

**MINUTES
PORT OF JOHNSTOWN MANAGEMENT COMMITTEE
MUNICIPAL OFFICE – SPENCERVILLE
WEDNESDAY, JANUARY 18, 2017
6:30PM**

Present: Mayor Patrick Sayeau, Chair
Deputy Mayor Peggy Taylor
Councillor Michael Barrett
Councillor Gerry Morrell
Councillor Karie Smail

Staff: Robert Dalley, General Manager
Kevin Saunders, Operations Manager
Rebecca Williams, Deputy Clerk

1. Call to Order

Mayor Sayeau called the meeting to order at 6:30pm.

2. Approval of Agenda

Moved by: M. Barrett seconded by: P. Taylor that Committee approve the agenda as presented.

Carried

3. Disclosure of Pecuniary Interest & the General Nature Thereof – None

4. Business Arising from Previous PMC Minutes

Members enquired about the Port Day event, noting a change may need to be made to the event date to accommodate the naval vessel HMCS Goose Bay.

5. Delegations – None

6. Discussion Items

a) Port Day

Committee discussed the need to potentially change the Port Day event from June 17, 2017 to the weekend of June 10-11, 2017 to accommodate the HMCS Goose Bay scheduling. It was noted that the Mayor will be speaking with the communications department later in the week to confirm scheduling and arrival date at the Port of Johnstown. Members noted that the Coast Guard would need to be notified of the change of date once the HMCS Goose Bay confirms their arrival date. Committee agreed that the subcommittee would meet on February 22, 12pm at the Port of Johnstown.

7. Action/Information Items

a) Year End Report

Marine/Grain Cargo Report:

The General Manager reviewed his report noting that 2015 was a record year for cargo; however, the shortfall in 2016 was made up financially with the increase in grain being transported by marine. The record year in soybean crop resulted in an increase in grain being shipped out of the elevator by vessel. It was noted that this is partly due to an export program that was developed with three of the main grain brokers.

Committee noted that the port received two project cargo shipments from the BBC Switzerland for projects in the area. It was noted that due to the project cargo, the port has installed a new camera and security system to better monitor the cargo. The General Manager noted that the wharf traffic and number of ships at berth was the same as 2015, with cargo being slightly down, however the Port did see an increase in total number of foreign ships at berth in 2016.

The General Manager highlighted that the port had a grain volume of 786,082 MT in 2016 (7.5% increase), which broke the 2015 record. The port also received 199,313 MT of soybean (30.8% increase), which was higher than expected given the dry summer weather. Members highlighted that October and November of 2016 were the first and only months on record that the port received over 100,000 MT of inbound grain per month. It was noted that with the addition of the new grain bins, the Port was able to provide an additional 10,000 MT of storage. Committee briefly discussed the non-GMO shipments and how it may affect the Port and local farmers.

The General Manager and Operations Manager highlighted the cargo trends for 2016, noting that there has been an average increase of 59% in overall cargo to the Port compared to 2001 when the Township first took over the operations of the Port.

Capital Projects:

The capital projects report was reviewed; noting that in 2016 there was a total of \$4.158 million spent on capital projects, including infrastructure improvements, expansions of the docks, and additional grain bins. It was noted that the new marine terminal project was completed on schedule with a total project cost of \$34,771,623.57. Members commented on the variance for the new marine terminal of only \$45,387.57, which is 0.13% of the budgeted cost.

The Operations Manager summarized the list of projects that were completed at the Port to improve operations, as well as the maintenance area summaries.

Committee reviewed the capital projects status from 2016, noting that three projects have been scheduled to carry over into 2017 for completion. Members commented on the Port Day and HMCS Goose Bay events' success, bringing in over 1000 and 1600 people to the events respectively. Committee briefly discussed the grain elevator tours and the response the Port has had since providing them.

Health and Safety:

Committee reviewed the health and safety/training/environment report, noting the additional training that was provided to the port employees to ensure their safety and compliance with safety and environmental regulations. Members noted the cooperation required between staff and management at the Port in order to maintain the results and keep everyone safe on site.

Financials:

The General Manager summarized the 2016 financials, noting that the Port was able to manage expenses and reduce spending which resulted in the second highest surplus to date. It was noted that the net surplus for 2016 was \$2,536,275, compared to \$2,166,330 in 2015. Committee asked for clarification with respect to the grain and soybean drying line items. Members highlighted the \$758,340 in municipal administration fees that are allocated to the Township, which is reinvested into the Township in the form of recreation, parks, facilities, public works, and offset to taxes. Committee was reminded that the financial reports are pre-audit reports, with the earnings before the interest, taxes, depreciation and amortization amounts are deducted.

Committee briefly reviewed the year to date statistics, noting the quality CGC rating report over the year and the slight increase in labour hours. The General Manager and Operations Manager provided a brief year end summary, highlighting the record breaking soybean harvest and the employees' continuous hard work and dedication to the Port.

Moved by: G. Morrell seconded by M. Barrett that Committee received the 2016 Year End Report.

Carried

b) Investments

Committee reviewed the investment schedule and noted that the Treasurer and General Manager would be preparing an action item to determine the investment options. Committee debated about the need to track and show the federal monies that were granted to the Township. Members requested

that future investment reports indicate where the federal monies are invested and how much the port has accumulated from the original \$1.3 million. Committee requested that the investment action item take into consideration the need for the money to be available within a 24 hour notice if required.

Moved by: K. Smail seconded by: P. Taylor that Committee received, reviewed and accepted the Port of Johnstown Investments Report.

Carried

8. Councillor Inquiries/Notices of Motion – None

9. Chair's Report

Mayor Sayeau reported that the Township and Port of Johnstown advertised in November 2016 for two volunteer committee member positions on the Port Management Committee. It was noted that the Township received and reviewed all 12 applications, four applicants were selected for interviews, and two successful applicants have been selected.

10. Question Period – None

11. Closed Session – None

12. Adjournment

Moved by: M. Barrett seconded by: K. Smail that the meeting adjourn at 8:28 pm.

Carried

These minutes were approved by Council this 23rd day of January, 2017.



Chair



Deputy Clerk