

Running a municipality is no easy task. Politicians are expected to be everything to everybody and unfortunately we cannot. We need to take a position on issues, examine our levels of service and also look at what we can afford to do and not do. We also have to look at other opportunities such as obtaining funding from senior levels of government and partnering with the private and public sector. Being a municipality is no small feat and we have to provide services to the general good of the rate payers that we serve. We provide a large number of programs in our recreation, planning, water, wastewater treatment, recreation facilities, fire, policing, public works, waste collection, building services just to name a few.

In 2008, our draft operational budget is 34 million dollars and we are proposing to undertake over 34 million dollars of capital works in our municipality. Our infrastructure is in need of a huge influx of senior level government funding in order to ensure that we continue to provide services. It is very important that the senior levels of government develop programs that are sustainable so that municipalities can properly plan their infrastructure needs.

By way of example, our total debt is \$43,600,000 of which over 66% of that total is for sanitary sewers, water treatment and wastewater treatment. These are areas that are not funded through your tax rate but through a user rate such as your water and sewage surcharge. However, the existing legislation limits us to the amount of money we can borrow. The Municipality has continued to lobby senior levels of government to address this inequity and to encourage them to provide programs and funding to municipalities for sewage separation and sewage treatment. The government use to offset costs for sewage collection/treatment, roadways and maintenance but the cost is now shifted to the municipal tax base.

We are faced with a dilemma because regardless of what our economy is like, or whether there is high unemployment or whether new housing statistics have slowed down we still have to address our infrastructure. Infrastructure does not recognize financial indicators, it still continues to deteriorate.

Our staff have completed planning, environmental assessments and design work for a number of projects within the municipality but we are limited on how much money we can afford to spend.

To separate our sewage collection system is over 110 million dollars and to upgrade our treatment plant is 31 million dollars. Granted the separation of

the sewage system would occur over 20 years however, it still equates to a need to raise 6 million new dollars per year in order to meet the 20 year target.

We have a number of exciting projects scheduled for 2008. We will be installing a major water line on Oak Street West from Fraser to Sherk Street. Once the waterline has been installed, our partners at the County of Essex will be repaving the entire roadway surface.

Erie Street North from Ivan to the old municipal Town limits will be rebuilt and we will be installing sewers to address failing sewage systems in the area.

We have completed all the engineering to reconstruct the Erie and Seacliff intersection; the Seacliff and Sherk Street intersection and the Erie and Oak Street intersection.

We are also spending over 2 million dollars in partnership with the County of Essex to redesign the intersections of County Road 33 and County Road 34 (up by the Zehrs Superstore) to allow for the next phase of our East Side Arterial Road program. We are expecting (in 2009) to be able to construct the first leg of the roadway from Talbot Street to Oak Street and in following years from Oak Street to Seacliff Drive. We will also be separating sewers on Armstrong and Johnson.

We need to continue to explore alternative solutions to assist in offsetting costs associated with debt. In the area of economic development, the City and the County of Essex have reorganized the Windsor-Essex Development Commission and the new Commission will now focus on regional attributes such as agri-business, and business retention which will assist in attracting, retaining and creating jobs in our area. Economic development does not recognize municipal boundaries and we must continue to work collaboratively to ensure that businesses thrive, jobs are created and new businesses locate in our area. This is especially true in tough economic times. We must present a unified front and send a common message. Essex County is open for business and the new regional approach will make inroads, but we must give it time.

Similarly a new regional approach to tourism is being reviewed. In tourism, we have to work together to attract the tourists to our area. Leamington alone is not a destination point for over night tourists however, collectively Leamington, Kingsville and Pelee Island can put together programs that will

attract and retain our tourists to the area. We share a lot of things in common particularly along the south shore of the county. Our harbours alone would make a great joint marketing campaign.

Our staff are working with surrounding municipalities to ensure we are providing appropriate advertising and joint ventures. We take what we have for granted but there are people who would love to see what we have to offer. The Pelee Days Inn is a prime example of how targeting and marketing to niche customers creates a whole new area of opportunity. Last year they had one tour bus, this year they expect forty. That's a lot of people coming here to experience the region first hand. A lot of people who will shop, eat and buy things. There are a lot of other opportunities to partner from a tourism perspective. Local wineries, birding, eateries, pick your owns...all can learn to better package and work together.

The Beyond the City Lights Tourism Conference will again be held in Essex County. The theme will be "A Recipe for Tourism Success" with an emphasis on incorporating local foods and flavours into our tourism marketing. This is a perfect example of collaboration. Organizing partners include Leamington's Economic Development Office, the Town of Tecumseh, the Chamber, The Essex Community Futures Development Corporation, Chatham-Kent Economic Development Services and OMAFRA. Woodslee Credit Union is sponsoring the key-note speaker.

There are a number of other exciting opportunities that staff are working to solidify. The University of Windsor's proposed research station, St. Clair College's interest in establishing a satellite campus are just two such projects. In 2009 the municipality will welcome the Association of Ontario Road Supervisors Trade Show, another excellent opportunity for us to show case ourselves and for the business community to promote themselves.

Last year, building permits reached \$60.1 million (\$14 million more than 2006). Of this \$34 million was for construction in the agricultural sector. Our greenhouse industry continues to grow and thrive but like other sectors it too has to continually re-examine itself to remain competitive. The recent discussions Windsor Airport has had with a distribution centre in Germany bode well for the greenhouse industry. Should such a centre be established regionally this would open up entirely new markets for our local produce.

We saw a lot of changes in the past year. Uni-Fab opened, but we recently received bad news concerning Plastech. We saw the arrival of Rona, TSC a

new PetroCanada, JP Trailers and the change of ownership of two of our car dealerships...Southpoint and South Point (go figure). This year we hope to see our first mural in the uptown completed. We are also developing a new promotional DVD and accompanying marketing material which will help in a number of ways, from business attraction to physician recruitment.

Collaboration with local municipalities will be the key to regional success. I recall when Leamington Council was contemplating whether to build a single or twin pad arena and the process that we went through in order to make that decision to develop 1 or 2 ice pads. We were speaking with area municipalities to see whether they could use the additional ice time. We were fortunate that women's hockey continues to grow and Kingsville Minor Hockey indicated they were prepared to rent ice from the Municipality for their programs. This assisted us in making the decision of constructing a twin arena but it probably also assisted Kingsville in making a decision not to construct a second rink. Duplication would hurt both parties involved.

I'd like to thank the Chamber for giving Nelson and myself the opportunity to talk with you this morning. It's like sitting down with friends at the dinner table...hearing how everyone is doing and what's on their minds. I'm looking forward to doing more of it.