

**MINUTES
PORT OF JOHNSTOWN MANAGEMENT COMMITTEE
MUNICIPAL OFFICE – SPENCERVILLE
WEDNESDAY, JUNE 23, 2021
6:30 PM**

Present: Mayor Patrick Sayeau, Chair
Deputy Mayor Tory Deschamps
Councillor Hugh Cameron
Councillor Stephen Dillabough
Councillor John Hunter
Mr. Joe Hendriks
Mr. Frank McAuley

Staff: Robert Dalley, General Manager
Kevin Saunders, Operations Manager
Candise Newcombe, Deputy Clerk
Dave Grant, CAO

1. Call to Order

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

2. Approval of Agenda

Moved by: J. Hunter

Seconded by: H. Cameron

That Committee approve the agenda as presented.

Carried

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

4. Delegations & Presentations – None

5. Minutes of the Previous POJ Committee Meeting

a) Regular Meeting –May 19, 2021

Moved by: F. McAuley

Seconded by: J. Hunter

That Port Management Committee receives and approves the minutes of Port Management Committee meeting dated May 19, 2021 following a small edit required at the top of page 6.

Carried

6. Business Arising from Previous PMC Minutes – None

7. Discussion Items

a) Aquatarium – Sponsorship/Donation – Mayor's Letter

Committee inquired on progress from the Mayor's letter sent to the Aquatarium board members. It was noted there was a follow-up call to the board to ensure the letter was received. Members had many questions in regard to what the proposed plan entailed in this project including the requested donation amount. Committee discussed plausible donation plans for the Township, but agreed more information in regards to the suggested use of the donations would be required.

Members suggested inviting board members to speak at the next Committee meeting, and having a prepared list of questions from Committee to ensure all inquiries are covered.

Committee discussed the possible benefits this endeavor may have to the Port and Township, highlighting that this would ultimately be a contribution to the education of the local children on the inner workings of their local port.

b) Port Lands Purchase – Update

Committee discussed progress on the identification of ownership in regards to a small parcel of land in question adjacent to Port Lands property. It was noted the Port's lawyer was currently investigating the ownership of the mentioned parcel of land as well as if the CP railway bed running through the property would also belong to the owner of the parcel.

Members commented on the current placement of a tower on the property and inquired about the beneficiary of the rental fees for the tower. It was noted the lawyer was investigating the rights of the tower to be present on the property as well as the disbursement of rental fee payments.

Members discussed intentions of the Township if the parcel of land in question does indeed belong to the Port Lands. Would it be in the best interest of the sale to include or exclude the parcel. It was noted there were former concerns with claims of the land being "land locked", and offering little access. Members noted this added parcel may provide access and add to the appeal for a potential buyer. Conversely, the Township could benefit from added income of rent from the tower, once ownership is defined.

Committee inquired about the method of sale to be used, noting there was a general discussion on the use of Culligan Realty, and the representation of Mr. Earle, however, not all members were aware that Council had made a final decision and passing a resolution during the last Council meeting May 25, 2021. It was noted Council made the decision to direct Mr. Earle to use the Township's tender document in the sale of the land. However, there was still a question if the Township wanted full market place exposure or not of the sale of the land.

c) Agricultural Clean Technology Funding

Committee reviewed the report outlining the parameters for a newly offered Federal Funding project referred to as Agricultural Clean Technology Funding announced June 16, 2021. It was noted the program is similar to the National Trade Corridors Funding project the Port participated in previously, further noting the former reports could be updated and re-used in the application for this project. It was noted the program consists of 2 phases; the initial expression of interest which included a summary of basic information of the intended upgrades as well as rough estimates of the total value of proposed improvements, which had already been submitted by Staff, followed by a more comprehensive business plan of the recommended efficiency improvements.

It was noted that the proposed project in this summary included 5 million in estimated upgrades including the replacement of the grain dryer outlined in the Port's Capital Funding Plan with a more efficient one, and the addition of a larger dryer in the annex, including a foundation upgrade. 75% of the proposed project would be funded through the program with a commitment of the remaining costs from the applicant.

Members discussed clean technology options, noting the best practice for upgrades would be to veer away from the burning of fossil fuels. Committee noted the clean energy option of using electricity and discussed the increased production costs that would be associated. Members noted there were other clean energy possibilities such as a heat pump system technology that would be applicable to this project, though the approaching deadline hindered any time for further research into the implementation of this type of system. Committee mentioned the possibility of stating the intention of converting the power source in the future and re-iterated their support of exploring alternative power source options. The possibility of harnessing the St. Lawrence River current for power was noted by members, however, it was noted there was a previous assessment done analyzing the use of the river current, and findings proved it was not strong enough to be able to produce the power required.

Members noted in the case of funding projects, it is always better to ask for more, stating that less is always offered, not the reverse scenario. Members made note and complimented the great work done by Port Staff on the virtual tour.

Committee reached consensus that the Port General Manager be empowered by Committee to confirm the commitment of the board to the remaining balance of the project including any added costs.

d) Investments

Mr. McAuley and Port staff reported on the information obtained through their meeting with the One Investment in regards to the Townships increased use of equity investments. It was noted in the municipal context, equity should be funding longer term investments such as cemeteries etc., noting the volatility in the equity market and explaining that the Township could end up needing access to the mentioned funds during a dip in the market negatively affecting the principal amount. One Investment advisers instructed the Township to stay

where they are in terms of investments, as all investments are currently short-term. Members noted the need to assess the future needs of the grain dryer project, and in the interim consider two alternatives presented by Mr. McAuley including a Market Smart GIC or an Interest Rate Linked GIC, both of which protect the principal amount.

It was noted an Interest Rate Linked GIC sees interest rates rise over time in correlation with increasing of rates, where as if rates decrease, the GIC principal is fully redeemable. With a Market Smart GIC you get the protected principal with some equity return, however, it was noted that more research is required into the inner workings of this type of investment.

Committee was advised to remain status quo in terms of the investments, for the time being until details are determined for the grain dryer project and further research is performed into the workings of the proposed RBC GIC options as well as similar options offered by other financial institutions noting the primary goal is protecting the principal while earning the best return possible on the protected principal.

8. Action/Information Items

a) Operation Manager's Report

Port staff provided an overview of the monthly report and there was a general discussion on the following topics: inventory, extended hours of operation, maintenance, as well as the implementation of an upgraded loading system. It was noted that a small vessel was loaded using the new system installed by FWS and experienced no issues, with Staff noting the increased volume the system will experience in the fall. It was further noted that the installation company will be present over the next couple of loads to ensure smooth operations.

Committee reviewed the capital report and there was a general discussion on the following projects: loading spouts, dock fenders, new conveyor belt installation, and air conditioning system installation performed under budget.

b) General Manager's Report – Traffic Report

Port staff provided an overview of the monthly report and there was a general discussion on the following topics: monthly revenues versus year-to-date actuals, suspension of salt vessels during July and August to complete the Riverfront paving project, and the completion of interviews for the administrative assistant position. Committee reviewed the traffic report.

c) Health & Safety Report

Moved by: T. Deschamps

Seconded by: H. Cameron

That Committee receives and reviewed items 8a) Operation Manager's Report – Capital Report, 8b) General Manager's Report - Traffic Report and 8c) Health & Safety Report.

Carried

d) Lease- Cargill Ltd

Committee reviewed the proposal for a new lease with Cargill Ltd. for storage of 20,000 metric tons of salt, with no option of subsequent renewal. It was noted the previous contractual agreement used had been vetted by the Township's lawyers previously and would be again used in this instance. Staff recommends that Committee approve the new lease with Cargill Ltd for the contracted period of 1-year with no automatic renewal.

Moved by: J. Hunter

Seconded by: F. McAuley

That the Port Management Committee approves a storage lease with Cargill Ltd. For a duration of 1 year with no option to renew; and
That the Mayor, Clerk, and General Manager of the Port, execute the lease agreement once approved by the Port Management Committee.

Carried

e) Hill and Knowlton- Agricultural Clean Technology Funding

Moved by: S. Dillabough

Seconded by: H. Cameron

That the Port Management Committee recommends that Council approves an upper limit of \$15,000 be allotted to secure the professional services required to help with the Comprehensive Project Application Form submission under the Agricultural Clean Technology Program – Adoption Stream; and
That the Port Management Committee recommends that Council approve this spending only if the Port is successful in its Project Summary application on June 21, 2021.

Carried

f) Riverfront Paving Contract- Award

Committee reviewed the proposal for the Riverfront Paving Contract and there was a general discussion on the following topics: tendered contractors' quality, use of surplus budget funds, and state of cells at dock edge.

Moved by: J. Hunter

Seconded by: S. Dillabough

That the Port Management Committee recommends that:

1. The Port Management Committee award the Dock Pavement Rehabilitation Contract #320-001 to Ottawa D Squared Construction Ltd. in the amount of \$276,561.80 excluding HST with a contingency of 15% for potential overages incurred; and
2. That the Port Manager does not exceed the 2021 approved budget amount of \$450,000 (excl. HST); and
3. That the Port Manager and Mayor execute the contract on behalf of the Township.

Carried

9. Approval of Disbursements – Port Accounts

Moved by: F. McAuley

Seconded by: J. Hunter

That Committee approves payment of Port invoices as circulated.

Carried

10. Councillor Inquiries/Notices of Motion – None

11. Chair's Report

Mayor Sayeau noted the presence of MPP Clark and MP Barrett being expected at the new Waterfront trail in Cardinal on Thursday June 24, 2021 at 10:30 a.m. in recognition of the Township's successful application under the Investing in Canada Infrastructure Program, and was awarded \$100,000.00 for infrastructural needs.

12. Question Period – None

13. In Camera Session - None

14. Adjournment

Moved by: H. Cameron

Seconded by: F. McAuley

That the Committee meeting adjourns at 8:05 p.m.

Carried

These minutes were approved by Port Management Committee this 18 day of August, 2021.

Chair

Deputy Clerk