

EDMONTON METROPOLITAN TRANSIT SERVICES COMMISSION REGULAR MEETING

March 18, 2021 at 1pm – 3pm

via: Zoom Video Meeting

Agenda

1. Call to order
2. Approval of agenda
3. Approval of minutes
 - a) February 18 Regular Board Meeting minutes
4. Updated Implementation Plan (*for information only*)
5. Board of Directors Responsibilities
 - a) Code of Conduct
 - b) Honorariums
6. Board Meeting Schedule
7. EMTSC Website (*for information only*)
8. In-camera discussion
9. Adjournment

**EDMONTON METROPOLITAN TRANSIT SERVICES COMMISSION
REGULAR MEETING**

February 18, 2021 at 1pm – 3pm

via: Zoom Video Meeting

Minutes

Board Directors Present

Wes Brodhead, City of St. Albert - Chair

Michael Walters, City of Edmonton - Vice Chair

Ray Ralph, Town of Devon

Justin Laurie, Town of Stony Plain

Glen Finstad, City of Leduc

Gordon Harris, City of Fort Saskatchewan

Sam Munckhof-Swain, City of Beaumont

Chantal McKenzie, City of Spruce Grove

EY

Alan Thom

Josh Colle

Haylee Ritchie

Samantha Kelemen

Legal Counsel

Bill Shores

1. Call to order

Wes Brodhead calls the meeting to order at 1:01pm.

2. Opening remarks

Treaty 6 Land Acknowledgement

3. Approval of agenda

EMTSC-21-009

Moved by Gordan Harris

That the February 18, 2021 agenda be adopted as presented.

At 1:04pm

CARRIED UNANIMOUSLY

4. Approval of minutes

b) February 12 Inaugural Board Meeting minutes

EMTSC-21-010

Moved by Glen Finstad

That the February 12, 2021 Inaugural Board Meeting minutes be adopted as presented.

At 1:04pm

CARRIED UNANIMOUSLY

5. Administrative Update

6. New business

- Authority Matrix

EMTSC-21-011

Moved by Ray Ralph

That the Board adopt the Authority Matrix as presented at the February 18, 2021 Board Meeting and that the Authority Matrix be reviewed for suitability within six months, and no later than by the end of August 2021, considering the growth of the Commission and potential changes to required authorities.

At 1:21pm

CARRIED UNANIMOUSLY

- Proposed Interim 2021 Operating budget

EMTSC-21-012

Moved by Michael Walters

That the Board adopt the Interim 2021 Operating Budget as presented at the February 18, 2021 Board Meeting and that the Operating Budget be reviewed for suitability within three months of Chief Executive Officer (CEO) onboarding to the Commission.

At 1:38pm

CARRIED UNANIMOUSLY

- Audit & Finance and HR & Compensation Committee Establishment

EMTSC-21-013

Moved by Justin Laurie

That the Board confirm the creation of both the Audit & Finance and the HR & Compensation standing committees which are to function on an ongoing basis and that the Board Member representatives listed below, including the Chairs and Vice Chairs, are confirmed.

Audit & Finance Committee

1. Justin Laurie (Chair)
2. Chantal McKenzie (Vice Chair)
3. Ray Ralph
4. Glen Finstad

HR & Compensation Committee

1. Gordon Harris (Chair)
2. Sam Munckhof-Swain (Vice Chair)
3. Michael Walters
4. Wes Brodhead

At 1:46pm

CARRIED UNANIMOUSLY

7. Board member remarks and roundtable discussion

8. In-camera discussion

In attendance:

Wes Brodhead, City of St. Albert - Chair
Michael Walters, City of Edmonton - Vice Chair
Ray Ralph, Town of Devon
Justin Laurie, Town of Stony Plain
Glen Finstad, City of Leduc
Gordon Harris, City of Fort Saskatchewan
Sam Munckhof-Swain, City of Beaumont
Chantal McKenzie, City of Spruce Grove
Alan Thom, EY
Josh Colle, EY
Haylee Ritchie, EY
Samantha Kelemen, EY
Bill Shores, Legal Counsel

EMTSC-21-014

Moved by Michael Walters

That the Board move in camera, in accordance with the provisions of Division 2, Exceptions to Disclosure, of the Freedom of Information and Protection of Privacy Act (FOIP), R.S.A 2000, c.F-25. Including:

- 16(1) Disclosure harmful to business interest of a third party
- 17(1) Disclosure harmful to personal privacy
- 19(1) Confidential evaluations
- 21(1) Disclosure harmful to intergovernmental relations
- 22(1) Cabinet and Treasury Board confidences
- 23(1) Local public body confidences
- 24(1) Advice from officials
- 25(1) Disclosure harmful to economic and other interests of a public body
- 27(1) Privileged information
- 28(1) Information that is or will be available to the public

At 1:56pm

CARRIED UNANIMOUSLY

EMTSC-21-015

Moved by Wes Brodhead

That the Board move out of camera.

At 2:32pm

CARRIED UNANIMOUSLY

EMTSC-21-016

Moved by Sam Munckhof-Swain

Subject to approval of contractual arrangements, the Board directs the Chair to retain Ernst & Young (EY) on an interim basis to provide administrative and operational support pending the appointment of a CEO and hiring of staff.

At 2:35pm

CARRIED UNANIMOUSLY

9. Closing remarks

10. Adjournment

EMTSC-21-017

Wes Brodhead moves to adjourn the meeting at 2:38pm

Request for Decision – Board of Directors Code of Conduct

Summary/Issue

The Edmonton Metropolitan Transit Services Commission (EMTSC) is required to establish a Code of Conduct for the Board of Directors that will outline governing principles and practices for ethical responsibilities, including the prevention of conflicts of interest.

Previous Commission Direction/Policy

In February, the Board passed a motion to adopt a Procedural Bylaw which governs the conduct of meetings within the Edmonton Metropolitan Transit Services Commission. It was recommended by legal counsel that a Board of Directors Code of Conduct be used in conjunction with the Procedural Bylaw to additionally outline ethical responsibilities and behaviours required to cultivate a respectful environment and prevent conflicts of interest, among other related matters.

Given Board Director positions are held by an elected official from each Member municipality, they must adhere to the Municipal Governments Act (MGA) conduct requirements as well as the Code of Conduct that each municipality's Council has implemented. Similarly, Board Directors will need to also adhere to a Code of Conduct pertaining to their duties in relation to the EMTSC.

Recommendation:

That the Commission:

- Adopt the Board of Directors Code of Conduct as presented in this report.

Investigation

Included under *Part 4 – Decorum at Meeting* in the Procedural Bylaw for the Edmonton Metropolitan Transit Services Commission, the standard conduct of the Board is outlined as follows:

- Each Director must conduct themselves in a manner that is consistent with the Code of Conduct.

To fulfill the governing Procedural Bylaw of the EMTSC, a Board of Directors Code of Conduct is required to link the Board's responsibilities to standards of professional conduct.

Implications

The Code of Conduct will set the foundation for cultivating a culture of respect and integrity, while at the same time demonstrating the Commission's commitment to building a strong foundation for the effective stand-up of the EMTSC.

As the Commission evolves, the Board of Directors Code of Conduct will continue to be strengthened and may evolve from a Policy into a Bylaw over time.

Business Plan/Budget Implications

By implementing a Code of Conduct, the EMTSC will help avoid and minimize the potential risk for future financial losses and/or damages related to misconduct.

Risks

Without a clear set of standards for ethical conduct, there is a risk that the Board will not understand responsibilities and behaviour expected of them in their role as Directors to the EMTSC. Additionally, if a Code of Conduct is not put in place, the Commission is at risk of not adhering to requirements of a public entity in Alberta.

Attachments

1. A POLICY RESPECTING BOARD OF DIRECTORS CODE OF CONDUCT
Proposed Draft March 11, 2021

**See pages 9-16 of this agenda package.*

**A POLICY RESPECTING BOARD OF DIRECTORS CODE OF CONDUCT
EDMONTON METROPOLITAN TRANSIT SERVICES COMMISSION**

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A POLICY RESPECTING BOARD OF DIRECTORS CODE OF CONDUCT EDMONTON METROPOLITAN TRANSIT SERVICES COMMISSION

Whereas

- The establishment of a Code of Conduct for Board Directors is consistent with the principles of a transparent and accountable Board;
- The purpose of this Code of Conduct is to ensure that the Board Directors conduct themselves in a professional manner and with integrity; and,
- This Code of Conduct is required to ensure that Board Directors share a common basis and understanding for acceptable conduct at all times;

the Board enacts as follows:

TITLE

1. This Board of Directors Code of Conduct may be referred to as the Code of Conduct or the Code.

PART 1 - DEFINITIONS, INTERPRETATION AND APPLICATION

2. In this Policy
 - a. "Act" means the *Municipal Government Act*;
 - b. "Board" means the board of directors established under the Governance Bylaw;
 - c. "Bylaws" means Governance and Procedural Bylaws;
 - d. "Chief Executive Officer" means the individual appointed as chief executive officer under the Governance Bylaw;
 - e. "Code" means the Board of Directors Code of Conduct and Ethics;
 - f. "Commission" means the Edmonton Metropolitan Transit Services Commission;
 - g. "Confidential Information" means information in any form, including verbal, documentary or electronic information, that is by its nature confidential, including information that is:
 - i. required by law to be held confidential under any enactment or agreement,
 - ii. disclosed or discussed at a closed meeting of the Board or at a closed meeting of any committee established by or under the authority of the Board;
 - h. "Conflict of Interest" means a conflict between the private interests and the official responsibilities of a Director;
 - i. "Directly Associated" means a person is a:
 - i. Director's Spouse or Spousal equivalent,
 - ii. person or group of persons acting with express or implied consent of the Director;
 - j. "Directors" means the individuals appointed to the Board under the Governance Bylaw;
 - k. "Private Interest" means the following, but is not limited to:
 - i. an interest of the Director in an appointment, business, undertaking or employment other than the Director's employment with the Commission;
 - ii. a financial interest of the Director in any investment or private asset; and
 - iii. the interests set out in 2(k)(i) and 2(k)(ii) of a person Directly Associated with the Director;

but does not include an interest:

- iv. in a matter that affects a person as one of a broad class of the public;
- v. in a matter that concerns remuneration of an individual;
- vi. that is trivial; or
- vii. of an individual relating to publicly traded securities held in that individual's blind trust or in an investment arrangement.

3. Words used in this Code that are not defined in this Code, but which are defined in the Act or Bylaws, have the same meaning as in the Act or Bylaws as the case may be.

Application of Bylaw

4. This Code of Conduct applies to the conduct of the Directors and the Board.
5. The precedence of the rules governing the conduct of the Board and Directors is:
- a. the Act;
 - b. any other Alberta Act or Regulation applicable to the Commission;
 - c. the Bylaws; and
 - d. this Code of Conduct.

PART 2 - STANDARDS

General

6. Directors are responsible for adhering to the Code and for acting in a manner that respects not only the Code's letter but also its spirit to ensure that the Commission and the public it serves receives the full protection of the Code.
7. Conflicts between the private interests of Directors and their duty to the Commission not specifically addressed in this Code must be dealt with in accordance with the principles and intent of the Code.
8. Directors are expected to conduct themselves professionally and with integrity, and to adhere to the policies, guidelines and procedures established by the Board.

Respect

9. Directors must respect the Commission, its bylaws, and policies.
10. Directors must conduct themselves in a manner that encourages public respect for the Commission, its bylaws, and policies.
11. Directors must not encourage disobedience of a bylaw or policy in responding to a member of the public, as this undermines confidence in the Commission.
12. Directors may express their opinions but should do so respectfully and should remain open to differing viewpoints so that the Board can operate in an environment of flexibility and compromise whenever possible.

13. Directors must conduct themselves courteously in all Board, Committee and other Commission meetings.
14. Directors must treat staff of the Commission respectfully and courteously.
15. Directors must support all resolutions made by the Board, even when they may not have supported the motion that led to the resolution.
16. Directors must always and in all places represent the Commission and the Board in a positive and supportive manner.

Governance

17. Directors must ensure that the Board performs its duties of governance.
18. Directors must ensure that they understand their legal obligations to the Commission and that they ensure those obligations are upheld.

Participation

19. Directors must prepare themselves for all meetings by familiarizing themselves with the meeting agenda and background materials to the greatest extent possible, with the goal of discussing the issues and business addressed at the meetings in an informed way.
20. Directors must focus on the discussion at hand in all Board, Committee and other Commission meetings.
21. Directors must participate in:
 - a. Board meetings;
 - b. Committee meetings/Task Force meetings to which they are appointed;
 - c. strategic planning and orientation workshops at which they are required to attend in their role as Directors; and
 - d. other special events at which they are required to attend in their role as Directors.

Communication

22. Unless the Board directs otherwise,
 - a. the Chief Executive Officer (CEO) is the Commission's official spokesperson; and
 - b. the Chair is the Board's official spokesperson.
23. Directors must not speak on behalf of Commission or Board unless the Board authorizes them to do so.
24. Directors who are authorized to act as the Board or the Commission's official spokesperson must ensure that their comments accurately reflect the official position and will of the Board and the Commission.

25. Directors must inform the Chair and the Chief Executive Officer in advance of making comments to the media or making themselves available for interviews by the media on matters related to the Commission's business and practices.
26. Directors must not make a statement when they know or ought reasonably to know that statement is false.
27. Directors must not make a statement intended to mislead the Board, the Commission or members of the public.

Use of Social Media

28. Directors must not use social media to publish anything that is dishonest, untrue, unsubstantiated, offensive, disrespectful, constitutes harassment, is defamatory or misleading in any way.

Property

29. Directors must not misappropriate the Commission's assets for personal use.
30. Directors who are given access to Commission equipment or resources must:
 - a. use that equipment or those resources responsibly and for the purposes of the Commission;
 - and
 - b. must take care to protect that equipment from loss or damage.

Political Participation

31. Directors may participate as private citizens in the democratic process at any level, including campaigning in elections; however, Directors engaging in such political activity must take care to separate their personal activities from their association with the Commission.
32. A Director must ensure that any views they express in the context of their political participation is clearly and unequivocally stated to be that Director's personal views and not the views of the Commission.

Use of Influence

33. Directors must not use, or attempt to use, their position for the purposes of influencing or directing a Commission's employee in a manner contrary to the employee's duties or for the Director's personal benefit.
34. If serving as a reference or recommending an individual for employment with the Commission, a Director must comply with the Commission's hiring practices and must not use their role as a Director to unfairly influence any hiring decisions.

Discrimination and Harassment

35. Directors must not
 - a. use indecent, abusive, or insulting words or expressions; or
 - b. act in a manner that is intimidating, threatening or coercivetoward any other Director, any employee of the Commission or any member of the public.

36. Directors must not speak or act in a manner that is discriminatory to any individual based on the person's race, religious beliefs, colour, gender, gender identity, gender expression, physical disability, mental disability, age, ancestry, place of origin, marital status, source of income, family status or sexual orientation.
37. Directors must not sexually harass another Director, an employee of the Commission or a member of the public, or otherwise conduct themselves in a manner that undermines the Commission as a safe and respectful environment for all Directors, staff and for members of the public.

Confidentiality

38. Directors must adhere to the requirements of the *Freedom of Information and Protection of Privacy Act* and must not divulge confidential information about the Board or the Commission and its employees, customers, clients, or suppliers to anyone other than persons who are authorized to receive such information.
39. Directors must respect the confidentiality of information that is determined by policy of the Board to be confidential, including but not limited to matters of a deliberative nature.
40. Directors have a statutory duty to keep in confidence matters discussed in private at a meeting of the Board or a Committee of the Board until discussed at a meeting held in public.
41. In the course of their duties, Directors may become privy to confidential information received outside of an "in-camera" meeting. In such a case, Directors must not:
 - a. disclose or release to any member of the public, including the media, any confidential information acquired by virtue of their position unless the disclosure is required by law under the *Freedom of Information and Protection of Privacy Act*; or
 - b. use confidential information for personal benefit or for the benefit of any other individual, corporation or organization.

Conflicts of Interest

42. Directors must disclose to the Chair any situation involving them which could give rise to a conflict of interest, a potential conflict of interest or an apparent conflict of interest.
43. Directors must ensure that they are free from undue influence from third parties.
44. Directors must not act or appear to act in order to gain a financial or other benefit for themselves or their family, friends or associates, business or otherwise.
45. Directors must not use their positions to obtain employment with the Commission for themselves, family members or associates.
46. Directors are ineligible to apply or be considered for any employment or contract with the Commission while they hold position as a Director and for one year after leaving office.

47. Directors must not, in the exercise of an official power, duty or function, give preferential treatment to any individual or organization if a reasonably well-informed person would conclude that the preferential treatment was advancing a private interest of the Director, their family, friends or associates, business or otherwise.

Furthering Private Interests

48. A Director is in conflict of interest and in violation of this Code if the Director:
- a. takes part in a decision in the course of carrying out their duties with the knowledge that the decision might further a private interest of the Director or a person with whom the Director has a close personal relationship;
 - b. use their public role to influence or seek to influence a Board decision which could further a private interest of the Director or person with whom the Director has a close personal relationship; or
 - c. use or communicate information not available to the general public that was gained by the Board in the course of carrying out the Director's duties, to further or seek to further a private interest of the Director or person with whom the Director has a close personal relationship.

Financial Interests

49. If a Director directly or indirectly owns or has an interest in any land, building, lease, mortgage, good, service or contract which is offered for option, sale, lease or assignment to the Commission, must
- a. disclose the situation to the Chair and abide by any direction that that Chair may give respecting the situation; and
 - b. cease to have any involvement as a Director in any process of the Board or Commission with respect to the offer for option, sale, lease or assignment to the Commission

Expenses

50. A Director must not falsify claims for compensation from the Commission, including falsifying receipts or signatures for the purposes of making false claims.

Acceptance of Gifts

51. Except as provided in section 52, a Director must not accept fees, gifts, or other benefits that are connected directly or indirectly with the performance of their duties as a Director from any individual, organization or corporation.
52. Despite section 51, a Director may accept:
- a. the normal exchange of gifts between friends;
 - b. the normal exchange of hospitality between persons doing business together, where the value of the hospitality does not exceed \$100 on any occasion and \$300 in any year;
 - c. tokens exchanged as part of protocol; or
 - d. the normal presentation of gifts to persons participating in public functions.

Responsibility

53. Directors must adhere to the standards prescribed by this Policy and must execute declarations in favour of the Commission and the Board to that effect.

Proposed Draft
March 11, 2021

54. Directors must adhere to all applicable legislation, as well as the bylaws that govern the Commission.
55. Directors must report any breaches or potential breaches of this Code to the Chair.

Request for Decision – Board Honorariums

Summary/Issue

To recognize Board Directors for their time, commitment and expenses incurred in relation to serving the Edmonton Metropolitan Transit Services Commission (EMTSC), a schedule detailing the parameters of any contemplated honorariums should be considered.

Previous Commission Direction/Policy

In November 2020 the Interim Board examined the topic of honorariums, arriving at the following principles:

- The EMTSC will compensate its Board Directors for their time;
- Board Director honorariums will be in line with comparable entities in Alberta; and,
- Board Director honorariums and the associated structure will comply with all relevant Government of Alberta regulations.

After examining board honorariums across a variety of public sector entities – transit and non-transit – it was found that a wide range of compensation structures exist for recognizing the work and expenses incurred by a board of elected officials. Key insights from a jurisdictional scan of board compensation structures demonstrated that:

- A majority of Commissions pay honorariums;
- A majority of remuneration scales in use depend on the number of sub-committees a board member is a part of;
- As a Commission grows, the honorarium is often adjusted to accommodate an increase in Board meetings, communication, strategy meetings, and training requirements;
- Per diems tend to start at \$200 for board members across the region; and,
- Board Chairs are typically paid an honorarium in addition to receiving per diems.

The model presented here was previously approved in principle and was recommended the topic of honorariums be appropriately revisited post-legal formation of the Commission.

Recommendation:

That the Commission:

- Approve Board honorariums, per diems, and compensation for reasonable out of pocket expenses as presented in this report and that they may be claimed retroactively to January 26, 2021 when the Commission legally formed under the *Municipal Government Act*.

Investigation

As outlined in the Governance Bylaw, the Board may by Special Resolution establish:

- a. Annual honorariums for the Chair and the other Directors;
- b. Per diems for attendance at Board meetings by the Chair and the other Directors;
and
- c. Compensation for reasonable out of pocket expenses for mileage, transit fare, taxi fares and other approved expenses when attending business on behalf of the Commission.

It is not necessary to amend the Governance Bylaw should the proposed Schedule for Board Compensation be approved. The only requirement is that the Board pass a motion to approve the proposed Schedule by Special Resolution.

The proposed Schedule for Board Compensation for the EMTSC was designed with the intent of aligning with regional comparators, such as Edmonton Metropolitan Regional Board (EMRB) and Alberta Capital Region Wastewater Commission (ACRWC).

Implications

In approving the Schedule outlining honorariums, per diems and compensation for reasonable out of pocket expenses, it will become the model used in the Governance Bylaw.

Business Plan/Budget Implications

If approved, the Schedule will be used to inform financial forecasts and will be reflected in future budgets.

Risks

Without a clearly defined Schedule, it may be difficult for Board Directors to apply a consistent approach to expense reimbursement.

Attachments

1. EDMONTON METROPOLITAN TRANSIT SERVICES COMMISSION Proposed Board Honorariums Schedule

**See page 20 of this agenda package.*

EDMONTON METROPOLITAN TRANSIT SERVICES COMMISSION

Proposed Schedule of Board Compensation

Chair	Policy	Honorarium of \$5,000 + per diem of \$350
Directors	Policy	Honorarium of \$2,875 + per diem of \$200
Both	Mileage Allowance	\$0.59 per km
	Expenses	Transit fare, parking, or taxi fare for EMTSC meeting related travel

Request for Decision – Board Meeting Schedule

Summary

Over the first year of formation, the Edmonton Metropolitan Transit Services Commission's Board of Directors are expected to meet as frequently as monthly, given the workload anticipated by virtue of standing up a new organization.

Recommendation:

That the Board:

- Adopt the proposed board meeting schedule for 2021 as outlined by this report, allowing the Board to meet on a monthly basis typically on the third Thursday of each month from 1-3pm Alberta time.

Proposed Board Meeting Schedule for 2021

- April 22
- May 20
- June 17
- July 22
- August 19
- September 23
- October 21
- November 18
- December 16