



MINUTES OF PUBLIC MEETING #50

**Greater Victoria Harbour Authority
Held at 9:00 a.m. on 02 February 2007
Board Room, 468 Belleville Street**

- In attendance:** Mr. Doug Enns, Community Director;
Councillor Hy Freedman, Township of Esquimalt;
Mr. Mark Lindholm, Victoria/Esquimalt Harbour Society;
Mr. Dan McAllister, Tourism Victoria;
Mr. Ian Maxwell, Community Director;
Mr. Don Prittie, Capital Regional District;
Mr. John Sanderson, Victoria/Esquimalt Harbour Society;
Chief Andy Thomas, Esquimalt Nation;
Mr. Bill Wellburn, Provincial Capital Commission.
- Regrets:** Mr. Ian Ferguson, Greater Victoria Chamber of Commerce;
Councillor Bea Holland, City of Victoria;
Chief Robert Sam, Songhees Nation;
Mr. Randy Wright, Community Director.
- GM & Resources:** Mr. Darryl Anderson, Manager Business Development;
Ms. Sonterra Ross, Corporate Controller;
Mr. Paul Servos, General Manager;
Ms. Louise Carlow, Recording Secretary.
- Guests:** Mr. Bob Barlow, Westcan Terminals;
Mr. Gerry Lutz, Westcan Terminals;
Mr. Gary Gale, Westcan Terminals;
Mr. Greg McAllister, King Bros.;
Mr. Paul Ridout, Life Member;
Mr. Lyle Soetaert, West Coast Air.

1. Call to Order

Mr. Don Prittie, Chair, called the meeting to order at 9:15 a.m. He welcomed Mr. Dan McAllister who is joining the Board as the representative appointed by Tourism Victoria. He noted that Mr. McAllister had been involved in the earlier working groups that had led to the formation of the Greater Victoria Harbour Authority (GVHA).

Mr. Prittie introduced Mr. Darryl Anderson who had joined the management team as the Manager of Business Development.

2. Approval of Agenda

MOTION (J. Sanderson/B. Wellburn)

That the agenda be approved as circulated.

CARRIED

3. Review/Approve Minutes

Mr. Bill Wellburn suggested that the wording on page 4 under "Governance Process Policies" should be changed from "not to advise or supervise staff" to "not to manage or supervise staff".

MOTION (B. Wellburn/D. Enns)

That the minutes be approved as amended.

CARRIED

4. Business

4.1 Chairman's Report

Mr. Prittie commented that the past months had been a busy time with many meetings. He advised that he had met with management and GHVA lease holders to establish a process to come back with a fair market value lease offer. He had also been asked to join the Mayor's committee on reviewing the needs of the Victoria Conference Centre. In addition, he had joined in on a round table discussion with the Minister of Indian Affairs and Northern Development, the Honourable Jim Prentice. The message at this meeting had been on the government's position on continuing with the divestiture process.

Mr. Prittie commented on a meeting with the Fisherman's Wharf clients where the plans for the reinvigoration had been presented and clients were given an opportunity to ask questions or express concerns. This was followed by a media event and an open house. There were some issues identified with the planning although many positive comments had also been received.

4.2 General Manager's Report

Mr. Paul Servos advised that he had received recent statistics from Cruise BC on the economic impact of the cruise industry. The report indicates that there was \$36M in direct spending, \$66M industry spending, \$185M in indirect spending for a total of \$287M for the 2006 season. In addition there were a total of 16 pocket cruise ships and 7,800 transient visitors that also had a significant impact.

Mr. Servos reported that the management agreement with Westcan Terminals had been renewed for a ten year term.

Mr. Servos advised that he had an opportunity to meet with Ms. Marsha Hall-Findley who is the policy analyst for the Liberal Party of Canada. He mentioned divestiture at the meeting and emphasized the impact of the cruise industry.

Mr. Servos introduced Mr. Anderson who had joined the team as the Manager of Business Development and Planning. He remarked that Mr. Anderson is already contributing fully and challenging management to move forward.

Mr. Wellburn queried the progress of the air quality monitoring and was advised that the study was a function of the Capital Regional District (CRD) and that GHVA is working with them, the Vancouver Island Health Authority (VIHA) and a Ph.D. candidate from the University of Victoria (UVic) in completing the study. The focus to date has been on ensuring the scientific integrity of the study. The study will be extended and initial work will be on establishing a base line for comparison.

4.3 Board Correspondence

Mr. John Sanderson reviewed the correspondence and noted that there weren't any issues that needed to be addressed.

MOTION (D. Enns/M. Lindholm)

That the correspondence be accepted for information.

CARRIED

4.4 Board Committee Appointments

Mr. Prittie noted that the draft appointments had been discussed at the last meeting of the Board and that there will be no changes to the appointments as presented. He advised that Mr. McAllister will be the interim Chair of the Divestiture Committee. A new list will be distributed for Directors.

5. Standing Committee Reports/Updates

5.1 Governance

i. Terms of Reference for Committees

Mr. Sanderson advised that the Governance Committee had reviewed the terms of reference for all standing and ad hoc committees and had circulated these to the Chairs of committees for comment. Mr. Servos queried the process for submitting changes to the terms noting that the terms of reference for the Divestiture and Acquisition Ad Hoc Committee stated that the "committee is authorized to engage internal and external resources". He expressed a concern that this had budget implications that needed to be addressed. Mr. Prittie commented that approval should be required for such an extraordinary expense. Mr. Enns suggested that the wording be changed to indicate that prior approval from the Board for non-budgeted items be required. Mr. Wellburn noted that committees should be able to engage expertise beyond management. Mr. Doug Enns added that committees need to identify budget resources that might be needed. Mr. Servos further noted that the First Nations Economic Development Committee should state that at least one First Nations representative is needed for quorum.

MOTION (H. Freedman/D. Enns)

That the committee terms of reference be approved as amended.

Mr. Wellburn expressed a concern about the number of committees. He commented that as an organization matures the number of committees should be reduced and duties assigned to management. Mr. Prittie noted that two of the committees, Festivals and Belleville, are to end soon. Mr. Wellburn remarked that the bylaws make allowance for three committees – Human Resources, Governance & Nominating, and Audit & Finance. Mr. Enns added that this is an issue of core Board and management functions. Mr. Sanderson suggested that the First Nations Economic Development Committee has become core to the organization. He raised the issue of the necessity of the Executive Committee as well but suggested that the remaining committees are essentially ad hoc. Mr. Enns commented that the way the organization is structured right now the Executive Committee is integral due to the number of issues, however, soon this committee will not be needed. Mr. Prittie added that the role of the Executive Committee has been discussed previously and he has carried forward with the commitment to only use this committee for urgent issues.

The motion was put and **CARRIED**.

4.3 General Manager's Report

a) Fisherman's Wharf Progress Report

Mr. Servos reported that the project construction has been initiated. Some changes are being proposed to the initial plans to address concerns raised at the consultation meetings as well as regulatory issues that needed to be reviewed. The new dock layout will not impact the existing clients and take future use and flexibility into consideration. Mr. Servos advised that there will be further discussion on this project in the General Manager's report in the in-camera session.

b) Caisson Repairs Progress Report

Mr. Servos commented that he was in discussions with Stantec who are working toward a gabion mat approach to remediate the erosion of the piers at Ogden Point. The concern about this approach is that berth depth can't be reduced and Stantec are working within these parameters. Stantec had tried costing other approaches but could not find contractors to bid on these. Mr. Servos recommended to the Board that the project proceed with the gabion mat approach. Mr. Sanderson asked for an explanation of the estimate comparison and queried why the most expensive approach was being recommended. Mr. Servos advised that the other approaches were not considered to be effective solutions and that there was not enough depth to accommodate options 2 or 3. Mr. Gerry Lutz, Westcan Terminals spoke to this issue and advised that the other options were rough estimates only as contractors were not willing to commit to a quote given the unknown factors in these approaches. The gabion mat approach had more specifications and costs were more easily identified. He commented that his suggestion would be to proceed with the critical repairs to south B and monitor the effectiveness of this approach. Councillor Hy Freedman noted that the proposed motion doesn't include repairs beyond the 2007/08 timeframe and was advised that the motion is to cover the expenditures for this fiscal year only.

Mr. Enns raised the issue of the engineering implications and asked to what degree the Board should rely on the consultant's recommendation and where their liabilities are. Mr. Servos advised that Stantec wouldn't put their stamp on an approach they didn't approve but that this could be included in the tender package that Stantec has been asked to produce and that will come back to the Board for approval. Councillor Freedman added that Stantec is a well respected company and noted that this issue is normally addressed in the request for qualifications stage. Mr. Servos agreed to check the engineering contract to find assurances and protection. There were two parts to the agreement with Stantec, the first being to research a solution and the second to prepare a bid package and supervise the work. He noted that once the tender documents were released the work would need to proceed. Mr. Mark Lindholm queried the proposed amount of \$750K and whether this was for south b only or the entire project. Mr. Servos clarified that this was for the entire gabion mat project and south b could be 25% of that amount.

MOTION (H. Freedman/M. Lindholm)

That a tender for the Ogden Point caisson erosion control and repair using the gabion basket/mat solution design for the piers and implementation for South B as supervised by Stantec Consulting Ltd. be prepared for Board review.

CARRIED

6. Input from the public and presentation

Mr. Greg McAllister, King Bros., requested clarification on the repairs to the caissons at Ogden Point and if it was still management's intention to have this work completed prior to the cruise ship season. Mr. Servos advised that this was still the intent with drawings available within three weeks.

Mr. Lyle Soertart, West Coast Air, queried if these repairs would have an impact on harbour and in particular the runways. Mr. Servos confirmed that there would be no impact on air operations.

Mr. Lutz, Westcan Terminals, addressed the Board and thanked the Directors for the excellent working relationship. He indicated his gratitude for being able to complete the ten year renewal agreement prior to his retirement as he knew things would be well managed and that he was leaving with a good relationship. Mr. Prittie thanked Mr. Lutz for his input and noted that it had been a real pleasure to work with him.

There being no additional comments, the meeting was adjourned to the in-camera session at 10:20 a.m.