigenous Identity

The population identifying as Indigenous is shown in Table 7 for the James Street Neighbourhood, Sault Ste. Marie, and Ontario. The James Street Neighbourhood has a higher percentage of persons who identify as Indigenous (22.0%), than Sault Ste. Marie (11.3%) and Ontario (2.8%).

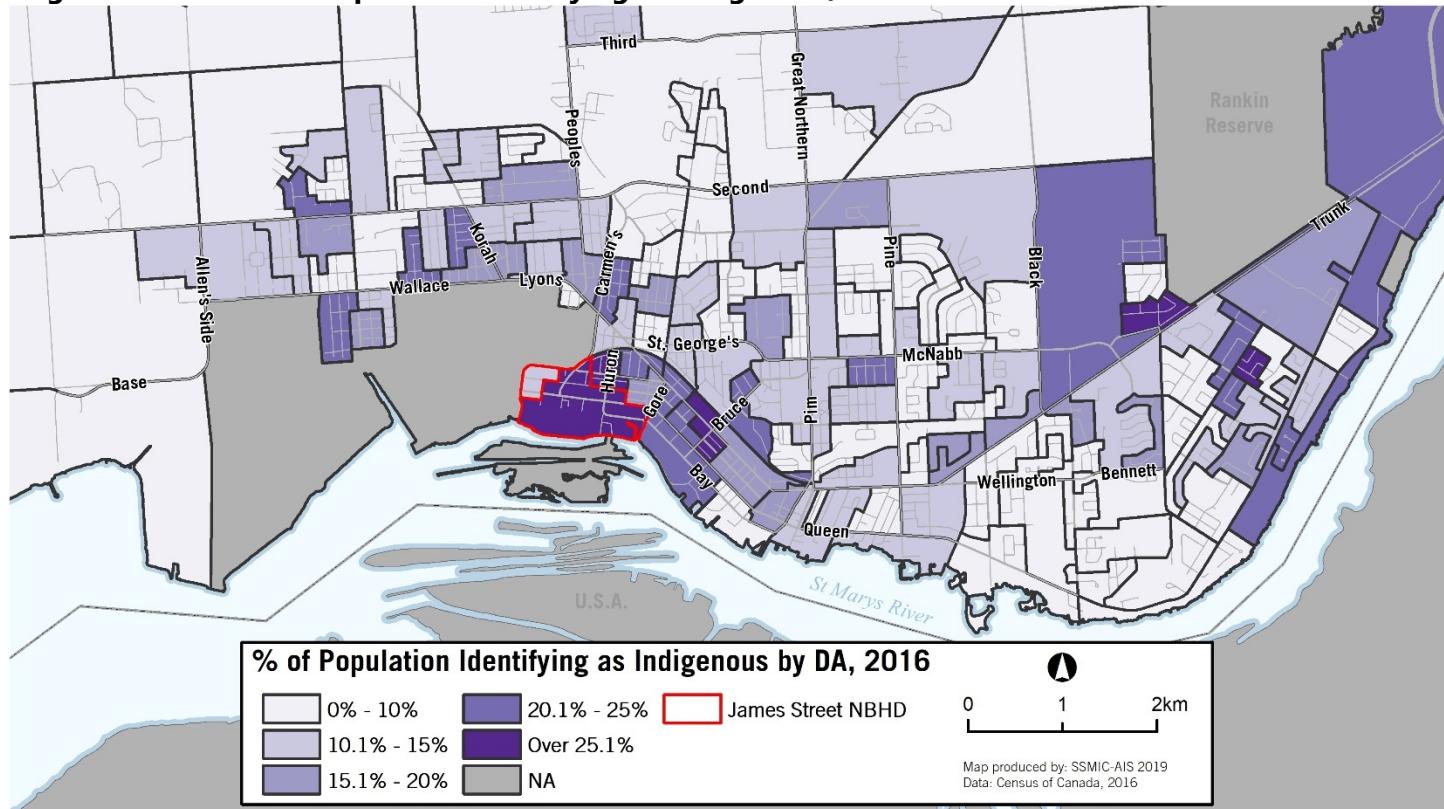
Table 7: Indigenous Identity Population – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

	James Street Neighbourhood		Sault Ste. Marie		Ontario	
	#	%	#	%	%	
Indigenous identity	200	22.0%	8,120	11.3%	2.8%	
First Nations (North American Indian) single identity	135	14.8%	4,310	6.0%	1.8%	
Métis single identity	70	7.7%	3,615	5.0%	0.9%	
Inuk (Inuit) single identity	0	0.0%	20	0.0%	0.0%	
Multiple Indigenous identities	0	0.0%	85	0.1%	0.0%	
Indigenous identities not included elsewhere	0	0.0%	80	0.1%	0.1%	
Non-Indigenous identity	705	77.5%	63,760	88.7%	97.2%	

Source: Statistics Canada, Census of Canada 2016

The percent of the population who identify as Indigenous is shown in the map in Figure 19. The James Street Neighbourhood is outlined in red.

Figure 19: Percent of Population Identifying as Indigenous, 2016



Language

The knowledge of official languages is outlined in Table 8. The James Street Neighbourhood is primarily English only, similar to Sault Ste. Marie and Ontario.

Table 8: Knowledge of Official Languages – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

	James Street Neighbourhood		Sault Ste. Marie		Ontario
	#	%	#	%	%
English only	790	92.9%	6,5115	90.1%	86.0%
French only	0	0.0%	40	0.1%	0.3%
English and French	45	5.3%	6,840	9.5%	11.2%
Neither English or French	5	0.6%	285	0.4%	2.5%

Source: Statistics Canada, Census of Canada 2016

Dwellings

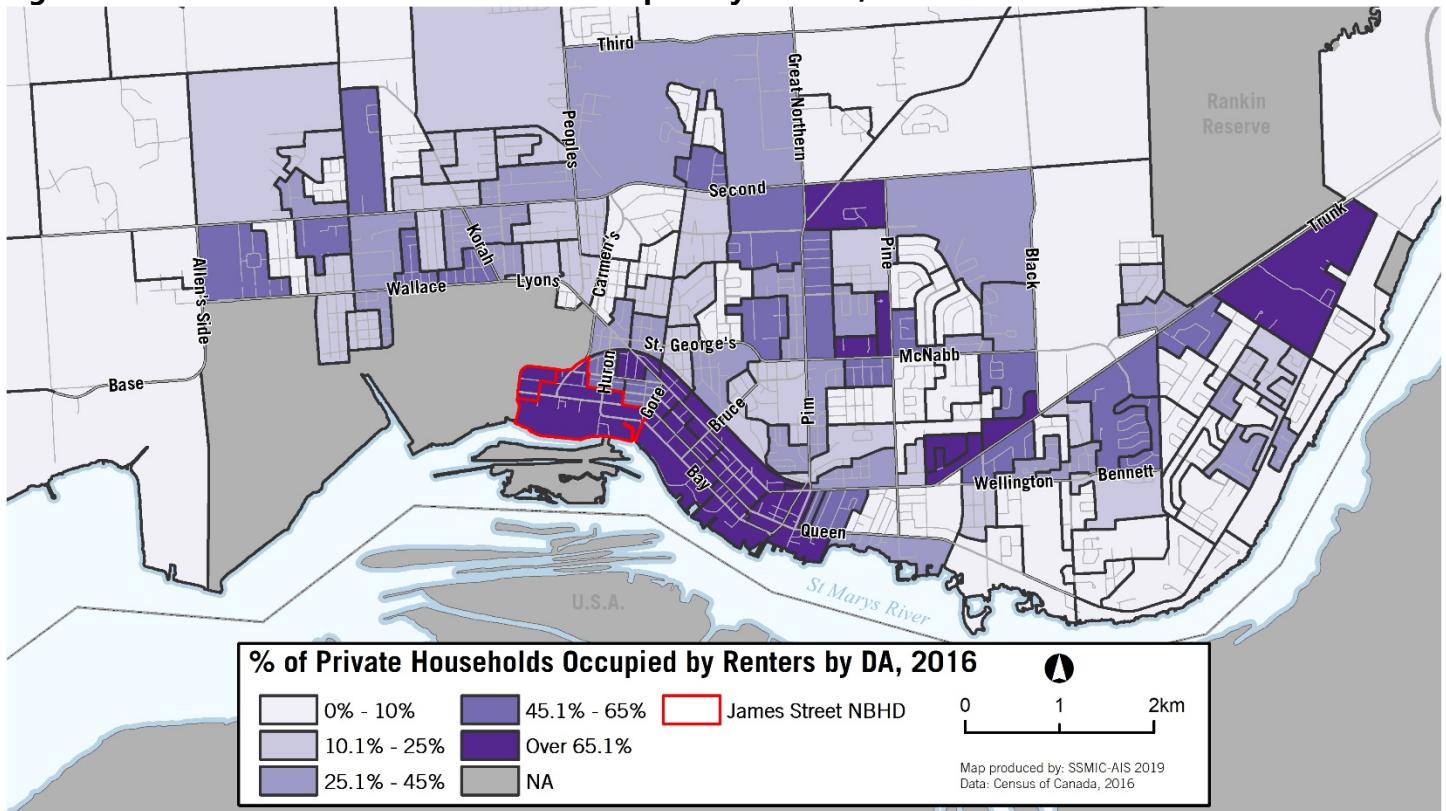
Residents in the James Street Neighbourhood primarily live in apartment buildings, though there are also many residents who live in duplexes and single-detached homes (Table 9). Additionally, the vast majority of those living in the James Street Neighbourhood rent rather than own their home compared to Sault Ste. Marie and Ontario.

Table 9: Types of Dwellings, 2016

	James Street Neighbourhood		Sault Ste. Marie		Ontario
	#	%	#	%	%
Occupied private dwellings by structure type	465	-	32,635	-	-
Single-detached house	95	20.4%	21,215	65.0%	54.3%
Apartment 5 or more storeys	130	28.0%	2,090	6.4%	17.2%
Movable dwelling	5	1.1%	10	0.0%	0.3%
Semi-detached house	30	6.5%	1,845	5.7%	5.6%
Row house	0	0.0%	940	2.9%	8.9%
Detached duplex	65	14.0%	1,555	4.8%	3.4%
Apartment less than 5 storeys	130	28.0%	4,870	14.9%	10.1%
Other single-attached house	5	1.1%	110	0.3%	0.2%
Total number of private households by tenure	465	-	32,635	-	-
Owner	115	24.7%	22,410	68.7%	69.7%
Renter	345	74.2%	10,220	31.3%	30.2%

Source: Statistics Canada, Census of Canada 2016

Figure 20: Percent of Private Households Occupied by Renters, 2016



The Canada Mortgage and Housing Corporation defines affordable housing as housing that costs less than 30% of a household's before-tax income.⁵ The proportion of owner and tenant households spending more than 30% of household income on shelter costs are much higher in the James Street Neighbourhood than in the city and province (Table 10).

Table 10: Owner and Tenant Household Spending on Shelter, 2016

	James Street Neighbourhood	Sault Ste. Marie		Ontario	
		#	%	#	%
Number of owner & tenant households with household total income greater than zero, in non-farm, non-reserve private dwellings	465	-	32,610	-	
Spending less than 30% of household total income on shelter costs	275	59.1%	25,665	78.7%	72.3%
Spending 30% or more of household total income on shelter costs	195	41.9%	6,945	21.3%	27.7%

Source: Statistics Canada, Census of Canada 2016

⁵ Canada Mortgage and Housing Corporation. (2019). About Affordable Housing in Canada. Retrieved from <https://www.cmhc-schl.gc.ca/en/developing-and-renovating/develop-new-affordable-housing/programs-and-information/about-affordable-housing-in-canada>

Educational Attainment

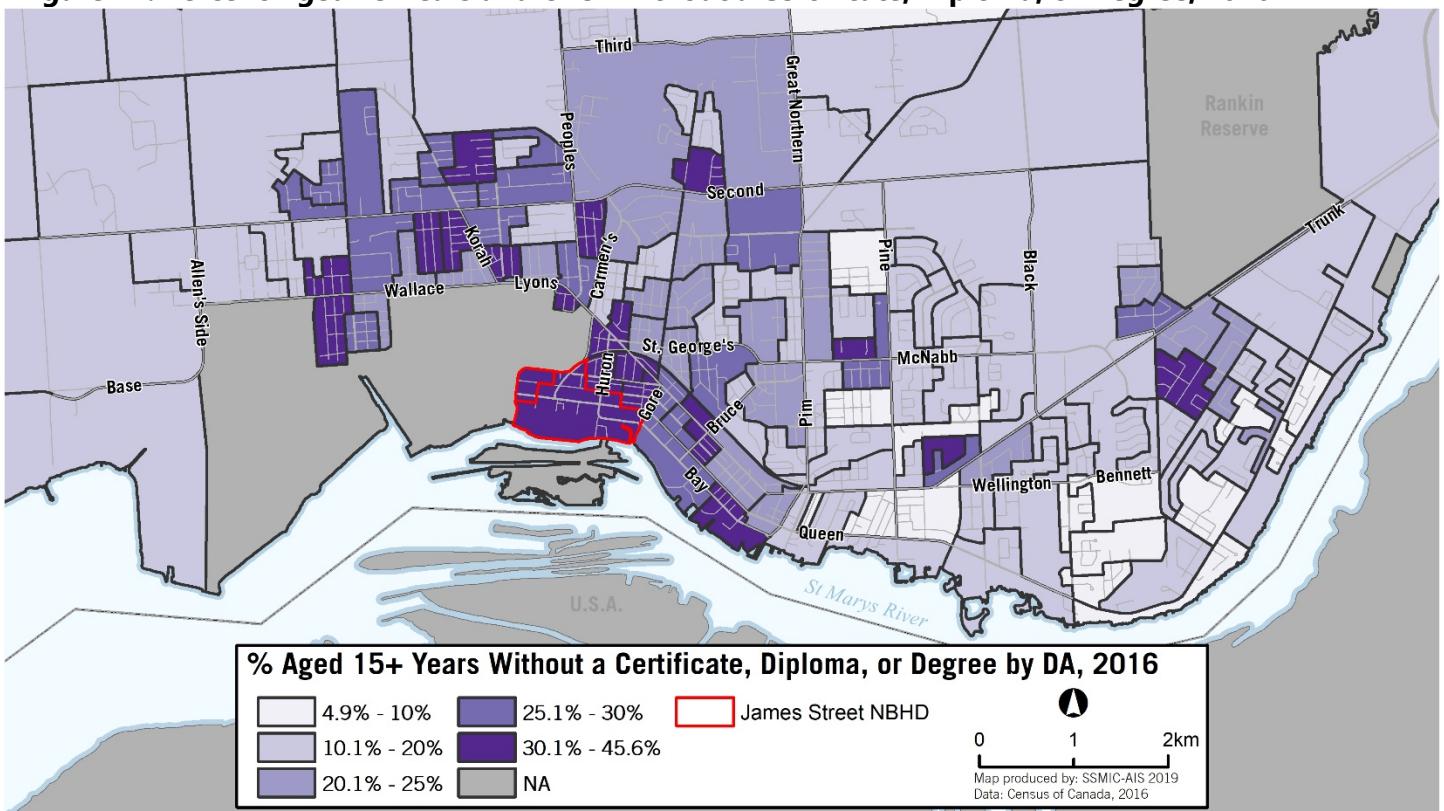
The percentage of population aged 15 years and over without a certificate, diploma or degree in the James Street Neighbourhood is 40.4%, which is higher than Sault Ste. Marie and Ontario (Table 11). The percent of the population with a postsecondary certificate, diploma or degree is lower in the James Street Neighbourhood than in the city or province.

Table 11: Education Attainment, 2016

	James Street Neighbourhood		Sault Ste. Marie		Ontario
	#	%	#	%	%
Total - Highest certificate, diploma or degree for the population aged 15 years and over in private households	730	-	61,445	-	-
No certificate, diploma or degree	295	40.4%	11,680	19.0%	17.5%
Secondary (high) school diploma or equivalency certificate	215	29.5%	18,435	30.0%	27.4%
Postsecondary certificate, diploma or degree	230	31.5%	31,330	51.0%	55.1%
Apprenticeship or trades certificate or diploma	40	5.5%	4,740	7.7%	6.0%
Trades certificate or diploma other than Certificate of Apprenticeship or Certificate of Qualification	15	2.1%	2,085	3.4%	2.9%
Certificate of Apprenticeship or Certificate of Qualification	20	2.7%	2,660	4.3%	3.1%
College, CEGEP or other non-university certificate or diploma	160	21.9%	15,145	24.6%	20.8%
University certificate or diploma below bachelor level	0	0.0%	870	1.4%	2.2%
University certificate, diploma or degree at bachelor level or above	30	4.1%	10,575	17.2%	26.0%
Bachelor's degree	10	1.4%	7,765	12.6%	17.3%
University certificate or diploma above bachelor level	0	0.0%	805	1.3%	1.7%
Degree in medicine, dentistry, veterinary medicine or optometry	0	0.0%	290	0.5%	0.7%
Master's degree	20	2.7%	1,430	2.3%	5.4%
Earned Doctorate	0	0.0%	280	0.5%	0.9%

Source: Statistics Canada, Census of Canada 2016

Figure 21: Percent Aged 15 Years and Over Without a Certificate, Diploma, or Degree, 2016



Labour Force

Labour force participation for the population aged 15 years and over in the James Street Neighbourhood is lower than Sault Ste. Marie and Ontario (Table 12). The unemployment rate in the James Street Neighbourhood is higher than that of the city and province.

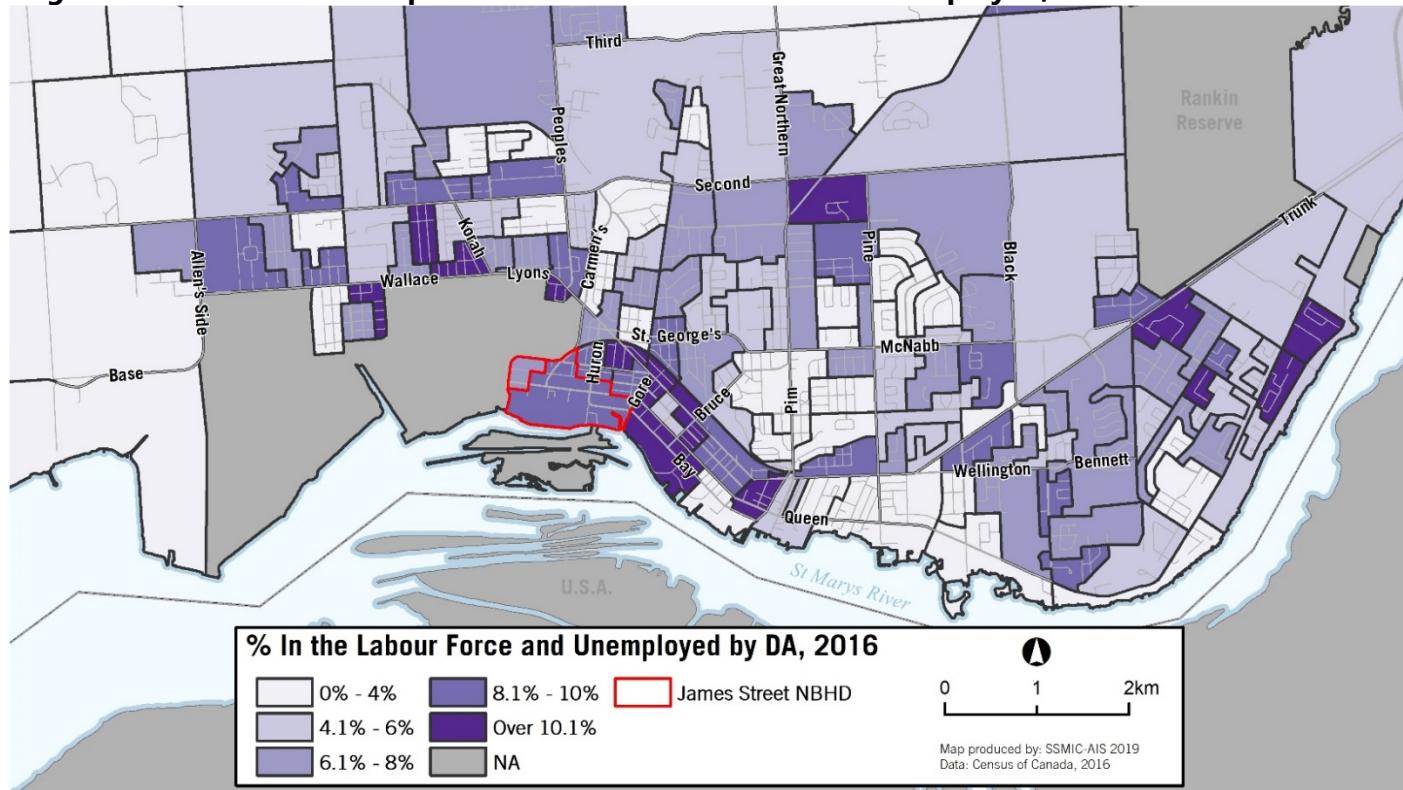
Individuals who are “unemployed” are available to work and have actively looked for paid work in the past four weeks.⁶ Whereas individuals “not in the labour force,” are individuals who were unwilling or unable to supply labour in their markets.⁷

Table 12: Labour Force Status. 2016

	James Street Neighbourhood		Sault Ste. Marie		Ontario	
	#	%	#	%	%	
Population aged 15 years and over by labour force status	740	-	61,445	-	-	
In the labour force	330	44.6%	35,295	57.4%	64.7%	
Employed	270	36.5%	31,665	51.5%	59.9%	
Unemployed	60	8.1%	3,630	5.9%	4.8%	
Not in the labour force	400	54.0%	26,150	42.6%	35.3%	

Source: Statistics Canada, Census of Canada 2016

Figure 22: Percent of the Population in the Labour Force and Unemployed, 2016



⁶ Statistics Canada. (2019). Dictionary, Census of Population, 2016.

⁷ Statistics Canada. (2019). Dictionary, Census of Population, 2016.

Immigration

There are no recent immigrants (those who arrived in Canada between 2006 and 2016) living in the James Street Neighbourhood (Table 13). There are no recorded non-permanent residents.

Table 13: Immigration Status, 2016

	James Street Neighbourhood		Sault Ste. Marie		Ontario
	#	%	#	%	%
Non-immigrants	865	95.1%	65,285	90.8%	69.4%
Immigrants	35	3.8%	6,230	8.7%	29.1%
Before 1981	25	2.7%	4,840	6.7%	8.1%
1981 to 1990	0	0.0%	280	0.4%	3.9%
1991 to 2000	0	0.0%	295	0.4%	6.3%
2001 to 2010	10	1.1%	560	0.8%	7.2%
2001 to 2005	0	0.0%	230	0.3%	3.7%
2006 to 2010	0	0.0%	330	0.5%	3.5%
2011 to 2016	0	0.0%	255	0.4%	3.6%
Non-permanent residents	0	0.0%	360	0.5%	1.5%

Source: Statistics Canada, Census of Canada 2016

Income

The following table outlines the household after-tax income in 2015 for the population 15 years and over for the James Street Neighbourhood, Sault Ste. Marie, and Ontario (Table 14).

Table 14: After-Tax Income of Households – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

	James Street Neighbourhood		Sault Ste. Marie		Ontario
	#	%	#	%	%
After-tax income of households in 2015 of private households	465	-	32,630	-	-
Under \$20,000	175	37.6%	3,790	11.6%	9.5%
\$20,000 to \$29,999	85	18.3%	3,840	11.8%	8.4%
\$30,000 to \$39,999	90	19.4%	3,650	11.2%	9.2%
\$40,000 to \$49,999	35	7.5%	3,500	10.7%	9.5%
\$50,000 to \$59,999	25	5.4%	3,085	9.5%	9.0%
\$60,000 to \$79,999	35	7.5%	4,980	15.3%	15.7%
\$80,000 to \$99,999	15	3.2%	3,555	10.9%	12.2%
\$100,000 and over	15	3.2%	6,240	19.1%	26.5%

Source: Statistics Canada, Census of Canada 2016

The median after-tax income of private households, including both one-person households and two-or-more-person households, is notably lower in the James Street Neighbourhood than in the city and province.

Table 15: Income by Household – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

Income Statistics in 2015 for all Private Households by Household Size	James Street Neighbourhood		Sault Ste. Marie		Ontario	
	#	%	#	%	#	%
Income statistics in 2015 for Private Households						
Median Total Income of Households	\$26,362	-	\$61,020	-	\$74,287	-
Median After-Tax Income of Households	\$25,868	-	\$54,831	-	\$65,285	-
Average Total Income of Households	\$37,247	-	\$76,661	-	\$97,856	-
Average After-Tax Income of Households	\$33,968	-	\$65,346	-	\$80,322	-
Income Statistics for One-Person Private households						
Median Total Income	\$16,778	-	\$29,747	-	\$36,900	-
Median After-Tax Income	\$16,505	-	\$27,608	-	\$33,219	-
Average Total Income	\$28,575	-	\$38,960	-	\$49,571	-
Average After-Tax Income	\$25,431	-	\$33,737	-	\$40,830	-
Income Statistics for Two-or-more-Person Households						
Median Total Income	\$35,977	-	\$81,696	-	\$90,967	-
Median After-Tax Income	\$35,632	-	\$71,885	-	\$79,528	-
Average Total Income	\$44,824	-	\$94,768	-	\$114,773	-
Average After-Tax Income	\$41,437	-	\$80,526	-	\$94,157	-

Source: Statistics Canada, Census of Canada 2016

Figure 23 displays the Median Household Income After-Tax for the city. The James Street Neighbourhood is classified as part of the lowest bracket of income, compared to the city.

Figure 23: Median Household Income After-Tax by Dissemination Area, 2016

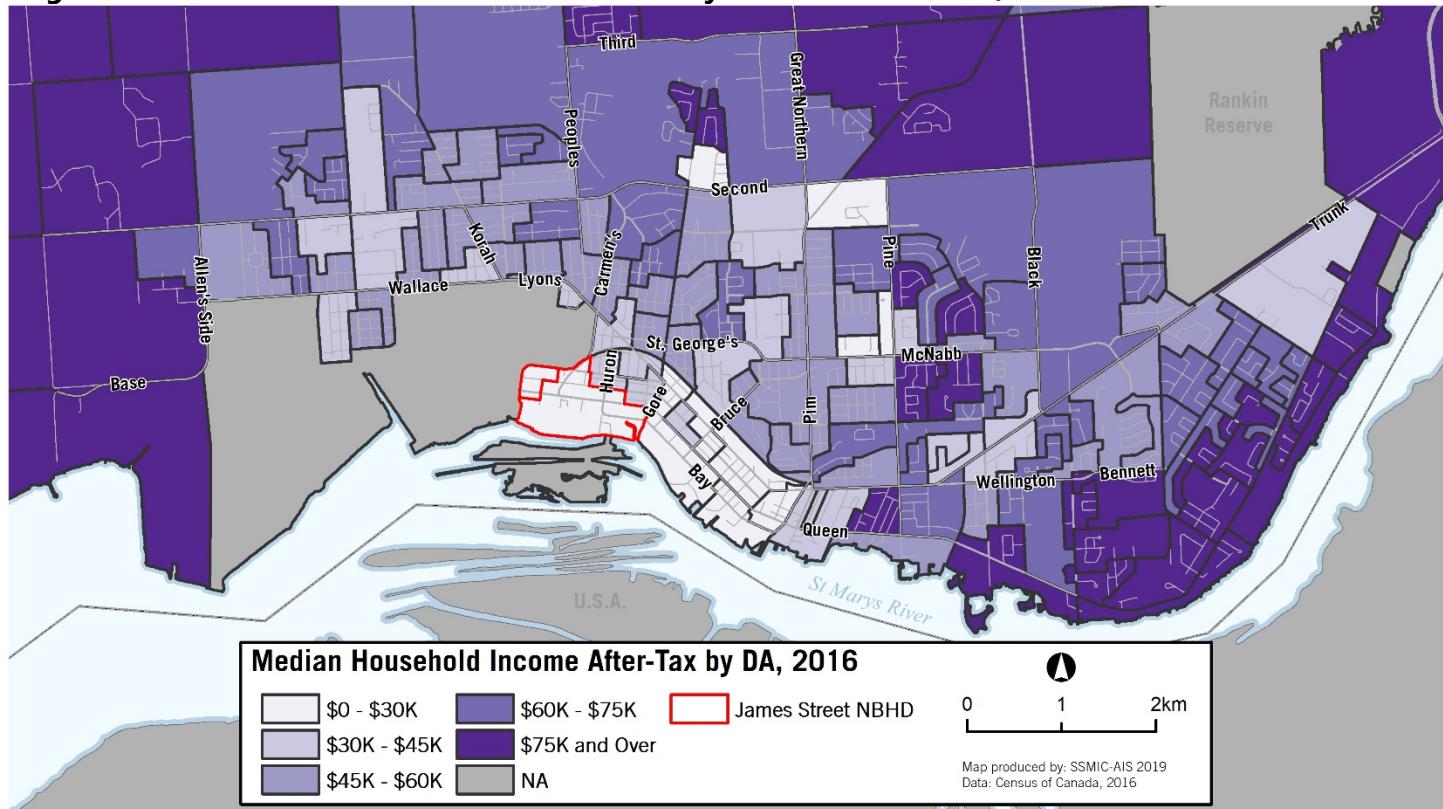


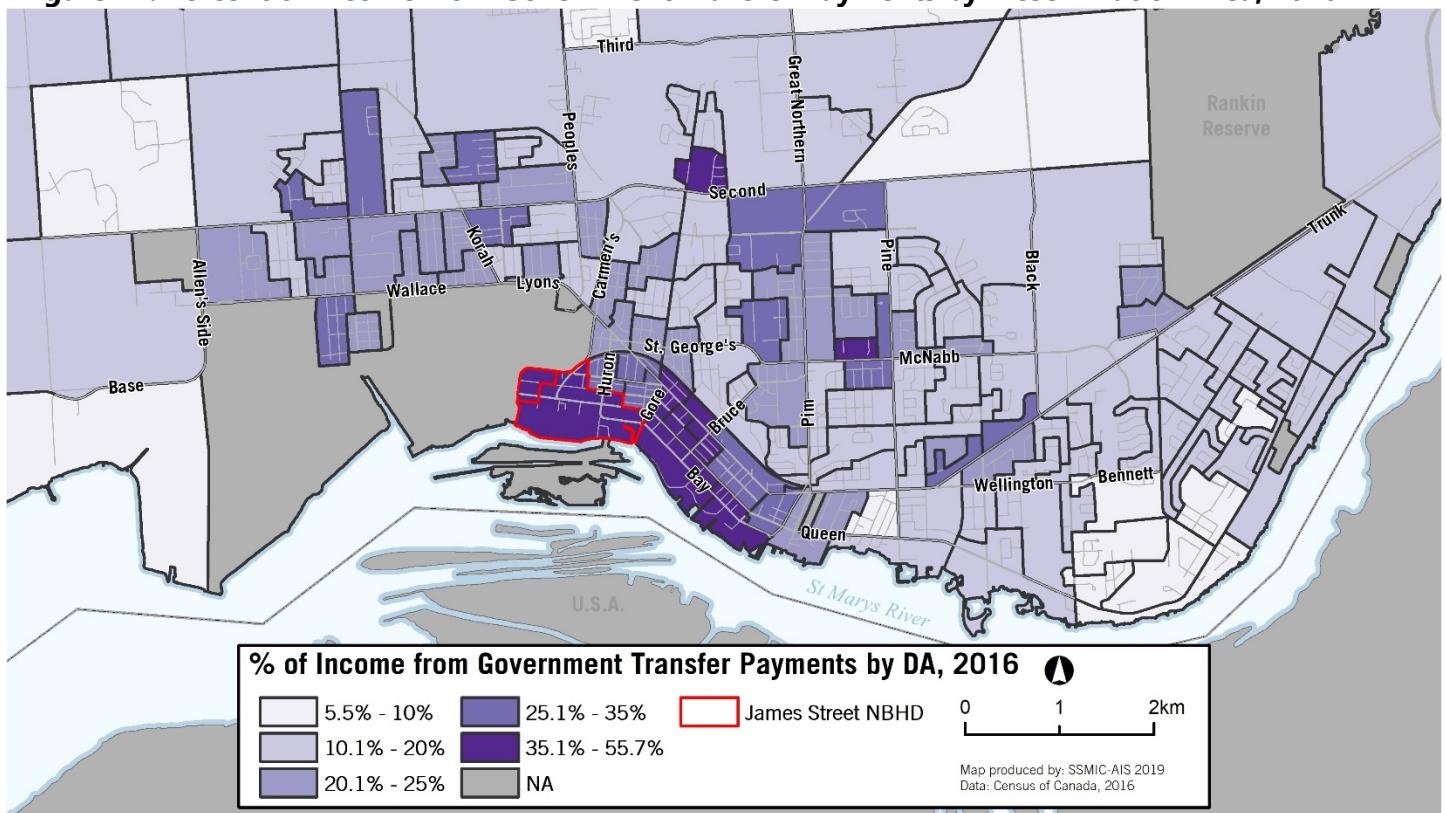
Table 16 shows the composition of total income in 2015. There was a higher percentage of total income coming from government transfer payments in the James Street Neighbourhood than in the city and province. Figure 24 displays the percent of income in each DA that comes from government transfers. Market income refers to the sum of employment income, investment income, private retirement income and other money income from market sources.⁸ Employment income refers to all income received as wages, salaries and commissions from paid employment and net self-employment income.⁹ Government transfer payments includes all cash benefits received from federal, provincial, territorial or municipal governments.¹⁰

Table 16: Composition of Total Income

	James Street Neighbourhood %	Sault Ste. Marie %	Ontario %
Composition of total income in 2015 of population 15 years and over %	100	100	100
Market income %	58.0	83.0	88.9
Employment income %	47.2	64.5	72.9
Government transfer payments %	41.9	17.1	11.1

Source: Statistics Canada, Census of Canada 2016

Figure 24: Percent of Income from Government Transfer Payments by Dissemination Area, 2016



⁸ Statistics Canada. (2019). Dictionary, Census of Population, 2016.

⁹ Statistics Canada. (2019). Dictionary, Census of Population, 2016.

¹⁰ Statistics Canada. (2019). Dictionary, Census of Population, 2016.

Low Income Measure – After Tax (LIM-AT)

Table 17: Prevalence of Low Income based on LIM-AT, James Street Neighbourhood, Sault Ste. Marie and Ontario

	James Street Neighbourhood		Sault Ste. Marie		Ontario	
	#	%	#	%	#	%
In low income based on the Low-income measure, after tax (LIM-AT)	450	53.3%	11,330	15.8%	1,898,975	14.4%
0 to 17 years	105	67.7%	2,760	21.8%	489,905	18.4%
0 to 5 years	60	85.7%	1,050	25.2%	165,140	19.8%
18 to 64 years	305	53.0%	6,860	15.6%	1,155,315	13.7%
65 years and over	35	30.4%	1,710	11.2%	253,755	12%

Source: Statistics Canada, Census of Canada 2016

Ontario Marginalization Index - 2016

The 2016 Ontario Marginalization Index (OMI) is an area-based index that attempts to show differences in marginalization between areas, as well as understand inequalities in various measures of health and social well-being. The index was developed by a collaboration of researchers using a theoretical framework based on previous work on deprivation and marginalization. It has been demonstrated to be stable across time periods and across different geographic areas (e.g. cities and rural areas).¹¹ Some other indices like the Social Risk Index may be less suitable for rural areas than urban areas. The OMI has also been demonstrated to be associated with health outcomes including hypertension, depression, youth smoking, alcohol consumption, injuries, body mass index and infant birth weight.¹²

The Ontario Marginalization Index is multifaceted, allowing researchers and policy and program analysts to explore multiple dimensions of marginalization in urban and rural Ontario. The four dimensions of the index are:

- Residential Instability
- Material Deprivation
- Dependency
- Ethnic Concentration

The Residential Instability, Material Deprivation, and Dependency dimensions of this index are of particular importance, whereas the fourth dimension, Ethnic Concentration, is of less importance. This is due to the fact that the City of Sault Ste. Marie had very few recent immigrants or persons who identify as a visible minority included in Census of Canada 2016.

For each dimension, quintiles have been created by sorting the marginalization data into five groups, ranked from 1 (least marginalized in Ontario) to 5 (most marginalized in Ontario). Each group contains a fifth of all the DAs in Ontario. For example, if an area has a value of 5 on the material deprivation scale, it means it is in the most deprived 20 percent of areas in Ontario.¹³

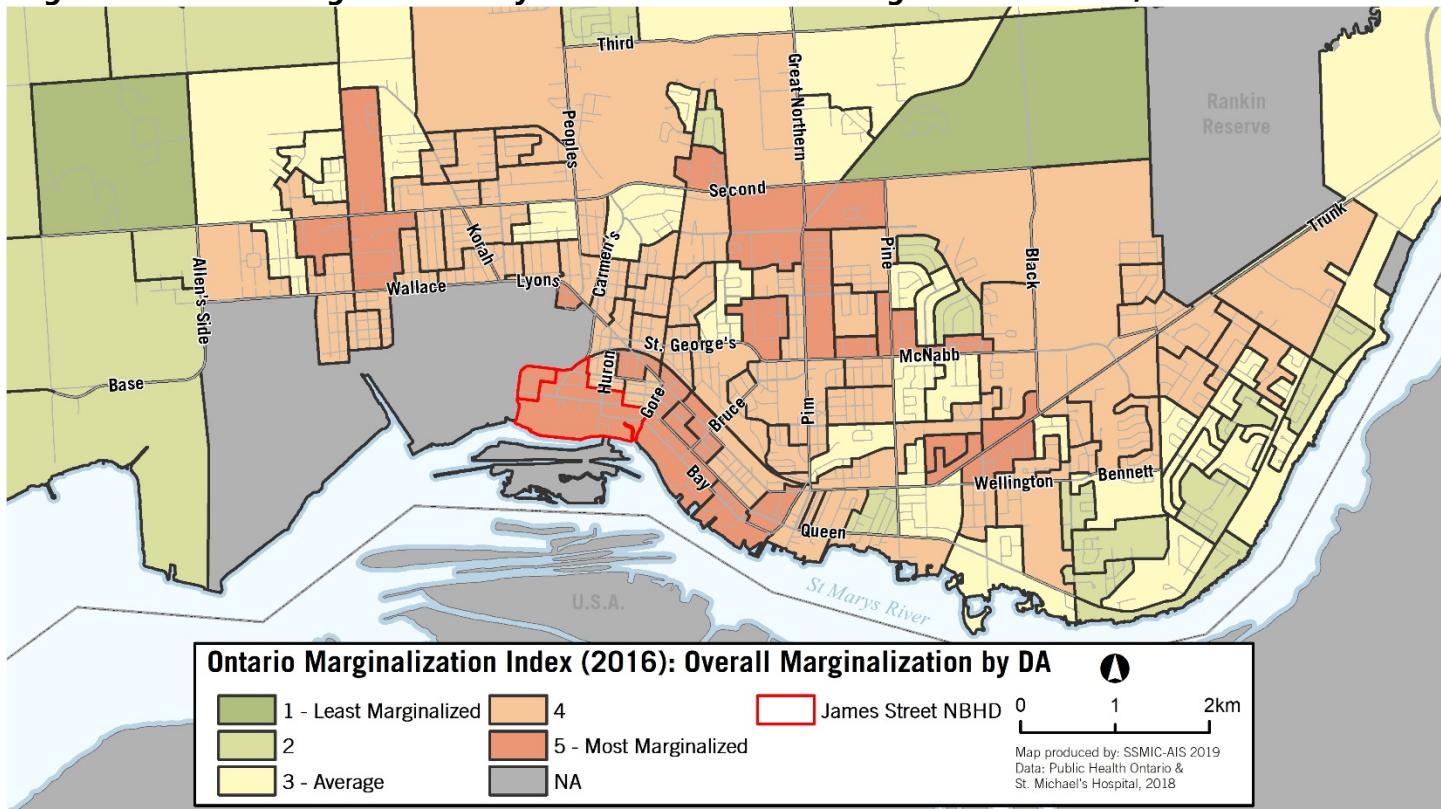
Due to data suppression in several key indicators, First Nation Reserves are not included in the Ontario Marginalization Index. Figure 25 shows each DA of Sault Ste. Marie by Overall Marginalization. Note that the two James Street Neighbourhood DAs fall within the “Most Marginalized” quintile (5).

¹¹ Ontario Marginalization Index (ON-Marg). (2018). User Guide, Version 1.0. Retrieved from <https://www.publichealthontario.ca/en/data-and-analysis/health-equity/ontario-marginalization-index>.

¹² Ontario Marginalization Index (ON-Marg). (2018). User Guide, Version 1.0.

¹³ Ontario Marginalization Index (ON-Marg). (2018). User Guide, Version 1.0.

Figure 25: Overall Marginalization by DA from the Ontario Marginalization Index, 2016



Residential Instability

The Residential Instability measure refers to area-level concentrations of people who experience high rates of family or housing instability. Residential instability is important as it is related to neighborhood quality, cohesiveness and support.¹⁴

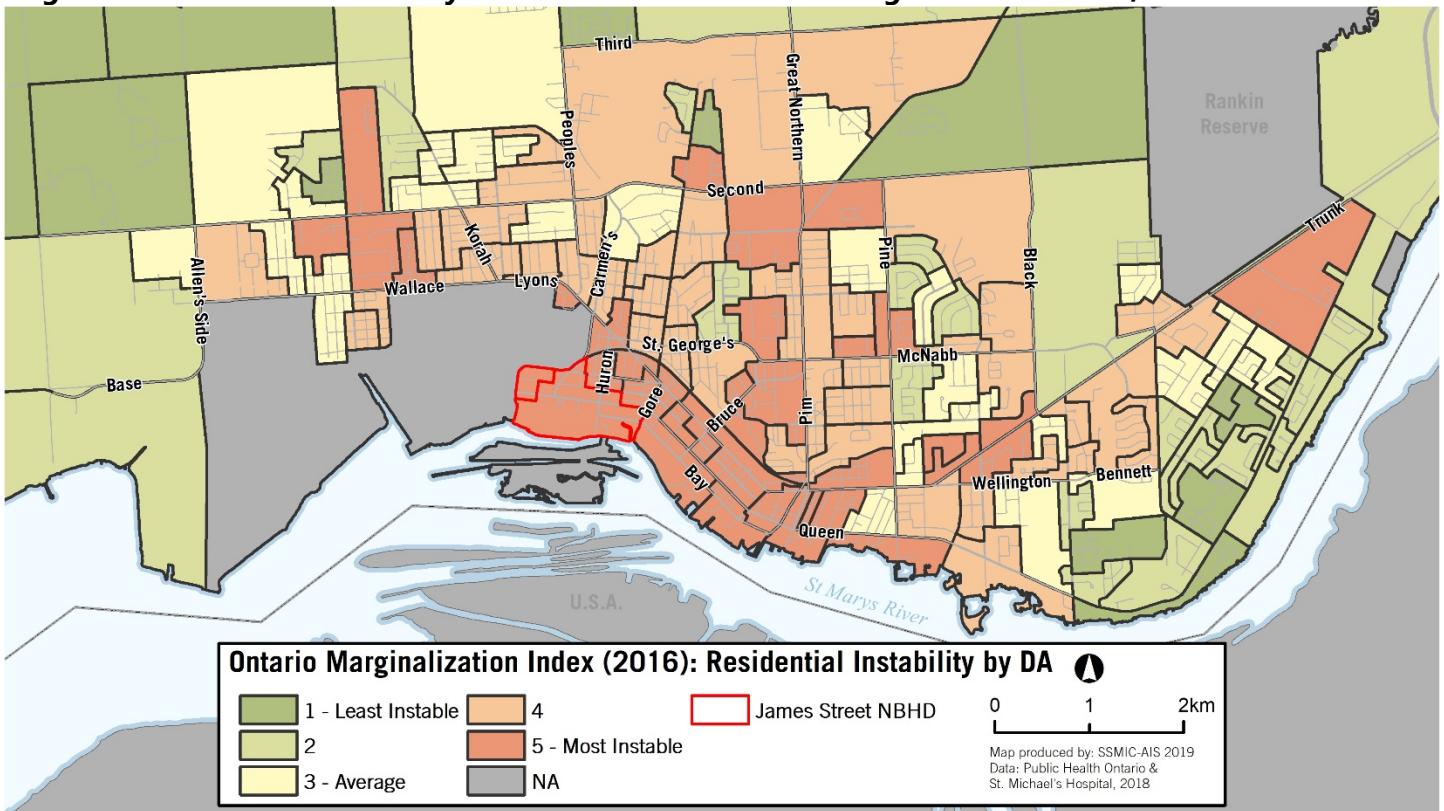
The Residential Instability dimension takes the following census variables into consideration:

- Proportion of the population living alone
- Proportion of the population who are not youth (aged 16+)
- Average number of persons per dwelling
- Proportion of dwellings that are apartment buildings
- Proportion of the population who are single/divorced/widowed
- Proportion of dwellings that are not owned
- Proportion of the population who moved during the past 5 years

The following map shows each DA of Sault Ste. Marie by degrees of instability. Persons living in a stable neighbourhood (quintiles 1 and/or 2 in the following map) are less likely to be marginalized than those living in an unstable neighbourhood (quintiles 4 and/or 5). Note that the two James Street Neighbourhood DAs fall within the "Most Instable" quintile (5).

¹⁴ Matheson, FI; Ontario Agency for Health Protection and Promotion (Public Health Ontario). 2011 Ontario Marginalization Index: Technical document. Toronto, ON: St. Michael's Hospital; 2017. Joint publication with Public Health Ontario.

Figure 26: Residential Instability Dimension of the Ontario Marginalization Index, 2016



Material Deprivation

The Organization for Economic Co-operation and Development (OECD) refers to Material Deprivation as "the inability of individuals or households to afford those consumption goods and activities that are typical in a society at a given point in time, irrespective of people's preferences with respect to these items."¹⁵

The Material Deprivation dimension takes the following census variables into consideration:

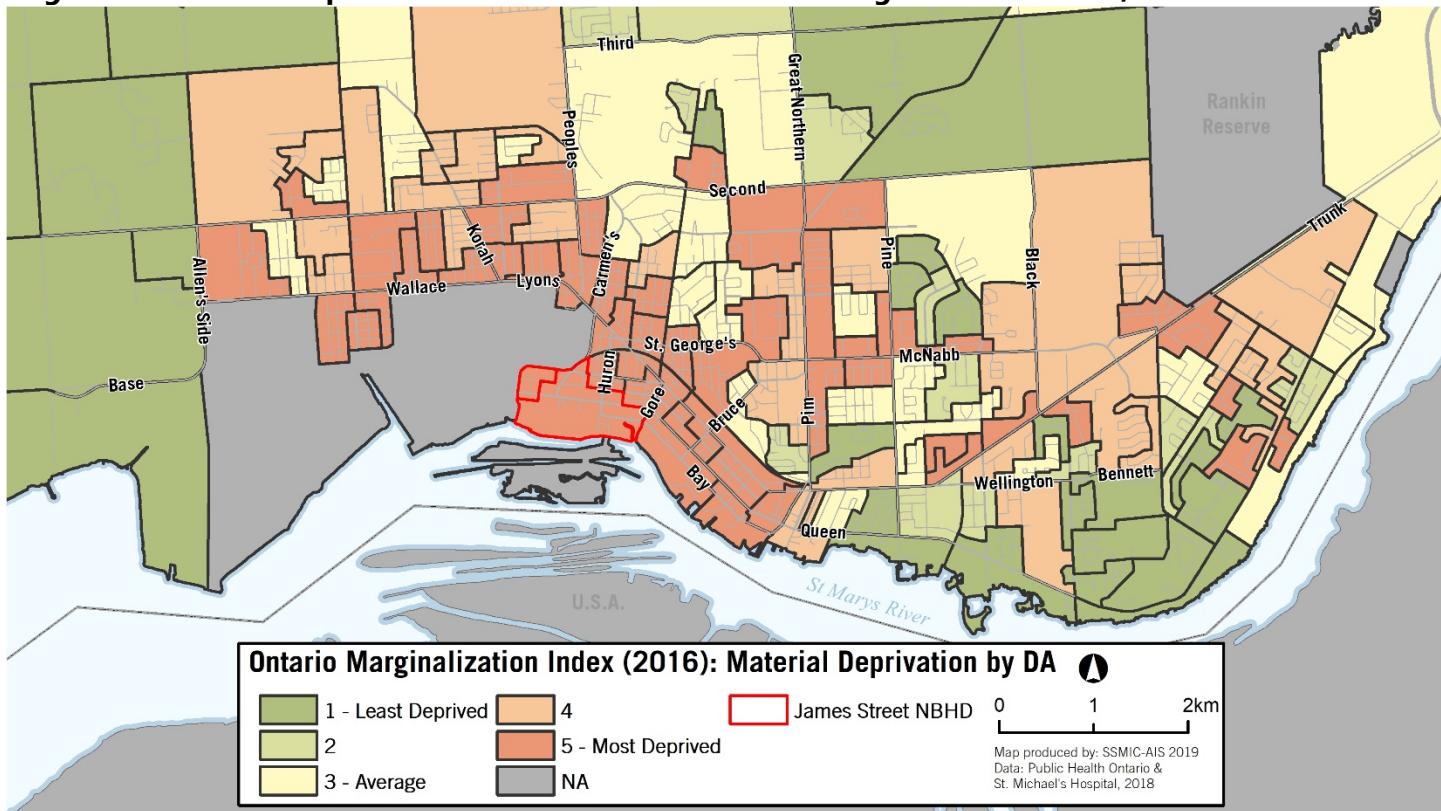
- Proportion of the population aged 25+ without a high-school diploma
- Proportion of families who are lone parent families
- Proportion of the population aged 15+ who are unemployed
- Proportion of the population considered low-income*
- Proportion of households living in dwellings that are in need of major repair

* Note: "Low income" is defined as below the low-income cut-off (LICO), a Statistics Canada measure that is adjusted for community size, family size and inflation.

The following map shows each DA of Sault Ste. Marie by the material deprivation quintile it falls in. Note that the two James Street Neighbourhood DAs fall within the "Most Deprived" quintile (5).

¹⁵ Organisation for Economic Co-operation and Development (OECD). (2007). Material Deprivation. Retrieved from <http://stats.oecd.org/glossary/detail.asp?ID=7326>.

Figure 27: Material Deprivation Dimension of the Ontario Marginalization Index, 2016



Dependency

Dependency relates to the idea that the economically inactive population (typically those below the age of 15, above the age of 65, and unemployed persons) relies on the economically active population for support.¹⁶

The Dependency dimension takes the following census variables into consideration:

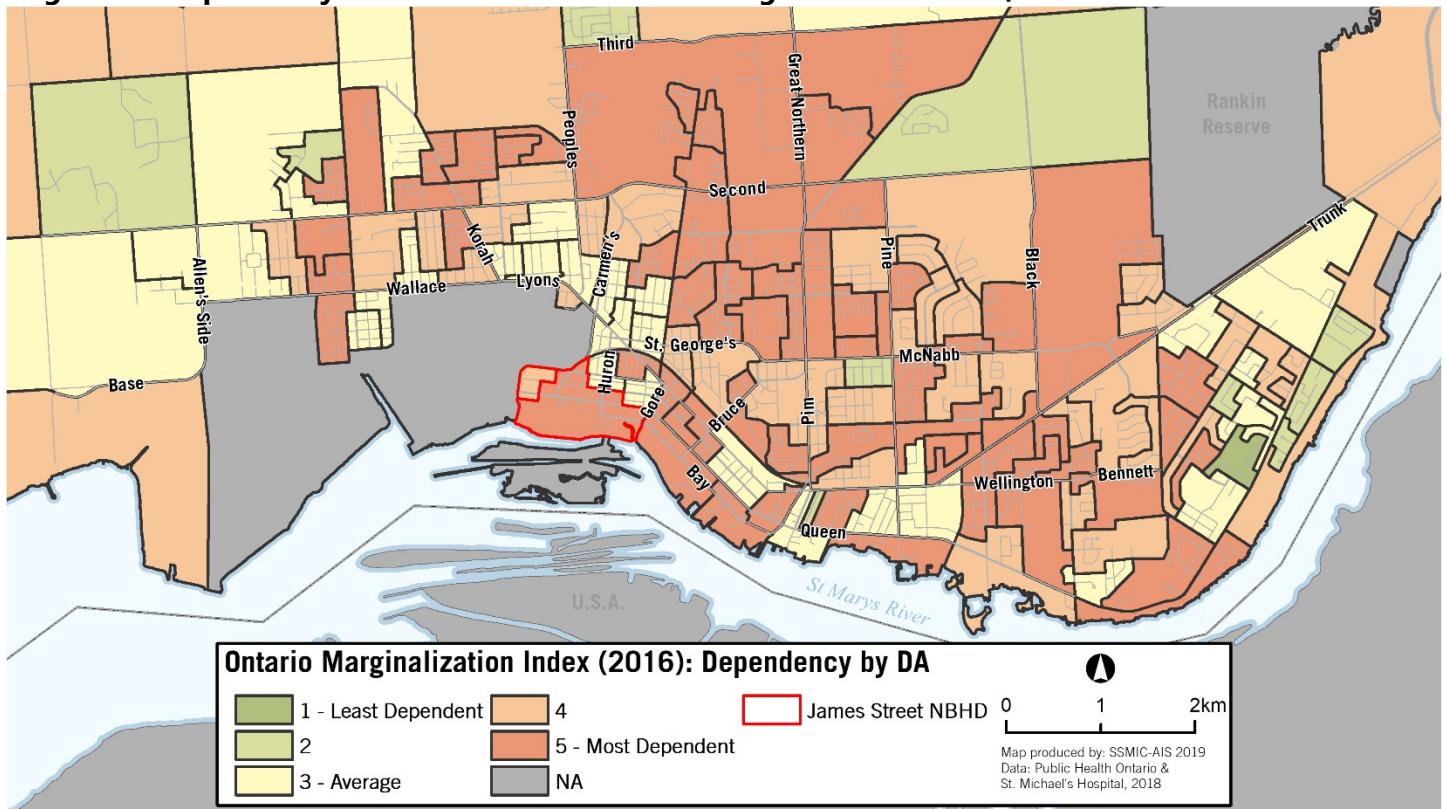
- Proportion of the population who are aged 65 and over
- Dependency ratio (total population 0 to 14 and 65+ / total population 15 to 64)
- Proportion of population not participating in the labour force (aged 15+)

The following map shows each DA of Sault Ste. Marie by degrees of dependency. Persons living in a less dependent neighbourhood (quintiles 1 and/or 2 in the following map) are less likely to be marginalized than those living in a dependent neighbourhood (quintiles 4 and/or 5).

Note that the two James Street Neighbourhood DAs either fall within "Somewhat Dependent" (quintile 4) and "Most Dependent" (quintile 5).

¹⁶ Matheson, Fl; Ontario Agency for Health Protection and Promotion (Public Health Ontario). 2011 Ontario Marginalization Index: Technical document. Toronto, ON: St. Michael's Hospital; 2017. Joint publication with Public Health Ontario.

Figure 28: Dependency Dimension of the Ontario Marginalization Index, 2016



Transportation

Table 18 indicates what main mode of transportation is utilized by employed labour force residents in the James Street Neighbourhood. It is reported that 14.8% of James Street Neighbourhood residents who commute for the labour force utilize public transit as their main mode of transportation, whereas only 3.9% of employed labour force residents of Sault Ste. Marie utilize public transit as their main mode of transportation. The percentage of James Street Neighbourhood residents that utilize public transit is similar to the number of individuals who utilize it across Ontario.

Table 18: Main Mode of Commuting

	James Street Neighbourhood		Sault Ste. Marie		Ontario	
	#	%	#	%	#	%
Car, Truck, Van – as a driver	195	72.2%	25,200	83.0%	4,375,215	71.8%
Car, Truck, Van – as a passenger	10	3.7%	2,075	6.8%	372,480	6.1%
Public Transit	40	14.8%	1,190	3.9%	888,920	14.6%
Walked	0	0%	1,420	4.7%	320,015	5.3%
Bicycle	0	0%	265	0.9%	75,460	1.2%
Other Method	10	3.7%	215	0.7%	60,620	1.0%

Source: Statistics Canada, Census of Canada 2016

Mobility Status

The data in Table 19 refers to the number of individuals moving in and out of the James Street Neighbourhood, Sault Ste. Marie and Ontario in the past 5 years. This table shows that from 2011-2016, 36.0% of the James Street Neighbourhood population reported moving within the city, while 18.9% of individuals reported moving within Ontario.

Table 19: Mobility Status – Place of Residence 5 Years Ago

	James Street Neighbourhood		Sault Ste. Marie		Ontario
	#	%	#	%	%
Total Population	820	-	68,365	-	-
Residents who have moved from another place in the city	295	36.0%	16,110	23.6%	20.0%
Residents who have moved from another place in Ontario	155	18.9%	4,155	6.1%	11.0%
Residents who have moved from another province	10	1.2%	595	0.9%	1.4%
Residents who have moved from outside Canada	10	1.2%	640	0.9%	4.4%
Residents who have not moved	345	42.1%	46,865	68.6%	62.9%

Source: Statistics Canada, Census of Canada 2016

HEALTH INDICATORS

Algoma Public Health – Summary Measures of Inequality

As previously shown in Figure 27, the James Street Neighbourhood falls within the most materially deprived quintile of the Material Deprivation dimension of the Ontario Marginalization Index.

The population of the James Street Neighbourhood is too low to report health related stats, however there are some generalizations that can be made for the residents of highly deprived neighbourhoods in the Algoma District. Compared to the least materially deprived residents of the Algoma District, the most materially deprived residents experience:¹⁷

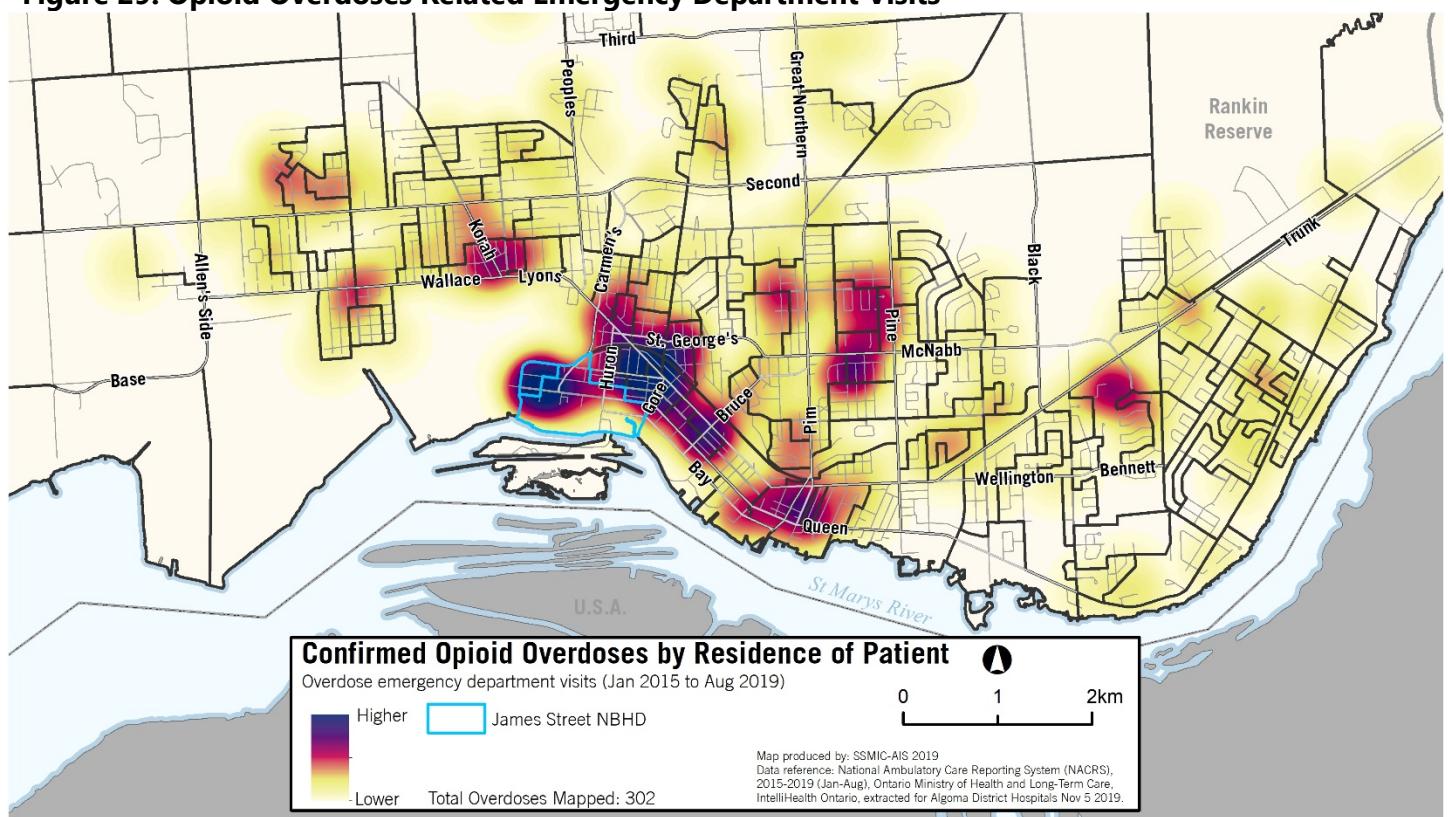
- over 3½ times the rate of alcohol-attributable hospitalizations;
- over 2 times the rate of cardio-vascular disease;
- 3½ times the rate of assault-related emergency department (ED) visits
- 5 times the rate of Chronic Obstructive Pulmonary Disease (COPD) hospitalizations;
- 5 times the rate of mental health ED visits;
- nearly 3½ times the rate of oral health ED visits;
- over 3 times the rate of potentially avoidable deaths;
- 2.8 times the rate of respiratory disease hospitalizations; and
- 2.8 times the rate of youth self-harm ED visits.

¹⁷ Public Health Ontario. Snapshots: Algoma Public Health: Health Equity Data. Toronto, ON: Ontario Agency for Health Protection and Promotion; 2019 Sept 30. Available from <https://www.publichealthontario.ca/en/data-and-analysis/health-equity>.

Algoma Public Health – Opioid Related Emergency Department Visits

The National Ambulatory Care Reporting System collects patient level data on visits to the emergency room. Figure 29 indicates a higher number of patients who take up residence in the James Street Neighbourhood that visited the emergency department due to opioid overdose related emergencies.

Figure 29: Opioid Overdoses Related Emergency Department Visits



Group Health Centre – Unique Visitors to the GHC (2018 and 2019) as a Percentage of Population

The majority of the population of the City of Sault Ste. Marie are patients of the Group Health Centre (GHC). GHC serves over 80,000 patients in the Sault and surrounding area with a combined total of over 300,000 visits across 8 sites in Sault Ste. Marie.¹⁸

Approximately 70.1% of the population of the City of Sault Ste. Marie visited the GHC at least once in 2018 or 2019. Figure 30 indicates the percentage of population that visited the GHC at least once in 2018 or 2019 for each Dissemination Area (DA). The DAs shaded in lighter purple on the map below (Figure 30) have proportionally fewer unique visitors to the GHC than the city as a whole. Note that both James Street Neighbourhood DAs have proportionally fewer unique visitors to the GHC than the city as a whole. Specifically,

- DA35570137: approximately 63.5% of the population visited the GHC in 2018 or 2019
- DA35570138: approximately 45.7% of the population visited the GHC in 2018 or 2019

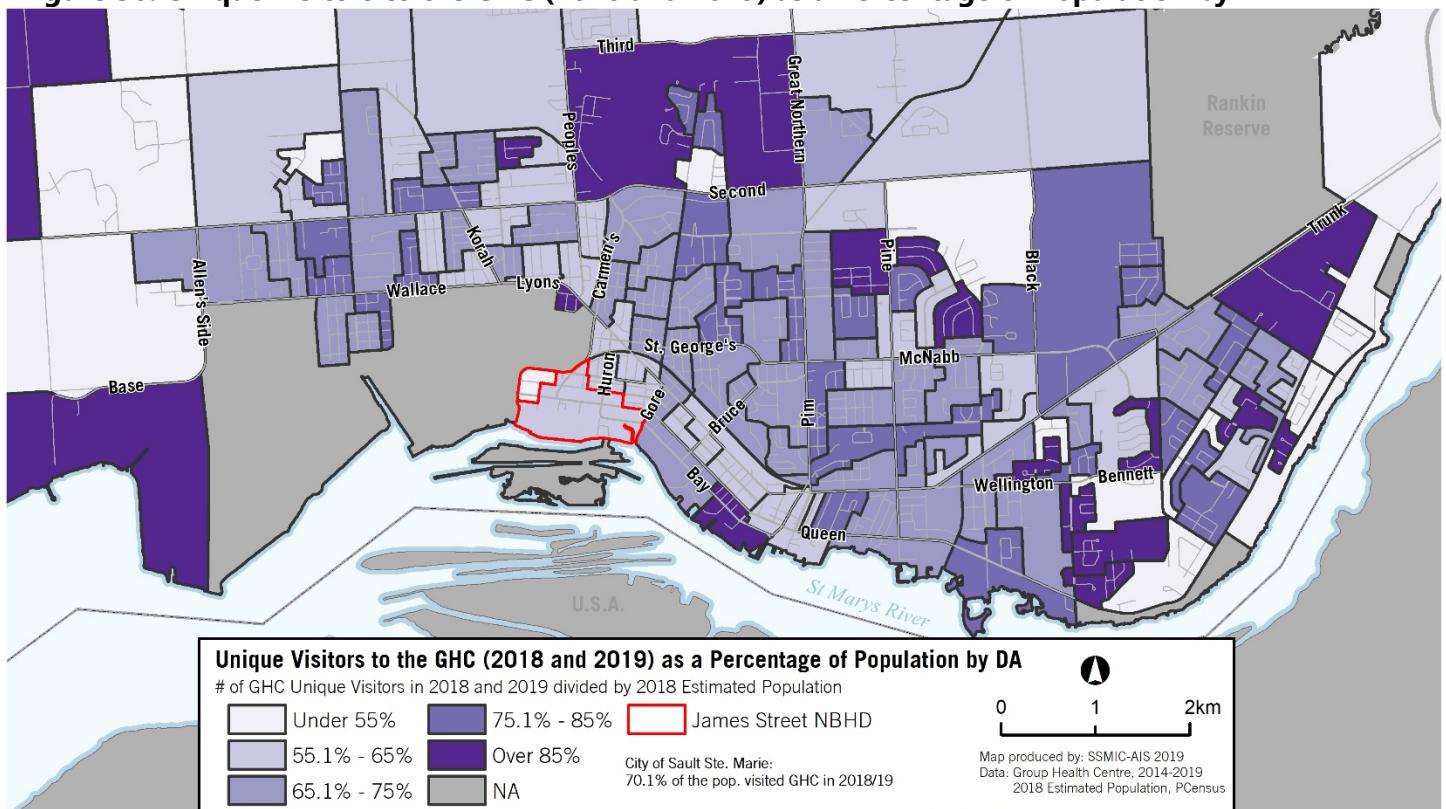
Why might a neighbourhood have fewer unique visitors to GHC? We do not have a definitive answer, but it could mean:

- Proportionally more persons in this neighbourhood are patients of other health care providers
- Individuals in these neighbourhoods are relying less on GHC physician offices and more on other health centres, such as the Sault Area Hospital ER
- Proportionally more persons in this neighbourhood do not visit their doctor for various reasons

Note that this indicator would benefit from visitor data to non-GHC physicians, however data from other health care providers was not available.

¹⁸ Group Health Centre – About Us. 2020. Accessed from: <https://www.ghc.on.ca/about.php>

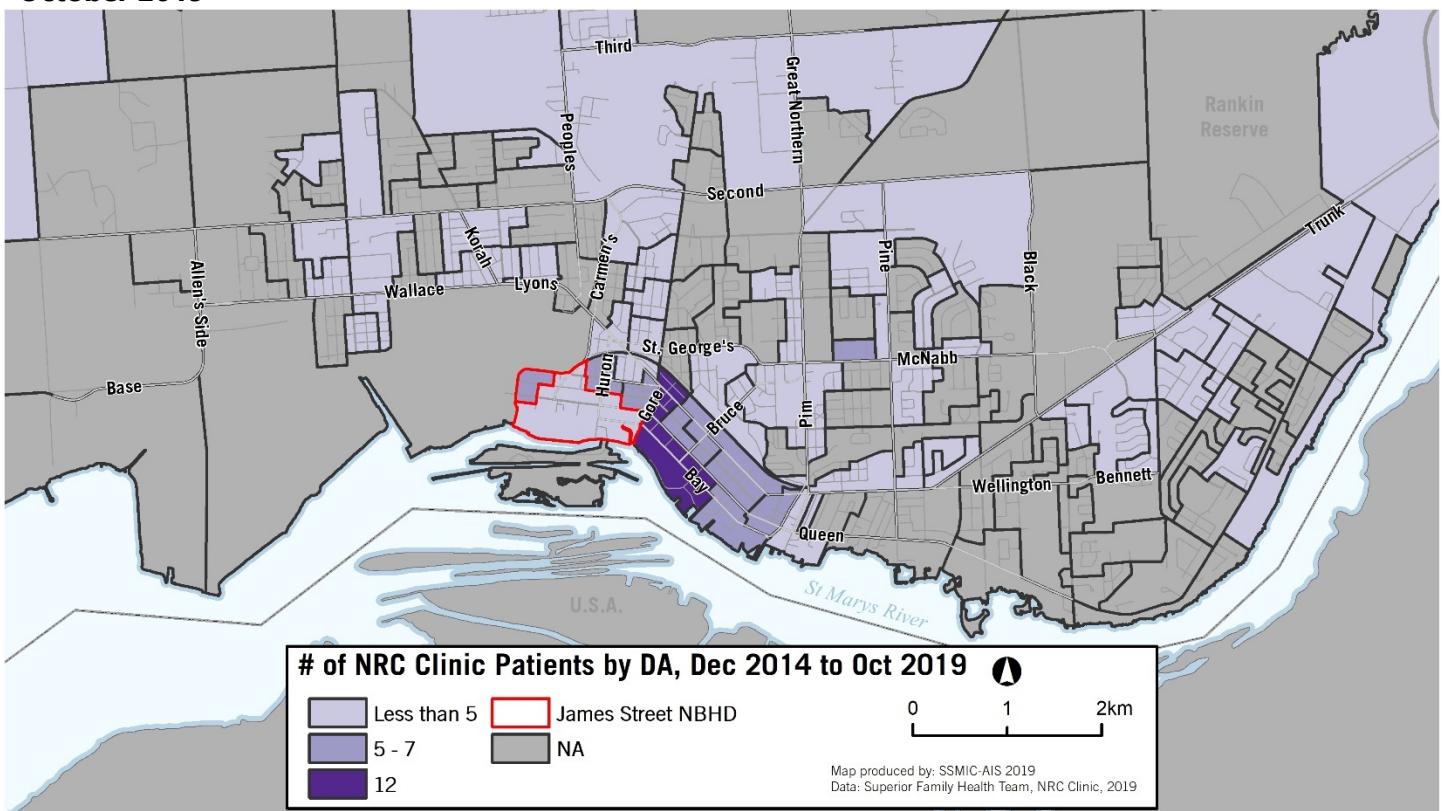
Figure 30: Unique Visitors to the GHC (2018 and 2019) as a Percentage of Population by DA



Neighbourhood Resource Centre – Patients of Dr. McLean from the James Street Neighbourhood Area

Dr. Alan McLean of the Superior Family Health Team operates a weekly clinic at the Neighbourhood Resource Centre (NRC) on Gore Street. Figure 31 indicates the number of patients located in the James Street Neighbourhood who have traveled to the NRC to attend this clinic. The number of patients included in the map below may be inaccurate due to the patient's medical record being inactive and/or some of the patients may belong to the Superior Family Health Team but do not identify as NRC patients in the medical record database. A total number of 254 unique patients visited the Neighbourhood Resource Clinic between December 2014 and October 2019. Of those 254 unique patients, 155 patients had valid postal codes and 10 of those patients had postal codes from the James Street Neighbourhood.

Figure 31: Patients who attended clinic at Neighbourhood Resource Centre between December 2014 to October 2019



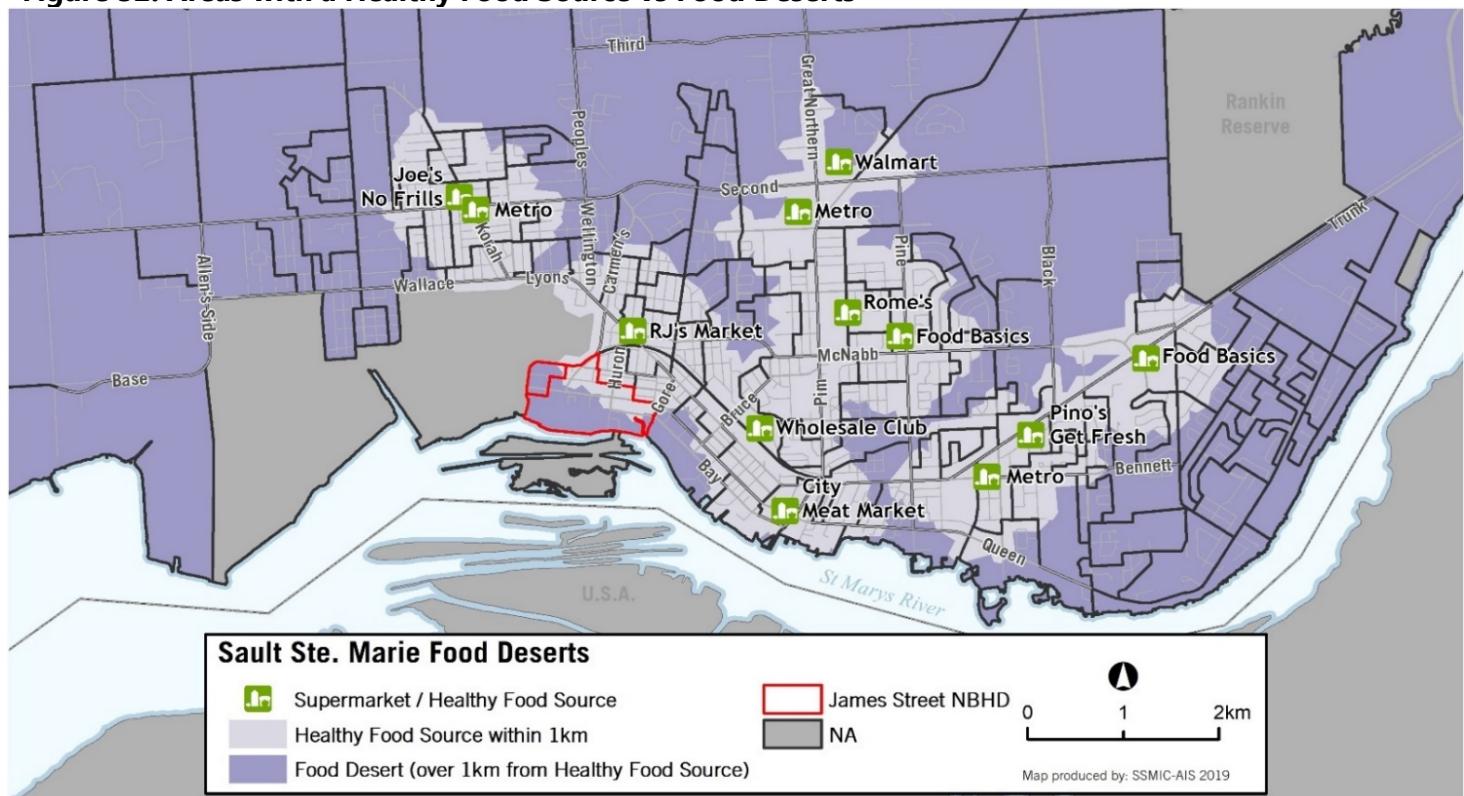
Food Deserts

Unhealthy diets can increase one's risk of obesity, diabetes, and other chronic diseases.¹⁹ To reduce these risks, it is important to adopt healthy eating habits as early in life as possible.²⁰ An individual's ability to adopt a healthy diet largely depends on the proximity, availability, and affordability of healthy foods within the area they live.^{20,21}

Areas lacking access to healthy foods, especially fresh fruits and vegetables, are referred to as food deserts. Living in such an environment can negatively influence a person's diet and result in increased health issues.^{19,20,21} According to the US Department of Agriculture (USDA), a food desert is an area in which "at least 500 people or 33 percent of the population live more than 1 mile [1.6 km] (in urban areas) or more than 10 miles or [16 km] (in rural areas) from a supermarket, supercentre, or large grocery store."¹⁹ For the purpose of this report, anything beyond a 1 km walk has been denoted as a food desert.

The following map (Figure 32) shows the areas of Sault Ste. Marie that have access to supermarkets/grocery stores within a 1 km walk. These stores offer a wide selection of food (including fresh fruits and vegetables) and non-food household products and are open year-round.

Figure 32: Areas with a Healthy Food Source vs Food Deserts



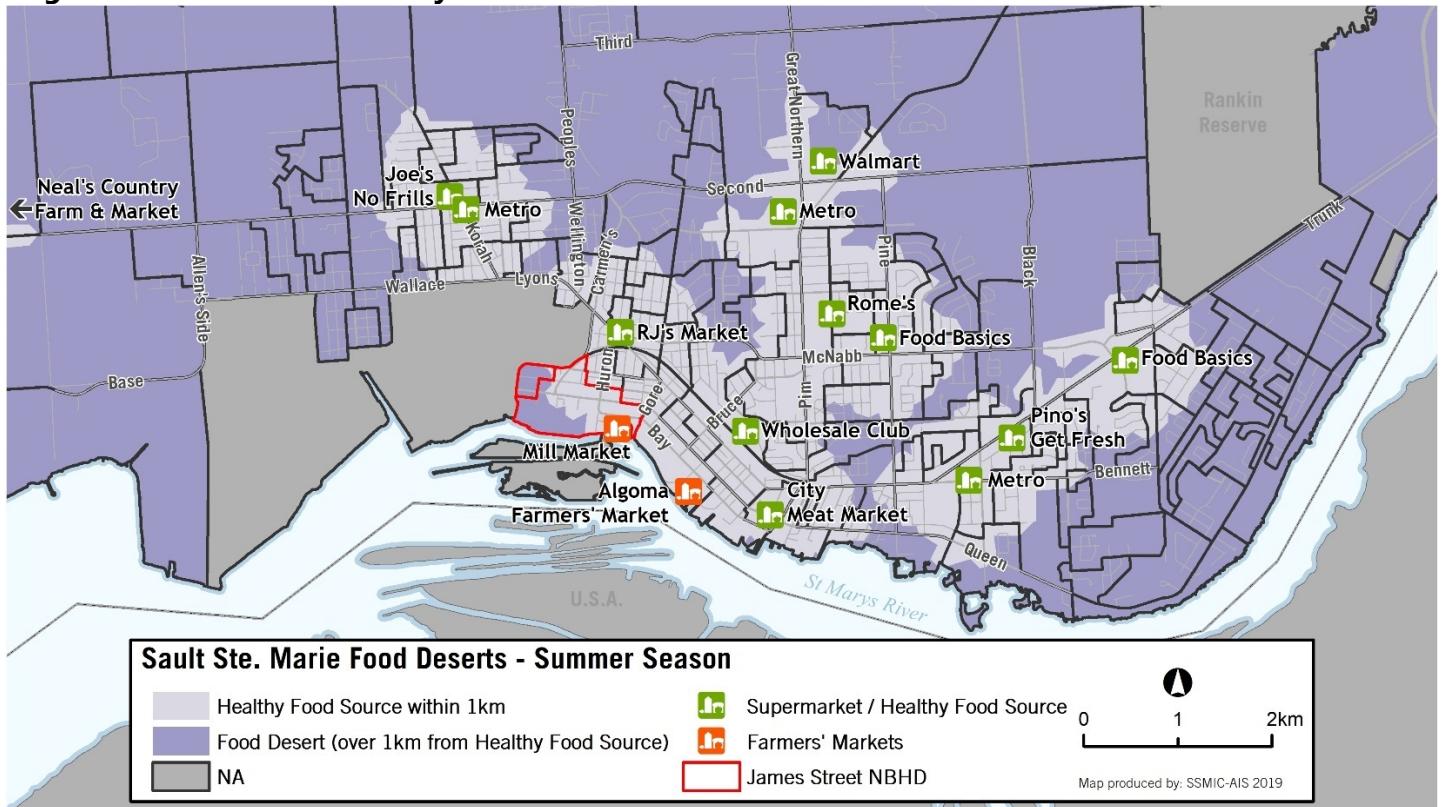
¹⁹ Lebel, A., Noreau, D., Tremblay, L., Oberle, C., Girard-Gadreau, M., Duguay, M., Block, J. (2016). Identifying rural food deserts: Methodological considerations for food environment interventions. Canadian Journal of Public Health, 107, 21-26.

²⁰ Minaker, L., Shuh, A., Olstad, D., Engler-Stringer, R., Black, J., Mah, C. (2016). Retail food environments research in Canada: A scoping review. Canadian Journal of Public Health, 107, 4-13.

²¹ Sadler, R., Clark, A., Wilk, P., O'Connor, C., Gilliland, J. (2016). Using GPS and activity tracking to reveal the influence of adolescents' food environment exposure on junk food purchasing. Canadian Journal of Public Health, 107, 14-20.

During the summer seasons, Farmers' Markets act as additional healthy food sources by providing local fresh fruits, vegetables, meats, poultry, and more. Figure 33 shows the areas within Sault Ste. Marie that have access to a healthy food source within a 1 km walk specifically during the summer season. The Mill Market and Algoma Farmers' Market slightly increase the coverage to healthy food sources in the downtown area.

Figure 33: Areas with a Healthy Food Source vs Food Deserts – Summer Season



SOCIAL ASSISTANCE

Housing

There are 42 Sault Ste. Marie Housing Corporation Owned Units in the James Street Neighbourhood. This represents 5.5% of all Rent Geared to Income units in Sault Ste. Marie.

There are 41 Rent Supplement Units (these are privately owned units that DSSMSSAB has agreements with private Landlords) in the James Street Neighbourhood. This represents 10.1% of all Rent Supplement Units in Sault Ste. Marie.

In total, of the 2,455 subsidized units in Sault Ste. Marie, 83 (or 3.4%) are located in the James Street Neighbourhood.

Source: DSSMSSAB – Housing Division, 2019

Ontario Works

Ontario Works reported 109 cases that possess Postal Codes belonging to the James Street Neighbourhood.

There are 172 Ontario Works members living in the James Street Neighbourhood:

- 18% of those members are aged zero to six years of age
- 11% of those members are aged seven to twelve years of age
- 4% of those members are aged thirteen to sixteen years of age

Ontario works reported that 5.3% of their total caseload resides in the James Street Neighbourhood.

Ontario Disability Support Program

Ontario Disability Support Program (ODSP) reported that of their caseload, 111 cases reside in the James Street Neighbourhood.

FAMILY AND CHILD RELATED INDICATORS

EarlyON Centres

EarlyON Centres offer free, high-quality drop-in programs targeted at families with children from birth to 6 years old. EarlyON Centres are open to all families in Ontario. They are welcoming places that offer a range of services and resources, where attendees can:

- join fun activities such as reading, storytelling, sing-alongs and games
- get advice from professionals trained in early childhood development
- find out about other family services in their community
- connect with other families with young children

There are 11 EarlyON Centres within the Sault Ste. Marie DSSAB catchment area that have regular programming (Figure 34). Some centres, including Holy Angels, Holy Cross, Prince Township, St. Basil and H.M. Robbins are open every weekday. There are also outreach sites that receive some EarlyON programming.

From April 2018 to November 2019, the Sault Ste. Marie EarlyON Centres received 1,797 unique child visitors aged 0 to 4 who resided in the City of Sault Ste. Marie. These are children who visited any site at least once. This represents an uptake of approximately 50% of all children in this age group in Sault Ste. Marie.

Very few (8 in total) of the approximately 56 children²² aged 0 to 4 who resided in the James Street Neighbourhood visited an EarlyON Centre during this time period. This represents an uptake of approximately 14% of all children in this age group in the James Street Neighbourhood; much less than the uptake seen across the City of SSM. Table 20 indicates the location of EarlyON services that are in close proximity to Anna Marinelli Park. It should be noted that the Soup Kitchen Early ON Centre is a mobile service that only visits the area in the summer, the Urban Indigenous EarlyON Centre is not yet established and Notre-Dame-du-Sault ON y va is a satellite outreach service.

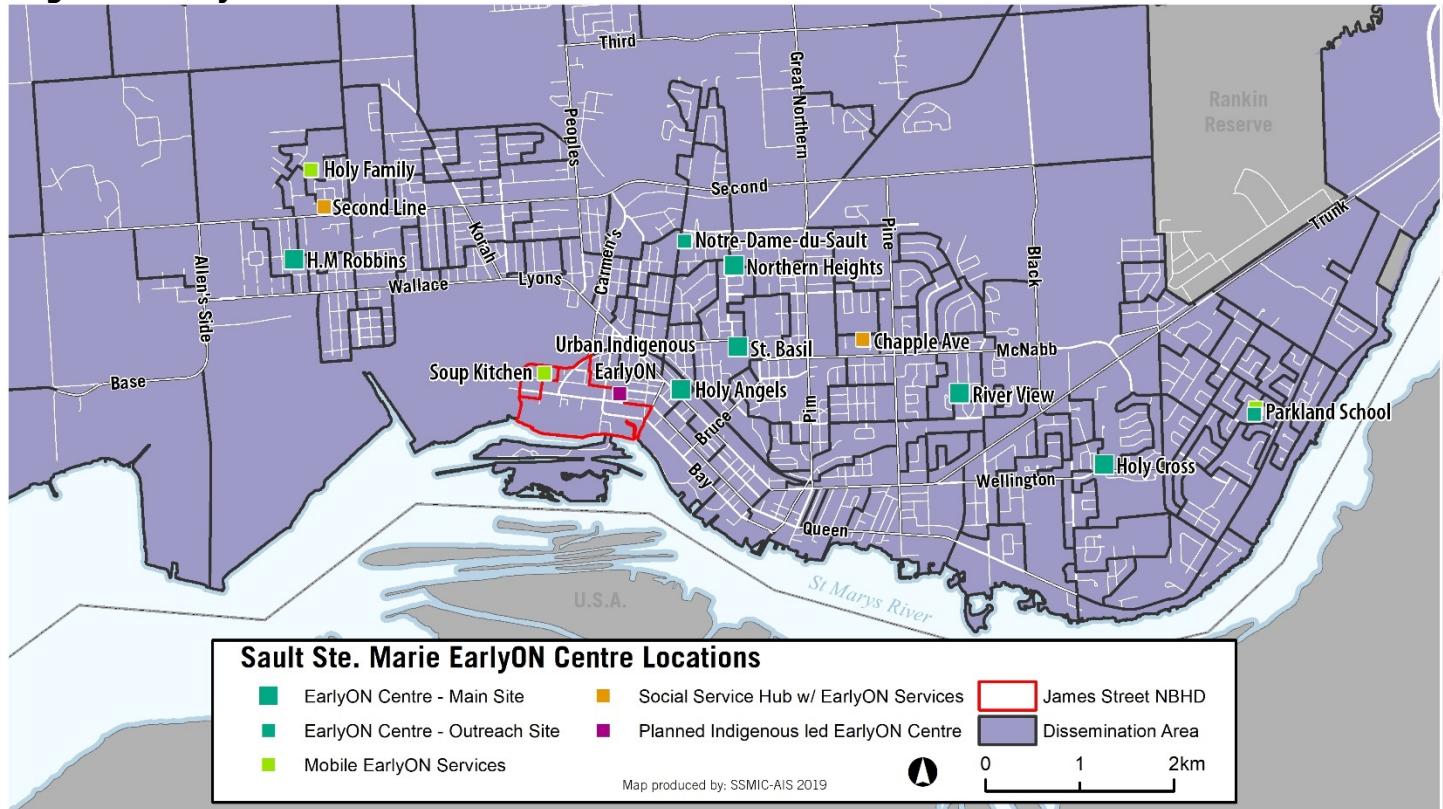
Table 20: Location of EarlyON Services in Proximity to Anna Marinelli Park

EarlyON Service	Distance from Anna Marinelli Park (Metres)
Soup Kitchen EarlyON Centre (mobile service)	58 m
Urban Indigenous EarlyON Centre (not yet established)	879 m
Holy Angels EarlyON Centre	1646 m
St. Basil EarlyON Centre	2326 m
Notre-Dame-du-Sault ON y va (satellite outreach)	2666 m
Northern Heights EarlyON Centre	2846 m

²² Vancouver, B.C.: Tetrad Computer Applications [distributor], 2017. accessed 11 September 2018. available from PCensus for ArcGIS [computer file], Sault Ste. Marie Innovation Centre.

This past summer, Child Care Algoma started an EarlyON Mobile Service. This service reportedly visited the Soup Kitchen, which is adjacent to Anna Marinelli Park, eight separate times this past summer to service children who reside in the James Street Neighbourhood.

Figure 34: EarlyON Centres



Early Development Instrument (EDI) Results

The Early Development Instrument (EDI) is a tool developed by the Offord Centre for Child Studies at McMaster University. It is used to measure developmental change in populations of children – sort of a child development census. It measures a child’s readiness to learn in a school environment. The EDI is not used to assess or diagnose individual children. The five domains used by the tool are physical health and well-being, social competence, emotional maturity, language and cognitive development, and communication skills and general knowledge. The EDI can be administered by the teacher at the junior or senior kindergarten level. The tool highlights strengths and weaknesses for populations of children, records the readiness to learn of populations of children over time, and forecasts how they will do in elementary school.²³

Results of the EDI questionnaire are grouped into five domains of child development:



Physical Health & Well-being: Includes gross and fine motor skills (e.g., holding a pencil, running on the playground, motor coordination), adequate energy levels for classroom activities, independence in looking after own needs, and daily living skills.



Social Competence: Includes curiosity about the world, eagerness to try new experiences, knowledge of standards of acceptable public behaviour, ability to control own behaviour, appropriate respect for adult authority, cooperation with others, following rules, and ability to play and work with other children.



Emotional Maturity: Includes the ability to think before acting, a balance between too fearful and too impulsive, an ability to deal with feelings at the age-appropriate level, and empathetic response to other people’s feelings.



Language & Cognitive Development: Includes reading awareness, age-appropriate reading and writing skills, age-appropriate numeracy skills, ability to understand similarities and differences, and ability to recite back specific pieces of information from memory.



Communication Skills & General Knowledge: Includes skills to communicate needs and wants in socially appropriate ways, symbolic use of language, storytelling, and age-appropriate knowledge about the life and world around.

The EDI is commonly used to get a sense of vulnerability in a population of children. If a child scores below the 10th percentile cut-off of the Ontario population on any of the five domains, they are said to be vulnerable on that scale of development.

Figure 35 indicates the percent of vulnerable children in the Downtown area of Sault Ste Marie. For EDI results, the “Downtown” area includes all homes between Pim Street and West Street and south of the Canadian Pacific Railway to the St. Marys River. Whereas, Figure 36 indicates the percent of vulnerable children in the Sault Ste. Marie area. The EDI results for the Downtown area indicate that children living in this area are more likely to be vulnerable.

²³ Early Development Instrument (EDI). (2019). What is the EDI? Retrieved from <https://edi.offordcentre.com/about/what-is-the-edi/>

Figure 35: Percent of Vulnerable Children by EDI Domain (Cycles 1 to 5), Downtown Sault Ste. Marie

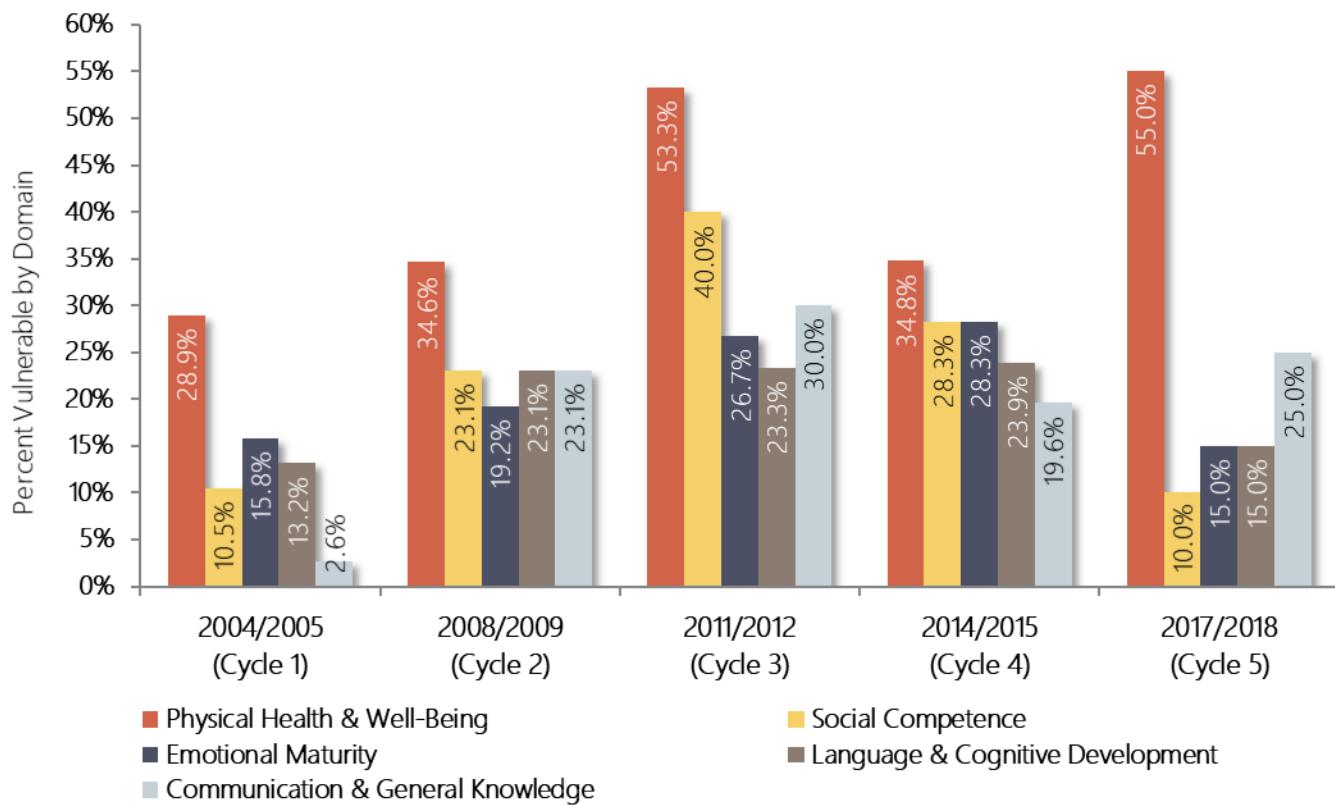
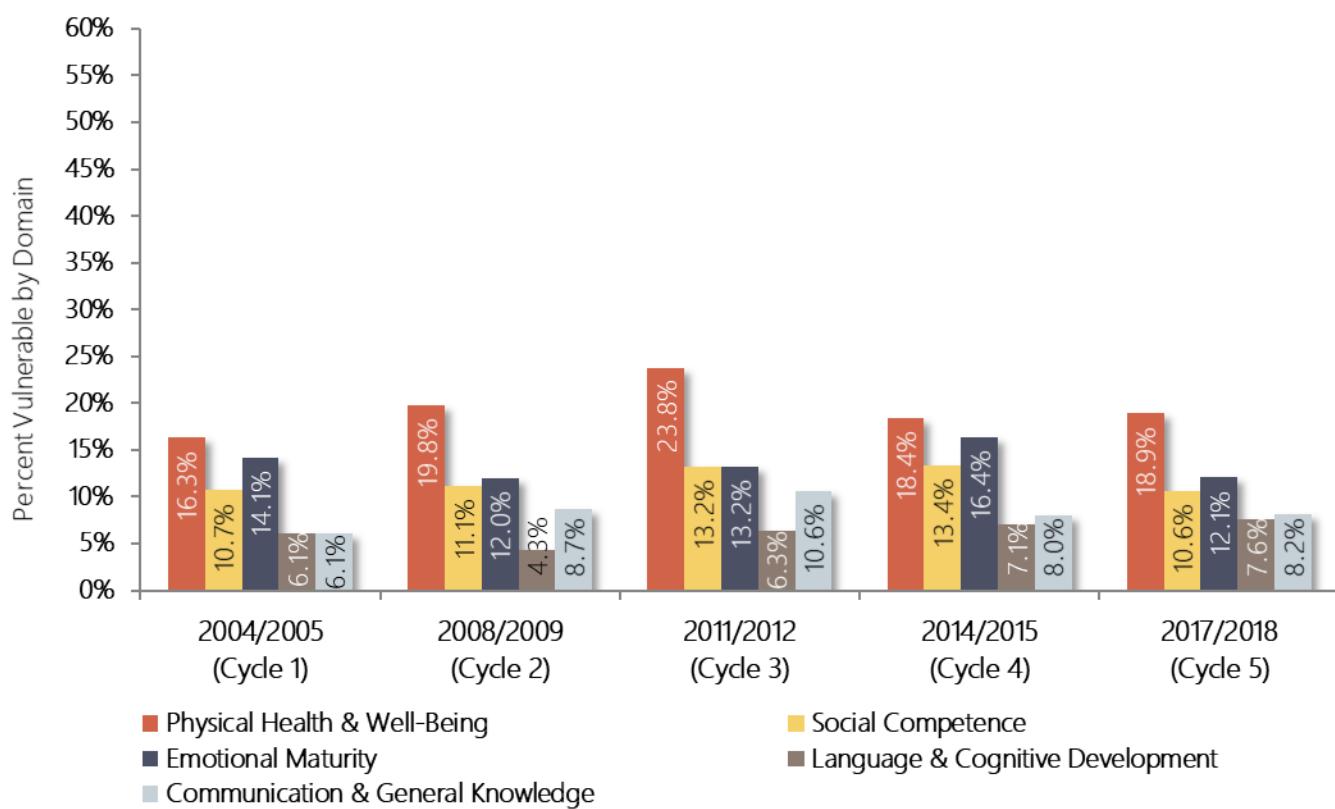


Figure 36: Percent of Vulnerable Children by EDI Domain (Cycles 1 to 5), Sault Ste. Marie Area



Participation in Organized Sports

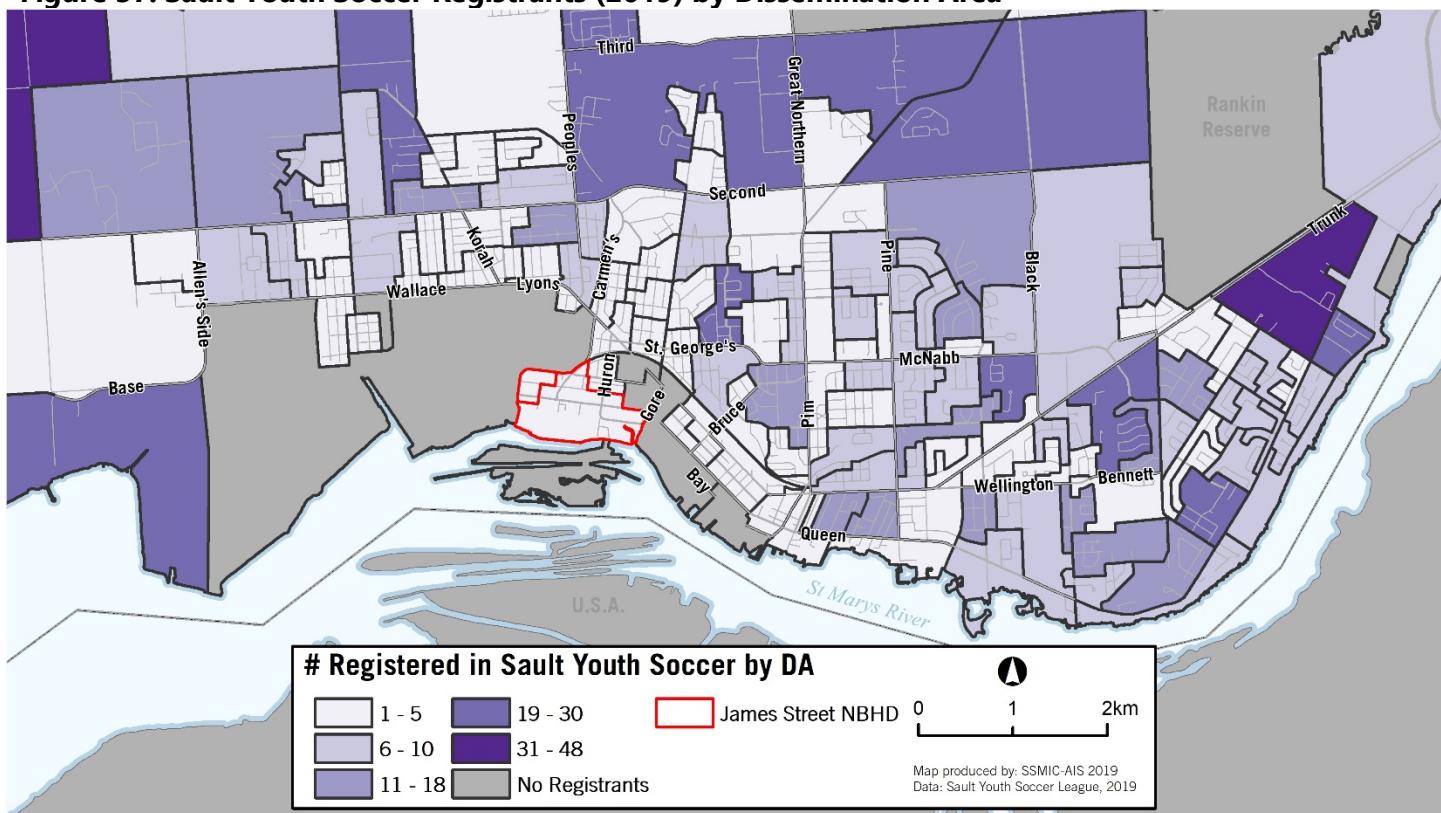
Sault Ste. Marie YMCA

From 2018-2019, the YMCA reported 3,954 memberships belonging to those who lived in and around the City of Sault Ste. Marie. Very few, less than 30 of those individuals resided in the James Street Neighbourhood (less than 1% of total members). Of the two Dissemination Areas (DAs) that make up the James Street Neighbourhood with a total population of 845, 28 (3.31%) residents living in the area have memberships at the YMCA. In DA 35570138 with a total population of 398, 18 (4.52%) residents are members at the YMCA. In DA 35570137, with a total population of 447, 10 (2.24%) residents are members at the YMCA.

Sault Youth Soccer Club

In 2019, 1,282 youth who lived in the City of Sault Ste. Marie were registered in the Sault Youth Soccer Club. Very few (less than 5) of these youth resided in the James Street Neighbourhood.

Figure 37: Sault Youth Soccer Registrants (2019) by Dissemination Area



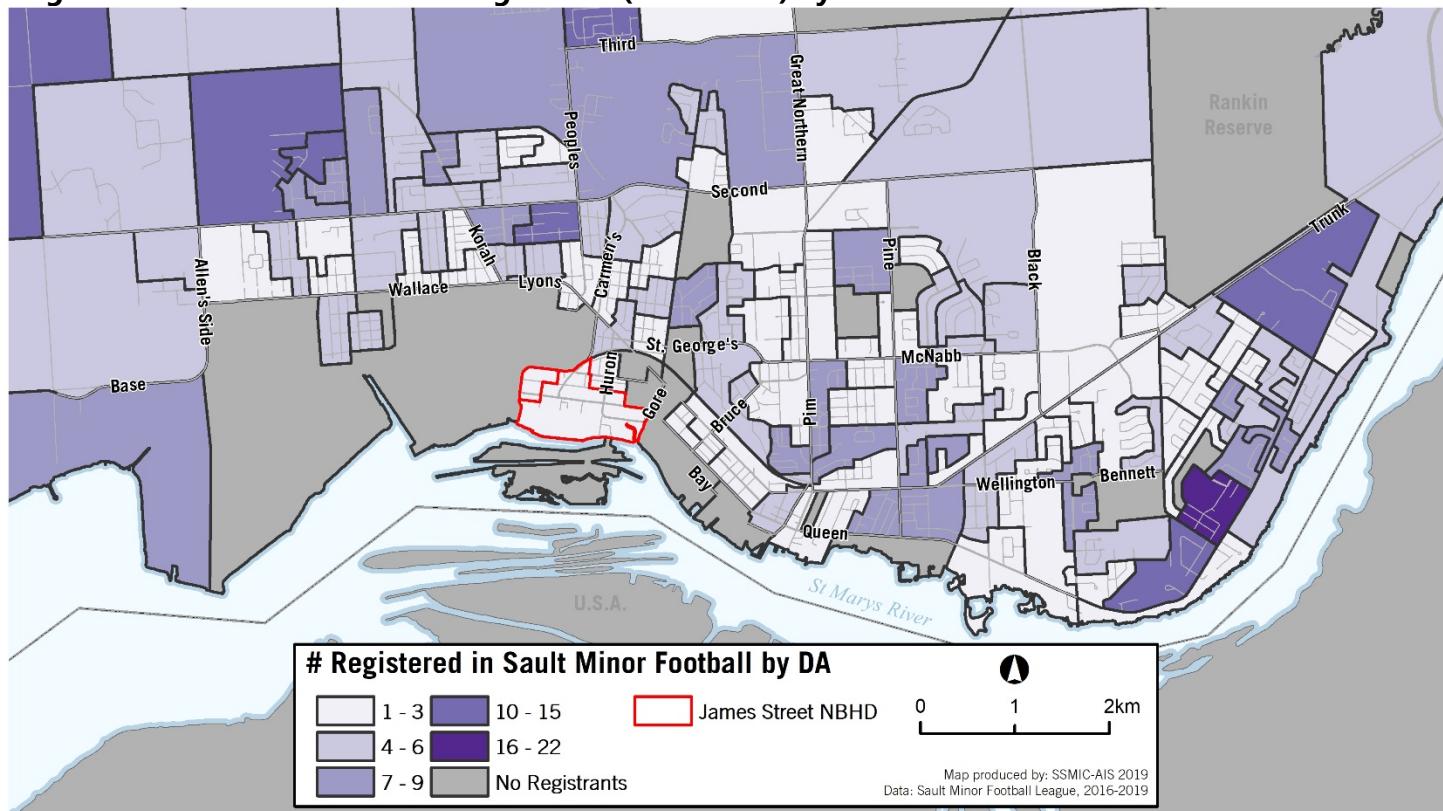
CanSkate

In 2019, there were 274 registrants for the CanSkate program in the City of Sault Ste. Marie. There were no registrants in the CanSkate program in 2019 who resided in the James Street Neighbourhood. This includes, PreCanSkate, Junior Star, Intermediate, Seniors and Powerskating programs.

Sault Minor Football

Between 2016 and 2019, the Sault Minor Football league reported 783 registrations. Of the 783 registrants there were very few, less than 5 individuals (0.38%) who resided in the James Street Neighbourhood that were registered in the league.

Figure 38: Sault Minor Football Registrants (2016-2019) by Dissemination Area



DATA SOURCES

Figure 1: James Street Neighbourhood Area Map

Statistics Canada, 2016 Census of Population

Figure 2: James Street Neighbourhood Land Use Designation

Figure 3: James Street Neighbourhood Transit Routes

Table 1: Approximate Walk Time from Anna Marinelli Park to Nearby Recreation Areas

Figure 4: Anna Marinelli Park, Walking Distance

Sault Ste. Marie Innovation Centre - Acorn Information Solutions, 2019

Figure 5: Residential Property Assessment Values per Residential Unit, 2019

Table 2: Tax Assessment Statistics

Figure 6: Total Residential Property Assessment Values by DA, 2019

Figure 7: Total Commercial Property Assessment Values by DA, 2019

Figure 8: Average Residential Property Assessment Values per Residential Unit by DA, 2019

Figure 9: Residential Property Assessment Value per Hectare of Residential Land by DA, 2019

Municipal Property Assessment Corporation and Sault Ste. Marie Innovation Centre - Acorn Information Solutions, 2019

Figure 10: James Street Neighbourhood Parcel Ownership and Vacancy

Sault Ste. Marie Innovation Centre - Acorn Information Solutions, 2019

Table 3: Population and Median Age – James Street Neighbourhood, Sault Ste. Marie CSD and Ontario

Table 4: 5 Year Age Groups Breakdown – James Street Neighbourhood and Sault Ste. Marie (CSD)

Figure 11: Male Population by 5 Year Age Groups – James Street Neighbourhood and Sault Ste. Marie (CSD)

Figure 12: Female Population by 5 Year Age Groups – James Street Neighbourhood and Sault Ste. Marie (CSD)

Figure 13: Male Population James St. Neighbourhood

Figure 14: Male Population Sault Ste. Marie

Figure 15: Female Population James St. Neighbourhood

Figure 16: Female Population Sault Ste. Marie

Table 5: Family Structure – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

Table 6: Private households by household size

Figure 17: Lone-Parent Families as a Percentage of All Families by Dissemination Area, 2016

Figure 18: Female Lone-Parent Families as a Percentage of All Families by Dissemination Area, 2016

Table 7: Indigenous Identity Population – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

Figure 19: Percent of Population Identifying as Indigenous, 2016

Table 8: Knowledge of Official Languages – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

Table 9: Types of Dwellings, 2016

Figure 20: Percent of Private Households Occupied by Renters, 2016

Table 10: Owner and Tenant Household Spending on Shelter, 2016

Table 11: Education Attainment, 2016

Figure 21: Percent Aged 15 Years and Over Without a Certificate, Diploma, or Degree, 2016

Table 12: Labour Force Status. 2016

Figure 22: Percent of the Population in the Labour Force and Unemployed, 2016

Table 13: Immigration Status, 2016

Table 14: After-Tax Income of Households – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

Table 15: Income by Household – James Street Neighbourhood, Sault Ste. Marie (CSD) and Ontario

Figure 23: Median Household Income After-Tax by Dissemination Area, 2016

Table 16: Composition of Total Income

Figure 24: Percent of Income from Government Transfer Payments by Dissemination Area, 2016

Table 17: Prevalence of Low Income based on LIM-AT, James Street Neighbourhood, Sault Ste. Marie and Ontario

Statistics Canada, 2016 Census of Population

Figure 25: Overall Marginalization by DA from the Ontario Marginalization Index, 2016

Figure 26: Residential Instability Dimension of the Ontario Marginalization Index, 2016

Figure 27: Material Deprivation Dimension of the Ontario Marginalization Index, 2016

Figure 28: Dependency Dimension of the Ontario Marginalization Index, 2016

The Ontario Marginalization Index 2016, Public Health Ontario, Released 2018 and Statistics Canada, 2016 Census of Population

Table 18: Main Mode of Commuting

Table 19: Mobility Status - Place of Residence 5 Years Ago

Statistics Canada, 2016 Census of Population

Figure 29: Opioid Overdoses Related Emergency Department Visits

National Ambulatory Care Reporting System (NACRS). 2015-2019 (Jan-Aug) Ontario Ministry of Health and Long-Term Care, IntelliHealth Ontario, extracted for Algoma District Hospitals, 2019.

Figure 30: Unique Visitors to the GHC (2018 and 2019) as a Percentage of Population by DA

Group Health Centre, 2020

Figure 31: Patients who attended clinic at Neighbourhood Resource Centre between December 2014 to October 2019

Superior Family Health Team, NRC Clinic, 2019

Figure 32: Areas with a Healthy Food Source vs Food Deserts

Figure 33: Areas with a Healthy Food Source vs Food Deserts – Summer Season

Sault Ste. Marie Innovation Centre - Acorn Information Solutions, 2019

Table 20: Location of EarlyON Services in Proximity to Anna Marinelli Park

Figure 34: EarlyON Centres

Sault Ste. Marie Area EarlyON Centres and Sault Ste. Marie Innovation Centre - Acorn Information Solutions, Sault Ste. Marie Region Visitor Database, accessed via KEyON (www.keyon.ca)

Figure 35: Percent of Vulnerable Children by EDI Domain (Cycles 1 to 5), Downtown Sault Ste. Marie

Figure 36: Percent of Vulnerable Children by EDI Domain (Cycles 1 to 5), Sault Ste. Marie Area

The Offord Centre and Sault Ste. Marie Innovation Centre - Acorn Information Solutions, 2019

Figure 37: Sault Youth Soccer Registrants (2019) by Dissemination Area

Soo Youth Soccer Club, 2019

Figure 38: Sault Minor Football Registrants (2016-2019) by Dissemination Area

Sault Minor Football League, 2019

The Hon. Ray Stortini O.ONT. B.A. LLB. JUR.DR.
PO Box 127, Richards Landing
ST. Joseph Island, ONT. P0R 1J0

October 18, 2020

Mayor Christian Provenzano and Council
City Hall, 99 Foster Drive
Sault Ste Marie, Ont. P6A 5X6

RE: James Street Neighbourhood

RECEIVED
OCT 20 2020
MAYOR'S OFFICE

Messieurs/Dames:

In non Covid 19 times I would have requested the opportunity to make this presentation in person.

I was born and raised in Sault Ste Marie in the area known as the West End and little Italy, and spent most of my working life in the Sault. I have also had the privilege of serving two terms on city council when John Rhodes and Alex Harry were mayors.

I have attended many meetings and conferences called to consider the rehabilitation of the James Street area, the latest chaired by Mr. Patrick Lo of the City's Planning and Enterprise Services. Mr. Lo was kind enough to send me a copy of the proposed report to Council.

With all due respect to Mr. Lo and the work he has done on this assignment, I would like to put before Council the main suggestion I made at the said meetings but not included in the Lo report.

Several years ago the Soup Kitchen and Community Centre (in which I have served on the Board of Directors, and presently as a volunteer) was able to dedicate two students to ascertain the greatest need of the nearby apartment dwellers. They reported that a grocery store was at the top of their list. A large number of the said residents are single parents on social assistance. They do not own automobiles. The closest grocery store is RJ's at the corner of Wellington street and St. George's Avenue. A significant portion of the food budget is used in taxi fares to and from the grocery store.

While the need for a grocery store is clear, it is unlikely that a prospective grocer would undertake the cost of constructing a building in order to establish a grocery store.

This is where the Mayor and Council must make a "bold move". The infrastructure is in place and the need is clear.

When the city of Toronto found it necessary to build a new city hall in the 1950's they selected the worst section of downtown Toronto --Queen Street West--which was a haven for strip joints, pawn shops, second hand stores and the like.

As soon as Toronto City Council made the decision to site the city hall on Queen Street West, private enterprise did the rest. The Four Seasons built an impressive hotel, and the entire sector was transformed to what it is today.

During my terms on City Council in the 1960's our waterfront was, in the words of many, "a dump" consisting of logs, oil tanks, scrap yard and the like.

The existing City Hall on Queen Street east of East Street was condemned, and a new structure was necessary. There were three possible sites for consideration, namely the existing site which was too small for the purpose, the present Police Services building on Second Line, and the waterfront as part of the urban renewal project.

A few of us on Council including mayor Alex Harry pushed strongly in favour of the waterfront site, and that was the final decision of Council.

When the announcement of the site was made, Algoma Central Railway built the Station Mall, and the Holiday Inn built an impressive hotel (now the Delta Hotel). The history of the Toronto City Hall site proved to be the case in our city.

My respectful submission to Council is that the City build a Creative Arts Centre which would provide leased workshop/ boutique spaces for our excellent local artisans while leaving space for an appropriate grocery store. (There is at least one former church that should be looked at.)

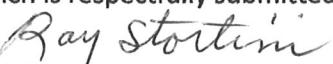
All cities provide sports and cultural centres such as ice rinks, tennis courts, swimming pools, libraries etc. The precedent is there.

After my terms on City Council, subsequent Councils have done some bold and wonderful projects including the River Board Walk, the V.E. Greco pool, the Rowswell Hub Trail, etc.

I urge our Mayor and Council to take the "bold step" to revitalize the James Street area.

The alternative is to be compelled to look at the area in question whenever social pressures are applied. Minor changes will be made but no major success will result which is the case to date.

All of which is respectfully submitted.


Ray Stortini

Copy to Mr. Patrick Lo.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
BY-LAW 2020-200

AGREEMENT: (P5) A by-law to authorize the execution of the Agreement between the City and Toromont Cat, a division of Toromont Industries Ltd. for the lease of four (4) Articulated Front End Wheel Loaders.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 9 of the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. EXECUTION OF DOCUMENT

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Agreement between the City and Toromont Cat, a division of Toromont Industries Ltd., a copy of which is attached as Schedule "A" hereto. This Agreement is for the lease of four (4) Articulated Front End Wheel Loaders.

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 26th day of October, 2020.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

Schedule "A"
Cat Financial Document Package

Thank you for considering Caterpillar Financial, where our goal is to have Customers for Life. This package includes documents for your consideration regarding the proposed transaction below:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Dealer:TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
Transaction Number:4045643
Contract Number:104-50009683

Year/Make/Model Number	Serial Number	VIN	Equipment Location	Proposed Financed Amount
2020 CATERPILLAR 926M	CAT0926MTW5L00612		128 SACKVILLE ROAD SAULT STE. MARIE, ON P6B 4T6	\$211,050.00

Rental Amount: See Irregular Payment Schedule

Payment Due Date: See Irregular Payment Schedule

Insurance Requirements:

Physical Damage: Caterpillar Financial Services Limited named as Loss Payee

Coverage Limit: Financed Amount per machine as Stated Above

General Liability - Caterpillar Financial Services Limited named as Additional Insured

Coverage Limit: \$1,000,000 per occurrence

Invoices/Notices will be mailed to:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE, SAULT STE MARIE, ON P6A 5X6

Documents included in this package:

- 1) CA Amort Schedule OL With PaymentDate from Deal
- 2) CA English Construction Application Survey
- 3) CA English Financial Lease Agreement ROC
- 4) CA English Insurance Carrier Information National (Leases)
- 5) CA English Invoice National Form (All FPs)
- 6) CA English Payment Schedule National Form (Leases)
- 7) CA English Pre-Authorized Debit Form National Form (All FPs)
- 8) CA English Purchase Agreement

Additional Requirements/Notes:

If you have questions about this document package, please contact your dealer sales rep, dealer finance rep. We will mail you a copy of your executed documents and amortization schedule after closing of your transaction.

For questions after your transaction closes, or on any of your existing contracts, please contact Customer Service at 1-800-561-3771 or NABC.CustomerService@cat.com. You can also access your accounts online at www.catfinancial.com.

Thank you for your consideration!

This Lease Agreement (together with each addendum, schedule, Application Survey and rider attached to, or made a part of, this lease and any amendments made from time to time being collectively referred to as "this Lease") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Lessee named below ("you" or "your").

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
HST Registration #: 100843952
PST Registration #: 100843952

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the year, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	MONTHLY LEASE PAYMENT* (The total amount due each month if your payments are made on their due date or see attached Payment Schedule)	PURCHASE OPTION PRICE (see Section 15)	MAX TOTAL HOURS/USAGE (Maximum total usage of Unit - see Application Survey, if one is used for this Lease)	DELIVERY/RENTAL CONVERSION DATE (Enter date Unit was delivered to you or the date Unit was converted from a rental if you were previously renting)
	CAT0926MTW5L00612	Irreg. Payments	\$93,900.00	5004	

(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER

*BASE MONTHLY PAYMENT:

HST:

PST:

MONTHLY LEASE PAYMENT:

SEE IRREGULAR
PAYMENT SCHEDULE

COMMENCEMENT DATE:

LOCATION OF UNITS:

October 23, 2020

128 SACKVILLE ROAD

SAULT STE. MARIE, ON P6B

4T6

For a description of any other units that have been leased pursuant to this Lease, see the "Equipment Description Schedule" in the attached SCHEDULE A. For any other units that represent "Additional Collateral", see the "Additional Collateral" section of the attached SCHEDULE A ("Additional Collateral"). Each item of Additional Collateral identified in any attached SCHEDULE A is considered a Unit under the terms of this Lease.

In reliance on your selection of the units described above (together with all attachments, accessories and optional features, whether or not installed with any of those units, and all manufacturer manuals and instructions, being referred to in this Lease as a "Unit" or the "Units"), we have agreed to acquire and lease the Units (excluding any Additional Collateral) to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

You acknowledge that the Units (excluding any Additional Collateral) were delivered to you in good working condition and that you accepted them on the date indicated. If any of the Units (excluding any Additional Collateral) will be delivered to you after you sign this Lease, you agree to sign and deliver to us a separate delivery certificate.

Each addendum, schedule, application survey for a Unit (each, an "Application Survey") and rider that is referred to in this Lease and is attached to this Lease or is deemed to be attached to this Lease is incorporated into this Lease by reference and is deemed to be a part of this Lease.

TERMS AND CONDITIONS

- 3. Lease Term** The "Lease Term" for each Unit will start on the Commencement Date, as identified in the first page of this Lease and will continue for 54 months, unless we terminate this Lease in accordance with its terms. However, we have no obligation to enter into this Lease or pay the supplier of the Units (the "Supplier") for the Unit(s) until you have delivered to us all documents that we may reasonably request.
- 4. Lease Payment** You will pay us the monthly Lease Payments beginning October 23, 2020 and on the same date of each month thereafter (or the last day of the month, if there is no such date). The monthly Lease Payments will be due without demand. You will also pay us all other amounts payable by you under this Lease and under any other document delivered by you in connection with this Lease, including each applicable Application Survey (collectively, the "Lease Documents") when due (all such other payments, together with the monthly Lease Payments, being referred to in this Lease as the "Lease Payments"). You will pay all Lease Payments not otherwise payable by pre-authorized debit to us at Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4 or such other location that we designate in writing. You agree this Lease is a non-cancellable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.
- 5. Late Charges** If we do not receive a Lease Payment by the 14th day after the date the Lease Payment is due, you will be charged a late payment charge on the late Lease Payment equal to the lesser of (i) one and one half (1.5%) percent and (ii) the highest legal contract rate of interest.
- 6. Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or the Supplier of any of the Units. **We make no representations, warranties or conditions whatsoever, express or implied, with respect to this Lease or to any Unit.** Without limiting the generality of the foregoing, each Unit is leased "as is, where is". We make no representations, warranties or conditions as to the quality of materials or workmanship or that the materials or workmanship comply with the terms of any purchase order or agreement. We expressly disclaim, and you waive all other representations, warranties, conditions and claims, express or implied, arising by law or otherwise, with respect to any Unit or this Lease, including, without limitation, any representation, warranty or condition relating to: (a) the merchantability of any Unit; (b) any Unit's fitness for a particular purpose; (c) the course of performance, course of dealing or usage of trade; (d) any obligation, liability, right, claim or remedy in tort; (e) any obligation, liability, right, claim, or remedy for loss of or damage to any Unit, for loss of use, revenue, or profit with respect to any Unit, for any liability to any third party, or for any other indirect, incidental, or consequential damages, including strict or absolute liability in tort; and (f) any Unit's freedom from any lien, claim, security interest, hypothec or other encumbrance and its compliance with applicable laws, including patent laws. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit regarding the operation of any Unit). You agree to pursue only these third parties for any and all such claims. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.
- 7. Possession, Use and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon any Unit. (c) You will not sublease any Unit or permit the use of any Unit by anyone other than you. (d) You will not change the use of any Unit from that set out in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of any Unit from that set out above, without our prior written consent. (f) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, hypothec or encumbrance on any of your rights under this Lease or with respect to any Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right to inspect any Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter any Unit or affix any accessory or equipment to any Unit if doing so will impair its originally intended function or use or reduce its value. If added to any Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. All parts, accessories and equipment affixed to a Unit will become our property. All of your right, title and interest in such parts, accessories and equipment shall transfer automatically to us immediately upon such affixation without the need for any documents of transfer.
- 8. Taxes** You will pay when due, or promptly reimburse us for payment of, all taxes imposed on any Unit or Lease Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) charges that are imposed in connection with the ownership, possession, use, purchase (including by you pursuant to this Lease) or lease of any Unit from the time we purchase the Unit until it is returned to us or purchased by you and (iii) fines, penalties, interest or additions to any tax, fee or charge. You will remain responsible for the payment, or reimbursement of, any such taxes, fees and charges, regardless of when we receive notice of them. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If any Lease Payment under this Lease is deemed to include goods and services tax or harmonized sales tax or any similar value-added or multi-staged tax, the amount of such payment shall be increased accordingly. You will not deduct or withhold any taxes from a Lease Payment unless required by applicable law. If taxes are required to be deducted or withheld, the amount of the Lease Payment will be increased so that after the tax deduction or withholding (including any tax deduction or withholding required from the increased amount) we receive the amount that we would have received in the absence of any tax deduction or withholding, and you will also provide us with evidence of remittance of the taxes to the relevant tax authority. We may change the Monthly Lease Payment to reflect any increase or decrease in any taxes from time to time. You acknowledge that you have satisfied yourself as to the tax and accounting treatment of the Lease Documents for your purposes and have not relied on us as to those matters.
- 9. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under this Lease or any other Lease Document. A "Casualty Occurrence" will occur if any Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage or loss reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Lease. (d) In the event of a Casualty Occurrence, you will pay to us, on the first monthly Lease Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no monthly Lease Payment due date remaining) an amount (the "Liquidated Damages") equal to the sum of: (i) the present value of all future Lease Payments payable under this Lease for

such Unit to the end of the Lease Term for such Unit; (ii) the present value of the Purchase Option Price payable under this Lease for such Unit, as stated on the front of this Lease, plus applicable taxes, assuming that you had elected to purchase such Unit; and (iii) all other amounts then due under this Lease with respect to the Unit suffering the Casualty Occurrence (including any late charges and fees). Present values will be determined by us by discounting such amounts at the implicit interest rate which we have applied, in our sole discretion, to this Lease and our determination of such present values shall be conclusive, absent manifest error. Upon our receipt of the Liquidated Damages for the applicable Unit, the Lease Term with respect to such Unit shall terminate.

10. Release and Indemnity (a) You release and agree to indemnify, defend, and keep harmless, us, our successors and assigns, and our and their directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all claims, actions, damages, losses, penalties, fines, liabilities, charges, costs and expenses of whatever kind or nature, which arise in any way from or are related in any way to any Lease Document or any Unit including the use and contents of such Unit and any defects in respect of such Unit ("Claims") (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims for which we are or may be responsible when and as they become due. (b) You are entitled to control the defense of or to settle a Claim, so long as: (i) no Event of Default has occurred and is then continuing; (ii) you are financially capable of satisfying your obligations under this Section; and (iii) we approve your proposed defense counsel. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable legal fees and disbursements on a solicitor-client basis, incurred by any Indemnitee in defending or investigating any Claim or in enforcing this Section. Under no circumstances are we liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

11. Insurance You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the aggregate amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You will also provide us with all requested information. Upon demand, you must promptly deliver to us evidence of such insurance coverage.

12. Events of Default Each of the following is an event of default (each, an "Event of Default"): (a) you fail to make a payment when due; (b) a representation or warranty made to us in connection with any Lease Document is incorrect or misleading; (c) you fail to observe or perform any other covenant or agreement, and the failure continues for 10 days after written notice to you; (d) a default occurs under any other agreement between you or a guarantor of this Lease (each, a "Guarantor") and us or an affiliate of ours; (e) you, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors; (f) any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within 30 days after filing or appointment; (g) there is a material adverse change in your or a Guarantor's financial condition, business operations or prospects; (h) there is a termination, breach, or repudiation of a Guarantor's guarantee; and (i) any Unit becomes uninsured or subject to any sale, sublease, lien, claim, mortgage, security interest, hypothec or encumbrance (other than in our favour).

13. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Lease and as provided to a secured party under the *Personal Property Security Act* (Ontario) and any other applicable law. Among these rights and remedies are to: (a) bring a court action to recover damages; (b) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations and, by written notice to you, require you to pay us on the date set out in the notice, as a genuine pre-estimate of liquidated damages and not as penalty (and in addition to all other amounts owing under any of the Lease Documents including any amounts owing under this Section, an amount equal to the Liquidated Damages for all of the Units at such time); (c) recover any additional damages and expenses suffered by us due to the Event of Default; (d) enforce our security interests; (e) require you to assemble and return each Unit pursuant to Section 14; (f) enter premises where a Unit may be located and take immediate possession of, disable or remove such Unit (and any unattached parts) without notice, liability or legal process (and upon such repossession or disabling pursuant to this Section 13(f) or any return of such Unit under Section 13(e), your right to possess and use such Unit will terminate, but this Lease will remain in effect unless we expressly notify you of the cancellation of this Lease under Section 13(b)); (g) in the name of and as your irrevocably appointed agent and attorney and without terminating or being deemed to have terminated this Lease, sublease all or any of the Units to anyone else on such terms and conditions, for such rental and for such period of time as we see fit and receive such rental and hold the same and apply the same against any amounts payable by you under any of the Lease Documents; (h) store (including at your premises without liability) or sell, lease or otherwise dispose of the Units or any of them, at public or private sale, lease or other disposition, for cash or credit, and on such terms as we may determine; and (i) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, cancel the agreement on your behalf and upon such cancellation, we may also receive the refund of any fees that we financed but had not received from you as of the date of the Event of Default. You agree to pay all charges, costs, expenses and reasonable legal fees and disbursements (on a solicitor-client basis) incurred by us in enforcing this Lease. The proceeds of any sale, lease or disposition of a Unit will be applied, first, to reimburse us for all expenses of collection and enforcement of this Lease, including our legal fees and expenses and second, to obligations owed to us under this Lease as we may determine. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or any of our affiliates. You will promptly pay any deficiency to us. Except as prohibited by applicable law, we are entitled to retain any remaining proceeds after the exercise of our remedies. To the extent you are entitled to a refund from us, you agree we will have the right to offset any obligation that you have with us or our affiliates with such refund. The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. If you fail to perform any of your obligations under this Lease, we may (but need not) perform the obligations, without waiving or curing any breach of this Lease. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

14. Return of Unit On expiration of the Lease Term or if you do not elect to purchase the Unit(s) pursuant to this Lease, or if we demand possession of a Unit pursuant to the terms of this Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and any applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If a Unit is not in the condition required by Section 7 and any applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring such Unit into the required condition as we determine, acting reasonably, and you shall pay us a daily rental charge equal to 1/30th of the Monthly Lease Payment, plus any other costs and expenses each day until the Unit is brought into the required condition.

15. Purchase Option If no Event of Default has occurred and is continuing, you may, by notice delivered to us at least sixty (60) days prior to the end of the Lease Term elect to purchase on the end of the Lease Term any or all of the Units at a purchase price equal to the Purchase Option Price for such Unit, as stated on the first page of this Lease, plus any applicable taxes thereon. The purchase price will be due at the end of the Lease Term. Upon payment of such purchase price and all other amounts due under this Lease, plus any other costs and expenses due in connection with the transfer of such Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of

sale. The bill of sale will be delivered to you without any representations, warranties or conditions except that such Unit is free of all encumbrances of any person claiming through us. You will purchase such Unit from us on an **"AS IS, WHERE IS, WITH ALL FAULTS BASIS"**. If you do not elect to purchase a Unit, at the end of the Lease Term you will return such Unit to us as provided in Section 14 and all of your rights and interest in such Unit will automatically terminate. If you fail to purchase or return a Unit at the end of the Lease Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us for each such Unit a daily rental charge equal to 1/30th of the Monthly Lease Payment for such Unit each day until the day the Unit is purchased or returned to us.

16. Ownership; Security Interest Subject to your right to use and possess the Units as set out in this Lease, and subject to your purchase option in Section 15, title to the Units (excluding any Additional Collateral) remains with us. As additional security for your obligations to us under this Lease and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit, all substitutions, replacements and additions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interests in each Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations, Warranties and Covenants You represent, warrant and covenant to us that: (a) you will provide all financial information and reporting (including, but not limited to your financial statements) as we may reasonably require; (b) all credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete; (c) you will not change your name, principal place of business or primary residence and, if you are a business entity, your jurisdiction of formation or form of business organization or change the jurisdiction in which your chief executive office or registered office is located, without prior written notice to us, or enter into any merger, amalgamation, consolidation or restructuring without our prior written consent; and (d) this Lease constitutes your valid obligation, legally binding on you and enforceable according to its terms.

18. Unit Monitoring Systems In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and all of its subsidiaries or affiliates, including us (collectively "Caterpillar"), and Caterpillar dealers to access data concerning such Unit, its condition and its operation transmitted from the monitoring system. The information may be used (i) to administer, implement and enforce the terms of this Lease, (ii) recover the Unit if necessary, or (iii) to improve Caterpillar's products and services. You agree that information transmitted may include the serial number, VIN, Unit location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

19. Assignment; Counterparts We may assign, sell, concurrently lease or otherwise dispose of, or encumber (each, an "Assignment"), all or any part of the Lease Documents, the Lease Payments, and the Units, to anyone else (each, an "Assignee"), without notice to you or your consent. **The rights of any assignee will not be subject to any defense, counterclaim or set off which you may have against us.** If requested by us, you will assist us in any Assignment. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. This Lease is for the benefit of, and is binding upon, you and your permitted successors, assigns, heirs and executors and us and our successors and assigns (including any Assignee). You must not assign this Lease or any right or obligation under it without our prior written consent. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible. A signed copy of this Lease or any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

20. Personal Information Consent We may collect and use personal information provided by you in connection with this Lease and any related application for the purposes of verifying and evaluating the application, your identity (including for regulatory compliance purposes), creditworthiness (including by obtaining and using credit reports), and the information provided to us in connection with the application or this Lease. We may collect credit, financial and related personal information for these purposes from you or your application, our affiliates, credit bureaus and credit reporting agencies, from references that you may have provided in the application and other parties with whom you have had a financial or credit relationship. You consent to the disclosure of such information by these parties to us. Social Insurance Numbers or other personal identifiers, if provided, may be used to verify your identity, including matching credit records. Identity verification may also include checking your identity against watch lists established by regulatory agencies and similar bodies in Canada and foreign countries. We may, from time to time, use the information referred to above and other personal information collected or compiled by us in connection with this Lease (collectively, the "Information") and share the Information among and with us, Caterpillar and authorized Caterpillar dealers for the purposes of opening, administering, servicing and enforcing this Lease, collecting amounts owing to us, verifying and evaluating your current and ongoing creditworthiness and financial status, and responding to inquiries and otherwise communicating with you regarding the account. For the purpose of maintaining your credit history and providing credit references, we may from time to time disclose credit-related Information to credit bureaus, credit reporting agencies and to your current or future creditors. We may use and exchange your banking information with financial institutions for payment processing purposes. We may otherwise use the Information and disclose the Information to third parties: (i) to register security interests; (ii) to enforce security, this Lease and otherwise collect amounts owing to us; (iii) for the purposes of detecting and preventing fraud; (iv) in connection with audits; (v) for the purposes of meeting legal, regulatory, risk management and security requirements; and (vi) as permitted or required by law (including as required by foreign laws applicable to us and our agents or service providers). We may use and disclose the Information to our assigns, prospective assigns and other third parties that are connected with the proposed or actual financing, securitization, insuring, sale, assignment or other disposal of all or part of our business or assets (including this Lease and amounts owing to us) for the purposes of permitting a prospective assign to evaluate your creditworthiness and otherwise determine whether to proceed or continue with the transaction, fulfilling any reporting or audit requirements to such parties, or completing the transaction. Our successors and assigns may collect, use, and disclose the Information for substantially the same purposes as described in this Lease. We may use agents and service providers (including Caterpillar acting in that capacity) to collect, use, store or process the Information on our behalf for the purposes described in this Lease. Some of these agents or service providers may be located outside of Canada, including the United States, where local laws may permit governmental, law enforcement, or regulatory authorities or courts to have access to the Information. We may, from time to time, use the Information and share the Information among and with Caterpillar to promote and market additional products or services of Caterpillar to you. You may refuse consent for this purpose by contacting us at 1-800-651-0567.

To request access to, or correction of the Information, or if you have any questions about how we handle the Information, please contact us at the address designated above or as otherwise designated by us. The consents provided above shall be valid for so long as required to fulfill the purposes described in this Lease.

21. Effect of Waiver; Entire Agreement; Notices; Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and all Lease Documents completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province. You consent to the jurisdiction of any appropriate court located within that Province. If you are a corporation, you agree that *The Limitation of Civil Rights Act (Saskatchewan)*, as it may be changed from time to time, will not apply to this Lease or to our rights, powers or remedies and you waive and release all benefits under those laws and any similar laws of any jurisdiction to the fullest extent permitted by law. Where permitted by law, you waive your rights to receive a copy of any financing statement, financing change statement, verification statement or other similar

instrument filed or issued at any time in respect of this Lease or any amendment of this Lease. **The parties waive the right to trial by jury in any action arising out of or related to this Lease, the obligations or the Units.**

22. No Agency; Modification of Lease No person or entity, including, without limitation, the Supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in

blanks, including correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All your obligations under this Lease survive the expiration or termination of this Lease if necessary to give full effect to the terms of this Lease. Time is of the essence under this Lease

You represent and warrant to us that you have entered into this Lease for business purposes only and not for personal, family or household purposes and that you are not a "consumer" under any applicable consumer protection legislation or cost of credit disclosure legislation. You acknowledge that we are relying on the truth of the previous sentence in deciding on whether to enter into this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including any applicable Application Survey.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (Print) _____

Title _____

Date _____

LESSEE
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (Print) _____

Title _____

Date _____

Direct Pay (Pre-Authorized Debit) Authorization
Contract Number 104-50009683



1. CUSTOMER INFORMATION

Name THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Name _____

2. PRE-AUTHORIZED DEBIT (PAD) DETAILS

Each of the accountholder(s) ("we", "us" or "our") signing this Direct Pay (Pre-Authorized Debit) Authorization ("this Authorization") authorizes Caterpillar Financial Services Limited ("you" or "your"), on your own behalf or as agent for any assignee, to debit our bank account set out below or any other bank account that we may identify to you from time to time ("Account") for: (i) the amount of each payment due under the CAT Financial Lease Agreement in respect of the Contract Number 104-50009683 (together with all other documents delivered to you in connection with such agreement, the "Contract") on or shortly after its payment due date ("Scheduled Debit Date") as set out in the Contract and (ii) any other amount that may become due under the Contract from time to time (including, without limitation, late payment charges, NSF and other charges) on the next Scheduled Debit Date. You will obtain our authorization to debit our account on any date that is not a Scheduled Debit Date.

We require monthly invoices. Yes No

PAD Category: Business

3. TERMS AND CONDITIONS

If our financial institution dishonours any debit for any reason, you may issue another debit in substitution for the dishonoured debit. You will have no liability on account of a dishonoured debit.

We represent and warrant (i) that all persons whose signatures are required to sign on the Account have signed this Authorization and (ii) that all Account information we provide is accurate. We will immediately notify you, in writing, of any change in the Account information and, in any event, at least 10 business days prior to the next Scheduled Debit Date.

We have certain recourse rights if any debit does not comply with this Authorization. For example, we have the right to be reimbursed for any debit that is not authorized or is not consistent with this Authorization. For more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

We may cancel this Authorization at any time by written notice to you, which notice will be effective 10 days after receipt; however, our cancellation of this Authorization does not terminate, cancel or reduce our obligations under the Contract. For a sample cancellation form, or more information on our right to cancel this Authorization, we may contact our financial institution or www.cdnpay.ca.

You may assign this Authorization, directly or indirectly, by operation of law, change of control or otherwise, without notice, unless notice is required by law.

We can contact you at the address below to make inquiries, obtain information or seek any recourse rights.

We understand that you will not notify us in advance of any withdrawal and we agree to waive all pre-notification requirements in respect of all debits drawn under this Authorization.

4. BANK ACCOUNT INFORMATION

Please attach a sample cheque with "VOID" written on it.

SIGNATURES

For a joint account, the signatures of all accountholders must appear on this Authorization.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4

Phone: 1-800-561-3771, Fax: 289-291-2235



Payment Schedule
Contract Number 104-50009683

This Payment Schedule forms part of the Lease Agreement for the Transaction Number set out above between the Lessor and the Lessee named below.

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. PAYMENT SCHEDULE

Number of Payments	from (date)	to (date)	Base Lease Payment (CAD)	GST/HST	PST/QST	Total Lease Payment (CAD)
6	October 23, 2020	March 23, 2021	4,509.53	586.24	0.00	5,095.77
6	April 23, 2021	September 23, 2021	0.00	0.00	0.00	0.00
6	October 23, 2021	March 23, 2022	4,509.53	586.24	0.00	5,095.77
6	April 23, 2022	September 23, 2022	0.00	0.00	0.00	0.00
6	October 23, 2022	March 23, 2023	4,509.53	586.24	0.00	5,095.77
6	April 23, 2023	September 23, 2023	0.00	0.00	0.00	0.00
6	October 23, 2023	March 23, 2024	4,509.53	586.24	0.00	5,095.77
6	April 23, 2024	September 23, 2024	0.00	0.00	0.00	0.00
6	October 23, 2024	March 23, 2025	4,509.53	586.24	0.00	5,095.77

SIGNATURES

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

1. PARTIES

CUSTOMER:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

2. TERMS AND CONDITIONS

Per your Lease agreement with us, you must arrange physical damage and general liability insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance satisfies minimum financial requirements.

Physical Damage coverage must show that Caterpillar Financial Services Limited has been named as loss payee for the equipment's replacement value. The deductible must be shown.

Liability Coverage must be a minimum of \$1,000,000 of combined coverage for bodily injury and property damage per occurrence. Caterpillar Financial Services Limited must be named as additional insured.

Please complete this form to provide contact information for your physical damage coverage as well as your liability coverage.

I have entered into the above agreement under which I am responsible for providing insurance against ALL RISKS of direct physical loss or damage for the actual cash value of the following equipment, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc.

<u>Year/Make/Model#</u>	<u>Equipment Description</u>	<u>Serial #</u>	<u>Vin #</u>	<u>Value</u>
NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER		CAT0926MTW5L00612		\$210,500.00

Insurance Agency

Insurance Agent's Name

Street Address

City

Zip

Agent's Phone Number

Fax number

E-mail Address

3. SIGNATURES

TO BE COMPLETED BY CUSTOMER:

I hereby instruct you to add Caterpillar Financial Services Limited as a Loss Payee and additional insured:

- To my existing policy number(s) _____, which now provide the coverage required, or
 To a policy which you are authorized to issue in the name listed above which will provide the coverage required.

Caterpillar Financial Services Limited must be given notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person shall not invalidate the insurance to Caterpillar Financial Services Limited.

Signature _____

Name (print) _____

Title _____

Date _____

PROCESSING OF THIS TRANSACTION MAY BE HELD PENDING RECEIPT OF THIS INFORMATION

TO BE COMPLETED BY INSURANCE AGENT:

I verify that the equipment listed on the previous page has been added to the policy/policies listed above, naming Caterpillar Financial Services Limited as Loss Payee for physical/ property damage and Additional insured for general liability coverage as their interest may appear.

Insured Name: _____

Policy number: _____

Expiry Date: _____

Insurance Company Name: _____

Agent Name: _____

Agent Signature: _____

Date Signed: _____

OR:

PLEASE FORWARD A COPY OF THE CERTIFICATE OR BINDER EVIDENCING COVERAGE TO:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
Fax: 888-244-0290
E-mail: CFSL.InsuranceMailbox@cat.com

Purchase Agreement
Contract Number 104-50009683

This Purchase Agreement (this "Agreement") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Seller named below ("you" or "your").

1. PARTIES

BUYER:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

SELLER:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

2. DESCRIPTION OF UNITS

You agree to sell to us, and we agree to buy from you, the units described below (collectively, the "Units"), subject to the terms and conditions of this Agreement.

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	TOTAL PRICE
(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MTW5L00612	\$210,500.00

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Financing Fees - Dealer Portion	380.00
Subtotal	210,880.00
HST R892135443	27,414.40
PST	Exempt
Total Purchase Price	238,294.40

Equipment Delivery Point:

128 SACKVILLE ROAD
SAULT STE. MARIE, ON P6B 4T6

ADDITIONAL TERMS

- The lessee named above ("Lessee") has, (i) with your assistance, selected the Units, (ii) instructed us to buy the Units from you, and (iii) agreed to lease the Units from us pursuant to a Lease Agreement (the "Lease").
- We will have no obligation under this Agreement (and you will promptly refund any sums we have previously paid to you with respect to the Units) unless (i) all of the conditions set forth in Section 3 (if Lease) / 4 (if Master Lease) of the Lease have been fulfilled in a timely manner and (ii) the Lessee has not communicated to us, prior to Delivery (as defined below) of the Units, an intent not to lease the Units from us. All conditions specified in this Section 2 will be fulfilled in a timely manner unless we notify you to the contrary in writing or by email or facsimile prior to Delivery of the Units. "Delivery" means the later of the time (a) we execute this Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Units.
- Upon Delivery of the Units and provided that the conditions in Section 2 are satisfied, ownership, title and risk of loss to the Units will transfer to us.
- You represent and warrant that (i) upon Delivery of the Units we will be the owner of and have absolute title to the Units free and clear of all claims, liens, security interests, hypothecs and other encumbrances, and (ii) you have not received any deposit or other payment from the Lessee in connection with the Units.
- You will forever warrant and defend the sale of the Units to us, and our successors and assigns, against any person claiming an interest in the Units.
- Upon satisfaction of the conditions in Section 2, and except as provided in Section 2, we will pay you the Total Purchase Price for the Units within 3 business days following the receipt and approval by us of all documentation deemed necessary by us in connection with the Lease.
- You will deliver the Units to the Lessee at the Location of Units specified in the Lease.
- We may assign this Agreement to a third party without notice to you or your consent. You agree to assist us in any assignment if we so request. You may not assign this Agreement without our consent. Each reference in this Agreement to "we", "us" or "our" includes our successors and assigns. This Agreement is for the benefit of, and is binding upon, you and us and your and our permitted successors and assigns.
- This Agreement will not become effective until it has been signed by our duly authorized representative. This Agreement is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.
- We and you acknowledge having expressly requested that this Agreement and all related documents and notices be drafted in the English language. *Nous et vous reconnaissons avoir expressément requis que ce contrat et les documents et avis qui s'y rattachent soient rédigés en langue anglaise.*

SIGNATURES

BUYER

CATERPILLAR FINANCIAL SERVICES LIMITED

SELLER

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Amortization Schedule

Transaction Number 4045643
 Customer THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 Model 926M Small Wheel Loader
 Serial Number CAT0926MTW5L00612

Date	Number of Payments Made	Starting Balance	Loan	Payments	Residual	Principal	Interest	Interest Rate	Ending Balance
Oct-23-20	0	0	211,050.00	0	0	0	0	0	211,050.00
Oct-23-20	1	211,050.00	0	4,509.53	0.00	4,509.53	0.00	2.65%	206,540.47
Nov-23-20	2	206,540.47	0	4,509.53	0.00	4,053.42	456.11	2.65%	202,487.05
Dec-23-20	3	202,487.05	0	4,509.53	0.00	4,062.37	447.16	2.65%	198,424.68
				-----	-----	-----	-----		
				13,528.59	0.00	12,625.32	903.27		
Jan-23-21	4	198,424.68	0.00	4,509.53	0.00	4,071.35	438.18	2.65%	194,353.33
Feb-23-21	5	194,353.33	0	4,509.53	0.00	4,080.34	429.19	2.65%	190,272.99
Mar-23-21	6	190,272.99	0	4,509.53	0.00	4,089.35	420.18	2.65%	186,183.64
Apr-23-21	7	186,183.64	0	0.00	0.00	(411.16)	411.16	2.65%	186,594.80
May-23-21	8	186,594.80	0	0.00	0.00	(412.06)	412.06	2.65%	187,006.86
Jun-23-21	9	187,006.86	0	0.00	0.00	(412.97)	412.97	2.65%	187,419.83
Jul-23-21	10	187,419.83	0	0.00	0.00	(413.89)	413.89	2.65%	187,833.72
Aug-23-21	11	187,833.72	0	0.00	0.00	(414.80)	414.80	2.65%	188,248.52
Sep-23-21	12	188,248.52	0	0.00	0.00	(415.72)	415.72	2.65%	188,664.24
Oct-23-21	13	188,664.24	0	4,509.53	0.00	4,092.90	416.63	2.65%	184,571.34
Nov-23-21	14	184,571.34	0	4,509.53	0.00	4,101.94	407.59	2.65%	180,469.40
Dec-23-21	15	180,469.40	0	4,509.53	0.00	4,111.00	398.53	2.65%	176,358.40
				-----	-----	-----	-----		
				27,057.18	0.00	22,066.28	4,990.90		
Jan-23-22	16	176,358.40	0.00	4,509.53	0.00	4,120.08	389.45	2.65%	172,238.32
Feb-23-22	17	172,238.32	0	4,509.53	0.00	4,129.17	380.36	2.65%	168,109.15
Mar-23-22	18	168,109.15	0	4,509.53	0.00	4,138.29	371.24	2.65%	163,970.86
Apr-23-22	19	163,970.86	0	0.00	0.00	(362.10)	362.10	2.65%	164,332.96
May-23-22	20	164,332.96	0	0.00	0.00	(362.90)	362.90	2.65%	164,695.86
Jun-23-22	21	164,695.86	0	0.00	0.00	(363.70)	363.70	2.65%	165,059.56
Jul-23-22	22	165,059.56	0	0.00	0.00	(364.51)	364.51	2.65%	165,424.07
Aug-23-22	23	165,424.07	0	0.00	0.00	(365.31)	365.31	2.65%	165,789.38
Sep-23-22	24	165,789.38	0	0.00	0.00	(366.12)	366.12	2.65%	166,155.50
Oct-23-22	25	166,155.50	0	4,509.53	0.00	4,142.61	366.92	2.65%	162,012.89
Nov-23-22	26	162,012.89	0	4,509.53	0.00	4,151.76	357.77	2.65%	157,861.13
Dec-23-22	27	157,861.13	0	4,509.53	0.00	4,160.92	348.61	2.65%	153,700.21
				-----	-----	-----	-----		
				27,057.18	0.00	22,658.19	4,398.99		
Jan-23-23	28	153,700.21	0.00	4,509.53	0.00	4,170.11	339.42	2.65%	149,530.10
Feb-23-23	29	149,530.10	0	4,509.53	0.00	4,179.32	330.21	2.65%	145,350.78
Mar-23-23	30	145,350.78	0	4,509.53	0.00	4,188.55	320.98	2.65%	141,162.23
Apr-23-23	31	141,162.23	0	0.00	0.00	(311.73)	311.73	2.65%	141,473.96
May-23-23	32	141,473.96	0	0.00	0.00	(312.42)	312.42	2.65%	141,786.38
Jun-23-23	33	141,786.38	0	0.00	0.00	(313.11)	313.11	2.65%	142,099.49
Jul-23-23	34	142,099.49	0	0.00	0.00	(313.80)	313.80	2.65%	142,413.29
Aug-23-23	35	142,413.29	0	0.00	0.00	(314.50)	314.50	2.65%	142,727.79
Sep-23-23	36	142,727.79	0	0.00	0.00	(315.19)	315.19	2.65%	143,042.98
Oct-23-23	37	143,042.98	0	4,509.53	0.00	4,193.65	315.88	2.65%	138,849.33
Nov-23-23	38	138,849.33	0	4,509.53	0.00	4,202.91	306.62	2.65%	134,646.42
Dec-23-23	39	134,646.42	0	4,509.53	0.00	4,212.19	297.34	2.65%	130,434.23
				-----	-----	-----	-----		
				27,057.18	0.00	23,265.98	3,791.20		
Jan-23-24	40	130,434.23	0.00	4,509.53	0.00	4,221.49	288.04	2.65%	126,212.74
Feb-23-24	41	126,212.74	0	4,509.53	0.00	4,230.81	278.72	2.65%	121,981.93

Mar-23-24	42	121,981.93	0	4,509.53	0.00	4,240.16	269.37	2.65%	117,741.77
Apr-23-24	43	117,741.77	0	0.00	0.00	(260.01)	260.01	2.65%	118,001.78
May-23-24	44	118,001.78	0	0.00	0.00	(260.59)	260.59	2.65%	118,262.37
Jun-23-24	45	118,262.37	0	0.00	0.00	(261.16)	261.16	2.65%	118,523.53
Jul-23-24	46	118,523.53	0	0.00	0.00	(261.74)	261.74	2.65%	118,785.27
Aug-23-24	47	118,785.27	0	0.00	0.00	(262.32)	262.32	2.65%	119,047.59
Sep-23-24	48	119,047.59	0	0.00	0.00	(262.90)	262.90	2.65%	119,310.49
Oct-23-24	49	119,310.49	0	4,509.53	0.00	4,246.06	263.47	2.65%	115,064.43
Nov-23-24	50	115,064.43	0	4,509.53	0.00	4,255.43	254.10	2.65%	110,809.00
Dec-23-24	51	110,809.00	0	4,509.53	0.00	4,264.83	244.70	2.65%	106,544.17
			-----	-----	-----	-----	-----		
			27,057.18	0.00	23,890.06	3,167.12			
Jan-23-25	52	106,544.17	0.00	4,509.53	0.00	4,274.25	235.28	2.65%	102,269.92
Feb-23-25	53	102,269.92	0	4,509.53	0.00	4,283.69	225.84	2.65%	97,986.23
Mar-23-25	54	97,986.23	0	4,509.53	0.00	4,293.15	216.38	2.65%	93,693.08
Apr-23-25	55	93,693.08	0	0.00	93,900.00	93,693.09	206.91	2.65%	(0.01)
			-----	-----	-----	-----	-----		
			13,528.59	93,900.00	106,544.18	884.41			
total			135,285.90	93,900.00	211,050.01	18,135.89			

Caterpillar Financial Services Limited

INVOICE

Page	Date	Invoice No.
1	23/10/2020	104-50009683

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Description	Serial #	VIN#	Due Date	Pmt. No.	Amount
(1) 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MTW5L00612		Upon Receipt	1	4,509.53
Harmonized Sales Tax					586.24
RETURN PAYMENT COPY AND CHEQUE FOR SPECIFIED PAYMENT(S) WITH SIGNED LEASE DOCUMENTS.					
Your cheque will be cashed by Lessor upon receipt, but that act will not constitute acceptance by Lessor of the Lease or Schedule. If Lessor accepts and executes the Lease and/or Schedule, the proceeds of this cheque will be applied to the specified rental payments. If Lessor does not accept the Lease or Schedule, Lessor will return an amount equal to this cheque.					
WITHOUT TAX EXEMPTION CERTIFICATE, APPROPRIATE SALES/USE TAX WILL BE CHARGED.					

Harmonized Sales Tax #: 100843952

PLEASE PAY THIS AMOUNT

\$ 5,095.77

Invoice No.	Total Enclosed
104-50009683 - 1	\$

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Remit To: **CATERPILLAR FINANCIAL SERVICES LIMITED**
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

If you have any questions concerning this invoice please call 1-800-651-0567.

Construction Equipment Application Survey
Contract Number 104-50009683

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 Superior Court, Unit 2
 Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 99 FOSTER DRIVE
 SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2020 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MTW5L00612 VIN #:

Monthly Usage: 92.67

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
 CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Ride Control, Air Conditioning, Cab, Tires, 4x4

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **92.67 hours per month** over a term of **54 months** for total usage during the Lease Term of **5,004.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 5,004.00 + Current Hours 0.00 = Total Allowable Machine Hours 5,004.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$27.04** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Cat Financial Document Package

Thank you for considering Caterpillar Financial, where our goal is to have Customers for Life. This package includes documents for your consideration regarding the proposed transaction below:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Dealer:TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
Transaction Number:4045462
Contract Number:104-50009619

Year/Make/Model Number	Serial Number	VIN	Equipment Location	Proposed Financed Amount
2020 CATERPILLAR 926M	CAT0926MCW5L00597		128 SACKVILLE ROAD SAULT STE. MARIE, ON P6B 4T6	\$211,050.00

Rental Amount: See Irregular Payment Schedule

Payment Due Date: See Irregular Payment Schedule

Insurance Requirements:

Physical Damage: Caterpillar Financial Services Limited named as Loss Payee

Coverage Limit: Financed Amount per machine as Stated Above

General Liability - Caterpillar Financial Services Limited named as Additional Insured

Coverage Limit: \$1,000,000 per occurrence

Invoices/Notices will be mailed to:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE, SAULT STE MARIE, ON P6A 5X6

Documents included in this package:

- 1) CA Amort Schedule OL With PaymentDate from Deal
- 2) CA English Construction Application Survey
- 3) CA English Financial Lease Agreement ROC
- 4) CA English Insurance Carrier Information National (Leases)
- 5) CA English Invoice National Form (All FPs)
- 6) CA English Payment Schedule National Form (Leases)
- 7) CA English Pre-Authorized Debit Form National Form (All FPs)
- 8) CA English Purchase Agreement
- 9) Construction survey

Additional Requirements/Notes:

If you have questions about this document package, please contact your dealer sales rep, dealer finance rep. We will mail you a copy of your executed documents and amortization schedule after closing of your transaction.

For questions after your transaction closes, or on any of your existing contracts, please contact Customer Service at 1-800-561-3771 or NABC.CustomerService@cat.com. You can also access your accounts online at www.catfinancial.com.

Thank you for your consideration!

This Lease Agreement (together with each addendum, schedule, Application Survey and rider attached to, or made a part of, this lease and any amendments made from time to time being collectively referred to as "this Lease") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Lessee named below ("you" or "your").

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
HST Registration #: 100843952
PST Registration #: 100843952

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the year, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	MONTHLY LEASE PAYMENT* (The total amount due each month if your payments are made on their due date or see attached Payment Schedule)	PURCHASE OPTION PRICE (see Section 15)	MAX TOTAL HOURS/USAGE (Maximum total usage of Unit - see Application Survey, if one is used for this Lease)	DELIVERY/RENTAL CONVERSION DATE (Enter date Unit was delivered to you or the date Unit was converted from a rental if you were previously renting)
	CAT0926MCW5L00597	Irreg. Payments	\$93,900.00	5004	

(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER

*BASE MONTHLY PAYMENT:

HST:

PST:

MONTHLY LEASE PAYMENT:

SEE IRREGULAR
PAYMENT SCHEDULE

COMMENCEMENT DATE:

LOCATION OF UNITS:

October 23, 2020

128 SACKVILLE ROAD

SAULT STE. MARIE, ON P6B

4T6

For a description of any other units that have been leased pursuant to this Lease, see the "Equipment Description Schedule" in the attached SCHEDULE A. For any other units that represent "Additional Collateral", see the "Additional Collateral" section of the attached SCHEDULE A ("Additional Collateral"). Each item of Additional Collateral identified in any attached SCHEDULE A is considered a Unit under the terms of this Lease.

In reliance on your selection of the units described above (together with all attachments, accessories and optional features, whether or not installed with any of those units, and all manufacturer manuals and instructions, being referred to in this Lease as a "Unit" or the "Units"), we have agreed to acquire and lease the Units (excluding any Additional Collateral) to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

You acknowledge that the Units (excluding any Additional Collateral) were delivered to you in good working condition and that you accepted them on the date indicated. If any of the Units (excluding any Additional Collateral) will be delivered to you after you sign this Lease, you agree to sign and deliver to us a separate delivery certificate.

Each addendum, schedule, application survey for a Unit (each, an "Application Survey") and rider that is referred to in this Lease and is attached to this Lease or is deemed to be attached to this Lease is incorporated into this Lease by reference and is deemed to be a part of this Lease.

TERMS AND CONDITIONS

- 3. Lease Term** The "Lease Term" for each Unit will start on the Commencement Date, as identified in the first page of this Lease and will continue for 54 months, unless we terminate this Lease in accordance with its terms. However, we have no obligation to enter into this Lease or pay the supplier of the Units (the "Supplier") for the Unit(s) until you have delivered to us all documents that we may reasonably request.
- 4. Lease Payment** You will pay us the monthly Lease Payments beginning October 23, 2020 and on the same date of each month thereafter (or the last day of the month, if there is no such date). The monthly Lease Payments will be due without demand. You will also pay us all other amounts payable by you under this Lease and under any other document delivered by you in connection with this Lease, including each applicable Application Survey (collectively, the "Lease Documents") when due (all such other payments, together with the monthly Lease Payments, being referred to in this Lease as the "Lease Payments"). You will pay all Lease Payments not otherwise payable by pre-authorized debit to us at Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4 or such other location that we designate in writing. You agree this Lease is a non-cancellable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.
- 5. Late Charges** If we do not receive a Lease Payment by the 14th day after the date the Lease Payment is due, you will be charged a late payment charge on the late Lease Payment equal to the lesser of (i) one and one half (1.5%) percent and (ii) the highest legal contract rate of interest.
- 6. Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or the Supplier of any of the Units. **We make no representations, warranties or conditions whatsoever, express or implied, with respect to this Lease or to any Unit.** Without limiting the generality of the foregoing, each Unit is leased "as is, where is". We make no representations, warranties or conditions as to the quality of materials or workmanship or that the materials or workmanship comply with the terms of any purchase order or agreement. We expressly disclaim, and you waive all other representations, warranties, conditions and claims, express or implied, arising by law or otherwise, with respect to any Unit or this Lease, including, without limitation, any representation, warranty or condition relating to: (a) the merchantability of any Unit; (b) any Unit's fitness for a particular purpose; (c) the course of performance, course of dealing or usage of trade; (d) any obligation, liability, right, claim or remedy in tort; (e) any obligation, liability, right, claim, or remedy for loss of or damage to any Unit, for loss of use, revenue, or profit with respect to any Unit, for any liability to any third party, or for any other indirect, incidental, or consequential damages, including strict or absolute liability in tort; and (f) any Unit's freedom from any lien, claim, security interest, hypothec or other encumbrance and its compliance with applicable laws, including patent laws. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit regarding the operation of any Unit). You agree to pursue only these third parties for any and all such claims. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.
- 7. Possession, Use and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon any Unit. (c) You will not sublease any Unit or permit the use of any Unit by anyone other than you. (d) You will not change the use of any Unit from that set out in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of any Unit from that set out above, without our prior written consent. (f) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, hypothec or encumbrance on any of your rights under this Lease or with respect to any Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right to inspect any Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter any Unit or affix any accessory or equipment to any Unit if doing so will impair its originally intended function or use or reduce its value. If added to any Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. All parts, accessories and equipment affixed to a Unit will become our property. All of your right, title and interest in such parts, accessories and equipment shall transfer automatically to us immediately upon such affixation without the need for any documents of transfer.
- 8. Taxes** You will pay when due, or promptly reimburse us for payment of, all taxes imposed on any Unit or Lease Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) charges that are imposed in connection with the ownership, possession, use, purchase (including by you pursuant to this Lease) or lease of any Unit from the time we purchase the Unit until it is returned to us or purchased by you and (iii) fines, penalties, interest or additions to any tax, fee or charge. You will remain responsible for the payment, or reimbursement of, any such taxes, fees and charges, regardless of when we receive notice of them. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If any Lease Payment under this Lease is deemed to include goods and services tax or harmonized sales tax or any similar value-added or multi-staged tax, the amount of such payment shall be increased accordingly. You will not deduct or withhold any taxes from a Lease Payment unless required by applicable law. If taxes are required to be deducted or withheld, the amount of the Lease Payment will be increased so that after the tax deduction or withholding (including any tax deduction or withholding required from the increased amount) we receive the amount that we would have received in the absence of any tax deduction or withholding, and you will also provide us with evidence of remittance of the taxes to the relevant tax authority. We may change the Monthly Lease Payment to reflect any increase or decrease in any taxes from time to time. You acknowledge that you have satisfied yourself as to the tax and accounting treatment of the Lease Documents for your purposes and have not relied on us as to those matters.
- 9. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under this Lease or any other Lease Document. A "Casualty Occurrence" will occur if any Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage or loss reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Lease. (d) In the event of a Casualty Occurrence, you will pay to us, on the first monthly Lease Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no monthly Lease Payment due date remaining) an amount (the "Liquidated Damages") equal to the sum of: (i) the present value of all future Lease Payments payable under this Lease for

such Unit to the end of the Lease Term for such Unit; (ii) the present value of the Purchase Option Price payable under this Lease for such Unit, as stated on the front of this Lease, plus applicable taxes, assuming that you had elected to purchase such Unit; and (iii) all other amounts then due under this Lease with respect to the Unit suffering the Casualty Occurrence (including any late charges and fees). Present values will be determined by us by discounting such amounts at the implicit interest rate which we have applied, in our sole discretion, to this Lease and our determination of such present values shall be conclusive, absent manifest error. Upon our receipt of the Liquidated Damages for the applicable Unit, the Lease Term with respect to such Unit shall terminate.

10. Release and Indemnity (a) You release and agree to indemnify, defend, and keep harmless, us, our successors and assigns, and our and their directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all claims, actions, damages, losses, penalties, fines, liabilities, charges, costs and expenses of whatever kind or nature, which arise in any way from or are related in any way to any Lease Document or any Unit including the use and contents of such Unit and any defects in respect of such Unit ("Claims") (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims for which we are or may be responsible when and as they become due. (b) You are entitled to control the defense of or to settle a Claim, so long as: (i) no Event of Default has occurred and is then continuing; (ii) you are financially capable of satisfying your obligations under this Section; and (iii) we approve your proposed defense counsel. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable legal fees and disbursements on a solicitor-client basis, incurred by any Indemnitee in defending or investigating any Claim or in enforcing this Section. Under no circumstances are we liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

11. Insurance You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the aggregate amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You will also provide us with all requested information. Upon demand, you must promptly deliver to us evidence of such insurance coverage.

12. Events of Default Each of the following is an event of default (each, an "Event of Default"): (a) you fail to make a payment when due; (b) a representation or warranty made to us in connection with any Lease Document is incorrect or misleading; (c) you fail to observe or perform any other covenant or agreement, and the failure continues for 10 days after written notice to you; (d) a default occurs under any other agreement between you or a guarantor of this Lease (each, a "Guarantor") and us or an affiliate of ours; (e) you, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors; (f) any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within 30 days after filing or appointment; (g) there is a material adverse change in your or a Guarantor's financial condition, business operations or prospects; (h) there is a termination, breach, or repudiation of a Guarantor's guarantee; and (i) any Unit becomes uninsured or subject to any sale, sublease, lien, claim, mortgage, security interest, hypothec or encumbrance (other than in our favour).

13. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Lease and as provided to a secured party under the *Personal Property Security Act* (Ontario) and any other applicable law. Among these rights and remedies are to: (a) bring a court action to recover damages; (b) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations and, by written notice to you, require you to pay us on the date set out in the notice, as a genuine pre-estimate of liquidated damages and not as penalty (and in addition to all other amounts owing under any of the Lease Documents including any amounts owing under this Section, an amount equal to the Liquidated Damages for all of the Units at such time); (c) recover any additional damages and expenses suffered by us due to the Event of Default; (d) enforce our security interests; (e) require you to assemble and return each Unit pursuant to Section 14; (f) enter premises where a Unit may be located and take immediate possession of, disable or remove such Unit (and any unattached parts) without notice, liability or legal process (and upon such repossession or disabling pursuant to this Section 13(f) or any return of such Unit under Section 13(e), your right to possess and use such Unit will terminate, but this Lease will remain in effect unless we expressly notify you of the cancellation of this Lease under Section 13(b)); (g) in the name of and as your irrevocably appointed agent and attorney and without terminating or being deemed to have terminated this Lease, sublease all or any of the Units to anyone else on such terms and conditions, for such rental and for such period of time as we see fit and receive such rental and hold the same and apply the same against any amounts payable by you under any of the Lease Documents; (h) store (including at your premises without liability) or sell, lease or otherwise dispose of the Units or any of them, at public or private sale, lease or other disposition, for cash or credit, and on such terms as we may determine; and (i) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, cancel the agreement on your behalf and upon such cancellation, we may also receive the refund of any fees that we financed but had not received from you as of the date of the Event of Default. You agree to pay all charges, costs, expenses and reasonable legal fees and disbursements (on a solicitor-client basis) incurred by us in enforcing this Lease. The proceeds of any sale, lease or disposition of a Unit will be applied, first, to reimburse us for all expenses of collection and enforcement of this Lease, including our legal fees and expenses and second, to obligations owed to us under this Lease as we may determine. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or any of our affiliates. You will promptly pay any deficiency to us. Except as prohibited by applicable law, we are entitled to retain any remaining proceeds after the exercise of our remedies. To the extent you are entitled to a refund from us, you agree we will have the right to offset any obligation that you have with us or our affiliates with such refund. The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. If you fail to perform any of your obligations under this Lease, we may (but need not) perform the obligations, without waiving or curing any breach of this Lease. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

14. Return of Unit On expiration of the Lease Term or if you do not elect to purchase the Unit(s) pursuant to this Lease, or if we demand possession of a Unit pursuant to the terms of this Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and any applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If a Unit is not in the condition required by Section 7 and any applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring such Unit into the required condition as we determine, acting reasonably, and you shall pay us a daily rental charge equal to 1/30th of the Monthly Lease Payment, plus any other costs and expenses each day until the Unit is brought into the required condition.

15. Purchase Option If no Event of Default has occurred and is continuing, you may, by notice delivered to us at least sixty (60) days prior to the end of the Lease Term elect to purchase on the end of the Lease Term any or all of the Units at a purchase price equal to the Purchase Option Price for such Unit, as stated on the first page of this Lease, plus any applicable taxes thereon. The purchase price will be due at the end of the Lease Term. Upon payment of such purchase price and all other amounts due under this Lease, plus any other costs and expenses due in connection with the transfer of such Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of

sale. The bill of sale will be delivered to you without any representations, warranties or conditions except that such Unit is free of all encumbrances of any person claiming through us. You will purchase such Unit from us on an **"AS IS, WHERE IS, WITH ALL FAULTS BASIS"**. If you do not elect to purchase a Unit, at the end of the Lease Term you will return such Unit to us as provided in Section 14 and all of your rights and interest in such Unit will automatically terminate. If you fail to purchase or return a Unit at the end of the Lease Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us for each such Unit a daily rental charge equal to 1/30th of the Monthly Lease Payment for such Unit each day until the day the Unit is purchased or returned to us.

16. Ownership; Security Interest Subject to your right to use and possess the Units as set out in this Lease, and subject to your purchase option in Section 15, title to the Units (excluding any Additional Collateral) remains with us. As additional security for your obligations to us under this Lease and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit, all substitutions, replacements and additions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interests in each Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations, Warranties and Covenants You represent, warrant and covenant to us that: (a) you will provide all financial information and reporting (including, but not limited to your financial statements) as we may reasonably require; (b) all credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete; (c) you will not change your name, principal place of business or primary residence and, if you are a business entity, your jurisdiction of formation or form of business organization or change the jurisdiction in which your chief executive office or registered office is located, without prior written notice to us, or enter into any merger, amalgamation, consolidation or restructuring without our prior written consent; and (d) this Lease constitutes your valid obligation, legally binding on you and enforceable according to its terms.

18. Unit Monitoring Systems In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and all of its subsidiaries or affiliates, including us (collectively "Caterpillar"), and Caterpillar dealers to access data concerning such Unit, its condition and its operation transmitted from the monitoring system. The information may be used (i) to administer, implement and enforce the terms of this Lease, (ii) recover the Unit if necessary, or (iii) to improve Caterpillar's products and services. You agree that information transmitted may include the serial number, VIN, Unit location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

19. Assignment; Counterparts We may assign, sell, concurrently lease or otherwise dispose of, or encumber (each, an "Assignment"), all or any part of the Lease Documents, the Lease Payments, and the Units, to anyone else (each, an "Assignee"), without notice to you or your consent. **The rights of any assignee will not be subject to any defense, counterclaim or set off which you may have against us.** If requested by us, you will assist us in any Assignment. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. This Lease is for the benefit of, and is binding upon, you and your permitted successors, assigns, heirs and executors and us and our successors and assigns (including any Assignee). You must not assign this Lease or any right or obligation under it without our prior written consent. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible. A signed copy of this Lease or any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

20. Personal Information Consent We may collect and use personal information provided by you in connection with this Lease and any related application for the purposes of verifying and evaluating the application, your identity (including for regulatory compliance purposes), creditworthiness (including by obtaining and using credit reports), and the information provided to us in connection with the application or this Lease. We may collect credit, financial and related personal information for these purposes from you or your application, our affiliates, credit bureaus and credit reporting agencies, from references that you may have provided in the application and other parties with whom you have had a financial or credit relationship. You consent to the disclosure of such information by these parties to us. Social Insurance Numbers or other personal identifiers, if provided, may be used to verify your identity, including matching credit records. Identity verification may also include checking your identity against watch lists established by regulatory agencies and similar bodies in Canada and foreign countries. We may, from time to time, use the information referred to above and other personal information collected or compiled by us in connection with this Lease (collectively, the "Information") and share the Information among and with us, Caterpillar and authorized Caterpillar dealers for the purposes of opening, administering, servicing and enforcing this Lease, collecting amounts owing to us, verifying and evaluating your current and ongoing creditworthiness and financial status, and responding to inquiries and otherwise communicating with you regarding the account. For the purpose of maintaining your credit history and providing credit references, we may from time to time disclose credit-related Information to credit bureaus, credit reporting agencies and to your current or future creditors. We may use and exchange your banking information with financial institutions for payment processing purposes. We may otherwise use the Information and disclose the Information to third parties: (i) to register security interests; (ii) to enforce security, this Lease and otherwise collect amounts owing to us; (iii) for the purposes of detecting and preventing fraud; (iv) in connection with audits; (v) for the purposes of meeting legal, regulatory, risk management and security requirements; and (vi) as permitted or required by law (including as required by foreign laws applicable to us and our agents or service providers). We may use and disclose the Information to our assigns, prospective assigns and other third parties that are connected with the proposed or actual financing, securitization, insuring, sale, assignment or other disposal of all or part of our business or assets (including this Lease and amounts owing to us) for the purposes of permitting a prospective assign to evaluate your creditworthiness and otherwise determine whether to proceed or continue with the transaction, fulfilling any reporting or audit requirements to such parties, or completing the transaction. Our successors and assigns may collect, use, and disclose the Information for substantially the same purposes as described in this Lease. We may use agents and service providers (including Caterpillar acting in that capacity) to collect, use, store or process the Information on our behalf for the purposes described in this Lease. Some of these agents or service providers may be located outside of Canada, including the United States, where local laws may permit governmental, law enforcement, or regulatory authorities or courts to have access to the Information. We may, from time to time, use the Information and share the Information among and with Caterpillar to promote and market additional products or services of Caterpillar to you. You may refuse consent for this purpose by contacting us at 1-800-651-0567.

To request access to, or correction of the Information, or if you have any questions about how we handle the Information, please contact us at the address designated above or as otherwise designated by us. The consents provided above shall be valid for so long as required to fulfill the purposes described in this Lease.

21. Effect of Waiver; Entire Agreement; Notices; Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and all Lease Documents completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province. You consent to the jurisdiction of any appropriate court located within that Province. If you are a corporation, you agree that *The Limitation of Civil Rights Act (Saskatchewan)*, as it may be changed from time to time, will not apply to this Lease or to our rights, powers or remedies and you waive and release all benefits under those laws and any similar laws of any jurisdiction to the fullest extent permitted by law. Where permitted by law, you waive your rights to receive a copy of any financing statement, financing change statement, verification statement or other similar

instrument filed or issued at any time in respect of this Lease or any amendment of this Lease. **The parties waive the right to trial by jury in any action arising out of or related to this Lease, the obligations or the Units.**

22. No Agency; Modification of Lease No person or entity, including, without limitation, the Supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in

blanks, including correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All your obligations under this Lease survive the expiration or termination of this Lease if necessary to give full effect to the terms of this Lease. Time is of the essence under this Lease

You represent and warrant to us that you have entered into this Lease for business purposes only and not for personal, family or household purposes and that you are not a "consumer" under any applicable consumer protection legislation or cost of credit disclosure legislation. You acknowledge that we are relying on the truth of the previous sentence in deciding on whether to enter into this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including any applicable Application Survey.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (Print) _____

Title _____

Date _____

LESSEE
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (Print) _____

Title _____

Date _____

Direct Pay (Pre-Authorized Debit) Authorization
Contract Number 104-50009619



1. CUSTOMER INFORMATION

Name THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Name _____

2. PRE-AUTHORIZED DEBIT (PAD) DETAILS

Each of the accountholder(s) ("we", "us" or "our") signing this Direct Pay (Pre-Authorized Debit) Authorization ("this Authorization") authorizes Caterpillar Financial Services Limited ("you" or "your"), on your own behalf or as agent for any assignee, to debit our bank account set out below or any other bank account that we may identify to you from time to time ("Account") for: (i) the amount of each payment due under the CAT Financial Lease Agreement in respect of the Contract Number 104-50009619 (together with all other documents delivered to you in connection with such agreement, the "Contract") on or shortly after its payment due date ("Scheduled Debit Date") as set out in the Contract and (ii) any other amount that may become due under the Contract from time to time (including, without limitation, late payment charges, NSF and other charges) on the next Scheduled Debit Date. You will obtain our authorization to debit our account on any date that is not a Scheduled Debit Date.

We require monthly invoices. Yes No

PAD Category: Business

3. TERMS AND CONDITIONS

If our financial institution dishonours any debit for any reason, you may issue another debit in substitution for the dishonoured debit. You will have no liability on account of a dishonoured debit.

We represent and warrant (i) that all persons whose signatures are required to sign on the Account have signed this Authorization and (ii) that all Account information we provide is accurate. We will immediately notify you, in writing, of any change in the Account information and, in any event, at least 10 business days prior to the next Scheduled Debit Date.

We have certain recourse rights if any debit does not comply with this Authorization. For example, we have the right to be reimbursed for any debit that is not authorized or is not consistent with this Authorization. For more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

We may cancel this Authorization at any time by written notice to you, which notice will be effective 10 days after receipt; however, our cancellation of this Authorization does not terminate, cancel or reduce our obligations under the Contract. For a sample cancellation form, or more information on our right to cancel this Authorization, we may contact our financial institution or www.cdnpay.ca.

You may assign this Authorization, directly or indirectly, by operation of law, change of control or otherwise, without notice, unless notice is required by law.

We can contact you at the address below to make inquiries, obtain information or seek any recourse rights.

We understand that you will not notify us in advance of any withdrawal and we agree to waive all pre-notification requirements in respect of all debits drawn under this Authorization.

4. BANK ACCOUNT INFORMATION

Please attach a sample cheque with "VOID" written on it.

SIGNATURES

For a joint account, the signatures of all accountholders must appear on this Authorization.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4

Phone: 1-800-561-3771, Fax: 289-291-2235



Payment Schedule
Contract Number 104-50009619

This Payment Schedule forms part of the Lease Agreement for the Transaction Number set out above between the Lessor and the Lessee named below.

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. PAYMENT SCHEDULE

Number of Payments	from (date)	to (date)	Base Lease Payment (CAD)	GST/HST	PST/QST	Total Lease Payment (CAD)
6	October 23, 2020	March 23, 2021	4,509.53	586.24	0.00	5,095.77
6	April 23, 2021	September 23, 2021	0.00	0.00	0.00	0.00
6	October 23, 2021	March 23, 2022	4,509.53	586.24	0.00	5,095.77
6	April 23, 2022	September 23, 2022	0.00	0.00	0.00	0.00
6	October 23, 2022	March 23, 2023	4,509.53	586.24	0.00	5,095.77
6	April 23, 2023	September 23, 2023	0.00	0.00	0.00	0.00
6	October 23, 2023	March 23, 2024	4,509.53	586.24	0.00	5,095.77
6	April 23, 2024	September 23, 2024	0.00	0.00	0.00	0.00
6	October 23, 2024	March 23, 2025	4,509.53	586.24	0.00	5,095.77

SIGNATURES

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

1. PARTIES

CUSTOMER:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

2. TERMS AND CONDITIONS

Per your Lease agreement with us, you must arrange physical damage and general liability insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance satisfies minimum financial requirements.

Physical Damage coverage must show that Caterpillar Financial Services Limited has been named as loss payee for the equipment's replacement value. The deductible must be shown.

Liability Coverage must be a minimum of \$1,000,000 of combined coverage for bodily injury and property damage per occurrence. Caterpillar Financial Services Limited must be named as additional insured.

Please complete this form to provide contact information for your physical damage coverage as well as your liability coverage.

I have entered into the above agreement under which I am responsible for providing insurance against ALL RISKS of direct physical loss or damage for the actual cash value of the following equipment, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc.

<u>Year/Make/Model#</u>	<u>Equipment Description</u>	<u>Serial #</u>	<u>Vin #</u>	<u>Value</u>
NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER		CAT0926MCW5L00597		\$210,500.00

Insurance Agency

Insurance Agent's Name

Street Address

City

Zip

Agent's Phone Number

Fax number

E-mail Address

3. SIGNATURES

TO BE COMPLETED BY CUSTOMER:

I hereby instruct you to add Caterpillar Financial Services Limited as a Loss Payee and additional insured:

- To my existing policy number(s) _____, which now provide the coverage required, or
 To a policy which you are authorized to issue in the name listed above which will provide the coverage required.

Caterpillar Financial Services Limited must be given notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person shall not invalidate the insurance to Caterpillar Financial Services Limited.

Signature _____

Name (print) _____

Title _____

Date _____

PROCESSING OF THIS TRANSACTION MAY BE HELD PENDING RECEIPT OF THIS INFORMATION

TO BE COMPLETED BY INSURANCE AGENT:

I verify that the equipment listed on the previous page has been added to the policy/policies listed above, naming Caterpillar Financial Services Limited as Loss Payee for physical/ property damage and Additional insured for general liability coverage as their interest may appear.

Insured Name: _____

Policy number: _____

Expiry Date: _____

Insurance Company Name: _____

Agent Name: _____

Agent Signature: _____

Date Signed: _____

OR:

PLEASE FORWARD A COPY OF THE CERTIFICATE OR BINDER EVIDENCING COVERAGE TO:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
Fax: 888-244-0290
E-mail: CFSL.InsuranceMailbox@cat.com

Purchase Agreement
Contract Number 104-50009619

This Purchase Agreement (this "Agreement") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Seller named below ("you" or "your").

1. PARTIES

BUYER:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

SELLER:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

2. DESCRIPTION OF UNITS

You agree to sell to us, and we agree to buy from you, the units described below (collectively, the "Units"), subject to the terms and conditions of this Agreement.

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	TOTAL PRICE
(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MCW5L00597	\$210,500.00

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Financing Fees - Dealer Portion	380.00
Subtotal	210,880.00
HST R892135443	27,414.40
PST	Exempt
Total Purchase Price	238,294.40

Equipment Delivery Point:

128 SACKVILLE ROAD
SAULT STE. MARIE, ON P6B 4T6

ADDITIONAL TERMS

1. The lessee named above ("Lessee") has, (i) with your assistance, selected the Units, (ii) instructed us to buy the Units from you, and (iii) agreed to lease the Units from us pursuant to a Lease Agreement (the "Lease").
2. We will have no obligation under this Agreement (and you will promptly refund any sums we have previously paid to you with respect to the Units) unless (i) all of the conditions set forth in Section 3 (if Lease) / 4 (if Master Lease) of the Lease have been fulfilled in a timely manner and (ii) the Lessee has not communicated to us, prior to Delivery (as defined below) of the Units, an intent not to lease the Units from us. All conditions specified in this Section 2 will be fulfilled in a timely manner unless we notify you to the contrary in writing or by email or facsimile prior to Delivery of the Units. "Delivery" means the later of the time (a) we execute this Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Units.
3. Upon Delivery of the Units and provided that the conditions in Section 2 are satisfied, ownership, title and risk of loss to the Units will transfer to us.
4. You represent and warrant that (i) upon Delivery of the Units we will be the owner of and have absolute title to the Units free and clear of all claims, liens, security interests, hypothecs and other encumbrances, and (ii) you have not received any deposit or other payment from the Lessee in connection with the Units.
5. You will forever warrant and defend the sale of the Units to us, and our successors and assigns, against any person claiming an interest in the Units.
6. Upon satisfaction of the conditions in Section 2, and except as provided in Section 2, we will pay you the Total Purchase Price for the Units within 3 business days following the receipt and approval by us of all documentation deemed necessary by us in connection with the Lease.
7. You will deliver the Units to the Lessee at the Location of Units specified in the Lease.
8. We may assign this Agreement to a third party without notice to you or your consent. You agree to assist us in any assignment if we so request. You may not assign this Agreement without our consent. Each reference in this Agreement to "we", "us" or "our" includes our successors and assigns. This Agreement is for the benefit of, and is binding upon, you and us and your and our permitted successors and assigns.
9. This Agreement will not become effective until it has been signed by our duly authorized representative. This Agreement is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.
10. We and you acknowledge having expressly requested that this Agreement and all related documents and notices be drafted in the English language. *Nous et vous reconnaissons avoir expressément requis que ce contrat et les documents et avis qui s'y rattachent soient rédigés en langue anglaise.*

SIGNATURES

BUYER

CATERPILLAR FINANCIAL SERVICES LIMITED

SELLER

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

**THE CORPORATION OF THE CITY OF SAULT STE.
MARIE**
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2020 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MCW5L00597 VIN #:

Monthly Usage: 62.50

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT**

INDUSTRIES LTD.

3131 HIGHWAY 7 WEST, PO BOX 5511

CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Air Conditioning, Cab, Ride Control, Tires, 4x4

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- (a) You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- (b) The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- (c) Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- (d) You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- (e) Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- (f) You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- (g) You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- (h) You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **62.50 hours per month** over a term of **54 months** for total usage during the Lease Term of **3,375.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 3,375.00 + Current Hours 0.00 = Total Allowable Machine Hours 3,375.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$39.54** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Amortization Schedule

Transaction Number
 Customer
 Model
 Serial Number

4045462
 THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 926M Small Wheel Loader
 CAT0926MCW5L00597

Date	Number of Payments Made	Starting Balance	Loan	Payments	Residual	Principal	Interest	Interest Rate	Ending Balance
Oct-23-20	0	0	211,050.00	0	0	0	0	0	211,050.00
Oct-23-20	1	211,050.00	0	4,509.53	0.00	4,509.53	0.00	2.65%	206,540.47
Nov-23-20	2	206,540.47	0	4,509.53	0.00	4,053.42	456.11	2.65%	202,487.05
Dec-23-20	3	202,487.05	0	4,509.53	0.00	4,062.37	447.16	2.65%	198,424.68
				-----	-----	-----	-----		
				13,528.59	0.00	12,625.32	903.27		
Jan-23-21	4	198,424.68	0.00	4,509.53	0.00	4,071.35	438.18	2.65%	194,353.33
Feb-23-21	5	194,353.33	0	4,509.53	0.00	4,080.34	429.19	2.65%	190,272.99
Mar-23-21	6	190,272.99	0	4,509.53	0.00	4,089.35	420.18	2.65%	186,183.64
Apr-23-21	7	186,183.64	0	0.00	0.00	(411.16)	411.16	2.65%	186,594.80
May-23-21	8	186,594.80	0	0.00	0.00	(412.06)	412.06	2.65%	187,006.86
Jun-23-21	9	187,006.86	0	0.00	0.00	(412.97)	412.97	2.65%	187,419.83
Jul-23-21	10	187,419.83	0	0.00	0.00	(413.89)	413.89	2.65%	187,833.72
Aug-23-21	11	187,833.72	0	0.00	0.00	(414.80)	414.80	2.65%	188,248.52
Sep-23-21	12	188,248.52	0	0.00	0.00	(415.72)	415.72	2.65%	188,664.24
Oct-23-21	13	188,664.24	0	4,509.53	0.00	4,092.90	416.63	2.65%	184,571.34
Nov-23-21	14	184,571.34	0	4,509.53	0.00	4,101.94	407.59	2.65%	180,469.40
Dec-23-21	15	180,469.40	0	4,509.53	0.00	4,111.00	398.53	2.65%	176,358.40
				-----	-----	-----	-----		
				27,057.18	0.00	22,066.28	4,990.90		
Jan-23-22	16	176,358.40	0.00	4,509.53	0.00	4,120.08	389.45	2.65%	172,238.32
Feb-23-22	17	172,238.32	0	4,509.53	0.00	4,129.17	380.36	2.65%	168,109.15
Mar-23-22	18	168,109.15	0	4,509.53	0.00	4,138.29	371.24	2.65%	163,970.86
Apr-23-22	19	163,970.86	0	0.00	0.00	(362.10)	362.10	2.65%	164,332.96
May-23-22	20	164,332.96	0	0.00	0.00	(362.90)	362.90	2.65%	164,695.86
Jun-23-22	21	164,695.86	0	0.00	0.00	(363.70)	363.70	2.65%	165,059.56
Jul-23-22	22	165,059.56	0	0.00	0.00	(364.51)	364.51	2.65%	165,424.07
Aug-23-22	23	165,424.07	0	0.00	0.00	(365.31)	365.31	2.65%	165,789.38
Sep-23-22	24	165,789.38	0	0.00	0.00	(366.12)	366.12	2.65%	166,155.50
Oct-23-22	25	166,155.50	0	4,509.53	0.00	4,142.61	366.92	2.65%	162,012.89
Nov-23-22	26	162,012.89	0	4,509.53	0.00	4,151.76	357.77	2.65%	157,861.13
Dec-23-22	27	157,861.13	0	4,509.53	0.00	4,160.92	348.61	2.65%	153,700.21
				-----	-----	-----	-----		
				27,057.18	0.00	22,658.19	4,398.99		
Jan-23-23	28	153,700.21	0.00	4,509.53	0.00	4,170.11	339.42	2.65%	149,530.10
Feb-23-23	29	149,530.10	0	4,509.53	0.00	4,179.32	330.21	2.65%	145,350.78
Mar-23-23	30	145,350.78	0	4,509.53	0.00	4,188.55	320.98	2.65%	141,162.23
Apr-23-23	31	141,162.23	0	0.00	0.00	(311.73)	311.73	2.65%	141,473.96
May-23-23	32	141,473.96	0	0.00	0.00	(312.42)	312.42	2.65%	141,786.38
Jun-23-23	33	141,786.38	0	0.00	0.00	(313.11)	313.11	2.65%	142,099.49
Jul-23-23	34	142,099.49	0	0.00	0.00	(313.80)	313.80	2.65%	142,413.29
Aug-23-23	35	142,413.29	0	0.00	0.00	(314.50)	314.50	2.65%	142,727.79
Sep-23-23	36	142,727.79	0	0.00	0.00	(315.19)	315.19	2.65%	143,042.98
Oct-23-23	37	143,042.98	0	4,509.53	0.00	4,193.65	315.88	2.65%	138,849.33
Nov-23-23	38	138,849.33	0	4,509.53	0.00	4,202.91	306.62	2.65%	134,646.42
Dec-23-23	39	134,646.42	0	4,509.53	0.00	4,212.19	297.34	2.65%	130,434.23
				-----	-----	-----	-----		
				27,057.18	0.00	23,265.98	3,791.20		
Jan-23-24	40	130,434.23	0.00	4,509.53	0.00	4,221.49	288.04	2.65%	126,212.74
Feb-23-24	41	126,212.74	0	4,509.53	0.00	4,230.81	278.72	2.65%	121,981.93

4045462

Caterpillar Financial Services Limited

Page 1

Mar-23-24	42	121,981.93	0	4,509.53	0.00	4,240.16	269.37	2.65%	117,741.77
Apr-23-24	43	117,741.77	0	0.00	0.00	(260.01)	260.01	2.65%	118,001.78
May-23-24	44	118,001.78	0	0.00	0.00	(260.59)	260.59	2.65%	118,262.37
Jun-23-24	45	118,262.37	0	0.00	0.00	(261.16)	261.16	2.65%	118,523.53
Jul-23-24	46	118,523.53	0	0.00	0.00	(261.74)	261.74	2.65%	118,785.27
Aug-23-24	47	118,785.27	0	0.00	0.00	(262.32)	262.32	2.65%	119,047.59
Sep-23-24	48	119,047.59	0	0.00	0.00	(262.90)	262.90	2.65%	119,310.49
Oct-23-24	49	119,310.49	0	4,509.53	0.00	4,246.06	263.47	2.65%	115,064.43
Nov-23-24	50	115,064.43	0	4,509.53	0.00	4,255.43	254.10	2.65%	110,809.00
Dec-23-24	51	110,809.00	0	4,509.53	0.00	4,264.83	244.70	2.65%	106,544.17
			-----	-----	-----	-----	-----		
			27,057.18	0.00	23,890.06	3,167.12			
Jan-23-25	52	106,544.17	0.00	4,509.53	0.00	4,274.25	235.28	2.65%	102,269.92
Feb-23-25	53	102,269.92	0	4,509.53	0.00	4,283.69	225.84	2.65%	97,986.23
Mar-23-25	54	97,986.23	0	4,509.53	0.00	4,293.15	216.38	2.65%	93,693.08
Apr-23-25	55	93,693.08	0	0.00	93,900.00	93,693.09	206.91	2.65%	(0.01)
			-----	-----	-----	-----	-----		
			13,528.59	93,900.00	106,544.18	884.41			
total			135,285.90	93,900.00	211,050.01	18,135.89			

Caterpillar Financial Services Limited

INVOICE

Page	Date	Invoice No.
1	23/10/2020	104-50009619

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Description	Serial #	VIN#	Due Date	Pmt. No.	Amount
(1) 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MCW5L00597		Upon Receipt	1	4,509.53
Harmonized Sales Tax					586.24
RETURN PAYMENT COPY AND CHEQUE FOR SPECIFIED PAYMENT(S) WITH SIGNED LEASE DOCUMENTS.					
Your cheque will be cashed by Lessor upon receipt, but that act will not constitute acceptance by Lessor of the Lease or Schedule. If Lessor accepts and executes the Lease and/or Schedule, the proceeds of this cheque will be applied to the specified rental payments. If Lessor does not accept the Lease or Schedule, Lessor will return an amount equal to this cheque.					
WITHOUT TAX EXEMPTION CERTIFICATE, APPROPRIATE SALES/USE TAX WILL BE CHARGED.					

Harmonized Sales Tax #: 100843952

PLEASE PAY THIS AMOUNT

\$ 5,095.77

Invoice No.	Total Enclosed
104-50009619 - 1	\$

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Remit To: **CATERPILLAR FINANCIAL SERVICES LIMITED**
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

If you have any questions concerning this invoice please call 1-800-651-0567.

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2020 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MCW5L00597 VIN #:

Monthly Usage: 92.67

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Air Conditioning, Cab, Ride Control, Tires, 4x4

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- (a) You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- (b) The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- (c) Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- (d) You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- (e) Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- (f) You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- (g) You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- (h) You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

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- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

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- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
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WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

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Life Remaining	Charge to Lessee
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0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **92.67 hours per month** over a term of **54 months** for total usage during the Lease Term of **5,004.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 5,004.00 + Current Hours 0.00 = Total Allowable Machine Hours 5,004.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$27.04** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

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CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Cat Financial Document Package

Thank you for considering Caterpillar Financial, where our goal is to have Customers for Life. This package includes documents for your consideration regarding the proposed transaction below:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Dealer:TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
Transaction Number:4045642
Contract Number:104-50009685

Year/Make/Model Number	Serial Number	VIN	Equipment Location	Proposed Financed Amount
2020 CATERPILLAR 926M	CAT0926MHW5L00606		128 SACKVILLE ROAD SAULT STE. MARIE, ON P6B 4T6	\$211,050.00

Rental Amount: See Irregular Payment Schedule

Payment Due Date: See Irregular Payment Schedule

Insurance Requirements:

Physical Damage: Caterpillar Financial Services Limited named as Loss Payee

Coverage Limit: Financed Amount per machine as Stated Above

General Liability - Caterpillar Financial Services Limited named as Additional Insured

Coverage Limit: \$1,000,000 per occurrence

Invoices/Notices will be mailed to:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE, SAULT STE MARIE, ON P6A 5X6

Documents included in this package:

- 1) CA Amort Schedule OL With PaymentDate from Deal
- 2) CA English Construction Application Survey
- 3) CA English Financial Lease Agreement ROC
- 4) CA English Insurance Carrier Information National (Leases)
- 5) CA English Invoice National Form (All FPs)
- 6) CA English Payment Schedule National Form (Leases)
- 7) CA English Pre-Authorized Debit Form National Form (All FPs)
- 8) CA English Purchase Agreement

Additional Requirements/Notes:

If you have questions about this document package, please contact your dealer sales rep, dealer finance rep. We will mail you a copy of your executed documents and amortization schedule after closing of your transaction.

For questions after your transaction closes, or on any of your existing contracts, please contact Customer Service at 1-800-561-3771 or NABC.CustomerService@cat.com. You can also access your accounts online at www.catfinancial.com.

Thank you for your consideration!

This Lease Agreement (together with each addendum, schedule, Application Survey and rider attached to, or made a part of, this lease and any amendments made from time to time being collectively referred to as "this Lease") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Lessee named below ("you" or "your").

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
HST Registration #: 100843952
PST Registration #: 100843952

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the year, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	MONTHLY LEASE PAYMENT* (The total amount due each month if your payments are made on their due date or see attached Payment Schedule)	PURCHASE OPTION PRICE (see Section 15)	MAX TOTAL HOURS/USAGE (Maximum total usage of Unit - see Application Survey, if one is used for this Lease)	DELIVERY/RENTAL CONVERSION DATE (Enter date Unit was delivered to you or the date Unit was converted from a rental if you were previously renting)
	CAT0926MHW5L00606	Irreg. Payments	\$93,900.00	5004	

(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER

*BASE MONTHLY PAYMENT:

HST:

PST:

MONTHLY LEASE PAYMENT:

SEE IRREGULAR PAYMENT SCHEDULE

COMMENCEMENT DATE:

LOCATION OF UNITS:

October 23, 2020

128 SACKVILLE ROAD

SAULT STE. MARIE, ON P6B

4T6

For a description of any other units that have been leased pursuant to this Lease, see the "Equipment Description Schedule" in the attached SCHEDULE A. For any other units that represent "Additional Collateral", see the "Additional Collateral" section of the attached SCHEDULE A ("Additional Collateral"). Each item of Additional Collateral identified in any attached SCHEDULE A is considered a Unit under the terms of this Lease.

In reliance on your selection of the units described above (together with all attachments, accessories and optional features, whether or not installed with any of those units, and all manufacturer manuals and instructions, being referred to in this Lease as a "Unit" or the "Units"), we have agreed to acquire and lease the Units (excluding any Additional Collateral) to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

You acknowledge that the Units (excluding any Additional Collateral) were delivered to you in good working condition and that you accepted them on the date indicated. If any of the Units (excluding any Additional Collateral) will be delivered to you after you sign this Lease, you agree to sign and deliver to us a separate delivery certificate.

Each addendum, schedule, application survey for a Unit (each, an "Application Survey") and rider that is referred to in this Lease and is attached to this Lease or is deemed to be attached to this Lease is incorporated into this Lease by reference and is deemed to be a part of this Lease.

TERMS AND CONDITIONS

- 3. Lease Term** The "Lease Term" for each Unit will start on the Commencement Date, as identified in the first page of this Lease and will continue for 54 months, unless we terminate this Lease in accordance with its terms. However, we have no obligation to enter into this Lease or pay the supplier of the Units (the "Supplier") for the Unit(s) until you have delivered to us all documents that we may reasonably request.
- 4. Lease Payment** You will pay us the monthly Lease Payments beginning October 23, 2020 and on the same date of each month thereafter (or the last day of the month, if there is no such date). The monthly Lease Payments will be due without demand. You will also pay us all other amounts payable by you under this Lease and under any other document delivered by you in connection with this Lease, including each applicable Application Survey (collectively, the "Lease Documents") when due (all such other payments, together with the monthly Lease Payments, being referred to in this Lease as the "Lease Payments"). You will pay all Lease Payments not otherwise payable by pre-authorized debit to us at Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4 or such other location that we designate in writing. You agree this Lease is a non-cancellable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.
- 5. Late Charges** If we do not receive a Lease Payment by the 14th day after the date the Lease Payment is due, you will be charged a late payment charge on the late Lease Payment equal to the lesser of (i) one and one half (1.5%) percent and (ii) the highest legal contract rate of interest.
- 6. Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or the Supplier of any of the Units. **We make no representations, warranties or conditions whatsoever, express or implied, with respect to this Lease or to any Unit.** Without limiting the generality of the foregoing, each Unit is leased "as is, where is". We make no representations, warranties or conditions as to the quality of materials or workmanship or that the materials or workmanship comply with the terms of any purchase order or agreement. We expressly disclaim, and you waive all other representations, warranties, conditions and claims, express or implied, arising by law or otherwise, with respect to any Unit or this Lease, including, without limitation, any representation, warranty or condition relating to: (a) the merchantability of any Unit; (b) any Unit's fitness for a particular purpose; (c) the course of performance, course of dealing or usage of trade; (d) any obligation, liability, right, claim or remedy in tort; (e) any obligation, liability, right, claim, or remedy for loss of or damage to any Unit, for loss of use, revenue, or profit with respect to any Unit, for any liability to any third party, or for any other indirect, incidental, or consequential damages, including strict or absolute liability in tort; and (f) any Unit's freedom from any lien, claim, security interest, hypothec or other encumbrance and its compliance with applicable laws, including patent laws. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit regarding the operation of any Unit). You agree to pursue only these third parties for any and all such claims. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.
- 7. Possession, Use and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon any Unit. (c) You will not sublease any Unit or permit the use of any Unit by anyone other than you. (d) You will not change the use of any Unit from that set out in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of any Unit from that set out above, without our prior written consent. (f) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, hypothec or encumbrance on any of your rights under this Lease or with respect to any Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right to inspect any Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter any Unit or affix any accessory or equipment to any Unit if doing so will impair its originally intended function or use or reduce its value. If added to any Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. All parts, accessories and equipment affixed to a Unit will become our property. All of your right, title and interest in such parts, accessories and equipment shall transfer automatically to us immediately upon such affixation without the need for any documents of transfer.
- 8. Taxes** You will pay when due, or promptly reimburse us for payment of, all taxes imposed on any Unit or Lease Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) charges that are imposed in connection with the ownership, possession, use, purchase (including by you pursuant to this Lease) or lease of any Unit from the time we purchase the Unit until it is returned to us or purchased by you and (iii) fines, penalties, interest or additions to any tax, fee or charge. You will remain responsible for the payment, or reimbursement of, any such taxes, fees and charges, regardless of when we receive notice of them. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If any Lease Payment under this Lease is deemed to include goods and services tax or harmonized sales tax or any similar value-added or multi-staged tax, the amount of such payment shall be increased accordingly. You will not deduct or withhold any taxes from a Lease Payment unless required by applicable law. If taxes are required to be deducted or withheld, the amount of the Lease Payment will be increased so that after the tax deduction or withholding (including any tax deduction or withholding required from the increased amount) we receive the amount that we would have received in the absence of any tax deduction or withholding, and you will also provide us with evidence of remittance of the taxes to the relevant tax authority. We may change the Monthly Lease Payment to reflect any increase or decrease in any taxes from time to time. You acknowledge that you have satisfied yourself as to the tax and accounting treatment of the Lease Documents for your purposes and have not relied on us as to those matters.
- 9. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under this Lease or any other Lease Document. A "Casualty Occurrence" will occur if any Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage or loss reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Lease. (d) In the event of a Casualty Occurrence, you will pay to us, on the first monthly Lease Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no monthly Lease Payment due date remaining) an amount (the "Liquidated Damages") equal to the sum of: (i) the present value of all future Lease Payments payable under this Lease for

such Unit to the end of the Lease Term for such Unit; (ii) the present value of the Purchase Option Price payable under this Lease for such Unit, as stated on the front of this Lease, plus applicable taxes, assuming that you had elected to purchase such Unit; and (iii) all other amounts then due under this Lease with respect to the Unit suffering the Casualty Occurrence (including any late charges and fees). Present values will be determined by us by discounting such amounts at the implicit interest rate which we have applied, in our sole discretion, to this Lease and our determination of such present values shall be conclusive, absent manifest error. Upon our receipt of the Liquidated Damages for the applicable Unit, the Lease Term with respect to such Unit shall terminate.

10. Release and Indemnity (a) You release and agree to indemnify, defend, and keep harmless, us, our successors and assigns, and our and their directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all claims, actions, damages, losses, penalties, fines, liabilities, charges, costs and expenses of whatever kind or nature, which arise in any way from or are related in any way to any Lease Document or any Unit including the use and contents of such Unit and any defects in respect of such Unit ("Claims") (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims for which we are or may be responsible when and as they become due. (b) You are entitled to control the defense of or to settle a Claim, so long as: (i) no Event of Default has occurred and is then continuing; (ii) you are financially capable of satisfying your obligations under this Section; and (iii) we approve your proposed defense counsel. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable legal fees and disbursements on a solicitor-client basis, incurred by any Indemnitee in defending or investigating any Claim or in enforcing this Section. Under no circumstances are we liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

11. Insurance You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the aggregate amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You will also provide us with all requested information. Upon demand, you must promptly deliver to us evidence of such insurance coverage.

12. Events of Default Each of the following is an event of default (each, an "Event of Default"): (a) you fail to make a payment when due; (b) a representation or warranty made to us in connection with any Lease Document is incorrect or misleading; (c) you fail to observe or perform any other covenant or agreement, and the failure continues for 10 days after written notice to you; (d) a default occurs under any other agreement between you or a guarantor of this Lease (each, a "Guarantor") and us or an affiliate of ours; (e) you, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors; (f) any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within 30 days after filing or appointment; (g) there is a material adverse change in your or a Guarantor's financial condition, business operations or prospects; (h) there is a termination, breach, or repudiation of a Guarantor's guarantee; and (i) any Unit becomes uninsured or subject to any sale, sublease, lien, claim, mortgage, security interest, hypothec or encumbrance (other than in our favour).

13. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Lease and as provided to a secured party under the *Personal Property Security Act* (Ontario) and any other applicable law. Among these rights and remedies are to: (a) bring a court action to recover damages; (b) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations and, by written notice to you, require you to pay us on the date set out in the notice, as a genuine pre-estimate of liquidated damages and not as penalty (and in addition to all other amounts owing under any of the Lease Documents including any amounts owing under this Section, an amount equal to the Liquidated Damages for all of the Units at such time); (c) recover any additional damages and expenses suffered by us due to the Event of Default; (d) enforce our security interests; (e) require you to assemble and return each Unit pursuant to Section 14; (f) enter premises where a Unit may be located and take immediate possession of, disable or remove such Unit (and any unattached parts) without notice, liability or legal process (and upon such repossession or disabling pursuant to this Section 13(f) or any return of such Unit under Section 13(e), your right to possess and use such Unit will terminate, but this Lease will remain in effect unless we expressly notify you of the cancellation of this Lease under Section 13(b)); (g) in the name of and as your irrevocably appointed agent and attorney and without terminating or being deemed to have terminated this Lease, sublease all or any of the Units to anyone else on such terms and conditions, for such rental and for such period of time as we see fit and receive such rental and hold the same and apply the same against any amounts payable by you under any of the Lease Documents; (h) store (including at your premises without liability) or sell, lease or otherwise dispose of the Units or any of them, at public or private sale, lease or other disposition, for cash or credit, and on such terms as we may determine; and (i) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, cancel the agreement on your behalf and upon such cancellation, we may also receive the refund of any fees that we financed but had not received from you as of the date of the Event of Default. You agree to pay all charges, costs, expenses and reasonable legal fees and disbursements (on a solicitor-client basis) incurred by us in enforcing this Lease. The proceeds of any sale, lease or disposition of a Unit will be applied, first, to reimburse us for all expenses of collection and enforcement of this Lease, including our legal fees and expenses and second, to obligations owed to us under this Lease as we may determine. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or any of our affiliates. You will promptly pay any deficiency to us. Except as prohibited by applicable law, we are entitled to retain any remaining proceeds after the exercise of our remedies. To the extent you are entitled to a refund from us, you agree we will have the right to offset any obligation that you have with us or our affiliates with such refund. The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. If you fail to perform any of your obligations under this Lease, we may (but need not) perform the obligations, without waiving or curing any breach of this Lease. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

14. Return of Unit On expiration of the Lease Term or if you do not elect to purchase the Unit(s) pursuant to this Lease, or if we demand possession of a Unit pursuant to the terms of this Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and any applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If a Unit is not in the condition required by Section 7 and any applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring such Unit into the required condition as we determine, acting reasonably, and you shall pay us a daily rental charge equal to 1/30th of the Monthly Lease Payment, plus any other costs and expenses each day until the Unit is brought into the required condition.

15. Purchase Option If no Event of Default has occurred and is continuing, you may, by notice delivered to us at least sixty (60) days prior to the end of the Lease Term elect to purchase on the end of the Lease Term any or all of the Units at a purchase price equal to the Purchase Option Price for such Unit, as stated on the first page of this Lease, plus any applicable taxes thereon. The purchase price will be due at the end of the Lease Term. Upon payment of such purchase price and all other amounts due under this Lease, plus any other costs and expenses due in connection with the transfer of such Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of

sale. The bill of sale will be delivered to you without any representations, warranties or conditions except that such Unit is free of all encumbrances of any person claiming through us. You will purchase such Unit from us on an **"AS IS, WHERE IS, WITH ALL FAULTS BASIS"**. If you do not elect to purchase a Unit, at the end of the Lease Term you will return such Unit to us as provided in Section 14 and all of your rights and interest in such Unit will automatically terminate. If you fail to purchase or return a Unit at the end of the Lease Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us for each such Unit a daily rental charge equal to 1/30th of the Monthly Lease Payment for such Unit each day until the day the Unit is purchased or returned to us.

16. Ownership; Security Interest Subject to your right to use and possess the Units as set out in this Lease, and subject to your purchase option in Section 15, title to the Units (excluding any Additional Collateral) remains with us. As additional security for your obligations to us under this Lease and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit, all substitutions, replacements and additions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interests in each Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations, Warranties and Covenants You represent, warrant and covenant to us that: (a) you will provide all financial information and reporting (including, but not limited to your financial statements) as we may reasonably require; (b) all credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete; (c) you will not change your name, principal place of business or primary residence and, if you are a business entity, your jurisdiction of formation or form of business organization or change the jurisdiction in which your chief executive office or registered office is located, without prior written notice to us, or enter into any merger, amalgamation, consolidation or restructuring without our prior written consent; and (d) this Lease constitutes your valid obligation, legally binding on you and enforceable according to its terms.

18. Unit Monitoring Systems In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and all of its subsidiaries or affiliates, including us (collectively "Caterpillar"), and Caterpillar dealers to access data concerning such Unit, its condition and its operation transmitted from the monitoring system. The information may be used (i) to administer, implement and enforce the terms of this Lease, (ii) recover the Unit if necessary, or (iii) to improve Caterpillar's products and services. You agree that information transmitted may include the serial number, VIN, Unit location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

19. Assignment; Counterparts We may assign, sell, concurrently lease or otherwise dispose of, or encumber (each, an "Assignment"), all or any part of the Lease Documents, the Lease Payments, and the Units, to anyone else (each, an "Assignee"), without notice to you or your consent. **The rights of any assignee will not be subject to any defense, counterclaim or set off which you may have against us.** If requested by us, you will assist us in any Assignment. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. This Lease is for the benefit of, and is binding upon, you and your permitted successors, assigns, heirs and executors and us and our successors and assigns (including any Assignee). You must not assign this Lease or any right or obligation under it without our prior written consent. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible. A signed copy of this Lease or any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

20. Personal Information Consent We may collect and use personal information provided by you in connection with this Lease and any related application for the purposes of verifying and evaluating the application, your identity (including for regulatory compliance purposes), creditworthiness (including by obtaining and using credit reports), and the information provided to us in connection with the application or this Lease. We may collect credit, financial and related personal information for these purposes from you or your application, our affiliates, credit bureaus and credit reporting agencies, from references that you may have provided in the application and other parties with whom you have had a financial or credit relationship. You consent to the disclosure of such information by these parties to us. Social Insurance Numbers or other personal identifiers, if provided, may be used to verify your identity, including matching credit records. Identity verification may also include checking your identity against watch lists established by regulatory agencies and similar bodies in Canada and foreign countries. We may, from time to time, use the information referred to above and other personal information collected or compiled by us in connection with this Lease (collectively, the "Information") and share the Information among and with us, Caterpillar and authorized Caterpillar dealers for the purposes of opening, administering, servicing and enforcing this Lease, collecting amounts owing to us, verifying and evaluating your current and ongoing creditworthiness and financial status, and responding to inquiries and otherwise communicating with you regarding the account. For the purpose of maintaining your credit history and providing credit references, we may from time to time disclose credit-related Information to credit bureaus, credit reporting agencies and to your current or future creditors. We may use and exchange your banking information with financial institutions for payment processing purposes. We may otherwise use the Information and disclose the Information to third parties: (i) to register security interests; (ii) to enforce security, this Lease and otherwise collect amounts owing to us; (iii) for the purposes of detecting and preventing fraud; (iv) in connection with audits; (v) for the purposes of meeting legal, regulatory, risk management and security requirements; and (vi) as permitted or required by law (including as required by foreign laws applicable to us and our agents or service providers). We may use and disclose the Information to our assigns, prospective assigns and other third parties that are connected with the proposed or actual financing, securitization, insuring, sale, assignment or other disposal of all or part of our business or assets (including this Lease and amounts owing to us) for the purposes of permitting a prospective assign to evaluate your creditworthiness and otherwise determine whether to proceed or continue with the transaction, fulfilling any reporting or audit requirements to such parties, or completing the transaction. Our successors and assigns may collect, use, and disclose the Information for substantially the same purposes as described in this Lease. We may use agents and service providers (including Caterpillar acting in that capacity) to collect, use, store or process the Information on our behalf for the purposes described in this Lease. Some of these agents or service providers may be located outside of Canada, including the United States, where local laws may permit governmental, law enforcement, or regulatory authorities or courts to have access to the Information. We may, from time to time, use the Information and share the Information among and with Caterpillar to promote and market additional products or services of Caterpillar to you. You may refuse consent for this purpose by contacting us at 1-800-651-0567.

To request access to, or correction of the Information, or if you have any questions about how we handle the Information, please contact us at the address designated above or as otherwise designated by us. The consents provided above shall be valid for so long as required to fulfill the purposes described in this Lease.

21. Effect of Waiver; Entire Agreement; Notices; Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and all Lease Documents completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province. You consent to the jurisdiction of any appropriate court located within that Province. If you are a corporation, you agree that *The Limitation of Civil Rights Act (Saskatchewan)*, as it may be changed from time to time, will not apply to this Lease or to our rights, powers or remedies and you waive and release all benefits under those laws and any similar laws of any jurisdiction to the fullest extent permitted by law. Where permitted by law, you waive your rights to receive a copy of any financing statement, financing change statement, verification statement or other similar

instrument filed or issued at any time in respect of this Lease or any amendment of this Lease. **The parties waive the right to trial by jury in any action arising out of or related to this Lease, the obligations or the Units.**

22. No Agency; Modification of Lease No person or entity, including, without limitation, the Supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in

blanks, including correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All your obligations under this Lease survive the expiration or termination of this Lease if necessary to give full effect to the terms of this Lease. Time is of the essence under this Lease

You represent and warrant to us that you have entered into this Lease for business purposes only and not for personal, family or household purposes and that you are not a "consumer" under any applicable consumer protection legislation or cost of credit disclosure legislation. You acknowledge that we are relying on the truth of the previous sentence in deciding on whether to enter into this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including any applicable Application Survey.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (Print) _____

Title _____

Date _____

LESSEE
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (Print) _____

Title _____

Date _____

Direct Pay (Pre-Authorized Debit) Authorization
Contract Number 104-50009685



1. CUSTOMER INFORMATION

Name THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Name _____

2. PRE-AUTHORIZED DEBIT (PAD) DETAILS

Each of the accountholder(s) ("we", "us" or "our") signing this Direct Pay (Pre-Authorized Debit) Authorization ("this Authorization") authorizes Caterpillar Financial Services Limited ("you" or "your"), on your own behalf or as agent for any assignee, to debit our bank account set out below or any other bank account that we may identify to you from time to time ("Account") for: (i) the amount of each payment due under the CAT Financial Lease Agreement in respect of the Contract Number 104-50009685 (together with all other documents delivered to you in connection with such agreement, the "Contract") on or shortly after its payment due date ("Scheduled Debit Date") as set out in the Contract and (ii) any other amount that may become due under the Contract from time to time (including, without limitation, late payment charges, NSF and other charges) on the next Scheduled Debit Date. You will obtain our authorization to debit our account on any date that is not a Scheduled Debit Date.

We require monthly invoices. Yes No

PAD Category: Business

3. TERMS AND CONDITIONS

If our financial institution dishonours any debit for any reason, you may issue another debit in substitution for the dishonoured debit. You will have no liability on account of a dishonoured debit.

We represent and warrant (i) that all persons whose signatures are required to sign on the Account have signed this Authorization and (ii) that all Account information we provide is accurate. We will immediately notify you, in writing, of any change in the Account information and, in any event, at least 10 business days prior to the next Scheduled Debit Date.

We have certain recourse rights if any debit does not comply with this Authorization. For example, we have the right to be reimbursed for any debit that is not authorized or is not consistent with this Authorization. For more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

We may cancel this Authorization at any time by written notice to you, which notice will be effective 10 days after receipt; however, our cancellation of this Authorization does not terminate, cancel or reduce our obligations under the Contract. For a sample cancellation form, or more information on our right to cancel this Authorization, we may contact our financial institution or www.cdnpay.ca.

You may assign this Authorization, directly or indirectly, by operation of law, change of control or otherwise, without notice, unless notice is required by law.

We can contact you at the address below to make inquiries, obtain information or seek any recourse rights.

We understand that you will not notify us in advance of any withdrawal and we agree to waive all pre-notification requirements in respect of all debits drawn under this Authorization.

4. BANK ACCOUNT INFORMATION

Please attach a sample cheque with "VOID" written on it.

SIGNATURES

For a joint account, the signatures of all accountholders must appear on this Authorization.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4

Phone: 1-800-561-3771, Fax: 289-291-2235



Payment Schedule
Contract Number 104-50009685

This Payment Schedule forms part of the Lease Agreement for the Transaction Number set out above between the Lessor and the Lessee named below.

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. PAYMENT SCHEDULE

Number of Payments	from (date)	to (date)	Base Lease Payment (CAD)	GST/HST	PST/QST	Total Lease Payment (CAD)
6	October 23, 2020	March 23, 2021	4,509.53	586.24	0.00	5,095.77
6	April 23, 2021	September 23, 2021	0.00	0.00	0.00	0.00
6	October 23, 2021	March 23, 2022	4,509.53	586.24	0.00	5,095.77
6	April 23, 2022	September 23, 2022	0.00	0.00	0.00	0.00
6	October 23, 2022	March 23, 2023	4,509.53	586.24	0.00	5,095.77
6	April 23, 2023	September 23, 2023	0.00	0.00	0.00	0.00
6	October 23, 2023	March 23, 2024	4,509.53	586.24	0.00	5,095.77
6	April 23, 2024	September 23, 2024	0.00	0.00	0.00	0.00
6	October 23, 2024	March 23, 2025	4,509.53	586.24	0.00	5,095.77

SIGNATURES

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

INSURANCE CARRIER FORM
Contract Number 104-50009685



1. PARTIES

CUSTOMER:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

2. TERMS AND CONDITIONS

Per your Lease agreement with us, you must arrange physical damage and general liability insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance satisfies minimum financial requirements.

Physical Damage coverage must show that Caterpillar Financial Services Limited has been named as loss payee for the equipment's replacement value. The deductible must be shown.

Liability Coverage must be a minimum of \$1,000,000 of combined coverage for bodily injury and property damage per occurrence. Caterpillar Financial Services Limited must be named as additional insured.

Please complete this form to provide contact information for your physical damage coverage as well as your liability coverage.

I have entered into the above agreement under which **I am responsible for providing insurance against ALL RISKS** of direct physical loss or damage for the actual cash value of the following equipment, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc.

<u>Year/Make/Model#</u>	<u>Equipment Description</u>	<u>Serial #</u>	<u>Vin #</u>	<u>Value</u>
NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER		CAT0926MHW5L00606		\$210,500.00

Insurance Agency

Insurance Agent's Name

Street Address

City

Zip

Agent's Phone Number

Fax number

E-mail Address

3. SIGNATURES

TO BE COMPLETED BY CUSTOMER:

I hereby instruct you to add Caterpillar Financial Services Limited as a Loss Payee and additional insured:

- [] To my existing policy number(s) _____, which now provide the coverage required, or
[] To a policy which you are authorized to issue in the name listed above which will provide the coverage required.

Caterpillar Financial Services Limited must be given notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person shall not invalidate the insurance to Caterpillar Financial Services Limited.

Signature _____

Name (print) _____

Title _____

Date _____

PROCESSING OF THIS TRANSACTION MAY BE HELD PENDING RECEIPT OF THIS INFORMATION

TO BE COMPLETED BY INSURANCE AGENT:

I verify that the equipment listed on the previous page has been added to the policy/policies listed above, naming Caterpillar Financial Services Limited as Loss Payee for physical/ property damage and Additional insured for general liability coverage as their interest may appear.

Insured Name: _____

Policy number: _____

Expiry Date: _____

Insurance Company Name: _____

Agent Name: _____

Agent Signature: _____

Date Signed: _____

OR:

PLEASE FORWARD A COPY OF THE CERTIFICATE OR BINDER EVIDENCING COVERAGE TO:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
Fax: 888-244-0290
E-mail: CFSL.InsuranceMailbox@cat.com

Purchase Agreement
Contract Number 104-50009685

This Purchase Agreement (this "Agreement") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Seller named below ("you" or "your").

1. PARTIES

BUYER:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

SELLER:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

2. DESCRIPTION OF UNITS

You agree to sell to us, and we agree to buy from you, the units described below (collectively, the "Units"), subject to the terms and conditions of this Agreement.

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	TOTAL PRICE
(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MHW5L00606	\$210,500.00

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Financing Fees - Dealer Portion	380.00
Subtotal	210,880.00
HST R892135443	27,414.40
PST	Exempt
Total Purchase Price	238,294.40

Equipment Delivery Point:

128 SACKVILLE ROAD
SAULT STE. MARIE, ON P6B 4T6

ADDITIONAL TERMS

- The lessee named above ("Lessee") has, (i) with your assistance, selected the Units, (ii) instructed us to buy the Units from you, and (iii) agreed to lease the Units from us pursuant to a Lease Agreement (the "Lease").
- We will have no obligation under this Agreement (and you will promptly refund any sums we have previously paid to you with respect to the Units) unless (i) all of the conditions set forth in Section 3 (if Lease) / 4 (if Master Lease) of the Lease have been fulfilled in a timely manner and (ii) the Lessee has not communicated to us, prior to Delivery (as defined below) of the Units, an intent not to lease the Units from us. All conditions specified in this Section 2 will be fulfilled in a timely manner unless we notify you to the contrary in writing or by email or facsimile prior to Delivery of the Units. "Delivery" means the later of the time (a) we execute this Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Units.
- Upon Delivery of the Units and provided that the conditions in Section 2 are satisfied, ownership, title and risk of loss to the Units will transfer to us.
- You represent and warrant that (i) upon Delivery of the Units we will be the owner of and have absolute title to the Units free and clear of all claims, liens, security interests, hypothecs and other encumbrances, and (ii) you have not received any deposit or other payment from the Lessee in connection with the Units.
- You will forever warrant and defend the sale of the Units to us, and our successors and assigns, against any person claiming an interest in the Units.
- Upon satisfaction of the conditions in Section 2, and except as provided in Section 2, we will pay you the Total Purchase Price for the Units within 3 business days following the receipt and approval by us of all documentation deemed necessary by us in connection with the Lease.
- You will deliver the Units to the Lessee at the Location of Units specified in the Lease.
- We may assign this Agreement to a third party without notice to you or your consent. You agree to assist us in any assignment if we so request. You may not assign this Agreement without our consent. Each reference in this Agreement to "we", "us" or "our" includes our successors and assigns. This Agreement is for the benefit of, and is binding upon, you and us and your and our permitted successors and assigns.
- This Agreement will not become effective until it has been signed by our duly authorized representative. This Agreement is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.
- We and you acknowledge having expressly requested that this Agreement and all related documents and notices be drafted in the English language. *Nous et vous reconnaissons avoir expressément requis que ce contrat et les documents et avis qui s'y rattachent soient rédigés en langue anglaise.*

SIGNATURES

BUYER

CATERPILLAR FINANCIAL SERVICES LIMITED

SELLER

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Amortization Schedule

Transaction Number 4045642
 Customer THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 Model 926M Small Wheel Loader
 Serial Number CAT0926MHW5L00606

Date	Number of Payments Made	Starting Balance	Loan	Payments	Residual	Principal	Interest	Interest Rate	Ending Balance
Oct-23-20	0	0	211,050.00	0	0	0	0	0	211,050.00
Oct-23-20	1	211,050.00	0	4,509.53	0.00	4,509.53	0.00	2.65%	206,540.47
Nov-23-20	2	206,540.47	0	4,509.53	0.00	4,053.42	456.11	2.65%	202,487.05
Dec-23-20	3	202,487.05	0	4,509.53	0.00	4,062.37	447.16	2.65%	198,424.68
				-----	-----	-----	-----	-----	
				13,528.59	0.00	12,625.32	903.27		
Jan-23-21	4	198,424.68	0.00	4,509.53	0.00	4,071.35	438.18	2.65%	194,353.33
Feb-23-21	5	194,353.33	0	4,509.53	0.00	4,080.34	429.19	2.65%	190,272.99
Mar-23-21	6	190,272.99	0	4,509.53	0.00	4,089.35	420.18	2.65%	186,183.64
Apr-23-21	7	186,183.64	0	0.00	0.00	(411.16)	411.16	2.65%	186,594.80
May-23-21	8	186,594.80	0	0.00	0.00	(412.06)	412.06	2.65%	187,006.86
Jun-23-21	9	187,006.86	0	0.00	0.00	(412.97)	412.97	2.65%	187,419.83
Jul-23-21	10	187,419.83	0	0.00	0.00	(413.89)	413.89	2.65%	187,833.72
Aug-23-21	11	187,833.72	0	0.00	0.00	(414.80)	414.80	2.65%	188,248.52
Sep-23-21	12	188,248.52	0	0.00	0.00	(415.72)	415.72	2.65%	188,664.24
Oct-23-21	13	188,664.24	0	4,509.53	0.00	4,092.90	416.63	2.65%	184,571.34
Nov-23-21	14	184,571.34	0	4,509.53	0.00	4,101.94	407.59	2.65%	180,469.40
Dec-23-21	15	180,469.40	0	4,509.53	0.00	4,111.00	398.53	2.65%	176,358.40
				-----	-----	-----	-----	-----	
				27,057.18	0.00	22,066.28	4,990.90		
Jan-23-22	16	176,358.40	0.00	4,509.53	0.00	4,120.08	389.45	2.65%	172,238.32
Feb-23-22	17	172,238.32	0	4,509.53	0.00	4,129.17	380.36	2.65%	168,109.15
Mar-23-22	18	168,109.15	0	4,509.53	0.00	4,138.29	371.24	2.65%	163,970.86
Apr-23-22	19	163,970.86	0	0.00	0.00	(362.10)	362.10	2.65%	164,332.96
May-23-22	20	164,332.96	0	0.00	0.00	(362.90)	362.90	2.65%	164,695.86
Jun-23-22	21	164,695.86	0	0.00	0.00	(363.70)	363.70	2.65%	165,059.56
Jul-23-22	22	165,059.56	0	0.00	0.00	(364.51)	364.51	2.65%	165,424.07
Aug-23-22	23	165,424.07	0	0.00	0.00	(365.31)	365.31	2.65%	165,789.38
Sep-23-22	24	165,789.38	0	0.00	0.00	(366.12)	366.12	2.65%	166,155.50
Oct-23-22	25	166,155.50	0	4,509.53	0.00	4,142.61	366.92	2.65%	162,012.89
Nov-23-22	26	162,012.89	0	4,509.53	0.00	4,151.76	357.77	2.65%	157,861.13
Dec-23-22	27	157,861.13	0	4,509.53	0.00	4,160.92	348.61	2.65%	153,700.21
				-----	-----	-----	-----	-----	
				27,057.18	0.00	22,658.19	4,398.99		
Jan-23-23	28	153,700.21	0.00	4,509.53	0.00	4,170.11	339.42	2.65%	149,530.10
Feb-23-23	29	149,530.10	0	4,509.53	0.00	4,179.32	330.21	2.65%	145,350.78
Mar-23-23	30	145,350.78	0	4,509.53	0.00	4,188.55	320.98	2.65%	141,162.23
Apr-23-23	31	141,162.23	0	0.00	0.00	(311.73)	311.73	2.65%	141,473.96
May-23-23	32	141,473.96	0	0.00	0.00	(312.42)	312.42	2.65%	141,786.38
Jun-23-23	33	141,786.38	0	0.00	0.00	(313.11)	313.11	2.65%	142,099.49
Jul-23-23	34	142,099.49	0	0.00	0.00	(313.80)	313.80	2.65%	142,413.29
Aug-23-23	35	142,413.29	0	0.00	0.00	(314.50)	314.50	2.65%	142,727.79
Sep-23-23	36	142,727.79	0	0.00	0.00	(315.19)	315.19	2.65%	143,042.98
Oct-23-23	37	143,042.98	0	4,509.53	0.00	4,193.65	315.88	2.65%	138,849.33
Nov-23-23	38	138,849.33	0	4,509.53	0.00	4,202.91	306.62	2.65%	134,646.42
Dec-23-23	39	134,646.42	0	4,509.53	0.00	4,212.19	297.34	2.65%	130,434.23
				-----	-----	-----	-----	-----	
				27,057.18	0.00	23,265.98	3,791.20		
Jan-23-24	40	130,434.23	0.00	4,509.53	0.00	4,221.49	288.04	2.65%	126,212.74
Feb-23-24	41	126,212.74	0	4,509.53	0.00	4,230.81	278.72	2.65%	121,981.93

4045642

Caterpillar Financial Services Limited

Page 1

Mar-23-24	42	121,981.93	0	4,509.53	0.00	4,240.16	269.37	2.65%	117,741.77
Apr-23-24	43	117,741.77	0	0.00	0.00	(260.01)	260.01	2.65%	118,001.78
May-23-24	44	118,001.78	0	0.00	0.00	(260.59)	260.59	2.65%	118,262.37
Jun-23-24	45	118,262.37	0	0.00	0.00	(261.16)	261.16	2.65%	118,523.53
Jul-23-24	46	118,523.53	0	0.00	0.00	(261.74)	261.74	2.65%	118,785.27
Aug-23-24	47	118,785.27	0	0.00	0.00	(262.32)	262.32	2.65%	119,047.59
Sep-23-24	48	119,047.59	0	0.00	0.00	(262.90)	262.90	2.65%	119,310.49
Oct-23-24	49	119,310.49	0	4,509.53	0.00	4,246.06	263.47	2.65%	115,064.43
Nov-23-24	50	115,064.43	0	4,509.53	0.00	4,255.43	254.10	2.65%	110,809.00
Dec-23-24	51	110,809.00	0	4,509.53	0.00	4,264.83	244.70	2.65%	106,544.17
			-----	-----	-----	-----	-----		
			27,057.18	0.00	23,890.06	3,167.12			
Jan-23-25	52	106,544.17	0.00	4,509.53	0.00	4,274.25	235.28	2.65%	102,269.92
Feb-23-25	53	102,269.92	0	4,509.53	0.00	4,283.69	225.84	2.65%	97,986.23
Mar-23-25	54	97,986.23	0	4,509.53	0.00	4,293.15	216.38	2.65%	93,693.08
Apr-23-25	55	93,693.08	0	0.00	93,900.00	93,693.09	206.91	2.65%	(0.01)
			-----	-----	-----	-----	-----		
			13,528.59	93,900.00	106,544.18	884.41			
total			135,285.90	93,900.00	211,050.01	18,135.89			

Caterpillar Financial Services Limited

INVOICE

Page	Date	Invoice No.
1	23/10/2020	104-50009685

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Description	Serial #	VIN#	Due Date	Pmt. No.	Amount
(1) 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MHW5L00606		Upon Receipt	1	4,509.53
Harmonized Sales Tax					586.24
RETURN PAYMENT COPY AND CHEQUE FOR SPECIFIED PAYMENT(S) WITH SIGNED LEASE DOCUMENTS.					
Your cheque will be cashed by Lessor upon receipt, but that act will not constitute acceptance by Lessor of the Lease or Schedule. If Lessor accepts and executes the Lease and/or Schedule, the proceeds of this cheque will be applied to the specified rental payments. If Lessor does not accept the Lease or Schedule, Lessor will return an amount equal to this cheque.					
WITHOUT TAX EXEMPTION CERTIFICATE, APPROPRIATE SALES/USE TAX WILL BE CHARGED.					

Harmonized Sales Tax #: 100843952

PLEASE PAY THIS AMOUNT

\$

5,095.77

Invoice No.	Total Enclosed
104-50009685 - 1	\$

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Remit To: **CATERPILLAR FINANCIAL SERVICES LIMITED**
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

If you have any questions concerning this invoice please call 1-800-651-0567.

Construction Equipment Application Survey
Contract Number 104-50009685

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 Superior Court, Unit 2
 Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 99 FOSTER DRIVE
 SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2020 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MHW5L00606 VIN #:

Monthly Usage: 92.67

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
 CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Ride Control, Tires, 4x4, Air Conditioning, Cab

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **92.67 hours per month** over a term of **54 months** for total usage during the Lease Term of **5,004.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 5,004.00 + Current Hours 0.00 = Total Allowable Machine Hours 5,004.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$27.04** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Cat Financial Document Package

Thank you for considering Caterpillar Financial, where our goal is to have Customers for Life. This package includes documents for your consideration regarding the proposed transaction below:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Dealer:TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
Transaction Number:4045644
Contract Number:104-50009686

Year/Make/Model Number	Serial Number	VIN	Equipment Location	Proposed Financed Amount
2021 CATERPILLAR 926M	CAT0926MJW5L00615		128 SACKVILLE ROAD SAULT STE. MARIE, ON P6B 4T6	\$211,050.00

Rental Amount: See Irregular Payment Schedule

Payment Due Date: See Irregular Payment Schedule

Insurance Requirements:

Physical Damage: Caterpillar Financial Services Limited named as Loss Payee

Coverage Limit: Financed Amount per machine as Stated Above

General Liability - Caterpillar Financial Services Limited named as Additional Insured

Coverage Limit: \$1,000,000 per occurrence

Invoices/Notices will be mailed to:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE, SAULT STE MARIE, ON P6A 5X6

Documents included in this package:

- 1) CA Amort Schedule OL With PaymentDate from Deal
- 2) CA English Construction Application Survey
- 3) CA English Financial Lease Agreement ROC
- 4) CA English Insurance Carrier Information National (Leases)
- 5) CA English Invoice National Form (All FPs)
- 6) CA English Payment Schedule National Form (Leases)
- 7) CA English Pre-Authorized Debit Form National Form (All FPs)
- 8) CA English Purchase Agreement

Additional Requirements/Notes:

If you have questions about this document package, please contact your dealer sales rep, dealer finance rep. We will mail you a copy of your executed documents and amortization schedule after closing of your transaction.

For questions after your transaction closes, or on any of your existing contracts, please contact Customer Service at 1-800-561-3771 or NABC.CustomerService@cat.com. You can also access your accounts online at www.catfinancial.com.

Thank you for your consideration!

This Lease Agreement (together with each addendum, schedule, Application Survey and rider attached to, or made a part of, this lease and any amendments made from time to time being collectively referred to as "this Lease") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Lessee named below ("you" or "your").

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
HST Registration #: 100843952
PST Registration #: 100843952

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the year, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	MONTHLY LEASE PAYMENT* (The total amount due each month if your payments are made on their due date or see attached Payment Schedule)	PURCHASE OPTION PRICE (see Section 15)	MAX TOTAL HOURS/USAGE (Maximum total usage of Unit - see Application Survey, if one is used for this Lease)	DELIVERY/RENTAL CONVERSION DATE (Enter date Unit was delivered to you or the date Unit was converted from a rental if you were previously renting)
	CAT0926MJW5L00615	Irreg. Payments	\$93,900.00	5004	

(1) NEW 2021 CATERPILLAR 926M SMALL WHEEL LOADER

*BASE MONTHLY PAYMENT:

HST:

PST:

MONTHLY LEASE PAYMENT:

SEE IRREGULAR PAYMENT SCHEDULE

COMMENCEMENT DATE:

LOCATION OF UNITS:

October 23, 2020

128 SACKVILLE ROAD

SAULT STE. MARIE, ON P6B

4T6

For a description of any other units that have been leased pursuant to this Lease, see the "Equipment Description Schedule" in the attached SCHEDULE A. For any other units that represent "Additional Collateral", see the "Additional Collateral" section of the attached SCHEDULE A ("Additional Collateral"). Each item of Additional Collateral identified in any attached SCHEDULE A is considered a Unit under the terms of this Lease.

In reliance on your selection of the units described above (together with all attachments, accessories and optional features, whether or not installed with any of those units, and all manufacturer manuals and instructions, being referred to in this Lease as a "Unit" or the "Units"), we have agreed to acquire and lease the Units (excluding any Additional Collateral) to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

You acknowledge that the Units (excluding any Additional Collateral) were delivered to you in good working condition and that you accepted them on the date indicated. If any of the Units (excluding any Additional Collateral) will be delivered to you after you sign this Lease, you agree to sign and deliver to us a separate delivery certificate.

Each addendum, schedule, application survey for a Unit (each, an "Application Survey") and rider that is referred to in this Lease and is attached to this Lease or is deemed to be attached to this Lease is incorporated into this Lease by reference and is deemed to be a part of this Lease.

TERMS AND CONDITIONS

- 3. Lease Term** The "Lease Term" for each Unit will start on the Commencement Date, as identified in the first page of this Lease and will continue for 54 months, unless we terminate this Lease in accordance with its terms. However, we have no obligation to enter into this Lease or pay the supplier of the Units (the "Supplier") for the Unit(s) until you have delivered to us all documents that we may reasonably request.
- 4. Lease Payment** You will pay us the monthly Lease Payments beginning October 23, 2020 and on the same date of each month thereafter (or the last day of the month, if there is no such date). The monthly Lease Payments will be due without demand. You will also pay us all other amounts payable by you under this Lease and under any other document delivered by you in connection with this Lease, including each applicable Application Survey (collectively, the "Lease Documents") when due (all such other payments, together with the monthly Lease Payments, being referred to in this Lease as the "Lease Payments"). You will pay all Lease Payments not otherwise payable by pre-authorized debit to us at Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4 or such other location that we designate in writing. You agree this Lease is a non-cancellable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.
- 5. Late Charges** If we do not receive a Lease Payment by the 14th day after the date the Lease Payment is due, you will be charged a late payment charge on the late Lease Payment equal to the lesser of (i) one and one half (1.5%) percent and (ii) the highest legal contract rate of interest.
- 6. Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or the Supplier of any of the Units. **We make no representations, warranties or conditions whatsoever, express or implied, with respect to this Lease or to any Unit.** Without limiting the generality of the foregoing, each Unit is leased "as is, where is". We make no representations, warranties or conditions as to the quality of materials or workmanship or that the materials or workmanship comply with the terms of any purchase order or agreement. We expressly disclaim, and you waive all other representations, warranties, conditions and claims, express or implied, arising by law or otherwise, with respect to any Unit or this Lease, including, without limitation, any representation, warranty or condition relating to: (a) the merchantability of any Unit; (b) any Unit's fitness for a particular purpose; (c) the course of performance, course of dealing or usage of trade; (d) any obligation, liability, right, claim or remedy in tort; (e) any obligation, liability, right, claim, or remedy for loss of or damage to any Unit, for loss of use, revenue, or profit with respect to any Unit, for any liability to any third party, or for any other indirect, incidental, or consequential damages, including strict or absolute liability in tort; and (f) any Unit's freedom from any lien, claim, security interest, hypothec or other encumbrance and its compliance with applicable laws, including patent laws. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit regarding the operation of any Unit). You agree to pursue only these third parties for any and all such claims. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.
- 7. Possession, Use and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon any Unit. (c) You will not sublease any Unit or permit the use of any Unit by anyone other than you. (d) You will not change the use of any Unit from that set out in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of any Unit from that set out above, without our prior written consent. (f) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, hypothec or encumbrance on any of your rights under this Lease or with respect to any Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right to inspect any Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter any Unit or affix any accessory or equipment to any Unit if doing so will impair its originally intended function or use or reduce its value. If added to any Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. All parts, accessories and equipment affixed to a Unit will become our property. All of your right, title and interest in such parts, accessories and equipment shall transfer automatically to us immediately upon such affixation without the need for any documents of transfer.
- 8. Taxes** You will pay when due, or promptly reimburse us for payment of, all taxes imposed on any Unit or Lease Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) charges that are imposed in connection with the ownership, possession, use, purchase (including by you pursuant to this Lease) or lease of any Unit from the time we purchase the Unit until it is returned to us or purchased by you and (iii) fines, penalties, interest or additions to any tax, fee or charge. You will remain responsible for the payment, or reimbursement of, any such taxes, fees and charges, regardless of when we receive notice of them. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If any Lease Payment under this Lease is deemed to include goods and services tax or harmonized sales tax or any similar value-added or multi-staged tax, the amount of such payment shall be increased accordingly. You will not deduct or withhold any taxes from a Lease Payment unless required by applicable law. If taxes are required to be deducted or withheld, the amount of the Lease Payment will be increased so that after the tax deduction or withholding (including any tax deduction or withholding required from the increased amount) we receive the amount that we would have received in the absence of any tax deduction or withholding, and you will also provide us with evidence of remittance of the taxes to the relevant tax authority. We may change the Monthly Lease Payment to reflect any increase or decrease in any taxes from time to time. You acknowledge that you have satisfied yourself as to the tax and accounting treatment of the Lease Documents for your purposes and have not relied on us as to those matters.
- 9. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under this Lease or any other Lease Document. A "Casualty Occurrence" will occur if any Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage or loss reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Lease. (d) In the event of a Casualty Occurrence, you will pay to us, on the first monthly Lease Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no monthly Lease Payment due date remaining) an amount (the "Liquidated Damages") equal to the sum of: (i) the present value of all future Lease Payments payable under this Lease for

such Unit to the end of the Lease Term for such Unit; (ii) the present value of the Purchase Option Price payable under this Lease for such Unit, as stated on the front of this Lease, plus applicable taxes, assuming that you had elected to purchase such Unit; and (iii) all other amounts then due under this Lease with respect to the Unit suffering the Casualty Occurrence (including any late charges and fees). Present values will be determined by us by discounting such amounts at the implicit interest rate which we have applied, in our sole discretion, to this Lease and our determination of such present values shall be conclusive, absent manifest error. Upon our receipt of the Liquidated Damages for the applicable Unit, the Lease Term with respect to such Unit shall terminate.

10. Release and Indemnity (a) You release and agree to indemnify, defend, and keep harmless, us, our successors and assigns, and our and their directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all claims, actions, damages, losses, penalties, fines, liabilities, charges, costs and expenses of whatever kind or nature, which arise in any way from or are related in any way to any Lease Document or any Unit including the use and contents of such Unit and any defects in respect of such Unit ("Claims") (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims for which we are or may be responsible when and as they become due. (b) You are entitled to control the defense of or to settle a Claim, so long as: (i) no Event of Default has occurred and is then continuing; (ii) you are financially capable of satisfying your obligations under this Section; and (iii) we approve your proposed defense counsel. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable legal fees and disbursements on a solicitor-client basis, incurred by any Indemnitee in defending or investigating any Claim or in enforcing this Section. Under no circumstances are we liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

11. Insurance You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the aggregate amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You will also provide us with all requested information. Upon demand, you must promptly deliver to us evidence of such insurance coverage.

12. Events of Default Each of the following is an event of default (each, an "Event of Default"): (a) you fail to make a payment when due; (b) a representation or warranty made to us in connection with any Lease Document is incorrect or misleading; (c) you fail to observe or perform any other covenant or agreement, and the failure continues for 10 days after written notice to you; (d) a default occurs under any other agreement between you or a guarantor of this Lease (each, a "Guarantor") and us or an affiliate of ours; (e) you, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors; (f) any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within 30 days after filing or appointment; (g) there is a material adverse change in your or a Guarantor's financial condition, business operations or prospects; (h) there is a termination, breach, or repudiation of a Guarantor's guarantee; and (i) any Unit becomes uninsured or subject to any sale, sublease, lien, claim, mortgage, security interest, hypothec or encumbrance (other than in our favour).

13. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Lease and as provided to a secured party under the *Personal Property Security Act* (Ontario) and any other applicable law. Among these rights and remedies are to: (a) bring a court action to recover damages; (b) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations and, by written notice to you, require you to pay us on the date set out in the notice, as a genuine pre-estimate of liquidated damages and not as penalty (and in addition to all other amounts owing under any of the Lease Documents including any amounts owing under this Section, an amount equal to the Liquidated Damages for all of the Units at such time); (c) recover any additional damages and expenses suffered by us due to the Event of Default; (d) enforce our security interests; (e) require you to assemble and return each Unit pursuant to Section 14; (f) enter premises where a Unit may be located and take immediate possession of, disable or remove such Unit (and any unattached parts) without notice, liability or legal process (and upon such repossession or disabling pursuant to this Section 13(f) or any return of such Unit under Section 13(e), your right to possess and use such Unit will terminate, but this Lease will remain in effect unless we expressly notify you of the cancellation of this Lease under Section 13(b)); (g) in the name of and as your irrevocably appointed agent and attorney and without terminating or being deemed to have terminated this Lease, sublease all or any of the Units to anyone else on such terms and conditions, for such rental and for such period of time as we see fit and receive such rental and hold the same and apply the same against any amounts payable by you under any of the Lease Documents; (h) store (including at your premises without liability) or sell, lease or otherwise dispose of the Units or any of them, at public or private sale, lease or other disposition, for cash or credit, and on such terms as we may determine; and (i) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, cancel the agreement on your behalf and upon such cancellation, we may also receive the refund of any fees that we financed but had not received from you as of the date of the Event of Default. You agree to pay all charges, costs, expenses and reasonable legal fees and disbursements (on a solicitor-client basis) incurred by us in enforcing this Lease. The proceeds of any sale, lease or disposition of a Unit will be applied, first, to reimburse us for all expenses of collection and enforcement of this Lease, including our legal fees and expenses and second, to obligations owed to us under this Lease as we may determine. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or any of our affiliates. You will promptly pay any deficiency to us. Except as prohibited by applicable law, we are entitled to retain any remaining proceeds after the exercise of our remedies. To the extent you are entitled to a refund from us, you agree we will have the right to offset any obligation that you have with us or our affiliates with such refund. The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. If you fail to perform any of your obligations under this Lease, we may (but need not) perform the obligations, without waiving or curing any breach of this Lease. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

14. Return of Unit On expiration of the Lease Term or if you do not elect to purchase the Unit(s) pursuant to this Lease, or if we demand possession of a Unit pursuant to the terms of this Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and any applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If a Unit is not in the condition required by Section 7 and any applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring such Unit into the required condition as we determine, acting reasonably, and you shall pay us a daily rental charge equal to 1/30th of the Monthly Lease Payment, plus any other costs and expenses each day until the Unit is brought into the required condition.

15. Purchase Option If no Event of Default has occurred and is continuing, you may, by notice delivered to us at least sixty (60) days prior to the end of the Lease Term elect to purchase on the end of the Lease Term any or all of the Units at a purchase price equal to the Purchase Option Price for such Unit, as stated on the first page of this Lease, plus any applicable taxes thereon. The purchase price will be due at the end of the Lease Term. Upon payment of such purchase price and all other amounts due under this Lease, plus any other costs and expenses due in connection with the transfer of such Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of

sale. The bill of sale will be delivered to you without any representations, warranties or conditions except that such Unit is free of all encumbrances of any person claiming through us. You will purchase such Unit from us on an **"AS IS, WHERE IS, WITH ALL FAULTS BASIS"**. If you do not elect to purchase a Unit, at the end of the Lease Term you will return such Unit to us as provided in Section 14 and all of your rights and interest in such Unit will automatically terminate. If you fail to purchase or return a Unit at the end of the Lease Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us for each such Unit a daily rental charge equal to 1/30th of the Monthly Lease Payment for such Unit each day until the day the Unit is purchased or returned to us.

16. Ownership; Security Interest Subject to your right to use and possess the Units as set out in this Lease, and subject to your purchase option in Section 15, title to the Units (excluding any Additional Collateral) remains with us. As additional security for your obligations to us under this Lease and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit, all substitutions, replacements and additions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interests in each Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations, Warranties and Covenants You represent, warrant and covenant to us that: (a) you will provide all financial information and reporting (including, but not limited to your financial statements) as we may reasonably require; (b) all credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete; (c) you will not change your name, principal place of business or primary residence and, if you are a business entity, your jurisdiction of formation or form of business organization or change the jurisdiction in which your chief executive office or registered office is located, without prior written notice to us, or enter into any merger, amalgamation, consolidation or restructuring without our prior written consent; and (d) this Lease constitutes your valid obligation, legally binding on you and enforceable according to its terms.

18. Unit Monitoring Systems In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and all of its subsidiaries or affiliates, including us (collectively "Caterpillar"), and Caterpillar dealers to access data concerning such Unit, its condition and its operation transmitted from the monitoring system. The information may be used (i) to administer, implement and enforce the terms of this Lease, (ii) recover the Unit if necessary, or (iii) to improve Caterpillar's products and services. You agree that information transmitted may include the serial number, VIN, Unit location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

19. Assignment; Counterparts We may assign, sell, concurrently lease or otherwise dispose of, or encumber (each, an "Assignment"), all or any part of the Lease Documents, the Lease Payments, and the Units, to anyone else (each, an "Assignee"), without notice to you or your consent. **The rights of any assignee will not be subject to any defense, counterclaim or set off which you may have against us.** If requested by us, you will assist us in any Assignment. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. This Lease is for the benefit of, and is binding upon, you and your permitted successors, assigns, heirs and executors and us and our successors and assigns (including any Assignee). You must not assign this Lease or any right or obligation under it without our prior written consent. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible. A signed copy of this Lease or any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

20. Personal Information Consent We may collect and use personal information provided by you in connection with this Lease and any related application for the purposes of verifying and evaluating the application, your identity (including for regulatory compliance purposes), creditworthiness (including by obtaining and using credit reports), and the information provided to us in connection with the application or this Lease. We may collect credit, financial and related personal information for these purposes from you or your application, our affiliates, credit bureaus and credit reporting agencies, from references that you may have provided in the application and other parties with whom you have had a financial or credit relationship. You consent to the disclosure of such information by these parties to us. Social Insurance Numbers or other personal identifiers, if provided, may be used to verify your identity, including matching credit records. Identity verification may also include checking your identity against watch lists established by regulatory agencies and similar bodies in Canada and foreign countries. We may, from time to time, use the information referred to above and other personal information collected or compiled by us in connection with this Lease (collectively, the "Information") and share the Information among and with us, Caterpillar and authorized Caterpillar dealers for the purposes of opening, administering, servicing and enforcing this Lease, collecting amounts owing to us, verifying and evaluating your current and ongoing creditworthiness and financial status, and responding to inquiries and otherwise communicating with you regarding the account. For the purpose of maintaining your credit history and providing credit references, we may from time to time disclose credit-related Information to credit bureaus, credit reporting agencies and to your current or future creditors. We may use and exchange your banking information with financial institutions for payment processing purposes. We may otherwise use the Information and disclose the Information to third parties: (i) to register security interests; (ii) to enforce security, this Lease and otherwise collect amounts owing to us; (iii) for the purposes of detecting and preventing fraud; (iv) in connection with audits; (v) for the purposes of meeting legal, regulatory, risk management and security requirements; and (vi) as permitted or required by law (including as required by foreign laws applicable to us and our agents or service providers). We may use and disclose the Information to our assigns, prospective assigns and other third parties that are connected with the proposed or actual financing, securitization, insuring, sale, assignment or other disposal of all or part of our business or assets (including this Lease and amounts owing to us) for the purposes of permitting a prospective assign to evaluate your creditworthiness and otherwise determine whether to proceed or continue with the transaction, fulfilling any reporting or audit requirements to such parties, or completing the transaction. Our successors and assigns may collect, use, and disclose the Information for substantially the same purposes as described in this Lease. We may use agents and service providers (including Caterpillar acting in that capacity) to collect, use, store or process the Information on our behalf for the purposes described in this Lease. Some of these agents or service providers may be located outside of Canada, including the United States, where local laws may permit governmental, law enforcement, or regulatory authorities or courts to have access to the Information. We may, from time to time, use the Information and share the Information among and with Caterpillar to promote and market additional products or services of Caterpillar to you. You may refuse consent for this purpose by contacting us at 1-800-651-0567.

To request access to, or correction of the Information, or if you have any questions about how we handle the Information, please contact us at the address designated above or as otherwise designated by us. The consents provided above shall be valid for so long as required to fulfill the purposes described in this Lease.

21. Effect of Waiver; Entire Agreement; Notices; Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and all Lease Documents completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province. You consent to the jurisdiction of any appropriate court located within that Province. If you are a corporation, you agree that *The Limitation of Civil Rights Act (Saskatchewan)*, as it may be changed from time to time, will not apply to this Lease or to our rights, powers or remedies and you waive and release all benefits under those laws and any similar laws of any jurisdiction to the fullest extent permitted by law. Where permitted by law, you waive your rights to receive a copy of any financing statement, financing change statement, verification statement or other similar

instrument filed or issued at any time in respect of this Lease or any amendment of this Lease. **The parties waive the right to trial by jury in any action arising out of or related to this Lease, the obligations or the Units.**

22. No Agency; Modification of Lease No person or entity, including, without limitation, the Supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in

blanks, including correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All your obligations under this Lease survive the expiration or termination of this Lease if necessary to give full effect to the terms of this Lease. Time is of the essence under this Lease

You represent and warrant to us that you have entered into this Lease for business purposes only and not for personal, family or household purposes and that you are not a "consumer" under any applicable consumer protection legislation or cost of credit disclosure legislation. You acknowledge that we are relying on the truth of the previous sentence in deciding on whether to enter into this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including any applicable Application Survey.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (Print) _____

Title _____

Date _____

LESSEE
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (Print) _____

Title _____

Date _____

Direct Pay (Pre-Authorized Debit) Authorization
Contract Number 104-50009686



1. CUSTOMER INFORMATION

Name THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Name _____

2. PRE-AUTHORIZED DEBIT (PAD) DETAILS

Each of the accountholder(s) ("we", "us" or "our") signing this Direct Pay (Pre-Authorized Debit) Authorization ("this Authorization") authorizes Caterpillar Financial Services Limited ("you" or "your"), on your own behalf or as agent for any assignee, to debit our bank account set out below or any other bank account that we may identify to you from time to time ("Account") for: (i) the amount of each payment due under the CAT Financial Lease Agreement in respect of the Contract Number 104-50009686 (together with all other documents delivered to you in connection with such agreement, the "Contract") on or shortly after its payment due date ("Scheduled Debit Date") as set out in the Contract and (ii) any other amount that may become due under the Contract from time to time (including, without limitation, late payment charges, NSF and other charges) on the next Scheduled Debit Date. You will obtain our authorization to debit our account on any date that is not a Scheduled Debit Date.

We require monthly invoices. Yes No

PAD Category: Business

3. TERMS AND CONDITIONS

If our financial institution dishonours any debit for any reason, you may issue another debit in substitution for the dishonoured debit. You will have no liability on account of a dishonoured debit.

We represent and warrant (i) that all persons whose signatures are required to sign on the Account have signed this Authorization and (ii) that all Account information we provide is accurate. We will immediately notify you, in writing, of any change in the Account information and, in any event, at least 10 business days prior to the next Scheduled Debit Date.

We have certain recourse rights if any debit does not comply with this Authorization. For example, we have the right to be reimbursed for any debit that is not authorized or is not consistent with this Authorization. For more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

We may cancel this Authorization at any time by written notice to you, which notice will be effective 10 days after receipt; however, our cancellation of this Authorization does not terminate, cancel or reduce our obligations under the Contract. For a sample cancellation form, or more information on our right to cancel this Authorization, we may contact our financial institution or www.cdnpay.ca.

You may assign this Authorization, directly or indirectly, by operation of law, change of control or otherwise, without notice, unless notice is required by law.

We can contact you at the address below to make inquiries, obtain information or seek any recourse rights.

We understand that you will not notify us in advance of any withdrawal and we agree to waive all pre-notification requirements in respect of all debits drawn under this Authorization.

4. BANK ACCOUNT INFORMATION

Please attach a sample cheque with "VOID" written on it.

SIGNATURES

For a joint account, the signatures of all accountholders must appear on this Authorization.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4

Phone: 1-800-561-3771, Fax: 289-291-2235



Payment Schedule
Contract Number 104-50009686

This Payment Schedule forms part of the Lease Agreement for the Transaction Number set out above between the Lessor and the Lessee named below.

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. PAYMENT SCHEDULE

Number of Payments	from (date)	to (date)	Base Lease Payment (CAD)	GST/HST	PST/QST	Total Lease Payment (CAD)
6	October 23, 2020	March 23, 2021	4,509.53	586.24	0.00	5,095.77
6	April 23, 2021	September 23, 2021	0.00	0.00	0.00	0.00
6	October 23, 2021	March 23, 2022	4,509.53	586.24	0.00	5,095.77
6	April 23, 2022	September 23, 2022	0.00	0.00	0.00	0.00
6	October 23, 2022	March 23, 2023	4,509.53	586.24	0.00	5,095.77
6	April 23, 2023	September 23, 2023	0.00	0.00	0.00	0.00
6	October 23, 2023	March 23, 2024	4,509.53	586.24	0.00	5,095.77
6	April 23, 2024	September 23, 2024	0.00	0.00	0.00	0.00
6	October 23, 2024	March 23, 2025	4,509.53	586.24	0.00	5,095.77

SIGNATURES

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

INSURANCE CARRIER FORM
Contract Number 104-50009686



1. PARTIES

CUSTOMER:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

2. TERMS AND CONDITIONS

Per your Lease agreement with us, you must arrange physical damage and general liability insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance satisfies minimum financial requirements.

Physical Damage coverage must show that Caterpillar Financial Services Limited has been named as loss payee for the equipment's replacement value. The deductible must be shown.

Liability Coverage must be a minimum of \$1,000,000 of combined coverage for bodily injury and property damage per occurrence. Caterpillar Financial Services Limited must be named as additional insured.

Please complete this form to provide contact information for your physical damage coverage as well as your liability coverage.

I have entered into the above agreement under which **I am responsible for providing insurance against ALL RISKS** of direct physical loss or damage for the actual cash value of the following equipment, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc.

<u>Year/Make/Model#</u>	<u>Equipment Description</u>	<u>Serial #</u>	<u>Vin #</u>	<u>Value</u>
NEW 2021 CATERPILLAR 926M SMALL WHEEL LOADER		CAT0926MJW5L00615		\$210,500.00

Insurance Agency

Insurance Agent's Name

Street Address

City

Zip

Agent's Phone Number

Fax number

E-mail Address

3. SIGNATURES

TO BE COMPLETED BY CUSTOMER:

I hereby instruct you to add Caterpillar Financial Services Limited as a Loss Payee and additional insured:

- To my existing policy number(s) _____, which now provide the coverage required, or
 To a policy which you are authorized to issue in the name listed above which will provide the coverage required.

Caterpillar Financial Services Limited must be given notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person shall not invalidate the insurance to Caterpillar Financial Services Limited.

Signature _____

Name (print) _____

Title _____

Date _____

PROCESSING OF THIS TRANSACTION MAY BE HELD PENDING RECEIPT OF THIS INFORMATION

TO BE COMPLETED BY INSURANCE AGENT:

I verify that the equipment listed on the previous page has been added to the policy/policies listed above, naming Caterpillar Financial Services Limited as Loss Payee for physical/ property damage and Additional insured for general liability coverage as their interest may appear.

Insured Name: _____

Policy number: _____

Expiry Date: _____

Insurance Company Name: _____

Agent Name: _____

Agent Signature: _____

Date Signed: _____

OR:

PLEASE FORWARD A COPY OF THE CERTIFICATE OR BINDER EVIDENCING COVERAGE TO:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
Fax: 888-244-0290
E-mail: CFSL.InsuranceMailbox@cat.com

Purchase Agreement
Contract Number 104-50009686

This Purchase Agreement (this "Agreement") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Seller named below ("you" or "your").

1. PARTIES

BUYER:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

SELLER:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

2. DESCRIPTION OF UNITS

You agree to sell to us, and we agree to buy from you, the units described below (collectively, the "Units"), subject to the terms and conditions of this Agreement.

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	TOTAL PRICE
(1) NEW 2021 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MJW5L00615	\$210,500.00

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Financing Fees - Dealer Portion	380.00
Subtotal	210,880.00
HST R892135443	27,414.40
PST	Exempt
Total Purchase Price	238,294.40

Equipment Delivery Point:

128 SACKVILLE ROAD
SAULT STE. MARIE, ON P6B 4T6

ADDITIONAL TERMS

- The lessee named above ("Lessee") has, (i) with your assistance, selected the Units, (ii) instructed us to buy the Units from you, and (iii) agreed to lease the Units from us pursuant to a Lease Agreement (the "Lease").
- We will have no obligation under this Agreement (and you will promptly refund any sums we have previously paid to you with respect to the Units) unless (i) all of the conditions set forth in Section 3 (if Lease) / 4 (if Master Lease) of the Lease have been fulfilled in a timely manner and (ii) the Lessee has not communicated to us, prior to Delivery (as defined below) of the Units, an intent not to lease the Units from us. All conditions specified in this Section 2 will be fulfilled in a timely manner unless we notify you to the contrary in writing or by email or facsimile prior to Delivery of the Units. "Delivery" means the later of the time (a) we execute this Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Units.
- Upon Delivery of the Units and provided that the conditions in Section 2 are satisfied, ownership, title and risk of loss to the Units will transfer to us.
- You represent and warrant that (i) upon Delivery of the Units we will be the owner of and have absolute title to the Units free and clear of all claims, liens, security interests, hypothecs and other encumbrances, and (ii) you have not received any deposit or other payment from the Lessee in connection with the Units.
- You will forever warrant and defend the sale of the Units to us, and our successors and assigns, against any person claiming an interest in the Units.
- Upon satisfaction of the conditions in Section 2, and except as provided in Section 2, we will pay you the Total Purchase Price for the Units within 3 business days following the receipt and approval by us of all documentation deemed necessary by us in connection with the Lease.
- You will deliver the Units to the Lessee at the Location of Units specified in the Lease.
- We may assign this Agreement to a third party without notice to you or your consent. You agree to assist us in any assignment if we so request. You may not assign this Agreement without our consent. Each reference in this Agreement to "we", "us" or "our" includes our successors and assigns. This Agreement is for the benefit of, and is binding upon, you and us and your and our permitted successors and assigns.
- This Agreement will not become effective until it has been signed by our duly authorized representative. This Agreement is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.
- We and you acknowledge having expressly requested that this Agreement and all related documents and notices be drafted in the English language. *Nous et vous reconnaissons avoir expressément requis que ce contrat et les documents et avis qui s'y rattachent soient rédigés en langue anglaise.*

SIGNATURES

BUYER

CATERPILLAR FINANCIAL SERVICES LIMITED

SELLER

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Amortization Schedule

Transaction Number 4045644
 Customer THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 Model 926M Small Wheel Loader
 Serial Number CAT0926MJW5L00615

Date	Number of Payments Made	Starting Balance	Loan	Payments	Residual	Principal	Interest	Interest Rate	Ending Balance
Oct-23-20	0	0	211,050.00	0	0	0	0	0	211,050.00
Oct-23-20	1	211,050.00	0	4,509.53	0.00	4,509.53	0.00	2.65%	206,540.47
Nov-23-20	2	206,540.47	0	4,509.53	0.00	4,053.42	456.11	2.65%	202,487.05
Dec-23-20	3	202,487.05	0	4,509.53	0.00	4,062.37	447.16	2.65%	198,424.68
				-----	-----	-----	-----		
				13,528.59	0.00	12,625.32	903.27		
Jan-23-21	4	198,424.68	0.00	4,509.53	0.00	4,071.35	438.18	2.65%	194,353.33
Feb-23-21	5	194,353.33	0	4,509.53	0.00	4,080.34	429.19	2.65%	190,272.99
Mar-23-21	6	190,272.99	0	4,509.53	0.00	4,089.35	420.18	2.65%	186,183.64
Apr-23-21	7	186,183.64	0	0.00	0.00	(411.16)	411.16	2.65%	186,594.80
May-23-21	8	186,594.80	0	0.00	0.00	(412.06)	412.06	2.65%	187,006.86
Jun-23-21	9	187,006.86	0	0.00	0.00	(412.97)	412.97	2.65%	187,419.83
Jul-23-21	10	187,419.83	0	0.00	0.00	(413.89)	413.89	2.65%	187,833.72
Aug-23-21	11	187,833.72	0	0.00	0.00	(414.80)	414.80	2.65%	188,248.52
Sep-23-21	12	188,248.52	0	0.00	0.00	(415.72)	415.72	2.65%	188,664.24
Oct-23-21	13	188,664.24	0	4,509.53	0.00	4,092.90	416.63	2.65%	184,571.34
Nov-23-21	14	184,571.34	0	4,509.53	0.00	4,101.94	407.59	2.65%	180,469.40
Dec-23-21	15	180,469.40	0	4,509.53	0.00	4,111.00	398.53	2.65%	176,358.40
				-----	-----	-----	-----		
				27,057.18	0.00	22,066.28	4,990.90		
Jan-23-22	16	176,358.40	0.00	4,509.53	0.00	4,120.08	389.45	2.65%	172,238.32
Feb-23-22	17	172,238.32	0	4,509.53	0.00	4,129.17	380.36	2.65%	168,109.15
Mar-23-22	18	168,109.15	0	4,509.53	0.00	4,138.29	371.24	2.65%	163,970.86
Apr-23-22	19	163,970.86	0	0.00	0.00	(362.10)	362.10	2.65%	164,332.96
May-23-22	20	164,332.96	0	0.00	0.00	(362.90)	362.90	2.65%	164,695.86
Jun-23-22	21	164,695.86	0	0.00	0.00	(363.70)	363.70	2.65%	165,059.56
Jul-23-22	22	165,059.56	0	0.00	0.00	(364.51)	364.51	2.65%	165,424.07
Aug-23-22	23	165,424.07	0	0.00	0.00	(365.31)	365.31	2.65%	165,789.38
Sep-23-22	24	165,789.38	0	0.00	0.00	(366.12)	366.12	2.65%	166,155.50
Oct-23-22	25	166,155.50	0	4,509.53	0.00	4,142.61	366.92	2.65%	162,012.89
Nov-23-22	26	162,012.89	0	4,509.53	0.00	4,151.76	357.77	2.65%	157,861.13
Dec-23-22	27	157,861.13	0	4,509.53	0.00	4,160.92	348.61	2.65%	153,700.21
				-----	-----	-----	-----		
				27,057.18	0.00	22,658.19	4,398.99		
Jan-23-23	28	153,700.21	0.00	4,509.53	0.00	4,170.11	339.42	2.65%	149,530.10
Feb-23-23	29	149,530.10	0	4,509.53	0.00	4,179.32	330.21	2.65%	145,350.78
Mar-23-23	30	145,350.78	0	4,509.53	0.00	4,188.55	320.98	2.65%	141,162.23
Apr-23-23	31	141,162.23	0	0.00	0.00	(311.73)	311.73	2.65%	141,473.96
May-23-23	32	141,473.96	0	0.00	0.00	(312.42)	312.42	2.65%	141,786.38
Jun-23-23	33	141,786.38	0	0.00	0.00	(313.11)	313.11	2.65%	142,099.49
Jul-23-23	34	142,099.49	0	0.00	0.00	(313.80)	313.80	2.65%	142,413.29
Aug-23-23	35	142,413.29	0	0.00	0.00	(314.50)	314.50	2.65%	142,727.79
Sep-23-23	36	142,727.79	0	0.00	0.00	(315.19)	315.19	2.65%	143,042.98
Oct-23-23	37	143,042.98	0	4,509.53	0.00	4,193.65	315.88	2.65%	138,849.33
Nov-23-23	38	138,849.33	0	4,509.53	0.00	4,202.91	306.62	2.65%	134,646.42
Dec-23-23	39	134,646.42	0	4,509.53	0.00	4,212.19	297.34	2.65%	130,434.23
				-----	-----	-----	-----		
				27,057.18	0.00	23,265.98	3,791.20		
Jan-23-24	40	130,434.23	0.00	4,509.53	0.00	4,221.49	288.04	2.65%	126,212.74
Feb-23-24	41	126,212.74	0	4,509.53	0.00	4,230.81	278.72	2.65%	121,981.93

4045644

Caterpillar Financial Services Limited

Page 1

Mar-23-24	42	121,981.93	0	4,509.53	0.00	4,240.16	269.37	2.65%	117,741.77
Apr-23-24	43	117,741.77	0	0.00	0.00	(260.01)	260.01	2.65%	118,001.78
May-23-24	44	118,001.78	0	0.00	0.00	(260.59)	260.59	2.65%	118,262.37
Jun-23-24	45	118,262.37	0	0.00	0.00	(261.16)	261.16	2.65%	118,523.53
Jul-23-24	46	118,523.53	0	0.00	0.00	(261.74)	261.74	2.65%	118,785.27
Aug-23-24	47	118,785.27	0	0.00	0.00	(262.32)	262.32	2.65%	119,047.59
Sep-23-24	48	119,047.59	0	0.00	0.00	(262.90)	262.90	2.65%	119,310.49
Oct-23-24	49	119,310.49	0	4,509.53	0.00	4,246.06	263.47	2.65%	115,064.43
Nov-23-24	50	115,064.43	0	4,509.53	0.00	4,255.43	254.10	2.65%	110,809.00
Dec-23-24	51	110,809.00	0	4,509.53	0.00	4,264.83	244.70	2.65%	106,544.17
			-----	-----	-----	-----	-----		
			27,057.18	0.00	23,890.06	3,167.12			
Jan-23-25	52	106,544.17	0.00	4,509.53	0.00	4,274.25	235.28	2.65%	102,269.92
Feb-23-25	53	102,269.92	0	4,509.53	0.00	4,283.69	225.84	2.65%	97,986.23
Mar-23-25	54	97,986.23	0	4,509.53	0.00	4,293.15	216.38	2.65%	93,693.08
Apr-23-25	55	93,693.08	0	0.00	93,900.00	93,693.09	206.91	2.65%	(0.01)
			-----	-----	-----	-----	-----		
			13,528.59	93,900.00	106,544.18	884.41			
total			135,285.90	93,900.00	211,050.01	18,135.89			

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2021 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MJW5L00615 VIN #:

Monthly Usage: 92.67

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Tires, 4x4, Ride Control, Cab, Air Conditioning

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- (a) You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- (b) The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- (c) Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- (d) You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- (e) Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- (f) You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- (g) You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- (h) You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **92.67 hours per month** over a term of **54 months** for total usage during the Lease Term of **5,004.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 5,004.00 + Current Hours 0.00 = Total Allowable Machine Hours 5,004.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$27.04** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Caterpillar Financial Services Limited

INVOICE

Page	Date	Invoice No.
1	23/10/2020	104-50009686

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Description	Serial #	VIN#	Due Date	Pmt. No.	Amount
(1) 2021 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MJW5L00615		Upon Receipt	1	4,509.53
Harmonized Sales Tax					586.24
RETURN PAYMENT COPY AND CHEQUE FOR SPECIFIED PAYMENT(S) WITH SIGNED LEASE DOCUMENTS.					
Your cheque will be cashed by Lessor upon receipt, but that act will not constitute acceptance by Lessor of the Lease or Schedule. If Lessor accepts and executes the Lease and/or Schedule, the proceeds of this cheque will be applied to the specified rental payments. If Lessor does not accept the Lease or Schedule, Lessor will return an amount equal to this cheque.					
WITHOUT TAX EXEMPTION CERTIFICATE, APPROPRIATE SALES/USE TAX WILL BE CHARGED.					

Harmonized Sales Tax #: 100843952

PLEASE PAY THIS AMOUNT

\$ 5,095.77

Invoice No.	Total Enclosed
104-50009686 - 1	\$

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Remit To: **CATERPILLAR FINANCIAL SERVICES LIMITED**
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

If you have any questions concerning this invoice please call 1-800-651-0567.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW 2020-199

AGREEMENT: (AGT5) A by-law to authorize the execution of the Agreement between the City and Paula Genua and Gino Genua to allow the City to continue to utilize a portion of 58 Churchill Avenue as a snow plough turnaround.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 9 of the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. EXECUTION OF DOCUMENT

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Agreement dated July 14, 2020 between the City and Paula Genua and Gino Genua, a copy of which is attached as Schedule "A" hereto. This Agreement is to allow the City to continue to utilize a portion of 58 Churchill Avenue as a snow plough turnaround.

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 26th day of October, 2020.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

Schedule "A"

TURNAROUND AGREEMENT

THIS AGREEMENT made this 14th day of July, 2020

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "City")
OF THE FIRST PART

AND

PAULA GENUA and GINO GENUA

("Genua")
OF THE SECOND PART

WHEREAS the City entered into an Agreement with Gina Parisi on the 15th day of July 2013 (the "City/Parisi Agreement") wherein Parisi gave permission to the City to use the northern portion of their property, described as PT LT 6 PL 12749, Korah as in T450938; Sault Ste. Marie, PIN 31582-0139 and known municipally as 58 Churchill Avenue for a snow plough turnaround;

AND WHEREAS the property previously described (the "Genua property") has subsequently changed ownership and is now owned by Genua;

AND WHEREAS the snow plough turnaround referred to in the City/Parisi Agreement is now located on the Genua property;

AND WHEREAS Genua desires to enter into a Snow Plough Turnaround Agreement with the City;

NOW THEREFORE in consideration of the rents, covenants and agreements herein contained and hereby assumed, the parties for themselves and their respective successors and assigns do hereby covenant and agree with one another as follows:

1. Genua grants the City permission to use the property identified as "Subject Area" on Schedule "A" attached hereto (the "Subject Property") as a Snow Plough Turnaround for and its servants, agents, contractors and its or their vehicles, supplies and equipment to complete work on behalf of the City;
2. This Agreement shall be in force during the period of November 1st, 2020 to May 1st, 2021 and annually thereafter (the "Term"), unless cancelled in writing by the City prior to September 1st in any succeeding year;
3. The City shall pay to Genua Two Hundred and Sixty-Four Dollars and Twenty-Three (\$264.23) Cents, prior to November 1st each year until this Agreement is cancelled in accordance with paragraph 2 herein. The amount payable shall be adjusted by the

percentage increase in the tax levy for each succeeding year for the Subject Property identified in paragraph 1;

4. The City agrees to save harmless Genua from and against all claims, demands, losses, costs, damages, actions, suits, or other proceedings, by whomsoever made, sustained, brought or prosecuted in any manner, based upon, occasioned by or attributable to any injury or damage arising or resulting from any act or omission of the City, its servants or agents in using or occupying the Subject Property during the Term;
5. The City will ensure that the Subject Property is left in good, clean condition and free of winter refuse prior to May 1st, 2021 and every year thereafter during the Term;
6. Genua agrees not to erect any building or structure on the Subject Property, and further agrees to remove any chattel from the Subject Property which would impede or otherwise prevent the City from using the Subject Property as described herein;
7. Genua agrees and acknowledges that this Agreement shall bind the Owner's heirs, executors, personal representatives, administrators, successors and assigns;
8. Genua consents to the registration of this Agreement on title to PIN 31582-00139, the Genua Property. The City shall pay all costs associated with such registration; and
9. The City/Parisi Agreement is hereby terminated.

IN WITNESS WHEREOF the parties hereto have signed this Agreement this day of July, 2020.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI


PAULA GENUA


GINO GENUA

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
BY-LAW 2020-200

AGREEMENT: (P5) A by-law to authorize the execution of the Agreement between the City and Toromont Cat, a division of Toromont Industries Ltd. for the lease of four (4) Articulated Front End Wheel Loaders.

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 9 of the *Municipal Act, 2001*, S.O. 2001, c. 25, **ENACTS** as follows:

1. EXECUTION OF DOCUMENT

The Mayor and City Clerk are hereby authorized for and in the name of the Corporation to execute and affix the seal of the Corporation to the Agreement between the City and Toromont Cat, a division of Toromont Industries Ltd., a copy of which is attached as Schedule "A" hereto. This Agreement is for the lease of four (4) Articulated Front End Wheel Loaders.

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 26th day of October, 2020.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

Schedule "A"
Cat Financial Document Package

Thank you for considering Caterpillar Financial, where our goal is to have Customers for Life. This package includes documents for your consideration regarding the proposed transaction below:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Dealer:TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
Transaction Number:4045643
Contract Number:104-50009683

Year/Make/Model Number	Serial Number	VIN	Equipment Location	Proposed Financed Amount
2020 CATERPILLAR 926M	CAT0926MTW5L00612		128 SACKVILLE ROAD SAULT STE. MARIE, ON P6B 4T6	\$211,050.00

Rental Amount: See Irregular Payment Schedule

Payment Due Date: See Irregular Payment Schedule

Insurance Requirements:

Physical Damage: Caterpillar Financial Services Limited named as Loss Payee

Coverage Limit: Financed Amount per machine as Stated Above

General Liability - Caterpillar Financial Services Limited named as Additional Insured

Coverage Limit: \$1,000,000 per occurrence

Invoices/Notices will be mailed to:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE, SAULT STE MARIE, ON P6A 5X6

Documents included in this package:

- 1) CA Amort Schedule OL With PaymentDate from Deal
- 2) CA English Construction Application Survey
- 3) CA English Financial Lease Agreement ROC
- 4) CA English Insurance Carrier Information National (Leases)
- 5) CA English Invoice National Form (All FPs)
- 6) CA English Payment Schedule National Form (Leases)
- 7) CA English Pre-Authorized Debit Form National Form (All FPs)
- 8) CA English Purchase Agreement

Additional Requirements/Notes:

If you have questions about this document package, please contact your dealer sales rep, dealer finance rep. We will mail you a copy of your executed documents and amortization schedule after closing of your transaction.

For questions after your transaction closes, or on any of your existing contracts, please contact Customer Service at 1-800-561-3771 or NABC.CustomerService@cat.com. You can also access your accounts online at www.catfinancial.com.

Thank you for your consideration!

This Lease Agreement (together with each addendum, schedule, Application Survey and rider attached to, or made a part of, this lease and any amendments made from time to time being collectively referred to as "this Lease") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Lessee named below ("you" or "your").

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
HST Registration #: 100843952
PST Registration #: 100843952

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the year, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	MONTHLY LEASE PAYMENT* (The total amount due each month if your payments are made on their due date or see attached Payment Schedule)	PURCHASE OPTION PRICE (see Section 15)	MAX TOTAL HOURS/USAGE (Maximum total usage of Unit - see Application Survey, if one is used for this Lease)	DELIVERY/RENTAL CONVERSION DATE (Enter date Unit was delivered to you or the date Unit was converted from a rental if you were previously renting)
	CAT0926MTW5L00612	Irreg. Payments	\$93,900.00	5004	

(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER

*BASE MONTHLY PAYMENT:

HST:

PST:

MONTHLY LEASE PAYMENT:

SEE IRREGULAR
PAYMENT SCHEDULE

COMMENCEMENT DATE:

LOCATION OF UNITS:

October 23, 2020

128 SACKVILLE ROAD

SAULT STE. MARIE, ON P6B

4T6

For a description of any other units that have been leased pursuant to this Lease, see the "Equipment Description Schedule" in the attached SCHEDULE A. For any other units that represent "Additional Collateral", see the "Additional Collateral" section of the attached SCHEDULE A ("Additional Collateral"). Each item of Additional Collateral identified in any attached SCHEDULE A is considered a Unit under the terms of this Lease.

In reliance on your selection of the units described above (together with all attachments, accessories and optional features, whether or not installed with any of those units, and all manufacturer manuals and instructions, being referred to in this Lease as a "Unit" or the "Units"), we have agreed to acquire and lease the Units (excluding any Additional Collateral) to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

You acknowledge that the Units (excluding any Additional Collateral) were delivered to you in good working condition and that you accepted them on the date indicated. If any of the Units (excluding any Additional Collateral) will be delivered to you after you sign this Lease, you agree to sign and deliver to us a separate delivery certificate.

Each addendum, schedule, application survey for a Unit (each, an "Application Survey") and rider that is referred to in this Lease and is attached to this Lease or is deemed to be attached to this Lease is incorporated into this Lease by reference and is deemed to be a part of this Lease.

TERMS AND CONDITIONS

- 3. Lease Term** The "Lease Term" for each Unit will start on the Commencement Date, as identified in the first page of this Lease and will continue for 54 months, unless we terminate this Lease in accordance with its terms. However, we have no obligation to enter into this Lease or pay the supplier of the Units (the "Supplier") for the Unit(s) until you have delivered to us all documents that we may reasonably request.
- 4. Lease Payment** You will pay us the monthly Lease Payments beginning October 23, 2020 and on the same date of each month thereafter (or the last day of the month, if there is no such date). The monthly Lease Payments will be due without demand. You will also pay us all other amounts payable by you under this Lease and under any other document delivered by you in connection with this Lease, including each applicable Application Survey (collectively, the "Lease Documents") when due (all such other payments, together with the monthly Lease Payments, being referred to in this Lease as the "Lease Payments"). You will pay all Lease Payments not otherwise payable by pre-authorized debit to us at Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4 or such other location that we designate in writing. You agree this Lease is a non-cancellable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.
- 5. Late Charges** If we do not receive a Lease Payment by the 14th day after the date the Lease Payment is due, you will be charged a late payment charge on the late Lease Payment equal to the lesser of (i) one and one half (1.5%) percent and (ii) the highest legal contract rate of interest.
- 6. Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or the Supplier of any of the Units. **We make no representations, warranties or conditions whatsoever, express or implied, with respect to this Lease or to any Unit.** Without limiting the generality of the foregoing, each Unit is leased "as is, where is". We make no representations, warranties or conditions as to the quality of materials or workmanship or that the materials or workmanship comply with the terms of any purchase order or agreement. We expressly disclaim, and you waive all other representations, warranties, conditions and claims, express or implied, arising by law or otherwise, with respect to any Unit or this Lease, including, without limitation, any representation, warranty or condition relating to: (a) the merchantability of any Unit; (b) any Unit's fitness for a particular purpose; (c) the course of performance, course of dealing or usage of trade; (d) any obligation, liability, right, claim or remedy in tort; (e) any obligation, liability, right, claim, or remedy for loss of or damage to any Unit, for loss of use, revenue, or profit with respect to any Unit, for any liability to any third party, or for any other indirect, incidental, or consequential damages, including strict or absolute liability in tort; and (f) any Unit's freedom from any lien, claim, security interest, hypothec or other encumbrance and its compliance with applicable laws, including patent laws. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit regarding the operation of any Unit). You agree to pursue only these third parties for any and all such claims. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.
- 7. Possession, Use and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon any Unit. (c) You will not sublease any Unit or permit the use of any Unit by anyone other than you. (d) You will not change the use of any Unit from that set out in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of any Unit from that set out above, without our prior written consent. (f) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, hypothec or encumbrance on any of your rights under this Lease or with respect to any Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right to inspect any Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter any Unit or affix any accessory or equipment to any Unit if doing so will impair its originally intended function or use or reduce its value. If added to any Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. All parts, accessories and equipment affixed to a Unit will become our property. All of your right, title and interest in such parts, accessories and equipment shall transfer automatically to us immediately upon such affixation without the need for any documents of transfer.
- 8. Taxes** You will pay when due, or promptly reimburse us for payment of, all taxes imposed on any Unit or Lease Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) charges that are imposed in connection with the ownership, possession, use, purchase (including by you pursuant to this Lease) or lease of any Unit from the time we purchase the Unit until it is returned to us or purchased by you and (iii) fines, penalties, interest or additions to any tax, fee or charge. You will remain responsible for the payment, or reimbursement of, any such taxes, fees and charges, regardless of when we receive notice of them. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If any Lease Payment under this Lease is deemed to include goods and services tax or harmonized sales tax or any similar value-added or multi-staged tax, the amount of such payment shall be increased accordingly. You will not deduct or withhold any taxes from a Lease Payment unless required by applicable law. If taxes are required to be deducted or withheld, the amount of the Lease Payment will be increased so that after the tax deduction or withholding (including any tax deduction or withholding required from the increased amount) we receive the amount that we would have received in the absence of any tax deduction or withholding, and you will also provide us with evidence of remittance of the taxes to the relevant tax authority. We may change the Monthly Lease Payment to reflect any increase or decrease in any taxes from time to time. You acknowledge that you have satisfied yourself as to the tax and accounting treatment of the Lease Documents for your purposes and have not relied on us as to those matters.
- 9. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under this Lease or any other Lease Document. A "Casualty Occurrence" will occur if any Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage or loss reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Lease. (d) In the event of a Casualty Occurrence, you will pay to us, on the first monthly Lease Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no monthly Lease Payment due date remaining) an amount (the "Liquidated Damages") equal to the sum of: (i) the present value of all future Lease Payments payable under this Lease for

such Unit to the end of the Lease Term for such Unit; (ii) the present value of the Purchase Option Price payable under this Lease for such Unit, as stated on the front of this Lease, plus applicable taxes, assuming that you had elected to purchase such Unit; and (iii) all other amounts then due under this Lease with respect to the Unit suffering the Casualty Occurrence (including any late charges and fees). Present values will be determined by us by discounting such amounts at the implicit interest rate which we have applied, in our sole discretion, to this Lease and our determination of such present values shall be conclusive, absent manifest error. Upon our receipt of the Liquidated Damages for the applicable Unit, the Lease Term with respect to such Unit shall terminate.

10. Release and Indemnity (a) You release and agree to indemnify, defend, and keep harmless, us, our successors and assigns, and our and their directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all claims, actions, damages, losses, penalties, fines, liabilities, charges, costs and expenses of whatever kind or nature, which arise in any way from or are related in any way to any Lease Document or any Unit including the use and contents of such Unit and any defects in respect of such Unit ("Claims") (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims for which we are or may be responsible when and as they become due. (b) You are entitled to control the defense of or to settle a Claim, so long as: (i) no Event of Default has occurred and is then continuing; (ii) you are financially capable of satisfying your obligations under this Section; and (iii) we approve your proposed defense counsel. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable legal fees and disbursements on a solicitor-client basis, incurred by any Indemnitee in defending or investigating any Claim or in enforcing this Section. Under no circumstances are we liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

11. Insurance You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the aggregate amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You will also provide us with all requested information. Upon demand, you must promptly deliver to us evidence of such insurance coverage.

12. Events of Default Each of the following is an event of default (each, an "Event of Default"): (a) you fail to make a payment when due; (b) a representation or warranty made to us in connection with any Lease Document is incorrect or misleading; (c) you fail to observe or perform any other covenant or agreement, and the failure continues for 10 days after written notice to you; (d) a default occurs under any other agreement between you or a guarantor of this Lease (each, a "Guarantor") and us or an affiliate of ours; (e) you, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors; (f) any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within 30 days after filing or appointment; (g) there is a material adverse change in your or a Guarantor's financial condition, business operations or prospects; (h) there is a termination, breach, or repudiation of a Guarantor's guarantee; and (i) any Unit becomes uninsured or subject to any sale, sublease, lien, claim, mortgage, security interest, hypothec or encumbrance (other than in our favour).

13. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Lease and as provided to a secured party under the *Personal Property Security Act* (Ontario) and any other applicable law. Among these rights and remedies are to: (a) bring a court action to recover damages; (b) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations and, by written notice to you, require you to pay us on the date set out in the notice, as a genuine pre-estimate of liquidated damages and not as penalty (and in addition to all other amounts owing under any of the Lease Documents including any amounts owing under this Section, an amount equal to the Liquidated Damages for all of the Units at such time); (c) recover any additional damages and expenses suffered by us due to the Event of Default; (d) enforce our security interests; (e) require you to assemble and return each Unit pursuant to Section 14; (f) enter premises where a Unit may be located and take immediate possession of, disable or remove such Unit (and any unattached parts) without notice, liability or legal process (and upon such repossession or disabling pursuant to this Section 13(f) or any return of such Unit under Section 13(e), your right to possess and use such Unit will terminate, but this Lease will remain in effect unless we expressly notify you of the cancellation of this Lease under Section 13(b)); (g) in the name of and as your irrevocably appointed agent and attorney and without terminating or being deemed to have terminated this Lease, sublease all or any of the Units to anyone else on such terms and conditions, for such rental and for such period of time as we see fit and receive such rental and hold the same and apply the same against any amounts payable by you under any of the Lease Documents; (h) store (including at your premises without liability) or sell, lease or otherwise dispose of the Units or any of them, at public or private sale, lease or other disposition, for cash or credit, and on such terms as we may determine; and (i) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, cancel the agreement on your behalf and upon such cancellation, we may also receive the refund of any fees that we financed but had not received from you as of the date of the Event of Default. You agree to pay all charges, costs, expenses and reasonable legal fees and disbursements (on a solicitor-client basis) incurred by us in enforcing this Lease. The proceeds of any sale, lease or disposition of a Unit will be applied, first, to reimburse us for all expenses of collection and enforcement of this Lease, including our legal fees and expenses and second, to obligations owed to us under this Lease as we may determine. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or any of our affiliates. You will promptly pay any deficiency to us. Except as prohibited by applicable law, we are entitled to retain any remaining proceeds after the exercise of our remedies. To the extent you are entitled to a refund from us, you agree we will have the right to offset any obligation that you have with us or our affiliates with such refund. The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. If you fail to perform any of your obligations under this Lease, we may (but need not) perform the obligations, without waiving or curing any breach of this Lease. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

14. Return of Unit On expiration of the Lease Term or if you do not elect to purchase the Unit(s) pursuant to this Lease, or if we demand possession of a Unit pursuant to the terms of this Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and any applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If a Unit is not in the condition required by Section 7 and any applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring such Unit into the required condition as we determine, acting reasonably, and you shall pay us a daily rental charge equal to 1/30th of the Monthly Lease Payment, plus any other costs and expenses each day until the Unit is brought into the required condition.

15. Purchase Option If no Event of Default has occurred and is continuing, you may, by notice delivered to us at least sixty (60) days prior to the end of the Lease Term elect to purchase on the end of the Lease Term any or all of the Units at a purchase price equal to the Purchase Option Price for such Unit, as stated on the first page of this Lease, plus any applicable taxes thereon. The purchase price will be due at the end of the Lease Term. Upon payment of such purchase price and all other amounts due under this Lease, plus any other costs and expenses due in connection with the transfer of such Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of

sale. The bill of sale will be delivered to you without any representations, warranties or conditions except that such Unit is free of all encumbrances of any person claiming through us. You will purchase such Unit from us on an **"AS IS, WHERE IS, WITH ALL FAULTS BASIS"**. If you do not elect to purchase a Unit, at the end of the Lease Term you will return such Unit to us as provided in Section 14 and all of your rights and interest in such Unit will automatically terminate. If you fail to purchase or return a Unit at the end of the Lease Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us for each such Unit a daily rental charge equal to 1/30th of the Monthly Lease Payment for such Unit each day until the day the Unit is purchased or returned to us.

16. Ownership; Security Interest Subject to your right to use and possess the Units as set out in this Lease, and subject to your purchase option in Section 15, title to the Units (excluding any Additional Collateral) remains with us. As additional security for your obligations to us under this Lease and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit, all substitutions, replacements and additions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interests in each Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations, Warranties and Covenants You represent, warrant and covenant to us that: (a) you will provide all financial information and reporting (including, but not limited to your financial statements) as we may reasonably require; (b) all credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete; (c) you will not change your name, principal place of business or primary residence and, if you are a business entity, your jurisdiction of formation or form of business organization or change the jurisdiction in which your chief executive office or registered office is located, without prior written notice to us, or enter into any merger, amalgamation, consolidation or restructuring without our prior written consent; and (d) this Lease constitutes your valid obligation, legally binding on you and enforceable according to its terms.

18. Unit Monitoring Systems In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and all of its subsidiaries or affiliates, including us (collectively "Caterpillar"), and Caterpillar dealers to access data concerning such Unit, its condition and its operation transmitted from the monitoring system. The information may be used (i) to administer, implement and enforce the terms of this Lease, (ii) recover the Unit if necessary, or (iii) to improve Caterpillar's products and services. You agree that information transmitted may include the serial number, VIN, Unit location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

19. Assignment; Counterparts We may assign, sell, concurrently lease or otherwise dispose of, or encumber (each, an "Assignment"), all or any part of the Lease Documents, the Lease Payments, and the Units, to anyone else (each, an "Assignee"), without notice to you or your consent. **The rights of any assignee will not be subject to any defense, counterclaim or set off which you may have against us.** If requested by us, you will assist us in any Assignment. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. This Lease is for the benefit of, and is binding upon, you and your permitted successors, assigns, heirs and executors and us and our successors and assigns (including any Assignee). You must not assign this Lease or any right or obligation under it without our prior written consent. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible. A signed copy of this Lease or any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

20. Personal Information Consent We may collect and use personal information provided by you in connection with this Lease and any related application for the purposes of verifying and evaluating the application, your identity (including for regulatory compliance purposes), creditworthiness (including by obtaining and using credit reports), and the information provided to us in connection with the application or this Lease. We may collect credit, financial and related personal information for these purposes from you or your application, our affiliates, credit bureaus and credit reporting agencies, from references that you may have provided in the application and other parties with whom you have had a financial or credit relationship. You consent to the disclosure of such information by these parties to us. Social Insurance Numbers or other personal identifiers, if provided, may be used to verify your identity, including matching credit records. Identity verification may also include checking your identity against watch lists established by regulatory agencies and similar bodies in Canada and foreign countries. We may, from time to time, use the information referred to above and other personal information collected or compiled by us in connection with this Lease (collectively, the "Information") and share the Information among and with us, Caterpillar and authorized Caterpillar dealers for the purposes of opening, administering, servicing and enforcing this Lease, collecting amounts owing to us, verifying and evaluating your current and ongoing creditworthiness and financial status, and responding to inquiries and otherwise communicating with you regarding the account. For the purpose of maintaining your credit history and providing credit references, we may from time to time disclose credit-related Information to credit bureaus, credit reporting agencies and to your current or future creditors. We may use and exchange your banking information with financial institutions for payment processing purposes. We may otherwise use the Information and disclose the Information to third parties: (i) to register security interests; (ii) to enforce security, this Lease and otherwise collect amounts owing to us; (iii) for the purposes of detecting and preventing fraud; (iv) in connection with audits; (v) for the purposes of meeting legal, regulatory, risk management and security requirements; and (vi) as permitted or required by law (including as required by foreign laws applicable to us and our agents or service providers). We may use and disclose the Information to our assigns, prospective assigns and other third parties that are connected with the proposed or actual financing, securitization, insuring, sale, assignment or other disposal of all or part of our business or assets (including this Lease and amounts owing to us) for the purposes of permitting a prospective assign to evaluate your creditworthiness and otherwise determine whether to proceed or continue with the transaction, fulfilling any reporting or audit requirements to such parties, or completing the transaction. Our successors and assigns may collect, use, and disclose the Information for substantially the same purposes as described in this Lease. We may use agents and service providers (including Caterpillar acting in that capacity) to collect, use, store or process the Information on our behalf for the purposes described in this Lease. Some of these agents or service providers may be located outside of Canada, including the United States, where local laws may permit governmental, law enforcement, or regulatory authorities or courts to have access to the Information. We may, from time to time, use the Information and share the Information among and with Caterpillar to promote and market additional products or services of Caterpillar to you. You may refuse consent for this purpose by contacting us at 1-800-651-0567.

To request access to, or correction of the Information, or if you have any questions about how we handle the Information, please contact us at the address designated above or as otherwise designated by us. The consents provided above shall be valid for so long as required to fulfill the purposes described in this Lease.

21. Effect of Waiver; Entire Agreement; Notices; Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and all Lease Documents completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province. You consent to the jurisdiction of any appropriate court located within that Province. If you are a corporation, you agree that *The Limitation of Civil Rights Act (Saskatchewan)*, as it may be changed from time to time, will not apply to this Lease or to our rights, powers or remedies and you waive and release all benefits under those laws and any similar laws of any jurisdiction to the fullest extent permitted by law. Where permitted by law, you waive your rights to receive a copy of any financing statement, financing change statement, verification statement or other similar

instrument filed or issued at any time in respect of this Lease or any amendment of this Lease. **The parties waive the right to trial by jury in any action arising out of or related to this Lease, the obligations or the Units.**

22. No Agency; Modification of Lease No person or entity, including, without limitation, the Supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in

blanks, including correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All your obligations under this Lease survive the expiration or termination of this Lease if necessary to give full effect to the terms of this Lease. Time is of the essence under this Lease

You represent and warrant to us that you have entered into this Lease for business purposes only and not for personal, family or household purposes and that you are not a "consumer" under any applicable consumer protection legislation or cost of credit disclosure legislation. You acknowledge that we are relying on the truth of the previous sentence in deciding on whether to enter into this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including any applicable Application Survey.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (Print) _____

Title _____

Date _____

LESSEE
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (Print) _____

Title _____

Date _____

Direct Pay (Pre-Authorized Debit) Authorization
Contract Number 104-50009683



1. CUSTOMER INFORMATION

Name THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Name _____

2. PRE-AUTHORIZED DEBIT (PAD) DETAILS

Each of the accountholder(s) ("we", "us" or "our") signing this Direct Pay (Pre-Authorized Debit) Authorization ("this Authorization") authorizes Caterpillar Financial Services Limited ("you" or "your"), on your own behalf or as agent for any assignee, to debit our bank account set out below or any other bank account that we may identify to you from time to time ("Account") for: (i) the amount of each payment due under the CAT Financial Lease Agreement in respect of the Contract Number 104-50009683 (together with all other documents delivered to you in connection with such agreement, the "Contract") on or shortly after its payment due date ("Scheduled Debit Date") as set out in the Contract and (ii) any other amount that may become due under the Contract from time to time (including, without limitation, late payment charges, NSF and other charges) on the next Scheduled Debit Date. You will obtain our authorization to debit our account on any date that is not a Scheduled Debit Date.

We require monthly invoices. Yes No

PAD Category: Business

3. TERMS AND CONDITIONS

If our financial institution dishonours any debit for any reason, you may issue another debit in substitution for the dishonoured debit. You will have no liability on account of a dishonoured debit.

We represent and warrant (i) that all persons whose signatures are required to sign on the Account have signed this Authorization and (ii) that all Account information we provide is accurate. We will immediately notify you, in writing, of any change in the Account information and, in any event, at least 10 business days prior to the next Scheduled Debit Date.

We have certain recourse rights if any debit does not comply with this Authorization. For example, we have the right to be reimbursed for any debit that is not authorized or is not consistent with this Authorization. For more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

We may cancel this Authorization at any time by written notice to you, which notice will be effective 10 days after receipt; however, our cancellation of this Authorization does not terminate, cancel or reduce our obligations under the Contract. For a sample cancellation form, or more information on our right to cancel this Authorization, we may contact our financial institution or www.cdnpay.ca.

You may assign this Authorization, directly or indirectly, by operation of law, change of control or otherwise, without notice, unless notice is required by law.

We can contact you at the address below to make inquiries, obtain information or seek any recourse rights.

We understand that you will not notify us in advance of any withdrawal and we agree to waive all pre-notification requirements in respect of all debits drawn under this Authorization.

4. BANK ACCOUNT INFORMATION

Please attach a sample cheque with "VOID" written on it.

SIGNATURES

For a joint account, the signatures of all accountholders must appear on this Authorization.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4

Phone: 1-800-561-3771, Fax: 289-291-2235



Payment Schedule
Contract Number 104-50009683

This Payment Schedule forms part of the Lease Agreement for the Transaction Number set out above between the Lessor and the Lessee named below.

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. PAYMENT SCHEDULE

Number of Payments	from (date)	to (date)	Base Lease Payment (CAD)	GST/HST	PST/QST	Total Lease Payment (CAD)
6	October 23, 2020	March 23, 2021	4,509.53	586.24	0.00	5,095.77
6	April 23, 2021	September 23, 2021	0.00	0.00	0.00	0.00
6	October 23, 2021	March 23, 2022	4,509.53	586.24	0.00	5,095.77
6	April 23, 2022	September 23, 2022	0.00	0.00	0.00	0.00
6	October 23, 2022	March 23, 2023	4,509.53	586.24	0.00	5,095.77
6	April 23, 2023	September 23, 2023	0.00	0.00	0.00	0.00
6	October 23, 2023	March 23, 2024	4,509.53	586.24	0.00	5,095.77
6	April 23, 2024	September 23, 2024	0.00	0.00	0.00	0.00
6	October 23, 2024	March 23, 2025	4,509.53	586.24	0.00	5,095.77

SIGNATURES

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

INSURANCE CARRIER FORM
Contract Number 104-50009683



1. PARTIES

CUSTOMER:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

2. TERMS AND CONDITIONS

Per your Lease agreement with us, you must arrange physical damage and general liability insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance satisfies minimum financial requirements.

Physical Damage coverage must show that Caterpillar Financial Services Limited has been named as loss payee for the equipment's replacement value. The deductible must be shown.

Liability Coverage must be a minimum of \$1,000,000 of combined coverage for bodily injury and property damage per occurrence. Caterpillar Financial Services Limited must be named as additional insured.

Please complete this form to provide contact information for your physical damage coverage as well as your liability coverage.

I have entered into the above agreement under which **I am responsible for providing insurance against ALL RISKS** of direct physical loss or damage for the actual cash value of the following equipment, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc.

<u>Year/Make/Model#</u>	<u>Equipment Description</u>	<u>Serial #</u>	<u>Vin #</u>	<u>Value</u>
NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER		CAT0926MTW5L00612		\$210,500.00

Insurance Agency

Insurance Agent's Name

Street Address

City

Zip

Agent's Phone Number

Fax number

E-mail Address

3. SIGNATURES

TO BE COMPLETED BY CUSTOMER:

I hereby instruct you to add Caterpillar Financial Services Limited as a Loss Payee and additional insured:

- To my existing policy number(s) _____, which now provide the coverage required, or
 To a policy which you are authorized to issue in the name listed above which will provide the coverage required.

Caterpillar Financial Services Limited must be given notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person shall not invalidate the insurance to Caterpillar Financial Services Limited.

Signature _____

Name (print) _____

Title _____

Date _____

PROCESSING OF THIS TRANSACTION MAY BE HELD PENDING RECEIPT OF THIS INFORMATION

TO BE COMPLETED BY INSURANCE AGENT:

I verify that the equipment listed on the previous page has been added to the policy/policies listed above, naming Caterpillar Financial Services Limited as Loss Payee for physical/ property damage and Additional insured for general liability coverage as their interest may appear.

Insured Name: _____

Policy number: _____

Expiry Date: _____

Insurance Company Name: _____

Agent Name: _____

Agent Signature: _____

Date Signed: _____

OR:

PLEASE FORWARD A COPY OF THE CERTIFICATE OR BINDER EVIDENCING COVERAGE TO:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
Fax: 888-244-0290
E-mail: CFSL.InsuranceMailbox@cat.com

Purchase Agreement
Contract Number 104-50009683

This Purchase Agreement (this "Agreement") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Seller named below ("you" or "your").

1. PARTIES

BUYER:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

SELLER:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

2. DESCRIPTION OF UNITS

You agree to sell to us, and we agree to buy from you, the units described below (collectively, the "Units"), subject to the terms and conditions of this Agreement.

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	TOTAL PRICE
(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MTW5L00612	\$210,500.00

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Financing Fees - Dealer Portion	380.00
Subtotal	210,880.00
HST R892135443	27,414.40
PST	Exempt
Total Purchase Price	238,294.40

Equipment Delivery Point:

128 SACKVILLE ROAD
SAULT STE. MARIE, ON P6B 4T6

ADDITIONAL TERMS

- The lessee named above ("Lessee") has, (i) with your assistance, selected the Units, (ii) instructed us to buy the Units from you, and (iii) agreed to lease the Units from us pursuant to a Lease Agreement (the "Lease").
- We will have no obligation under this Agreement (and you will promptly refund any sums we have previously paid to you with respect to the Units) unless (i) all of the conditions set forth in Section 3 (if Lease) / 4 (if Master Lease) of the Lease have been fulfilled in a timely manner and (ii) the Lessee has not communicated to us, prior to Delivery (as defined below) of the Units, an intent not to lease the Units from us. All conditions specified in this Section 2 will be fulfilled in a timely manner unless we notify you to the contrary in writing or by email or facsimile prior to Delivery of the Units. "Delivery" means the later of the time (a) we execute this Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Units.
- Upon Delivery of the Units and provided that the conditions in Section 2 are satisfied, ownership, title and risk of loss to the Units will transfer to us.
- You represent and warrant that (i) upon Delivery of the Units we will be the owner of and have absolute title to the Units free and clear of all claims, liens, security interests, hypothecs and other encumbrances, and (ii) you have not received any deposit or other payment from the Lessee in connection with the Units.
- You will forever warrant and defend the sale of the Units to us, and our successors and assigns, against any person claiming an interest in the Units.
- Upon satisfaction of the conditions in Section 2, and except as provided in Section 2, we will pay you the Total Purchase Price for the Units within 3 business days following the receipt and approval by us of all documentation deemed necessary by us in connection with the Lease.
- You will deliver the Units to the Lessee at the Location of Units specified in the Lease.
- We may assign this Agreement to a third party without notice to you or your consent. You agree to assist us in any assignment if we so request. You may not assign this Agreement without our consent. Each reference in this Agreement to "we", "us" or "our" includes our successors and assigns. This Agreement is for the benefit of, and is binding upon, you and us and your and our permitted successors and assigns.
- This Agreement will not become effective until it has been signed by our duly authorized representative. This Agreement is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.
- We and you acknowledge having expressly requested that this Agreement and all related documents and notices be drafted in the English language. *Nous et vous reconnaissons avoir expressément requis que ce contrat et les documents et avis qui s'y rattachent soient rédigés en langue anglaise.*

SIGNATURES

BUYER

CATERPILLAR FINANCIAL SERVICES LIMITED

SELLER

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Amortization Schedule

Transaction Number 4045643
 Customer THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 Model 926M Small Wheel Loader
 Serial Number CAT0926MTW5L00612

Date	Number of Payments Made	Starting Balance	Loan	Payments	Residual	Principal	Interest	Interest Rate	Ending Balance
Oct-23-20	0	0	211,050.00	0	0	0	0	0	211,050.00
Oct-23-20	1	211,050.00	0	4,509.53	0.00	4,509.53	0.00	2.65%	206,540.47
Nov-23-20	2	206,540.47	0	4,509.53	0.00	4,053.42	456.11	2.65%	202,487.05
Dec-23-20	3	202,487.05	0	4,509.53	0.00	4,062.37	447.16	2.65%	198,424.68
				-----	-----	-----	-----		
				13,528.59	0.00	12,625.32	903.27		
Jan-23-21	4	198,424.68	0.00	4,509.53	0.00	4,071.35	438.18	2.65%	194,353.33
Feb-23-21	5	194,353.33	0	4,509.53	0.00	4,080.34	429.19	2.65%	190,272.99
Mar-23-21	6	190,272.99	0	4,509.53	0.00	4,089.35	420.18	2.65%	186,183.64
Apr-23-21	7	186,183.64	0	0.00	0.00	(411.16)	411.16	2.65%	186,594.80
May-23-21	8	186,594.80	0	0.00	0.00	(412.06)	412.06	2.65%	187,006.86
Jun-23-21	9	187,006.86	0	0.00	0.00	(412.97)	412.97	2.65%	187,419.83
Jul-23-21	10	187,419.83	0	0.00	0.00	(413.89)	413.89	2.65%	187,833.72
Aug-23-21	11	187,833.72	0	0.00	0.00	(414.80)	414.80	2.65%	188,248.52
Sep-23-21	12	188,248.52	0	0.00	0.00	(415.72)	415.72	2.65%	188,664.24
Oct-23-21	13	188,664.24	0	4,509.53	0.00	4,092.90	416.63	2.65%	184,571.34
Nov-23-21	14	184,571.34	0	4,509.53	0.00	4,101.94	407.59	2.65%	180,469.40
Dec-23-21	15	180,469.40	0	4,509.53	0.00	4,111.00	398.53	2.65%	176,358.40
				-----	-----	-----	-----		
				27,057.18	0.00	22,066.28	4,990.90		
Jan-23-22	16	176,358.40	0.00	4,509.53	0.00	4,120.08	389.45	2.65%	172,238.32
Feb-23-22	17	172,238.32	0	4,509.53	0.00	4,129.17	380.36	2.65%	168,109.15
Mar-23-22	18	168,109.15	0	4,509.53	0.00	4,138.29	371.24	2.65%	163,970.86
Apr-23-22	19	163,970.86	0	0.00	0.00	(362.10)	362.10	2.65%	164,332.96
May-23-22	20	164,332.96	0	0.00	0.00	(362.90)	362.90	2.65%	164,695.86
Jun-23-22	21	164,695.86	0	0.00	0.00	(363.70)	363.70	2.65%	165,059.56
Jul-23-22	22	165,059.56	0	0.00	0.00	(364.51)	364.51	2.65%	165,424.07
Aug-23-22	23	165,424.07	0	0.00	0.00	(365.31)	365.31	2.65%	165,789.38
Sep-23-22	24	165,789.38	0	0.00	0.00	(366.12)	366.12	2.65%	166,155.50
Oct-23-22	25	166,155.50	0	4,509.53	0.00	4,142.61	366.92	2.65%	162,012.89
Nov-23-22	26	162,012.89	0	4,509.53	0.00	4,151.76	357.77	2.65%	157,861.13
Dec-23-22	27	157,861.13	0	4,509.53	0.00	4,160.92	348.61	2.65%	153,700.21
				-----	-----	-----	-----		
				27,057.18	0.00	22,658.19	4,398.99		
Jan-23-23	28	153,700.21	0.00	4,509.53	0.00	4,170.11	339.42	2.65%	149,530.10
Feb-23-23	29	149,530.10	0	4,509.53	0.00	4,179.32	330.21	2.65%	145,350.78
Mar-23-23	30	145,350.78	0	4,509.53	0.00	4,188.55	320.98	2.65%	141,162.23
Apr-23-23	31	141,162.23	0	0.00	0.00	(311.73)	311.73	2.65%	141,473.96
May-23-23	32	141,473.96	0	0.00	0.00	(312.42)	312.42	2.65%	141,786.38
Jun-23-23	33	141,786.38	0	0.00	0.00	(313.11)	313.11	2.65%	142,099.49
Jul-23-23	34	142,099.49	0	0.00	0.00	(313.80)	313.80	2.65%	142,413.29
Aug-23-23	35	142,413.29	0	0.00	0.00	(314.50)	314.50	2.65%	142,727.79
Sep-23-23	36	142,727.79	0	0.00	0.00	(315.19)	315.19	2.65%	143,042.98
Oct-23-23	37	143,042.98	0	4,509.53	0.00	4,193.65	315.88	2.65%	138,849.33
Nov-23-23	38	138,849.33	0	4,509.53	0.00	4,202.91	306.62	2.65%	134,646.42
Dec-23-23	39	134,646.42	0	4,509.53	0.00	4,212.19	297.34	2.65%	130,434.23
				-----	-----	-----	-----		
				27,057.18	0.00	23,265.98	3,791.20		
Jan-23-24	40	130,434.23	0.00	4,509.53	0.00	4,221.49	288.04	2.65%	126,212.74
Feb-23-24	41	126,212.74	0	4,509.53	0.00	4,230.81	278.72	2.65%	121,981.93

Mar-23-24	42	121,981.93	0	4,509.53	0.00	4,240.16	269.37	2.65%	117,741.77
Apr-23-24	43	117,741.77	0	0.00	0.00	(260.01)	260.01	2.65%	118,001.78
May-23-24	44	118,001.78	0	0.00	0.00	(260.59)	260.59	2.65%	118,262.37
Jun-23-24	45	118,262.37	0	0.00	0.00	(261.16)	261.16	2.65%	118,523.53
Jul-23-24	46	118,523.53	0	0.00	0.00	(261.74)	261.74	2.65%	118,785.27
Aug-23-24	47	118,785.27	0	0.00	0.00	(262.32)	262.32	2.65%	119,047.59
Sep-23-24	48	119,047.59	0	0.00	0.00	(262.90)	262.90	2.65%	119,310.49
Oct-23-24	49	119,310.49	0	4,509.53	0.00	4,246.06	263.47	2.65%	115,064.43
Nov-23-24	50	115,064.43	0	4,509.53	0.00	4,255.43	254.10	2.65%	110,809.00
Dec-23-24	51	110,809.00	0	4,509.53	0.00	4,264.83	244.70	2.65%	106,544.17
			-----	-----	-----	-----	-----		
			27,057.18	0.00	23,890.06	3,167.12			
Jan-23-25	52	106,544.17	0.00	4,509.53	0.00	4,274.25	235.28	2.65%	102,269.92
Feb-23-25	53	102,269.92	0	4,509.53	0.00	4,283.69	225.84	2.65%	97,986.23
Mar-23-25	54	97,986.23	0	4,509.53	0.00	4,293.15	216.38	2.65%	93,693.08
Apr-23-25	55	93,693.08	0	0.00	93,900.00	93,693.09	206.91	2.65%	(0.01)
			-----	-----	-----	-----	-----		
			13,528.59	93,900.00	106,544.18	884.41			
total			135,285.90	93,900.00	211,050.01	18,135.89			

Caterpillar Financial Services Limited

INVOICE

Page	Date	Invoice No.
1	23/10/2020	104-50009683

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Description	Serial #	VIN#	Due Date	Pmt. No.	Amount
(1) 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MTW5L00612		Upon Receipt	1	4,509.53
Harmonized Sales Tax					586.24
RETURN PAYMENT COPY AND CHEQUE FOR SPECIFIED PAYMENT(S) WITH SIGNED LEASE DOCUMENTS.					
Your cheque will be cashed by Lessor upon receipt, but that act will not constitute acceptance by Lessor of the Lease or Schedule. If Lessor accepts and executes the Lease and/or Schedule, the proceeds of this cheque will be applied to the specified rental payments. If Lessor does not accept the Lease or Schedule, Lessor will return an amount equal to this cheque.					
WITHOUT TAX EXEMPTION CERTIFICATE, APPROPRIATE SALES/USE TAX WILL BE CHARGED.					

Harmonized Sales Tax #: 100843952

PLEASE PAY THIS AMOUNT

\$ 5,095.77

Invoice No.	Total Enclosed
104-50009683 - 1	\$

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Remit To: **CATERPILLAR FINANCIAL SERVICES LIMITED**
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

If you have any questions concerning this invoice please call 1-800-651-0567.

Construction Equipment Application Survey
Contract Number 104-50009683

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 Superior Court, Unit 2
 Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 99 FOSTER DRIVE
 SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2020 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MTW5L00612 VIN #:

Monthly Usage: 92.67

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
 CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Ride Control, Air Conditioning, Cab, Tires, 4x4

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **92.67 hours per month** over a term of **54 months** for total usage during the Lease Term of **5,004.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 5,004.00 + Current Hours 0.00 = Total Allowable Machine Hours 5,004.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$27.04** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Cat Financial Document Package

Thank you for considering Caterpillar Financial, where our goal is to have Customers for Life. This package includes documents for your consideration regarding the proposed transaction below:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Dealer:TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
Transaction Number:4045462
Contract Number:104-50009619

Year/Make/Model Number	Serial Number	VIN	Equipment Location	Proposed Financed Amount
2020 CATERPILLAR 926M	CAT0926MCW5L00597		128 SACKVILLE ROAD SAULT STE. MARIE, ON P6B 4T6	\$211,050.00

Rental Amount: See Irregular Payment Schedule

Payment Due Date: See Irregular Payment Schedule

Insurance Requirements:

Physical Damage: Caterpillar Financial Services Limited named as Loss Payee

Coverage Limit: Financed Amount per machine as Stated Above

General Liability - Caterpillar Financial Services Limited named as Additional Insured

Coverage Limit: \$1,000,000 per occurrence

Invoices/Notices will be mailed to:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE, SAULT STE MARIE, ON P6A 5X6

Documents included in this package:

- 1) CA Amort Schedule OL With PaymentDate from Deal
- 2) CA English Construction Application Survey
- 3) CA English Financial Lease Agreement ROC
- 4) CA English Insurance Carrier Information National (Leases)
- 5) CA English Invoice National Form (All FPs)
- 6) CA English Payment Schedule National Form (Leases)
- 7) CA English Pre-Authorized Debit Form National Form (All FPs)
- 8) CA English Purchase Agreement
- 9) Construction survey

Additional Requirements/Notes:

If you have questions about this document package, please contact your dealer sales rep, dealer finance rep. We will mail you a copy of your executed documents and amortization schedule after closing of your transaction.

For questions after your transaction closes, or on any of your existing contracts, please contact Customer Service at 1-800-561-3771 or NABC.CustomerService@cat.com. You can also access your accounts online at www.catfinancial.com.

Thank you for your consideration!

This Lease Agreement (together with each addendum, schedule, Application Survey and rider attached to, or made a part of, this lease and any amendments made from time to time being collectively referred to as "this Lease") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Lessee named below ("you" or "your").

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
HST Registration #: 100843952
PST Registration #: 100843952

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the year, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	MONTHLY LEASE PAYMENT* (The total amount due each month if your payments are made on their due date or see attached Payment Schedule)	PURCHASE OPTION PRICE (see Section 15)	MAX TOTAL HOURS/USAGE (Maximum total usage of Unit - see Application Survey, if one is used for this Lease)	DELIVERY/RENTAL CONVERSION DATE (Enter date Unit was delivered to you or the date Unit was converted from a rental if you were previously renting)
	CAT0926MCW5L00597	Irreg. Payments	\$93,900.00	5004	

(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER

*BASE MONTHLY PAYMENT:

HST:

PST:

MONTHLY LEASE PAYMENT:

SEE IRREGULAR PAYMENT SCHEDULE

COMMENCEMENT DATE:

LOCATION OF UNITS:

October 23, 2020

128 SACKVILLE ROAD

SAULT STE. MARIE, ON P6B

4T6

For a description of any other units that have been leased pursuant to this Lease, see the "Equipment Description Schedule" in the attached SCHEDULE A. For any other units that represent "Additional Collateral", see the "Additional Collateral" section of the attached SCHEDULE A ("Additional Collateral"). Each item of Additional Collateral identified in any attached SCHEDULE A is considered a Unit under the terms of this Lease.

In reliance on your selection of the units described above (together with all attachments, accessories and optional features, whether or not installed with any of those units, and all manufacturer manuals and instructions, being referred to in this Lease as a "Unit" or the "Units"), we have agreed to acquire and lease the Units (excluding any Additional Collateral) to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

You acknowledge that the Units (excluding any Additional Collateral) were delivered to you in good working condition and that you accepted them on the date indicated. If any of the Units (excluding any Additional Collateral) will be delivered to you after you sign this Lease, you agree to sign and deliver to us a separate delivery certificate.

Each addendum, schedule, application survey for a Unit (each, an "Application Survey") and rider that is referred to in this Lease and is attached to this Lease or is deemed to be attached to this Lease is incorporated into this Lease by reference and is deemed to be a part of this Lease.

TERMS AND CONDITIONS

- 3. Lease Term** The "Lease Term" for each Unit will start on the Commencement Date, as identified in the first page of this Lease and will continue for 54 months, unless we terminate this Lease in accordance with its terms. However, we have no obligation to enter into this Lease or pay the supplier of the Units (the "Supplier") for the Unit(s) until you have delivered to us all documents that we may reasonably request.
- 4. Lease Payment** You will pay us the monthly Lease Payments beginning October 23, 2020 and on the same date of each month thereafter (or the last day of the month, if there is no such date). The monthly Lease Payments will be due without demand. You will also pay us all other amounts payable by you under this Lease and under any other document delivered by you in connection with this Lease, including each applicable Application Survey (collectively, the "Lease Documents") when due (all such other payments, together with the monthly Lease Payments, being referred to in this Lease as the "Lease Payments"). You will pay all Lease Payments not otherwise payable by pre-authorized debit to us at Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4 or such other location that we designate in writing. You agree this Lease is a non-cancellable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.
- 5. Late Charges** If we do not receive a Lease Payment by the 14th day after the date the Lease Payment is due, you will be charged a late payment charge on the late Lease Payment equal to the lesser of (i) one and one half (1.5%) percent and (ii) the highest legal contract rate of interest.
- 6. Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or the Supplier of any of the Units. **We make no representations, warranties or conditions whatsoever, express or implied, with respect to this Lease or to any Unit.** Without limiting the generality of the foregoing, each Unit is leased "as is, where is". We make no representations, warranties or conditions as to the quality of materials or workmanship or that the materials or workmanship comply with the terms of any purchase order or agreement. We expressly disclaim, and you waive all other representations, warranties, conditions and claims, express or implied, arising by law or otherwise, with respect to any Unit or this Lease, including, without limitation, any representation, warranty or condition relating to: (a) the merchantability of any Unit; (b) any Unit's fitness for a particular purpose; (c) the course of performance, course of dealing or usage of trade; (d) any obligation, liability, right, claim or remedy in tort; (e) any obligation, liability, right, claim, or remedy for loss of or damage to any Unit, for loss of use, revenue, or profit with respect to any Unit, for any liability to any third party, or for any other indirect, incidental, or consequential damages, including strict or absolute liability in tort; and (f) any Unit's freedom from any lien, claim, security interest, hypothec or other encumbrance and its compliance with applicable laws, including patent laws. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit regarding the operation of any Unit). You agree to pursue only these third parties for any and all such claims. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.
- 7. Possession, Use and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon any Unit. (c) You will not sublease any Unit or permit the use of any Unit by anyone other than you. (d) You will not change the use of any Unit from that set out in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of any Unit from that set out above, without our prior written consent. (f) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, hypothec or encumbrance on any of your rights under this Lease or with respect to any Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right to inspect any Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter any Unit or affix any accessory or equipment to any Unit if doing so will impair its originally intended function or use or reduce its value. If added to any Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. All parts, accessories and equipment affixed to a Unit will become our property. All of your right, title and interest in such parts, accessories and equipment shall transfer automatically to us immediately upon such affixation without the need for any documents of transfer.
- 8. Taxes** You will pay when due, or promptly reimburse us for payment of, all taxes imposed on any Unit or Lease Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) charges that are imposed in connection with the ownership, possession, use, purchase (including by you pursuant to this Lease) or lease of any Unit from the time we purchase the Unit until it is returned to us or purchased by you and (iii) fines, penalties, interest or additions to any tax, fee or charge. You will remain responsible for the payment, or reimbursement of, any such taxes, fees and charges, regardless of when we receive notice of them. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If any Lease Payment under this Lease is deemed to include goods and services tax or harmonized sales tax or any similar value-added or multi-staged tax, the amount of such payment shall be increased accordingly. You will not deduct or withhold any taxes from a Lease Payment unless required by applicable law. If taxes are required to be deducted or withheld, the amount of the Lease Payment will be increased so that after the tax deduction or withholding (including any tax deduction or withholding required from the increased amount) we receive the amount that we would have received in the absence of any tax deduction or withholding, and you will also provide us with evidence of remittance of the taxes to the relevant tax authority. We may change the Monthly Lease Payment to reflect any increase or decrease in any taxes from time to time. You acknowledge that you have satisfied yourself as to the tax and accounting treatment of the Lease Documents for your purposes and have not relied on us as to those matters.
- 9. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under this Lease or any other Lease Document. A "Casualty Occurrence" will occur if any Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage or loss reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Lease. (d) In the event of a Casualty Occurrence, you will pay to us, on the first monthly Lease Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no monthly Lease Payment due date remaining) an amount (the "Liquidated Damages") equal to the sum of: (i) the present value of all future Lease Payments payable under this Lease for

such Unit to the end of the Lease Term for such Unit; (ii) the present value of the Purchase Option Price payable under this Lease for such Unit, as stated on the front of this Lease, plus applicable taxes, assuming that you had elected to purchase such Unit; and (iii) all other amounts then due under this Lease with respect to the Unit suffering the Casualty Occurrence (including any late charges and fees). Present values will be determined by us by discounting such amounts at the implicit interest rate which we have applied, in our sole discretion, to this Lease and our determination of such present values shall be conclusive, absent manifest error. Upon our receipt of the Liquidated Damages for the applicable Unit, the Lease Term with respect to such Unit shall terminate.

10. Release and Indemnity (a) You release and agree to indemnify, defend, and keep harmless, us, our successors and assigns, and our and their directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all claims, actions, damages, losses, penalties, fines, liabilities, charges, costs and expenses of whatever kind or nature, which arise in any way from or are related in any way to any Lease Document or any Unit including the use and contents of such Unit and any defects in respect of such Unit ("Claims") (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims for which we are or may be responsible when and as they become due. (b) You are entitled to control the defense of or to settle a Claim, so long as: (i) no Event of Default has occurred and is then continuing; (ii) you are financially capable of satisfying your obligations under this Section; and (iii) we approve your proposed defense counsel. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable legal fees and disbursements on a solicitor-client basis, incurred by any Indemnitee in defending or investigating any Claim or in enforcing this Section. Under no circumstances are we liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

11. Insurance You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the aggregate amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You will also provide us with all requested information. Upon demand, you must promptly deliver to us evidence of such insurance coverage.

12. Events of Default Each of the following is an event of default (each, an "Event of Default"): (a) you fail to make a payment when due; (b) a representation or warranty made to us in connection with any Lease Document is incorrect or misleading; (c) you fail to observe or perform any other covenant or agreement, and the failure continues for 10 days after written notice to you; (d) a default occurs under any other agreement between you or a guarantor of this Lease (each, a "Guarantor") and us or an affiliate of ours; (e) you, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors; (f) any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within 30 days after filing or appointment; (g) there is a material adverse change in your or a Guarantor's financial condition, business operations or prospects; (h) there is a termination, breach, or repudiation of a Guarantor's guarantee; and (i) any Unit becomes uninsured or subject to any sale, sublease, lien, claim, mortgage, security interest, hypothec or encumbrance (other than in our favour).

13. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Lease and as provided to a secured party under the *Personal Property Security Act* (Ontario) and any other applicable law. Among these rights and remedies are to: (a) bring a court action to recover damages; (b) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations and, by written notice to you, require you to pay us on the date set out in the notice, as a genuine pre-estimate of liquidated damages and not as penalty (and in addition to all other amounts owing under any of the Lease Documents including any amounts owing under this Section, an amount equal to the Liquidated Damages for all of the Units at such time); (c) recover any additional damages and expenses suffered by us due to the Event of Default; (d) enforce our security interests; (e) require you to assemble and return each Unit pursuant to Section 14; (f) enter premises where a Unit may be located and take immediate possession of, disable or remove such Unit (and any unattached parts) without notice, liability or legal process (and upon such repossession or disabling pursuant to this Section 13(f) or any return of such Unit under Section 13(e), your right to possess and use such Unit will terminate, but this Lease will remain in effect unless we expressly notify you of the cancellation of this Lease under Section 13(b)); (g) in the name of and as your irrevocably appointed agent and attorney and without terminating or being deemed to have terminated this Lease, sublease all or any of the Units to anyone else on such terms and conditions, for such rental and for such period of time as we see fit and receive such rental and hold the same and apply the same against any amounts payable by you under any of the Lease Documents; (h) store (including at your premises without liability) or sell, lease or otherwise dispose of the Units or any of them, at public or private sale, lease or other disposition, for cash or credit, and on such terms as we may determine; and (i) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, cancel the agreement on your behalf and upon such cancellation, we may also receive the refund of any fees that we financed but had not received from you as of the date of the Event of Default. You agree to pay all charges, costs, expenses and reasonable legal fees and disbursements (on a solicitor-client basis) incurred by us in enforcing this Lease. The proceeds of any sale, lease or disposition of a Unit will be applied, first, to reimburse us for all expenses of collection and enforcement of this Lease, including our legal fees and expenses and second, to obligations owed to us under this Lease as we may determine. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or any of our affiliates. You will promptly pay any deficiency to us. Except as prohibited by applicable law, we are entitled to retain any remaining proceeds after the exercise of our remedies. To the extent you are entitled to a refund from us, you agree we will have the right to offset any obligation that you have with us or our affiliates with such refund. The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. If you fail to perform any of your obligations under this Lease, we may (but need not) perform the obligations, without waiving or curing any breach of this Lease. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

14. Return of Unit On expiration of the Lease Term or if you do not elect to purchase the Unit(s) pursuant to this Lease, or if we demand possession of a Unit pursuant to the terms of this Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and any applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If a Unit is not in the condition required by Section 7 and any applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring such Unit into the required condition as we determine, acting reasonably, and you shall pay us a daily rental charge equal to 1/30th of the Monthly Lease Payment, plus any other costs and expenses each day until the Unit is brought into the required condition.

15. Purchase Option If no Event of Default has occurred and is continuing, you may, by notice delivered to us at least sixty (60) days prior to the end of the Lease Term elect to purchase on the end of the Lease Term any or all of the Units at a purchase price equal to the Purchase Option Price for such Unit, as stated on the first page of this Lease, plus any applicable taxes thereon. The purchase price will be due at the end of the Lease Term. Upon payment of such purchase price and all other amounts due under this Lease, plus any other costs and expenses due in connection with the transfer of such Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of

sale. The bill of sale will be delivered to you without any representations, warranties or conditions except that such Unit is free of all encumbrances of any person claiming through us. You will purchase such Unit from us on an **"AS IS, WHERE IS, WITH ALL FAULTS BASIS"**. If you do not elect to purchase a Unit, at the end of the Lease Term you will return such Unit to us as provided in Section 14 and all of your rights and interest in such Unit will automatically terminate. If you fail to purchase or return a Unit at the end of the Lease Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us for each such Unit a daily rental charge equal to 1/30th of the Monthly Lease Payment for such Unit each day until the day the Unit is purchased or returned to us.

16. Ownership; Security Interest Subject to your right to use and possess the Units as set out in this Lease, and subject to your purchase option in Section 15, title to the Units (excluding any Additional Collateral) remains with us. As additional security for your obligations to us under this Lease and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit, all substitutions, replacements and additions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interests in each Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations, Warranties and Covenants You represent, warrant and covenant to us that: (a) you will provide all financial information and reporting (including, but not limited to your financial statements) as we may reasonably require; (b) all credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete; (c) you will not change your name, principal place of business or primary residence and, if you are a business entity, your jurisdiction of formation or form of business organization or change the jurisdiction in which your chief executive office or registered office is located, without prior written notice to us, or enter into any merger, amalgamation, consolidation or restructuring without our prior written consent; and (d) this Lease constitutes your valid obligation, legally binding on you and enforceable according to its terms.

18. Unit Monitoring Systems In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and all of its subsidiaries or affiliates, including us (collectively "Caterpillar"), and Caterpillar dealers to access data concerning such Unit, its condition and its operation transmitted from the monitoring system. The information may be used (i) to administer, implement and enforce the terms of this Lease, (ii) recover the Unit if necessary, or (iii) to improve Caterpillar's products and services. You agree that information transmitted may include the serial number, VIN, Unit location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

19. Assignment; Counterparts We may assign, sell, concurrently lease or otherwise dispose of, or encumber (each, an "Assignment"), all or any part of the Lease Documents, the Lease Payments, and the Units, to anyone else (each, an "Assignee"), without notice to you or your consent. **The rights of any assignee will not be subject to any defense, counterclaim or set off which you may have against us.** If requested by us, you will assist us in any Assignment. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. This Lease is for the benefit of, and is binding upon, you and your permitted successors, assigns, heirs and executors and us and our successors and assigns (including any Assignee). You must not assign this Lease or any right or obligation under it without our prior written consent. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible. A signed copy of this Lease or any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

20. Personal Information Consent We may collect and use personal information provided by you in connection with this Lease and any related application for the purposes of verifying and evaluating the application, your identity (including for regulatory compliance purposes), creditworthiness (including by obtaining and using credit reports), and the information provided to us in connection with the application or this Lease. We may collect credit, financial and related personal information for these purposes from you or your application, our affiliates, credit bureaus and credit reporting agencies, from references that you may have provided in the application and other parties with whom you have had a financial or credit relationship. You consent to the disclosure of such information by these parties to us. Social Insurance Numbers or other personal identifiers, if provided, may be used to verify your identity, including matching credit records. Identity verification may also include checking your identity against watch lists established by regulatory agencies and similar bodies in Canada and foreign countries. We may, from time to time, use the information referred to above and other personal information collected or compiled by us in connection with this Lease (collectively, the "Information") and share the Information among and with us, Caterpillar and authorized Caterpillar dealers for the purposes of opening, administering, servicing and enforcing this Lease, collecting amounts owing to us, verifying and evaluating your current and ongoing creditworthiness and financial status, and responding to inquiries and otherwise communicating with you regarding the account. For the purpose of maintaining your credit history and providing credit references, we may from time to time disclose credit-related Information to credit bureaus, credit reporting agencies and to your current or future creditors. We may use and exchange your banking information with financial institutions for payment processing purposes. We may otherwise use the Information and disclose the Information to third parties: (i) to register security interests; (ii) to enforce security, this Lease and otherwise collect amounts owing to us; (iii) for the purposes of detecting and preventing fraud; (iv) in connection with audits; (v) for the purposes of meeting legal, regulatory, risk management and security requirements; and (vi) as permitted or required by law (including as required by foreign laws applicable to us and our agents or service providers). We may use and disclose the Information to our assigns, prospective assigns and other third parties that are connected with the proposed or actual financing, securitization, insuring, sale, assignment or other disposal of all or part of our business or assets (including this Lease and amounts owing to us) for the purposes of permitting a prospective assign to evaluate your creditworthiness and otherwise determine whether to proceed or continue with the transaction, fulfilling any reporting or audit requirements to such parties, or completing the transaction. Our successors and assigns may collect, use, and disclose the Information for substantially the same purposes as described in this Lease. We may use agents and service providers (including Caterpillar acting in that capacity) to collect, use, store or process the Information on our behalf for the purposes described in this Lease. Some of these agents or service providers may be located outside of Canada, including the United States, where local laws may permit governmental, law enforcement, or regulatory authorities or courts to have access to the Information. We may, from time to time, use the Information and share the Information among and with Caterpillar to promote and market additional products or services of Caterpillar to you. You may refuse consent for this purpose by contacting us at 1-800-651-0567.

To request access to, or correction of the Information, or if you have any questions about how we handle the Information, please contact us at the address designated above or as otherwise designated by us. The consents provided above shall be valid for so long as required to fulfill the purposes described in this Lease.

21. Effect of Waiver; Entire Agreement; Notices; Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and all Lease Documents completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province. You consent to the jurisdiction of any appropriate court located within that Province. If you are a corporation, you agree that *The Limitation of Civil Rights Act (Saskatchewan)*, as it may be changed from time to time, will not apply to this Lease or to our rights, powers or remedies and you waive and release all benefits under those laws and any similar laws of any jurisdiction to the fullest extent permitted by law. Where permitted by law, you waive your rights to receive a copy of any financing statement, financing change statement, verification statement or other similar

instrument filed or issued at any time in respect of this Lease or any amendment of this Lease. **The parties waive the right to trial by jury in any action arising out of or related to this Lease, the obligations or the Units.**

22. No Agency; Modification of Lease No person or entity, including, without limitation, the Supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in

blanks, including correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All your obligations under this Lease survive the expiration or termination of this Lease if necessary to give full effect to the terms of this Lease. Time is of the essence under this Lease

You represent and warrant to us that you have entered into this Lease for business purposes only and not for personal, family or household purposes and that you are not a "consumer" under any applicable consumer protection legislation or cost of credit disclosure legislation. You acknowledge that we are relying on the truth of the previous sentence in deciding on whether to enter into this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including any applicable Application Survey.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (Print) _____

Title _____

Date _____

LESSEE
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (Print) _____

Title _____

Date _____

Direct Pay (Pre-Authorized Debit) Authorization
Contract Number 104-50009619



1. CUSTOMER INFORMATION

Name THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Name _____

2. PRE-AUTHORIZED DEBIT (PAD) DETAILS

Each of the accountholder(s) ("we", "us" or "our") signing this Direct Pay (Pre-Authorized Debit) Authorization ("this Authorization") authorizes Caterpillar Financial Services Limited ("you" or "your"), on your own behalf or as agent for any assignee, to debit our bank account set out below or any other bank account that we may identify to you from time to time ("Account") for: (i) the amount of each payment due under the CAT Financial Lease Agreement in respect of the Contract Number 104-50009619 (together with all other documents delivered to you in connection with such agreement, the "Contract") on or shortly after its payment due date ("Scheduled Debit Date") as set out in the Contract and (ii) any other amount that may become due under the Contract from time to time (including, without limitation, late payment charges, NSF and other charges) on the next Scheduled Debit Date. You will obtain our authorization to debit our account on any date that is not a Scheduled Debit Date.

We require monthly invoices. Yes No

PAD Category: Business

3. TERMS AND CONDITIONS

If our financial institution dishonours any debit for any reason, you may issue another debit in substitution for the dishonoured debit. You will have no liability on account of a dishonoured debit.

We represent and warrant (i) that all persons whose signatures are required to sign on the Account have signed this Authorization and (ii) that all Account information we provide is accurate. We will immediately notify you, in writing, of any change in the Account information and, in any event, at least 10 business days prior to the next Scheduled Debit Date.

We have certain recourse rights if any debit does not comply with this Authorization. For example, we have the right to be reimbursed for any debit that is not authorized or is not consistent with this Authorization. For more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

We may cancel this Authorization at any time by written notice to you, which notice will be effective 10 days after receipt; however, our cancellation of this Authorization does not terminate, cancel or reduce our obligations under the Contract. For a sample cancellation form, or more information on our right to cancel this Authorization, we may contact our financial institution or www.cdnpay.ca.

You may assign this Authorization, directly or indirectly, by operation of law, change of control or otherwise, without notice, unless notice is required by law.

We can contact you at the address below to make inquiries, obtain information or seek any recourse rights.

We understand that you will not notify us in advance of any withdrawal and we agree to waive all pre-notification requirements in respect of all debits drawn under this Authorization.

4. BANK ACCOUNT INFORMATION

Please attach a sample cheque with "VOID" written on it.

SIGNATURES

For a joint account, the signatures of all accountholders must appear on this Authorization.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4

Phone: 1-800-561-3771, Fax: 289-291-2235



Payment Schedule
Contract Number 104-50009619

This Payment Schedule forms part of the Lease Agreement for the Transaction Number set out above between the Lessor and the Lessee named below.

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. PAYMENT SCHEDULE

Number of Payments	from (date)	to (date)	Base Lease Payment (CAD)	GST/HST	PST/QST	Total Lease Payment (CAD)
6	October 23, 2020	March 23, 2021	4,509.53	586.24	0.00	5,095.77
6	April 23, 2021	September 23, 2021	0.00	0.00	0.00	0.00
6	October 23, 2021	March 23, 2022	4,509.53	586.24	0.00	5,095.77
6	April 23, 2022	September 23, 2022	0.00	0.00	0.00	0.00
6	October 23, 2022	March 23, 2023	4,509.53	586.24	0.00	5,095.77
6	April 23, 2023	September 23, 2023	0.00	0.00	0.00	0.00
6	October 23, 2023	March 23, 2024	4,509.53	586.24	0.00	5,095.77
6	April 23, 2024	September 23, 2024	0.00	0.00	0.00	0.00
6	October 23, 2024	March 23, 2025	4,509.53	586.24	0.00	5,095.77

SIGNATURES

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

INSURANCE CARRIER FORM
Contract Number 104-50009619



1. PARTIES

CUSTOMER:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

2. TERMS AND CONDITIONS

Per your Lease agreement with us, you must arrange physical damage and general liability insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance satisfies minimum financial requirements.

Physical Damage coverage must show that Caterpillar Financial Services Limited has been named as loss payee for the equipment's replacement value. The deductible must be shown.

Liability Coverage must be a minimum of \$1,000,000 of combined coverage for bodily injury and property damage per occurrence. Caterpillar Financial Services Limited must be named as additional insured.

Please complete this form to provide contact information for your physical damage coverage as well as your liability coverage.

I have entered into the above agreement under which I am responsible for providing insurance against ALL RISKS of direct physical loss or damage for the actual cash value of the following equipment, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc.

<u>Year/Make/Model#</u>	<u>Equipment Description</u>	<u>Serial #</u>	<u>Vin #</u>	<u>Value</u>
NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER		CAT0926MCW5L00597		\$210,500.00

Insurance Agency

Insurance Agent's Name

Street Address

City

Zip

Agent's Phone Number

Fax number

E-mail Address

3. SIGNATURES

TO BE COMPLETED BY CUSTOMER:

I hereby instruct you to add Caterpillar Financial Services Limited as a Loss Payee and additional insured:

- To my existing policy number(s) _____, which now provide the coverage required, or
 To a policy which you are authorized to issue in the name listed above which will provide the coverage required.

Caterpillar Financial Services Limited must be given notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person shall not invalidate the insurance to Caterpillar Financial Services Limited.

Signature _____

Name (print) _____

Title _____

Date _____

PROCESSING OF THIS TRANSACTION MAY BE HELD PENDING RECEIPT OF THIS INFORMATION

TO BE COMPLETED BY INSURANCE AGENT:

I verify that the equipment listed on the previous page has been added to the policy/policies listed above, naming Caterpillar Financial Services Limited as Loss Payee for physical/ property damage and Additional insured for general liability coverage as their interest may appear.

Insured Name: _____

Policy number: _____

Expiry Date: _____

Insurance Company Name: _____

Agent Name: _____

Agent Signature: _____

Date Signed: _____

OR:

PLEASE FORWARD A COPY OF THE CERTIFICATE OR BINDER EVIDENCING COVERAGE TO:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
Fax: 888-244-0290
E-mail: CFSL.InsuranceMailbox@cat.com

Purchase Agreement
Contract Number 104-50009619

This Purchase Agreement (this "Agreement") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Seller named below ("you" or "your").

1. PARTIES

BUYER:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

SELLER:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

2. DESCRIPTION OF UNITS

You agree to sell to us, and we agree to buy from you, the units described below (collectively, the "Units"), subject to the terms and conditions of this Agreement.

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	TOTAL PRICE
(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MCW5L00597	\$210,500.00

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Financing Fees - Dealer Portion	380.00
Subtotal	210,880.00
HST R892135443	27,414.40
PST	Exempt
Total Purchase Price	238,294.40

Equipment Delivery Point:

128 SACKVILLE ROAD
SAULT STE. MARIE, ON P6B 4T6

ADDITIONAL TERMS

- The lessee named above ("Lessee") has, (i) with your assistance, selected the Units, (ii) instructed us to buy the Units from you, and (iii) agreed to lease the Units from us pursuant to a Lease Agreement (the "Lease").
- We will have no obligation under this Agreement (and you will promptly refund any sums we have previously paid to you with respect to the Units) unless (i) all of the conditions set forth in Section 3 (if Lease) / 4 (if Master Lease) of the Lease have been fulfilled in a timely manner and (ii) the Lessee has not communicated to us, prior to Delivery (as defined below) of the Units, an intent not to lease the Units from us. All conditions specified in this Section 2 will be fulfilled in a timely manner unless we notify you to the contrary in writing or by email or facsimile prior to Delivery of the Units. "Delivery" means the later of the time (a) we execute this Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Units.
- Upon Delivery of the Units and provided that the conditions in Section 2 are satisfied, ownership, title and risk of loss to the Units will transfer to us.
- You represent and warrant that (i) upon Delivery of the Units we will be the owner of and have absolute title to the Units free and clear of all claims, liens, security interests, hypothecs and other encumbrances, and (ii) you have not received any deposit or other payment from the Lessee in connection with the Units.
- You will forever warrant and defend the sale of the Units to us, and our successors and assigns, against any person claiming an interest in the Units.
- Upon satisfaction of the conditions in Section 2, and except as provided in Section 2, we will pay you the Total Purchase Price for the Units within 3 business days following the receipt and approval by us of all documentation deemed necessary by us in connection with the Lease.
- You will deliver the Units to the Lessee at the Location of Units specified in the Lease.
- We may assign this Agreement to a third party without notice to you or your consent. You agree to assist us in any assignment if we so request. You may not assign this Agreement without our consent. Each reference in this Agreement to "we", "us" or "our" includes our successors and assigns. This Agreement is for the benefit of, and is binding upon, you and us and your and our permitted successors and assigns.
- This Agreement will not become effective until it has been signed by our duly authorized representative. This Agreement is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.
- We and you acknowledge having expressly requested that this Agreement and all related documents and notices be drafted in the English language. *Nous et vous reconnaissons avoir expressément requis que ce contrat et les documents et avis qui s'y rattachent soient rédigés en langue anglaise.*

SIGNATURES

BUYER

CATERPILLAR FINANCIAL SERVICES LIMITED

SELLER

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2020 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MCW5L00597 VIN #:

Monthly Usage: 62.50

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Air Conditioning, Cab, Ride Control, Tires, 4x4

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- (a) You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- (b) The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- (c) Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- (d) You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- (e) Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- (f) You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- (g) You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- (h) You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **62.50 hours per month** over a term of **54 months** for total usage during the Lease Term of **3,375.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 3,375.00 + Current Hours 0.00 = Total Allowable Machine Hours 3,375.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$39.54** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Amortization Schedule

Transaction Number 4045462
 Customer THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 Model 926M Small Wheel Loader
 Serial Number CAT0926MCW5L00597

Date	Number of Payments Made	Starting Balance	Loan	Payments	Residual	Principal	Interest	Interest Rate	Ending Balance
Oct-23-20	0	0	211,050.00	0	0	0	0	0	211,050.00
Oct-23-20	1	211,050.00	0	4,509.53	0.00	4,509.53	0.00	2.65%	206,540.47
Nov-23-20	2	206,540.47	0	4,509.53	0.00	4,053.42	456.11	2.65%	202,487.05
Dec-23-20	3	202,487.05	0	4,509.53	0.00	4,062.37	447.16	2.65%	198,424.68
				-----	-----	-----	-----	-----	
				13,528.59	0.00	12,625.32	903.27		
Jan-23-21	4	198,424.68	0.00	4,509.53	0.00	4,071.35	438.18	2.65%	194,353.33
Feb-23-21	5	194,353.33	0	4,509.53	0.00	4,080.34	429.19	2.65%	190,272.99
Mar-23-21	6	190,272.99	0	4,509.53	0.00	4,089.35	420.18	2.65%	186,183.64
Apr-23-21	7	186,183.64	0	0.00	0.00	(411.16)	411.16	2.65%	186,594.80
May-23-21	8	186,594.80	0	0.00	0.00	(412.06)	412.06	2.65%	187,006.86
Jun-23-21	9	187,006.86	0	0.00	0.00	(412.97)	412.97	2.65%	187,419.83
Jul-23-21	10	187,419.83	0	0.00	0.00	(413.89)	413.89	2.65%	187,833.72
Aug-23-21	11	187,833.72	0	0.00	0.00	(414.80)	414.80	2.65%	188,248.52
Sep-23-21	12	188,248.52	0	0.00	0.00	(415.72)	415.72	2.65%	188,664.24
Oct-23-21	13	188,664.24	0	4,509.53	0.00	4,092.90	416.63	2.65%	184,571.34
Nov-23-21	14	184,571.34	0	4,509.53	0.00	4,101.94	407.59	2.65%	180,469.40
Dec-23-21	15	180,469.40	0	4,509.53	0.00	4,111.00	398.53	2.65%	176,358.40
				-----	-----	-----	-----	-----	
				27,057.18	0.00	22,066.28	4,990.90		
Jan-23-22	16	176,358.40	0.00	4,509.53	0.00	4,120.08	389.45	2.65%	172,238.32
Feb-23-22	17	172,238.32	0	4,509.53	0.00	4,129.17	380.36	2.65%	168,109.15
Mar-23-22	18	168,109.15	0	4,509.53	0.00	4,138.29	371.24	2.65%	163,970.86
Apr-23-22	19	163,970.86	0	0.00	0.00	(362.10)	362.10	2.65%	164,332.96
May-23-22	20	164,332.96	0	0.00	0.00	(362.90)	362.90	2.65%	164,695.86
Jun-23-22	21	164,695.86	0	0.00	0.00	(363.70)	363.70	2.65%	165,059.56
Jul-23-22	22	165,059.56	0	0.00	0.00	(364.51)	364.51	2.65%	165,424.07
Aug-23-22	23	165,424.07	0	0.00	0.00	(365.31)	365.31	2.65%	165,789.38
Sep-23-22	24	165,789.38	0	0.00	0.00	(366.12)	366.12	2.65%	166,155.50
Oct-23-22	25	166,155.50	0	4,509.53	0.00	4,142.61	366.92	2.65%	162,012.89
Nov-23-22	26	162,012.89	0	4,509.53	0.00	4,151.76	357.77	2.65%	157,861.13
Dec-23-22	27	157,861.13	0	4,509.53	0.00	4,160.92	348.61	2.65%	153,700.21
				-----	-----	-----	-----	-----	
				27,057.18	0.00	22,658.19	4,398.99		
Jan-23-23	28	153,700.21	0.00	4,509.53	0.00	4,170.11	339.42	2.65%	149,530.10
Feb-23-23	29	149,530.10	0	4,509.53	0.00	4,179.32	330.21	2.65%	145,350.78
Mar-23-23	30	145,350.78	0	4,509.53	0.00	4,188.55	320.98	2.65%	141,162.23
Apr-23-23	31	141,162.23	0	0.00	0.00	(311.73)	311.73	2.65%	141,473.96
May-23-23	32	141,473.96	0	0.00	0.00	(312.42)	312.42	2.65%	141,786.38
Jun-23-23	33	141,786.38	0	0.00	0.00	(313.11)	313.11	2.65%	142,099.49
Jul-23-23	34	142,099.49	0	0.00	0.00	(313.80)	313.80	2.65%	142,413.29
Aug-23-23	35	142,413.29	0	0.00	0.00	(314.50)	314.50	2.65%	142,727.79
Sep-23-23	36	142,727.79	0	0.00	0.00	(315.19)	315.19	2.65%	143,042.98
Oct-23-23	37	143,042.98	0	4,509.53	0.00	4,193.65	315.88	2.65%	138,849.33
Nov-23-23	38	138,849.33	0	4,509.53	0.00	4,202.91	306.62	2.65%	134,646.42
Dec-23-23	39	134,646.42	0	4,509.53	0.00	4,212.19	297.34	2.65%	130,434.23
				-----	-----	-----	-----	-----	
				27,057.18	0.00	23,265.98	3,791.20		
Jan-23-24	40	130,434.23	0.00	4,509.53	0.00	4,221.49	288.04	2.65%	126,212.74
Feb-23-24	41	126,212.74	0	4,509.53	0.00	4,230.81	278.72	2.65%	121,981.93

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Caterpillar Financial Services Limited

Page 1

Mar-23-24	42	121,981.93	0	4,509.53	0.00	4,240.16	269.37	2.65%	117,741.77
Apr-23-24	43	117,741.77	0	0.00	0.00	(260.01)	260.01	2.65%	118,001.78
May-23-24	44	118,001.78	0	0.00	0.00	(260.59)	260.59	2.65%	118,262.37
Jun-23-24	45	118,262.37	0	0.00	0.00	(261.16)	261.16	2.65%	118,523.53
Jul-23-24	46	118,523.53	0	0.00	0.00	(261.74)	261.74	2.65%	118,785.27
Aug-23-24	47	118,785.27	0	0.00	0.00	(262.32)	262.32	2.65%	119,047.59
Sep-23-24	48	119,047.59	0	0.00	0.00	(262.90)	262.90	2.65%	119,310.49
Oct-23-24	49	119,310.49	0	4,509.53	0.00	4,246.06	263.47	2.65%	115,064.43
Nov-23-24	50	115,064.43	0	4,509.53	0.00	4,255.43	254.10	2.65%	110,809.00
Dec-23-24	51	110,809.00	0	4,509.53	0.00	4,264.83	244.70	2.65%	106,544.17
			-----	-----	-----	-----	-----		
				27,057.18	0.00	23,890.06	3,167.12		
Jan-23-25	52	106,544.17	0.00	4,509.53	0.00	4,274.25	235.28	2.65%	102,269.92
Feb-23-25	53	102,269.92	0	4,509.53	0.00	4,283.69	225.84	2.65%	97,986.23
Mar-23-25	54	97,986.23	0	4,509.53	0.00	4,293.15	216.38	2.65%	93,693.08
Apr-23-25	55	93,693.08	0	0.00	93,900.00	93,693.09	206.91	2.65%	(0.01)
			-----	-----	-----	-----	-----		
				13,528.59	93,900.00	106,544.18	884.41		
total				135,285.90	93,900.00	211,050.01	18,135.89		

Caterpillar Financial Services Limited

INVOICE

Page	Date	Invoice No.
1	23/10/2020	104-50009619

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Description	Serial #	VIN#	Due Date	Pmt. No.	Amount
(1) 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MCW5L00597		Upon Receipt	1	4,509.53
Harmonized Sales Tax					586.24
RETURN PAYMENT COPY AND CHEQUE FOR SPECIFIED PAYMENT(S) WITH SIGNED LEASE DOCUMENTS.					
Your cheque will be cashed by Lessor upon receipt, but that act will not constitute acceptance by Lessor of the Lease or Schedule. If Lessor accepts and executes the Lease and/or Schedule, the proceeds of this cheque will be applied to the specified rental payments. If Lessor does not accept the Lease or Schedule, Lessor will return an amount equal to this cheque.					
WITHOUT TAX EXEMPTION CERTIFICATE, APPROPRIATE SALES/USE TAX WILL BE CHARGED.					

Harmonized Sales Tax #: 100843952

PLEASE PAY THIS AMOUNT

\$ 5,095.77

Invoice No.	Total Enclosed
104-50009619 - 1	\$

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Remit To: **CATERPILLAR FINANCIAL SERVICES LIMITED**
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

If you have any questions concerning this invoice please call 1-800-651-0567.

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2020 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MCW5L00597 VIN #:

Monthly Usage: 92.67

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Air Conditioning, Cab, Ride Control, Tires, 4x4

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- (a) You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- (b) The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- (c) Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- (d) You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- (e) Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- (f) You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- (g) You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- (h) You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **92.67 hours per month** over a term of **54 months** for total usage during the Lease Term of **5,004.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 5,004.00 + Current Hours 0.00 = Total Allowable Machine Hours 5,004.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$27.04** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Cat Financial Document Package

Thank you for considering Caterpillar Financial, where our goal is to have Customers for Life. This package includes documents for your consideration regarding the proposed transaction below:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Dealer:TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
Transaction Number:4045642
Contract Number:104-50009685

Year/Make/Model Number	Serial Number	VIN	Equipment Location	Proposed Financed Amount
2020 CATERPILLAR 926M	CAT0926MHW5L00606		128 SACKVILLE ROAD SAULT STE. MARIE, ON P6B 4T6	\$211,050.00

Rental Amount: See Irregular Payment Schedule

Payment Due Date: See Irregular Payment Schedule

Insurance Requirements:

Physical Damage: Caterpillar Financial Services Limited named as Loss Payee

Coverage Limit: Financed Amount per machine as Stated Above

General Liability - Caterpillar Financial Services Limited named as Additional Insured

Coverage Limit: \$1,000,000 per occurrence

Invoices/Notices will be mailed to:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE, SAULT STE MARIE, ON P6A 5X6

Documents included in this package:

- 1) CA Amort Schedule OL With PaymentDate from Deal
- 2) CA English Construction Application Survey
- 3) CA English Financial Lease Agreement ROC
- 4) CA English Insurance Carrier Information National (Leases)
- 5) CA English Invoice National Form (All FPs)
- 6) CA English Payment Schedule National Form (Leases)
- 7) CA English Pre-Authorized Debit Form National Form (All FPs)
- 8) CA English Purchase Agreement

Additional Requirements/Notes:

If you have questions about this document package, please contact your dealer sales rep, dealer finance rep. We will mail you a copy of your executed documents and amortization schedule after closing of your transaction.

For questions after your transaction closes, or on any of your existing contracts, please contact Customer Service at 1-800-561-3771 or NABC.CustomerService@cat.com. You can also access your accounts online at www.catfinancial.com.

Thank you for your consideration!

This Lease Agreement (together with each addendum, schedule, Application Survey and rider attached to, or made a part of, this lease and any amendments made from time to time being collectively referred to as "this Lease") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Lessee named below ("you" or "your").

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
HST Registration #: 100843952
PST Registration #: 100843952

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the year, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	MONTHLY LEASE PAYMENT* (The total amount due each month if your payments are made on their due date or see attached Payment Schedule)	PURCHASE OPTION PRICE (see Section 15)	MAX TOTAL HOURS/USAGE (Maximum total usage of Unit - see Application Survey, if one is used for this Lease)	DELIVERY/RENTAL CONVERSION DATE (Enter date Unit was delivered to you or the date Unit was converted from a rental if you were previously renting)
	CAT0926MHW5L00606	Irreg. Payments	\$93,900.00	5004	

(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER

*BASE MONTHLY PAYMENT:

HST:

PST:

MONTHLY LEASE PAYMENT:

SEE IRREGULAR
PAYMENT SCHEDULE

COMMENCEMENT DATE:

LOCATION OF UNITS:

October 23, 2020

128 SACKVILLE ROAD

SAULT STE. MARIE, ON P6B

4T6

For a description of any other units that have been leased pursuant to this Lease, see the "Equipment Description Schedule" in the attached SCHEDULE A. For any other units that represent "Additional Collateral", see the "Additional Collateral" section of the attached SCHEDULE A ("Additional Collateral"). Each item of Additional Collateral identified in any attached SCHEDULE A is considered a Unit under the terms of this Lease.

In reliance on your selection of the units described above (together with all attachments, accessories and optional features, whether or not installed with any of those units, and all manufacturer manuals and instructions, being referred to in this Lease as a "Unit" or the "Units"), we have agreed to acquire and lease the Units (excluding any Additional Collateral) to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

You acknowledge that the Units (excluding any Additional Collateral) were delivered to you in good working condition and that you accepted them on the date indicated. If any of the Units (excluding any Additional Collateral) will be delivered to you after you sign this Lease, you agree to sign and deliver to us a separate delivery certificate.

Each addendum, schedule, application survey for a Unit (each, an "Application Survey") and rider that is referred to in this Lease and is attached to this Lease or is deemed to be attached to this Lease is incorporated into this Lease by reference and is deemed to be a part of this Lease.

TERMS AND CONDITIONS

- 3. Lease Term** The "Lease Term" for each Unit will start on the Commencement Date, as identified in the first page of this Lease and will continue for 54 months, unless we terminate this Lease in accordance with its terms. However, we have no obligation to enter into this Lease or pay the supplier of the Units (the "Supplier") for the Unit(s) until you have delivered to us all documents that we may reasonably request.
- 4. Lease Payment** You will pay us the monthly Lease Payments beginning October 23, 2020 and on the same date of each month thereafter (or the last day of the month, if there is no such date). The monthly Lease Payments will be due without demand. You will also pay us all other amounts payable by you under this Lease and under any other document delivered by you in connection with this Lease, including each applicable Application Survey (collectively, the "Lease Documents") when due (all such other payments, together with the monthly Lease Payments, being referred to in this Lease as the "Lease Payments"). You will pay all Lease Payments not otherwise payable by pre-authorized debit to us at Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4 or such other location that we designate in writing. You agree this Lease is a non-cancellable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.
- 5. Late Charges** If we do not receive a Lease Payment by the 14th day after the date the Lease Payment is due, you will be charged a late payment charge on the late Lease Payment equal to the lesser of (i) one and one half (1.5%) percent and (ii) the highest legal contract rate of interest.
- 6. Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or the Supplier of any of the Units. We make no representations, warranties or conditions whatsoever, express or implied, with respect to this Lease or to any Unit. Without limiting the generality of the foregoing, each Unit is leased "as is, where is". We make no representations, warranties or conditions as to the quality of materials or workmanship or that the materials or workmanship comply with the terms of any purchase order or agreement. We expressly disclaim, and you waive all other representations, warranties, conditions and claims, express or implied, arising by law or otherwise, with respect to any Unit or this Lease, including, without limitation, any representation, warranty or condition relating to: (a) the merchantability of any Unit; (b) any Unit's fitness for a particular purpose; (c) the course of performance, course of dealing or usage of trade; (d) any obligation, liability, right, claim or remedy in tort; (e) any obligation, liability, right, claim, or remedy for loss of or damage to any Unit, for loss of use, revenue, or profit with respect to any Unit, for any liability to any third party, or for any other indirect, incidental, or consequential damages, including strict or absolute liability in tort; and (f) any Unit's freedom from any lien, claim, security interest, hypothec or other encumbrance and its compliance with applicable laws, including patent laws. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit regarding the operation of any Unit). You agree to pursue only these third parties for any and all such claims. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.
- 7. Possession, Use and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon any Unit. (c) You will not sublease any Unit or permit the use of any Unit by anyone other than you. (d) You will not change the use of any Unit from that set out in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of any Unit from that set out above, without our prior written consent. (f) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, hypothec or encumbrance on any of your rights under this Lease or with respect to any Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right to inspect any Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter any Unit or affix any accessory or equipment to any Unit if doing so will impair its originally intended function or use or reduce its value. If added to any Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. All parts, accessories and equipment affixed to a Unit will become our property. All of your right, title and interest in such parts, accessories and equipment shall transfer automatically to us immediately upon such affixation without the need for any documents of transfer.
- 8. Taxes** You will pay when due, or promptly reimburse us for payment of, all taxes imposed on any Unit or Lease Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) charges that are imposed in connection with the ownership, possession, use, purchase (including by you pursuant to this Lease) or lease of any Unit from the time we purchase the Unit until it is returned to us or purchased by you and (iii) fines, penalties, interest or additions to any tax, fee or charge. You will remain responsible for the payment, or reimbursement of, any such taxes, fees and charges, regardless of when we receive notice of them. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If any Lease Payment under this Lease is deemed to include goods and services tax or harmonized sales tax or any similar value-added or multi-staged tax, the amount of such payment shall be increased accordingly. You will not deduct or withhold any taxes from a Lease Payment unless required by applicable law. If taxes are required to be deducted or withheld, the amount of the Lease Payment will be increased so that after the tax deduction or withholding (including any tax deduction or withholding required from the increased amount) we receive the amount that we would have received in the absence of any tax deduction or withholding, and you will also provide us with evidence of remittance of the taxes to the relevant tax authority. We may change the Monthly Lease Payment to reflect any increase or decrease in any taxes from time to time. You acknowledge that you have satisfied yourself as to the tax and accounting treatment of the Lease Documents for your purposes and have not relied on us as to those matters.
- 9. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under this Lease or any other Lease Document. A "Casualty Occurrence" will occur if any Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage or loss reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Lease. (d) In the event of a Casualty Occurrence, you will pay to us, on the first monthly Lease Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no monthly Lease Payment due date remaining) an amount (the "Liquidated Damages") equal to the sum of: (i) the present value of all future Lease Payments payable under this Lease for

such Unit to the end of the Lease Term for such Unit; (ii) the present value of the Purchase Option Price payable under this Lease for such Unit, as stated on the front of this Lease, plus applicable taxes, assuming that you had elected to purchase such Unit; and (iii) all other amounts then due under this Lease with respect to the Unit suffering the Casualty Occurrence (including any late charges and fees). Present values will be determined by us by discounting such amounts at the implicit interest rate which we have applied, in our sole discretion, to this Lease and our determination of such present values shall be conclusive, absent manifest error. Upon our receipt of the Liquidated Damages for the applicable Unit, the Lease Term with respect to such Unit shall terminate.

10. Release and Indemnity (a) You release and agree to indemnify, defend, and keep harmless, us, our successors and assigns, and our and their directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all claims, actions, damages, losses, penalties, fines, liabilities, charges, costs and expenses of whatever kind or nature, which arise in any way from or are related in any way to any Lease Document or any Unit including the use and contents of such Unit and any defects in respect of such Unit ("Claims") (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims for which we are or may be responsible when and as they become due. (b) You are entitled to control the defense of or to settle a Claim, so long as: (i) no Event of Default has occurred and is then continuing; (ii) you are financially capable of satisfying your obligations under this Section; and (iii) we approve your proposed defense counsel. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable legal fees and disbursements on a solicitor-client basis, incurred by any Indemnitee in defending or investigating any Claim or in enforcing this Section. Under no circumstances are we liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

11. Insurance You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the aggregate amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You will also provide us with all requested information. Upon demand, you must promptly deliver to us evidence of such insurance coverage.

12. Events of Default Each of the following is an event of default (each, an "Event of Default"): (a) you fail to make a payment when due; (b) a representation or warranty made to us in connection with any Lease Document is incorrect or misleading; (c) you fail to observe or perform any other covenant or agreement, and the failure continues for 10 days after written notice to you; (d) a default occurs under any other agreement between you or a guarantor of this Lease (each, a "Guarantor") and us or an affiliate of ours; (e) you, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors; (f) any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within 30 days after filing or appointment; (g) there is a material adverse change in your or a Guarantor's financial condition, business operations or prospects; (h) there is a termination, breach, or repudiation of a Guarantor's guarantee; and (i) any Unit becomes uninsured or subject to any sale, sublease, lien, claim, mortgage, security interest, hypothec or encumbrance (other than in our favour).

13. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Lease and as provided to a secured party under the *Personal Property Security Act* (Ontario) and any other applicable law. Among these rights and remedies are to: (a) bring a court action to recover damages; (b) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations and, by written notice to you, require you to pay us on the date set out in the notice, as a genuine pre-estimate of liquidated damages and not as penalty (and in addition to all other amounts owing under any of the Lease Documents including any amounts owing under this Section, an amount equal to the Liquidated Damages for all of the Units at such time); (c) recover any additional damages and expenses suffered by us due to the Event of Default; (d) enforce our security interests; (e) require you to assemble and return each Unit pursuant to Section 14; (f) enter premises where a Unit may be located and take immediate possession of, disable or remove such Unit (and any unattached parts) without notice, liability or legal process (and upon such repossession or disabling pursuant to this Section 13(f) or any return of such Unit under Section 13(e), your right to possess and use such Unit will terminate, but this Lease will remain in effect unless we expressly notify you of the cancellation of this Lease under Section 13(b)); (g) in the name of and as your irrevocably appointed agent and attorney and without terminating or being deemed to have terminated this Lease, sublease all or any of the Units to anyone else on such terms and conditions, for such rental and for such period of time as we see fit and receive such rental and hold the same and apply the same against any amounts payable by you under any of the Lease Documents; (h) store (including at your premises without liability) or sell, lease or otherwise dispose of the Units or any of them, at public or private sale, lease or other disposition, for cash or credit, and on such terms as we may determine; and (i) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, cancel the agreement on your behalf and upon such cancellation, we may also receive the refund of any fees that we financed but had not received from you as of the date of the Event of Default. You agree to pay all charges, costs, expenses and reasonable legal fees and disbursements (on a solicitor-client basis) incurred by us in enforcing this Lease. The proceeds of any sale, lease or disposition of a Unit will be applied, first, to reimburse us for all expenses of collection and enforcement of this Lease, including our legal fees and expenses and second, to obligations owed to us under this Lease as we may determine. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or any of our affiliates. You will promptly pay any deficiency to us. Except as prohibited by applicable law, we are entitled to retain any remaining proceeds after the exercise of our remedies. To the extent you are entitled to a refund from us, you agree we will have the right to offset any obligation that you have with us or our affiliates with such refund. The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. If you fail to perform any of your obligations under this Lease, we may (but need not) perform the obligations, without waiving or curing any breach of this Lease. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

14. Return of Unit On expiration of the Lease Term or if you do not elect to purchase the Unit(s) pursuant to this Lease, or if we demand possession of a Unit pursuant to the terms of this Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and any applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If a Unit is not in the condition required by Section 7 and any applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring such Unit into the required condition as we determine, acting reasonably, and you shall pay us a daily rental charge equal to 1/30th of the Monthly Lease Payment, plus any other costs and expenses each day until the Unit is brought into the required condition.

15. Purchase Option If no Event of Default has occurred and is continuing, you may, by notice delivered to us at least sixty (60) days prior to the end of the Lease Term elect to purchase on the end of the Lease Term any or all of the Units at a purchase price equal to the Purchase Option Price for such Unit, as stated on the first page of this Lease, plus any applicable taxes thereon. The purchase price will be due at the end of the Lease Term. Upon payment of such purchase price and all other amounts due under this Lease, plus any other costs and expenses due in connection with the transfer of such Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of

sale. The bill of sale will be delivered to you without any representations, warranties or conditions except that such Unit is free of all encumbrances of any person claiming through us. You will purchase such Unit from us on an **"AS IS, WHERE IS, WITH ALL FAULTS BASIS"**. If you do not elect to purchase a Unit, at the end of the Lease Term you will return such Unit to us as provided in Section 14 and all of your rights and interest in such Unit will automatically terminate. If you fail to purchase or return a Unit at the end of the Lease Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us for each such Unit a daily rental charge equal to 1/30th of the Monthly Lease Payment for such Unit each day until the day the Unit is purchased or returned to us.

16. Ownership; Security Interest Subject to your right to use and possess the Units as set out in this Lease, and subject to your purchase option in Section 15, title to the Units (excluding any Additional Collateral) remains with us. As additional security for your obligations to us under this Lease and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit, all substitutions, replacements and additions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interests in each Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations, Warranties and Covenants You represent, warrant and covenant to us that: (a) you will provide all financial information and reporting (including, but not limited to your financial statements) as we may reasonably require; (b) all credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete; (c) you will not change your name, principal place of business or primary residence and, if you are a business entity, your jurisdiction of formation or form of business organization or change the jurisdiction in which your chief executive office or registered office is located, without prior written notice to us, or enter into any merger, amalgamation, consolidation or restructuring without our prior written consent; and (d) this Lease constitutes your valid obligation, legally binding on you and enforceable according to its terms.

18. Unit Monitoring Systems In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and all of its subsidiaries or affiliates, including us (collectively "Caterpillar"), and Caterpillar dealers to access data concerning such Unit, its condition and its operation transmitted from the monitoring system. The information may be used (i) to administer, implement and enforce the terms of this Lease, (ii) recover the Unit if necessary, or (iii) to improve Caterpillar's products and services. You agree that information transmitted may include the serial number, VIN, Unit location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

19. Assignment; Counterparts We may assign, sell, concurrently lease or otherwise dispose of, or encumber (each, an "Assignment"), all or any part of the Lease Documents, the Lease Payments, and the Units, to anyone else (each, an "Assignee"), without notice to you or your consent. **The rights of any assignee will not be subject to any defense, counterclaim or set off which you may have against us.** If requested by us, you will assist us in any Assignment. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. This Lease is for the benefit of, and is binding upon, you and your permitted successors, assigns, heirs and executors and us and our successors and assigns (including any Assignee). You must not assign this Lease or any right or obligation under it without our prior written consent. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible. A signed copy of this Lease or any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

20. Personal Information Consent We may collect and use personal information provided by you in connection with this Lease and any related application for the purposes of verifying and evaluating the application, your identity (including for regulatory compliance purposes), creditworthiness (including by obtaining and using credit reports), and the information provided to us in connection with the application or this Lease. We may collect credit, financial and related personal information for these purposes from you or your application, our affiliates, credit bureaus and credit reporting agencies, from references that you may have provided in the application and other parties with whom you have had a financial or credit relationship. You consent to the disclosure of such information by these parties to us. Social Insurance Numbers or other personal identifiers, if provided, may be used to verify your identity, including matching credit records. Identity verification may also include checking your identity against watch lists established by regulatory agencies and similar bodies in Canada and foreign countries. We may, from time to time, use the information referred to above and other personal information collected or compiled by us in connection with this Lease (collectively, the "Information") and share the Information among and with us, Caterpillar and authorized Caterpillar dealers for the purposes of opening, administering, servicing and enforcing this Lease, collecting amounts owing to us, verifying and evaluating your current and ongoing creditworthiness and financial status, and responding to inquiries and otherwise communicating with you regarding the account. For the purpose of maintaining your credit history and providing credit references, we may from time to time disclose credit-related Information to credit bureaus, credit reporting agencies and to your current or future creditors. We may use and exchange your banking information with financial institutions for payment processing purposes. We may otherwise use the Information and disclose the Information to third parties: (i) to register security interests; (ii) to enforce security, this Lease and otherwise collect amounts owing to us; (iii) for the purposes of detecting and preventing fraud; (iv) in connection with audits; (v) for the purposes of meeting legal, regulatory, risk management and security requirements; and (vi) as permitted or required by law (including as required by foreign laws applicable to us and our agents or service providers). We may use and disclose the Information to our assigns, prospective assigns and other third parties that are connected with the proposed or actual financing, securitization, insuring, sale, assignment or other disposal of all or part of our business or assets (including this Lease and amounts owing to us) for the purposes of permitting a prospective assign to evaluate your creditworthiness and otherwise determine whether to proceed or continue with the transaction, fulfilling any reporting or audit requirements to such parties, or completing the transaction. Our successors and assigns may collect, use, and disclose the Information for substantially the same purposes as described in this Lease. We may use agents and service providers (including Caterpillar acting in that capacity) to collect, use, store or process the Information on our behalf for the purposes described in this Lease. Some of these agents or service providers may be located outside of Canada, including the United States, where local laws may permit governmental, law enforcement, or regulatory authorities or courts to have access to the Information. We may, from time to time, use the Information and share the Information among and with Caterpillar to promote and market additional products or services of Caterpillar to you. You may refuse consent for this purpose by contacting us at 1-800-651-0567.

To request access to, or correction of the Information, or if you have any questions about how we handle the Information, please contact us at the address designated above or as otherwise designated by us. The consents provided above shall be valid for so long as required to fulfill the purposes described in this Lease.

21. Effect of Waiver; Entire Agreement; Notices; Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and all Lease Documents completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province. You consent to the jurisdiction of any appropriate court located within that Province. If you are a corporation, you agree that *The Limitation of Civil Rights Act (Saskatchewan)*, as it may be changed from time to time, will not apply to this Lease or to our rights, powers or remedies and you waive and release all benefits under those laws and any similar laws of any jurisdiction to the fullest extent permitted by law. Where permitted by law, you waive your rights to receive a copy of any financing statement, financing change statement, verification statement or other similar

instrument filed or issued at any time in respect of this Lease or any amendment of this Lease. **The parties waive the right to trial by jury in any action arising out of or related to this Lease, the obligations or the Units.**

22. No Agency; Modification of Lease No person or entity, including, without limitation, the Supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in

blanks, including correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All your obligations under this Lease survive the expiration or termination of this Lease if necessary to give full effect to the terms of this Lease. Time is of the essence under this Lease

You represent and warrant to us that you have entered into this Lease for business purposes only and not for personal, family or household purposes and that you are not a "consumer" under any applicable consumer protection legislation or cost of credit disclosure legislation. You acknowledge that we are relying on the truth of the previous sentence in deciding on whether to enter into this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including any applicable Application Survey.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (Print) _____

Title _____

Date _____

LESSEE
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (Print) _____

Title _____

Date _____

Direct Pay (Pre-Authorized Debit) Authorization
Contract Number 104-50009685



1. CUSTOMER INFORMATION

Name THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Name _____

2. PRE-AUTHORIZED DEBIT (PAD) DETAILS

Each of the accountholder(s) ("we", "us" or "our") signing this Direct Pay (Pre-Authorized Debit) Authorization ("this Authorization") authorizes Caterpillar Financial Services Limited ("you" or "your"), on your own behalf or as agent for any assignee, to debit our bank account set out below or any other bank account that we may identify to you from time to time ("Account") for: (i) the amount of each payment due under the CAT Financial Lease Agreement in respect of the Contract Number 104-50009685 (together with all other documents delivered to you in connection with such agreement, the "Contract") on or shortly after its payment due date ("Scheduled Debit Date") as set out in the Contract and (ii) any other amount that may become due under the Contract from time to time (including, without limitation, late payment charges, NSF and other charges) on the next Scheduled Debit Date. You will obtain our authorization to debit our account on any date that is not a Scheduled Debit Date.

We require monthly invoices. Yes No

PAD Category: Business

3. TERMS AND CONDITIONS

If our financial institution dishonours any debit for any reason, you may issue another debit in substitution for the dishonoured debit. You will have no liability on account of a dishonoured debit.

We represent and warrant (i) that all persons whose signatures are required to sign on the Account have signed this Authorization and (ii) that all Account information we provide is accurate. We will immediately notify you, in writing, of any change in the Account information and, in any event, at least 10 business days prior to the next Scheduled Debit Date.

We have certain recourse rights if any debit does not comply with this Authorization. For example, we have the right to be reimbursed for any debit that is not authorized or is not consistent with this Authorization. For more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

We may cancel this Authorization at any time by written notice to you, which notice will be effective 10 days after receipt; however, our cancellation of this Authorization does not terminate, cancel or reduce our obligations under the Contract. For a sample cancellation form, or more information on our right to cancel this Authorization, we may contact our financial institution or www.cdnpay.ca.

You may assign this Authorization, directly or indirectly, by operation of law, change of control or otherwise, without notice, unless notice is required by law.

We can contact you at the address below to make inquiries, obtain information or seek any recourse rights.

We understand that you will not notify us in advance of any withdrawal and we agree to waive all pre-notification requirements in respect of all debits drawn under this Authorization.

4. BANK ACCOUNT INFORMATION

Please attach a sample cheque with "VOID" written on it.

SIGNATURES

For a joint account, the signatures of all accountholders must appear on this Authorization.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4

Phone: 1-800-561-3771, Fax: 289-291-2235



Payment Schedule
Contract Number 104-50009685

This Payment Schedule forms part of the Lease Agreement for the Transaction Number set out above between the Lessor and the Lessee named below.

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. PAYMENT SCHEDULE

Number of Payments	from (date)	to (date)	Base Lease Payment (CAD)	GST/HST	PST/QST	Total Lease Payment (CAD)
6	October 23, 2020	March 23, 2021	4,509.53	586.24	0.00	5,095.77
6	April 23, 2021	September 23, 2021	0.00	0.00	0.00	0.00
6	October 23, 2021	March 23, 2022	4,509.53	586.24	0.00	5,095.77
6	April 23, 2022	September 23, 2022	0.00	0.00	0.00	0.00
6	October 23, 2022	March 23, 2023	4,509.53	586.24	0.00	5,095.77
6	April 23, 2023	September 23, 2023	0.00	0.00	0.00	0.00
6	October 23, 2023	March 23, 2024	4,509.53	586.24	0.00	5,095.77
6	April 23, 2024	September 23, 2024	0.00	0.00	0.00	0.00
6	October 23, 2024	March 23, 2025	4,509.53	586.24	0.00	5,095.77

SIGNATURES

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

INSURANCE CARRIER FORM
Contract Number 104-50009685



1. PARTIES

CUSTOMER:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

2. TERMS AND CONDITIONS

Per your Lease agreement with us, you must arrange physical damage and general liability insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance satisfies minimum financial requirements.

Physical Damage coverage must show that Caterpillar Financial Services Limited has been named as loss payee for the equipment's replacement value. The deductible must be shown.

Liability Coverage must be a minimum of \$1,000,000 of combined coverage for bodily injury and property damage per occurrence. Caterpillar Financial Services Limited must be named as additional insured.

Please complete this form to provide contact information for your physical damage coverage as well as your liability coverage.

I have entered into the above agreement under which **I am responsible for providing insurance against ALL RISKS** of direct physical loss or damage for the actual cash value of the following equipment, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc.

<u>Year/Make/Model#</u>	<u>Equipment Description</u>	<u>Serial #</u>	<u>Vin #</u>	<u>Value</u>
NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER		CAT0926MHW5L00606		\$210,500.00

Insurance Agency

Insurance Agent's Name

Street Address

City

Zip

Agent's Phone Number

Fax number

E-mail Address

3. SIGNATURES

TO BE COMPLETED BY CUSTOMER:

I hereby instruct you to add Caterpillar Financial Services Limited as a Loss Payee and additional insured:

- [] To my existing policy number(s) _____, which now provide the coverage required, or
[] To a policy which you are authorized to issue in the name listed above which will provide the coverage required.

Caterpillar Financial Services Limited must be given notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person shall not invalidate the insurance to Caterpillar Financial Services Limited.

Signature _____

Name (print) _____

Title _____

Date _____

PROCESSING OF THIS TRANSACTION MAY BE HELD PENDING RECEIPT OF THIS INFORMATION

TO BE COMPLETED BY INSURANCE AGENT:

I verify that the equipment listed on the previous page has been added to the policy/policies listed above, naming Caterpillar Financial Services Limited as Loss Payee for physical/ property damage and Additional insured for general liability coverage as their interest may appear.

Insured Name: _____

Policy number: _____

Expiry Date: _____

Insurance Company Name: _____

Agent Name: _____

Agent Signature: _____

Date Signed: _____

OR:

PLEASE FORWARD A COPY OF THE CERTIFICATE OR BINDER EVIDENCING COVERAGE TO:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
Fax: 888-244-0290
E-mail: CFSL.InsuranceMailbox@cat.com

Purchase Agreement
Contract Number 104-50009685

This Purchase Agreement (this "Agreement") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Seller named below ("you" or "your").

1. PARTIES

BUYER:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

SELLER:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

2. DESCRIPTION OF UNITS

You agree to sell to us, and we agree to buy from you, the units described below (collectively, the "Units"), subject to the terms and conditions of this Agreement.

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	TOTAL PRICE
(1) NEW 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MHW5L00606	\$210,500.00

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Financing Fees - Dealer Portion	380.00
Subtotal	210,880.00
HST R892135443	27,414.40
PST	Exempt
Total Purchase Price	238,294.40

Equipment Delivery Point:

128 SACKVILLE ROAD
SAULT STE. MARIE, ON P6B 4T6

ADDITIONAL TERMS

- The lessee named above ("Lessee") has, (i) with your assistance, selected the Units, (ii) instructed us to buy the Units from you, and (iii) agreed to lease the Units from us pursuant to a Lease Agreement (the "Lease").
- We will have no obligation under this Agreement (and you will promptly refund any sums we have previously paid to you with respect to the Units) unless (i) all of the conditions set forth in Section 3 (if Lease) / 4 (if Master Lease) of the Lease have been fulfilled in a timely manner and (ii) the Lessee has not communicated to us, prior to Delivery (as defined below) of the Units, an intent not to lease the Units from us. All conditions specified in this Section 2 will be fulfilled in a timely manner unless we notify you to the contrary in writing or by email or facsimile prior to Delivery of the Units. "Delivery" means the later of the time (a) we execute this Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Units.
- Upon Delivery of the Units and provided that the conditions in Section 2 are satisfied, ownership, title and risk of loss to the Units will transfer to us.
- You represent and warrant that (i) upon Delivery of the Units we will be the owner of and have absolute title to the Units free and clear of all claims, liens, security interests, hypothecs and other encumbrances, and (ii) you have not received any deposit or other payment from the Lessee in connection with the Units.
- You will forever warrant and defend the sale of the Units to us, and our successors and assigns, against any person claiming an interest in the Units.
- Upon satisfaction of the conditions in Section 2, and except as provided in Section 2, we will pay you the Total Purchase Price for the Units within 3 business days following the receipt and approval by us of all documentation deemed necessary by us in connection with the Lease.
- You will deliver the Units to the Lessee at the Location of Units specified in the Lease.
- We may assign this Agreement to a third party without notice to you or your consent. You agree to assist us in any assignment if we so request. You may not assign this Agreement without our consent. Each reference in this Agreement to "we", "us" or "our" includes our successors and assigns. This Agreement is for the benefit of, and is binding upon, you and us and your and our permitted successors and assigns.
- This Agreement will not become effective until it has been signed by our duly authorized representative. This Agreement is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.
- We and you acknowledge having expressly requested that this Agreement and all related documents and notices be drafted in the English language. *Nous et vous reconnaissons avoir expressément requis que ce contrat et les documents et avis qui s'y rattachent soient rédigés en langue anglaise.*

SIGNATURES

BUYER

CATERPILLAR FINANCIAL SERVICES LIMITED

SELLER

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Amortization Schedule

Transaction Number 4045642
 Customer THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 Model 926M Small Wheel Loader
 Serial Number CAT0926MHW5L00606

Date	Number of Payments Made	Starting Balance	Loan	Payments	Residual	Principal	Interest	Interest Rate	Ending Balance
Oct-23-20	0	0	211,050.00	0	0	0	0	0	211,050.00
Oct-23-20	1	211,050.00	0	4,509.53	0.00	4,509.53	0.00	2.65%	206,540.47
Nov-23-20	2	206,540.47	0	4,509.53	0.00	4,053.42	456.11	2.65%	202,487.05
Dec-23-20	3	202,487.05	0	4,509.53	0.00	4,062.37	447.16	2.65%	198,424.68
				-----	-----	-----	-----		
				13,528.59	0.00	12,625.32	903.27		
Jan-23-21	4	198,424.68	0.00	4,509.53	0.00	4,071.35	438.18	2.65%	194,353.33
Feb-23-21	5	194,353.33	0	4,509.53	0.00	4,080.34	429.19	2.65%	190,272.99
Mar-23-21	6	190,272.99	0	4,509.53	0.00	4,089.35	420.18	2.65%	186,183.64
Apr-23-21	7	186,183.64	0	0.00	0.00	(411.16)	411.16	2.65%	186,594.80
May-23-21	8	186,594.80	0	0.00	0.00	(412.06)	412.06	2.65%	187,006.86
Jun-23-21	9	187,006.86	0	0.00	0.00	(412.97)	412.97	2.65%	187,419.83
Jul-23-21	10	187,419.83	0	0.00	0.00	(413.89)	413.89	2.65%	187,833.72
Aug-23-21	11	187,833.72	0	0.00	0.00	(414.80)	414.80	2.65%	188,248.52
Sep-23-21	12	188,248.52	0	0.00	0.00	(415.72)	415.72	2.65%	188,664.24
Oct-23-21	13	188,664.24	0	4,509.53	0.00	4,092.90	416.63	2.65%	184,571.34
Nov-23-21	14	184,571.34	0	4,509.53	0.00	4,101.94	407.59	2.65%	180,469.40
Dec-23-21	15	180,469.40	0	4,509.53	0.00	4,111.00	398.53	2.65%	176,358.40
				-----	-----	-----	-----		
				27,057.18	0.00	22,066.28	4,990.90		
Jan-23-22	16	176,358.40	0.00	4,509.53	0.00	4,120.08	389.45	2.65%	172,238.32
Feb-23-22	17	172,238.32	0	4,509.53	0.00	4,129.17	380.36	2.65%	168,109.15
Mar-23-22	18	168,109.15	0	4,509.53	0.00	4,138.29	371.24	2.65%	163,970.86
Apr-23-22	19	163,970.86	0	0.00	0.00	(362.10)	362.10	2.65%	164,332.96
May-23-22	20	164,332.96	0	0.00	0.00	(362.90)	362.90	2.65%	164,695.86
Jun-23-22	21	164,695.86	0	0.00	0.00	(363.70)	363.70	2.65%	165,059.56
Jul-23-22	22	165,059.56	0	0.00	0.00	(364.51)	364.51	2.65%	165,424.07
Aug-23-22	23	165,424.07	0	0.00	0.00	(365.31)	365.31	2.65%	165,789.38
Sep-23-22	24	165,789.38	0	0.00	0.00	(366.12)	366.12	2.65%	166,155.50
Oct-23-22	25	166,155.50	0	4,509.53	0.00	4,142.61	366.92	2.65%	162,012.89
Nov-23-22	26	162,012.89	0	4,509.53	0.00	4,151.76	357.77	2.65%	157,861.13
Dec-23-22	27	157,861.13	0	4,509.53	0.00	4,160.92	348.61	2.65%	153,700.21
				-----	-----	-----	-----		
				27,057.18	0.00	22,658.19	4,398.99		
Jan-23-23	28	153,700.21	0.00	4,509.53	0.00	4,170.11	339.42	2.65%	149,530.10
Feb-23-23	29	149,530.10	0	4,509.53	0.00	4,179.32	330.21	2.65%	145,350.78
Mar-23-23	30	145,350.78	0	4,509.53	0.00	4,188.55	320.98	2.65%	141,162.23
Apr-23-23	31	141,162.23	0	0.00	0.00	(311.73)	311.73	2.65%	141,473.96
May-23-23	32	141,473.96	0	0.00	0.00	(312.42)	312.42	2.65%	141,786.38
Jun-23-23	33	141,786.38	0	0.00	0.00	(313.11)	313.11	2.65%	142,099.49
Jul-23-23	34	142,099.49	0	0.00	0.00	(313.80)	313.80	2.65%	142,413.29
Aug-23-23	35	142,413.29	0	0.00	0.00	(314.50)	314.50	2.65%	142,727.79
Sep-23-23	36	142,727.79	0	0.00	0.00	(315.19)	315.19	2.65%	143,042.98
Oct-23-23	37	143,042.98	0	4,509.53	0.00	4,193.65	315.88	2.65%	138,849.33
Nov-23-23	38	138,849.33	0	4,509.53	0.00	4,202.91	306.62	2.65%	134,646.42
Dec-23-23	39	134,646.42	0	4,509.53	0.00	4,212.19	297.34	2.65%	130,434.23
				-----	-----	-----	-----		
				27,057.18	0.00	23,265.98	3,791.20		
Jan-23-24	40	130,434.23	0.00	4,509.53	0.00	4,221.49	288.04	2.65%	126,212.74
Feb-23-24	41	126,212.74	0	4,509.53	0.00	4,230.81	278.72	2.65%	121,981.93

Mar-23-24	42	121,981.93	0	4,509.53	0.00	4,240.16	269.37	2.65%	117,741.77
Apr-23-24	43	117,741.77	0	0.00	0.00	(260.01)	260.01	2.65%	118,001.78
May-23-24	44	118,001.78	0	0.00	0.00	(260.59)	260.59	2.65%	118,262.37
Jun-23-24	45	118,262.37	0	0.00	0.00	(261.16)	261.16	2.65%	118,523.53
Jul-23-24	46	118,523.53	0	0.00	0.00	(261.74)	261.74	2.65%	118,785.27
Aug-23-24	47	118,785.27	0	0.00	0.00	(262.32)	262.32	2.65%	119,047.59
Sep-23-24	48	119,047.59	0	0.00	0.00	(262.90)	262.90	2.65%	119,310.49
Oct-23-24	49	119,310.49	0	4,509.53	0.00	4,246.06	263.47	2.65%	115,064.43
Nov-23-24	50	115,064.43	0	4,509.53	0.00	4,255.43	254.10	2.65%	110,809.00
Dec-23-24	51	110,809.00	0	4,509.53	0.00	4,264.83	244.70	2.65%	106,544.17
			-----	-----	-----	-----	-----		
			27,057.18	0.00	23,890.06	3,167.12			
Jan-23-25	52	106,544.17	0.00	4,509.53	0.00	4,274.25	235.28	2.65%	102,269.92
Feb-23-25	53	102,269.92	0	4,509.53	0.00	4,283.69	225.84	2.65%	97,986.23
Mar-23-25	54	97,986.23	0	4,509.53	0.00	4,293.15	216.38	2.65%	93,693.08
Apr-23-25	55	93,693.08	0	0.00	93,900.00	93,693.09	206.91	2.65%	(0.01)
			-----	-----	-----	-----	-----		
			13,528.59	93,900.00	106,544.18	884.41			
total			135,285.90	93,900.00	211,050.01	18,135.89			

Caterpillar Financial Services Limited

INVOICE

Page	Date	Invoice No.
1	23/10/2020	104-50009685

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Description	Serial #	VIN#	Due Date	Pmt. No.	Amount
(1) 2020 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MHW5L00606		Upon Receipt	1	4,509.53
Harmonized Sales Tax					586.24
RETURN PAYMENT COPY AND CHEQUE FOR SPECIFIED PAYMENT(S) WITH SIGNED LEASE DOCUMENTS.					
Your cheque will be cashed by Lessor upon receipt, but that act will not constitute acceptance by Lessor of the Lease or Schedule. If Lessor accepts and executes the Lease and/or Schedule, the proceeds of this cheque will be applied to the specified rental payments. If Lessor does not accept the Lease or Schedule, Lessor will return an amount equal to this cheque.					
WITHOUT TAX EXEMPTION CERTIFICATE, APPROPRIATE SALES/USE TAX WILL BE CHARGED.					

Harmonized Sales Tax #: 100843952

PLEASE PAY THIS AMOUNT

\$ 5,095.77

Invoice No.	Total Enclosed
104-50009685 - 1	\$

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Remit To: **CATERPILLAR FINANCIAL SERVICES LIMITED**
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

If you have any questions concerning this invoice please call 1-800-651-0567.

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2020 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MHW5L00606 VIN #:

Monthly Usage: 92.67

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Ride Control, Tires, 4x4, Air Conditioning, Cab

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- (a) You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- (b) The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- (c) Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- (d) You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- (e) Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- (f) You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- (g) You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- (h) You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **92.67 hours per month** over a term of **54 months** for total usage during the Lease Term of **5,004.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 5,004.00 + Current Hours 0.00 = Total Allowable Machine Hours 5,004.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$27.04** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Cat Financial Document Package

Thank you for considering Caterpillar Financial, where our goal is to have Customers for Life. This package includes documents for your consideration regarding the proposed transaction below:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Dealer:TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
Transaction Number:4045644
Contract Number:104-50009686

Year/Make/Model Number	Serial Number	VIN	Equipment Location	Proposed Financed Amount
2021 CATERPILLAR 926M	CAT0926MJW5L00615		128 SACKVILLE ROAD SAULT STE. MARIE, ON P6B 4T6	\$211,050.00

Rental Amount: See Irregular Payment Schedule

Payment Due Date: See Irregular Payment Schedule

Insurance Requirements:

Physical Damage: Caterpillar Financial Services Limited named as Loss Payee

Coverage Limit: Financed Amount per machine as Stated Above

General Liability - Caterpillar Financial Services Limited named as Additional Insured

Coverage Limit: \$1,000,000 per occurrence

Invoices/Notices will be mailed to:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE, SAULT STE MARIE, ON P6A 5X6

Documents included in this package:

- 1) CA Amort Schedule OL With PaymentDate from Deal
- 2) CA English Construction Application Survey
- 3) CA English Financial Lease Agreement ROC
- 4) CA English Insurance Carrier Information National (Leases)
- 5) CA English Invoice National Form (All FPs)
- 6) CA English Payment Schedule National Form (Leases)
- 7) CA English Pre-Authorized Debit Form National Form (All FPs)
- 8) CA English Purchase Agreement

Additional Requirements/Notes:

If you have questions about this document package, please contact your dealer sales rep, dealer finance rep. We will mail you a copy of your executed documents and amortization schedule after closing of your transaction.

For questions after your transaction closes, or on any of your existing contracts, please contact Customer Service at 1-800-561-3771 or NABC.CustomerService@cat.com. You can also access your accounts online at www.catfinancial.com.

Thank you for your consideration!

This Lease Agreement (together with each addendum, schedule, Application Survey and rider attached to, or made a part of, this lease and any amendments made from time to time being collectively referred to as "this Lease") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Lessee named below ("you" or "your").

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
HST Registration #: 100843952
PST Registration #: 100843952

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the year, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	MONTHLY LEASE PAYMENT* (The total amount due each month if your payments are made on their due date or see attached Payment Schedule)	PURCHASE OPTION PRICE (see Section 15)	MAX TOTAL HOURS/USAGE (Maximum total usage of Unit - see Application Survey, if one is used for this Lease)	DELIVERY/RENTAL CONVERSION DATE (Enter date Unit was delivered to you or the date Unit was converted from a rental if you were previously renting)
	CAT0926MJW5L00615	Irreg. Payments	\$93,900.00	5004	

(1) NEW 2021 CATERPILLAR 926M SMALL WHEEL LOADER

*BASE MONTHLY PAYMENT:

HST:

PST:

MONTHLY LEASE PAYMENT:

SEE IRREGULAR PAYMENT SCHEDULE

COMMENCEMENT DATE:

LOCATION OF UNITS:

October 23, 2020

128 SACKVILLE ROAD

SAULT STE. MARIE, ON P6B

4T6

For a description of any other units that have been leased pursuant to this Lease, see the "Equipment Description Schedule" in the attached SCHEDULE A. For any other units that represent "Additional Collateral", see the "Additional Collateral" section of the attached SCHEDULE A ("Additional Collateral"). Each item of Additional Collateral identified in any attached SCHEDULE A is considered a Unit under the terms of this Lease.

In reliance on your selection of the units described above (together with all attachments, accessories and optional features, whether or not installed with any of those units, and all manufacturer manuals and instructions, being referred to in this Lease as a "Unit" or the "Units"), we have agreed to acquire and lease the Units (excluding any Additional Collateral) to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

You acknowledge that the Units (excluding any Additional Collateral) were delivered to you in good working condition and that you accepted them on the date indicated. If any of the Units (excluding any Additional Collateral) will be delivered to you after you sign this Lease, you agree to sign and deliver to us a separate delivery certificate.

Each addendum, schedule, application survey for a Unit (each, an "Application Survey") and rider that is referred to in this Lease and is attached to this Lease or is deemed to be attached to this Lease is incorporated into this Lease by reference and is deemed to be a part of this Lease.

TERMS AND CONDITIONS

- 3. Lease Term** The "Lease Term" for each Unit will start on the Commencement Date, as identified in the first page of this Lease and will continue for 54 months, unless we terminate this Lease in accordance with its terms. However, we have no obligation to enter into this Lease or pay the supplier of the Units (the "Supplier") for the Unit(s) until you have delivered to us all documents that we may reasonably request.
- 4. Lease Payment** You will pay us the monthly Lease Payments beginning October 23, 2020 and on the same date of each month thereafter (or the last day of the month, if there is no such date). The monthly Lease Payments will be due without demand. You will also pay us all other amounts payable by you under this Lease and under any other document delivered by you in connection with this Lease, including each applicable Application Survey (collectively, the "Lease Documents") when due (all such other payments, together with the monthly Lease Payments, being referred to in this Lease as the "Lease Payments"). You will pay all Lease Payments not otherwise payable by pre-authorized debit to us at Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4 or such other location that we designate in writing. You agree this Lease is a non-cancellable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.
- 5. Late Charges** If we do not receive a Lease Payment by the 14th day after the date the Lease Payment is due, you will be charged a late payment charge on the late Lease Payment equal to the lesser of (i) one and one half (1.5%) percent and (ii) the highest legal contract rate of interest.
- 6. Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or the Supplier of any of the Units. **We make no representations, warranties or conditions whatsoever, express or implied, with respect to this Lease or to any Unit.** Without limiting the generality of the foregoing, each Unit is leased "as is, where is". We make no representations, warranties or conditions as to the quality of materials or workmanship or that the materials or workmanship comply with the terms of any purchase order or agreement. We expressly disclaim, and you waive all other representations, warranties, conditions and claims, express or implied, arising by law or otherwise, with respect to any Unit or this Lease, including, without limitation, any representation, warranty or condition relating to: (a) the merchantability of any Unit; (b) any Unit's fitness for a particular purpose; (c) the course of performance, course of dealing or usage of trade; (d) any obligation, liability, right, claim or remedy in tort; (e) any obligation, liability, right, claim, or remedy for loss of or damage to any Unit, for loss of use, revenue, or profit with respect to any Unit, for any liability to any third party, or for any other indirect, incidental, or consequential damages, including strict or absolute liability in tort; and (f) any Unit's freedom from any lien, claim, security interest, hypothec or other encumbrance and its compliance with applicable laws, including patent laws. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit regarding the operation of any Unit). You agree to pursue only these third parties for any and all such claims. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.
- 7. Possession, Use and Maintenance** (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon any Unit. (c) You will not sublease any Unit or permit the use of any Unit by anyone other than you. (d) You will not change the use of any Unit from that set out in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of any Unit from that set out above, without our prior written consent. (f) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, hypothec or encumbrance on any of your rights under this Lease or with respect to any Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right to inspect any Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter any Unit or affix any accessory or equipment to any Unit if doing so will impair its originally intended function or use or reduce its value. If added to any Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. All parts, accessories and equipment affixed to a Unit will become our property. All of your right, title and interest in such parts, accessories and equipment shall transfer automatically to us immediately upon such affixation without the need for any documents of transfer.
- 8. Taxes** You will pay when due, or promptly reimburse us for payment of, all taxes imposed on any Unit or Lease Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) charges that are imposed in connection with the ownership, possession, use, purchase (including by you pursuant to this Lease) or lease of any Unit from the time we purchase the Unit until it is returned to us or purchased by you and (iii) fines, penalties, interest or additions to any tax, fee or charge. You will remain responsible for the payment, or reimbursement of, any such taxes, fees and charges, regardless of when we receive notice of them. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If any Lease Payment under this Lease is deemed to include goods and services tax or harmonized sales tax or any similar value-added or multi-staged tax, the amount of such payment shall be increased accordingly. You will not deduct or withhold any taxes from a Lease Payment unless required by applicable law. If taxes are required to be deducted or withheld, the amount of the Lease Payment will be increased so that after the tax deduction or withholding (including any tax deduction or withholding required from the increased amount) we receive the amount that we would have received in the absence of any tax deduction or withholding, and you will also provide us with evidence of remittance of the taxes to the relevant tax authority. We may change the Monthly Lease Payment to reflect any increase or decrease in any taxes from time to time. You acknowledge that you have satisfied yourself as to the tax and accounting treatment of the Lease Documents for your purposes and have not relied on us as to those matters.
- 9. Loss or Damage** (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under this Lease or any other Lease Document. A "Casualty Occurrence" will occur if any Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage or loss reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Lease. (d) In the event of a Casualty Occurrence, you will pay to us, on the first monthly Lease Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no monthly Lease Payment due date remaining) an amount (the "Liquidated Damages") equal to the sum of: (i) the present value of all future Lease Payments payable under this Lease for

such Unit to the end of the Lease Term for such Unit; (ii) the present value of the Purchase Option Price payable under this Lease for such Unit, as stated on the front of this Lease, plus applicable taxes, assuming that you had elected to purchase such Unit; and (iii) all other amounts then due under this Lease with respect to the Unit suffering the Casualty Occurrence (including any late charges and fees). Present values will be determined by us by discounting such amounts at the implicit interest rate which we have applied, in our sole discretion, to this Lease and our determination of such present values shall be conclusive, absent manifest error. Upon our receipt of the Liquidated Damages for the applicable Unit, the Lease Term with respect to such Unit shall terminate.

10. Release and Indemnity (a) You release and agree to indemnify, defend, and keep harmless, us, our successors and assigns, and our and their directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all claims, actions, damages, losses, penalties, fines, liabilities, charges, costs and expenses of whatever kind or nature, which arise in any way from or are related in any way to any Lease Document or any Unit including the use and contents of such Unit and any defects in respect of such Unit ("Claims") (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims for which we are or may be responsible when and as they become due. (b) You are entitled to control the defense of or to settle a Claim, so long as: (i) no Event of Default has occurred and is then continuing; (ii) you are financially capable of satisfying your obligations under this Section; and (iii) we approve your proposed defense counsel. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable legal fees and disbursements on a solicitor-client basis, incurred by any Indemnitee in defending or investigating any Claim or in enforcing this Section. Under no circumstances are we liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

11. Insurance You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the aggregate amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You will also provide us with all requested information. Upon demand, you must promptly deliver to us evidence of such insurance coverage.

12. Events of Default Each of the following is an event of default (each, an "Event of Default"): (a) you fail to make a payment when due; (b) a representation or warranty made to us in connection with any Lease Document is incorrect or misleading; (c) you fail to observe or perform any other covenant or agreement, and the failure continues for 10 days after written notice to you; (d) a default occurs under any other agreement between you or a guarantor of this Lease (each, a "Guarantor") and us or an affiliate of ours; (e) you, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors; (f) any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within 30 days after filing or appointment; (g) there is a material adverse change in your or a Guarantor's financial condition, business operations or prospects; (h) there is a termination, breach, or repudiation of a Guarantor's guarantee; and (i) any Unit becomes uninsured or subject to any sale, sublease, lien, claim, mortgage, security interest, hypothec or encumbrance (other than in our favour).

13. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Lease and as provided to a secured party under the *Personal Property Security Act* (Ontario) and any other applicable law. Among these rights and remedies are to: (a) bring a court action to recover damages; (b) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations and, by written notice to you, require you to pay us on the date set out in the notice, as a genuine pre-estimate of liquidated damages and not as penalty (and in addition to all other amounts owing under any of the Lease Documents including any amounts owing under this Section, an amount equal to the Liquidated Damages for all of the Units at such time); (c) recover any additional damages and expenses suffered by us due to the Event of Default; (d) enforce our security interests; (e) require you to assemble and return each Unit pursuant to Section 14; (f) enter premises where a Unit may be located and take immediate possession of, disable or remove such Unit (and any unattached parts) without notice, liability or legal process (and upon such repossession or disabling pursuant to this Section 13(f) or any return of such Unit under Section 13(e), your right to possess and use such Unit will terminate, but this Lease will remain in effect unless we expressly notify you of the cancellation of this Lease under Section 13(b)); (g) in the name of and as your irrevocably appointed agent and attorney and without terminating or being deemed to have terminated this Lease, sublease all or any of the Units to anyone else on such terms and conditions, for such rental and for such period of time as we see fit and receive such rental and hold the same and apply the same against any amounts payable by you under any of the Lease Documents; (h) store (including at your premises without liability) or sell, lease or otherwise dispose of the Units or any of them, at public or private sale, lease or other disposition, for cash or credit, and on such terms as we may determine; and (i) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, cancel the agreement on your behalf and upon such cancellation, we may also receive the refund of any fees that we financed but had not received from you as of the date of the Event of Default. You agree to pay all charges, costs, expenses and reasonable legal fees and disbursements (on a solicitor-client basis) incurred by us in enforcing this Lease. The proceeds of any sale, lease or disposition of a Unit will be applied, first, to reimburse us for all expenses of collection and enforcement of this Lease, including our legal fees and expenses and second, to obligations owed to us under this Lease as we may determine. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or any of our affiliates. You will promptly pay any deficiency to us. Except as prohibited by applicable law, we are entitled to retain any remaining proceeds after the exercise of our remedies. To the extent you are entitled to a refund from us, you agree we will have the right to offset any obligation that you have with us or our affiliates with such refund. The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. If you fail to perform any of your obligations under this Lease, we may (but need not) perform the obligations, without waiving or curing any breach of this Lease. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

14. Return of Unit On expiration of the Lease Term or if you do not elect to purchase the Unit(s) pursuant to this Lease, or if we demand possession of a Unit pursuant to the terms of this Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and any applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If a Unit is not in the condition required by Section 7 and any applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring such Unit into the required condition as we determine, acting reasonably, and you shall pay us a daily rental charge equal to 1/30th of the Monthly Lease Payment, plus any other costs and expenses each day until the Unit is brought into the required condition.

15. Purchase Option If no Event of Default has occurred and is continuing, you may, by notice delivered to us at least sixty (60) days prior to the end of the Lease Term elect to purchase on the end of the Lease Term any or all of the Units at a purchase price equal to the Purchase Option Price for such Unit, as stated on the first page of this Lease, plus any applicable taxes thereon. The purchase price will be due at the end of the Lease Term. Upon payment of such purchase price and all other amounts due under this Lease, plus any other costs and expenses due in connection with the transfer of such Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of

sale. The bill of sale will be delivered to you without any representations, warranties or conditions except that such Unit is free of all encumbrances of any person claiming through us. You will purchase such Unit from us on an **"AS IS, WHERE IS, WITH ALL FAULTS BASIS"**. If you do not elect to purchase a Unit, at the end of the Lease Term you will return such Unit to us as provided in Section 14 and all of your rights and interest in such Unit will automatically terminate. If you fail to purchase or return a Unit at the end of the Lease Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us for each such Unit a daily rental charge equal to 1/30th of the Monthly Lease Payment for such Unit each day until the day the Unit is purchased or returned to us.

16. Ownership; Security Interest Subject to your right to use and possess the Units as set out in this Lease, and subject to your purchase option in Section 15, title to the Units (excluding any Additional Collateral) remains with us. As additional security for your obligations to us under this Lease and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit, all substitutions, replacements and additions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interests in each Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations, Warranties and Covenants You represent, warrant and covenant to us that: (a) you will provide all financial information and reporting (including, but not limited to your financial statements) as we may reasonably require; (b) all credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete; (c) you will not change your name, principal place of business or primary residence and, if you are a business entity, your jurisdiction of formation or form of business organization or change the jurisdiction in which your chief executive office or registered office is located, without prior written notice to us, or enter into any merger, amalgamation, consolidation or restructuring without our prior written consent; and (d) this Lease constitutes your valid obligation, legally binding on you and enforceable according to its terms.

18. Unit Monitoring Systems In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and all of its subsidiaries or affiliates, including us (collectively "Caterpillar"), and Caterpillar dealers to access data concerning such Unit, its condition and its operation transmitted from the monitoring system. The information may be used (i) to administer, implement and enforce the terms of this Lease, (ii) recover the Unit if necessary, or (iii) to improve Caterpillar's products and services. You agree that information transmitted may include the serial number, VIN, Unit location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

19. Assignment; Counterparts We may assign, sell, concurrently lease or otherwise dispose of, or encumber (each, an "Assignment"), all or any part of the Lease Documents, the Lease Payments, and the Units, to anyone else (each, an "Assignee"), without notice to you or your consent. **The rights of any assignee will not be subject to any defense, counterclaim or set off which you may have against us.** If requested by us, you will assist us in any Assignment. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. This Lease is for the benefit of, and is binding upon, you and your permitted successors, assigns, heirs and executors and us and our successors and assigns (including any Assignee). You must not assign this Lease or any right or obligation under it without our prior written consent. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible. A signed copy of this Lease or any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

20. Personal Information Consent We may collect and use personal information provided by you in connection with this Lease and any related application for the purposes of verifying and evaluating the application, your identity (including for regulatory compliance purposes), creditworthiness (including by obtaining and using credit reports), and the information provided to us in connection with the application or this Lease. We may collect credit, financial and related personal information for these purposes from you or your application, our affiliates, credit bureaus and credit reporting agencies, from references that you may have provided in the application and other parties with whom you have had a financial or credit relationship. You consent to the disclosure of such information by these parties to us. Social Insurance Numbers or other personal identifiers, if provided, may be used to verify your identity, including matching credit records. Identity verification may also include checking your identity against watch lists established by regulatory agencies and similar bodies in Canada and foreign countries. We may, from time to time, use the information referred to above and other personal information collected or compiled by us in connection with this Lease (collectively, the "Information") and share the Information among and with us, Caterpillar and authorized Caterpillar dealers for the purposes of opening, administering, servicing and enforcing this Lease, collecting amounts owing to us, verifying and evaluating your current and ongoing creditworthiness and financial status, and responding to inquiries and otherwise communicating with you regarding the account. For the purpose of maintaining your credit history and providing credit references, we may from time to time disclose credit-related Information to credit bureaus, credit reporting agencies and to your current or future creditors. We may use and exchange your banking information with financial institutions for payment processing purposes. We may otherwise use the Information and disclose the Information to third parties: (i) to register security interests; (ii) to enforce security, this Lease and otherwise collect amounts owing to us; (iii) for the purposes of detecting and preventing fraud; (iv) in connection with audits; (v) for the purposes of meeting legal, regulatory, risk management and security requirements; and (vi) as permitted or required by law (including as required by foreign laws applicable to us and our agents or service providers). We may use and disclose the Information to our assigns, prospective assigns and other third parties that are connected with the proposed or actual financing, securitization, insuring, sale, assignment or other disposal of all or part of our business or assets (including this Lease and amounts owing to us) for the purposes of permitting a prospective assign to evaluate your creditworthiness and otherwise determine whether to proceed or continue with the transaction, fulfilling any reporting or audit requirements to such parties, or completing the transaction. Our successors and assigns may collect, use, and disclose the Information for substantially the same purposes as described in this Lease. We may use agents and service providers (including Caterpillar acting in that capacity) to collect, use, store or process the Information on our behalf for the purposes described in this Lease. Some of these agents or service providers may be located outside of Canada, including the United States, where local laws may permit governmental, law enforcement, or regulatory authorities or courts to have access to the Information. We may, from time to time, use the Information and share the Information among and with Caterpillar to promote and market additional products or services of Caterpillar to you. You may refuse consent for this purpose by contacting us at 1-800-651-0567.

To request access to, or correction of the Information, or if you have any questions about how we handle the Information, please contact us at the address designated above or as otherwise designated by us. The consents provided above shall be valid for so long as required to fulfill the purposes described in this Lease.

21. Effect of Waiver; Entire Agreement; Notices; Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and all Lease Documents completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province. You consent to the jurisdiction of any appropriate court located within that Province. If you are a corporation, you agree that *The Limitation of Civil Rights Act (Saskatchewan)*, as it may be changed from time to time, will not apply to this Lease or to our rights, powers or remedies and you waive and release all benefits under those laws and any similar laws of any jurisdiction to the fullest extent permitted by law. Where permitted by law, you waive your rights to receive a copy of any financing statement, financing change statement, verification statement or other similar

instrument filed or issued at any time in respect of this Lease or any amendment of this Lease. **The parties waive the right to trial by jury in any action arising out of or related to this Lease, the obligations or the Units.**

22. No Agency; Modification of Lease No person or entity, including, without limitation, the Supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in

blanks, including correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All your obligations under this Lease survive the expiration or termination of this Lease if necessary to give full effect to the terms of this Lease. Time is of the essence under this Lease

You represent and warrant to us that you have entered into this Lease for business purposes only and not for personal, family or household purposes and that you are not a "consumer" under any applicable consumer protection legislation or cost of credit disclosure legislation. You acknowledge that we are relying on the truth of the previous sentence in deciding on whether to enter into this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including any applicable Application Survey.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (Print) _____

Title _____

Date _____

LESSEE
THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (Print) _____

Title _____

Date _____

Direct Pay (Pre-Authorized Debit) Authorization
Contract Number 104-50009686



1. CUSTOMER INFORMATION

Name THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Name _____

2. PRE-AUTHORIZED DEBIT (PAD) DETAILS

Each of the accountholder(s) ("we", "us" or "our") signing this Direct Pay (Pre-Authorized Debit) Authorization ("this Authorization") authorizes Caterpillar Financial Services Limited ("you" or "your"), on your own behalf or as agent for any assignee, to debit our bank account set out below or any other bank account that we may identify to you from time to time ("Account") for: (i) the amount of each payment due under the CAT Financial Lease Agreement in respect of the Contract Number 104-50009686 (together with all other documents delivered to you in connection with such agreement, the "Contract") on or shortly after its payment due date ("Scheduled Debit Date") as set out in the Contract and (ii) any other amount that may become due under the Contract from time to time (including, without limitation, late payment charges, NSF and other charges) on the next Scheduled Debit Date. You will obtain our authorization to debit our account on any date that is not a Scheduled Debit Date.

We require monthly invoices. Yes No

PAD Category: Business

3. TERMS AND CONDITIONS

If our financial institution dishonours any debit for any reason, you may issue another debit in substitution for the dishonoured debit. You will have no liability on account of a dishonoured debit.

We represent and warrant (i) that all persons whose signatures are required to sign on the Account have signed this Authorization and (ii) that all Account information we provide is accurate. We will immediately notify you, in writing, of any change in the Account information and, in any event, at least 10 business days prior to the next Scheduled Debit Date.

We have certain recourse rights if any debit does not comply with this Authorization. For example, we have the right to be reimbursed for any debit that is not authorized or is not consistent with this Authorization. For more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

We may cancel this Authorization at any time by written notice to you, which notice will be effective 10 days after receipt; however, our cancellation of this Authorization does not terminate, cancel or reduce our obligations under the Contract. For a sample cancellation form, or more information on our right to cancel this Authorization, we may contact our financial institution or www.cdnpay.ca.

You may assign this Authorization, directly or indirectly, by operation of law, change of control or otherwise, without notice, unless notice is required by law.

We can contact you at the address below to make inquiries, obtain information or seek any recourse rights.

We understand that you will not notify us in advance of any withdrawal and we agree to waive all pre-notification requirements in respect of all debits drawn under this Authorization.

4. BANK ACCOUNT INFORMATION

Please attach a sample cheque with "VOID" written on it.

SIGNATURES

For a joint account, the signatures of all accountholders must appear on this Authorization.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Caterpillar Financial Services Limited, 3457 Superior Court, Unit 2, Oakville, ON L6L 0C4

Phone: 1-800-561-3771, Fax: 289-291-2235



Payment Schedule
Contract Number 104-50009686

This Payment Schedule forms part of the Lease Agreement for the Transaction Number set out above between the Lessor and the Lessee named below.

1. PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

2. PAYMENT SCHEDULE

Number of Payments	from (date)	to (date)	Base Lease Payment (CAD)	GST/HST	PST/QST	Total Lease Payment (CAD)
6	October 23, 2020	March 23, 2021	4,509.53	586.24	0.00	5,095.77
6	April 23, 2021	September 23, 2021	0.00	0.00	0.00	0.00
6	October 23, 2021	March 23, 2022	4,509.53	586.24	0.00	5,095.77
6	April 23, 2022	September 23, 2022	0.00	0.00	0.00	0.00
6	October 23, 2022	March 23, 2023	4,509.53	586.24	0.00	5,095.77
6	April 23, 2023	September 23, 2023	0.00	0.00	0.00	0.00
6	October 23, 2023	March 23, 2024	4,509.53	586.24	0.00	5,095.77
6	April 23, 2024	September 23, 2024	0.00	0.00	0.00	0.00
6	October 23, 2024	March 23, 2025	4,509.53	586.24	0.00	5,095.77

SIGNATURES

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

INSURANCE CARRIER FORM
Contract Number 104-50009686



1. PARTIES

CUSTOMER:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

2. TERMS AND CONDITIONS

Per your Lease agreement with us, you must arrange physical damage and general liability insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance satisfies minimum financial requirements.

Physical Damage coverage must show that Caterpillar Financial Services Limited has been named as loss payee for the equipment's replacement value. The deductible must be shown.

Liability Coverage must be a minimum of \$1,000,000 of combined coverage for bodily injury and property damage per occurrence. Caterpillar Financial Services Limited must be named as additional insured.

Please complete this form to provide contact information for your physical damage coverage as well as your liability coverage.

I have entered into the above agreement under which **I am responsible for providing insurance against ALL RISKS** of direct physical loss or damage for the actual cash value of the following equipment, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc.

<u>Year/Make/Model#</u>	<u>Equipment Description</u>	<u>Serial #</u>	<u>Vin #</u>	<u>Value</u>
NEW 2021 CATERPILLAR 926M SMALL WHEEL LOADER		CAT0926MJW5L00615		\$210,500.00

Insurance Agency

Insurance Agent's Name

Street Address

City

Zip

Agent's Phone Number

Fax number

E-mail Address

3. SIGNATURES

TO BE COMPLETED BY CUSTOMER:

I hereby instruct you to add Caterpillar Financial Services Limited as a Loss Payee and additional insured:

- [] To my existing policy number(s) _____, which now provide the coverage required, or
[] To a policy which you are authorized to issue in the name listed above which will provide the coverage required.

Caterpillar Financial Services Limited must be given notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person shall not invalidate the insurance to Caterpillar Financial Services Limited.

Signature _____

Name (print) _____

Title _____

Date _____

PROCESSING OF THIS TRANSACTION MAY BE HELD PENDING RECEIPT OF THIS INFORMATION

TO BE COMPLETED BY INSURANCE AGENT:

I verify that the equipment listed on the previous page has been added to the policy/policies listed above, naming Caterpillar Financial Services Limited as Loss Payee for physical/ property damage and Additional insured for general liability coverage as their interest may appear.

Insured Name: _____

Policy number: _____

Expiry Date: _____

Insurance Company Name: _____

Agent Name: _____

Agent Signature: _____

Date Signed: _____

OR:

PLEASE FORWARD A COPY OF THE CERTIFICATE OR BINDER EVIDENCING COVERAGE TO:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4
Fax: 888-244-0290
E-mail: CFSL.InsuranceMailbox@cat.com

Purchase Agreement
Contract Number 104-50009686

This Purchase Agreement (this "Agreement") is entered into by Caterpillar Financial Services Limited ("we", "us" or "our") and the Seller named below ("you" or "your").

1. PARTIES

BUYER:

CATERPILLAR FINANCIAL SERVICES LIMITED
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

SELLER:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
3131 HIGHWAY 7 WEST, PO BOX 5511
CONCORD, ON L4K 5E1

2. DESCRIPTION OF UNITS

You agree to sell to us, and we agree to buy from you, the units described below (collectively, the "Units"), subject to the terms and conditions of this Agreement.

DESCRIPTION OF UNITS (Whether the Unit is new or used, the model number, the manufacturer, and the model name)	SERIAL/VIN (Unique ID number for this Unit)	TOTAL PRICE
(1) NEW 2021 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MJW5L00615	\$210,500.00

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Financing Fees - Dealer Portion	380.00
Subtotal	210,880.00
HST R892135443	27,414.40
PST	Exempt
Total Purchase Price	238,294.40

Equipment Delivery Point:

128 SACKVILLE ROAD
SAULT STE. MARIE, ON P6B 4T6

ADDITIONAL TERMS

- The lessee named above ("Lessee") has, (i) with your assistance, selected the Units, (ii) instructed us to buy the Units from you, and (iii) agreed to lease the Units from us pursuant to a Lease Agreement (the "Lease").
- We will have no obligation under this Agreement (and you will promptly refund any sums we have previously paid to you with respect to the Units) unless (i) all of the conditions set forth in Section 3 (if Lease) / 4 (if Master Lease) of the Lease have been fulfilled in a timely manner and (ii) the Lessee has not communicated to us, prior to Delivery (as defined below) of the Units, an intent not to lease the Units from us. All conditions specified in this Section 2 will be fulfilled in a timely manner unless we notify you to the contrary in writing or by email or facsimile prior to Delivery of the Units. "Delivery" means the later of the time (a) we execute this Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Units.
- Upon Delivery of the Units and provided that the conditions in Section 2 are satisfied, ownership, title and risk of loss to the Units will transfer to us.
- You represent and warrant that (i) upon Delivery of the Units we will be the owner of and have absolute title to the Units free and clear of all claims, liens, security interests, hypothecs and other encumbrances, and (ii) you have not received any deposit or other payment from the Lessee in connection with the Units.
- You will forever warrant and defend the sale of the Units to us, and our successors and assigns, against any person claiming an interest in the Units.
- Upon satisfaction of the conditions in Section 2, and except as provided in Section 2, we will pay you the Total Purchase Price for the Units within 3 business days following the receipt and approval by us of all documentation deemed necessary by us in connection with the Lease.
- You will deliver the Units to the Lessee at the Location of Units specified in the Lease.
- We may assign this Agreement to a third party without notice to you or your consent. You agree to assist us in any assignment if we so request. You may not assign this Agreement without our consent. Each reference in this Agreement to "we", "us" or "our" includes our successors and assigns. This Agreement is for the benefit of, and is binding upon, you and us and your and our permitted successors and assigns.
- This Agreement will not become effective until it has been signed by our duly authorized representative. This Agreement is governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable in such Province.
- We and you acknowledge having expressly requested that this Agreement and all related documents and notices be drafted in the English language. *Nous et vous reconnaissons avoir expressément requis que ce contrat et les documents et avis qui s'y rattachent soient rédigés en langue anglaise.*

SIGNATURES

BUYER

CATERPILLAR FINANCIAL SERVICES LIMITED

SELLER

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

Signature _____

Signature _____

Name (print) _____

Name (print) _____

Title _____

Title _____

Date _____

Date _____

Amortization Schedule

Transaction Number 4045644
 Customer THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 Model 926M Small Wheel Loader
 Serial Number CAT0926MJW5L00615

Date	Number of Payments Made	Starting Balance	Loan	Payments	Residual	Principal	Interest	Interest Rate	Ending Balance
Oct-23-20	0	0	211,050.00	0	0	0	0	0	211,050.00
Oct-23-20	1	211,050.00	0	4,509.53	0.00	4,509.53	0.00	2.65%	206,540.47
Nov-23-20	2	206,540.47	0	4,509.53	0.00	4,053.42	456.11	2.65%	202,487.05
Dec-23-20	3	202,487.05	0	4,509.53	0.00	4,062.37	447.16	2.65%	198,424.68
				-----	-----	-----	-----		
				13,528.59	0.00	12,625.32	903.27		
Jan-23-21	4	198,424.68	0.00	4,509.53	0.00	4,071.35	438.18	2.65%	194,353.33
Feb-23-21	5	194,353.33	0	4,509.53	0.00	4,080.34	429.19	2.65%	190,272.99
Mar-23-21	6	190,272.99	0	4,509.53	0.00	4,089.35	420.18	2.65%	186,183.64
Apr-23-21	7	186,183.64	0	0.00	0.00	(411.16)	411.16	2.65%	186,594.80
May-23-21	8	186,594.80	0	0.00	0.00	(412.06)	412.06	2.65%	187,006.86
Jun-23-21	9	187,006.86	0	0.00	0.00	(412.97)	412.97	2.65%	187,419.83
Jul-23-21	10	187,419.83	0	0.00	0.00	(413.89)	413.89	2.65%	187,833.72
Aug-23-21	11	187,833.72	0	0.00	0.00	(414.80)	414.80	2.65%	188,248.52
Sep-23-21	12	188,248.52	0	0.00	0.00	(415.72)	415.72	2.65%	188,664.24
Oct-23-21	13	188,664.24	0	4,509.53	0.00	4,092.90	416.63	2.65%	184,571.34
Nov-23-21	14	184,571.34	0	4,509.53	0.00	4,101.94	407.59	2.65%	180,469.40
Dec-23-21	15	180,469.40	0	4,509.53	0.00	4,111.00	398.53	2.65%	176,358.40
				-----	-----	-----	-----		
				27,057.18	0.00	22,066.28	4,990.90		
Jan-23-22	16	176,358.40	0.00	4,509.53	0.00	4,120.08	389.45	2.65%	172,238.32
Feb-23-22	17	172,238.32	0	4,509.53	0.00	4,129.17	380.36	2.65%	168,109.15
Mar-23-22	18	168,109.15	0	4,509.53	0.00	4,138.29	371.24	2.65%	163,970.86
Apr-23-22	19	163,970.86	0	0.00	0.00	(362.10)	362.10	2.65%	164,332.96
May-23-22	20	164,332.96	0	0.00	0.00	(362.90)	362.90	2.65%	164,695.86
Jun-23-22	21	164,695.86	0	0.00	0.00	(363.70)	363.70	2.65%	165,059.56
Jul-23-22	22	165,059.56	0	0.00	0.00	(364.51)	364.51	2.65%	165,424.07
Aug-23-22	23	165,424.07	0	0.00	0.00	(365.31)	365.31	2.65%	165,789.38
Sep-23-22	24	165,789.38	0	0.00	0.00	(366.12)	366.12	2.65%	166,155.50
Oct-23-22	25	166,155.50	0	4,509.53	0.00	4,142.61	366.92	2.65%	162,012.89
Nov-23-22	26	162,012.89	0	4,509.53	0.00	4,151.76	357.77	2.65%	157,861.13
Dec-23-22	27	157,861.13	0	4,509.53	0.00	4,160.92	348.61	2.65%	153,700.21
				-----	-----	-----	-----		
				27,057.18	0.00	22,658.19	4,398.99		
Jan-23-23	28	153,700.21	0.00	4,509.53	0.00	4,170.11	339.42	2.65%	149,530.10
Feb-23-23	29	149,530.10	0	4,509.53	0.00	4,179.32	330.21	2.65%	145,350.78
Mar-23-23	30	145,350.78	0	4,509.53	0.00	4,188.55	320.98	2.65%	141,162.23
Apr-23-23	31	141,162.23	0	0.00	0.00	(311.73)	311.73	2.65%	141,473.96
May-23-23	32	141,473.96	0	0.00	0.00	(312.42)	312.42	2.65%	141,786.38
Jun-23-23	33	141,786.38	0	0.00	0.00	(313.11)	313.11	2.65%	142,099.49
Jul-23-23	34	142,099.49	0	0.00	0.00	(313.80)	313.80	2.65%	142,413.29
Aug-23-23	35	142,413.29	0	0.00	0.00	(314.50)	314.50	2.65%	142,727.79
Sep-23-23	36	142,727.79	0	0.00	0.00	(315.19)	315.19	2.65%	143,042.98
Oct-23-23	37	143,042.98	0	4,509.53	0.00	4,193.65	315.88	2.65%	138,849.33
Nov-23-23	38	138,849.33	0	4,509.53	0.00	4,202.91	306.62	2.65%	134,646.42
Dec-23-23	39	134,646.42	0	4,509.53	0.00	4,212.19	297.34	2.65%	130,434.23
				-----	-----	-----	-----		
				27,057.18	0.00	23,265.98	3,791.20		
Jan-23-24	40	130,434.23	0.00	4,509.53	0.00	4,221.49	288.04	2.65%	126,212.74
Feb-23-24	41	126,212.74	0	4,509.53	0.00	4,230.81	278.72	2.65%	121,981.93

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Caterpillar Financial Services Limited

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Mar-23-24	42	121,981.93	0	4,509.53	0.00	4,240.16	269.37	2.65%	117,741.77
Apr-23-24	43	117,741.77	0	0.00	0.00	(260.01)	260.01	2.65%	118,001.78
May-23-24	44	118,001.78	0	0.00	0.00	(260.59)	260.59	2.65%	118,262.37
Jun-23-24	45	118,262.37	0	0.00	0.00	(261.16)	261.16	2.65%	118,523.53
Jul-23-24	46	118,523.53	0	0.00	0.00	(261.74)	261.74	2.65%	118,785.27
Aug-23-24	47	118,785.27	0	0.00	0.00	(262.32)	262.32	2.65%	119,047.59
Sep-23-24	48	119,047.59	0	0.00	0.00	(262.90)	262.90	2.65%	119,310.49
Oct-23-24	49	119,310.49	0	4,509.53	0.00	4,246.06	263.47	2.65%	115,064.43
Nov-23-24	50	115,064.43	0	4,509.53	0.00	4,255.43	254.10	2.65%	110,809.00
Dec-23-24	51	110,809.00	0	4,509.53	0.00	4,264.83	244.70	2.65%	106,544.17
			-----	-----	-----	-----	-----		
			27,057.18	0.00	23,890.06	3,167.12			
Jan-23-25	52	106,544.17	0.00	4,509.53	0.00	4,274.25	235.28	2.65%	102,269.92
Feb-23-25	53	102,269.92	0	4,509.53	0.00	4,283.69	225.84	2.65%	97,986.23
Mar-23-25	54	97,986.23	0	4,509.53	0.00	4,293.15	216.38	2.65%	93,693.08
Apr-23-25	55	93,693.08	0	0.00	93,900.00	93,693.09	206.91	2.65%	(0.01)
			-----	-----	-----	-----	-----		
			13,528.59	93,900.00	106,544.18	884.41			
total			135,285.90	93,900.00	211,050.01	18,135.89			

Construction Equipment Application Survey
Contract Number 104-50009686

This Construction Equipment Application Survey ("Application Survey") forms part of the Lease Agreement for the Contract Number set out above (the "Lease") between the Lessee named below ("you" or "your") and Caterpillar Financial Services Limited ("we", "us", or "our"). If there is any conflict or inconsistency between the terms of this Application Survey and the Lease in respect of the Unit described below, then the terms of this Application Survey will govern.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 Superior Court, Unit 2
 Oakville, ON L6L 0C4

LESSEE:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
 99 FOSTER DRIVE
 SAULT STE MARIE, ON P6A 5X6

DESCRIPTION OF UNIT

Year/Make: 2021 CATERPILLAR Model: 926M SMALL WHEEL LOADER Quantity: 1

Serial Number: CAT0926MJW5L00615 VIN #:

Monthly Usage: 92.67

Current Hours: 0.00

Dealer: **TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.**

3131 HIGHWAY 7 WEST, PO BOX 5511
 CONCORD, ON L4K 5E1

Location: 128 SACKVILLE ROAD, SAULT STE. MARIE, ON P6B 4T6

***** IMPORTANT INFORMATION *****

RESIDUAL EXCEPTION REQUESTS must be submitted to us for the following applications: (i) landfill, transfer and recycling stations; (ii) demolition, scrap yards and steel mills; (iii) salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; (iv) dusty or poor underfoot conditions; (v) all mining applications; (vi) any applications requiring unusual attachments, equipment modifications or that involve non-traditional use of the equipment; and (vi) any transaction with five or more of one model.

Please COMPLETE THE ENTIRE SURVEY for all transactions including any of the above applications.

MAJOR ATTACHMENTS

Tires, 4x4, Ride Control, Cab, Air Conditioning

BLADES/ BUCKETS/ RIPPERS

Quick Coupler, General Purpose Bucket

MARKET CATEGORIES

Standard Environment - Agricultural-Crop, Ag Non-Manure, Road Building, Utilities, Dams & Bridges, Airport, Site Prep Landfill, Landscaping, Pipeline, Commercial Residential, Site Development.

If "Severe" or "Other" description of actual application is required:

MANDATORY CONDITION OF UNIT UPON RETURN

1. MAINTENANCE AND GENERAL REQUIREMENTS:

- You will give us sixty (60) days notice prior to the expiry of the Lease Term of your intention to return the Unit to us.
- The Unit must be returned in the same configuration, with all attachments, as when delivered on the Commencement Date. You are responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of the Unit to a site designated by us.
- Upon return, the Unit shall be thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- You will operate and maintain the Unit in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and ensure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. The Unit must

be in good operating condition and be able to perform all tasks under rated load.

- Throughout the Lease Term, you will enroll the Unit in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire Lease Term, and ensure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- You must not use, operate, maintain or store the Unit improperly, carelessly, unsafely, or for a purpose other than in the normal and ordinary course of your business. You must operate the Unit only in the applications for which it was designed and manufactured.
- You will maintain a working engine hour meter at all times, and will keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- You will ensure that all service contracts are fully implemented and all maintenance and repairs are made on schedule.

- (i) You will complete all Product Improvement Programs (PIPs) before returning the Unit. **YOU MUST ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- (j) Upon our request, you will provide a secured place to store the off-lease Unit and will provide access to the Unit for purposes of maintenance or demonstration to prospective buyers.

2. SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

When returning the Unit to us, you will ensure that:

- (a) The operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.
- (b) All window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good order and are free from dents and cracks.
- (c) All standard safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- (d) All electrical components, including but not limited to, wiring harnesses, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.

WE RETAIN THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING AND UPON THE END OF THE LEASE TERM OR UPON LEASE TERMINATION. A FULL MACHINE INSPECTION MAY BE CONDUCTED AT YOUR EXPENSE AT ANY TIME IF THERE IS EVIDENCE THAT THE UNIT IS BEING ABUSED, NEGLECTED OR MISAPPLIED.

REMEDIES FOR RETURN CONDITIONS:

You will be invoiced for the parts and labour based on your local Caterpillar dealer's retail prices and retail labour rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in Section 3, above. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

MAXIMUM USAGE:

The Unit listed and equipped as stated above will be operated for an estimated total of **92.67 hours per month** over a term of **54 months** for total usage during the Lease Term of **5,004.00 hours**. Combine hours will be measured in **separator hours**. This total usage combined with any accumulated hours prior to the Commencement Date of the Lease, as stated above under current hours, will be the **total allowable machine hours** for the life of the lease and the basis for any overuse charges.

Total Lease Hours 5,004.00 + Current Hours 0.00 = Total Allowable Machine Hours 5,004.00

OVERUSE CALCULATION:

In addition to our other rights under the Lease and this Application Survey, and not in lieu thereof, you shall pay us additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be **\$27.04** per hour. Overuse charges will be calculated at the end of the Lease Term and be due upon receipt of invoice. **Please Note: To avoid overuse charges, notify us immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. We may, at our discretion, amend this Application Survey to reflect the increase in total usage.**

- (e) All repairs made to main structures, including but not limited to, main frames, roller frames, hitch, PTO, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches are accomplished in accordance with factory recommended materials and repair procedures.

3. REMAINING LIFE REQUIREMENTS:

Upon return to us, the Unit must meet the following requirements:

- (a) All ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have at least fifty percent (50%) minimum remaining life.
- (b) If the Unit is a track and rubber belted Unit, it has at least fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts do not have any cuts that extend into the cords and are not missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting this requirement.
- (c) If the Unit is a rubber tire Unit, it has at least fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires are a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease. The information obtained from this Application Survey is of primary importance in the Payment Schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved by us in writing.

CATERPILLAR FINANCIAL SERVICES LIMITED

Signature _____

Name (print) _____

Title _____

Date _____

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Signature _____

Name (print) _____

Title _____

Date _____

Caterpillar Financial Services Limited

INVOICE

Page	Date	Invoice No.
1	23/10/2020	104-50009686

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Description	Serial #	VIN#	Due Date	Pmt. No.	Amount
(1) 2021 CATERPILLAR 926M SMALL WHEEL LOADER	CAT0926MJW5L00615		Upon Receipt	1	4,509.53
Harmonized Sales Tax					586.24
RETURN PAYMENT COPY AND CHEQUE FOR SPECIFIED PAYMENT(S) WITH SIGNED LEASE DOCUMENTS.					
Your cheque will be cashed by Lessor upon receipt, but that act will not constitute acceptance by Lessor of the Lease or Schedule. If Lessor accepts and executes the Lease and/or Schedule, the proceeds of this cheque will be applied to the specified rental payments. If Lessor does not accept the Lease or Schedule, Lessor will return an amount equal to this cheque.					
WITHOUT TAX EXEMPTION CERTIFICATE, APPROPRIATE SALES/USE TAX WILL BE CHARGED.					

Harmonized Sales Tax #: 100843952

PLEASE PAY THIS AMOUNT

\$

5,095.77

Invoice No.	Total Enclosed
104-50009686 - 1	\$

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

99 FOSTER DRIVE
SAULT STE MARIE, ON P6A 5X6

Remit To: **CATERPILLAR FINANCIAL SERVICES LIMITED**
3457 Superior Court, Unit 2
Oakville, ON L6L 0C4

If you have any questions concerning this invoice please call 1-800-651-0567.

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2020-201

ZONING: A by-law to amend Sault Ste. Marie Zoning By-laws 2005-150 and 2005-151 concerning lands located at 312 Langdon Road (Maione).

THE COUNCIL of The Corporation of the City of Sault Ste. Marie, pursuant to section 34 of the *Planning Act*, R.S.O. 1990, c. P.13 and amendments thereto, **ENACTS** as follows:

1. 312 LANGDON ROAD; LOCATED ON THE NORTHWEST CORNER OF THE MURTON AVENUE AND LANGDON ROAD INTERSECTION; CHANGE FROM R2 TO R2.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 80 of Schedule "A" to By-law 2005-150, is changed from R2 (Single Detached Residential) zone to R2.S (Single Detached 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(403) and heading as follows:

"2(403) 312 Langdon Road

Despite the provisions of By-law 2005-150, the zone designation on the lands located on the northwest corner of the Murton Avenue and Langdon Road intersection and having civic no. 312 Langdon Road and outlined and marked "Subject Property" on the map attached as Schedule 403 hereto is changed from R2 (Single Detached Residential) zone to R2.S (Single Detached Residential) zone with a "Special Exception" to, in addition to those uses permitted in an R2 zone:

1. Permit the existing triplex.
2. Reduce the rear yard setback (west) from 10 metres to 5 metres for the existing triplex only.
3. Permit the existing swimming pool, accessory buildings and structures to be located in an interior side yard.
4. Permit an existing shed to be located in the required front yard.

5. Permit an existing shed to be located within 0 metres of the main building, where 1 metre would otherwise be required.
6. Permit parking to be located in the required exterior side yard and in the required front yard.“

2. **SCHEDULE "A"**

Schedule "A" hereto forms a part of this by-law.

3. **CERTIFICATE OF CONFORMITY**

It is hereby certified that this by-law is in conformity with the Official Plan for the City of Sault Ste. Marie authorized and in force on the day of the passing of this by-law.

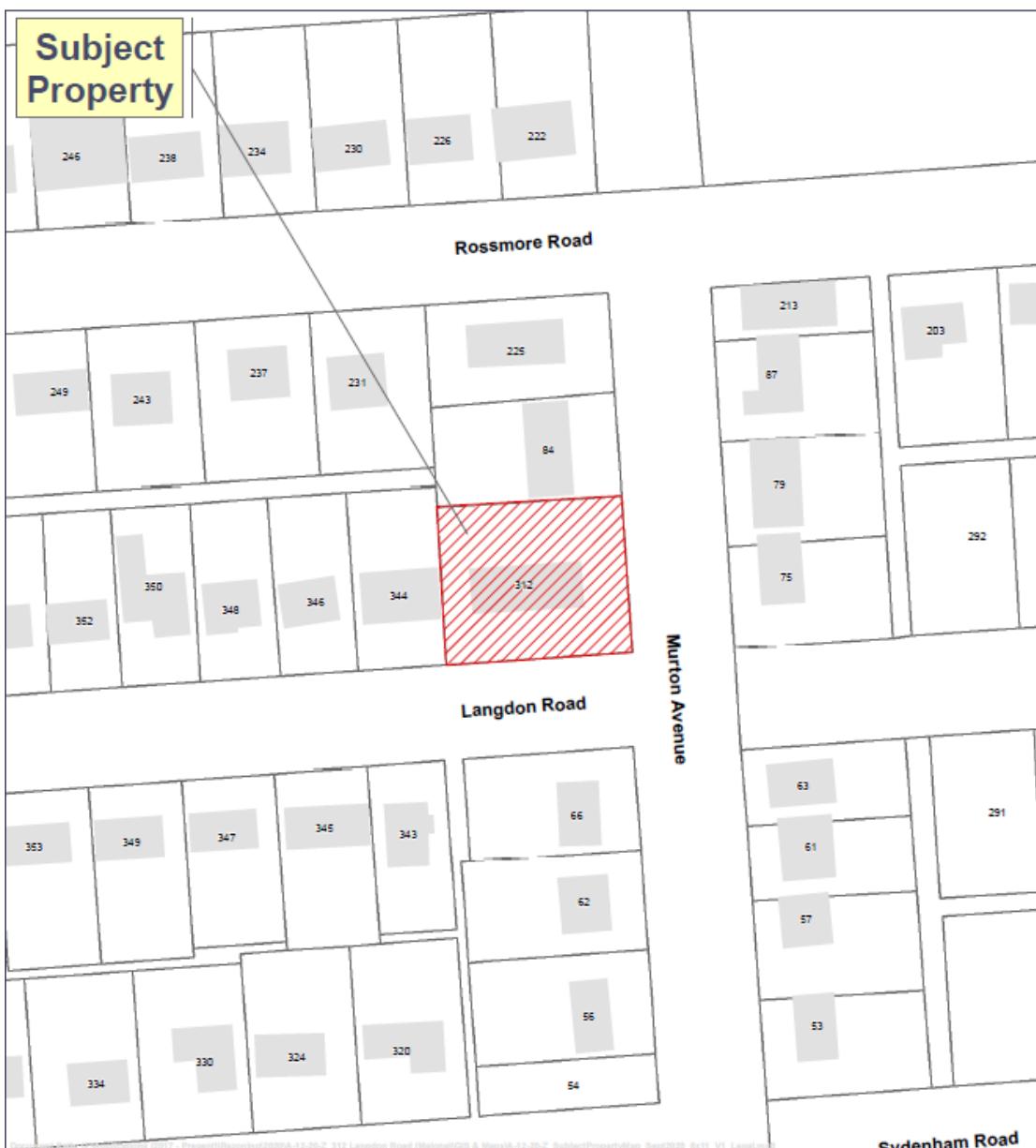
PASSED in Open Council this 26th day of October, 2020.

MAYOR – CHRISTIAN PROVENZANO

CITY CLERK – RACHEL TYCZINSKI

I:\citydata\LegalDept\Legal\Staff\LEGAL\ZONING\2020\2020-201(Z) 2020-202(DC) 312 Langdon\2020-201(Z) 312 Langdon.docx

SCHEDULE "A" TO BY-LAW 2020-201 AND
SCHEDULE 403 TO BY-LAW 2005-151



Application Map Series	Legal Department Reference
<input checked="" type="checkbox"/> Subject Property <input type="checkbox"/> Official Plan Landuse <input type="checkbox"/> Existing Zoning <input type="checkbox"/> Aerial Image <input type="checkbox"/> Official Plan Amendment	Schedule "A"
Property Information Civic Address: 312 Langdon Road Roll No.: 050021013000000 Map No.: 80 Application No.: A-12-20-Z Date Created: Sept. 11, 2020	Legend  Subject Property: 312 Langdon Rd  Parcel Fabric



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

BY-LAW NO. 2020-202

DEVELOPMENT CONTROL: A by-law to designate the lands located at 312 Langdon Road an area of site plan control (Maione).

THE COUNCIL of The Corporation of the City of Sault Ste. Marie **ENACTS** as follows:

1. DEVELOPMENT CONTROL AREA

The lands described on Schedule "A" attached hereto are hereby designated to be an area of site plan control pursuant to section 41 of the *Planning Act*, R.S.O. 1990, c. P. 13 and amendments thereto.

2. SITE PLAN POWERS DELEGATED

The Council hereby delegates to the Planning Director or his/her designate for the City of Sault Ste. Marie, Council's powers to enter into a site plan agreement dealing with any of the works or matters mentioned in Section 41 of the *Planning Act* as amended, for the lands shown as Subject Property on the map attached as Schedule "A" to this by-law.

3. SCHEDULE "A"

Schedule "A" hereto forms a part of this by-law.

4. PENALTY

Any person who contravenes this by-law including the obligations pursuant to the agreement entered into under the authority of this by-law is liable upon conviction therefore to penalty provisions as contained in the *Planning Act* and the *Municipal Act, 2001*.

5. EFFECTIVE DATE

This by-law takes effect from the date of its final passing.

PASSED in open Council this 26th day of October, 2020.

MAYOR - CHRISTIAN PROVENZANO

CITY CLERK - RACHEL TYCZINSKI

SCHEDULE "A" TO BY-LAW 2020-202



Application Map Series	Legal Department Reference
<input checked="" type="checkbox"/> Subject Property <input type="checkbox"/> Official Plan Landuse <input type="checkbox"/> Existing Zoning <input type="checkbox"/> Aerial Image <input type="checkbox"/> Official Plan Amendment	Schedule "A"
Property Information	Legend
Civic Address: 312 Langdon Road Roll No.: 050021013000000 Map No.: 80 Application No.: A-12-20-Z Date Created: Sept. 11, 2020	 Subject Property: 312 Langdon Rd Parcel Fabric

