



## Regular Meeting

August 3, 2023

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Meeting minutes of the Board of Directors of Fundy Regional Service Commission held on Thursday, August 3, 2023.

### 1. Call to Order

Chair O'Hara called the meeting to order at 10:56 a.m.

### 2. Record of Attendance

Libby O'Hara	Chairperson, Quispamsis
Jim Bedford	Vice-Chair, Fundy St. Martins
John MacKenzie	Deputy Mayor, Saint John
Nancy Grant	Mayor, Rothesay
Brittany Merrifield	Mayor, Grand Bay-Westfield
Ray Riddell	Fundy Rural District
Robert Doucet	Mayor, Hampton

### OTHERS

Phil Ouellette, Chief Executive Officer, FRSC

Cassie Silhanek, Recording Secretary, FRSC

### 3. Approval of the Order of Business

**Motion:** To approve the August 3, 2023, Agenda.

**Moved:** Director Bedford

**Seconded:** Director Doucet

**Vote:** *Motion Carried*

### 4. Disclosure of Conflict of Interest

None.

### 5. Approval of the Minutes

#### a. Approval of the June 22, 2023, meeting minutes

**Motion:** To approve the June 22, 2023, minutes as presented, with a correction on page 2 with the words "table the" being added to a sentence in number 5.a.

**Moved:** Director Grant  
**Seconded:** Director Doucet  
**Vote:** *Motion Carried*

## 6. Amendment to the Agenda

**Motion:** To amend the agenda to add the Motions carried from Closed Session as item 14. CEO Performance Review and item 15. Indemnity Agreement with Envision Saint John.

**Moved:** Director MacKenzie  
**Seconded:** Director Doucet  
**Vote:** *Motion Carried*

## 7. Consent Agenda

**Motion:** To adopt all resolutions from all reports found within the consent agenda for August 3rd, 2023:

That the Board authorize a short term 'bridge financing' loan with the Imperial Bank of Commerce in the amount of \$960,000 under the authority and conditions of ministerial order number 23-0044.

That the Board authorize the Chief Executive Officer to issue and sell, to the NB Municipal Finance Corporation, a Fundy Regional Service Commission debenture in the principal amount of \$2,000,000 on such terms and conditions as are recommended by the NB Municipal Finance Corporation, and be it resolved that the Fundy Regional Service Commission agree to issue post-dated cheques payable to the NB Municipal Finance Corporation as and when they are requested in payment of principal and interest charges on the above debenture.

That the Board authorize the transfer of \$225,000 from the Solid Waste Operating Reserve Fund to the Solid Waste Operating Fund.

That the Board direct CEO Ouellette to replace the Commission's existing client card plan with the US Bank VISA for the purpose of day-to-day operations from CIBC, 44 King St., Saint John, N.B. E2L 1G4. Repayment as per terms and conditions of US Bank visa, which includes the same \$25,000 credit limit as the previous card.

That the Board award Tender 2023-04 for the purchase of a Compact Bobcat L85 Wheeled Loader and a Doosan DL250 Wheeled Loader to Paul Equipment for the purchase price of \$376,986.62 including applicable HST and trade-in of the 2015 Case Loader and the 2015 Cat Skid Steer to be funded from the borrowing under ministerial order #23-0044.

That the Board receive and file the CMEI Financial Statements and Review Engagement Report for the year ending October 31, 2022.

Further that the Board approve the 2023 operating grant be paid to Crane Mountain Enhancement (CMEI) in the amount of \$26,395 when the financial status of the Fundy Regional Service Commission allows for the payment, but before CMEI's year end of October 31, 2023.

Further that the Board approve that the Fundy Regional Service Commission immediately pay CMEI \$1000 toward the review engagement of their financial statements by Teed Saunders Doyle.

That the Board receive and file the planning and building inspection monthly report.

**Moved:** Director MacKenzie  
**Seconded:** Director Bedford  
**Vote:** *Motion Carried*

## **8. Fundy Regional Strategy Recommendation**

Brenda MacCallum, FRSC staff lead on this strategy, presented the final document to the Board with some of the updates that happened over the last month, since it was last presented to the Board as a draft.

After a month of review and feedback from member councils, committees, CAOs, partners and stakeholders, FRSC staff is pleased to present the updated Fundy Regional Strategy for adoption. The Strategy offers a platform for communities and partners across the Fundy Region to come together and strive to deliver new value and outcomes, all while respecting the roles of local governments and regional service commissions. The Commission received very positive feedback along with thoughtful suggested changes, many of which have been incorporated into the final document. Overall, the engagement and feedback strengthen the collaborative work of this document and the collective ownership over its proposed outcomes.

### **Motion:**

- 1) Adopt the Fundy Regional Strategy 2023-2028 as presented in this report.
- 2) Direct the CEO to develop and distribute the Fundy Regional Strategy 2023-2028 across the Fundy Region, including a public facing summary document to help build awareness of the plan and its intended outcomes.

**Moved:** Director MacKenzie  
**Seconded:** Director Merrifield

Chair O'Hara opened the floor to questions or comments on the motion.

Director Grant asked for a correction to align Goal 3 in Regional Facilities section of the strategy and the scorecard to reflect the same wording. CEO Ouellette confirmed that this can be corrected before distribution.

Director Riddell spoke to concerns around the section concerning Economic Development where "partnership" may have been used clarifying that this would be a misstatement as this is a legally binding contract that was entered into by the FRSC. Director Riddell also mentioned that several times the word "districts" was used, and he would like to make sure that the "Fundy Rural District" is used instead. CEO Ouellette said that the words "districts" and "partnership" will be reviewed before being distributed.

**Vote:** *Motion Carried*  
**Contrary Minded:** Director Riddell

Once more Chair O’Hara opened the floor for a moment to clarify the concerns by anyone who opposed the motion.

Director Riddell clarified that he has many concerns about the document content including the Regional Facilities section where he cannot support the motion, as since he believes that at least one facility should be removed from the list of funded facilities. Additionally, Director Riddell believes that there are several issues surrounding economic development and tourism, transportation, environmental and community development concerns that accompany the document that also gives him cause to not support the motion.

Chair O’Hara thanked Director Riddell for his clarification.

**Motion:** Direct the CEO to develop a joint communique from all FRSC Members outlining the Vision and Goals of the Fundy Regional Strategy, the new commitment towards regional collaboration, and ensure that it is effectively distributed across the Fundy Region.

**Moved:** Chair O’Hara  
**Seconded:** Director Merrifield  
**Vote:** *Motion Carried*  
**Contrary Minded:** Director Riddell

## 9. 2023 FRSC Work Plan Update

CEO Ouellette provided an overview of the FRCS’s progress through the 2023 work plan, which indicated that approximately 85% of actions are either active or completed.

**Motion:** To receive and file this report.

**Moved:** Director Doucet  
**Seconded:** Director Bedford  
**Vote:** *Motion Carried*

## 10. Q2 Financial Update

CEO Ouellette provided a short summary of outcomes as a result of the Q2 financial update, which concluded that there is no reason to make any major adjustments to the budget at this time.

**Motion:** Receive and file this report.

**Moved:** Director Grant  
**Seconded:** Director Doucet  
**Vote:** *Motion Carried*

## 11. Regional Facilities Committee 2024 Budget Recommendations

Background was provided by Regional Facilities Committee Chair Grant stating policy and procedures have changed since the last review of budgets, wherein the Regional Facilities Committee now recommends the budgets to the FRSC, and the new committee encompasses administrators and elected people for rural districts. The old commission did not impose conditions, so the FRSC Board will find that this new Regional Facilities Committee will be asking the FRSC Board to approve those recommended conditions to support the facilitation of the budget.

Referring to the report, the following recommendations are from the Regional Facilities Committee to the FRSC Board for the 2024 FRSC Budget:

**Motion:**

- 1) Allocate \$567,132 towards the Saint John Trade and Convention Centre in the 2024 FRSC operating budget.
- 2) Allocate \$879,944 towards TD Station in the 2024 FRSC operating budget.
- 3) Allocate \$753,786 to the Canada Games Aquatic Centre in the 2024 FRSC operating budget.
- 4) Allocate \$551,000 to the Imperial Theatre in the 2024 FRSC operating budget.
- 5) Allocate \$349,193 to the Saint John Arts Centre in the 2024 FRSC operating budget.
- 6) That the 2024 FRSC operating budget contribution to Saint John Arts Centre is conditional on:
  - a. The Board of Directors of the Saint John Arts Centre, with input from the Regional Facilities Committee, complete a revenue generation assessment to invite reduced reliance on the FRSC's operating grant as a portion of the Centre's total annual revenues. Such assessment should be completed and presented to the Fundy Regional Facilities Committee by March 2024, and should include specific targets and actions to support the effort towards reduced reliance on the FRSC's operating grant.
  - b. The Saint John Arts Centre be required to submit 2022 budget actuals and 2023 year-end projections on all accumulated equity or carry-over reserves by September 2023.
- 7) Allocate \$1,528,250 of 2024 capital needs from the TD Station, Canada Games Aquatic Centre and Saint John Trade and Convention Centre, as itemized in this report (see attachment), in the 2024 FRSC operating budget.

**Moved:** Director Grant  
**Seconded:** Director Bedford  
**Vote:** *Motion Carried*  
**Contrary Minded:** *Director Riddell*

**Motion:**

- 8) Direct CEO Ouellette to immediately identify the necessary steps to ensure oversight over the Saint John Trade and Convention Centre and report back to the FRSC Board of Directors.

**Moved:** Director Grant  
**Seconded:** Director Merrifield  
**Vote:** *Motion Carried*

**Motion:**

- 9) In recognition of the recent change in legislation and the new arrangement to share capital costs across all Fundy regional facilities, direct CEO Ouellette to draft and submit a letter from the Chair of the FRSC to the City of Saint John requesting clarification and consideration for alteration of the rental portion of the lease with the Saint John Arts Centre. In addition, to request that the City of Saint John clarify existing or eligibility for provincial property tax exemption, and if needed, pursue new property tax exemption associated with all City-owned Fundy regional facilities.

**Moved:** Director Grant  
**Seconded:** Director Doucet  
**Vote:** *Motion Carried*

**Motion:**

- 10) Direct CEO Ouellette to submit a letter to the Saint John Arts Centre to Regional Facilities Committee requesting that it shall captures the following in its annual financial reporting to the FRSC:
- a. accumulated equity or carry-over reserves, and
  - b. a detailed breakdown of the assumptions in the facility lease.

**Moved:** Director Grant  
**Seconded:** Director Bedford  
**Vote:** *Motion Carried*

**Motion:**

- 11) That the 2024 funding to the Fundy regional facilities is conditional upon:
- a. each facility agreeing to participate in a Board governance review exercise for all regional facilities.
  - b. each facility agreeing to ensure (if the authority falls within the facility) that the composition of their existing board of directors is representative of the expanded membership of the FRSC.
  - c. each facility agreeing to continue the promotion of their programming across the entire Fundy Region, in order to continue building strong value to all FRSC members.
- 12) That the City of Saint John be requested to present an updated 2025-2029 capital projections for the four City-owned regional facilities by April 1st, 2024, which integrates more intentional prioritization of asset renewal projects. In addition, the updated projects should seek to distribute capital costs more evenly over the five-year projection in order to avoid any unnecessary year-to-year spikes in capital expectations on the Fundy Regional Service Commission.

**Moved:** Director Grant  
**Seconded:** Director Merrifield  
**Vote:** *Motion Carried*

## 12. 2024 Budget Themes

While FRSC staff continue the process of developing a budget proposal to be presented to the FRSC Board on August 24<sup>th</sup>, 2023, some initial themes have been identified. 2024 will be an exciting year to build-off of the “start-up” of the new mandated areas that occurred in 2023 and will invite an opportunity to begin demonstrating new value, partnership and new levels of regional collaboration.

We expect to see a variety of demands on landfill operations, and an increase on the demands of administrative staff. Even after creative restructuring within the FRSC Head Office, there is continued need for additional human resource support to support projected work plans, and consideration of additional budget room is expected (especially in the areas of enabling services, policy and research, communications, HR, IT, Legal, Finance). Staff continue to define and refine the extent of this resourcing need.

The FRSC will continue to seek partnerships and leverage GNB and third-party funding to support 2024 FRSC work plan. The FRSC will strive to access as much as possible of the available \$1.4M through the RSS Grant, to reduce cost on FRSC Members. While we await feedback on GNB’s response to our request to have regional facilities considered as an eligible expense for the RSS Grant, the FRSC may also partially subsidize its investment into regional economic development through the RSS Grant.

**Motion:** Receive and file this report.

**Moved:** Director MacKenzie  
**Seconded:** Director Doucet  
**Vote:** *Motion Carried*

## 13. 2024 FRSC Per Diem and Meeting Considerations

In preparation for the 2024 FRSC operating budget, it is prudent for the FRSC to survey the membership on preferences associated with per diem and meeting expenses. The data collected from the survey will inform whether adjustments are needed to 2024 budget assumptions, which would be integrated in the draft 2024 FRSC Budget (expected to be presented on August 24, 2023, to the FRSC Board).

**Motion:** Direct CEO Ouellette to develop and circulate a survey to gather necessary information from the FRSC Membership on budget assumptions for 2024.

**Moved:** Director Merrifield  
**Seconded:** Director Mackenzie  
**Vote:** *Motion Carried*

#### 14. CEO Performance Review

The 2023 FRSC work plan defines the need to develop an employee performance evaluation process and program. The CEO will be pursuing such a program for all employees, and a program will also need to be developed between the CEO and the FRSC Board of Directors.

**Motion:** Assign the FRSC Executive Committee with the responsibility to create, adapt and execute the necessary annual oversights and evaluation of the Chief Executive Officer and report back to the FRSC Board of Directors with recommendations.

**Moved:** Director Merrifield  
**Seconded:** Director Mackenzie  
**Vote:** *Motion Carried*

#### 15. Indemnity Agreement with Envision Saint John

The FRSC and Envision Saint John (“ESJ”) entered into an agreement (referred to as the Master Service Agreement (“MSA”)) in late 2022, which outlines the parameters for ESJ to execute the FRSC’s mandate for regional economic development and tourism promotion, which includes the need for Envision Saint John to establish an indemnity agreement with the FRSC.

**Motion:** Direct the Chief Executive Officer to execute the indemnity between the Fundy Regional Service Commission and Envision Saint John as presented in the report from closed session.

**Moved:** Director Doucet  
**Seconded:** Director Mackenzie  
**Vote:** *Motion Carried*

#### 16. Adjournment

Chairperson O’Hara called for a motion to adjourn.

**Motion:** To move to adjourn the open session at 11:59 p.m.

**Moved:** Director Mackenzie  
**Seconded:** Director Bedford  
**Vote:** *Motion Carried*

APPROVED (date) \_\_\_\_\_

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Libby O’Hara, Chairperson

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Cassie Silhanek, Recording Secretary