

KDCA SPRING MEETING

Friday April 30th, 2004

IN ATTENDANCE:

DAN DENZLER
HARALD LOHN
JUDY HENRICKSON
MAL TYGESSON
EARLA HAUKENESS
JACQUI HAUKENESS
DEAN ARCHIBALD
ROB PUDDICOMBE
KELSEY SPENCE
SHARON HRON
GORD BASTABLE
JIM BUHLMAN
PETE STIEGLITZ
MIKE WILLEMS
RAY ELLIOTT
KEVIN WELNIAIC
CHRIS LAVOIE
GERRY BECKETT
BRIAN BARTLETT
CASEY DAMERON
JERRY DARGEL
STEVE HARTLE
EVIE HARTLE
GERRY MCCAULEY
VANESSA NOWE
LARRY ANTONIUK
ROB WISNESKI
JIM GRAYSTON
GARRY BEARDSLEY
PATTY BEARDSLEY
ERIN MILLIGAN
MIKE FURLONG
JOEL WISNESKI
BRENDA BELL
PETER BURNS
DON MOORE
KARLA CLARK
JOHN FAHLGREN
BOB PALUCH
MARILYN BILSBARROW
RUTH BILSBARROW
GUINEVERE ORVIS

FISHERMAN'S COVE
KABEELO LODGE
UCHI LAKE LODGE
EVERGREEN LODGE
RUGBY LAKE LODGE
RUGBY LAKE LODGE
TIMBERMAX
TIMBERMAX
WILDERNESS AIR
CEDAR POINT LODGE
VERMILION BAY LODGE
EAGLE LAKE SPORTSMEN'S LODGE
WILLIAMS LAKE LODGE
SILVER WATER WHEEL LODGE
BOBBY'S CORNER
INDIAN LAKE LODGE
PINE ACRES CAMP
NORTHERN LIGHTS CREDIT UNION
CAMBERS DRYDEN
BEAR TRAIL LODGE
JERRY & ELLIE'S CEDAR LAKE CAMP
BIG HOOK WILDERNESS CAMPS
BIG HOOK WILDERNESS CAMPS
RBC FINANCIAL GROUP, DRYDEN
RBC FINANCIAL GROUP, KENORA
RBC FINANCIAL GROUP, WINNIPEG
STANLEY'S RESORT
OTMPC (NORTHERN OFFICE)
LAC SEUL EVERGREEN LODGE
LAC SEUL EVERGREEN LODGE
SUNSET COUNTRY
PEAK PERFORMANCE
FRONTDESK SOFTWARE
MCAULEY & PARTNERS
MCAULEY & PARTNERS
GOLD ARROW CAMP
KC'S LANDING / CLARK'S CAMP
SYDNEY LAKE LODGE
TEMPLE BAY LODGE
PATRICIA REGIONAL TOURIST COUNCIL
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1. **CALL TO ORDER** The meeting was called to order at 9 a.m. by Harald Lohn as President.
2. **INTRODUCTIONS** Self introductions were made around the room.
3. **AGENDA ADDITIONS** The following items were added to the agenda: deer hunt report,

fisheries committee report, and a presentation by Frontdesk Software.

4. **FALL MEETING MINUTES** The following corrections were noted for the 2003 fall meeting minutes: bait harvesting paragraph should appear under item 13, Tim Burner should be Ken Bernier, and section 9 regarding deer hunt advertising in the U.S. should be bear hunt advertising. Earla Haukeness motioned to accept the minutes. Steve Hartle seconded. Carried.

5. **TREASURER'S REPORT** Karla Clark, as Treasurer reported that there was not much activity during the winter. There is one outstanding bill from the Marketing Partnership Fund that must be discussed. Dan asked what is K.D.C.A. receiving for their N.O.T.O. membership. Harald reported this may be the first time that K.D.C.A. bought a membership with N.O.T.O. and this was done to help the flow of information between the two organizations. Pete Stieglitz noted that we are probably an allied member, due to the price of the membership. Harald noted that the N.O.T.O. convention expense had a \$1000 cap, but the expense was slightly over that. However, receipts had been reviewed, and there was nothing excessive there, just food, hotel, flight expense. Members noted the cost for flying and staying in hotels are increasing. Steve Hartle suggested raising the cap. Judy Henrickson & Mal Tygesson reported that years ago there was a cap, but in more recent years, there has been no official cap. It was noted that the N.O.T.O. convention report submitted by Judy appeared in a previous newsletter. Mal motioned to accept the treasurer's report. Rob Wisneski seconded. Carried.

6. **MEMBERSHIP REPORT** Karla Clark reported that there are 71 regular members and 39 allied, which is about the same as last year. Harald inquired if there was a list of addresses and email addresses of allied members. Karla confirmed we have addresses, but not their email addresses, and noted that the list is up to date. Steve Hartle suggested putting members contact information on the K.D.C.A. web site.

7. **N.O.T.O. REPORT** Judy Henrickson reported as the K.D.C.A. delegate. She said she got opinions from other operators, and thought that the convention was better this year. Attendance was up. She noted however, that there were still not enough operators there to support the allied trade show, which was excellent. She stressed that it is important that operators attend the conference. A lot was learned in the safety course and the course on protecting property from fire. Mal reported that some conference items were weaker than in the past, but that the fire people were very knowledgeable. He mentioned to watch to make sure that grass around cabins does not dry out. The N.O.T.O. conference next year will take place in Thunder Bay around November 24th - 27th.

8. **OLD BUSINESS**

a) **Taxation:** Mal reported that hotel lobby groups were successful in getting reduced taxation as property values were artificially inflating businesses value. He noted that operators here should be getting the same tax break. Judy reported that there are 3 categories you can be put into: housekeeping cabins, resort cottage, and resort lodge. The first two have taxation based on land and buildings, and resort lodge is based on financials, which is a higher rate. Criteria for categorization are unknown. Judy said that if you are assessed as a resort lodge, to contact N.O.T.O.

b) **Gas Rebate:** Mal reported that new regulations are being worked on and in the interim, no changes are expected from operators.

c) **SARS Funding:** Harald recapped the fall meeting where K.D.C.A. committed \$7500 in theory to a project for a 25¢ dollar grant being provided by the government to offset the negative publicity from SARS. To date, no report by Gerry Cariou from Sunset Country has been made to K.D.C.A. of the progress. However, the treasurer has recently received an invoice for the project. Members noted that this money would not be wisely spent in the summer months, and that marketing should

be done in the fall. Jim Grayston reported that the money for this program is still in place, but that this is the last year for it. Judy reported that the fund has been renamed to the Tourism Revitalization Project. Harald said he will look into the state of the proposal and report back on its progress. Jim Grayston also noted that approval may take a while, so the proposal should be handed in ASAP. Jacqui suggested that someone from K.D.C.A. volunteer to meet with the working group for this project so that K.D.C.A. has input on how its dollars will be spent.

d) **Economic Impact Study:** Harald noted that the study is on the K.D.C.A. web site for review. Articles in local newspapers reported the executive summary of the study. Steve Hartle researched newspaper ad prices to buy space to make aware the results of the study to the public. N.W.O.T.A. felt that government agencies would be more interested in the study than local communities, so did not want to post the findings in newspapers. Harald and other members present voiced that the public and the government need to see this study as the value of tourism is clear in its findings of local dollars spent and employment figures. Judy said that at the last meeting, she had the impression that there would be a media blitz when Jeff Gillom was taking down ideas. Mal reported that Dryden and the Municipality of Machin were putting up a banner on highway 502 to welcome tourists. Gary Beardsley suggested not sending the whole report at once to papers, as most will only print the executive summary. He said that sending small pieces of information every month or two would be more effective. Jacqui asked if the Dryden Chamber mentioned the report to its members. Harald said he will follow up to find this out. Karla suggested that every week K.D.C.A. should release a news flash on how many motors, or gas camps buy typically in a period, and how much is spent in the area each week. Dan suggested an, "Outfitters Corner" section in local newspapers. Kevin Welniac said that camps buying so many motors helps keep the costs lower for the local citizens. Mal suggested getting managers on the radio from local supermarket chains and other stores saying how tourism helps their business. Chris Lavoie suggested putting on your business cheques, "Paid for by tourism". Pete suggested writing letters to the editor about local tourism spending. Kevin also suggested getting local banks to put up a poster that supports tourism. Gord Bastable said that maybe local businesses would want to sponsor some ads? Kevin said that he is willing to head an initiative to raise local awareness about the economic impact study. Members said that he would probably have to wait until fall, when the season is less busy. Harald suggested that operators mention to managers in stores when buying during the summer that you will be back in the fall to talk to them about support. Patty Beardsley volunteered to canvas Ear Falls this summer to ask businesses to put up banners in their stores supporting tourism. Karla said that we should approach the big grocery stores that get a lot of business from camps, but are not members of K.D.C.A.. Chris Lavoie said that people from Raleigh Lake last year got businesses in Vermilion Bay to put up posters that read, "We support tourism".

10:55 coffee break

11:10 meeting resumed

e) **Lake of the Woods Water Control Board:** Dan reported that the question here is does K.D.C.A. have representation on this board? Water levels were low last year, which effects businesses and resource access. It was assumed that there was representation on the board, but Mal said he had stepped down years ago and the board had denied our application to replace him. Gary Beardsley suggested reapplying and also talking to your M.P.P. about a position on the board. Gary said he will find out if K.D.C.A. can get representation on the board. Mal suggested checking with Cindy Miller from N.W.O.T.A. to see if their group has a member on the board. Dan Denzler offered his assistance with this issue.

f) **Green Zones:** This item was postponed until a later date, as K.D.C.A. is waiting to hear some information from Bob David.

g) **Customs:** Mal reported that he had received information from Canada Customs on what is and is not allowed into the country. This information was posted in the latest newsletter, as well as the

Canada Customs and Revenue Agency's web site. One new regulation is that no firewood is allowed in. A big problem is that rules are not applied universally across all borders in the country. A customs agent has the right to enforce the law to the letter or not. N.O.T.O. is continually addressing the problem with border crossing issues. The Fort Frances border also no longer has 24 hour immigration services. Harald asked if members can contact Mal for questions on immigration. Mal encouraged members to approach him with their questions. Mal mentioned that landed immigrants may also need a permanent resident card. Karla said that she obtained this card on her own, and it wasn't much trouble, but that the process took several months. Harald asked if the card was needed if you were driving your own vehicle. Steve Hartle said that you don't. Patty and Gary Beardsley warned not to get rid of your immigration papers, even if you get a permanent resident card.

h) **Deer Hunt:** Jim Buhlman reported that new regulations are being worked out in Toronto, and to contact Betty Wires with the M.N.R. with questions. Jim said that the M.N.R. wants to impose a cap and pool system, much like moose hunts, but that there are no changes yet. Pete expressed concern that this was the same road that the spring bear hunt initially went down, which was eventually canceled. O.F.A.H. were addressing the issue, but their point is how non resident hunts effect resident hunts. Harald suggested that outfitters effected by the deer hunt meet at lunch to pen a letter outlining their concerns. Harald said that K.D.C.A. will get on board with this issue and try and figure something out. Chris Lavoie said the resource can't afford to let illegitimate business endanger the animals.

9. **ROYAL BANK PRESENTATION** Three representatives from Royal bank branches in Dryden, Kenora & Winnipeg; Gary, Vanessa and Larry respectively, acknowledged camps contributions to the area. Larry said that this is a very important market for their banks. He said that he listened to this morning's meeting and liked the idea of raising local awareness of their economic contribution. He said that media outlets are very interested in short press releases to get the message out and that payroll information will be of particular interest to local citizens. Larry said that the industry has been kind to RBC and that tourism is a very stable industry compared to others. He said that it's important to their bank to be with their customers during the good and bad times. Larry said that RBC has been learning more about the tourism industry these past 10 years and that they want to understand it. Harald told the bank representatives that good service is critically valuable and thanked them for their presentation.

10. **OTMP:** Jim Grayston presented. He brought literature that OTMP published. He encouraged members to give OTMP their feedback on how they're doing to promote the area. Every camp is entitled to a free listing on the OTMP web site. Sunset Country can help get you on the site if you're not on already. OTMP plans to use TV advertising more than in the past. The top 4 angling companies in Ontario met and wrote up an advertising proposal that is going forward. 5 new commercials for angling and 88 shows will play on the Outdoor Life Network which reaches 60 million households, 10 million of those in OTMP's target market. 4 celebrities will be in northwestern Ontario this season recording shows, and OTMP needs camps to host the shows. No money is being asked for in partnerships from camps. A bass tournament will be held with a \$50,000 prize in the style of a reality TV show. Multiple pages of ads will be purchased in magazines, and they're looking for partners for that. OTMP is also doing a direct mail campaign. A sweepstakes are also planned where the winners with a trip for 4 with 4 fishing celebrities. A new angler award program is also being constructed. Jim reported that this is the most comprehensive program that the province has taken on, and significant investments have been made. The government has given OTMP the go ahead to come up with a hunting marketing proposal. Jim reminded members that OTMP's marketing is for all of Ontario. Mal noted that much of OTMP's new projects reflect that they listened to camps at meetings in the past of what they'd like to see from the province. Mal suggested writing the government and encourage them to continue to financially support OTMP. Jim said that funding for OTMP is allocated annually, but that he hopes the

partnership will continue for several years. Jim also mentioned that catching and eating fish is shown on the shows. Earla said that numbers of deer are strong, but that marketing for deer hunting is weak. Jim said that in this role, they do not develop products, but market a product once it is ready.

11. **DRAW:** Harald thanked Ernie from Lakeside for a whipper snipper for the lunchtime draw. Sharon Hron won the draw.

12:10 P.M. meeting paused for lunch

1:00 P.M. meeting resumed.

FALL MEETING: Karla moved that the K.D.C.A. fall meeting be held Wednesday October 6th. Gary seconded. Carried. The meeting will be held at Evergreen Lodge at 9:30 a.m.

12. **FISHERIES REPORT:** Dan Denzler reported. The fishing regulation book is now 3 pages shorter than before due to a strategy to reduce the current number of divisions by at least half. There are currently 36 divisions. The reason to reduce the number of divisions is to streamline the regulations as they are currently too large and complicated. Judy asked if sanctuaries will be removed. Dan said no, but datelines may be restructured. Dan said that Lac Seul will maintain their own management systems. Gary Beardsley expressed concern that this may undermine conservation efforts on specific lakes. Dan said that finances drive the change also, and that the changes will be happening.

13. **FRONTDESK SOFTWARE:** Joel Wisneski presented. Their new software is a competitor for Guestracker and supports features like multi-currency, service and retail sales, bill splitting, packages with different tax rates, and online reservations. A client accesses a database via the internet for their reservations. Guests can book online from your web site. Credit card deposits are made automatically. Harald thanked Joel for his presentation.

14. **BAIT DEALERS:** Roger, Ken and Guy from the Bait Association of Ontario presented. Roger Valley said that the issues that effect the tourism industry effect the bait industry as well. Regulation problems mean they can't keep increasing bait catches. The government wants to put quotas on dealers, but weather, water levels and pollution make this difficult, so bait dealers have to rely on others for supply. Ken said that the bait industry in the southern part of the province faces bigger issues than the north. Pollution and over-harvesting in the south has put the bait industry there in jeopardy. Roger said that the future is to work together with the tourism industry. Guy said that the northwest has a strong bait association and the main issue facing them is supply and demand. There is more demand on a finite resource and there is a loss of access to the resource due to park policies, species regs and regulation changes. Demand is estimated to increase 13.7% this year in Ontario. Supply is effected due to licensing schemes and out of a possible 463 bait harvesters west of Nipigon, only 52 are regular harvesters. Park policies mean harvesters can't bait in parks under some government administrations, but can under others. Supply is at or near max. Bait fish is managed similar to large fish: availability to the resource, productivity, size preferences weather effects, catchability, species preferences and regulations. Smaller lakes are easier to bait than larger lakes, as larger lakes have more fish that eat the bait in them. Guy said that access by plane into remote lakes by harvesters is common. Endangered species mean that if one is found, a bait harvester may get denied access to those waters. Management strategy is to control the total harvest, maintain the broodstock, seasonally harvest, pulse fish, and acknowledge that each water body is unique in order to produce supply that meets demand. Last year about 1/2 million more dozen bait were sold than harvested. Demand is high and bait harvesters can improve, but not solve the situation. The Bait Association can manage expectations, conserve bait fish when abundant, hold bait fish during lean times, give a more conservative count - a real dozen when purchased, use unexplored species such as shiners and educate anglers regarding use. The Association is trying to

change the regulation that salted bait isn't allowed to carry through seasons when bait is low. Guy also said that the bait dealers and outfitters need to work together to have long term sustainability. There will be a total import ban on leeches January 1st, 2005. Leeches have a low life span and slow reproduction, so this will effect leech supply and cost of leeches will increase. Gary asked why are they banning leech importation in 2005 and why can't camps buy at wholesale, rather than retail prices? Roger said that what's in the water that the leeches are imported in is the main concern, and that his business has never sold minnows by the gallon for wholesale. Dealers can't make money on leeches at current prices. Ken reported that the M.N.R. wanted to ban leeches outright years ago but that the Bait Association negotiated this interim period. Dan asked if the association had examined frozen stock for bait? Roger said it was tried years ago, but didn't sell. Dan reminded him that years ago there was no shortage, they may sell now. Roger agreed that this was a good point. Dan said that farming worked in the U.S. and asked if harvesters had tried this? Ken said that the cost to startup harvesting is too prohibitive. Mal asked if a clearing house could be set up to import approved species. Roger said that they couldn't afford to treat thousands of gallons of water imported per day. Gary said that southern Manitoba has plenty of bait, and could we not import it from Manitoba? Ken said this creates an enforcement problem. Karla said that bait harvesting is hard, and not many people are willing to work at it. She encouraged dealers to take advantage of people who would do the work. Harald thanked Roger, Ken and Guy for their presentation and answering questions.

2:33 meeting paused for a break.

2:50 meeting resumed.

15. **N.O.T.O.:** Harald received 7 pages from N.O.T.O. on topics they're currently dealing with that are relevant to us. John Fahlgren is on the N.O.T.O. board. Mal said that N.O.T.O. has a good relationship with O.T.M.P. N.O.T.O. is still working on the spring bear hunt. It looked as though it may have been returned back, but after the provincial election, McGuinty wouldn't allow it.

a) **Septics:** NOTO wants standard templates and reduced rates. Write NOTO about fees if your camp is having a problem. NOTO is working to get legislation written to exclude camp operators and travel agents.

b) **Transport Licensing:** Vessel licence regulations would put a lot of the same rules from large ships on small vessels. The Coast Guard is working on this problem and acknowledges there is a problem.

c) **Moose Hunting:** Changes in tags will likely allow more bulls, less cows. Allocation minimums are sought by NOTO. MNR says that the tourism industry harvests very few animals from tags sold.

d) **Self-Certification:** will be implemented in a few years. Industry wants to see guarantees to resource access and safety. Problems will be centralized, but entry fees would increase.

e) **L.O.W. Control Board:** John Fahlgren said that M.N.R. has control and that new power grids will pull power from anywhere to provide power to another part of the province, causing changes in water levels where the controllers don't see them.

f) **Minor Criminality Immigration:** NOTO, KDCA, NWOTA and Reg Alcot should meet with the treasury board to discuss the economic impact this is having on the tourism industry.

g) **N.O.T.O. Guide:** 800 members are in the new guide. NOTO wants to build a directory to show more. Also wants to include groups like PRTC in the directory.

h) **RSAs:** Harald reminded members that RSA dollars to help your business out with consultants are over this year.

i) **Water Regulations:** Mal handed out a letter to members discussing the water regulations and testing. He encouraged members to write your M.P.P. and M.P. about the badly written legislation and impossible timelines demanded for water testing. Only 2 labs in northwestern Ontario can test your water, and both are located in Thunder Bay. Water cannot reach there in time for testing under the restrictions from when the sample is taken. Camps outside of municipalities should have financial help from government to test their water. Water testing should be for health and safety only, not ascetics. Mal said that outfitters are supposed to be testing already, despite the lakes still being frozen. There is no enforcement of these regulations yet, but it will come.

16. **WOLFRAME'S WORLD OF WATER:** Bruce from Wolframe's World of Water presented and answered questions. Bruce said that new standards are in place to combat bacteria. The quality of water systems put in 10 years ago will not meet today's standards. He noted various systems that his company sells and installs that do meet today's standards. Bruce said their company's systems require less maintenance than Aqua Pro's systems. The new guidelines will be totally in effect next years. The health department will enforce these regulations. There are also liability issues if you do not upgrade. An engineer has to access your system. Judy asked if hot water has to be treated? Bruce said yes, any water. Members mentioned they had heard if you post, "Do not drink" signs by the water, that you are free of liability. Mal said that NOTO had sent a letter that you can post a sign and send a letter to the Ministry of Environment that you're okay. Bruce said this is not true after July of 2005. Jim Grayston said an email from Doug Reynolds at NOTO is where the sign about not drinking the water information came from. Mal said he would get clarification on this. Someone must be on staff that can test water and be certified to do so. The certification course can be taken online for about \$85. Members said that the MOE wasn't aware of effective systems used to purify water in Europe. Members also wondered about testing at outposts or where supply has an inconsistent source of energy, since purification systems need a constant source of energy. Bruce said that wells are easier to treat than surface water sources, but there is still no guarantee of quality from well water. Bruce advised at the end of the season to drain out water with a compressor to prevent freezing. Bruce said that pressure will not fall on their systems, that a secondary filter is needed and membranes clean themselves. Bruce said he will ask his manager if a discount can be arranged for K.D.C.A. members. Mal suggested talking to people in the water businesses. The MOE just hired 85 new inspectors and fines go up to \$15,000.

17. **DEER HUNT MEETING:** A deer hunt meeting is scheduled for May 7th at 10:00 A.M. at Pine Acres Camp in Vermilion Bay.

18. **ADJOURNMENT:** Gary Beardsley moved to adjourn the meeting. Chris Lavoie seconded. Carried.