

KDCA SPRING MEETING FRIDAY, APRIL 30, 2010

IN ATTENDANCE (65)

GORD BASTABLE
JACQUI HAUKENESS
STEVE HARTLE
HARALD LOHN
MAL TYGESSON
GARY BEARDSLEY
PAT BEARDSLEY
BOB PALUCH
JUDY HENRICKSON
ANNE KRASSILOWSKY
MARILYN BILSBARROW
GERRY CARIOU
CINDY MAESONEDLE
PETER BURNS
JOHN CHRISTISON
JOHN FAHLGREN
WAYNE CLARK
KARLA CLARK
MIKE LOEWEN
DON MACDONALD
BRIAN MILES
DAN DENZLER
MIKE WILLIAMS
JEFFREY SPRINGER
CHRIS LAVOIE
DEBBIE BELVIN
PAUL MOSSIP
JIM ANTLER
BRUCE MCGREGOR
MATTHEW BENSON
OWEN VAUGHAN
SHAWN STEVENSON
DANTE ZERBINATI
KEN KEMP
TONY BRECK
RICK LINDMEIER
NANCY DAVIS
LEN DAVIS
JEREMY REYNOLDS
DAVID WETENDORF
GRETCHEN WETENDORF
JERRY DARGEL
ELLIE DARGEL
HANK SMOKE
CINDY SMOKE
DAVE FRANKOVICH
KATHI PFIEFFER
SHARON GUSICK
MARG WATSON
DOUG REYNOLDS

VERMILION BAY LODGE
RUGBY LAKE LODGE
BIG HOOK WILDERNESS CAMPS
KABEELLO LODGE
EVERGREEN LODGE
LAC SEUL EVERGREEN LODGE
LAC SEUL EVERGREEN LODGE
TEMPLE BAY LODGE
UCHI LAKE LODGE
MAYOR, CITY OF DRYDEN
BILSBARROW & ASSOCIATES
SUNSET COUNTRY TRAVEL ASSOCIATION
EAGLE LAKE SPORTSMEN'S LODGE
McAULEY & PARTNERS
BIG EAGLE LODGE
SYDNEY LAKE LODGE
CLARK'S RESORTS
CLARK'S RESORTS
PATRICIA REGIONAL TOURIST COUNCIL
EVERGREEN LODGE LAC SEUL
PATRICIA AREA COMMUNITY ENDEAVOURS
FISHERMANS COVE
SILVER WATER WHEEL LODGE
CLARK'S NORTHERN LIGHTS RESORT
PINE ACRES CAMP
WOMAN RIVER CAMP
WOMAN RIVER CAMP
MINISTRY OF TOURISM & CULTURE
NORTHWEST AQUA LTD.
MNR DRYDEN
MNR DRYDEN
MNR KENORA
OPP
CANADA REVENUE
CANADA REVENUE
HOLIDAY INN EXPRESS
DAVIS' BONNY BAY CAMP
DAVIS' BONNY BAY CAMP
SKYLINE LODGE
WENASAGA LODGE
WENASAGA LODGE
CEDAR LAKE CAMP
CEDAR LAKE CAMP
INDIAN POINT CAMP
INDIAN POINT CAMP
PICKEREL CREEK CAMP
CEDAR POINT RESORT
PINE SUNSET LODGE
PRESIDENT, NOTO
EXEC. DIRECTOR, NOTO

TODD HEATH
EARLA HAUKENESS
ARNOLD BEEBEE
DAVE CANSFIELD
KEN BEHSIN
KEVIN BEGIN
BILL DAVORKA
JUDY TURNER
CHANTAL WISNESKI
JOEL WISNESKI
ROB BROADHAGEN
LYDIA LECOT
MARCEL PINETTE
CHERYL PINETTE
JUDY ALEXANDER

GOLD ARROW CAMP
HOLLOW LOG/R.L.L.
OMBACC
OMBACC
WORLD OF WATER
CANADIAN BORDER SERVICES AGENCY
SANDY POINT CAMP
WHITE SANDS CAMP
STANLEY'S RESORT
DULUDE, TAYLOR INC. INSURANCE
NORTH CARIBOU CAMPS
NORTH COUNTRY LODGE
BIRCHDALE LODGE
BIRCHDALE LODGE
BOREAL SIGNS

1. CALL TO ORDER: The 76 th. Annual KDCA meeting was called to order at 9:30 a.m. April 30, 2010 by Gord Bastable as President.

2. INTRODUCTIONS: Self introductions were made around the room.

3. OPENING REMARKS: Anne Krassilowsky, Mayor of Dryden

Mayor Anne thanked Gord for the invitation. Anne brought greetings from the City of Dryden and Northern Ontario Municipal Association (NOMA) where she currently sits as President. NOMA represents the interests of 36 municipalities from the City of Kenora in the west to the Township of Wawa in the east. She said she travels to Queens Park about every 6 weeks. She met with the new Minister of Transportation last week in Sault Ste. Marie to discuss the condition of our highways in Northwestern Ontario. Anne invited her to tour our highways to understand how bad our roads impact tourism and economic development. She said the quality of road construction is not as good as it is in Eastern Ontario where the pavement is 6“ thick compared to the 3” here in Northwestern Ontario. It’s usually 18 years before they come back to our area for road improvements. She said NOMA has many issues at the forefront with the Province such as the need for an affordable, long-term industrial energy rate, and the need to establish Northwestern Offices for the Ministry of Aboriginal Affairs (with the growing urban Aboriginal population in many communities across Northwestern Ontario) and the Ministry of Economic Development & Trade. She said that Dryden is continuing with the solar plant project as well as working to bring Aspenware Manufacturing to Dryden. Improvements are in the works for cell phone service. She said that the more we can share the better we are going forward in strength and numbers. She closed by inviting everyone to the May long weekend Air Show .

4. MINUTES OF FALL MEETING: Minutes from the 2009 Fall KDCA meeting were previously circulated. Dan Densler moved to accept the minutes as presented. John Falgren seconded. Carried.

5. TREASURER'S REPORT: Steve Hartle, Treasurer

Steve circulated a summarized Treasurer's Report to members and the report was reviewed. Steve said that KDCA's Investment Portfolio is conservative but Investments are going up. Investments are at \$79,417.71.

6. PRESENTATION: KDCA/NWOTA WORKING GROUP UPDATE: Harald Lohn

Harald said that the purpose of the working group is to address issues relevant to all of us in the Kenora District. He said that KDCA elected him to represent KDCA and NWOTA elected Jerry Fisher. Jerry has undergone surgery and Chemotherapy over the winter as he has a tumor on the brain. Harald said that because of these health issues Jerry has decided to withdraw from his involvement. Peg Hunger will now be representing NWOTA. Harald asked that members who know Jerry to call or e-mail him to let him know we are thinking of him. He said the Fishers need all our support at this time. Harald said there will be a couple of reports coming- Marketing Forum in mid July and one on the Border Crossings in Northwestern Ontario in 10 days. In regards to the DUI issue, Harald said they will continue to work on getting to Ottawa with the new rep. Harald said he was at the NWOTA spring meeting yesterday and 10 MNR reps attended. NWOTA membership let them know how tired they are of the White-tailed deer issue and said it's time to do something that's more effective. The NWO Destination Marketing will be repaying the loan from KDCA. \$2,500.00 will be paid in next 10 days with the final payment of \$2,500.00 in September. Harald said they are clearing their books and thanked everyone for their support.

7. PRESENTATION: BOATING REGULATIONS & ENFORCEMENT: Dante Zerbinati, Ontario Provincial Police

Dante said this was his 2nd visit to the KDCA meeting. He stressed that they are out for enforcement but more importantly for safety. He said there are 2 things they look for:

1. Alcohol- 0 tolerance for safety reasons
2. Life Jackets-don't have to be worn but must be in the boat

Nancy Davis said she thought that a nonresident renting a Canadian boat has to have Canadian approved life jackets. Dante said he would have to make some calls to confirm this. Doug Reynolds said that NOTO has a booklet with an extensive rental boat safety checklist. Karla Clark asked if they rented a boat and the person said they had an operators card do they have to show it to us. Dante said that having a card was their responsibility not yours. Someone asked if a nonresident needed an operators card if they had their boat in Canada for more than 45 days. Doug Reynolds said that up to 45 days their home jurisdiction applies. Over 45 days life jackets and all safety equipment need to be Canadian approved. Chris said all his customers use ATV's not boats and wondered what the OPP look for. Dante said they look for licenses, insurance and helmets. He said ATV laws are the same in Canada as everywhere else. Steve said at his outposts some guests are using several different boats during their stay. Dante said they would just look for competency. Doug said that the camp operator has to brief their guest on all the boats they will be using as well as the motors. Dante said that if a camp has one of their guides operating the boat it has to be registered as a commercial vessel. Nancy asked if boat registrations have to be in the boat and does it have to be the original or is a photocopy good enough. Dante said photocopies are OK. Mal asked what qualification an operator needs for a commercial vessel. Dante said an operators license and the boat must be registered as a commercial vessel. Mal said-we have two different enforcement agencies...Who is #1? Dante said that CEO's have the right to enforce anything on the water. Mal said it is the CEO's interpretation of the laws that worries him. Dante said there is always going to be different interpretations but that they are all given instruction as to how to interpret the law.

8. PRESENTATION: Canadian Border Services Agency (CBSA): Kevin Begin

Kevin has been working out of Fort Frances since 1989. He has been a supervisor for the last four years and does hands-on work with the staff. Fort Frances has 10 new employees this year. He said they have eliminated the summer student program. Now their seasonal employees are on a 6 month contract. Admissibility into Canada has been one of the biggest issues. He said Inland Security has influenced them in how they operate. He said if someone has only 1 conviction and have not had another offense they are deemed rehabilitated (on lesser criminal offenses such as DUI's). If someone has had 2 DUI's they can apply ahead of time through the Thunder Bay Canada Immigration Office. Karla asked if there was a fee. Doug said \$200. Mal said that a couple of years ago someone said Fort Frances was going to have a rehabilitation office. Kevin said they are still working towards that. Harald said the Fort Frances office has been described as being less standardized...especially the inadmissible. He asked Kevin to react to that. Kevin said that Detroit and Windsor has a different focus. Harald said he's gone through Detroit and they screen the same way as Fort Frances. Kevin said it all speaks to the volume of traffic. It would be chaos if they operated the same as us. If we can collect \$3 in GST from you we are supposed to do so. Jacqui asked if written reports were given to turned away guests. Kevin said yes they are provided with this. Gerry asked why someone with a 6 yr. old DUI was such a threat to Canada. Kevin said that all the legislation is to protect Canadians and said they follow the act to evaluate admissibility. Risk assessments all fall back on the officer if someone is allowed in and hurts someone. Chris asked about illegal operating camps. Kevin said they want to squash illegal camps. He said you have my guarantee that we are working hard on this. Kevin can be reached at (807)274-5281.

10:50 A.M. **COFFEE BREAK:** Sponsored by *Royal Bank*

11:10 A.M.- MEETING RESUMED

9. PRESENTATION: MNR FISHERIES, DEER HUNT UPDATE & OTHER ISSUES: Matthew Benson, Owen Vaughan and Shawn Stevenson

Owen talked about the changes in fisheries. There used to be 29 divisions. Now with the new zone framework there are 20. In the second phase we will begin data collection. In Zone 4 - Ignace to the border and north to Red Lake there will be broad scale monitoring. Data will be collected every 5 years. We now have a council as part of our planning process. This selection of people represent various groups, First Nations and MNR. It is a 20 member council. Fireside Lodge and Halley's Camp are on the council. He said they hope to have an approved plan by July 2011. Gerry asked if the MNR was confident that the samples and data is sufficient and representative in their broad scale monitoring. Owen said that is something the Biologists have to look at. He said the key thing is to make regulations consistent across the zone. The biologists will give the Council data and from that they will make a decision. Every 5 years certain lakes will be visited and variable lakes (selection of different lakes). Jacqui asked how they are managing the fish sustainability. Owen said they are managing the harvest via data collection. Rod said he was just forced to burn down a camp on a non-sustainable lake. He said that structure could have been used for other things. Rod said he had some real issues about what the MNR are saying.

Matthew said in regards to the Deer Committee-They will be meeting in Dryden on Wednesday. He said this has been going on for 12 years. Chris spoke of hunters and guides coming in from Manitoba everyday...going back and forth. He said Ontario is being raped by Manitobans. Matthew asked Chris to come in and talk at their office. Hank Smoke said that outfitters are getting stuck paying the taxes. He said we have a great deer population which could be exploited more efficiently. The MNR has to do something about this. The deer hunt is the most popular big game hunt on the continent. He also said that the MNR has to do something about these backyard hunters...it is a serious safety issue. Matthew said they hear the same things at all their meetings. The enhanced bear framework package went out about 1 week ago. They are asking for input and comments. Chris said that to wolf hunt during bear season a hunter needs a bear license. If the hunter shoots a

bear he has to throw his wolf license away. Gary said there are some BMA's that are not assigned -they're still open. He said he has had an application in for 5 years and can't get a decision. He said they want to make use of these BMA's. Chris said a few years ago Bear Dens were being damaged by logging equipment. He asked how this could be stopped. Shaun said that it's not an offense to damage a den. Bears use a variety of dens. He said they are doing their best to advise equipment operators about the den locations.

Rob said with the global climate change blow downs should be a real concern. Should we not be cleaning them up? Shawn said that blow downs are a serious concern. Those blow down areas can be salvaged harvest. In the Ear Falls area where the tornado hit there is a lot of young small timber which could be identified as firewood areas for locals. If it's not cleaned up it creates a fire hazard as well as habitat problems. Gary said a lot of wood in the Ear Falls area is certainly sellable- it's close to the road. Shaun said it is non-sellable- they can't do it economically. Gary asked why doesn't the MNR subsidize it. Shawn replied-no budget.

10. HST-WHAT WE NEED TO KNOW: Ken Kemp & Tony Breck, Canada Revenue

Effective July 1, 2010 the Harmonized Sales Tax will come into effect replacing the PST and GST. It will be one tax of 13%. Business GST #'s become the business HST #. Since you will get back the full 13% it is advised that businesses change their filing period to monthly in order to collect this money quicker. Off reserve you must charge 13% HST. If you are delivering to a reserve it will be HST exempt. All Crown and Provincial agencies will now pay 13% HST. Ken explained the procedure in handling something being invoiced in May or June but not subject to delivery until after July 1 st. Karla asked what qualifies as an added service. She said they have strictly housekeeping but once a week we offer a free meal. Ken couldn't answer that question and referred Karla to the web site. Karla said they provide guiding advise and lake orientation but don't charge for it. Ken said that was a service they are providing. Karla asked what she had to say on the invoice. Doug suggested Karla call Laurie at the NOTO office to get templates on how to word your invoicing. Handouts were available for all the members.

1:35 P.M. LUNCH- *Sponsored by Consumer Frosted Foods, Sysco Foods & Evergreen Lodge*

2:15 P.M. Meeting resumed.

DRAWS

KDCA Regular Members were entered into a draw for 2 Sport Show Booth entries and a Sunset Country Membership

Winners:

NMMA Sport Show #13- Bob Paluck, Temple Bay Lodge

All Canada Show #17 Sharon Gusick, Pine Sunset Lodge

Sunset Country Membership #27 Rob Broadhagen, North Caribou Camps

10. (continued) HST Q & A: Ken Kemp & Tony Breck, Canada Revenue

Ken continued to explain about trips being canceled after deposits have been paid, exchanges of merchandise and leases and how to pay the difference. Bob asked if the tax would still be 15% on liquor sales. Tony said it will be 13%. Gerry asked what the Ontario Government is going to net over the next two years. Tony said it will be less than what they get now. Ken said the Ontario Government will loose over \$4 million dollars over the next 3 years. The government is paying a price now hoping for more revenue after 3 years. Gord asked everyone to take a moment to fill out the Participant Satisfaction Survey.

For more information on the HST;

www.ontario.ca/tax_change

1-800-337-7222

11. PRESENTATION: SOLAR SYSTEMS: Jarrett Hannah

Jarrett is Solar Systems business development officer in Winnipeg with over 40 years in the business. He services Manitoba and Northwestern Ontario. Jarrett said there are two good funding programs for converting to solar. The Northern Ontario Heritage Fund offers 50% rebate on a total system up to \$250,000. The Feed-In-Tariff (FIT) Program is a twenty year energy production contract with the Ontario Power Authority (OPA). This program will pay you to produce solar energy and sell it back to the electrical grid. For example, the OPA will pay 80 cents per kilowatt hour of energy produced on a system that is 10 kW or less. For camps it is a good idea to convert to solar to control energy costs and maintain the peace and quiet. He said there is a cycle charged system that provides 24 hour power without having to run the generator. New leasing programs are available at Solar Solutions. He said this program would allow a camp to eliminate any major capital expenditure that would limit their ability to invest in solar. Check out their web site: www.solarsolutions.ca

12. PRESENTATION: NOTO UPDATE : Doug Reynolds and Marg Watson

Doug introduced Marg Watson, President of NOTO. She was elected last November. She owns and operates Sudbury Airways, a charter air service as well as operates 18 LUP's. She said NOTO wants to work closely with KDCA and other tourism groups to work together on the many issues facing us. Marg said that her and Doug have a meeting in May with the new Minister where they will discuss their concerns over the DUI's and LUP's. She said NOTO is not in agreement with going to a 30 year lease. They will also discuss the deer, bear and moose allocation issues. Doug who is an Executive Director with NOTO said there are still several things to deal with in LUP's. They are outpost bed capacity, reform as to how the industry is licensed and land use planning. He said they had a meeting in February with the MNR and thought they had made progress on outpost bed capacity until they got a call a few weeks later from the MNR saying their biologists were having trouble with it. He said in all his years working with the MNR he has never seen an issue go off the rails as badly as this. Earla Haukeness asked Doug about the deer issue. He said Ontario is in an absolute mess because we have no nonresident guide requirements. Chris Lavoie said the MNR said the reason for not providing accommodation certificates for deer hunters is that it never was written before. Jacqui asked who's lobbying for the tourism industry? What are we doing to help ourselves. Marg said that NOTO has spent 4 1/2 years giving MNR solutions but we always seem to get caught up in cabinet shuffles. Doug said there is an impression that NOTO is chasing the MNR in circles. He said they have made significant progress in small areas. He said they have to balance short term loss for long term gain. Doug said why he thinks the MNR is so dysfunctional revolves around the District Offices. He said District Managers have lots of authority. Policies are set in policy divisions. He said the District Offices in Northwestern Ontario feel they have free rein. They are distanced from Regional and Provincial offices. Mal commented that it's a fine line that we have to walk in this industry... We can't burn bridges. Marg said they've always tried to work together with the three Ministries. Gerry wondered when do we draw the line. Mal said we need to find a way to bring everyone to the table to deal with the issue. If the MNR can't come into agreement we will get ugly. Earla said that's why we need to be members of NOTO - so we can fight these issues. Marg said that NOTO is representing every facet of tourism. She said the MNR has targeted outposts because they can. She said there are 25 District Managers in the Province of Ontario and NOTO wants them to meet with the Minister to have a conference. Gerry said we're in a knife fight without a knife. Gary said the MNR in Red Lake is easy and good to deal with. He said Sioux Lookout MNR won't budge and will black ball you on any BMA transfer. Gary called Peterborough twice today and they won't take his calls. Marg hoped to see everyone in Thunder Bay at the NOTO Conference... Let's work together and pull together.

13. PRESENTATION: ONTARIO MOOSE AND BEAR ALLOCATION ADVISORY COMMITTEE (OMBACC): Arnold Beebe and Dave Cansfield

The OMBACC is an independent advisory committee to allocate moose and bear hunting opportunities provided by the Ministry of Natural Resources within the tourism industry in a manner which is ecologically sustainable and supports the economic viability of the industry in general and specific tourist establishments. The Committee provides advise to the Minister of Natural Resources.

Arnold introduces Dave Cansfield who is the new Chairman of OMBACC. Dave was previously the Mayor of Kenora. He said they have another member Betty McGee. Betty rallied for the Committee on the licensing issue. Arnold said these are very troubling times dealing with the MNR. He said that the Bear Management is a ways away from being resolved and that the Wildlife Section of the MNR doesn't understand how important the bear hunt can be and is to tourism. Dave said he's been out of politics for 4 years and has been working in Manitoba and Saskatchewan the last few years. He said those provinces operate like they're open for business... Ontario is not. He feels that our Ontario Government doesn't think Northwestern Ontario exists. Gary asked how do we keep bootleggers from buying moose shares. Arnold said they are asking outfitters to report any information on this to them.

14. PRESENTATION: PATRICIA REGION TOURIST COUNCIL UPDATE:

Mike Loewen

Mike explained that PRTC is a nonprofit marketing organization. He said their #'s are down a bit. Their marketing plan hasn't changed much over the last few years. He said they are looking for info and stats to help them determine/plan as to who they are going to market to.

15. PRESENTATION: SUNSET COUNTRY TRAVEL ASSOCIATION UPDATE:

Gerry Cariou

Gerry said Sunset Country is a good indicator as to tourism and economic forecasts because of their internet presence. He said the U.S. economy is lagging Canada however they still want to look after that market as well as look at Winnipeg and Toronto this year. Plans are to create a social internet network "mysunsetcountry.com" which will become the Face Book of travel. It will cost about \$25-\$30 thousand dollars to develop this project and camps will be able to do their own profiles on the site by 2011. Last year they did T.V. shows Real Outdoors-Destinations Ontario on Pursuit and Charter T.V. in the U.S. as well as Wild T.V. in Canada. \$218 thousand dollar funding for this was through the Community Action Fund. Gerry said they had increased inquiries through their web site due to this T.V. coverage. With the set up of the new tourism regions in Ontario he said there will be dollars available for marketing but thinks it's less than our region deserves. He said we now have to be a cluster- we have to back each other. He rallied the membership to join Sunset Country and the Patricia Region Tourist Council when membership applications/renewals go out in June.

16. PRESENTATION: ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION: Jim Grayston

Jim said that because of timelines he will just talk about what he does with OTMPC- fishing and hunting. In the Chicago campaign they have new partners- Porter Airlines and the City of Thunder Bay. They will be looking at the results over the last three years for this campaign to see what the future will be. This is the third year coming up for Minneapolis and \$500 thousand dollars has been committed. They had Babe Winkleman do 26 weeks of programming tied to fishing as well as 26 weeks tied to hunting. He said 80% of their million \$ budget is spent marketing in the U.S. They also have an add in Bass Pro's monthly flyer as well as four showcases. Bass Pro-Vaughn has over 4 million customers per year. OTMPC is still in partnership with Chill Magazine- the official magazine of The Beer Store. Two-hundred and twenty thousand copies of the magazine are

distributed seven times a year in 440 locations across Ontario. Jim said they will be doing advertising again this year in the Winnipeg market with T.V. ads airing May, June and July.

17. PRESENTATION: MINISTRY OF TOURISM AND CULTURE: Jim Antler

Jim spoke about the background/history of Resourced-Based Tourism Licensing. It was issued during the 80's-90's. It was reviewed in the 90's and 2004. In 2007 1400-1500 resorts that had moose tags were licensed. In 2009 the need to have this license was cancelled. MT&C agreed to give MNR the list of license holders for 2009. The Canadian Border Services Agency won't ask to see this license anymore when crossing into Canada. Jim spoke briefly about the new tourism regions for Ontario and about the marketing dollars that will be available. He said there will probably have to be another body to get the process going as well as distribute the money. There will have to be agreements signed in order to get those dollars. Two new studies are available on their web site-Intention to Travel and the second part on Northern Ontario. He said the 2008 data for the Kenora District is now available on the web site.

18. OTHER BUSINESS : Gord thanked everybody for attending.

FALL MEETING - Oct. 6 th. Evergreen Lodge

19. ADJOURNMENT: Mal moved to adjourn the meeting at 4:45 p.m. Seconded by Harald. Adjourned.