



November 6, 2018

RE: Speaking Notes, FOMO Committee on Small Craft Harbors

History of the Wawa Marina and DFO

- The Wawa Marina was built as a partnership between DFO and private organizations and companies to respond to the need for a sheltered harbor for commercial fisheries
- With the destruction of the Lake Superior commercial fisheries, the Marina transitioned to a recreational and tourism asset, and further facilities were constructed on Municipal property to respond to this changing need.
- The DFO run marina was leased to the Municipality as one of two options – the other was shutdown. This lease contract I will discuss further herein.
- Fuel at the marina via a private business was lost with increasing TSSA regulations, losing a key link along lake superior and significantly affecting regional non-highway tourism in a negative way
- Ongoing maintenance of the marina was left to the Municipality with no process to ensure that regular capital upgrades were performed. This left all assets in significant disrepair, exacerbated by the Municipality's inability to conduct proper preventative maintenance due to staff capacity and availability of resources.
- The Municipality was never provided with financial assistance to maintain this asset

Current Situation:

- The current marina is in a state of disrepair, with all aspects – Municipal, DFO and Private requiring significant investment to continue operating it safely
- The Municipality has undertaken this investment to the tune of approx. 150,000 over the past 3 years to address specific health and safety concerns. This is a band-aid fix that will likely only last for the next 5 years.
- Most of this investment was on the slips at the Marina, a DFO asset. This investment was Municipal tax dollars going into a non-municipal asset. This was the only option again to prevent closure due to the asset's condition
- The DFO's inability to maintain its asset was compounded by the municipality's contractual obligation to only undertake routine, small maintenance.
- The Municipality undertook the project to refloat all slips with the permission of the DFO but with no other financial support
- The current contract with the local business has not been formalized and is still in the works. This will allow the Municipality to better control the asset and recoup funds.

The current breakdown of assets and their conditions is as follows:

- SCH Property
 - The slips and docks are now floating, but continue to be in poor shape. The repairs undertaken by the Municipality have stabilized the situation, however the expected life of these repairs is 5 years.
 - The wharf is partly on SCH property and has serious stabilization issues
 - The bay has the opportunity for a boat launch
 - The basin and outlet needs to be dredged on a regular basis due to sedimentation loads at the facility. This has been done historically at the expense of the DFO and recently at the expense of the Municipality.
- Municipal property
 - Most buildings are in disrepair and need investment to modernize
 - The pavilion is in good shape and is underutilized for special events
 - The playground is not to code and should be removed or upgraded
 - There is significant structural issues with the wharf
 - There is a newly build recreation path and camping associated with the trans Canada trail
 - The municipality is absorbing all parties liability but has little financial benefits due to previous agreements
 - We are in the final stages of a better agreement with the local business that will put us into compliance
- Private Property
 - There is some private property on site, specifically with an old gas station.
 - Most of the property is municipal and we are regaining control of it.

Lease Agreement – DFO and Municipality

- The current lease agreement puts the municipality at a disadvantage with the asset as all liability for the asset has been transferred to the Municipality, however we do not have control over any capital expenditures to ensure our ability to reduce any liability arising from the poor condition of the asset.
- The asset has not been maintained properly at more than a superficial operational level as per the contract
- There is no provisions in the contract for such upgrades however DFO staff have been helpful and sympathetic to our issues
- The Municipality has not always followed through with requests from the DFO such as divestiture agreements in the past

Future Plans

- There is a need for a holistic solution for the site that incorporates all pieces of property
- There is a huge opportunity for tourism and economic development, while also fitting in well with a recreation asset for the community.
- This plan hinges on tourism development - the lack of gas and facility removes access for much of the north shore for boaters. It can generate employment and economic development for Wawa and the Region as a whole.
- It also links in to the recreation as both an opportunity for recreation as well as an opportunity to utilize the site better as a special events locale.
- Opportunity to link with local business or hire a seasonal municipal staff to operate gas facility / marina depending on agreement successes.
- Heavy emphasis on tourism and economic development for the purposes of funding applications.
- These assets are now becoming key tourism infrastructure and may be considered alongside commercial fisheries for their potential economic development

Recommendations:

- SCH cannot just abandon these assets in their current condition.
- There are two options:
 - SCH maintains these assets and upgrades them as necessary
 - SCH provides funding to communities to ensure that they do not leave small municipalities with large liabilities.
- SCH should setup a process wherein local stakeholders can have an input on these assets and how they are run and transferred.
- Municipalities must pursue SCH should they wish to continue to have these assets in their communities. An open dialogue is essential to ensure that communities do not lose out on important recreation and tourism assets.

Regards,



Alex Patterson
Director of Community Services & Tourism
Municipality of Wawa
40 Broadway Ave., Box 500
Wawa, ON P0S 1K0
Phone: 705-856-2244 x242
Cell: 705-914-1120 Fax: 705-856-1494
E-Mail: apatterson@wawa.cc
Website: www.wawa.cc / www.experiencewawa.com