



MINUTES OF PUBLIC MEETING #49

**Greater Victoria Harbour Authority
Held at 9:00 a.m. on 08 December 2006
Board Room, 468 Belleville Street**

In attendance:

Mr. Doug Enns;
Mr. Ian Ferguson;
Councillor Hy Freedman;
Councillor Bea Holland;
Mr. Stewart Johnston;
Mr. Mark Lindholm;
Mr. Ian Maxwell;
Ms. Barb Quinn;
Mr. Don Prittie;
Mr. John Sanderson;
Chief Andy Thomas;
Mr. Bill Wellburn;
Mr. Randy Wright.

GM & Resources:

Ms. Sonterra Ross, Corporate Controller;
Mr. Paul Servos, General Manager;
Ms. Louise Carlow, Recording Secretary.

Regrets:

Chief Robert Sam.

Guests:

Mr. Jim Allard, Hyack Air;
Mr. Bob Barlow, Westcan Terminals;
Mr. Milton Barnes, Mercury Sales & Service;
Jamie Bates, Mercury Marine;
Mr. Roy Boudreau, Fisherman's Wharf;
Mr. Dunstan Chicanot, Fisherman's Wharf;
Ms. Sherrill Davis, Fisherman's Wharf;
Ms. Jennifer Hill, CitySpaces Consulting;
Mr. Ron King, Seaking Adventures;
Mr. Dan Kukat, Spring Tide Adventures;
Mr. Gerry Lutz, Westcan Terminals;
Mr. Greg McAllister, King Bros.;
Mr. Alan McGillivray, Prince of Whales;
Ms. Laura Richards, Fisherman's Wharf;
Mr. Paul Ridout, Life Member;
Mr. Byron Schultz, Harbour Air;
Mr. Brett Sobey, Eaglewing Tours;
Ms. Rachel Sobey, Eaglewing Tours;
Mr. Lyle Soetaert, West Coast Air;
Mr. Dean Strongitharm, CitySpaces Consulting;
Mr. Lorne Whyte, Tourism Victoria.

1. Call to Order

Mr. Don Prittie, Chair, called the meeting to order at 9:02 a.m.

2. Approval of Agenda

MOTION (S. Johnston/B. Holland)

That the agenda be approved as circulated.

CARRIED

3. Review/Approve Minutes

MOTION (S. Johnston/H. Freedman)

That the minutes be approved as circulated.

CARRIED

4. Business

4.1 Chairman's Report

Mr. Prittie commented that his term had started with an end of season celebration and had been quite busy since then with different meetings and functions. The short time has already given him an appreciation for Mr. Stewart Johnston's work as Chair. In November he had attended the Association of Canadian Port Authorities seminar on governance. This had been a good opportunity to make connections and gain a better understanding of other ports. Mr. Prittie commented that over the past weeks he had been working with management to deal with a lot of issues and noted that over the next year there would be some change moving forward for GVHA facilities. He advised that he had been invited by the Chief to join in the celebration of the agreement regarding the legislative lands. The agreement had been an expression of communication and respect and Mr. Prittie wanted to publicly thank the Chief for inviting him to be a part of this event. He remarked that words such as hope, respect, honour, trust and communication had been used in the landmark agreement and expressed his desire that these words guide GVHA as well.

4.2 General Manager's Report

Mr. Paul Servos advised that while in attendance at the ACPA governance seminar GVHA had committed Victoria to host the 2007 seminar in October.

Mr. Servos advised that the fuel station at Fisherman's Wharf was now complete and in full operation. All contaminated soils have been disposed of. Despite the loss of a few days the operator was pleased with the transition. Mr. Servos reported that the numbers for the 2006 cruise season were now official with 182 ship calls and 2 ships at anchor. In addition there had been 16 pocket cruise ships and approximately 3,800 transient visits. The ability to accommodate this increase in transient moorage was due to the expanded moorage and he commented that it had been a very successful season.

Mr. Servos reported that the planning for Fisherman's Wharf was continuing and management was working with the architect. He advised that there were issues with bedrock under the floats and this had led to an increase in anticipated costs making the business plan more challenging. He advised that a detailed business plan would be presented during the in-camera portion of the meeting.

Work on the Ogden Point caissons was proceeding and test piles had been driven. The results of the tests indicate that the initial approach would not work, however, three new alternatives had

been presented. He explained the three approaches and advised that he would present a report for consideration to the Executive or to the Board in February for consideration.

Mr. Servos advised that he had been invited to sit on the Greater Victoria Chamber of Commerce Economic Development Agency. He would advise further on the work of this group in the spring.

Mr. Servos outlined the staffing strategy required to achieve the direction of the Board as outlined in the business plan. He reaffirmed management's approach and commitment to stick to the BASICS. He outlined the top 10 priorities as directed by the Board.

MOTION (H. Freedman/J. Sanderson)

That the General Manager's report be accepted for information.

CARRIED

4.3 Board Correspondence

Mr. John Sanderson reviewed the correspondence received since the last meeting of the Board noting that additional correspondence had since been received regarding the Fisherman's Wharf Community Association as well as correspondence regarding upper harbour properties.

4.4 Board Committee Appointments

Mr. Prittie advised that the committees were formed but that he was waiting to discuss these with the new director and would confirm these in the new year.

4.5 Vacant Community Director Position

Mr. Prittie reported that Ms. Barbara Quinn was stepping down from the Board following this meeting. Although this opens up a seat it does not need to be filled at this time. When a need for an additional director or a specific skill set is identified a search could be undertaken.

4.6 2007 Board Meeting Schedule

Mr. Prittie remarked that the Executive Committee had reviewed many strategies for the timing and scheduling of Board meetings. Although communication between meetings had been identified as an issue the decision was to continue with meetings scheduled every second month. A schedule is to be circulated to Directors.

4.7 Five Year Anniversary Celebrations

Mr. Servos announced that February would mark the fifth year anniversary of incorporation of GVHA. In recognition of this there would be a dinner held on February 8 with past and present Directors and supporters of the Society. Part of the festivities will be to honour the recently appointed Life Members. In addition a history of GVHA was being written and would outline how GVHA was formed and the individuals who had been instrumental in the incorporation. The Hunt Pole on the corner of Belleville and Government Streets is also being refurbished to honour the relationship with the two Nations.

4.8 Committee Action Items/Reports
a) Governance Process Policies

Mr. Sanderson reported that the Governance Committee had been reviewing the policy binder and a set of revised policies had been presented. The only outstanding item at this time are the Terms of Reference for committees. These have been developed but are being reviewed by the committees and will come forward for the Board's review in February.

MOTION (J. Sanderson/D. Enns)

That the revised sections of the Governance Policy Manual be adopted by the Board.

Mr. Bill Wellburn queried section 5.6 Board Responsibilities noting that Committees are not to manage or supervise staff and suggested that the wording be changed to “unless directed by the Board”. Councillor Hy Freedman further noted that items 1 to 6 sets the format of the committees and that this is further defined in the Terms of Reference. He advised that the Audit and Finance Committee have added a section in the Terms of Reference that outlines the authority of the Committee. His concern was that if this section were to be approved now, what would be the implication of changes to the Terms of Reference. Mr. Mark Lindholm suggested that this would be added as part of item 1 of this policy.

With this understanding the motion was put and **CARRIED**.

4.9 2008 Celebrations

Mr. Sanderson announced that the Victoria/Esquimalt Harbour Society had held a meeting with many City organizations and had put forward a proposal to them for a summer of celebration in 2008 to mark the 150 anniversary of the founding of British Columbia. The suggestion is to bring all events together culminating in a major event on August 1. He commented that V/EHS were the logical organizers for an event like this.

4.10 Business Arising

a) Marine Adventure Ticket Sales

Mr. Servos introduced Mr. Dean Strongitharm and Ms. Jennifer Hill from CitySpaces Consulting. CitySpaces had been contracted to survey marine adventure tour operators to measure their satisfaction with the services provided by Tourism Victoria and GVHA. Mr. Strongitharm outlined the parameters of the survey noting that some secondary questions have been asked regarding the operators satisfaction with the GVHA yellow line. He advised that they had met with twelve operators and Tourism Victoria for face to face discussions. Both qualitative and quantitative data had been gathered and four aspects of Tourism Victoria’s service were rated for satisfaction including ticket sales, hours of operation, staff product knowledge and overall quality of service. Mr. Strongitharm outlined the key findings of the survey and note that 67% of operators expressed some level of dissatisfaction with the service provided by Tourism Victoria. A need to improve communication between Tourism Victoria and the operators had also been identified. Some suggestions for improvement were made to improve communication, not to locate advertising space for individual operators at point of sale locations and to increase promotion of the marine tour industry. Further it was suggested that a waterfront sales kiosk would be beneficial to the industry, although it was noted that the Tourism Victoria location is well situated.

With regards to the GVHA yellow line program, five of the ten operators said they were satisfied and three were very satisfied. One operator indicated that they were not at all satisfied, four were neutral, and there were two non-responses. Suggestions for improvement included expansion, monitoring compliance with policies, scaling fees to capacity or revenue, and a variety of physical improvements. There were further suggestions for improving the industry presence on the waterfront including a cultural center to enhance the First Nations connection. Mr. Strongitharm advised that most operators seemed pleased that the survey had been done. He also noted that the

importance of marine adventure tourism to overall Tourism Victoria operations was relatively small, less than 5%.

Ms. Barbara Quinn commented that Tourism Victoria had reported that ticket sales were up compared to 2005 and queried if the survey had verified this and if there had been a method to determine this. Mr. Strongitharm advised that the survey had been primarily qualitative in this regard and advised that there had been two components to this question, sales through Tourism Victoria and other methods. He also advised that the operators included in the survey were those who utilized the yellow line service and those who utilized the Hyack Air facility. It was further noted that concern had been raised about Tourism Victoria employees who were affiliated with individual tour operators. Mr. Lorne Whyte of Tourism Victoria spoke to this concern and advised that once this is identified the individuals in question are dismissed and that this has been policy for some time.

Ms. Quinn expressed concern that there was a disconnection between the survey questions and the report noting that there wasn't greater detail on the market share and the financial impact of the Tourism Victoria services. It was suggested that the annual revenue of the industry was around \$7M. Mr. Strongitharm noted that in terms of financial return the operators were keeping their results to themselves and that survey results were gathered in terms of percentage of sales as opposed to specific dollar figures. Mr. Wellburn queried if GVHA receives a percentage of ticket sales and was advised that this was not the case. He suggested that now that recommendations for improved Tourism Victoria services had been received that it be left to that agency to review and implement changes as they saw appropriate. Mr. Lindholm suggested that now the Board was attuned to the sentiments of the marine operators that a further in-camera discussion might take place.

Mr. Whyte responded to the discussion and the findings of the survey noting that there were some decisions such as the location of the window that were also subject to input from their landlord. He also suggested that where there were concerns regarding Tourism Victoria employment practices that these should be verified before being included in a public report. He also noted that Tourism Victoria had been willing to share qualifiable numbers to the ticket sales whereas individual operators had not shared numbers and that this put into question the accuracy of the survey results.

Mr. Prittie suggested that the discussion be brought to a close and that the Board revisit the issue in-camera.

5. Input from the public and presentation

Mr. Prittie reminded members of the public that comments were limited to two minutes and asked that they introduce themselves prior to addressing the Board.

Mr. Barrie Hobbs, Victoria Harbour Ferries queried how the report presented by CitySpaces would further be addressed and if copies would be provided to the operators. He cautioned the Directors that the survey had indicated a state of dissatisfaction and commented that the waters were far from smooth. He added that he believes the marine tourism industry is much larger than what was represented by the survey and suggested that no one in the industry had experienced an increase during the 2006 season.

Mr. Adam Hellicar, Ocean Explorations expressed his opinion that the Tourism Victoria location would never replace a kiosk on Ship Point. He added that the kiosk on Ship Point had been a cooperative venture among marine tour operators and that everyone had worked together to make it effective. He added that GVHA had an opportunity to collect revenue from a Ship Point location.

Mr. Milton Barnes, Mercury Marine addressed the Board and advised that his lease was up for renewal for the first time following negotiations with Transport Canada in 2001. He commented that he had met with management and had reached a negotiated agreement. This agreement had not been approved by the Board and he was concerned for his business. He requested a meeting with the Board to discuss this issue. Mr. Prittie advised that this was an agenda item for the in-camera session and that this would be discussed at that time. Mr. Jamie Bates spoke to the same issue and queried the integrity of the lease renewal process. Mr. Prittie reminded them that this would be dealt with in-camera and management would follow up.

Mr. Dunstan Chicanot, a resident from Fisherman's Wharf commented that the float home owners had formed a community association that could focus on global issues for the residents. He was concerned that management would not be recognizing this organization and asked that the Board consider this issue. Mr. Prittie advised that the Fisherman's Wharf Advisory Committee had been formed to be the liaison between GVHA and the license holders at Fisherman's Wharf.

Mr. Dan Kukat, Springtide Charters spoke and expressed his concern that the majority of the marine adventure tour operators had expressed dissatisfaction with Tourism Victoria services and asked the Board to consider whether or not they were getting the most from GVHA assets. He queried if GVHA were monitoring marine tour revenues and suggested that this would be a useful tool for evaluating effectiveness of the service.

Mr. Jim Allard, Hyack Air suggested that GVHA may want to consider joining the air carriers meetings that were held monthly. He suggested that the air carriers should be considered as part of the stakeholder communication. He commented that the float plane industry is a model both in terms of safety and operations. He reminded the Board that his lease was to be terminated in 2008 and suggested broader consultation on the issue.

Mr. David Featherby, Harbour Master commented that he believed that marine adventure tour operators were an important part of Victoria's harbour and deserved more attention. He commented that the tent had worked well and could be improved with the addition of a First Nations element.

Mr. Ron King, SeaKing Adventures commented that whale watching was not a main revenue generator for Tourism Victoria. He added that Victoria is in need of more destinations and suggested that marketing Fisherman's Wharf as an attraction could be a benefit for all. He noted that as a license holder at Fisherman's Wharf he had not been included in the survey and thought that as a tenant his input should have been sought.

Mr. Alan McGillivray, Prince of Whales commented that he leases space in the same building as Tourism Victoria and suggested that the revenues were much higher than had been suggested earlier in the meeting. He commented that the Ship Point kiosk had created an unfair marketplace and urged GVHA to avoid actions that would influence market share.

Mr. Prittie thanked the public for their comments. He noted that this was Ms. Quinn's last meeting as a Director and recognized her contributions to the organization. Ms. Quinn thanked the Directors for the opportunity to serve and in particular expressed her thanks to Mr. Sanderson for encouraging her to put her name forward.

Mr. Stewart Johnston spoke on a point of order raised by Mr. Jamie Bates noting that it had been suggested in earlier comments that the conflict of interest guidelines had been ignored. He advised that the Board had taken lease negotiations very seriously and had given consideration to the recommendations of management and denied that any impropriety had taken place.

There being no additional comments, the meeting was adjourned to the in-camera session at 11:12 a.m.