

**MINUTES  
PORT OF JOHNSTOWN MANAGEMENT COMMITTEE  
MUNICIPAL OFFICE – SPENCERVILLE  
WEDNESDAY, OCTOBER 19, 2016  
5:00PM**

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

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 5:00pm.

2. Approval of Agenda

**Moved** by: M. Barrett seconded by: K. Smail that Committee approve the agenda as presented.

Carried

3. Disclosure of Pecuniary Interest & the General Nature Thereof

Deputy Mayor Taylor declared a pecuniary interest in item 7g) as her husband is employed by a competing company.

4. Business Arising from Previous PMC Minutes

It was noted that item 7c) mentioned that there were the Port is required to do 10 safety inspections per year, however after reviewing it was confirmed that the total number of inspections required per year is 9.

5. Delegations

a) Frank McAuley – Cottage Tenant

Mr. McAuley, cottage tenant on Windmill Point, highlighted to Committee why he will be signing the residential lease amendment and assignment agreements that will be discussed later on the agenda. Mr. McAuley noted that his family built the cottage in the mid 1950's and later moved the cottage to its current location on Windmill Point. It was noted that Mr. McAuley and Mr. Dyall want to amend their lease agreements and assignment of a lease that is currently held by both parties. Mr. McAuley has agreed to assign his portion of the lease to Mr. Dyall, who in turn wishes to demolish and build a

new cottage in its place. Mr. McAuley noted that the other two cottages, that they each own separately, would be renovated and expanded. Mr. McAuley mentioned that both Mr. Dyall and he agree to the terms of the amendment and assignment agreements that would ensure protection of any future claims against the Township or Port, specifically that no compensation will be sought to potential nonrenewal of the current leases.

6. Discussion Items

a) Accounting Method for Annual Audit – Mayor

It was noted that Mr. Markell, CKDM LLP, has been contacted to compile information with respect to concerns that were raised about changing from the current PSAB report to IFRS reporting once the Local Board of Management is established for the Port of Johnstown.

b) Port Board Selection Criteria

Committee reviewed the eleven categories for future external members, noting specific areas where additional knowledge and skill set would be desirable. Members reviewed the draft advertisement and noted that it should include areas of expertise that would be beneficial to the board. Members suggested that it may be phrased “areas such as, but not limited to (business management, finance, marketing, transportation etc.)”. It was noted that by including specific areas of discipline, the applicants may have professional accreditations that would be beneficial to the local board.

Members briefly discussed if the advertisement should include the honourarium of \$200.00 per meeting plus mileage. It was noted that the positions are volunteer and should list that the members will receive a honourarium. Members debated if mileage should be given to members of the local board. It was noted that the Committee can review their concerns with respect to mileage when the local board by-law is reviewed for 1<sup>st</sup> and 2<sup>nd</sup> reading at Council on October 24. It was the consensus of Committee to include the honourarium of \$200.00 in the advertisement.

Members discussed the recruiting process for the external members, noting that the subcommittee will make the appropriate changes to the draft advertisement and circulate via email to Committee for review and comments. Once Committee reviews the draft advertisement the subcommittee may place the advertisement in the local newspapers. It was noted that the deadline for applicants to send their resumes to the Township office would be 5 days before to the next Port Management Committee meeting. It was noted that Committee would review the resumes in closed session and select applicants for the interview process, which would take place approximately 10 days after the Committee meeting. It was noted that all successful applicants would receive a response.

7. Action/Information Items

a) General Managers Report

The General Manager's Report was reviewed. Members noted that the revenues have exceeded budget while the expenses are below, which has resulted in an \$117,000 surplus for the month. However, when compared to the September 2015 actuals, the revenues are down by \$380,000 due in part by a vessel not arriving in September and the decrease in the dry wheat harvest. Members briefly discussed the project cargo that will be arriving at the Port on the BBC Switzerland. Members noted that the General Manager has been involved in meetings and discussions with various companies with respect to potential business.

Members briefly discussed the GIC that is coming due on November 2, 2016 and clarified the current investments as of September 2016. The General Manager noted the one year GIC would need to be discussed with the Treasurer for further action and information.

b) Operation Manager's Report

The Operation Manager's Report was reviewed, noting that the overall grain inventory for September was down which resulted in a decrease in labour hours. It was noted that the impending rain and lack of a frost has slowed down the harvesting. Members commented on the automated grain trips being operational and whether the trips have resulted in higher efficiency rates. It was noted that the Port hosted a group tour from Agriculture Canada which gave them a better understanding of the area and where the grain goes once it leaves the producers field.

c) Year to Date Stats

The Year to Date Stats were reviewed, noting a decrease for the grain terminal report and labour hours. It was noted that the decreases are due to less vessels at the Port. It was clarified that the updated CGC rating was not received in time for the report.

d) Capital Projects Update

The Operations Manager reviewed the status of the 2016 capital projects, noting that the Port is waiting for the engineer to complete the assessment to replace the west end equipment hoist. It was noted that the automated meters and analyzers/upgrade grading equipment server license install was completed in September and the previous technical issues have been resolved.

e) South Nation Report

The South Nation Report was reviewed. Members commented on the embayment trees location and that there is a 78% success rate after the first growing season.

**Moved** by: M. Barrett seconded by: G. Morrell that Committee receive and approve items 7a) 7b) 7c) 7d) and 7e).

Carried

f) Residential Leases – Amendment/Assignment

Members reviewed the amendment agreement, noting that all lease fees and payment schedules will remain intact for the remainder of the leases. It was noted that the solicitor included a clause within the amendment that would ensure protection of any future claims against the Township or Port with respect to the right to not review the leases in September 2034 and that no compensation will be sought from the current lease holders or assignees in the case of nonrenewal of the leases.

Members briefly debated the leases and if the Port should be reclaiming the lands. It was noted that the lands that are being discussed were reviewed at the time the leases were renewed in 2014 and agreed that the Port would not need the land in question for the 20 year period.

**Moved** by: M. Barrett seconded by: G. Morrell that Committee recommend that Council:

1. That an amendment be signed and executed for three leases P-25, P-26 and P-33 and that the amendments will include wording as recommended by the solicitor to ensure protection of any future claims against the Township of Edwardsburgh Cardinal/Port of Johnstown. Specifically that the Township has the right not to renew the leases upon their renewal date on September 30, 2034 and that no compensation will be sought from the current lease holders or their future assignees in regards to potential nonrenewal of the current leases.
2. That an assignment of the current lease held by Frank McAuley and John Dyall identified as P-25 will be signed and executed.
3. That any future requests to the Township for building permits on the residential leases at the Port of Johnstown will only be authorized by the Township if the tenant first agrees to sign the amendment put forth and attached to this action item.

Carried

g) Masterfeeds – Lease Amendment

Deputy Mayor Taylor left the table and did not participate in the discussion or vote on the matter.

Members noted that Masterfeeds made a request to the Port to increase the amount of land that is currently agreed to in the lease. It was noted that the

additional land is required to install a grounding grid for the electrical substation replacement project. It was noted that the agreement will be to amend Schedule "A" to include the lands to additional land.

**Moved** by: K. Smail seconded by: G. Morrell that Committee recommends that Council approves that an amendment is signed and executed for the current lease identified as P-35, between the Township of Edwardsburgh Cardinal, Port of Johnstown and Masterfeeds Inc.

Carried

8. Councillor Inquiries/Notices of Motion

Deputy Mayor Taylor enquired if a date has been selected for the 2017 Port Day. It was noted that Committee is still waiting to hear if the Canadian Navy will be able to attend within a specified timeframe. Members briefly discussed other options for Port Day, including inviting the Canadian Air Forces for a demonstration.

Councillor Morrell noted that the Port was featured, with pictures, in the Chamber of Marine Commerce update.

9. Chair's Report

Mayor Sayeau presented the following items:

- MPAC update – loss of tax revenue from cottage leases

10. Question Period – None

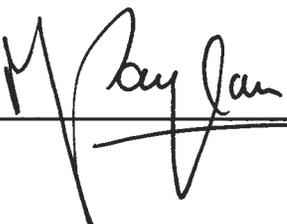
11. Closed Session – None

12. Adjournment

**Moved** by: M. Barrett seconded by: G. Morrell that the meeting adjourn at 6:37 pm.

Carried

These minutes were approved by Council this 24<sup>th</sup> day of October, 2016.

  
Chair

  
Deputy Clerk