

**MINUTES**  
**PORT OF JOHNSTOWN MANAGEMENT COMMITTEE**  
**SOUTH EDWARDSBURGH COMMUNITY CENTRE - JOHNSTOWN**  
**MONDAY DECEMBER 18, 2023**  
**6:30 PM**

Present: Deputy Mayor Stephen Dillabough, Chair  
Tory Deschamps, Mayor  
Councillor Chris Ward  
Councillor Waddy Smail  
Randy Stitt, Advisory Member  
Frank McAuley, Advisory Member  
Clint Cameron, Advisory Member  
Regina Hernandez, Advisory Member

Regrets: Councillor Joseph Martelle

Staff: Dave Grant, CAO  
Sean Nicholson, Treasurer  
Robert Dalley, General Manager  
Kevin Saunders, Operations Manager  
Mike Moulton, Operations Manager  
Candise Newcombe, Deputy Clerk  
Rhonda Code, Office Manager

1. Call to Order

Deputy Mayor Dillabough called the meeting to order at 6:32 p.m.

The Chair noted the following:

- The passing of the former Mayor Pat Sayeau's wife Shirley and the celebration of life held at the Prescott Golf Course in Prescott earlier that evening.
- The absence of Councillor Joseph Martelle.

2. Approval of Agenda

**Moved by:** T. Deschamps

**Seconded by:** W. Smail

That Committee approves the agenda as amended to reorder items g) and h) to discuss the new grain dryer purchase prior to the Port of Johnstown investment discussion.

Carried

3. Disclosure of Pecuniary Interest & the General Nature Thereof – None
4. Delegations and Presentations – None
5. Minutes of the Previous POJ Committee Meeting

a) Regular Meeting – November 20, 2023

**Moved by:** C. Ward

**Seconded by:** T. Deschamps

That Port Management Committee receives and approves the minutes of the Port Management Committee meeting dated November 20, 2023.

Carried

6. Business Arising from the Previous PMC Minutes (if any) – None
7. Discussion Items – None
8. Action/Information Items

a) Grain Operations Report

Port staff provided an overview of the monthly operations report and highlighted the following areas: overall inventory levels, monthly traffic, grain received/shipped, vessels loaded, labour report and quality inspection rating for December.

b) Maintenance Report

Port staff provided an overview of the monthly report and there was a general discussion on the following topics: weekly and monthly maintenance/electrical work completed, in-house maintenance work, efficiencies of the automated bins system, and the frequency of tile grading of the scales.

c) Capital Projects Report

Committee was provided with a summary of the report and confirmed the new bucket for the Bobcat would be able to be easily installed once delivered.

d) Financial Report

Committee was provided with a brief overview of the monthly revenue and expenses and year to date budget to actual numbers. Committee discussed the accuracy of the Enbridge gas usage estimates for the Port from May to November, revenue losses and expectations for December, increases to Port lease revenues, and the additional salt storage required by Rideau Bulk.

e) Vessel Traffic Report

Committee reviewed the traffic report and members discussed the changes in the categorization of salt vessels as foreign versus domestic and the increased demand for salt inventory via vessel.

f) General Manager's Report

Committee reviewed the report and discussion was held on requirement of Department of Fisheries and Oceans Canada (DFO) approval for the marina waterfront project, natural gas supply expansion options and costs, and identified additional contacts at Enbridge.

**Moved by:** C. Ward

**Seconded by:** W. Smail

That the Port Management Committee received and reviewed items 8. a) Grain Operations Report; b) Maintenance Report; c) Capital Projects Report; d) Financial Report; e) Vessel Traffic Report; and f) General Manager's Report.

Carried

g) Procurement and Construction of a New Grain Dryer – Annex Expansion – Project 300-069

Committee was provided with a summary of the report and discussed the following areas: the discrepancy in bids submitted, contingency amount variances, interchangeability of dryer hardware from propane to natural gas, estimated costs of fueling with propane versus natural gas, various case scenarios for return on investment, additional storage demands, life expectancy of a grain dryer, and options for natural gas storage.

Members inquired about procedurally approving a project that would undoubtedly exceed the 2023 budgeted amount and the parameters of the federal grant received and if a propane fueling source for the dryer would qualify as minimizing the Port of Johnstown's carbon footprint. It was noted that the intent is to minimize the use of inefficient grain dryers by offering a more efficient drying option at the Port.

Committee noted concerns with approving unknown costs associated with the project and requested that additional information be provided on the costs associated with the installation of a natural gas versus propane grain dryer. It was noted that with the natural gas option, additional infrastructure through the development of an Enbridge power station would be required to provide the additional natural gas supply at a cost of approximately \$2.8 million. Conversely, additional costs of approximately \$100,000.00 would be associated with the installation of a propane fuel source.

Committee discussed the importance of grain broker relationships, efficiencies of the new grain spouts, deadline of March 2025 for use of the federal grant funding received for the grain dryer, anticipated grain dryer installation completion date, current wet corn contracts with the Port, flexibility of current Port corn drying rates, and estimated revenue losses due to Canadian Grain Commission (CGC) drying fee changes.

Members noted concerns with anticipated revenue loss from the adjustments made by the CGC and the risks associated with investment in this project without definitive costs.

Committee suggested remaining status quo by replacing the existing 42 million BTU grain dryer with a newer model of the same caliber and retaining the current dryer as a spare should it be needed. It was noted that the current gas supply would not support a dryer any bigger than the one currently in use. There was discussion regarding the frequency of issue of suppliers looking to use the grain dryer, drying times based on moisture points with the current dryer versus the proposed new dryer, and options of replacing the dryer versus adding an additional dryer as proposed.

There was discussion regarding the proposed expansion of the Oshawa Port, the increased storage capacity project underway at the Picton Port and the additional revenue strain the Port may experience should the new grain dryer be purchased. Members noted that offering the drying service sets the Port of Johnstown apart from their competitors and highlighted the benefit of an “one stop shop” where producers can dry and store their grain.

**Moved by:** T. Deschamps

**Seconded by:** W. Smail

That the Port Management Committee recommend that the Procurement and Construction of a New Grain Dryer – Annex Expansion – Project 300-069 be deferred until January to confirm conformity of propane to the federal grant funding parameters, and allow for additional cost information to be obtained on propane versus natural gas options.

	<b>Yea</b>	<b>Nay</b>
T. Deschamps	X	
S. Dillabough	X	
W. Smail	X	
C. Ward	X	
<b>Results</b>	<b>4</b>	<b>0</b>
		Carried

h) Port of Johnstown Investments

Committee was provided with an overview of the report and discussed the following: current rates, advantages of long-term versus short-term investments in the current market, upcoming investment realizations, and restrictions of locking in an investment for the remaining term of Council.

Members discussed past practices of providing rate options for various banking institutions, cashflow liquidity, current cash on hand, and investment withdrawal penalties.

Committee proposed a friendly amendment to the motion to include a condition of ensuring security of the principle should the Township wish to withdraw the investment prior to the maturity date.

**Moved by:** W. Smail

**Seconded by:** C. Ward

That the Port of Johnstown Management Committee approves the following investment recommendations:

- That the Port General Manager and Township Treasurer find the best possible rate for up to 3 years for non-redeemable GIC; and
- That the Port General Manager take the full amount (est. \$1,547,409.34) from the RBC GIC maturing on Dec. 30, 2023, and purchase a new GIC for up to 3-years.

Members noted concerns with securing an investment in excess of 2-years and recommended amending the motion to purchase a new GIC for up to 2 years.

**Amendment**

**Moved by:** W. Smail

**Seconded by:** C. Ward

That the Port of Johnstown Management Committee amend the recommendation from a 3-year to 2-years for non-redeemable GIC.

Carried

**Moved by:** W. Smail

**Seconded by:** C. Ward

That the Port of Johnstown Management Committee approves the following investment recommendations as amended:

- That the Port General Manager and Township Treasurer find the best possible rate for up to 2 years for non-redeemable GIC; and

- That the Port General Manager take the full amount (est. \$1,547,409.34) from the RBC GIC maturing on Dec. 30, 2023, and purchase a new GIC for up to 2-years.

Carried

9. Approval of Disbursements – Port Accounts

**Moved by:** C. Ward

**Seconded by:** T. Deschamps

That Port of Johnstown Management Committee approves payment of Port invoices circulated and numbered as follows:

Withdrawals Total:	\$273,367.06
Batch 25 CHEQUES	\$188,619.51
Batch 26 EFT PAYMENTS	\$97,822.84
Batch 27 EFT PAYMENTS	\$7,067.02

Total of Direct Withdrawal & Batch Listings:	\$566,876.43
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Carried

10. Councillor Inquiries/Notices of Motion - None

11. Chair's Report

The Chair reported on the following:

- Wished staff and Committee members a Merry Christmas and Happy New Year.

12. Question Period – None

13. Closed Session

**Moved by:** W. Smail

**Seconded by:** C. Ward

That Committee proceeds into closed session at 8:56 p.m. in order to address a matter pertaining to:

- Section 239(2)(d) Labour relations or employee negotiations; Specifically: Collective Bargaining Update and minutes of Closed session dated November 20, 2023.

Carried

**Moved by:** W. Smail  
**Seconded by:** C. Ward

That the closed meeting of Committee does now adjourn and the open meeting does now resume at 9:20 p.m.

Carried

14. Report Out of Closed Session

The Chair reported that Committee met in closed session to discuss collective bargaining progress and direction was provided to the Port General Manager.

**Moved by:** C. Ward  
**Seconded by:** W. Smail

That Committee receives and approves the minutes of Closed Session dated November 20, 2023.

Carried

15. Adjournment

**Moved by:** T. Deschamps  
**Seconded by:** C. Ward

That the Committee meeting adjourns at 9:21 p.m.

Carried

These minutes were approved by Port Management Committee this 30 day of January, 2024.

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**Chair**

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**Deputy Clerk**