

**BOARD OF DIRECTORS MEETING
February 21st, 2017
Joan Harriss Cruise Pavilion
MINUTES**

Directors Present: Michael Merritt, Chairman Deputy Mayor Eldon MacDonald
Jim MacLeod, Councillor Mayor Cecil Clarke
Clarence Prince, Councillor

Others: Marlene Usher, CEO
John Phalen, Economic Development, CBRM
Bernadette MacNeil, Recording Secretary

1. ATTENDANCE AND CALL TO ORDER

Meeting was called to order by Mr. Michael Merritt at 3:12pm

2. APPROVALS

The Agenda was modified so Item 3.2 reads: Capital / Operating Budget. Also, Item 5.2: Schedule of Meetings was added.

2.1 MOTION: made by Councillor Jim MacLeod, 2nd by Councillor Clarence Prince, to approve the Agenda of February 21st, 2017 as amended. Motion was carried.

2.2 MOTION: made by Councillor Clarence Prince, 2nd by Councillor Jim MacLeod to approve the Minutes of January 18th, 2017 as submitted. Motion was carried.

3. REPORTS (PRESENTED AS INFORMATION ONLY)

3.1 Financial: (Copy Filed) Marlene Usher presented the internal YTD income statement as of January 31st, 2017. Ms. Usher explained that although a surplus of \$253k is reflected, budget is showing a deficit in the months of February & March, thereby this surplus would be less at year end. Ms. Usher also advised of her anticipation that operationally we would still have a surplus above budget due to the increase in revenues for cruise, wharfage & berthage.

The Business Development accounts were referenced by Ms. Usher with explanation that associated expenses were to cover the Greenfield site and such things as consulting fees relating to harbour development. These expenses are offset by revenue brought in from the existing trust fund. The trust fund has a current balance of approximately \$1.4million.

Reference was then made to the Transport Canada Marketing Fund, with a reminder to the Board of that being the marketing monies announced by the then, Minister Lisa Raitt, some time back. Ms. Usher provided explanation on the eligible expenses under specific projects for a 50% cost recovery. The discussion led to the following:

ACTION: That Marlene Usher provide the board with an overview of the Transport Canada contract with a summary of its criteria and the eligible expenses.

3.2 Operating / Capital Budget Draft: (Copies Circulated). A review of the draft submission was led by Marlene Usher. The budget's reflection of an increase in our revenue over this fiscal year is mainly due to the increase in cruise visitation. Salaries & Wages have been adjusted as per Ms. Usher's recommendation that some positions are lower than industry standards based on research. Ms. Usher advised that although work-loads are expected to increase due to the heavy cruise season, the plan is not to hire new employees but rather to hire four students. The approval for the budget was deferred to the next meeting that was to be scheduled for the following week.

3.3 Lease Payment: This item was deferred to a later time when Marie Walsh would be in attendance.

3.4 Second Berth: Wayne McDonald, Sr. Engineer with CBRM, led the discussion to inform the Board of the Request for Proposals to find an owners engineer, was to be publicized as of this day. The closing date for submissions will be March 16th, 2017. Mr. McDonald explained that once the engineer is in place, the project's implementation plan will be dictated.

Mr. McDonald concluded with the Board's acceptance of his recommendation that priority be placed on the short term goals such as land acquisition and the second berth construction. The other project components, such as renovations to the Joan Harriss Cruise Pavilion, be determined during the course of the project in order to ensure best value.

Mr. Michael Merritt commented that as the applicant, any deviations to the existing project description would still remain the responsibility of the CBRM council, even with the inception of the permanent board coming in as of April 1st, 2017.

4. BUSINESS ARISING

4.1 InterVista's Presentation to Council: Marlene Usher informed the Board of the fee quoted for them to make a presentation on the results of the Economic Impact Study regarding the container terminal. If by way of a video conference, the fee would be \$3300 plus HST. If in person, it would be \$12k. The Mayor suggested that they make the presentation at the Port Days conference, which then led to the following:

ACTION: Marlene Usher to request InterVista to present the results of the Economic Impact from a container terminal during the Port Days Conference and to negotiate for a lesser fee.

The results of this inquiry will be brought to the Board at the next meeting for approval.

4.2 Board Recruitment Process: Mr. Michel Merritt informed the Board of their being 17 applications submitted through the ad placement. He also advised that as they are vetted through the CBRM's Human Resource Committee first, the final process as to what channels will be followed to get the names to council for adoption, are not yet confirmed. It was noted that names of the applicants will not be disclosed until accepted. The discussion on this process led to the following:

ACTION: That Mr. Michael Merritt confer with Mr. Jim Gogan of Breton Law to determine what is dictated in the Articles of Association as it relates to adoption of Directors on the Board.

5. NEW BUSINESS

5.1 Office Space: As per past discussions on the need to address office space and the best way to proceed on the relocation of the office, it was deemed that this item be deferred for future discussion.

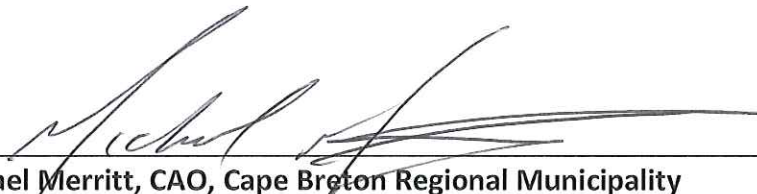
5.2 Schedule of Board Meetings: Mr. Michael Merritt informed the Board of the need for a meeting sometime the following week. The comment led to the following:

ACTION: That Bernadette MacNeil poll the board to confirm the preference of two options that are to be presented.

6. ADJOURNMENT

MOTION: made by Councillor Jim MacLeod to adjourn.

Respectfully submitted,
B. MacNeil



**Michael Merritt, CAO, Cape Breton Regional Municipality
Chair - Port of Sydney Development Corporation**