



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

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

February 24, 2025

TO: Mayor Matthew Shoemaker and Members of City Council

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

DEPARTMENT: Legal Department

RE: PUC (Transmission) LP – Amended Easement Option
Agreement (Yates Avenue)

Purpose

The purpose of this report is to seek Council approval of an Easement Option Agreement Amendment which seeks to amend the original Easement Option Agreement between the City and PUC (Transmission) LP by its General Partner (PUC Transmission) GP Inc. (hereinafter “PUC Transmission”) for an easement at 0 Yates Avenue.

Background

On April 8, 2024, Council passed By-Law 2024-41 which authorized the execution of an Easement Option Agreement between the City and PUC (Transmission) LP to facilitate the operational requirements for the new transmission line on Yates Avenue (PIN 31609-0390 and PIN 31609-0392) needed by Algoma Steel to operate its new electric arc furnaces.

Upon conducting field work, PUC Transmission notified the City that an Easement Option Agreement Amendment would be required as the map previously enclosed was no longer accurate. An Easement Option Agreement Amendment was drafted to replace the original map with new mapping to reflect the actual location of the easement. Specifically, Schedule A to the Easement Option Agreement Amendment depicts the actual easement location, which is denoted by cross hatch, proposed at 0 Yates Avenue.

Analysis

The Legal Department has reviewed the Easement Option Agreement Amendment. The terms and conditions are satisfactory.

The Legal Department circulated PUC’s request for the updated easement location to relevant City Departments and no objections were raised. Engineering advised that a Municipal Consent Permit would be required where any easements are

within the municipal road allowance and PUC Transmission has confirmed they understand the same.

Further, given the increase in the easement area required by PUC from the original 1.114 acres to 1.312 acres, PUC has increased the compensation payable on a prorata basis as per the following table:

	Total Area (m2)	Total Area (acres)	Appraised Value	Offer Value	Incentive Value (incl. Option Payment)	Total Purchase Offer
Original Proposal	4,508	1.114	\$16,710	\$16,700	\$12,525	\$29,225
Amended Proposal	5,308	1.312	\$19,680	\$19,700	\$14,800	\$34,500

The Easement Option Agreement Amendment provides for the increased “Purchase Price” as now being \$19,700 and the “Incentive Payment” as now being \$14,300 on closing. The option payment of \$500 was already received.

All other terms and conditions from the main Easement Option Agreement remain in effect.

Financial Implication / Policy Impact

There are no financial implications association with the Easement Option Agreement Amendment.

Recommendation

It is therefore recommended that Council take the following action:

The relevant By-law 2025-8 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

Respectfully submitted,

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