



**The Corporation of the Municipality of Wawa
Staff Report**

Office of the Director of Community Services and Tourism

Prepared For: Corporate Planning Cmte.	Report No.: AP 2021-07
Agenda Date: April 20, 2021	File No.: 9.45.2

Subject

This report concerns the results of operational changes implemented at the Municipal Marina in 2020, as well as recommends a direction forward for 2021 based on the lessons learned in the previous year.


Summary of the Recommendation

THAT the Council of the Corporation of the Municipality of Wawa directs staff to:

- Enter into a contract with the Operator for 2021 as presented in this Report.
- Implement the 2021 Operations Plan as presented in this report.
- Proceed with the creation of a Proposal as presented in this report.
- Modify the Schedule of Fees as recommended.

Summary of the Issues

This report details the results of significant operational changes in 2020 that were approved by Council. This includes a financial reconciliation of the year, as well as an assessment by staff of the successes and challenges presented in 2020. This report also makes recommendations for the 2021 season to improve services as well as the overall sustainability of the facility. Included in the 2021 work plan is an overview of the feedback received from the newly formed Municipal Marina Advisory Committee as well as a long-term path forward that is recommended by the Committee, with action items throughout the year for the consideration and approval of Council.

Respectfully Submitted By: 	Prepared By: Alex Patterson, Director, Community Services and Tourism
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List of Stakeholders

- Municipal Council
- Marina Users
- Buck's Marina (the "Operator")
- Ratepayers
- Municipal Staff

Purpose of Report

This report originates from the information compiled and reconciled after the 2020 season. This includes feedback from users, the community, the Municipal Marina Advisory Committee, the Operator, staff of the CST and IS Departments, as well as financial reports and operational observations. There were many lessons learned in 2020, and this report seeks to both inform Council of the results of their decision to make operational changes to the facility as well as recommend changes to improve service and sustainability at the facility.

This report also presents Council with the 2021 operational plan as well as a long term recommendation for the facility as we pursue the Divestiture process through the Department of Fisheries and Oceans, Small Craft Harbours branch ("SCH"). This recommendation is informed by community feedback, specifically that of the Municipal Marina Advisory Committee, with the intention of pursuing the project and the requisite funding to make it possible.

Analysis

2020 Operational Changes

In 2020, staff recommended and Council approved several operational changes. They are included in the staff report **AP 2020-07**, which is attached as **Appendix D**. To summarize:

- The Municipality entered into a written agreement with the Operator for provision of sales at the facility.
- The Department took on additional operational responsibilities at the facility which were previously not subject to any written agreement. These include:
 - Maintenance and upkeep of the facility.
 - Seasonal removals and installations of docks and ramps.
- The Municipality and the Operator took and processed payments and slip rentals jointly, giving users the ability to pay at either location.

- An annual reconciliation was completed, and is attached in **Appendix A**. This is discussed in the **Financial / Staffing Implications** section of this report.

These changes resulted in a reduction of service levels and focused on the core operation of the asset. They also resulted, as expected, in some “growing pains” as changes were implemented. 2020 was the first season of these changes, and we have several lessons to learn and apply for the 2021 season.

Results: 2020 Season

Staff developed a 2020 Marina Operations Plan (included in staff report **AP 2020-07**), which included several milestones and goals. These can be broken down as follows:

- Completed Goals / Milestones
 - Complete and Execute a contract with the Operator.
 - Lease and Install a washroom.
 - Dredge the entry channel in partnership with local users.
 - Install permanent fencing and signage to secure the Wharf area.
 - Remove concrete hazards.
 - Install signage, life rings, and make small repairs.
 - Set and implement basic service standards for maintenance of the facility.
- Incomplete Goals / Milestones
 - Disconnect and separate electrical connections
 - Install new launch in the basin
 - Develop a MOU for facility usage during the Wawa Salmon Derby

Additional financial results will be discussed in the **Financial / Staffing Implications** section of this report.

Lessons Learned: 2020 Season

Based on the experience of the 2020 season, the following was noted by staff as well as members of the public and the Municipal Marina Advisory Committee:

- Communication must be improved
 - This includes the setting of specific dates and service standards which must be communicated to users in a clear and effective manner.
 - Facility users must know who is responsible for the facility and have a clear path to raise issues and communicate them with staff.
 - Effective communication between the Municipality and the Operator.
- Agreement must be adjusted to reflect financial realities
 - This is further discussed in the **Financial / Staffing Implications** section of this report.

- Incremental improvements that are visible make a difference in public perception, and we received positive feedback where we were able to make these improvements. This includes regular site maintenance activities.

2021 Recommendations and Operational Plan

From the lessons learned in 2020, staff have the following recommendations to continue sustainable operations of the facility:

- Adopt the 2021 Operations Plan (included in **Appendix B**) with these goals:
 - Provide better service to the community by continuing to make improvements to our operations including:
 - Ensuring a clean, well kept, and welcoming environment.
 - Communicating to the public what changes are being made, who is responsible for the operations of the facility, and when activities are taking place.
 - Making repairs and improvements to infrastructure whenever possible.
 - Increase revenue and decrease expenses to ensure that the Marina is sustainable by:
 - Ensuring our operations are more efficient and cost-effective.
 - Improving the operations agreement to ensure that the Municipal share of the revenue is better reflective of the intent of the agreement.
 - With the Municipal Marina Advisory Committee, plan for major capital upgrades by creating a proposal for Council and Small Craft Harbours before the summer.
- Adopt the 2021 Operations Agreement (included in **Appendix C**)
 - This makes the necessary adjustments to revenue distribution.
 - A summary of the changes can be found in the **2021 Operations Plan**.

2021 Divestiture Planning

The Municipality has also entered the next phase of divestiture planning. With an agreement completed in 2020 with both the Operator and SCH, we can now move forward with developing a proposal to Small Craft Harbours. The Marina Advisory Committee is working with staff to develop this proposal with the following goals:

1. To have a clean, safe, and attractive facility for the community to enjoy.
2. To attract tourists and a larger market than currently exists, including the potential for larger boats and commercial boat traffic.
3. To ensure that the facility is sustainable by developing a business plan for financial stability as well as infrastructure that is resistant to climate change.

The overall project is in the ballpark of \$3,000,000, and would require funding in the 90% range sourced from multiple organizations. Cost estimates are included in the **Financial / Staffing Implications** section of this report.

Financial/Staffing Implications

Results: 2020 Season

The full reconciliation can be found in **Appendix A**. It includes each slip and pass sold, as well as a breakdown of the HST and administration fee for the slips that were sold through the Operator. A summary of the reconciliation is:

- Most slips sold in 2020 were sold prior to the signing date of the Agreement, and were therefore subject to the previous percentage-based compensation.
- No slips were rented by Municipal Staff – there were no staff in the Department as they were laid off due to COVID.
- The daily boat launch pass system needs a significant rework as the Municipality lost revenue here. This is discussed below.
- Overall, the new system increased revenue to the Municipality by around \$5,000. Staff believe that this will increase by another \$5,000 in 2021 by ensuring that the agreement is in effect for the totality of the slip sales as well as by fixing the boat launching issue.

2021 Budget Estimates and Recommendations

For the boat launch, staff recommend that no in-person sales be completed for Daily, or Weekly passes due to the loss involved. Instead, staff recommend a kiosk be installed beside the launch with pass packages included in a similar way to systems in provincial parks. This will eliminate this issue, and monthly and seasonal passes can be sold as per the agreement.

By fixing these issues as recommended in the 2021 Operations Agreement (included in **Appendix C**), staff estimate that the revenue of the facility could be \$20,000, which represents approximately a \$10,000 increase from 2019 without a corresponding fee increase. This is the result of streamlining the agreement to ensure additional revenue capture, which thereby reduces the impact of the facility on the ratepayer.

As per the management recommended 2021 operating budget, staff have budgeted \$17,500 for continued repairs to the facility. This includes rental of washroom facilities until a permanent solution can be funded, as well as other items identified in the 2021 Marina Operations Plan. Additional costs include staff time & insurance, of which the budget of staff time continues to be refined as we learn the operations of the facility.

Divestiture Project Capital Estimates

The following items have been budgeted for a future divestiture funding application:

<u>Category / Item</u>	<u>Cost</u>
Entry Channel	
Initial Engineering	25,000.00
Stabilization engineering	112,500.00
Stabilization work	750,000.00
Slips	
Slips - Replacement	500,000.00
Concrete Deadmen	20,000.00
Wharf	
Wharf Engineering	102,000.00
Wharf Stabilization	480,000.00
Wharf Docks	50,000.00
Additional Commercial	50,000.00
Site Services	
Marina Complex	300,000.00
Fuel System	50,000.00
Sewage System	50,000.00
Playground Replacement	20,500.00
Site Furniture	25,000.00
Subtotal	2,535,000.00
Contingency (15%)	380,250.00
Total	2,915,250.00

Note that these are preliminary estimates only, and are subject to change.

The Municipal Marina Advisory Committee is in the process of creating a proposal for the review and approval of Council. This proposal would include some preliminary business planning as well as engineering cost estimates to ensure accuracy. If approved by Council, it would then go to SCH as well as other funders in the hopes of securing most or all of the funds required for the project.

2021 Fees Recommendation

Staff reviewed and compiled fees from other community facilities, which can be found in Appendix E of this report. The following is recommended for 2021:

6.1	Boat Launch - Marina				
6.1.1	Daily	4.43	0.58	5.00	
6.1.2	Weekly	17.70	2.30	20.00	
6.1.3	Monthly	33.19	4.31	37.50	
6.1.4	Seasonal	66.37	8.63	75.00	
6.2	Slip Fees - Marina				
6.2.1	Daily	1.77	0.23	2.00	
6.2.2	Weekly	5.31	0.69	6.00	
6.2.3	Monthly	9.29	1.21	10.50	
6.2.4	Seasonal	18.58	2.42	21.00	
6.3	Serviced Slip, Additional				
6.3.1	Daily	8.85	1.15	10.00	
6.3.2	Weekly	26.55	3.45	30.00	
6.3.3	Monthly	55.31	7.19	62.50	
6.3.4	Seasonal	110.62	14.38	125.00	

Policies Affecting Proposal

None.

Comments from Relevant Departments/Community and Corporate Partners

None received.

Specific members of the Municipal Marina Advisory Committee have made comments at meetings held over the past month regarding the status of the contract with the operator and if other avenues, such as a flat rate for the full operation of the facility, could be considered. In consultation with senior management staff, this was determined to be unfeasible if the current goals of the facility are to be met.

Alternatives

Option 1: Status Quo

This would see Municipal Council direct staff to continue at 2020 levels. As this would not solve many issues that we have learnt from in 2020, this option is **Not Recommended**.

Option 2: Do not proceed with Operations, Divestiture

This option would see the Municipality abandon the divestiture process as well as relinquish the facility back to SCH. As there has been a clear direction from the community to invest more in the asset, and the view that this is an important facility for the community, this option is **Not Recommended**.

Option 3: Accept Operations Plan, Operations Contract, Initial Divestiture Direction

This option would see the Municipality continue with changes to the operations plan and contract for use of the facility as well as pursue divestiture with SCH. This will allow us to make positive changes to the operations of the facility, and will result in better service levels as well as additional revenue. For this reason, as well as others contained within this report, this option is **Recommended**.

Conclusion

The adoption of these recommendations will allow Municipal staff to continue down the path towards divestiture and a sustainable facility. By continuing to work on site improvements and future capital funding, we can improve the service levels at the facility while also reducing the burden on the taxpayer, which will ensure the future success of the facility.

Recommendation

THAT the Council of the Corporation of the Municipality of Wawa directs staff to:

- Enter into a contract with the Operator for 2021 as presented in this Report
- Implement the 2021 Operations Plan as presented in this Report
- Proceed with the creation of a Divestiture Proposal as outlined in this Report
- Modify the Schedule of Fees as follows:

6.1	Boat Launch - Marina				
	6.1.1	Daily	4.43	0.58	5.00
	6.1.2	Weekly	17.70	2.30	20.00
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	6.3.2	Weekly	26.55	3.45	30.00
	6.3.3	Monthly	55.31	7.19	62.50
	6.3.4	Seasonal	110.62	14.38	125.00

Attachments

Appendix A: 2020 Marina Reconciliation

Appendix B: 2021 Marina Operations Plan

Appendix C: 2021 Marina Operations Agreement

Appendix D: Staff Report AP 2020-07

Appendix E: 2021 Marina Fee Recommendation Backup

End of Report.

Municipality of Wawa
 Department of Community Services and Tourism

Marina Monthly Reconciliation

Month of: XXXX 2020

NOTE - Admin Fee 50% before June 10, 2020 (agreement Date)

Pass Colour	Pass number	Subtotal	HST	Total	Admin Fee	Pass Colour	Pass number	Subtotal	HST	Total	
Sold By Buck's Marina						Sold by Municipality of Wawa					
Blue	1	\$318.60	\$41.42	\$360.02	\$159.30	Green					
Blue	2	\$637.20	\$82.84	\$720.04	\$318.60						
Blue	3	\$371.70	\$48.32	\$420.02	\$185.85						
Blue	4	\$336.30	\$43.72	\$380.02	\$168.15						
Blue	5	\$495.60	\$64.43	\$560.03	\$247.80						
Blue	6	\$389.40	\$50.62	\$440.02	\$194.70						
Blue	7	\$354.00	\$46.02	\$400.02	\$177.00						
Blue	8	\$354.00	\$46.02	\$400.02	\$177.00						
Blue	9	\$389.62	\$50.65	\$440.27	\$194.81						
Blue	10	\$354.00	\$46.02	\$400.02	\$177.00						
Blue	11	\$318.00	\$41.34	\$359.34	\$159.00						
Blue	12	\$354.00	\$46.02	\$400.02	\$177.00						
Blue	13	\$424.80	\$55.22	\$480.02	\$212.40						
Blue	14	\$336.30	\$43.72	\$380.02	\$168.15						
Blue	15	\$336.30	\$43.72	\$380.02	\$168.15						
Blue	16	\$318.60	\$41.42	\$360.02	\$159.30						
Blue	17	\$290.45	\$37.76	\$328.21	\$145.23						
Blue	18	\$336.30	\$43.72	\$380.02	\$168.15						
Blue	19	\$318.66	\$41.43	\$360.09	\$159.33						
Blue	20	\$300.90	\$39.12	\$340.02	\$150.45						
Blue	21	\$300.90	\$39.12	\$340.02	\$150.45						
Blue	22	\$371.70	\$48.32	\$420.02	\$185.85						
Blue	23	\$318.60	\$41.42	\$360.02	\$159.30						
Blue	24	\$371.70	\$48.32	\$420.02	\$185.85						
Blue	25	\$336.30	\$43.72	\$380.02	\$168.15						
Blue	26	\$513.30	\$66.73	\$580.03	\$256.65						
Blue	27	\$318.60	\$41.42	\$360.02	\$159.30						
Blue	28	\$300.90	\$39.12	\$340.02	\$40.00						
Blue	29	\$336.30	\$16.82	\$353.12	\$40.00						
Blue	30	\$354.00	\$46.02	\$400.02	\$177.00						
Blue	31	\$407.10	\$52.92	\$460.02	\$40.00						
Blue	32	\$371.70	\$48.32	\$420.02	\$40.00						
Blue	33	\$584.10	\$75.93	\$660.03	\$40.00						
Blue	34	SEE ABOVE - LOST PASS									
Blue	35	\$442.50	\$57.53	\$500.03	\$40.00						
Blue	36	\$336.30	\$43.72	\$380.02	\$40.00						
Blue	37	\$389.40	\$50.62	\$440.02	\$40.00						
Blue	38	\$300.90	\$39.12	\$340.02	\$150.45						
Blue	39	\$424.80	\$55.22	\$480.02	\$40.00						
Blue	40	\$389.40	\$50.62	\$440.02	\$40.00						
Blue	41	\$531.00	\$69.03	\$600.03	\$40.00						
Blue	Total	\$15,034.23	\$1,927.55	\$16,961.78	\$5,700.37	Blue	Total	\$0.00	\$0.00	\$0.00	

Green	1	\$51.33	\$6.67	\$58.00	\$25.67	Green
Green	2	\$56.64	\$7.36	\$64.00	\$40.00	
Green	3	\$56.64	\$7.36	\$64.00	\$40.00	
Green	4	\$79.74	\$10.37	\$90.11	\$40.00	
Green	5	\$159.30	\$20.71	\$180.01	\$40.00	
Green	6	\$172.58	\$22.44	\$195.02	\$40.00	
Green	7	\$150.45	\$19.56	\$170.01	\$40.00	
Green	8	\$177.00	\$23.01	\$200.01	\$40.00	
Green	9	\$159.30	\$20.71	\$180.01	\$40.00	
Green	10	\$141.60	\$18.41	\$160.01	\$40.00	
Green	11	\$53.10	\$6.90	\$60.00	\$40.00	
Green	12	\$177.00	\$23.01	\$200.01	\$40.00	
Green	13	\$128.92	\$16.76	\$145.68	\$40.00	
Green	14	\$115.18	\$14.97	\$130.15	\$40.00	
Green	15		\$0.00	\$0.00	\$40.00	
Green	16	\$172.58	\$22.44	\$195.02	\$40.00	
Green	17	\$150.45	\$19.56	\$170.01	\$40.00	
Green	18	\$141.60	\$18.41	\$160.01	\$40.00	
Green	19	\$159.30	\$20.71	\$180.01	\$40.00	
Green	20	\$230.36	\$29.95	\$260.31	\$40.00	
Green	21	\$177.00	\$23.01	\$200.01	\$40.00	
Green	22	\$155.05	\$20.16	\$175.21	\$40.00	
Green	23	\$150.62	\$19.58	\$170.20	\$40.00	
Green	24	\$111.60	\$14.51	\$126.11	\$40.00	
Green	25	\$194.70	\$25.31	\$220.01	\$40.00	
Green	26	\$70.88	\$9.21	\$80.09	\$40.00	
Green	27	\$159.30	\$20.71	\$180.01	\$40.00	
Green	28	\$185.85	\$24.16	\$210.01	\$40.00	
Green	29	\$79.74	\$10.37	\$90.11	\$40.00	
Green	30	\$163.73	\$21.28	\$185.01	\$40.00	
Green	31	\$141.60	\$18.41	\$160.01	\$40.00	
Green	32	\$77.53	\$10.08	\$87.61	\$40.00	
Green	33	\$101.89	\$13.25	\$115.14	\$40.00	
Green	34	\$90.82	\$11.81	\$102.63	\$40.00	
Green	35	\$75.31	\$9.79	\$85.10	\$40.00	
Green	36	\$79.74	\$10.37	\$90.11	\$40.00	
Green	37	\$79.74	\$10.37	\$90.11	\$40.00	
Green	38	\$67.21	\$8.74	\$75.95	\$40.00	
Green	39	\$77.88	\$10.12	\$88.00	\$40.00	
Green	40	\$163.73	\$21.28	\$185.01	\$40.00	
Green	41	\$79.66	\$10.36	\$90.02	\$40.00	
Green	42	\$159.30	\$20.71	\$180.01	\$40.00	
Green	43	\$177.00	\$23.01	\$200.01	\$40.00	
Green	44	\$141.60	\$18.41	\$160.01	\$40.00	
Green	45	\$70.88	\$9.21	\$80.09	\$40.00	
Green	46	\$84.17	\$10.94	\$95.11	\$40.00	
Green	47	\$79.74	\$10.37	\$90.11	\$40.00	
Green	48	\$159.30	\$20.71	\$180.01	\$40.00	
Green	49	\$79.74	\$10.37	\$90.11	\$40.00	
Green	50	\$159.30	\$20.71	\$180.01	\$40.00	
Green	51	\$31.86	\$4.14	\$36.00	\$40.00	
Green	52	\$79.74	\$10.37	\$90.11	\$40.00	
Green	53		\$0.00	\$0.00	\$40.00	
Green	54		\$0.00	\$0.00	\$40.00	
Green	55	\$79.74	\$10.37	\$90.11	\$40.00	
Green	56	\$30.09	\$3.91	\$34.00	\$40.00	
Green	57	\$30.39	\$3.95	\$34.34	\$40.00	
Green	58	\$63.72	\$8.28	\$72.00	\$40.00	

Green	59	\$177.00	\$23.01	\$200.01	\$40.00
Green	60	\$93.03	\$12.09	\$105.12	\$40.00
Green	61	\$70.88	\$9.21	\$80.09	\$40.00
Green	62	\$30.09	\$3.91	\$34.00	\$40.00
Green	63	\$86.39	\$11.23	\$97.62	\$40.00
Green	64	\$31.86	\$4.14	\$36.00	\$40.00
Green	65	\$28.32	\$3.68	\$32.00	\$40.00
Green	66	\$168.15	\$21.86	\$190.01	\$40.00
Green	67	\$70.88	\$9.21	\$80.09	\$40.00
Green	68		\$0.00	\$0.00	\$40.00
Green	69	\$79.74	\$10.37	\$90.11	\$40.00
Green	70	\$88.50	\$11.51	\$100.01	\$40.00



Green	Total	\$7,368.06	\$957.85	\$8,325.91	\$2,785.67
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Green	Total	\$0.00	\$0.00	\$0.00
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Red	1	\$66.37	\$8.63	\$75.00	\$33.19
Red	2	\$6.64	\$0.86	\$7.50	\$3.32
Red	3	\$6.64	\$0.86	\$7.50	\$20.00
Red	4	\$66.37	\$8.63	\$75.00	\$20.00
Red	5	\$6.64	\$0.86	\$7.50	\$20.00
Red	6	\$6.64	\$0.86	\$7.50	\$20.00
Red	7	\$6.64	\$0.86	\$7.50	\$20.00
Red	8	\$6.64	\$0.86	\$7.50	\$20.00
Red	9	\$6.64	\$0.86	\$7.50	\$20.00
Red	10	\$6.64	\$0.86	\$7.50	\$20.00
Red	11	\$6.64	\$0.86	\$7.50	\$20.00
Red	12	\$6.64	\$0.86	\$7.50	\$20.00
Red	13	\$6.64	\$0.86	\$7.50	\$20.00
Red	14	\$6.64	\$0.86	\$7.50	\$20.00
Red	15	\$6.64	\$0.86	\$7.50	\$20.00
Red	16	\$6.64	\$0.86	\$7.50	\$20.00
Red	17	\$66.37	\$8.63	\$75.00	\$20.00
Red	18	\$6.64	\$0.86	\$7.50	\$20.00
Red	19	\$6.64	\$0.86	\$7.50	\$20.00
Red	20	\$66.37	\$8.63	\$75.00	\$20.00
Red	21	\$66.37	\$8.63	\$75.00	\$20.00
Red	22	\$6.64	\$0.86	\$7.50	\$20.00
Red	23	\$6.64	\$0.86	\$7.50	\$20.00
Red	24	\$6.64	\$0.86	\$7.50	\$20.00
Red	25	\$6.64	\$0.86	\$7.50	\$20.00
Red	26	\$66.37	\$8.63	\$75.00	\$20.00
Red	27	\$6.64	\$0.86	\$7.50	\$20.00
Red	28	\$66.37	\$8.63	\$75.00	\$20.00
Red	29	\$66.37	\$8.63	\$75.00	\$20.00
Red	30	\$6.64	\$0.86	\$7.50	\$20.00
Red	31	\$66.37	\$8.63	\$75.00	\$20.00
Red	32	\$6.64	\$0.86	\$7.50	\$20.00
Red	33	\$6.64	\$0.86	\$7.50	\$20.00
Red	34	\$6.64	\$0.86	\$7.50	\$20.00
Red	35	\$6.64	\$0.86	\$7.50	\$20.00
Red	36	\$6.64	\$0.86	\$7.50	\$20.00
Red	37	\$6.64	\$0.86	\$7.50	\$20.00
Red	38	\$66.37	\$8.63	\$75.00	\$20.00
Red	39	\$6.64	\$0.86	\$7.50	\$20.00

Red	101	\$66.37	\$8.63	\$75.00
Red	102	\$66.37	\$8.63	\$75.00

Red	40	\$6.64	\$0.86	\$7.50	\$20.00
Red	41	\$6.64	\$0.86	\$7.50	\$20.00
Red	42	\$6.64	\$0.86	\$7.50	\$20.00
Red	43	\$6.64	\$0.86	\$7.50	\$20.00
Red	44	\$26.55	\$3.45	\$30.00	\$20.00
Red	45	\$6.64	\$0.86	\$7.50	\$20.00
Red	46	\$6.64	\$0.86	\$7.50	\$20.00
Red	47	\$6.64	\$0.86	\$7.50	\$20.00
Red	48	\$6.64	\$0.86	\$7.50	\$20.00
Red	49	\$6.64	\$0.86	\$7.50	\$20.00
Red	50	\$6.64	\$0.86	\$7.50	\$20.00
Red	51	\$6.64	\$0.86	\$7.50	\$20.00
Red	52	\$26.55	\$3.45	\$30.00	\$20.00
Red	53	\$6.64	\$0.86	\$7.50	\$20.00
Red	54	\$6.64	\$0.86	\$7.50	\$20.00
Red	55	\$6.64	\$0.86	\$7.50	\$20.00
Red	56	\$6.64	\$0.86	\$7.50	\$20.00
Red	57	\$6.64	\$0.86	\$7.50	\$20.00
Red	58	\$6.64	\$0.86	\$7.50	\$20.00
Red	59	\$26.55	\$3.45	\$30.00	\$20.00
Red	60	\$6.64	\$0.86	\$7.50	\$20.00
Red	61	\$6.64	\$0.86	\$7.50	\$20.00
Red	62	\$6.64	\$0.86	\$7.50	\$20.00
Red	63	\$6.64	\$0.86	\$7.50	\$20.00
Red	64	\$6.64	\$0.86	\$7.50	\$20.00
Red	65	\$6.64	\$0.86	\$7.50	\$20.00
Red	66	\$6.64	\$0.86	\$7.50	\$20.00
Red	67	\$6.64	\$0.86	\$7.50	\$20.00
Red	68	\$6.64	\$0.86	\$7.50	\$20.00
Red	69	\$6.64	\$0.86	\$7.50	\$20.00
Red	70	\$6.64	\$0.86	\$7.50	\$20.00
Red	71	\$6.64	\$0.86	\$7.50	\$20.00
Red	72	\$6.64	\$0.86	\$7.50	\$20.00
Red	73	\$6.64	\$0.86	\$7.50	\$20.00
Red	74	\$6.64	\$0.86	\$7.50	\$20.00

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Red	Total	\$1,148.39	\$149.29	\$1,297.68	\$1,476.51	Red	Total	\$132.74	\$17.26	\$150.00
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Totals		\$23,550.68	\$3,034.69	\$26,585.37	\$9,962.54	Totals		\$132.74	\$17.26	\$150.00
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Buck's Marina Share \$9,962.54

Municipal Share (incl HST) \$16,772.83

Municipal Share (ex HST) \$13,720.89

Municipality of Wawa

2021 Marina Operations Plan

Department of Community Services and Tourism

Alex Patterson
5-12-2020

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Introduction

In 2021, staff plan to take the lessons learned from 2020 to continue to improve the services provided at the Marina. Our goals are:

- Provide better service to the community by continuing to make improvements to our operations including:
 - Ensuring a clean, well kept, and welcoming environment
 - Communicating to the public what changes are being made, who is responsible for the operations of the facility, and when activities are taking place
 - Making repairs and improvements to infrastructure whenever possible
- Increase revenue and decrease expenses to ensure that the Marina is sustainable by:
 - Ensuring our operations are more efficient and cost-effective
 - Improving the operations agreement to ensure that the Municipal share of the revenue is better reflective of the intent of the agreement
- With the Municipal Marina Advisory Committee, plan for major capital upgrades by creating a proposal for Council and Small Craft Harbours before the summer.

Meeting these goals in 2021 will contribute to the continued sustainability of the Marina. They will also improve the services that the Municipality provides to residents and visitors while ensuring that we can do so in a cost effective way with minimal impacts on the tax base.

Staff intend to ensure that any upgrades or changes to the operations of the facility have the feedback of facility users. To that end, the Municipality has formed the Municipal Marina Advisory Committee, of which several users are members. This Committee will assist staff by advising what users are looking for, recommend communication methods, and make recommendations to Council on the future vision and capital improvement plan for the facility.

The effects of COVID are also a part of the operations of the facility in 2021. As an outdoor facility that hosts an activity that is safe and has a positive impact on community wellbeing, the marina is an important asset as the community recovers. Staff will implement all restrictions as per Algoma Public Health.

Staff are looking forward to implementing new ideas, and working with users and the Committee to further improve services at the facility. There will be another set of lessons to be learned in 2021, and this constant improvement will be key to the future of the facility.

Major Issues & Resolutions in 2021

COVID-19

As with all Municipal Facilities, COVID-19 has a major effect on the operations and usage. The Marina is an outdoor facility, and as such has many fewer restrictions than other facilities. Similar to 2020, staff expect to put the following in place:

- Signage including handwashing, social distancing, and no entry if showing symptoms
- Additional sanitizing of indoor facilities, at least once per day
- Adherence to any other guidelines as issued, including closures of specific facilities

As the guidelines related to COVID-19 are in a constant state of change, staff will be responsive as these changes occur, and inform users in a combination of ways, including with posters, on social media, and with traditional media releases.

Agreement for Operation: Adjustments

2020 was the first year that the Municipality entered into a written contract with the Operator for collection of fees and operations of the Marina. From the lessons learned during this year, several changes must be made to the agreement to ensure sustainable operations. These include:

- When someone extends their stay, it should be filled out on the same form and the pass remains valid for a longer period. This wouldn't apply to someone who separates their stays (ex books consecutive weekends) but should to someone who adds another week
- Multi day, week, month passes should only be included as one booking, only one pass given out, and only one admin fee charged.
- Implement a different solution for boat launches. This may include a box where people can pay outside the launch for daily fees, and keep weekly / monthly / seasonal as we have been. For people to pay for 2 daily passes for the weekend and the town pay 2x admin fees is not financially feasible.
- For 2021, a cheque shall be issued with payment of all fees collected, and a separate bill for the admin fee. This ensures that HST is being calculated directly and is more audit-friendly
- Any agreement must be implemented before April 15, 2021

Full details of the draft Contract are found in **Appendix B – Marina Operation Contract (MODIFY)**

This contract will enable Buck's Marina to take marina bookings and sell passes at a flat rate, as well as ensure that these purchases are tracked and accountable. This will be done through a procedure found in **Appendix C – SOP – Marina Bookings. (MODIFY)**

This agreement will be valid for a one season term and will end December 31, 2021. It will be reviewed at the end of the year by staff.

The contract also specifies that the facilities are Municipally owned and operated, and must include a property line to ensure that there is a clear division of responsibilities. For events such as the Salmon Derby, Municipal staff must create an SOP similar to the one used for the Wawa Ice Fishing Derby.

Major Milestone: Update and Execute contract before May 1, 2021

Washroom Facilities

In 2020, staff implemented a temporary solution of a washroom sea can independent of water/sewer hookups. While this was serviceable for 2020, there was a significant cost associated with this which could be reduced in several ways. This includes:

- Hookups to existing sewer and water to reduce the amount of pumping needed
- Purchase of the unit to eliminate rental costs
 - Staff applied for a Trillium grant for this purpose in 2020
- Installing commercial hardware for amenities to reduce consumable costs

Major Milestone: Lease/Purchase, install and hookup a washroom before May 24, 2021

Municipal Administration

Unlike 2020, the Department has administration staff for the summer of 2021. This will allow the purchase of slips and launch passes to occur at the MMCC throughout the year. Staff plan to advertise this to the public starting March 15th, in an attempt to capture additional revenue from residents purchasing seasonal slips and passes. The MMCC will remain open throughout the summer, and administration staff will be able to reconcile the facility on a monthly basis, which improves the Department's ability to deal with issues as they arise, as well as ensure that all funds are accounted for appropriately.

Major Milestone: Implement slip sales by April 15, 2021 at the MMCC. Advertise these changes to the public at that time.

Electrical Connections

During the flooding of 2018 it was discovered by staff that the Municipal facilities and the private business share an electrical connection. With staff unable to find an agreement for this type of use, it is unsure of the reason for this connection. Regardless, staff recommend that these connections be rendered separate. The approximate cost of this has been estimated at \$10,000 by a local electrical contractor. This work is recommended to be complete in 2020 and will be coordinated by staff. This also is dependent on ensuring that all parties have a concrete understanding of property lines.

Major Milestone: Disconnect and separate power between private and public facilities before the end of 2021. Make safe all public facilities to ensure ESA compliance.

Boat Launch Hazards

The main launch of the facility is safe and accessible to boaters. The river launch, however, is dangerous to the point that it is no longer used as intended. Correspondingly, the concrete reserved for the repairs has never been installed and also presents a hazard. It may not be appropriate for the task as it was sourced from the silver falls bridge. If it is suitable, staff recommend it be placed in the basin for a safer location to launch. If unsuitable, staff recommend removing the river launch and creating a launch in the basin using a simple poured slab method that staff are able to fabricate and install with assistance from the IS department.

Major Milestone: Remove concrete hazards by July 1, 2021. Launch pending further investigation.

Minor Repairs

Staff are also planning several smaller projects, including:

- Boardwalk Repairs
- Improvements to the fish cleaning station, including installation of puck board
- Eavestrough repairs to pavilion
- Lighting repairs to sensors / control hardware
- Improvements to signage including
 - No Diving / Swimming
 - Boat Launch Etiquette
 - Park Signage indicating service standards and responsibilities
 - Dock Numbering and Identification
 - Marina Pricing (including launch box directions)
 - COVID Rules
- Collections box for daily slip fees
- Removal and disposal of old docks

DRAFT

Municipal Operations 2021

Basic maintenance – Sanitation and Upkeep

In 2020, staff have determined that they would likely be able to ensure some basic maintenance is completed at the location on a regular basis. This includes the following:

- Garbage removal (Daily)
- Washroom cleaning (Daily)
- Fish freezer cleaning (bi-weekly)
- Inspection (weekly)
- Grass cutting (weekly)
- Boardwalk sweeping (as needed)

This will be dependent on other openings throughout the season as well as the staffing required to ensure that other service levels are met. This will be determined on a case by case basis as the provincial regulations change and cannot be determined in advance.

Fee Collection and Slip Administration

For this system to function, the Municipality must be able to take payments through town hall or online. Staff must be able to maintain a spreadsheet that is regularly updated through both town hall and buck's marina. Therefore, a system such as Google Docs can be used (with a Municipal Backup) to ensure that information is shared and updated on the go. Payments will be made according the schedule of fees, with funds transfers and paperwork submissions completed weekly and monthly to ensure that there is accountability and transparency in the system. Refer to the SOP for more information on the procedure of slip bookings.

Special Events

For the 2020 Wawa Salmon Derby, staff recommend the development of an MOU to ensure that expectations are laid out for use of municipal facilities. This must include:

- Setups and teardowns, including timelines
- Conditions of use of municipal facilities
- Liability waivers and Insurance requirements
- Prohibited areas (wharf/washroom facility)

An example MOU that can be used to develop this agreement would be the MOU with the Wawa Ice Fishing Derby used by staff yearly.

Additional Documentation / References

Appendix A – Agreement between Small Craft Harbours and the Municipality

Appendix B – Marina Operation Contract

Appendix C – SOP – Marina Bookings

AGREEMENT made this First of May, 2021

~ BETWEEN ~

BUCK'S MARINA c/o BRAD BUCK

Hereinafter called the "Operator"

OF THE FIRST PART

~ AND ~

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Hereinafter called the "Municipality"

OF THE SECOND PART

WHEREAS the Municipality and the Operator wish to enter into an agreement for portions of the operation of the Harry McCluskie Municipal Marina, and associated facilities,

AND WHEREAS portions of this facility are currently the property of Small Craft Harbours, a division of Fisheries and Oceans Canada that is currently undergoing a divestment process with the Municipality

AND WHEREAS Small Craft Harbours requires the Municipality to have an approved contract with any third party operator who undertakes regular duties on behalf of the Municipality related to the Operation of the Marina and facilities

NOW WITNESSETH THAT in consideration of the mutual covenants herein contained the parties agree as follows:

1. LOCATION OF OPERATION

The areas subject to this agreement are described as "The Harry McCluskie Municipal Marina" and include all docks, slips, wharves, and buildings on the land. The in-water and some of the Wharf are property of Small Craft Harbours, on lease to the Municipality. The other Municipal lands and this property will be considered as the Marina for the purposes of this agreement.

2. TERMS OF AGREEMENT

(A) GRANT OF CONTRACT

The Municipality grants to the Operator the contract for operation of the fee collection of the Marina as described herein, on the basis that the operator is the sole provider in the region of such a service, as well as having the most experience through many consecutive years of operating the facility in many different capacities. The Municipality maintains the right to administer the contract and enforce the provisions contained herein at its discretion and for the benefit of the community as a whole.

(B) TERMS AND DUTIES

The Operator and the Municipality share duties in the operation of the Municipal Marina as detailed below:

Administration

Buck's Marina shall:

- Take payments for slips and boat launch rentals and passes as per the Municipal schedule of fees and charges
- Follow the Municipal Slip Booking SOP to book slips for clients
- Book any slips with the Municipal booking system before assigning them to a customer
- Record and ensure the accuracy of all information using Municipal forms as provided
- Use Municipal reconciliation and marina booking schedules to ensure bookings are provided in a timely and transparent manner on a weekly and monthly basis
- Provide to the Municipality proofs of payment for all payment received on the Municipality's behalf over the course of executing this contract
- Report on any issues encountered in a timely fashion

The Municipality shall:

- Take payments for slips and boat launch rentals and passes as per the Municipal schedule of fees and charges
- Follow the Municipal Slip Booking SOP to book slips for clients
- Book any slips with the Municipal booking system before assigning them to a customer
- Record and ensure the accuracy of all information using Municipal forms as provided
- Use Municipal reconciliation and marina booking schedules to ensure bookings are provided in a timely and transparent manner on a weekly and monthly basis
- Report on any issues encountered in a timely fashion
- Provide all forms as necessary for the operation of the Marina within Municipal procedures.
- Apply and implement all Municipal policies
- Administer this contract and the terms herein

Operations

Buck's Marina shall:

- Report any complaints received regarding the facilities to the Municipality in writing and in a timely manner
- Abide by the terms and conditions of the contract as stated therein
- Not modify nor complete any work on the Marina facility without express written permission from the Municipality at an agreed-upon rate and terms.

The Municipality Shall:

- Respond promptly to any maintenance or safety issues reported by the Operator
- Ensure that a maintenance standard for the facilities is being followed.
- Ensure that the fish cleaning station is cleaned and debris removed on a regular basis
- Ensure that washroom and shower facilities are inspected and cleaned on a regular basis
- Inspect and keep clean all docks, slips and boardwalks
- Install and remove launch docks and ramps seasonally
- Provide garbage removal for Municipal garbage receptacles on a regular basis
- Work with the Operator to ensure solutions to issues are implemented in a timely fashion
- Schedule and administer all repair contracts with contractors

(C) COMPLIANCE WITH LAWS

The Operator at its sole expense shall comply with all laws, orders and regulations of federal, provincial and municipal authorities with respect to the execution of this Contract.

(D) INSURANCE

The Operator shall at its own expense obtain and maintain Workers' Compensation Coverage as required by the Province of Ontario. The Operator shall procure and maintain, for the duration of this contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Operator, his/her agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by the Operator.

(E) INDEMNITY

The Operator hereby covenants with the Municipality to indemnify the Municipality from and against all liability, claims, damages or expenses due to or arising out of any act or neglect by the Operator, its servants, employees, agents or invitees in the execution of this Contract. It is the express intention of the parties that the within Agreement shall cause no risk or expense to the Municipality. The Operator agrees to protect, hold harmless and indemnify the Corporation of the Municipality of Wawa and their employees, servants and agents against all losses, damages, claims, demands and actions arising directly or indirectly in any manner whatsoever in connection with the terms of the Agreement herein.

(F) ARBITRATION

Unless otherwise agreed, all matters in difference between the parties in relation to this agreement shall be arbitrated by referring the subject matter to arbitration of a single arbitrator if the parties agree upon one, otherwise three arbitrators, one to be appointed by each party and a third to be chosen by the first two named before they enter upon the arbitration, and the award and determination of such arbitrator or arbitrators, shall be binding upon the parties hereto and their respective executors, administrators, estate trustees and assigns.

(G) COMPENSATION

The Operator will be compensated by a flat rate based on the bookings processed by the Operator.

Each Boat launch Pass processed by the Operator will be compensated at a \$20.00 administration fee.

Each Slip Rental processed by the Operator will be compensated at a \$40.00 administration fee.

Only one (1) pass shall be issued per booking. Each rental period will be indicated on the form. If there are multiple instances (days, weeks, months) of a booking, this will be considered one booking, one form shall be used, and compensation will be issued at the above rates. Slip and Boat Launch Passes will be sold according to the Municipal SOP on Marina Rentals.

This total compensation will be determined monthly using the Municipal reconciliation system and require the approval of both parties to ensure that all gains by each party are distributed fairly. The Municipality will be responsible for paying the Small Craft Harbours fee.

Any expenses incurred from the duties outlined herein shall be the responsibility of the individual party. These expenses shall not be distributed in any way, nor shall they be subtracted from any revenue generated.

3. NOTICES

Any and all notices required to be sent pursuant to the terms of this Agreement shall be sent by registered mail or personally delivered to the parties hereto at their respective addresses described as follows:

Buck's Marina, c/o Brad Buck, 360 Superior Ave

Wawa, ON P0S1K0

or

The Corporation of the Municipality of Wawa, Box 500

Wawa, ON P0S1K0

4. GENERAL

This Agreement shall be binding upon acceptance and shall endure to the benefit of the Operator and the Municipality and their permitted successors and assigns.

(A) The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid and unenforceable provisions were omitted.

(B) This Agreement may be executed by multiple counterparts, each of which shall be deemed to be an original and all of which shall be construed together as one agreement.

WITNESS the due execution hereof as of the date first written above.

SIGNED SEALED AND DELIVERED

) BUCK'S MARINA
) Per:
) _____
) BRAD BUCK, OWNER / OPERATOR
) I have authority to bind the Recipient
)
)
) THE CORPORATION OF THE
) MUNICIPALITY OF WAWA
) Per:
) _____
) RON RODY, MAYOR
)
) Per:
) _____
) MAURY O'NEILL, CAO - TREASURER
) We have authority to bind the Corporation



The Corporation of the Municipality of Wawa
Staff Report

Office of the Director of Community Services and Tourism

Prepared For: Corporate Planning	Report No.: AP 2020-07
Agenda Date: June 9, 2020	File No.: 9.30, 9.45.2

Subject

This report concerns the upcoming expiry of the management agreement between the Municipality and the Small Craft Harbours (SCH) branch of the Department of Fisheries and Oceans, as well as the operational and contractual changes implemented by staff for the 2020 season at the facility.

Summary of the Recommendation

THAT the Council of The Corporation of the Municipality does hereby direct staff to enter into an agreement with Buck's Marina for the provision of sales related to the Marina Facility, a copy of which is attached hereto

AND FURTHER that the Council of The Corporation of the Municipality does hereby direct staff to enter into an agreement with the Department of Fisheries and Oceans, Small Craft Harbours Branch for the management of the Marina Facility, a copy of which is attached hereto.

Summary of the Issues

This report looks to address the current and outstanding issues of the Marina Facility as a whole. These are presented through a short term (operational) plan as well as a longer term (capital asset) plans throughout this report. The short term challenges encompass a written agreement for services provided by a third party, as well as addressing health and safety concerns and land use issues. The long term challenges involve the sustainability of the facility and address infrastructure concerns, the dredging of the channel on a regular basis and the possible solutions to this issue, and fiscal matters related to the effective management of the asset.

Respectfully Submitted By:

Prepared By:
Alex Patterson, Director,
Community Services and Tourism

List of Stakeholders

- Municipal Council
- Marina Users
- Buck's Marina
- Ratepayers
- Municipal Staff

Purpose of Report

This report originates from the upcoming expiry and subsequent requirement to renew the management agreement with SCH to continue the operation of the Municipal Marina. The Municipality has also been pursuing the divestiture of the Marina basin from SCH, of which one of the barriers to continuing this process was the lack of a written contract between the Municipality and Buck's Marina, which is required by contract with SCH. Staff have made progress with this and are now prepared to sign on for a final term with SCH and move forward with the divestiture process. Further information in the divestiture process can be found in staff report AP 2017-10 Marina Divestiture Initial (**Appendix D**) including an assessment of costs and historical information. Note that this report is three (3) years old and the costing and scope of the project in particular are dated and will need updating. This is discussed in the **Financial / Staffing implications** section of the report.

Analysis

Operational Issues

*Note – these operational issues are also discussed in the 2020 Marina Operations Plan, included as **Appendix C**. There is some duplication however the contents in this report have been changed or paraphrased with the intention of giving Municipal Council a high level overview of the issues presented within that document, as well as to address specific questions that have been received by staff.*

Operational Issue 1: Contract status with Buck's Marina

Staff have worked beginning in 2018 reviewing and settling a written contract between Buck's Marina and the Municipality for the provision of services at the facility. The contract has been completed and is attached as **Appendix A**. This includes the provision of Municipal services to the facility, which represent a similar level of service to a Municipal tourism park, which includes garbage removal, grass cutting, regular inspections and general maintenance of the facility. These responsibilities were previously shared between the two parties. The Municipality will also begin to take payments for slips and launches, and have implemented a sticker or pass system to

ensure accountability and transparency within the fiscal operation of the facility. Buck's Marina will continue to offer the option to purchase these passes, which will be compensated according to the administration fees set out within the Contract. This will ensure that the Municipality meets the requirements of SCH, once SCH has provided their review and written approval.

This creates both additional duties to the Municipality, as well as a reduction in service levels at the facility. As the Municipality will take on the additional tasks of grass cutting and regular inspections, there will be an increased workload. Without the ability to be present on a daily basis, complaints and issues will be routed through the department and prioritized along with other department tasks. Additionally, some services offered by Buck's Marina in the past, such as marking the channel, guiding boats in, and other services not related directly to the asset itself will not continue.

The core of the Municipal direction being proposed is that the Marina is a Municipal facility, and therefore should be operated consistent with other Municipal facilities. This includes the service standards being followed, ensuring that outside services are completed at a flat, pre-agreed upon rate, and that revenue generated can be reinvested in the facility.

Operational Issue 2: Provision of Washroom Facilities

Staff have sourced a portable washroom facility that can be moved in the event of any flooding or at the end of the season. Staff recommend the use of a portable facility both to provide a temporary facility as well as to ensure that any damage can be mitigated in the case of flooding. The permanent facility must be assessed for mould and other issues, however staff believe that this is a poor use of funds as even with repairs, regular flooding will cause the same issues post-repair. A more permanent solution is to be part of the divestiture proposal. It is also notable that no municipal washroom facilities have been opened to the public due to the additional cleaning requirements of the current COVID-19 situation. Staff plan to open select washrooms after Canada Day, in the hopes that recommendations can be relaxed before then.

Operational Issue 3: Electrical Connections

During the flooding of 2018 it was discovered by staff that the Municipal facilities and the private business share an electrical connection. With no evidence of billing for the usage of the utility, and staff unable to find such an agreement, it is unsure of the reason for this connection. Regardless, staff recommend that these connections be rendered separate. The approximate cost of this has been estimated at \$10,000 by a local electrical contractor. This work is will be completed in 2020 and will be coordinated by staff to ensure that there is no disruption to the operations of the facility. This also is dependent on ensuring that all parties have a concrete understanding of property lines, which the Municipality has contacted the local MNRF to determine.

Operational Issue 4: Dredging the Entry Channel

The entry channel has been in need of dredging for the last two (2) years, as some depths are now reported to be at 2.5 ft. While there is a need to complete significant studies and works to provide a more permanent solution to this issue, the need for additional dredging according to the original dredge plan is recommended for this year. Staff are working with members of the informal marina committee to coordinate and fund this work from a diversity of sources. One of the major challenges of this work is finding a contractor or piece of equipment capable of meeting the environmental requirements of in-water works.

Operational Issue 5: Hazards

Staff also have many hazards at the facility that need attention in 2020. Many of these hazards the Department will need the support of the Infrastructure Department to ensure that they are removed or made safe. These include items such as the concrete piled at the river launch, the docks removed in 2018, the river launch itself, as well as effectively securing access to the wharf and washroom facility. These are being completed by staff as time allows within the priority cue of the departments.

Additional Operations

Other additional, smaller scale operational matters are covered in the 2020 Marina Operations Plan, attached as a working document to guide staff for the 2020 season.

Divestiture Proposal

In the divestiture process, the Municipality has opted to choose to provide a proposal to SCH for the future needs of the Marina. This process works similarly to a grant application, where the proposal is assessed by SCH in an approvals process. This was chosen over the alternative where SCH assesses the property and determines the value, as there is more potential to use this grant program as leverage for additional funding from both provincial and federal sources. This divestiture proposal is partially costed, however does need a much more thorough assessment and planning by staff before it can be ready. Some of the items included in this proposal are:

- Replacement of docks and slips.
- Stabilization of the Wharf area.
- Replacement of the facilities with a more suitable option, both in size and amenities as well as mitigation measures for flooding.
- Investigation of improvements to the marina channel including construction of an elongated breakwall to prevent future sedimentation effects.
- Creation of a business plan including adding fuel as an amenity.

This divestiture proposal requires additional staff time to complete as well as further consultation with a hydrological engineer or consultant to determine the feasibility and costing of the stabilization efforts and breakwall extensions. This will require some budget allocations in 2021-22 and must be included in future operations plans. These costs are part of the cost of operating the facility as a Municipal asset in the future and must be taken into consideration when entering into this agreement.

Management Agreement with SCH

For the Municipality to continue to operate the asset, we must sign onto another agreement with SCH. The previous agreement is attached as **Appendix B**. If the Municipality no longer wishes to operate the asset, SCH would seek another tenant/operator to do so. This could be a local business, interest group, or others. Staff have determined that as a community recreation resource, that is surrounded by Municipal property, that it is in the best interest of the community to have the Municipality operate the resource. It does come with the aforementioned challenges and issues that must be addressed in the coming years if the Municipality is to continue operating the facility.

Financial/Staffing Implications

Costs of Flat-Rate Agreement

As per the agreement, staff have made the following calculations when considering the cost of the Agreement:

2020 Marina Agreement Cost Assessment

Slip / Launch	Total Rented	% Sold (Mun)	% sold (Buck)	Admin Fee	Total
Slip	110	25%	75%	\$40.00	\$3,300.00
Launch	40	25%	75%	\$20.00	\$600.00
Total					\$3,900.00

Note that the following assumptions have been used in the creation of this table:

- Rental totals are based on average seasonal numbers
- It is expected that in 2020 75% of rentals will be sold by Buck’s Marina

As compared to previous years, the approximate increase in revenue to the Municipality would be ~ \$6,000.00. This is the most conservative assumption, and will increase should more users choose to pay the Municipality directly. This is foreseeable with seasonal and local users, but unlikely with transient users.

Costs of management agreement with SCH

The agreement with SCH costs the Municipality 10%, or \$500.00 per year (whichever is greater), dependent on the gross revenue of the facility. Included in this agreement is the Municipality taking on the liability of the facility. While staff would traditionally recommend against such an agreement, it is reasonable to take on this liability in the pursuit of divesting the facility.

Staffing Costs

There will be additional staffing requirements to operate the facility. They can be broken down into two categories: operations and administration. For the operation of the facility, many of the tasks being provided by the Operator will now be completed by Municipal staff. This includes cleaning of washroom facilities, inspection and servicing of docks, and other maintenance items. It also includes start-up and end of season tasks such as ramp placement and removal, and winterization of the water system. On the administration front, there will be additional load on the Finance department for 2020 to operate the booking system in conjunction with Buck's Marina. This will be switched back to the CST department in 2021. Both departments have agreed that they can dedicate the capacity to the service levels set.

Policies Affecting Proposal

None.

Comments from Relevant Departments/Community and Corporate Partners**Mr. Brad Buck, Buck's Marina**

Staff involved Mr. Buck in lengthy discussions regarding the direction being presented within this report as well as the contract for operations. Some of the comments received specifically detailed the reduction in service levels that would accompany such a change, as there are many services offered by Buck's Marina to operate the Municipal Marina. These include assigning and policing slips, ensuring that boats are properly secured and safe, resolving conflicts, marking the entry channel, responding to complaints, and many other services that are better provided by someone on site. While Mr. Buck is willing to work with the Municipality, staff expect that 2020 will be spent dealing with many new issues as they arise, and evaluating the new terms of the agreement to ensure smooth operation of the facility.

Alternatives

Do not extend the agreement with SCH

This option would see the Municipality discontinue the management agreement with SCH. This would prompt SCH to seek another operator for the facility, which could take the form of an interest group, local business, or another party. As this option would have the Municipality lose control of a community recreation asset, however it would remove the liabilities and costs associated with addressing the challenges presented herein. Should Council not be willing to commit to addressing these issues, this option should be looked into further, however as these challenges can be addressed with the appropriate allocation of resources, this option is **Not Recommended**

Extend the management agreement with SCH, do not enter into an agreement with Buck's Marina for provision of sales at the Marina

This option would see the Municipality take over full operations of the facility. As the Municipality currently does not have the resources or facilities to staff the Marina, it will have to rely on the local business if sales are to be located near the facility. Staff recommend that sales are also present at the facility, as most residents and all travellers will be most familiar with purchasing slips at the facility itself. As this is an important facet of the operations of the facility, this option is **Not Recommended**.

Extend the management agreement with SCH and enter into an agreement with Buck's Marina as presented

This option would have the Municipality take over most operations of the facility, while still having an option for residents to purchase passes at Buck's Marina. This option would also satisfy the requirements of the SCH agreement to have a written contract with any operator providing services at the Marina. This would also remove one of the barriers to divestiture and allow staff to continue the process by preparing a proposal to SCH for their grant program. For this option to be feasible for the future operation, it is important to reinforce that the Municipality must commit to allocating resources to overcome the issues presented, as well as ensure that the divestiture process to move forward. For these reasons, as well as others outlined herein, this option is **Recommended**.

Conclusion

By accepting the recommendation of staff and allocating the appropriate resources for the future divestiture of the facility, Council is ensuring a sustainable future for the facility. Staff are working to correct the issues presented herein in a timely and effective manner with the long term plan being the divestiture and a future project to ensure that the asset is sustainable for the future.

Recommendation

THAT the Council of The Corporation of the Municipality does hereby direct staff to enter into an agreement with Buck's Marina for the provision of sales related to the Marina Facility, a copy of which is attached hereto

AND FURTHER that the Council of The Corporation of the Municipality does hereby direct staff to enter into an agreement with the Department of Fisheries and Oceans, Small Craft Harbours Branch for the management of the Marina Facility, a copy of which is attached hereto.

Attachments

Appendix A: Marina Operations Contract (Municipality and Buck's Marina)

Appendix B: Previous Management Agreement (Municipality and SCH)

Appendix C: Marina Operations Plan 2020

Appendix D: AP 2017-10 Marina Divestiture Initial Report

AGREEMENT made this

~ BETWEEN ~

BUCK'S MARINA c/o BRAD BUCK
Hereinafter called the "Operator"
OF THE FIRST PART

~ AND ~

THE CORPORATION OF THE MUNICIPALITY OF WAWA
Hereinafter called the "Municipality"
OF THE SECOND PART

WHEREAS the Municipality and the Operator wish to enter into an agreement for portions of the operation of the Harry McCluskie Municipal Marina, and associated facilities,

AND WHEREAS this land and facility is currently the property of Small Craft Harbours, a division of Fisheries and Oceans Canada that is currently undergoing a divestment process with the Municipality;

AND WHEREAS Small Craft Harbours requires the Municipality to have an approved contract with any third party operator who undertakes regular duties on behalf of the Municipality related to the Operation of the Marina and facilities;

NOW WITNESSETH THAT in consideration of the mutual covenants herein contained the parties agree as follows:

1. LOCATION OF OPERATION

The areas subject to this agreement are described as "The Harry McCluskie Municipal Marina" and include all docks, slips, wharves, and buildings on the land. The in-water and some of the Wharf are property of Small Craft Harbours, on lease to the Municipality. The other Municipal lands and this property will be considered as the Marina for the purposes of this agreement.

2. TERMS OF AGREEMENT

(A) GRANT OF CONTRACT

The Municipality grants to the Operator the contract for operation of the Marina as described herein, on the basis that the operator is the sole provider in the region of such a service, as well

as having the most experience through many consecutive years of operating the facility in many different capacities. The Municipality maintains the right to administer the contract and enforce the provisions contained herein at its discretion and for the benefit of the community as a whole.

(B) TERMS AND DUTIES

The Operator and the Municipality share duties in the operation of the Municipal Marina as detailed below:

Administration

Buck's Marina shall:

- Take payments for slips and boat launch rentals and passes as per the Municipal schedule of fees and charges
- Follow the Municipal Slip Booking SOP to book slips for clients
- Book any slips with the Municipal booking system before assigning them to a customer
- Record and ensure the accuracy of all information using Municipal forms as provided
- Use Municipal reconciliation and marina booking schedules to ensure bookings are provided in a timely and transparent manner on a weekly and monthly basis
- Report on any issues encountered in a timely fashion

The Municipality shall:

- Take payments for slips and boat launch rentals and passes as per the Municipal schedule of fees and charges
- Follow the Municipal Slip Booking SOP to book slips for clients
- Book any slips with the Municipal booking system before assigning them to a customer
- Record and ensure the accuracy of all information using Municipal forms as provided
- Use Municipal reconciliation and marina booking schedules to ensure bookings are provided in a timely and transparent manner on a weekly and monthly basis
- Report on any issues encountered in a timely fashion
- Provide all forms as necessary for the operation of the Marina within Municipal procedures.
- Apply and implement all Municipal policies
- Administer this contract and the terms herein

Operations

Buck's Marina shall:

- Report any complaints received regarding the facilities to the Municipality in writing and in a timely manner
- Abide by the terms and conditions of the contract as stated therein
- Not modify nor complete any work on the Marina facility without express written permission from the Municipality at an agreed-upon rate and terms.

The Municipality Shall:

- Respond promptly to any maintenance or safety issues reported by the Operator
- Ensure that a maintenance standard for the facilities is being followed
- Ensure that washroom and shower facilities are inspected and cleaned on a regular basis
- Inspect and keep clean all docks, slips and boardwalks
- Install and remove launch docks and ramps seasonally
- Provide garbage removal for Municipal garbage receptacles on a regular basis
- Work with the Operator to ensure solutions to issues are implemented in a timely fashion
- Schedule and administer all repair contracts with contractors

(C) COMPLIANCE WITH LAWS

The Operator at its sole expense shall comply with all laws, orders and regulations of federal, provincial and municipal authorities with respect to the execution of this Contract.

(D) INSURANCE

The Operator shall at its own expense obtain and maintain Workers' Compensation Coverage as required by the Province of Ontario. The Operator shall procure and maintain, for the duration of this contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Operator, his/her agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by the Operator.

(E) INDEMNITY

The Operator hereby covenants with the Municipality to indemnify the Municipality from and against all liability, claims, damages or expenses due to or arising out of any act or neglect by the Operator, its servants, employees, agents or invitees in the execution of this Contract. It is the express intention of the parties that the within Agreement shall cause no risk or expense to the Municipality. The Operator agrees to protect, hold harmless and indemnify the Corporation

of the Municipality of Wawa and their employees, servants and agents against all losses, damages, claims, demands and actions arising directly or indirectly in any manner whatsoever in connection with the terms of the Agreement herein.

(F) ARBITRATION

Unless otherwise agreed, all matters in difference between the parties in relation to this agreement shall be arbitrated by referring the subject matter to arbitration of a single arbitrator if the parties agree upon one, otherwise three arbitrators, one to be appointed by each party and a third to be chosen by the first two named before they enter upon the arbitration, and the award and determination of such arbitrator or arbitrators, shall be binding upon the parties hereto and their respective executors, administrators, estate trustees and assigns.

(G) COMPENSATION

The Operator will be compensated by a flat rate based on the bookings processed by the Operator.

Each Boat launch Pass processed by the Operator will be compensated at a \$20.00 administration fee. Each Slip Rental processed by the Operator will be compensated at a \$40.00 administration fee.

This total compensation will be determined monthly using the Municipal reconciliation system and require the approval of both parties to ensure that all gains by each party are distributed fairly. The Municipality will be responsible for paying the Small Craft Harbours fee.

Any expenses incurred from the duties outlined herein shall be the responsibility of the individual party. These expenses shall not be distributed in any way, nor shall they be subtracted from any revenue generated.

3. NOTICES

Any and all notices required to be sent pursuant to the terms of this Agreement shall be sent by registered mail or personally delivered to the parties hereto at their respective addresses described as follows:

Buck's Marina, c/o Brad Buck, 360 Superior Ave
Wawa, ON P0S1K0

or

The Corporation of the Municipality of Wawa, Box 500
Wawa, ON P0S1K0

4. GENERAL

This Agreement shall be binding upon acceptance and shall endure to the benefit of the Operator and the Municipality and their permitted successors and assigns.

(A) The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid and unenforceable provisions were omitted.

(B) This Agreement may be executed by multiple counterparts, each of which shall be deemed to be an original and all of which shall be construed together as one agreement.

WITNESS the due execution hereof as of the date first written above.

SIGNED SEALED AND DELIVERED

) BUCK'S MARINA
) Per:
) _____
) BRAD BUCK, OWNER / OPERATOR
) I have authority to bind the Recipient
)
)
) THE CORPORATION OF THE
) MUNICIPALITY OF WAWA
) Per:
) _____
) RON RODY, MAYOR
)
) Per:
) _____
) MAURY O'NEILL, CAO - TREASURER
) We have authority to bind the Corporation

**THE CORPORATION OF THE
MUNICIPALITY OF WAWA**

BY-LAW NO. 2908-15

BEING A BY-LAW to enter into a Management Agreement with the Department of Fisheries and Oceans for the long term management of the marina slips.

WHEREAS Section 9 of the Municipal Act, S.O. 2001, Chapter 25, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS Section 10 (2) of the Municipal Act, S.O. 2001, Chapter 25, provides that a single-tier municipality may pass by-laws respecting the health, safety and well-being of persons of the municipality;

AND WHEREAS the was marina basin built in 1996 and is owned by the Department of Fisheries and Oceans (DFO);

AND WHEREAS the former Township of Michipicoten, now the Municipality of Wawa, enter into a ten (10) year agreement with DFO to manage the marina basin through By-Law No. 1089-96;

AND WHEREAS the was marina basin built in 1996 and is owned by the Department of Fisheries and Oceans (DFO);

AND WHEREAS the DFO (in its former agreement) agreed to fund repair projects which included a docking system, boardwalk repairs, marina and river dredging – however, repair projects were not undertaken and the divesture was never completed;

AND WHEREAS DFO have confirmed that the divesture of the marina basin did not take place according to their records and that their Ministry is still interested in turning the marina basin over to the Municipality;

AND WHEREAS by entering into an management lease agreement with DFO for the management of the basin, the Municipality will qualify for funding through DFO to assist in upgrades that need to be completed prior to the divesture, and DFO is interested in the municipality taking ownership of the basin for the long term;

NOWHEREFORE the Council of The Corporation of the Municipality of Wawa enacts as follows:

1. **THAT** Municipality of Wawa does hereby enter into a Management Agreement with Small Craft Harbours Branch, Department of Fisheries and Oceans, 501 University Crescent, Winnipeg, Manitoba, R3T 2N6, for the long term

management of the marina slips at the Harry McCluskie Municipal Marina, a copy of which is attached hereto and forming an integral part of this By-Law.

2. **THAT** the Mayor and Deputy Clerk be and are hereby authorized to sign this By-Law and to affix the corporate seal thereto.
3. **THAT** this By-Law is enacted upon the third and final reading hereof.

READ a first second and third time and be finally passed this 15th day of September, 2015.

RON RODY, MAYOR

CATHY CYR, DEPUTY CLERK

THIS AGREEMENT dated for reference this 1st day of August, 2015.

BETWEEN –

HER MAJESTY THE QUEEN, in right of Canada,
represented herein by the Minister of Fisheries and Oceans
(hereinafter called "the Minister")

OF THE FIRST PART;

-and-

THE CORPORATION OF THE MUNICIPALITY OF WAWA
Province of Ontario
(hereinafter called "the Agent")

OF THE SECOND PART;

WITNESSETH that the Minister, in consideration of the rents, covenants,
provisos, and conditions hereinafter contained, hereby leases unto the Agent:-

Description

Firstly: ALL AND SINGULAR that certain parcel or tract of land and land covered by water, more particularly described as lands adjacent to Superior Street, Registered Plan M-26 in the Municipality of Wawa, formerly the Township of Michipicoten, District of Algoma, Province of Ontario, being designated as Part 1 on Plan IR-7564 and comprising an area of Two and two-hundreds (2.02) hectares, more or less, TOGETHER WITH the federal marina related facilities located thereon (hereinafter referred to as "the said premises"), being more particularly shown outlined in orange on the Plan hereto annexed and designated as Schedule "A".

Secondly: ALL AND SINGULAR that certain parcel or tract of land covered by water, more particularly described as Location CL 6437, being part of the Beds of the Magpie and Michipicoten Rivers, Township of Rabazo now in the Municipality of Wawa, formerly the Township of Michipicoten, District of Algoma, Province of Ontario, designated as Part 1 on Plan IR-8149 and comprising an area of Fifty-two hundreds (0.52) hectares, more or less, TOGETHER WITH the federal breakwater located thereon (hereinafter referred to as "the said premises"), being more particularly shown outlined in orange on the Plan hereto annexed and designated as Schedule "A".

Habendum

TO HAVE TO HOLD the said premises unto the Agent from and after the 1st day of August, 2015, for a term or period of FIVE (5) years and then fully to be complete and ended.

Reddendum

YIELDING AND PAYING therefor, during the currency of this Agreement, unto the Minister, to the Receiver General of Canada, in lawful money of Canada. The following rent or sum, namely:-

(a) FIVE HUNDRED DOLLARS (\$500) PLUS TAXES per annum, payable each year in advance, or

(b) TWENTY PER CENT (20%) PLUS TAXES of all gross revenue derived by the Agent from the management and operation of the said premises, whichever is the greater amount, and the difference between the \$500 paid in advance and 20% gross revenue is payable within sixty days of the end of each agreement-year.

Interpretation IN THIS AGREEMENT;

- (i) "Minister" means the Minister of Fisheries and Oceans and any person he has delegated to act on his behalf.
- (ii) "Regional Director" means the Regional Director of Small Craft Harbours Branch of the Department of Fisheries and Oceans and any person he has delegated to act on his behalf.

It is agreed by and between the said parties hereto that these Presents are made and executed upon and subject to the covenants, provisos, conditions and reservations hereinafter set forth and contained, namely:

Purpose

1. a) The Agent shall use and occupy the said premises and carry out the management and operation of the said premises in accordance with the Fishing and Recreational Harbours Act and the Fishing and Recreational Harbours Regulations as amended from time to time, or any other applicable act or regulations enacted or made during the currency of this Agreement.

b) Nothing in Clause No. 1a) hereof, shall relieve the Minister from discharging any of his duties under the said Fishing and Recreational Harbours Act and the said Fishing and Recreational Harbours Regulations.

c) That the Minister shall supply to the Agent, one copy of the said Act and Regulations, as amended from time to time.

To Pay Rent

2. That the Agent will pay all annual rental fees herein reserved at the time and in the manner in these Presents set forth, without any abatement or deduction whatever.

Taxes

3. That the Agent will pay or cause to be paid all rates, taxes and assessments, of whatsoever description, that may at any time during the existence of these Presents be imposed, or become due and payable upon, or in respect of the said premises.

Compliance with Law

4. The Agent shall in all respects abide by and comply with all rules, regulations and by-laws of municipalities and other governing bodies, in any manner affecting the said premises.

Public Use

5. Subject to Clause No. 19 hereof, the Agent shall not interfere with the public use of the said premises during the currency of this Agreement; it being expressly understood and agreed, however, that the Agent may refuse the use of the said premises to any vessel on which tolls and dues are outstanding and the Agent may take all lawful action through Small Debts Court or otherwise to obtain payment of outstanding or overdue accounts.

Access

6. a) That the Minister, his servants or agents shall, at all times and for the purpose of inspecting the said premises, have full and free access to any and every part of the said premises.

b) The Minister shall, upon reasonable notice to the Agent, except in the case of emergency, have full and free access to the said premises for the purposes of repairing and maintaining the said premises.

Assignment

7. That the Agent shall not make any assignment of these Presents, nor any transfer or sub-lease of any of the premises, rights or privileges demised or leased hereunder, without obtaining the prior consent in writing of the Minister to such assignment, transfer or sub-lease. The Agent shall pay to the Minister a reasonable charge for the preparation of any consent thereto expressed in writing, and shall be responsible for any costs incurred by the Minister in addressing the request for consent, provided that such costs are reasonable.

Repair and Maintenance

8. That the Agent shall not, during the currency of this Agreement, do, suffer or permit to be done any act or thing which may impair, damage or injure the said premises beyond the damage occasioned by reasonable use, and shall inspect, maintain, and effect minor repairs of the said premises which may at any time become damaged, whether due to the negligence of the Agent or otherwise. Nothing in this provision shall obligate the Agent to be responsible to effect repairs of any major or structural kind but, in the event that such repairs are needed, it shall be the responsibility of the Agent to provide notice to the Minister of the need for major or structural repairs, and to take whatever steps are appropriate to deal with continued use of the premises while such repairs are pending. When such repairs are warranted, the parties hereto shall consider, and together decide how and when to effect such repairs.

Care of Property

9. That the Agent shall, at its own cost and expense, at all times during the currency of this Agreement, keep the said premises in a neat and tidy condition, removing or causing to be removed therefrom all papers, refuse, litter, waste or rubbish arising out of the operations of the Agent under this Agreement, all to the satisfaction of the Regional Director.

Improvements

10. That any improvements made to the said premises by the Agent at any time during the term of this Agreement, to make the said premises suitable for the purpose referred to in Clause No. 1 hereof, shall be at the risk, cost and expense of the Agent and to the satisfaction of the Regional Director.

Construction of Buildings or Structures

11. That the Agent shall not construct or erect any buildings or other structures on the said premises without obtaining the approval of the Regional Director, of plans showing the design and nature of construction of such buildings or structures and their proposed locations.

Annoyance Nuisance and Disturbance

12. That the Agent shall not, at any time during the currency of this Agreement do, cause or permit to be done, any act or thing in or upon the said premises which shall, or may be, or might become, an annoyance, nuisance or disturbance to the occupiers of any lands or premises adjoining or in the vicinity of the said premises.

Title

13. That is hereby declared, and this Agreement is accepted by the Agent, upon the express condition that the Agent shall have no recourse against the Minister, should the minister's title to the said premises be found to be defective, or should these Presents prove ineffectual by reason of any defect in such title.

Claims and Damages

14. That the Agent shall not have any claims or demand against the Minister for loss, damage or injury of any nature whatsoever, or howsoever caused to the said premises or to any person or property, at any time brought, placed, made or being on the said premises unless such damage or injury is due to the negligence of any officer, servant, agent, contractor or sub-contractor of Her Majesty the Queen in right of Canada while acting within the scope of his duties or employment.

Indemnification

15. That the Agent shall at all times indemnify and save harmless Her Majesty the Queen in respect of any action, claim, cause of action, suit, debt, loss, damage, cost, expense or demand whatsoever, at law or in equity, arising by way of any breach by the Agent, its employees, servants, agents, sub-lessees or persons for whom it is by law responsible, of any provisions of this Agreement or arising by way of the Agent and her Majesty's ownership, occupation and control of the premises, except claims for damages resulting from the negligence of any officer, servant, agent, contractor or sub-contractor of Her Majesty the Queen while acting within the scope of his duties.

Termination 16. That this Agreement may be terminated at any time:

(a) By the Agent upon sixty (60) days' notice in writing, such notice to be signed by the Agent and delivered to or mailed addressed to the Regional Director, Small Craft Harbours Branch, Department of Fisheries and Oceans, 501 University Crescent, Winnipeg, Manitoba, R3T 2N6, or

(b) By the Minister upon sixty (60) days' notice in writing, signed by the Minister, and either delivered to the Agent or any officer of the Agent, or mailed addressed to the last known place of business or office of the Agent,

and thereupon, after the expiration of such period of notification, these Presents shall be determined and ended, and the Agent shall thereupon, and also in the event of the determination of this Agreement in any other manner, except re-entry under Clause No. 17 hereof, forthwith remove from the said premises all things at any time brought or placed thereon by the Agent and shall also to the satisfaction of the Regional Director repair all and every damage and injury occasioned to the said premises by reason of such removal or in the performance thereof, but the Agent shall not, by reason of any action taken or things performed or required under this Clause, be entitled to any compensation whatsoever, provided that, unless required by the Minister, no goods, chattels, materials, effects or things shall be removed from the said premises until all rent due or to become due under this Agreement, is fully paid.

Default

17. That, notwithstanding anything in this Agreement contained, if the rent above reserved or any part thereof, shall be in arrears or unpaid, whether or not the same shall have been in any manner demanded, or in the case of default, breach or non-observance to be made or suffered by the Agent at any time or times, in, or in respect of any of the covenants, provisos, conditions, and reservations herein contained, which on the part of the Agent ought to be observed and performed, then, and in every such case, provided such non-payment of rent, default, breach or non-observance is not cured within thirty (30) days from the date of notice thereof in writing from the Minister to the Agent, the Minister may terminate this Agreement by giving to the Agent a notice in writing, signed by the Minister, and either delivered to the Agent or any officer of the Agent, mailed addressed to the last known place of business or office of the Agent, and thereupon after delivery or mailing of such written notification, this Agreement shall be determined and ended, and in that event, it shall be lawful for the Minister, his servants or agents, to re-enter and thereafter to have, possess and enjoy the said premises and all improvements thereon.

And no acceptance of rent subsequent to any breach or default, other than non-payment of rent, nor any condoning, excusing or overlooking by the Minister on previous occasions of breaches or defaults similar to that for which re-entry is made shall be taken to operate as a waiver of this condition nor in any way defeat or affect the rights of the Minister hereunder.

The Agent shall pay in addition to any other provisions hereof the reasonable fees and disbursements of counsel to the Minister in connection with the enforcement of this Agreement, or in the event of default hereunder.

Hold Over

18. Provided always and that it is hereby agreed by and between the parties hereto that if the said Agent shall hold over after the expiration of the term hereby granted, and if the Minister shall accept rent, the new tenancy thereby created shall be a tenancy at will and not a tenancy from year to year, and the Agent shall pay as rent during the time of such occupancy a rental to be determined at the discretion of the Minister, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to tenancy at will.

- Tolls, Dues & Charges** 19. That the Agent shall, during the currency of this Agreement, charge tolls or dues established under the authority of the Fishing and Recreational Harbours Act or by Regulations approved from time to time by the Governor in Council respecting the said premises. The Agent may collect additional reasonable charges for services such as electrical power outlets, water outlets, watchman services, etc., provided at the Agent's expense for the benefit and use of the boating public using said premises.
- Accounting Records** 20. That during the currency of this Agreement, the Agent shall cause to be kept records of its operation hereunder, such records to be kept according to accepted principles of accounting, and the Agent shall supply to the Regional Director, a certified statement for each accounting period during the currency of this Agreement.
- Audit Inspection** 21. That the books of the Agent concerning the operation and management of the said premises, shall be open for audit and inspection at all times during business hours, by the accredited officers of the Minister.
- Pollution** 22. That the Agent shall not place or deposit, or cause or permit to be placed or deposited, any fill, sand, gravel, detritus, waste, debris or other materials, articles or things on the said premises which may form a deposit thereon or therein without the prior consent, in writing, of the Regional Director.
- Environmental Protection** 23. (i) The Agent agrees to abide by and comply with all federal environmental legislation, including the relevant provisions of the Canadian Environmental Protection Act, affecting the said premises, as well as with the regulations and guidelines made and established under it, and all applicable Provincial, Territorial and municipal environmental legislation, regulations, rules or guidelines affecting the said premises.
- (ii) The Agent shall not process, use, deposit or store on the said premises or in its subsoil any toxic substances, as defined in the Canadian Environmental Protection Act, nor any other substance that constitutes or may constitute a danger to the environment or to human life or health.
- (iii) The Agent agrees to clean up, at its expense, to then current federal and provincial standards, any part or all of the said premises contaminated during the term of this Lease or any renewal of it immediately upon becoming aware of the contamination.
- Service Reservation** 24. That this Agreement is granted strictly subject to the right of the Minister and Lessees and Licensees of the Minister to maintain and operate services installed on the said premises at the date of this Agreement, and to the right of the Minister to grant leases or licences, as the case may be, at any time during the currency of this Agreement, covering the right and privilege or permission to install, lay, maintain and use services on, over or across the said premises and the Agent shall not, at any time during the currency hereof, do anything or cause or permit anything to be done which will in any way interfere with the rights and privileges or permissions thereby granted, provided however, that such leases or licences will be granted subject to this Agreement and provided that the Lessees or Licensees thereunder shall not commence to exercise the rights and privileges or permissions thereby granted unless and until the consent in writing is first obtained from the Agent, and which consent shall not be unreasonably withheld.
- Concession** 25. That no application for permission to establish concessions of any kind shall be granted without the prior approval in writing of the Regional Director.
- Use by Agent** 26. That in the event that any portions of the said premises are used for the purposes of the Agent, the Agent shall establish a market rental for such use and the Reddendum Clause shall be applied to such rental.

- Fire Prevention** 27. That the Agent shall take all necessary precautions against fire occurring in or on the said premises.
- Navigation Protection Act** 28. That the Agent shall fulfill in all respects the requirements of “Works” Section of the Navigation Protection Act, Chapter N-22 of the Revised Statutes of Canada 1985.
- Members of Parliament** 29. No member of the House of Commons shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.
- Discrimination** 30. That the Agent and any Sub-lessee shall not discriminate against any person by reason of race, colour or creed, in any manner whatsoever, pertaining to the operation of the said premises.
- Sale or Transfer** 31. (i) Notwithstanding any other provision of this Agreement, in the event that the Minister disposes of its interest in the leased premises, or any part thereof, by way of sale, transfer or other conveyance, including a transfer of administration and control to Her Majesty the Queen in right of the Province of Ontario, the Minister shall be entitled at their sole option to assign this Agreement, or such portion thereof, to the transferee, or to terminate this Agreement, and the Agreement shall upon notice thereof be terminated forthwith.
- (ii) In the event of notice of termination being given by the Minister to the Agent, the Agent agrees that it shall forthwith vacate the said premises, and remove any chattels from the said premises in accordance with the provisions of this Agreement. The Agent further agrees and acknowledges that it shall have no cause of action against the Crown arising out of early termination of the Agreement, and hereby releases the Minister from any liability or otherwise that may be said to flow from the aforesaid early termination of this Agreement.
- Financial Administration Act** 32. If the Agent defaults in the payment of any amount due under this Agreement, the Agent shall be responsible for and pay interest on such defaulted payment (to the extent permitted by the Financial Administration Act R.S.C. 1985, Chapter F-11 and the Interest and Administration Charges Regulations SOR/96-188 (the Regulations) or any amendments thereto) up to the date payment is received by or on behalf of Her Majesty. For greater certainty and until such time as the Regulations are amended, in the case of default in respect of any monetary amount due, interest on the amount in default shall be calculated and compounded monthly at the average bank rate plus three per cent and accrue from the due date of the payment, until paid. Furthermore, in the event that any instrument is tendered in payment or settlement of any amount due to Her Majesty hereunder which for any reason is dishonoured, the Agent shall be responsible and pay an administrative charge of \$15.00 to Her Majesty, or any amount prescribed therefor by the Regulations will be applicable and in addition to the outstanding amount due.
- Insurance** 33. That the Agent shall, in addition to the payment of yearly rental hereunder, at its own cost, insure concurrently with the execution of this Agreement, and thereafter during the currency of this Agreement, maintain in force, a policy of liability insurance for the ownership, possession and control of the said premises with coverage of at least Two Million Dollars (\$2,000,000.00) per occurrence and including Her Majesty as a named co-insured in that policy. The Agent, on the anniversary of this Agreement, in each and every year, shall submit to the Regional Director, proof of such insurance.

Gender

34. (i) Wherever the singular or masculine form are used in this Agreement, they shall be construed as meaning the plural or feminine or body corporate or politic where the context or the parties hereto so require.

(ii) The form of this Agreement shall not be construed against the drafter.

IN WITNESS WHEREOF the duly authorized officials or officers of the parties have executed these presents.

SIGNED, SEALED AND DELIVERED BY) **THE CORPORATION OF THE**
the Agent this day of , 2015) **MUNICIPALITY OF WAWA**
in the presence of:)

_____) **Agent**

_____) **Agent** c/s
We have authority to bind the Corporation

SIGNED, SEALED AND DELIVERED BY)
the Minister this day of , 2015)
in the presence of:)

_____) **For the Minister of Fisheries and Oceans**



Municipality of Wawa

2020 Marina Operations Plan

Department of Community Services and Tourism

Alex Patterson
5-12-2020

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Introduction

Major Issues & Resolutions in 2020

Agreement for Operation and Responsibilities of Parties

In the Municipal agreement with Small Craft Harbours, it stipulates that the Municipality must enter into an approved contract with any other subcontractor or operator of the facility. The Municipality does not have a contract on record for the responsibilities delegated to Buck's Marina. Staff have created a draft Contract for the operation of the facility which lays out the responsibilities for its operation as follows:

Administration

Buck's Marina shall:

- Take payments for slips and boat launch rentals and passes as per the Municipal schedule of fees and charges
- Follow the Municipal Slip Booking SOP to book slips for clients
- Book any slips with the Municipal booking system before assigning them to a customer
- Record and ensure the accuracy of all information using Municipal forms as provided
- Use Municipal reconciliation and marina booking schedules to ensure bookings are provided in a timely and transparent manner on a weekly and monthly basis
- Report on any issues encountered in a timely fashion

The Municipality shall:

- Take payments for slips and boat launch rentals and passes as per the Municipal schedule of fees and charges
- Follow the Municipal Slip Booking SOP to book slips for clients
- Book any slips with the Municipal booking system before assigning them to a customer
- Record and ensure the accuracy of all information using Municipal forms as provided
- Use Municipal reconciliation and marina booking schedules to ensure bookings are provided in a timely and transparent manner on a weekly and monthly basis
- Report on any issues encountered in a timely fashion
- Provide all forms as necessary for the operation of the Marina within Municipal procedures.
- Apply and implement all Municipal policies
- Administer this contract and the terms herein

Operations

Buck's Marina shall:

- Report any complaints received regarding the facilities to the Municipality in writing via email and in a timely manner
- Abide by the terms and conditions of the contract as stated therein
- Not modify or complete any work on the facility without express written permission from the Municipality at an agreed-upon rate

The Municipality Shall:

- Respond promptly to any maintenance or safety issues reported by the Operator
- Ensure that a maintenance standard for the facilities is being followed
- Ensure that washroom and shower facilities are inspected and cleaned on a regular basis
- Inspect and keep clean all docks, slips and boardwalks
- Install and remove launch docks and ramps seasonally
- Provide garbage removal for Municipal garbage receptacles on a regular basis
- Work with the Operator to ensure solutions to issues are implemented in a timely fashion
- Schedule and administer all repair contracts with outside contractors

Full details of the draft Contract are found in **Appendix B – Marina Operation Contract**

This contract will enable Buck's Marina to take marina bookings and sell passes at a flat rate, as well as ensure that these purchases are tracked and accountable. This will be done through a procedure found in **Appendix C – SOP – Marina Bookings**.

This agreement will be valid for a one season term and will end December 31, 2020. It will be reviewed at the end of the year by staff.

The contract also specifies that the facilities are Municipally owned and operated, and must include a property line to ensure that there is a clear division of responsibilities. For events such as the Salmon Derby, Municipal staff must create an SOP similar to the one used for the Wawa Ice Fishing Derby.

Due to 2020 staff capacity within the Department, Town Hall staff will have to complete the Administration portion of the above. If this is not possible, this may have to be delayed until 2021, or partially integrated. Most of the systems are complete and will require some staff training as well as adaptation when they are first tested.

Major Milestone: Complete and Execute contract before June 1, 2020

Washroom Facilities

To ensure that the services expected of the Municipality can continue, staff recommend the installation of a semi permanent solution until the engineering and design of a more permanent solution can be achieved. For this purpose, staff recommend a unit that is able to be removed as needed but can still hookup to the connections currently in place. Therefore, the lease of a unit for the summer months is recommended. Staff have sourced an 8x14 trailer unit that can be leased for approx. \$1,200 per month. Additionally, staff will have to construct a ramp to access the unit so it meets AODA specifications. This is intended as a temporary solution until a structure can be designed to meet the challenge presented by flooding.

Major Milestone: Lease and install a trailer washroom before July 1, 2020

Electrical Connections

During the flooding of 2018 it was discovered by staff that the Municipal facilities and the private business share an electrical connection. With staff unable to find an agreement for this type of use, it is unsure of the reason for this connection. Regardless, staff recommend that these connections be rendered separate. The approximate cost of this has been estimated at \$10,000 by a local electrical contractor. This work is recommended to be complete in 2020 and will be coordinated by staff. This also is dependent on ensuring that all parties have a concrete understanding of property lines.

Major Milestone: Disconnect and separate power between private and public facilities before the end of 2020. Make safe all public facilities to ensure ESA compliance

Dredging and Entry Channel

Staff have had reports for the last 2 years that the entry channel to the marina is inaccessible to larger boats. While this is an issue that affects a small amount of the population, the marina committee has been assisting in coming up with a solution to the issue. Staff recommend that the Marina Committee proposes a solution to the Municipality and approval be given if the solution costs the Municipality less than \$5,000 - \$10,000

Major Milestone: partner with the local committee to complete this project, complete work permit with MNRF before July 1 2020 if required.

Wharf Hazard

The hazard that the wharf represents has been identified in several subsequent health and safety inspections dating back to a 2014 inspection and report on its condition. That report estimated a significant capital cost to repair or make safe the area. As this has not yet occurred, staff will purchase and install permanent fencing for the area to remove all access. This will ensure that no further access will be possible. This will remain in place until the area is remediated, and ensure that no movement of the fencing creates additional hazards.

Major Milestone: Install permanent fencing and signage before June 15, 2020

Boat Launch Hazards

The main launch of the facility is safe and accessible to boaters. The river launch, however, is dangerous to the point that it is no longer used as intended. Correspondingly, the concrete reserved for the repairs has never been installed and also presents a hazard. It may not be appropriate for the task as it was sourced from the silver falls bridge. If it is suitable, staff recommend it be placed in the basin for a safer location to launch. If unsuitable, staff recommend barricading the river launch and creating a launch in the basin using a simple poured slab method that staff are able to fabricate and install with assistance from the IS department.

Major Milestone: Remove concrete hazards and install new launch in basin by August 1, 2020

Signage and Other Requirements

Additional to the other requirements herein, there are several health and safety recommendations that need to be implemented. These include:

- Signage relating to swimming and drowning
- Life rings and buoys
- Secure existing washroom / storage complex
- Repairs to boardwalks and decking
- Repairs to links between slips and ramps
- Repairs to water infrastructure to docks (taps, valves etc)

Municipal Operations 2020

Basic maintenance – Sanitation and Upkeep

In 2020, staff have determined that they would likely be able to ensure some basic maintenance is completed at the location on a regular basis. This includes the following:

- Garbage removal (bi-weekly)
- Washroom cleaning (bi-weekly)
- Fish freezer cleaning (bi-weekly)
- Inspection (weekly)
- Grass cutting (weekly)
- Boardwalk sweeping (as needed)

This will be dependent on other openings throughout the season as well as the staffing required to ensure that other service levels are met. This will be determined on a case by case basis as the provincial regulations change and cannot be determined in advance.

Fee Collection and Slip Administration

For this system to function, the Municipality must be able to take payments through town hall or online. Staff must be able to maintain a spreadsheet that is regularly updated through both town hall and buck's marina. Therefore, a system such as Google Docs can be used (with a Municipal Backup) to ensure that information is shared and updated on the go. Payments will be made according the schedule of fees, with funds transfers and paperwork submissions completed weekly and monthly to ensure that there is accountability and transparency in the system. Refer to the SOP for more information on the procedure of slip bookings.

Special Events

For the 2020 Wawa Salmon Derby, staff recommend the development of an MOU to ensure that expectations are laid out for use of municipal facilities. This must include:

- Setups and teardowns, including timelines
- Conditions of use of municipal facilities
- Liability waivers and Insurance requirements
- Prohibited areas (wharf/washroom facility)

An example MOU that can be used to develop this agreement would be the MOU with the Wawa Ice Fishing Derby used by staff yearly.

Additional Documentation / References

Appendix A – Agreement between Small Craft Harbours and the Municipality

Appendix B – Marina Operation Contract

Appendix C – SOP – Marina Bookings



**The Corporation of the Municipality of Wawa
Staff Report**

Office of Community Services and Tourism

Prepared For: Council	Report No.: AP 2017-10
Agenda Date: July 11th, 2017	File No.: 9.45.2, 9.30

Subject

This report concerns the future of the Municipal Marina as well as the associated Small Craft Harbours' Michipicoten River facilities.

Summary of the Recommendation

This report recommends an immediate investment in the marina wharf system to mitigate health and safety concerns. This report also recommends pursuing a divestment process with Small Craft Harbours with the intention of receiving funding and ownership of the property to pursue appropriate long term upgrades to the site.

Summary of the Issues

Currently, the Municipal Marina as well as the associated Small Craft Harbours' Michipicoten River Facilities (hereafter both together denoted as "marina") is in a state of disrepair. This has progressed to the point of serious health and safety concerns surrounding the slips as well as wharf. This report will detail the beginning of the divestiture process as well as recommend a direction for the Municipality to take in regards to the future of the Marina

List of Stakeholders

- Ratepayers
- Municipal Council
- Marina Users, both local and tourist
- Municipal Staff

Respectfully Submitted By:

Prepared By:

**Alex Patterson, Assistant Director,
Community Services and Tourism**

Purpose of Report

This report originates from an ongoing staff process to effect repairs to the marina. Through various ratepayer and user requests, staff have been investigating solutions to the ongoing critical maintenance issues at the marina. This has included conversations with other communities in similar situations. One such local community, Nipigon, ON, has been particularly helpful by sharing their successful divestiture process as well as critical contacts with staff.

On March 27th, 2017, staff received a divestiture letter from Fisheries and Oceans Canada's Small Craft Harbours in regards to staff inquiries about the divestiture process. This letter detailed the overall process of divestiture as well as their recognition of the importance of these local facilities. This letter can be found in **Appendix A**.

From this letter as well as background information, this report seeks to explain to Council the process as well as recommend a direction for the Municipality to follow regarding the future of the marina. It will account for economic, tourism and recreation factors as well as the sustainability of a municipally run marina.

Analysis

Current Situation

Currently, the marina is in a state of grave disrepair. Some of this is on Municipal property, and other issues are a part of the Small Craft Harbour (SCH) property. Broken down into specific issues, staff identified the following concerns:

-Note: Slips are numbered from 1 to 4, with 1 being the most northern and 4 being the most southern in descending order

SCH Property

- Part of the Wharf (north boundary) has shifted considerably over the last several years. It is currently unsafe and impassable.
- Concrete base of the shore anchor and ramp to slip 2 has shifted considerably and is now falling into the harbour. Other concrete bases have shifted in this direction as well, though less severely.
- Slip 4 has almost completely sunk, and the southern fingers have been cut off in an unsuccessful attempt to solve a problem. It is no longer serviceable.
- All slips currently lack flotation for a diversity of reasons and are at the end of their lifespan. Some have been temporarily repaired using floats installed underneath fingers, though some floats that have been improperly installed have contributed to steep angles of fingers throughout the slip

Municipal Property

- The majority of the Wharf (north boundary) has shifted considerably over the past several years and is currently unsafe and impassable. This also makes the wharf unusable. New docks installed in 2016 helped the docking situation; however most of the wharf remains unusable and represents a great deal of liability.
- Fingers from the failed repair attempt now sit on Municipal property, representing a hazard and liability.
- Boardwalks are beginning to show poor conditions, as well as being inaccessible by AODA standard and very slippery when wet.
- The Michipicoten River launch to the southwest is in very poor condition.
- The Harbour side launch is in passable condition.
- The Municipal building on the site is in usable condition but is beginning to have significant maintenance issues. This is compounded by a lack of staff capacity to maintain this facility as needed and forces staff to rely on outside sources.
- The current playground is out of date and no longer up to standard.

Marina Park

While the marina is a unique Municipal asset, it is treated much the same as a Municipal Park under most circumstances. As one of only 2 parks in the Mission, the marina is a location that serves many purposes. The marina as a whole can be much like Centennial Park: Both a resource for residents as well as a first impression for travellers coming into Wawa for the first time. As such, first impressions as well as safety for all patrons matter a great deal. The Municipality has also recently participated in the recent Lake Superior Water Trail, and has used the marina as an official access point for the Trail. As this is again a place that is advertised as a tourism resource for the community, it is important that the facility be kept to a very high standard.

Current Agreements

Currently the Municipality is in a lease agreement for the property with SCH. The agreement can be found in **Appendix B**. This includes provision for small maintenance items in relation to SCH property only. Any large repairs needed are to be communicated to SCH and a process of collaboration is required to determine the nature of these repairs. No other current agreements providing for the operation of the marina exist at this time, although there is an informal connection between SCH, the Municipality, and Buck's Marina that has a great deal of history, going back over two decades.

Engineering and Reports

Staff have completed several investigations over the past 10 years looking into the problems at the marina. These focus on the wharf as the area that requires outside engineering specialty. Therefore, with the contents of these reports, staff have a good picture of what costs and work will be involved in the remediation of the marina. No work into preliminary drawings has been completed as of the writing of this report. This

is mostly due to the need to complete work as a whole with the participation and cooperation of SCH with Municipal efforts to return the marina to an acceptable condition. This also means that staff have an accurate view of the costs involved and needed for the upgrades to the marina.

Divestiture Process

According to the letter received by staff from SCH, it is noted that SCH is undergoing a process to conclude its involvement with recreational harbours across Canada. This presents a unique opportunity to the Municipality to transfer the facilities owned by SCH. In the letter, however, it does reference the process as a "transfer of the fee simple property with improvements to occur as is". This is a critical point to address, as this would mean the Municipality absorbing all of the current liability of the property without reimbursement of some or all of the costs to make the property safe and to return it to optimal operating condition. In verbal conversation with the SCH representative, it was suggested that an agreement could be drawn up to include funds necessary to effect required improvements. This is a situation similar to the successful divestiture process experienced in Nipigon, ON.

Municipal Action

For the divestiture process to begin, Municipal Council must indicate to SCH their willingness to pursue the subject. This can take the form of a letter or resolution. The resolution would require the following key points:

- The Municipality will only consider divestiture if investment in the property to correct any major issues is part of the agreement.
- The Municipality, as part of the project, should apply for exterior funding to correct problems on Municipal property. This funding should be secured before finalizing any agreement with SCH to complete the entire project at once.
- The Municipality should develop a business plan that can demonstrate, with infrastructure issues corrected, that the marina can be operated in a sustainable fashion on a cost recovery basis.
- The Municipality should seek to form an agreement with the local marina operator to determine and solidify roles in the operation of the Marina

These points are all included in the resolution and recommendations.

Future Agreements

In the future of a divested marina, the Municipality will need to enter into operation agreements with the local marina operator to ensure that all operations and roles are laid out in a clear and concise fashion. This can take the form of a contract or MOU between all parties. Buck's Marina has been consulted as part of this report and these comments can be found further into the document. This document should have an agreement for the continued and sustainable operation of the marina, and will determine who is responsible for maintenance, regular inspection, fee collection and any other aspect of normal operation of such a facility.

Future Marina Watershed

At the last dredging, the Municipality was informed that this should never again be needed. Based upon last staff observation, this is not the case, and shifting silt and sand have been observed over the last 5 years, attributable to many factors. This is another liability to be taken on by the Municipality. The other issue presented in the watershed is the possibility of the River changing routes in the future. Some sources have speculated that the River may bypass the Marina and break through to Lake Superior within as little as 10 years. While this is impossible to predict accurately, it is a major consideration for the future success of the marina. While some assets, such as buildings and a stabilized wharf, are permanent in place, others such as docks and slips may be moved to another location if properly sourced and installed. This will factor into future staff actions at the marina.

Required Improvements

For the marina to return to a safe operating condition, the following points must be addressed:

- All slips must undergo significant repair or preferably replacement
 - Replacement of slips to a model that can handle diverse water levels and current is essential. This will include ice conditions in winter.
 - Repair of the slips will require the removal of existing flotation and installation of modern floats. It will also require an update to electrical pillars as well as consideration for re decking certain fingers.
- Ramp systems and associated foundations will need repaired. It is recommended that the ramps themselves be replaced if replacing the slips and fingers.
- The wharf, both municipal and SCH portions, will need to be stabilized.
- Boardwalk sections will need to be removed.
- The playground will need to be removed or replaced.

Financial/Staffing Implications

Divestiture Costs

In conversation with SCH on the matter, Municipal staff are advised of two options for investment in the marina. The first is an investigation and subsequent proposal by SCH on improvement to the area. This option would have SCH offer a budgetary number for Municipal staff to use to upgrade the marina. The second option would see the Municipality propose a solution to SCH which they would evaluate. As staff have already prepared and investigated solutions to the issues present at the marina, it is recommended that the Municipality provide a proposal to SCH as detailed below.

Current Municipal Income

Due to the current conditions of the marina, a refund for all users is an option to consider. As there is an extremely poor service offered, this is a way to recognize this fact. This amounts to a revenue loss of roughly \$5,000 for the 2017 year. This represents

a small portion of the department's revenue and relative to the potential liability cost is not a major concern.

Economics of a Municipal Run Marina

Currently, the Municipality collects funds on behalf of SCH. As part of the Divestiture, the Municipality would take over the marina once all conditions have been met and both parties are satisfied. This would involve further liability on the part of the Municipality, in exchange for more control and the full share of the revenue generated. This revenue can offset the costs of operating the marina, which will not change from the current costs with the exception of the depreciation costs of the new infrastructure. As the Municipality currently completes all small repairs at its' own cost, very little expenses would be incurred and most revenue could be recaptured to offset the hydro and operating costs. This would be an improvement over the current situation, where the marina operates at a deficit of \$20,000 per year. This could be run as a break even facility with the correct management and agreements in place. Staff require further investigation and time to complete a business plan for the sustainable operation of the marina under Municipal control.

Funding Opportunities

Staff have investigated different funding routes for this project. The long term project has the possibility of being funded by a combination of FedNor and NOHFC sources for the economic benefit and tourism potential that an upgraded marina could offer the Municipality. Preliminary conversations have been started with both FedNor and NOHFC funding officers and look positive with the correlation between the marina and the potential economic benefit that Tourism provides. SCH has also been contacted and would evaluate the marina to arrive at a dollar amount of funding they would provide the Municipality as part of the Divestment process. The Municipality is also able to approach SCH with a proposal for the Divestment, and this is outlined below. In the short term, staff are still exploring different avenues to source preliminary funds so as to avoid closing the Marina.

Municipal Proposal

As part of the 2016 Capital Budget, as well as staff investigations over the past several years, staff have compiled enough information for a preliminary proposal to SCH. This can start discussions between SCH and the Municipality on the investment required for the marina. Staff have received quotes from Porlau Marine, found in **Appendix C**, as well as quotes from Kresin Engineering, found in **Appendix D**. Staff have also estimated other rates as shown in the project cost schedule below. Please note that these are preliminary costs, similar to a Stage 1 funding application, and will be detailed further into the process. Staff estimate the cost of the full project is in the range of 1.2 million to 1.4 million dollars, based upon the above noted estimates. A breakdown can be seen below:

Municipality of Wawa				
Department of Community Services and Tourism				
Marina Divestiture - Preliminary Cost Estimate				
Item	Cost	Quote Source	Quote Date	Note
Slips - Repair	105,000.00	Gardiner Marine	May-17	Re float only
Slips - Replacement	500,000.00	PORLAU Marine	Dec-15	Appendix C
Concrete Deadmen	20,000.00	Staff Estimate	Dec-15	Porlau Specs
Wharf Engineering	102,000.00	Kresin Eng.	Jan-15	Appendix D
Wharf Stabilization	480,000.00	Kresin Eng.	Jan-15	Appendix D
Wharf Docks	50,000.00	Docks&Decks	Aug-15	Previous Capital
Boardwalk Removal	Staff Time	Staff Estimate		Loader needed
Playground Removal	Staff Time	Staff Estimate		Loader needed
Playground Replacement	20,500.00	Ont. Playgrounds	Aug-16	
Subtotal	1,172,500.00			Replacement
Contingency (10%)	117,250.00			
Total	1,289,750.00			Replacement

Policies Affecting Proposal

MF-006 Marina Boat Launch and Slip Rental

This policy governs the current use of the Municipal marina. In adopting the recommendation to suspend marina dockage fees until the marina can be rendered safe by upgrades, the payment portion of this policy will be suspended as well. This policy would be reviewed at the conclusion of the project to update it to reflect the upgraded marina facilities.

Community Strategic Plan

In sections 4 and 5 of the Community Strategic Plan, building Tourism and Community Capacity are identified as key Goals. As Wawa is one of the few marinas on the North Shore of Lake Superior, we have the unique opportunity to attract tourists by using this site. In its' current condition, it is impossible to attract or advertise this facility. By pursuing funding for upgrades, we are able to build our capacity for this type of tourism.

It also increases the availability of recreational activities in our community, essential for the retention of population.

Municipal Business Plan

In the Municipal Business Plan, Key Direction No. 4 is the Renewal of Key Infrastructure and Services. Two of the broad outcomes apply specifically to the marina: The need for Municipal Infrastructure to be visually appealing and the need for it to be cost efficient, safe and maintained for long-term use. By investing in upgrades as well as planning to run the marina independently of SCH, the Municipality will be both upgrading the visual appeal as well as safely and sustainably operating the facility for the long term.

Asset Management Plan

In the Asset Management Plan, the only facilities identified are the Municipal Buildings located at the marina. These facilities are in relatively good shape and are not a major concern to staff. In the future, if the marina is divested to the Municipality, it will be considered a Municipal Asset and included in a future Plan.

Comments from Relevant Departments/Community and Corporate Partners

Graham Lidstone – Dawson and Keenan Insurance

In conversation with Mr. Lidstone, the Municipal insurance broker, it was not recommended that the marina be listed as a “use at your own risk” facility. As the Municipality is in a legally binding agreement with SCH, this will do nothing to reduce our liability. Mr. Lidstone was of the opinion that should the facility be degraded to that extent, it should be closed to the public. Mr. Lidstone also noted that refunding or removing a fee for use of the slips would not affect Municipal liability in any way, and that it remained a joint issue between the Municipality and SCH, with both parties sharing the issue.

Brad Buck - Buck's Marina

In conversation with Mr. Buck, the need for a concrete agreement for the operation of the marina was expressed. This is a point agreed upon by staff as very important to the future of the marina. Another point of concern was the lack of fuel facilities at the marina. Wawa is in a unique position as one of the only accessible marinas between Sault Ste Marie and Nipigon and the addition of fuel would see a great deal more boat and tourist traffic. There is a great opportunity for the Municipality to work with a local business owner to improve the tourism economy in Wawa while providing better service to ratepayers. Mr. Buck is willing to work with the Municipality on this project.

Concerned Citizens

Many concerned citizens have approached Municipal staff over the past several years concerning the condition of the marina. Most recently, certain facility users have put forward a willingness to help this project further by pledging support in the form of

donations or political help, including involving our regional MP and MPP. These citizens have also expressed disappointment that the marina fee continued to be charged, and this is addressed in the recommendations.

Alternatives

Maintain Status Quo

This option would see the Municipality do nothing to change the situation at the marina. This option is unfeasible as the situation is quickly presenting health and safety issues that would close the marina. For this reason, this option is **Not Recommended**

Complete Repairs without entering into the Divestiture Agreement

This option would have the Municipality complete temporary repairs to the amount of \$105,000 without entering into the divestiture agreement with SCH. This option has the Municipality invest funds into non-municipal property, and is a band-aid solution that would last 10 years at most. It would not solve any issues surrounding the wharf or other problems on the property. For these reasons, this option is **Not Recommended**

Do not complete repairs and enter the Divestiture Agreement

This option would see the Municipality forgo the temporary repairs to the slips and wait for the SCH agreement to be finalized before completing any upgrades to the Marina. This would leave the Marina in its current state until an agreement can be reached. In this case, staff would recommend closing marina services and partial slips to alleviate liability, and to make the marina temporarily free to use until such time as upgrades are completed. As this would force staff to partially shut down or completely shut down the Marina until a divestment agreement could be reached, this option is **Not Recommended**

Complete repairs and enter the Divestiture Agreement

This option would see the Municipality complete the repairs as well as enter into the divestiture agreement with SCH. This option has the Municipality complete temporary repairs while awaiting a permanent solution. As there is now more traction with SCH and they are divesting all Small Craft Harbours, this process may be much shorter than anticipated, and take between 2 and 4 years. This would allow the continued safe operation of the marina while waiting funding from SCH and other sources to complete the project. For these reasons, this option is **Recommended**

Funding

In all cases above, funding would be sought out for any Municipal contribution to keep the burden on Ratepayers as low as possible.

Conclusion

While this is a multi-faceted issue incorporating the need for a short term solution with the long term planning and sustainability of operating a Municipal marina, Staff recommend pursuing the Divestment process as well as sourcing other funding with the goal of receiving 90% funding. Based upon investigations with SCH and other partners, staff recommend providing a proposal to SCH with the goal of a holistic solution towards the marina and surroundings. In the short term, a solution that allows slips to be used in a safe manner will preserve the recreation and tourism value of the Marina. In the long term, agreements with Buck's Marina, SCH and other funding organizations can turn the marina into a tourism resource that can be used to leverage the regional tourism economy in a way that benefits Wawa.

Recommendation

THAT the Municipality of Wawa set aside, as a Capital Item, \$105,000.00 for the immediate repairs of the marina slips that are salvageable, as well as other improvements to mitigate health and safety issues that may arise in the coming 2 years

THAT the Municipality of Wawa direct staff to pursue funding for the Marina Project from diverse sources

AND THAT the Municipality of Wawa pass a resolution to commence the Divestment Process with the Department of Fisheries and Oceans' Small Craft Harbours division

The resolution reads:

WHEREAS the Municipality of Wawa recognizes the Tourism and Recreation value of Small Craft Harbours' Michipicoten River Facilities

AND WHEREAS the aforementioned Facilities are in poor condition and in need of Capital investment to return them into good working order

NOWHEREFORE BE IT RESOLVED THAT the Municipality of Wawa wishes to commence the Divestment Process with Small Craft Harbors

AND the Municipality of Wawa wishes to provide Small Craft Harbors with a Proposal regarding future improvements to the Facility

Attachments

Appendix A: Divestment Letter

Appendix B: Municipal – SCH Agreement Re: Marina Use

Appendix C: Quote – Porlau Marine

Appendix D: Letter – Kresin Engineering Re: Wharf Stabilization



Fisheries and
Oceans Canada
Small Craft Harbours
Central and Arctic Region

867 Lakeshore Road
Burlington, Ontario
L7S 1A1
Tel (905) 315-5286

Pêches et
Océans Canada
Ports pour petits bateaux
Région du Centre et de l'Arctique

867, chemin Lakeshore
Burlington, Ontario
L7S 1A1
Tel (905) 315-5286

Your file *Votre référence*

Our file *Notre référence*

5882 'D' Michipicoten

March 27, 2017

Mr. Alex Patterson
Assistant Director
The Municipality of Wawa
40 Broadway Avenue
P.O. Box 500
Wawa, Ontario
P0S 1K0

Dear Mr. Patterson:

Re: Divestiture Status – Small Craft Harbours' Michipicoten River Facilities

Reference is made to our recent telephone conversation regarding the future of the Small Craft Harbours' Michipicoten River facilities within the Municipality of Wawa.

As you are already aware, the Small Craft Harbours Program is undergoing a fundamental change. A broad-based review of departmental programs concluded that recreational harbours have little association with the core mandate of the Department. The review identified that these activities are best done by organizations and individuals more closely associated with tourism and recreation, specifically by those who benefit directly or indirectly from the economic and social advantages generated by such properties.

In keeping with this finding, this department will conclude its involvement with the more than 800 recreational harbours across Canada (401 in Ontario).

The federal divestiture policy offers government assets sequentially to other federal departments and agencies, provincial governments, local governments, local community groups, and finally, through public tender, to the public at large.

In light of this and Small Craft Harbours' recognition of the "public" significance associated with many of these facilities, we look first and foremost to the local municipality to consider assuming ownership responsibility if the preservation of a public access point is important to the community.

To facilitate the transfer of Small Craft Harbours facilities to municipalities, certain "flexibilities" have been approved which will allow consideration of the following:

- Transfer of the fee simple property and improvements to occur "as is";
- The recipient continues operating the facility as a public harbour at essentially its current level of operation for a specified period of five years;
- Should the recipient cease to operate the facility or dispose of all or part of the facility within the covenant period, the recipient would be required to reimburse to the federal government

Canada

an amount equal to the appraised value of the facility at the time of transfer together with other costs deemed appropriate (frankly, this should not be of concern to the recipient if it genuinely supports the facility as a public access point).

We have attached a brief information package, consisting of an aerial photograph and a property layout sketch.

Prior to divesting any federal real property, it is the practice of all federal departments to assess whether the duty of the federal Crown to consult with local Aboriginal groups is engaged in accordance with prevailing law and under agreements with local Aboriginal groups if applicable. Such consultations may be undertaken by Small Craft Harbours prior to and during the divestiture process. As the proposed recipient of the property, we may request that you participate with us in consultation meetings with relevant Aboriginal groups from time to time in the event that we determine that such meetings are necessary.

We encourage Council to consider how the Michipicoten River facilities fits into future municipal plans and whether the Municipality would have any interest in acquiring this location at this time.

We look forward to your response to the above and as a next step would propose organizing a meeting between our respective organizations to further discuss this matter. In the interim, if you have any questions or require additional information, please do not hesitate to contact this office.

Yours sincerely,



Annette Winter
Project & Divestiture Officer

Attach.

Canada

MICHIGAN RIVER





ORIGINAL

201508 ON 002

LEASE

BAIL

SMALL CRAFT HARBOURS BRANCH
AND

DIRECTION DES PORTS POUR PETITES EMBARCATIONS
ET

THE CORPORATION OF THE MUNICIPALITY OF WAWA

AUTHORITY
Autorisation

DATE OF DOCUMENT
Document daté du

August 1, 2015

BEGINNING OF TERM
La période de location commence le

August 1, 2015

END OF TERM
La période de location se termine le

July 31, 2020

RENT PAYABLE
Loyer payable

\$500.00 (Five Hundred DOLLARS) PER ANNUM OR 20 % OF GROSS REVENUE,
PLUS TAXES

LANDS OR RIGHTS DEMISED

Cession ou transfert ALL those parcels or tracts of land and lands covered by water, TOGETHER WITH
the federal marina related facilities and federal breakwater located thereon, more particularly described herein
under the headings, Firstly and Secondly, in the Municipality of Wawa, District of Algoma, Province
of Ontario, and being more particularly shown outlined in orange on the attached Plan hereto annexed
and designated Schedule "A".

FILE No.

No de dossier 5882 Michipicoten

REMARKS / Remarques

**THE CORPORATION OF THE
MUNICIPALITY OF WAWA**

BY-LAW NO. 2908-15

BEING A BY-LAW to enter into a Management Agreement with the Department of Fisheries and Oceans for the long term management of the marina slips.

WHEREAS Section 9 of the Municipal Act, S.O. 2001, Chapter 25, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS Section 10 (2) of the Municipal Act, S.O. 2001, Chapter 25, provides that a single-tier municipality may pass by-laws respecting the health, safety and well-being of persons of the municipality;

AND WHEREAS the was marina basin built in 1996 and is owned by the Department of Fisheries and Oceans (DFO);

AND WHEREAS the former Township of Michipicoten, now the Municipality of Wawa, enter into a ten (10) year agreement with DFO to manage the marina basin through By-Law No. 1089-96;

AND WHEREAS the was marina basin built in 1996 and is owned by the Department of Fisheries and Oceans (DFO);

AND WHEREAS the DFO (in its former agreement) agreed to fund repair projects which included a docking system, boardwalk repairs, marina and river dredging – however, repair projects were not undertaken and the divesture was never completed;

AND WHEREAS DFO have confirmed that the divesture of the marina basin did not take place according to their records and that their Ministry is still interested in turning the marina basin over to the Municipality;

AND WHEREAS by entering into an management lease agreement with DFO for the management of the basin, the Municipality will qualify for funding through DFO to assist in upgrades that need to be completed prior to the divesture, and DFO is interested in the municipality taking ownership of the basin for the long term;

NOWHEREFORE the Council of The Corporation of the Municipality of Wawa enacts as follows:

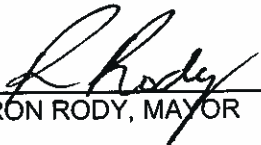
1. **THAT** Municipality of Wawa does hereby enter into a Management Agreement with Small Craft Harbours Branch, Department of Fisheries and Oceans, 501 University Crescent, Winnipeg, Manitoba, R3T 2N6, for the long term

management of the marina slips at the Harry McCluskie Municipal Marina, a copy of which is attached hereto and forming an integral part of this By-Law.

2. **THAT** the Mayor and Deputy Clerk be and are hereby authorized to sign this By-Law and to affix the corporate seal thereto.
3. **THAT** this By-Law is enacted upon the third and final reading hereof.

READ a first second and third time and be finally passed this 15th day of September, 2015.





RON RODY, MAYOR



CATHY CYR, DEPUTY CLERK

THIS AGREEMENT dated for reference this 1st day of August, 2015.

BETWEEN –

HER MAJESTY THE QUEEN, in right of Canada,
represented herein by the Minister of Fisheries and Oceans
(hereinafter called "the Minister")

OF THE FIRST PART;

-and-

THE CORPORATION OF THE MUNICIPALITY OF WAWA
Province of Ontario
(hereinafter called "the Agent")

OF THE SECOND PART;

WITNESSETH that the Minister, in consideration of the rents, covenants,
provisos, and conditions hereinafter contained, hereby leases unto the Agent:-

Description

Firstly: ALL AND SINGULAR that certain parcel or tract of land and land covered by water, more particularly described as lands adjacent to Superior Street, Registered Plan M-26 in the Municipality of Wawa, formerly the Township of Michipicoten, District of Algoma, Province of Ontario, being designated as Part 1 on Plan IR-7564 and comprising an area of Two and two-hundreds (2.02) hectares, more or less, TOGETHER WITH the federal marina related facilities located thereon (hereinafter referred to as "the said premises"), being more particularly shown outlined in orange on the Plan hereto annexed and designated as Schedule "A".

Secondly: ALL AND SINGULAR that certain parcel or tract of land covered by water, more particularly described as Location CL 6437, being part of the Beds of the Magpie and Michipicoten Rivers, Township of Rabazo now in the Municipality of Wawa, formerly the Township of Michipicoten, District of Algoma, Province of Ontario, designated as Part 1 on Plan IR-8149 and comprising an area of Fifty-two hundreds (0.52) hectares, more or less, TOGETHER WITH the federal breakwater located thereon (hereinafter referred to as "the said premises"), being more particularly shown outlined in orange on the Plan hereto annexed and designated as Schedule "A".

Habendum

TO HAVE TO HOLD the said premises unto the Agent from and after the 1st day of August, 2015, for a term or period of FIVE (5) years and then fully to be complete and ended.

Reddendum

YIELDING AND PAYING therefor, during the currency of this Agreement, unto the Minister, to the Receiver General of Canada, in lawful money of Canada. The following rent or sum, namely:-

(a) FIVE HUNDRED DOLLARS (\$500) PLUS TAXES per annum, payable each year in advance, or

(b) TWENTY PER CENT (20%) PLUS TAXES of all gross revenue derived by the Agent from the management and operation of the said premises, whichever is the greater amount, and the difference between the \$500 paid in advance and 20% gross revenue is payable within sixty days of the end of each agreement-year.

Interpretation IN THIS AGREEMENT;

- (i) "Minister" means the Minister of Fisheries and Oceans and any person he has delegated to act on his behalf.
- (ii) "Regional Director" means the Regional Director of Small Craft Harbours Branch of the Department of Fisheries and Oceans and any person he has delegated to act on his behalf.

It is agreed by and between the said parties hereto that these Presents are made and executed upon and subject to the covenants, provisos, conditions and reservations hereinafter set forth and contained, namely:

Purpose

1. a) The Agent shall use and occupy the said premises and carry out the management and operation of the said premises in accordance with the Fishing and Recreational Harbours Act and the Fishing and Recreational Harbours Regulations as amended from time to time, or any other applicable act or regulations enacted or made during the currency of this Agreement.

b) Nothing in Clause No. 1a) hereof, shall relieve the Minister from discharging any of his duties under the said Fishing and Recreational Harbours Act and the said Fishing and Recreational Harbours Regulations.

c) That the Minister shall supply to the Agent, one copy of the said Act and Regulations, as amended from time to time.

To Pay Rent

2. That the Agent will pay all annual rental fees herein reserved at the time and in the manner in these Presents set forth, without any abatement or deduction whatever.

Taxes

3. That the Agent will pay or cause to be paid all rates, taxes and assessments, of whatsoever description, that may at any time during the existence of these Presents be imposed, or become due and payable upon, or in respect of the said premises.

Compliance with Law

4. The Agent shall in all respects abide by and comply with all rules, regulations and by-laws of municipalities and other governing bodies, in any manner affecting the said premises.

Public Use

5. Subject to Clause No. 19 hereof, the Agent shall not interfere with the public use of the said premises during the currency of this Agreement; it being expressly understood and agreed, however, that the Agent may refuse the use of the said premises to any vessel on which tolls and dues are outstanding and the Agent may take all lawful action through Small Debts Court or otherwise to obtain payment of outstanding or overdue accounts.

Access

6. a) That the Minister, his servants or agents shall, at all times and for the purpose of inspecting the said premises, have full and free access to any and every part of the said premises.

b) The Minister shall, upon reasonable notice to the Agent, except in the case of emergency, have full and free access to the said premises for the purposes of repairing and maintaining the said premises.

Assignment

7. That the Agent shall not make any assignment of these Presents, nor any transfer or sub-lease of any of the premises, rights or privileges demised or leased hereunder, without obtaining the prior consent in writing of the Minister to such assignment, transfer or sub-lease. The Agent shall pay to the Minister a reasonable charge for the preparation of any consent thereto expressed in writing, and shall be responsible for any costs incurred by the Minister in addressing the request for consent, provided that such costs are reasonable.

Repair and Maintenance

8. That the Agent shall not, during the currency of this Agreement, do, suffer or permit to be done any act or thing which may impair, damage or injure the said premises beyond the damage occasioned by reasonable use, and shall inspect, maintain, and effect minor repairs of the said premises which may at any time become damaged, whether due to the negligence of the Agent or otherwise. Nothing in this provision shall obligate the Agent to be responsible to effect repairs of any major or structural kind but, in the event that such repairs are needed, it shall be the responsibility of the Agent to provide notice to the Minister of the need for major or structural repairs, and to take whatever steps are appropriate to deal with continued use of the premises while such repairs are pending. When such repairs are warranted, the parties hereto shall consider, and together decide how and when to effect such repairs.

Care of Property

9. That the Agent shall, at its own cost and expense, at all times during the currency of this Agreement, keep the said premises in a neat and tidy condition, removing or causing to be removed therefrom all papers, refuse, litter, waste or rubbish arising out of the operations of the Agent under this Agreement, all to the satisfaction of the Regional Director.

Improvements

10. That any improvements made to the said premises by the Agent at any time during the term of this Agreement, to make the said premises suitable for the purpose referred to in Clause No. 1 hereof, shall be at the risk, cost and expense of the Agent and to the satisfaction of the Regional Director.

Construction of Buildings or Structures

11. That the Agent shall not construct or erect any buildings or other structures on the said premises without obtaining the approval of the Regional Director, of plans showing the design and nature of construction of such buildings or structures and their proposed locations.

Annoyance Nuisance and Disturbance

12. That the Agent shall not, at any time during the currency of this Agreement do, cause or permit to be done, any act or thing in or upon the said premises which shall, or may be, or might become, an annoyance, nuisance or disturbance to the occupiers of any lands or premises adjoining or in the vicinity of the said premises.

Title

13. That is hereby declared, and this Agreement is accepted by the Agent, upon the express condition that the Agent shall have no recourse against the Minister, should the minister's title to the said premises be found to be defective, or should these Presents prove ineffectual by reason of any defect in such title.

Claims and Damages

14. That the Agent shall not have any claims or demand against the Minister for loss, damage or injury of any nature whatsoever, or howsoever caused to the said premises or to any person or property, at any time brought, placed, made or being on the said premises unless such damage or injury is due to the negligence of any officer, servant, agent, contractor or sub-contractor of Her Majesty the Queen in right of Canada while acting within the scope of his duties or employment.

Indemnification

15. That the Agent shall at all times indemnify and save harmless Her Majesty the Queen in respect of any action, claim, cause of action, suit, debt, loss, damage, cost, expense or demand whatsoever, at law or in equity, arising by way of any breach by the Agent, its employees, servants, agents, sub-lessees or persons for whom it is by law responsible, of any provisions of this Agreement or arising by way of the Agent and her Majesty's ownership, occupation and control of the premises, except claims for damages resulting from the negligence of any officer, servant, agent, contractor or sub-contractor of Her Majesty the Queen while acting within the scope of his duties.

Termination 16. That this Agreement may be terminated at any time:

(a) By the Agent upon sixty (60) days' notice in writing, such notice to be signed by the Agent and delivered to or mailed addressed to the Regional Director, Small Craft Harbours Branch, Department of Fisheries and Oceans, 501 University Crescent, Winnipeg, Manitoba, R3T 2N6, or

(b) By the Minister upon sixty (60) days' notice in writing, signed by the Minister, and either delivered to the Agent or any officer of the Agent, or mailed addressed to the last known place of business or office of the Agent,

and thereupon, after the expiration of such period of notification, these Presents shall be determined and ended, and the Agent shall thereupon, and also in the event of the determination of this Agreement in any other manner, except re-entry under Clause No. 17 hereof, forthwith remove from the said premises all things at any time brought or placed thereon by the Agent and shall also to the satisfaction of the Regional Director repair all and every damage and injury occasioned to the said premises by reason of such removal or in the performance thereof, but the Agent shall not, by reason of any action taken or things performed or required under this Clause, be entitled to any compensation whatsoever, provided that, unless required by the Minister, no goods, chattels, materials, effects or things shall be removed from the said premises until all rent due or to become due under this Agreement, is fully paid.

Default

17. That, notwithstanding anything in this Agreement contained, if the rent above reserved or any part thereof, shall be in arrears or unpaid, whether or not the same shall have been in any manner demanded, or in the case of default, breach or non-observance to be made or suffered by the Agent at any time or times, in, or in respect of any of the covenants, provisos, conditions, and reservations herein contained, which on the part of the Agent ought to be observed and performed, then, and in every such case, provided such non-payment of rent, default, breach or non-observance is not cured within thirty (30) days from the date of notice thereof in writing from the Minister to the Agent, the Minister may terminate this Agreement by giving to the Agent a notice in writing, signed by the Minister, and either delivered to the Agent or any officer of the Agent, mailed addressed to the last known place of business or office of the Agent, and thereupon after delivery or mailing of such written notification, this Agreement shall be determined and ended, and in that event, it shall be lawful for the Minister, his servants or agents, to re-enter and thereafter to have, possess and enjoy the said premises and all improvements thereon.

And no acceptance of rent subsequent to any breach or default, other than non-payment of rent, nor any condoning, excusing or overlooking by the Minister on previous occasions of breaches or defaults similar to that for which re-entry is made shall be taken to operate as a waiver of this condition nor in any way defeat or affect the rights of the Minister hereunder.

The Agent shall pay in addition to any other provisions hereof the reasonable fees and disbursements of counsel to the Minister in connection with the enforcement of this Agreement, or in the event of default hereunder.

Hold Over

18. Provided always and that it is hereby agreed by and between the parties hereto that if the said Agent shall hold over after the expiration of the term hereby granted, and if the Minister shall accept rent, the new tenancy thereby created shall be a tenancy at will and not a tenancy from year to year, and the Agent shall pay as rent during the time of such occupancy a rental to be determined at the discretion of the Minister, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to tenancy at will.

- Tolls, Dues & Charges** 19. That the Agent shall, during the currency of this Agreement, charge tolls or dues established under the authority of the Fishing and Recreational Harbours Act or by Regulations approved from time to time by the Governor in Council respecting the said premises. The Agent may collect additional reasonable charges for services such as electrical power outlets, water outlets, watchman services, etc., provided at the Agent's expense for the benefit and use of the boating public using said premises.
- Accounting Records** 20. That during the currency of this Agreement, the Agent shall cause to be kept records of its operation hereunder, such records to be kept according to accepted principles of accounting, and the Agent shall supply to the Regional Director, a certified statement for each accounting period during the currency of this Agreement.
- Audit Inspection** 21. That the books of the Agent concerning the operation and management of the said premises, shall be open for audit and inspection at all times during business hours, by the accredited officers of the Minister.
- Pollution** 22. That the Agent shall not place or deposit, or cause or permit to be placed or deposited, any fill, sand, gravel, detritus, waste, debris or other materials, articles or things on the said premises which may form a deposit thereon or therein without the prior consent, in writing, of the Regional Director.
- Environmental Protection** 23. (i) The Agent agrees to abide by and comply with all federal environmental legislation, including the relevant provisions of the Canadian Environmental Protection Act, affecting the said premises, as well as with the regulations and guidelines made and established under it, and all applicable Provincial, Territorial and municipal environmental legislation, regulations, rules or guidelines affecting the said premises.
- (ii) The Agent shall not process, use, deposit or store on the said premises or in its subsoil any toxic substances, as defined in the Canadian Environmental Protection Act, nor any other substance that constitutes or may constitute a danger to the environment or to human life or health.
- (iii) The Agent agrees to clean up, at its expense, to then current federal and provincial standards, any part or all of the said premises contaminated during the term of this Lease or any renewal of it immediately upon becoming aware of the contamination.
- Service Reservation** 24. That this Agreement is granted strictly subject to the right of the Minister and Lessees and Licensees of the Minister to maintain and operate services installed on the said premises at the date of this Agreement, and to the right of the Minister to grant leases or licences, as the case may be, at any time during the currency of this Agreement, covering the right and privilege or permission to install, lay, maintain and use services on, over or across the said premises and the Agent shall not, at any time during the currency hereof, do anything or cause or permit anything to be done which will in any way interfere with the rights and privileges or permissions thereby granted, provided however, that such leases or licences will be granted subject to this Agreement and provided that the Lessees or Licensees thereunder shall not commence to exercise the rights and privileges or permissions thereby granted unless and until the consent in writing is first obtained from the Agent, and which consent shall not be unreasonably withheld.
- Concession** 25. That no application for permission to establish concessions of any kind shall be granted without the prior approval in writing of the Regional Director.
- Use by Agent** 26. That in the event that any portions of the said premises are used for the purposes of the Agent, the Agent shall establish a market rental for such use and the Reddendum Clause shall be applied to such rental.

- Fire Prevention** 27. That the Agent shall take all necessary precautions against fire occurring in or on the said premises.
- Navigation Protection Act** 28. That the Agent shall fulfill in all respects the requirements of "Works" Section of the Navigation Protection Act, Chapter N-22 of the Revised Statutes of Canada 1985.
- Members of Parliament** 29. No member of the House of Commons shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.
- Discrimination** 30. That the Agent and any Sub-lessee shall not discriminate against any person by reason of race, colour or creed, in any manner whatsoever, pertaining to the operation of the said premises.
- Sale or Transfer** 31. (i) Notwithstanding any other provision of this Agreement, in the event that the Minister disposes of its interest in the leased premises, or any part thereof, by way of sale, transfer or other conveyance, including a transfer of administration and control to Her Majesty the Queen in right of the Province of Ontario, the Minister shall be entitled at their sole option to assign this Agreement, or such portion thereof, to the transferee, or to terminate this Agreement, and the Agreement shall upon notice thereof be terminated forthwith.
- (ii) In the event of notice of termination being given by the Minister to the Agent, the Agent agrees that it shall forthwith vacate the said premises, and remove any chattels from the said premises in accordance with the provisions of this Agreement. The Agent further agrees and acknowledges that it shall have no cause of action against the Crown arising out of early termination of the Agreement, and hereby releases the Minister from any liability or otherwise that may be said to flow from the aforesaid early termination of this Agreement.
- Financial Administration Act** 32. If the Agent defaults in the payment of any amount due under this Agreement, the Agent shall be responsible for and pay interest on such defaulted payment (to the extent permitted by the Financial Administration Act R.S.C. 1985, Chapter F-11 and the Interest and Administration Charges Regulations SOR/96-188 (the Regulations) or any amendments thereto) up to the date payment is received by or on behalf of Her Majesty. For greater certainty and until such time as the Regulations are amended, in the case of default in respect of any monetary amount due, interest on the amount in default shall be calculated and compounded monthly at the average bank rate plus three per cent and accrue from the due date of the payment, until paid. Furthermore, in the event that any instrument is tendered in payment or settlement of any amount due to Her Majesty hereunder which for any reason is dishonoured, the Agent shall be responsible and pay an administrative charge of \$15.00 to Her Majesty, or any amount prescribed therefor by the Regulations will be applicable and in addition to the outstanding amount due.
- Insurance** 33. That the Agent shall, in addition to the payment of yearly rental hereunder, at its own cost, insure concurrently with the execution of this Agreement, and thereafter during the currency of this Agreement, maintain in force, a policy of liability insurance for the ownership, possession and control of the said premises with coverage of at least Two Million Dollars (\$2,000,000.00) per occurrence and including Her Majesty as a named co-insured in that policy. The Agent, on the anniversary of this Agreement, in each and every year, shall submit to the Regional Director, proof of such insurance.

Gender

34. (i) Wherever the singular or masculine form are used in this Agreement, they shall be construed as meaning the plural or feminine or body corporate or politic where the context or the parties hereto so require.

(ii) The form of this Agreement shall not be construed against the drafter.

IN WITNESS WHEREOF the duly authorized officials or officers of the parties have executed these presents.

SIGNED, SEALED AND DELIVERED BY)
the Agent this 15th day of September, 2015)
in the presence of:)

Rinda Mann
Witness

THE CORPORATION OF THE)
MUNICIPALITY OF WAWA)

R Rody
Agent

[Signature]
Agent c/s
We have authority to bind the Corporation

SIGNED, SEALED AND DELIVERED BY)
the Minister this 15th day of October, 2015)
in the presence of:)

Haven Bazrik
Witness

[Signature]
For the Minister of Fisheries and Oceans





Schedule "A"



SCOPE OF WORKS

Marina : Aluminum Floating Docks & Gangways

PROPOSAL V01

Project : DEV000807_00

Ref: RB-29122015

2015-12-29

CLIENT

Alex Patterson
Municipality of Wawa
40 Broadway Ave., Box 414
Wawa, On P0S 1K0



Phone: (705) 914 1120
E-mail : apatterson@wawa.cc

Manager :
Philippe Lemay, Eng.
General Manager
Office : (450)491-6505 x 229
p.lemay@poralu.com



Proposal made by :
Remy Benois
Sales & business dvpt
Cell : (514)258-3432
r.benois@poralu.com

Item	Description	Unit price	Qty.	TOTAL
A	<u>TECHNICAL SPECIFICATION</u>			
1	GANGWAYS	sub-total		Included
	Welded Structure marine aluminium grade 6005 A T-5 Polypropylene decking with a high UV screen, non slip, sand or mineral color - 10 years warranty. Articulated system at fixed pier end of the gangway. Roller system with polyethylene wheels, access & rolling plates Maximum deflection of L/300 where L is gangway's length Capacity : 250 Kg/m ² (51 lbs/ft ²)		4	
2	FLOATING DOCKS	sub-total		Included
	Welded Structure marine aluminium grade 6005 A T-5 Polypropylene decking with a high UV screen, non slip, sand or mineral color - 10 years warranty. Standard Fender in low density polyethylene, high UV screen sand or mineral color - 10 years warranty. Maintenance free polyethylene Floats filled with expanded polystyrene. High resistance to impacts, ice and severe conditions. Built-in utility duct (for electricity, water, phone, internet, etc) Seamless structure (no welding, no added top). Buoyancy: 150 Kg/m ² (31 lbs/ft ²) Freeboard: 0,6 ± 0,025m (22 ± 1 in)			
3	FINGERS	sub-total		Included
	Welded Structure marine aluminium grade 6005 A T-5 Polypropylene decking with a high UV screen, non slip, sand or mineral color - 10 years warranty. Standard Fender in low density polyethylene, high UV screen sand or mineral color - 10 years warranty. Maintenance free polyethylene Floats filled with expanded polystyrene. High resistance to impacts, ice and severe conditions. Built-in utility duct (for electricity, water, phone, internet, etc) Seamless structure (no welding, no added top). Buoyancy: 150 Kg/m ² (31 lbs/pi ²) Freeboard: 0,55 ± 0,025m (22 ± 1 po)			
4	ACCESSORIES	sub-total		Included
	Aluminium Cleats 2.5 ton capacity (with stainless steel hardware) <i>See options for more accessories</i>			
5	ANCHORING	sub-total		
	Equipment to receive chain anchoring system on the dock Galvanised steel chain, diameter 5/8" - 16 mm. Concrete blocks, weight : 3 T. 'omega shape" steel handles - required for blocks		32 32	included included not included included
6	UTILITIES EQUIPMENT from MEE, USA	sub-total		27 155,00 \$
	Transformer and Breaker Pedestals			Not included
	side 1: 50A -20 GFI - side 2: 50A - water faucetts side 1: 30A -20 GFI - side 2: 30A - water faucetts side 1: 30A -20 GFI - side 2: - water faucetts Accessories : Hardware to install pedestals Cable/piping and installation NOT included		2 20 4	Not included

7	SHIPPING	sub-total		Included
	By Truck from St-Eustache, Qc factory (near Montreal,Qc) to marina site - Unloading not included			
8	INSTALLATION	sub-total		
B	ONLY Included: Installation supervision by two Poralu Technicians (Local accomodations not included) Customer will provide 2 to 3 workers (+ handling equipment) following recommendations from our project manager and/or installation supervisor. Including a Poralu Marine barge to install the concrete deadweighth blocks Not including the handling equipment (to be provided following Poralu's recommendations)			
	<u>DESIGN CRITERIA</u> Maximum Wave action: 1 foot (0.3 m); 2 feet (0.6m) occasionally Current speed: 0 Maximum wind speed : 120 km/h Water level variation: feet (m) Refer to General Layout number: DEV807 - rev A - phase 1			
Currency: CAD\$		TOTAL (tax not incl.) :		\$438 515,00
		HST	13,00%	\$57 006,95
		Total tx. Incl.		\$495 521,95
	Options not included but available: 1) accessories: ladders, bumpers, hose holders, ID tags, flag mast, pile caps, ...			To be discussed
				
	2) Solar LEDs integrated in the decking (blue, white, ...)	\$ 130,00	???	
				
	3) transformers, fire pedestals, ...			To be advised
	4) Pump-out system : mobile or integrated in the docks			To be discussed
	5) Safety gates (with or without electronic locks)			To be discussed
	6) Buy-back contract			To be discussed
	7) Different finger lengths:			
	upgrade 5m (17') to 6m (20')			\$200,00
	upgrade 7m (23') to 8m (26')			\$245,00
	8) Different dock widths:			
	A or B dock reduce from 2m (6'7") to 1,75m (5'9")			-\$3 380,00
	C or D dock increase from 2,00 m (6'7") to 2,25m (7'5")			\$3 370,00
	C or D dock increase from 2,00 m (6'7") to 2,50 m (8'1")			\$5 490,00
	9) extensions: (different configurations or phasings requires price adjustments)			
	A & B together to optimize shipping			\$84 605,00
	C extension (not including pedestals)			\$47 700,00
	D extension (not including pedestals)			\$44 000,00

	NOTE: <i>Our scope of supply is limited to the equipment and services specified in this offer</i>
	<p><u>Equipment / services not included :</u></p> <ul style="list-style-type: none"> The handling equipment (except the barge provided by Poralu) The unloading of the material. The working permits The removal and disposal of the existing docks Concrete wall of footing for the gangway anchoring The concrete deadweight blocks The docks, finger piers and gangways installation. The electrical transformers The cable and pipes The installation of the water and electricity services
	<p><u>Work execution conditions:</u></p> <p>The site must be accessible for the trucks and must allow the manoeuvres necessary for the unloading without any restraints.</p> <p>The access to the site shall be forbidden to all non-authorized persons during the work phase.</p> <p>The site shall provide a safe storage and storage zone for all material and equipment for all the duration of the work phase.</p> <p>If additional operation were to be necessary because of the non-respect of the conditions mentioned above, they would be at the charge of the client.</p> <p>All alteration to Poralu Marine structures made by an inexact localisation of the concrete footings would be at the charge of the client.</p>
	<p><u>Non-Responsability:</u></p> <p>Poralu Marine cannot be held responsible even partially for all breaks or damages on all delivered equipment as on all damages caused at a third party that would result to absolute necessity as written in the article 1470 of the civil code of Quebec or the use of the delivered equipment in non-conformities of the rules of art.</p>
	<p><u>Contractual Warranty</u></p> <p>Poralu Marine Inc. provides, as the law prescribes it, a warranty of two (2) years on all handwork and default of fabrication on the equipment that it manufactures. The warranty described above will take effectiveness at the date of installations of the equipment and will apply exclusively on hidden defect described in the article 1726 Of the Civil Code of Quebec. Is excluded of this warranty all defects due to conceptions default or bad construction of concrete footings or walls.</p> <p>The warranty will not be applicable and Poralu Marine will not be held responsible by the buyer, the owner, the users or any other third party for costs, expenses or damages including direct, indirect, fortitus, consecutives or punishable damage resulting of:</p> <ul style="list-style-type: none"> - Negligence or non-adequate utilisation or modifications of the products. - The boat anchoring exceeding the prescriptions on plans. - The site conditions exceeding the ones indicated on point B. <p>Slatted decking</p> <ul style="list-style-type: none"> - The Slatted decking is guaranteed for ten 10 years to the date of installation against cracking, welding, deterioration and discoloration caused by UV rays. - The Warranty covers a normal utilisation of the product and does not cover abusive use, negligence or alteration of the product in any ways. The decking must be installed as prescribed by the fabricant on an adequate structure. Poralu Marine obligation to the original owner is limited to the replacement or the reparation of the defective decking caused by a fabrication default. Unless mentioned above, the warranty does not apply on all damages direct or indirect neither on the installation of the new decking. If the proof of a manufacture default is presented, it is at the discretion of Poralu Marine to proceed with the replacement or the repairs of the product. <p>Ice:</p> <p>Poralu Marine cannot assure the resistances of the equipment against the ice movements in a basin. A study of the movement of the ice shall be made by the client to ensure that the ices are truly static.</p>

	<p><u>Delivery and installation delays</u> The equipment's described in this contract will be delivered and installed in an estimated time of 10 ± 2 weeks to the date of the reception of the complete payment by Poralu Marine. A complete planning will be given in the two weeks following the reception of the payment. The planning may vary of the initial estimation (production availability, vacations ...)</p>
	<p><u>Payment Terms:</u> 30% \$148 656,59 - 30 % deposit 65% \$322 089,27 - 65 % 2 weeks prior to any shipment (partial payment for partial shipment) 5% \$24 776,10 - 5 % on installation completion (signature of the work acceptance) with a max. of 90 days after the reception of the equipment (truck, containers) by the customer</p>
	<p><u>Sales Terms :</u></p> <p>Modifications: Poralu Marine allows itself, if required by technical considerations, to change the work in an additive, suppressing or modifying way implying a product or an equivalent method of equal quality or above without modify other conditions of the present contract. Those modifications shall although be previously approved by the client on a written document.</p> <p>Scope: This contract and the appendix signed by both of the parties constitute an agreement exclusive between those parties. It cancels and replaces all agreement or previous conventions (written or oral) that may have existed between the parties. Under the dispositions mentioned in the paragraph Modifications, all modifications at that actual contract shall be sign by both of the parties.</p> <p>Reserve of propriety: No transfer of property will occurs until the client has completed the totality of the payments for sales of the equipment. After the delivery of all equipment, if the client does not pay the full payment, including late fees, Poralu Marine will be free to request the payment or resolve the sale by repossessing the equipments. In case of repossessing, all Poralu Marine representant will be aloud, without any notice or formalities, present itself at a determined place and take procession of the equipments. All payments made by the client before this resolution will not be refundable and will be considered as damages fees in favor of Poralu Marine.</p> <p>Elections: Both parties agrees that, for all reclaims or pursuits in relation with the execution or the interpretation of the present contract, the judiciary district of Montreal, Quebec Province, Canada will be chosen as the place of the auditions of those reclaims or pursuits excluding all other judiciary districts.</p> <div style="border: 1px solid black; padding: 5px; text-align: center; margin: 10px auto; width: fit-content;"> Validity of the offer : 30 jours </div>
<hr style="width: 20%; margin: 0 auto;"/> <p><i>Alex Patterson</i> Municipality of Wawa</p>	<hr style="width: 20%; margin: 0 auto;"/> <p><i>Remy Benois Sales & business dvpt</i> Poralu Marine Inc.</p>



TERMS AND CONDITIONS OF SALE AND SERVICES (TCS)



1 Application of the Terms and Conditions of Sale - Opposability

These TCS govern all contracts and all sales transactions entered into between PORALU MARINE and its client: they set out the Parties' rights and obligations. The placing of any order carries the assumption that the client is informed of these TCS and results in the latter's agreement to these TCS and the waiving of its own general and special conditions of sale. These TCS therefore have binding force between the Parties, and without their acceptance by the client, PORALU MARINE would not have entered into the agreement.

These TCS are accompanied by special conditions which should be referred to for anything that is not mentioned herein. Any condition to the contrary called upon by the client in opposition will therefore be non-invocable against PORALU MARINE, regardless of the time at which it was informed thereof. Any instance of PORALU MARINE not insisting upon any one of these TCS at any given time cannot be interpreted as a waiving of the right to take advantage of any one of the said conditions whatsoever at a subsequent time.

2 Offers - Orders - Establishment of the contract

All orders will only have binding force, and therefore involve an undertaking to sell, through the issuing of a written acknowledgement of acceptance by PORALU MARINE. The terms and conditions of sale (products, prices, deadlines, conditions of delivery etc.) adopted in order to honour the contract are those indicated in the acknowledgement of acceptance.

3 Allowed Times

The sole delivery or dispatch times applicable for the order are those given in the acknowledgement of acceptance of the order.

These allowed times remain subject to respect on the part of the client of the schedule of due dates indicated in the special conditions. That is to say, any failure on the part of the client to respect, for example, the dates for validation of the "Approval for Manufacturing" plans, for the making of part payments, for the lifting of administrative clauses taken care of by itself, or failure to respect preconditions for action by PORALU Marine teams, may give rise to modification of the delivery/dispatch times by PORALU Marine without calling the conditions stipulated under the contract into question, and without the client being able to claim that it has suffered any prejudice whatsoever.

4 Site conditions and establishment of dimensions

The site conditions, which are decisive for the sizing of the products, shall be given to PORALU Marine before acceptance of the order. PORALU Marine cannot be held liable for any prejudice linked to inaccuracies in its information and their impact on the choice of products or their implementation. Any lateness in the transmission of this information to PORALU Marine may lead to modification of the allowed time.

The measuring of dimensions on the site is the client's responsibility. Any errors in the information transmitted by the client may generate additional work payable exclusively by the client.

5 Modification of orders

Any changes to or rescindment of orders requested by the client will only be valid after being transmitted in writing with explicit acceptance from PORALU Marine.

Any changes to orders may give rise to changes in prices and/or allowed times, at the discretion of PORALU Marine.

In case of renunciation - in whole or in part - by the client of its order, PORALU MARINE reserves the right to request compensation. If PORALU MARINE does not accept the modification or rescindment as notified by the client and regardless of the date of this notification, the part payments that have been made will be considered as a non-refundable deposit paid to the former party.

PORALU MARINE reserves the right to make any changes at any time to its products and services that it deems necessary, while informing the client thereof, particularly if the conditions of fulfillment of the order have been changed by the client.

PORALU MARINE reserves the right to change the models described in its leaflets and catalogues without prior notice.

6 Tests and Studies

Any tests or studies conducted by PORALU MARINE do not have the result of obliging PORALU MARINE to achieve any particular results whatsoever.

7 Administrative Formalities - Authorisations - Town Planning

The client is responsible for obtaining the administrative authorisations necessary for the proper execution of the order and for providing due proof thereof to PORALU MARINE in such a way that PORALU MARINE's liability cannot be sought in any capacity whatsoever as a result of the absence or incomplete nature of the said authorisations.

8 Prices

The contract is entered into for prices of services "excluding tax". The invoice presented to the client will show the amounts for the taxes in force at the date of invoicing.

The prices appearing on estimates are only valid for a maximum period of one month.

9 Payment

Unless specified otherwise in special conditions, all orders and deals are subject to a part payment of a minimum of 20% excluding tax, payable and invoiced at the time of acceptance of the order or contract by PORALU MARINE. The balance is invoiced on installation of the facilities and payable 45 days after the end of the month in the course of which the invoice was issued. Orders for products and spare parts are paid on pro-forma invoice, at least one week before the agreed dispatch date; the invoice is issued on the day of dispatch.

The due dates specified in our invoices are obligatory, any delay in their payment leading *(sans jure)* to the payment of interest for lateness equal to the legal rate multiplied by 3.

In the event of late payment, PORALU Marine reserves the right to suspend or cancel any orders in progress, without prejudice to any other recourse. Costs for the return of products are payable by the client.

10 Fulfilment of the order

In case of action by a Technical Inspection Agency for design validation, PORALU MARINE shall only commence manufacturing the products after written agreement from this Agency has been received.

Where PORALU MARINE is in charge of the installation of its products, the client shall guarantee access to a water supply, the provision of a work area and of secure storage. Any difficulty occurring due to lack of information from the client that gives rise to additional cost (training etc.) will be payable by the client.

When the client is in charge of the installation of PORALU MARINE products, the latter undertakes to authorise the carrying out of a technical inspection. Any refusal on the part of the client to allow this technical inspection to be carried out, or to carry out the modifications requested in the report from this inspection, will invalidate the guarantee offered by PORALU MARINE.

11 Delivery

11.1 Deadlines - Overrunning of delivery times cannot give rise to any damages or deductions or to the annulment of any orders underway.

In any event, delivery within the allowed times can only occur if the client is up to date in its obligations towards PORALU MARINE, regardless of the cause.

11.2 Risks - In all cases, in the event of damaged or missing items, it is the client's responsibility to report all of the necessary facts and to confirm its reserves on the delivery note provided by the carrier.

11.3 Taking Delivery - Without prejudice to the provisions to be taken in relation to the carrier, claims for conspicuous defects or for non-conformity of products delivered shall be made in writing and sent within eight days of the arrival of the products.

It is the client's responsibility to provide any proof with regard to the reality of the defects and anomalies ascertained. The client shall give PORALU MARINE every opportunity to establish the facts of these defects and to put them right. The client shall refrain from taking their own action and from engaging third parties to take action for that purpose.

12 Force Majeure

PORALU Marine is released from its delivery and/or installation obligations in the case of any chance occurrence or case of *force majeure*, such as fire, flood, total or partial strikes and lockouts. The quantities ready for delivery and for installation at the time of the event shall be accepted by the client.

13 Guarantee

13.1 Scope
13.1.1 - PORALU Marine provides a contractual guarantee for the entirety of the products manufactured.

PORALU MARINE guarantees that its products comply with the standards for its activity (Ref. *GUIDE DE CONCEPTION DES PONTS DE PLAISANCE* [SAILING PONTOONS DESIGN GUIDE]). - S.T.C.P.M.V.N², art. 92).

PORALU MARINE provides a guarantee to the client against all defects in material design, in manufacture and in provision. This guarantee shall only come into force after verification by

PORALU Marine that the equipment sold was indeed installed and used according to the conditions described in the technical study (site conditions, conditions of use, rules of installation).

This guarantee comes to an end one year (1 YEAR) after the signature of an acceptance report or, in the absence of such a report, one year after the invoice date.

Actions taken under the guarantee cannot have the effect of extending the period of this guarantee.

15.1.2 - Under this guarantee, the sole obligation incumbent upon PORALU MARINE shall be, at its discretion, the replacement or repair of the product or element which has been recognised as being defective, without charge, except where this method of compensation proves impossible or out of all proportion.

In order to be able to take advantage of the guarantee, all products shall first be submitted to PORALU MARINE's after sales service department, whose agreement is essential for any replacement, in particular after verification of the conditions of installation, site conditions and conditions of use.

For the fulfilment of its guarantee, PORALU MARINE makes the necessary products available "Ex Works". The delivery costs shall be systematically payable by the client. The client cannot claim any damages whatsoever in the event of immobilisation of the property due to the application of the guarantee.

13.2 Exclusions

PORALU MARINE does not guarantee consumable parts, of which a list can be supplied to the client at the latter's request. The guarantee does not apply to conspicuous defects.

The guarantee does not apply when the client defaults in the payment of the price of the order.

The client is solely responsible for the final choice of products.

Defects and damage caused by normal wear and tear or by external accidents, as well as by modifications of the product not provided for or specified by PORALU MARINE, are excluded.

PORALU MARINE shall be entitled to require that the client hand over the official documents of the port authority and Port registers prior to handling its request for fulfilment of provisions under the guarantee.

14 Retention of title

PORALU MARINE retains ownership of goods delivered until their price in principal and interest has been paid in full.

In the absence of payment by the client of any single part of the price at the agreed due dates and 48 hours after a formal notice has been issued to which no response is received, PORALU MARINE may demand repossession of the goods delivered, without the client being able to oppose this. The repossession is a purely conservatory measure and does not automatically lead to rescindment of the sale contract, which remains in full force.

15 Industrial and Intellectual Property

When PORALU MARINE performs work involving creative activity on its part that is protected by French or international law on intellectual and industrial property, all rights attached to this creation shall accrue to it, including in case of receipt of special remuneration or transfer of ownership of the material medium of the rights to the client.

The client shall refrain from any reproduction or use of PORALU MARINE's creations - by whatever means - without the latter's express, written and prior authorisation.

The client authorises PORALU MARINE to use the client's name and the image of the products installed as a business reference.

16 Applicable Law - Applicable Language

The law applicable to the order and to the contract is French law. International transactions are subject to the rules of international trade (Incoterms 2012) as specified in the special conditions of the transaction.

The language applicable to the order and to the contract is French.

17 Disputes - Jurisdiction

In case of related dispute, the parties will above all seek an amicable agreement and will provide to the other party any relevant information that is required for this purpose.

In the absence of an amicable settlement of the dispute within a maximum allowed time of three (3) months, the courts of BOURG-EN-BRESSE (AIN - FRANCE) will have exclusive jurisdiction.

18 Indivisibility

In case of nullity of any stipulation of the special or Terms and Conditions whatsoever, the stipulation in question will be considered to be unwritten. However, the other stipulations will retain all of their force and scope unless the litigious clause is considered by PORALU MARINE to be fundamental and decisive for its agreement or where its nullity breaks the overall balance of this agreement.

² Service Technique Central des Ports Maritimes et des Voies Navigables

January 30, 2015

KEC Ref. 1449

By E-mail (ljohnson@wawa.cc)

Attention: Lori Johnson, Director of Community Services

Municipality of Wawa

40 Broadway Avenue, PO Box 500

Wawa, ON P0S 1K0



Dear Ms. Johnson:

Re: Marina Wharf

In December of 2014, EXP Services completed a geotechnical drilling program at the Wawa Municipal Marina focussed on the wharf area. The data obtained during this investigation was reviewed by EXP's geotechnical engineers, who subsequently prepared the attached report. Recommendations presented in the report provide the basis upon which the structural design of a new seawall can be completed.

With the information provided in the completed geotechnical report, detailed design of a new steel sheet pile seawall can be completed. The pre-design estimate to construct a new seawall is approximately \$480,000 while the estimated engineering fees are 15% of the construction cost. This figure will be reviewed upon completion of detailed design.

In order to develop a more detailed construction cost estimate, we recommend that the detailed design for a new steel sheet pile wall be completed at a cost of \$30,000.

Should you have any questions or require clarification on the above, please do not hesitate to contact our office.

Thank you.

Yours Very Truly,
Kresin Engineering Corporation

A handwritten signature in blue ink, appearing to read "Michael Kresin". The signature is written in a cursive style and is positioned above the printed name of the signatory.

Michael Kresin, P. Eng.

Consulting Engineer

1449 mk LTR 2 Geotech.docx

Appendix E – Marina Fee Recommendation Backup

Methodology:

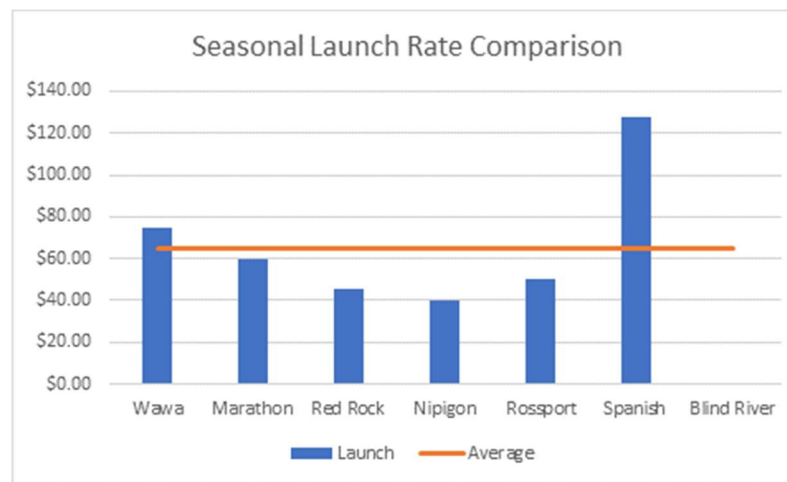
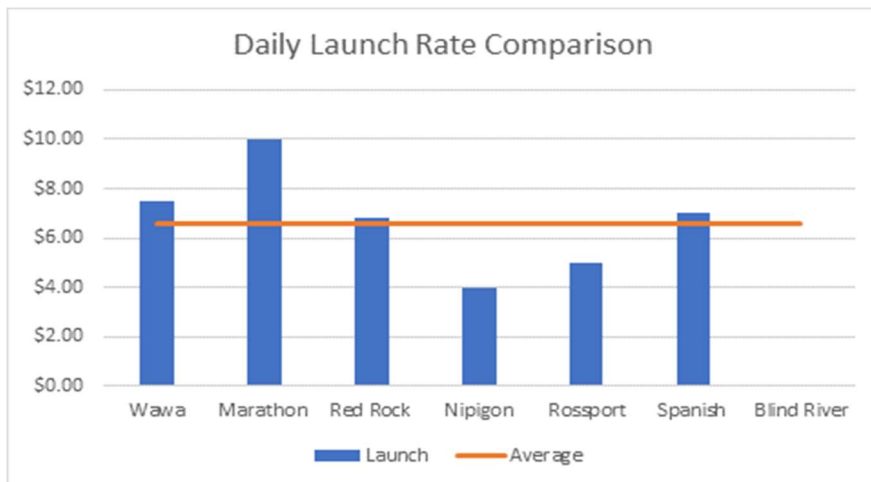
Launch, Slip, and powered (serviced) slip fees are charged very differently across the North. Staff used comparators of regional communities that were both recommended by the Municipal Marina Advisory Committee as well as match the offerings and community structure of Wawa.

Staff researched pricing and discovered that there are some marinas that charge slips per foot, and others that charged based on a size range (for example, boats between 18’ and 20’ are one price, between 20’ and 23’ are another). Some launches were free, others charged a flat rate, and still others per foot. Therefore, to compare pricing effectively, staff had to use a standard comparator, and settled on a 20 foot equivalency to calculate costs. *All information presented in this document is based on this 20’ equivalent.* This provided us with the ability to compare, roughly, the average costs of using these facilities:

Community Comparators: 20ft Average												
Community	Daily			Weekly			Monthly			Seasonal		
	Launch	Slip	Power	Launch	Slip	Power	Launch	Slip	Power	Launch	Slip	Power
Wawa	\$7.50	\$40.00	\$10.00	\$30.00	\$100.00	\$25.00	\$50.00	\$200.00	\$50.00	\$75.00	\$400.00	\$100.00
Marathon (launch only)	\$10.00	\$0.00	\$0.00	\$21.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$60.00	\$0.00	\$0.00
Red Rock (2018 prices)	\$6.78	\$18.08	\$15.82	\$0.00	\$0.00	\$0.00	\$0.00	\$194.25	\$209.05	\$45.20	\$440.70	\$96.05
Nipigon (2018 prices)	\$4.00	\$15.00	\$3.00	\$0.00	\$108.00	\$18.00	\$0.00	\$220.00	\$0.00	\$40.00	\$360.00	\$0.00
Rosspport	\$5.00	\$20.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00	\$0.00	\$0.00
Spanish	\$7.01	\$9.04	\$5.65	\$0.00	\$57.63	\$11.30	\$0.00	\$0.00	\$0.00	\$127.69	\$367.25	\$56.50
Blind River	\$0.00	\$42.94	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$203.40	\$113.00	\$0.00	\$497.20	\$203.40
North Shore Average	\$6.45	\$17.69	\$9.41	\$21.00	\$108.00	\$18.00	#DIV/0!	\$207.12	\$209.05	\$48.80	\$400.35	\$96.05
Total Average	\$6.56	\$21.01	\$8.16	\$21.00	\$82.82	\$14.65	#DIV/0!	\$205.88	\$161.03	\$64.58	\$416.29	\$118.65

As you can see, some marinas did not have pricing, specifically in the weekly and monthly categories (highlighted in red). Therefore, when recommending fees, staff compared daily and seasonal rates as they were the most common, and recommended a formula to calculate our weekly and monthly offerings based on the daily and seasonal rates, respectively. Comparisons for our three categories of fees can be found below. Note that these are only representative averages, and staff recommend that once the facility receives more investment and becomes sustainable that fees be based on a cost recovery model, similar to the operation of the Water Department.

Launching Fees:

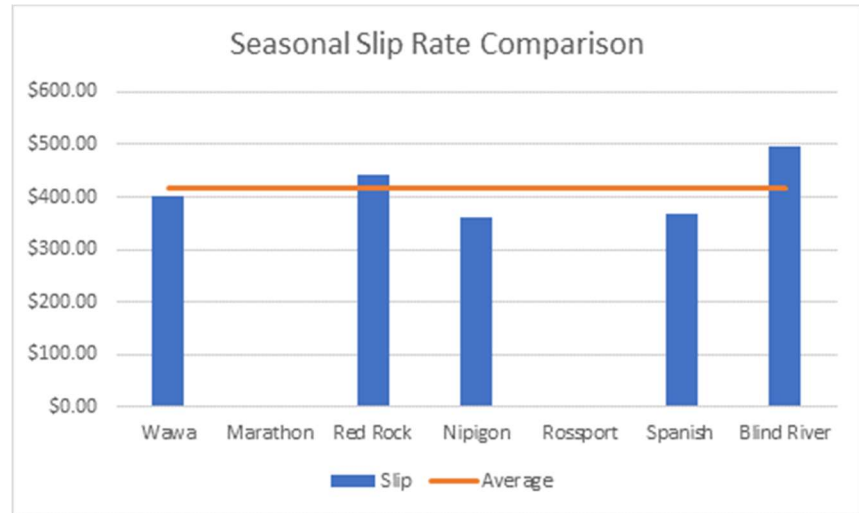
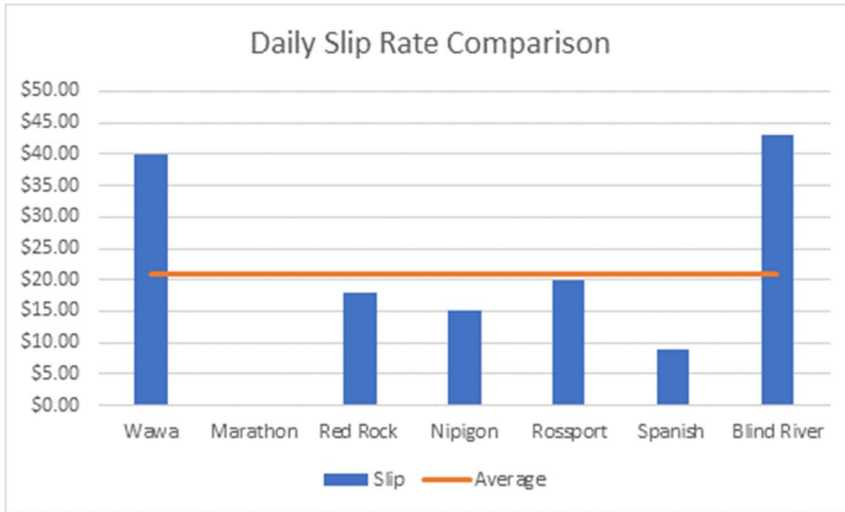


- Most people using the launch right now are simply not paying. For example, in 2020, we sold 70 passes (some multiple times to one individual), whereas the survey that was just put out more than 100 responded that they use the launch at the marina. I think the installation of a kiosk and the reduction to a simple bill / pass system that asks for round denominations (5 and 20) would result in more sales and more revenue than we are generating now. Overall, it is a bit of a test but we don't have much to lose (total pass revenue was less than 1,500) and I think that it will pay off.
- I also used comparators for Daily and Seasonal rates as not all facilities offer monthly and weekly. I used a standard formula of Daily x 3 = Weekly and Seasonal / 2 = Monthly so we are standard across the board.

Therefore, for launching fees, staff recommend the following:

Fee Detail		Unit	Resident	HST	TI
6.1	Boat Launch - Marina				
6.1.1	Daily	Pass	4.43	0.58	5.00
6.1.2	Weekly	Pass	17.70	2.30	20.00
6.1.3	Monthly	Pass	33.19	4.31	37.50
6.1.4	Seasonal	Pass	66.37	8.63	75.00

Slip Fees:

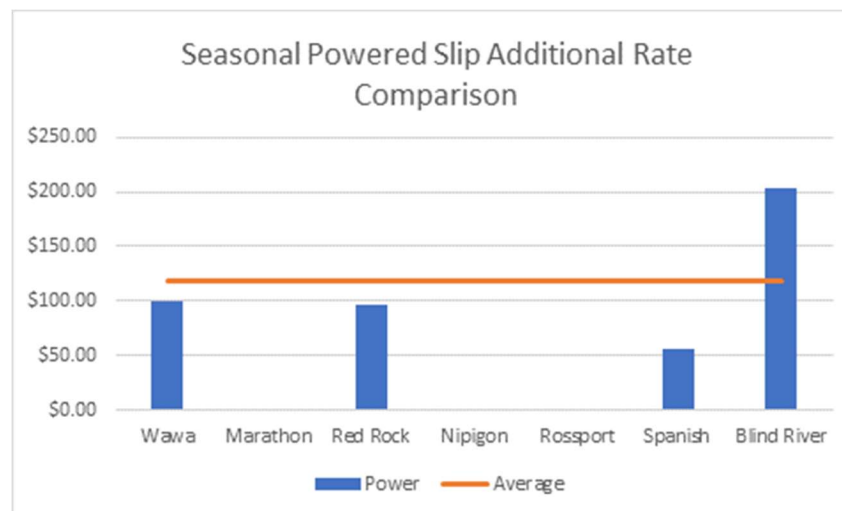
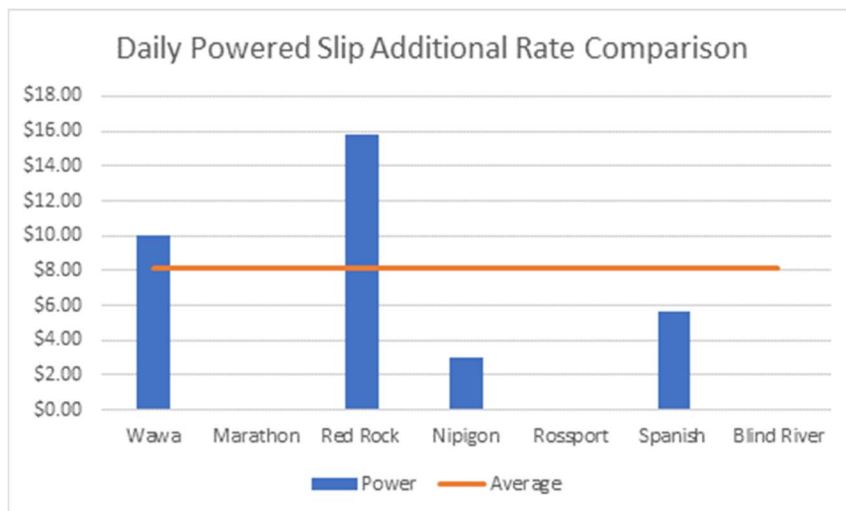


- For slip fees, our daily rate is quite high compared to others, therefore I do not recommend raising it.
- We do recommend raising the weekly to match the formula.
- For Seasonal slips, we are slightly below average, and therefore I only suggest a small increase to align us with average.
- I used the same formula for monthly as above.

Therefore, for slip fees, staff recommend the following:

Fee Detail		Unit	Resident	HST	TI
6.2	Slip Fees - Marina				
6.2.1	Daily	Foot	1.77	0.23	2.00
6.2.2	Weekly	Foot	5.31	0.69	6.00
6.2.3	Monthly	Foot	9.29	1.21	10.50
6.2.4	Seasonal	Foot	18.58	2.42	21.00

Power Fees:



- Finally, for power, we are again relatively high for our service levels for daily rates, and therefore am not recommending a change.
- For seasonal power, we are a but below average, but one facility does throw the average off as well, so I am only recommending a small increase to align with the average. It will not generate much more revenue as there are only 3-4 rented a year.

Therefore, for power fees, staff recommend the following:

Fee Detail		Unit	Resident	HST	TI
6.3	Serviced Slip, Additional				
6.3.1	Daily	Slip	8.85	1.15	10.00
6.3.2	Weekly	Slip	26.55	3.45	30.00
6.3.3	Monthly	Slip	55.31	7.19	62.50
6.3.4	Seasonal	Slip	110.62	14.38	125.00