

**BOARD OF DIRECTORS MEETING
February 9th, 2022
9:00AM
Minutes**

Attendance: James Kerr, Gerard Shaw, Sylvie Gerbasi, Richard Paul, Dan MacDonald, David Deane, Alyssia Jeddore,

Regrets: Greg Delaney,

1. APPROVAL OF AGENDA

Moved by Gerard Shaw, Seconded by Richard Paul

2. APPROVAL OF MINUTES

Moved by David Deane, Seconded by Sylvie Gerbasi

3. BUSINESS ARISING

3.1 Cove & Market Update-Paul Carrigan & Marlene Usher

Paul Carrigan provided an update on the market and cove project including a meeting with a potential brewery opportunity on Friday (tap room and brewery-2 levels).

Trifos design quote for design and engineering has been received.

The Port continue to have conversations with an anchor tenant as well as many other interested parties.

A teaser ad in the Cape Breton Post was placed seeking entrepreneurs for our development.

3.2 Cruise Update- Resumption Activity and Bookings-Nicole Macaulay

An update was provided by Nicole MacAulay. At this time there are 90 ships booked plus 10 at Louisbourg. Passenger count is high because the ships are generally larger than in the past. We have met directly via zoom with several of the cruise lines. Together with the cruise lines and Transport Canada and Health Canada we are establishing the conditions under which cruising can resume in Canadian Ports. We are optimistic that Sydney will have a good year in terms of cruise and cruise related revenue.

4. AGM Discussion and Agenda

Decision to defer the AGM by another week to allow for in person attendance by council and to open to the public. (February 23rd)

Governance committee was confirmed and Dan MacDonald will chair and give a report at the AGM.

Committee: Dan MacDonald, Richard Paul, Gerard Shaw

Deferral of long term debt payment to CBRM will be presented to council for approval.

Board Chair will give opening remarks and the CEO will close the meeting with an update for the Member.

5. Budget 2022/2023

This budget is based on providing an allowance for cancellation of vessels currently booked at 25%. Also capacity on the vessels is assumed to be 65% rather than the historical 90%. This is based on our conversations with Cruise lines as they are currently cruising at less than capacity. Realistic revenue targets have been included in the budget. This budgeted revenue would be less but close to 2019 targets due to the larger ships coming to the Port.

Budgeted wages & benefits are up from prior years as we were running with skeleton staff the past 2 years. This budget would require additional staff to support cruise day operations, for example; bus driver, maintenance and craft market operations.

Other expenses:

Repairs are up because of items that have been deferred the last two years.
Overall we are budgeting a profit of \$350,159 before amortization.

Capital:

A discussion took place on whether 1/3 of project cost of 2.6 million should be requested from CBRM or should the port contribute to off set the cost to CBRM.

There was agreement that the Port should contribute up to \$450,000. This would show our belief in the project and willingness to commit despite our last two years of deficit.

A suggestion was made to draft a letter to CBRM Mayor, Council, CBRM Senior Staff to outline this request (send it prior to AGM).

Electric vehicle charging station (Level 2) - \$6000 contribution by the port. The remaining funds will come from Government funding which will be applied for.

Furnace Replacement- \$50,000

Canopy Tent- \$50,000

Total \$106,000 plus contribution to the development project.

Motion to approve operating budget

Motion to approve operating budget for the 2022/2023 fiscal year as presented by CEO.
Moved by Sylvie Gerbasi, Seconded by David Deane

Motion to approve capital budget of \$106,000

Moved by Alyssia Jeddore and seconded by Dan MacDonald

Motion to approve capital budget of \$300,000 with a maximum of \$450,000 for south dock expenditures

Moved by Sylvie Gerbasi, Seconded by Dan MacDonald

6. Strategic Plan

Strategic Plan is a few years old and therefore needs to be updated. The Board and Management to meet in May or June. Some dates will be proposed.

We see area of growth in the level of services offered to vessels at the Port (ie.waste disposal, tug service and fuel).

Another area is control of Harbour Bottom -CBRM historically was hesitant to pursue this and therefore discussions with CBRM legal council would be required. Dan and Marlene to follow up.

7. Risk Registry

Risks identified as high will be discussed at the AGM. This is a standing item
Marlene reviewed the high risk outlined in the Risk register.

8. Funding for Development Project-Marlene Usher

Very positive responses from CBRM, Province and Federal Government on potential funding. Acoa and the Province are looking to CBRM for their level of commitment to this project prior to any decisions being made. Several meetings have been held.

Met with Minister Corkum Greek
Dianne Surette-COO of Public works
Discussions with local MLA's and MP's
Three meetings with Develop Nova Scotia
Acoa

9. FINANCIAL-

December 31, 2021, Statements

The port is doing better than projected loss By \$136,000. Wharfage and berthage are up due to increase of vessels visiting the port. Government grant assistance consists of 10% wage rebate and support for the design study for development project.
Balance Sheet- haven't drawn down from trust fund at this time however over \$400,000 remains. Discussions were held regarding staffing and there was agreement that corporate knowledge is key to success of any operation particularly immediately after the pandemic.

10. CEO REPORT

Navigational Aids-

Ceo speaks regularly to Director of the Coast Guard regarding the Nav Aids project.

The most recent Bathymetric survey indicates no infilling of the harbor since the dredge which was predicted but still great to see.

Land was secured by the Coast Guard in Point Edward for location of the range light for the new navigation aids.

District Heating- CBRM is looking at district heating
Funding is 75%, CBRM would cover the rest and recover the cost based on use.
No financial risks to the port. Energy costs would be reduced.
There is a session next week with stakeholders

Electric Vehicle Charger- Revenue is generated by user fees.

Novaporte- The biggest issue that remains is rail. President of Novaporte, Albert Barbusci has agreed to speak to the board in the near future.

Human Resource - Nicole will be off for one year on maternity leave. Sam Ash will be hired to fill in for her.

11. CRA REMITTANCE

Sylvie Gerbasi advised that the CRA remittance is up to date.

12. IN CAMERA

13. ADJOURNMENT



James Kerr, Chair of the Board
Port of Sydney Development Corporation