

NO: R079

COUNCIL DATE: May 13, 2019

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **May 8, 2019**

FROM: **General Manager, Corporate Services**

FILE: **7150-20 (E-Comm)**

SUBJECT: **E-Comm 9-1-1: Board of Directors Seat Rotation and Designate for Election and Designate to the 2019 Annual General Meeting**

RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Approve the following rotation of the two shared E-Comm 9-1-1 (“E-Comm”) Board of Director seats beginning with the 2019 E-Comm Annual General Meeting and continuing forward:
 - City of Surrey – one dedicated, continuing Board of Director seat;
 - City of Langley – two-year term (beginning the 2019 Annual General meeting);
 - City of White Rock – two-year term (beginning the 2021 Annual General meeting); and
 - Township of Langley – four-year term (beginning the 2023 Annual General meeting).
2. Approve Terry Waterhouse, General Manager, Policing Transition, as a designate for election to the E-Comm Board of Directors (“Board”);
3. Endorse the individual chosen by the City of Langley as a designate for election to the Board;
4. Designate Terry Waterhouse, General Manager, Policing Transition, as the City of Surrey’s representative to the 2019 Annual General Meeting (“AGM”) of the Shareholders of E-Comm; and
5. Authorize the City Clerk to forward a copy of the resolution to E-Comm, the City of Langley, City of White Rock and the Township of Langley.

INTENT

The purpose of this report is to request Council’s approval of the proposed seat rotation for the E-Comm Board, designate a City of Surrey representative for election to the Board, endorse the individual chosen by the City of Langley as a designate for election to the Board and designate a City of Surrey representative to the 2019 AGM to the Shareholders of E-Comm.

BACKGROUND

E-Comm is the largest emergency communications centre in BC. E-Comm owns and operates one of the largest multi-agency public safety radio networks in North America and is the first point of contact for 9-1-1 callers in Metro Vancouver and 25 other regional districts and communities across BC. E-Comm is the largest multi-jurisdictional radio network of its kind in BC and is responsible for approximately 1.6 million 9-1-1 calls a year, which is 99% of the province's 9-1-1 call volume.

The City of Surrey, the City of White Rock and the Township of Langley have been in the same "Class A" E-Comm shareholders grouping (the "Grouping") since 1998. Since 1999, the City of Surrey has exclusively occupied one of the two Board seats, while the Township of Langley and the City of White Rock alternated the second seat from year to year.

In 2018, the City of Langley also became a Class A shareholder and joined the Grouping. Pursuant to the E-Comm Members Agreement, the four municipalities in the Grouping are entitled to designate two individuals for election to the Board. At that time, the Grouping determined that the City of Surrey would retain one seat on the Board and would endorse the individual chosen by the City of White Rock, the City of Langley and the Township of Langley to occupy the second seat.

DISCUSSION

In early 2019, the four municipalities in the Grouping determined that the sharing of the two allotted Board seats would be most equitable based on approximate population representation. A schedule has been set out that dedicates one seat to the City of Surrey with the remaining three municipalities sharing the second seat on a rotational basis beginning at the 2019 Annual General meeting ("AGM") scheduled for June 20, 2019.

The schedule for the shared seat is as follows:

- City of Langley – two-year term (beginning at the 2019 AGM);
- City of White Rock – two-year term (beginning at the 2021 AGM); and
- Township of Langley – four-year term (beginning at the 2023 AGM).

In a letter from E-Comm dated March 29, 2019 (attached to this report as Appendix "I"), it is requested that the name of the mutually agreed nominees to the Board be submitted to E-Comm by May 17, 2019. It is recommended that Council approve Terry Waterhouse, General Manager, Policing Transition, as a designate for election to the Board for the 2019/2020 term. It is further recommended that the City advise E-Comm that the City of Surrey will endorse the other designate for election to the Board as selected by the Council of the City of Langley and approved by the City of White Rock and the Township of Langley.

In addition to the above, the Corporate Secretary of E-Comm has advised that the City of Surrey is responsible for designating one individual to attend the AGM of the E-Comm Shareholders for the purpose of voting the City's shares. The primary order of business at the AGM is the election of the E-Comm Board and it is recommended that Terry Waterhouse, General Manager, Policing Transition represent the City at the AGM.

SUSTAINABILITY CONSIDERATIONS

The work of this report supports the objectives of the City's Sustainability Charter 2.0. In particular, this work relates to the Sustainability Charter 2.0 theme of Public Safety. Specifically, the proposed seat rotation supports the following Desired Outcomes ("DO"):

- Community Safety and Emergency Services Do2: Police and fire services provide timely and reliable responses across the City; and
- Community Safety and Emergency Services Do5: Surrey is recognized and perceived as a leader in establishing and maintaining collaborative partnerships for community safety and well-being.

CONCLUSION

It is recommended that Council pass a resolution to confirm the arrangement for sharing two seats on the E-Comm Board of Directors, approve Terry Waterhouse, General Manager, Policing Transition, as a designate for election to the Board, endorse the individual chosen by the City of Langley as a designate for election to the Board, designate Terry Waterhouse, General Manager, Policing Transition, as the City of Surrey's representative to the 2019 AGM of the Shareholders of E-Comm; and that the resolution be sent to E-Comm, the City of Langley, the City of White Rock and the Township of Langley.

Rob Costanzo
General Manager, Corporate Services

Appendix "I": Letter dated March 29, 2019 from E-Comm

March 29, 2019

COPY



Mayor Doug McCallum and Council
City of Surrey
13450 104 Avenue
Surrey, BC
V3T 1V8

Dear Mayor McCallum and Council,

RE: E-Comm Board of Directors Designate — 2019-2020 Term

The Annual General Meeting (the "Meeting") of the Shareholders (Members) of E-Comm *Emergency Communications for British Columbia Inc.* ("E-Comm") will be held on Thursday, June 20, 2019 and, at that time, the Board of Directors will be appointed by the shareholders for the 2019-2020 term.

At present, Terry Waterhouse and Township of Langley Mayor Jack Froese represent the Township of Langley, and the Cities of Langley, Surrey and White Rock on our Board of Directors. Pursuant to Section 4.2.1.5 of the E-Comm Members' Agreement, the above entities are entitled to designate two mutually-agreed upon individuals for election to the Board of Directors of E-Comm.

We understand various discussions have taken place regarding the 2019-2020 nominees. While we understand an agreement has been reached on certain aspects, we do require all four nominating entities to confirm the names of the two nominees in writing in order to effect the appointments.

As you know, the Board of E-Comm is focused on good governance and we are looking for effective directors for the benefit of all shareholders. An effective director will have competencies in many, or most, of the following areas: Knowledge of E-Comm or the public-safety industry, knowledge of the role of a board, analytical skills including financial acumen, leadership skills, good communication skills, sound judgment, high integrity and the ability to influence others. Further, the Board of Directors believes that its composition should reflect the rich diversity of the communities that E-Comm serves.

The E-Comm Board of Directors meets five times per year and provides oversight of the business and affairs of the company. Two additional sessions are also held annually for strategic planning and board education. There are three standing committees of the board (Audit, Governance and Human Resources and Compensation), each meeting five times per year. Participation on committees is voluntary, but recommended.

Although shareholders are required to elect directors every year at our Annual General Meeting, there is no limit on the number of terms any one director can serve. Indeed, we believe that it is in all shareholders' best interest when a director can serve multiple terms.

As noted, because your municipality/organization is among a designated group of Members, we respectfully request that you confer with the others members of your grouping to establish mutually-agreeable nominees prior to informing us of your nominees. This will help to ensure a smooth nomination process.

We request that you advise the undersigned with written confirmation by May 17, 2019, of the name and contact information of your mutually-agreed upon nominees to the E-Comm Board.

A question/answer document is enclosed in this package and includes a sample motion confirming your nomination, if required.

Please note that nominating a director is a separate process from designating a representative to vote your shares at the Annual General Meeting (AGM) in June. As such, I will be contacting the City of Surrey again in May with information on the AGM and requesting that you designate one individual to attend the Annual General Meeting of the Shareholders for the purposes of voting the City of Surrey's shares.*

Yours truly,



Jody Robertson
Corporate Secretary

t | 604-215-4956
e | jody.robertson@ecomm911.ca

cc Terry Waterhouse, Director Public Safety Strategies, City of Surrey
Mayor Jack Froese, Township of Langley

*Our records indicate the following shares are held by the group to which you belong:

	Class A	Class B
City of Langley	1	-
Township of Langley	1	2
City of Surrey	2	1
City of White Rock	2	-

Board of Directors: Common Questions & Background

Q. What do you recommend the council/board motion read?

A. Exact wording is at the discretion of your organization, however council/board motions should include the name of the nominee, specification of the E-Comm Board term (e.g. 2019-2020) and reference to election at the Annual General Meeting of E-Comm shareholders. For example "THAT (enter municipality/board/organization name) nominate (name) to represent municipality/board/organization) on the E-Comm Board of Directors for the 2019-2020 term, such Board to be appointed by E-Comm shareholders at the June 20, 2019 Annual General Meeting."

Q. What is the role of the E-Comm Board of Directors?

A. The E-Comm Board of Directors meets five times per year to provide oversight of the business and affairs of the company. Two additional sessions are also held annually for strategic planning and board education. There are three standing committees of the board (Audit, Governance, and Human Resources and Compensation), each also meeting five times per year. Participation on committees is voluntary, but recommended.

Q. Who appoints the Board of Directors?

A. The shareholders elect the Board of Directors at the Annual General Meeting (AGM) of the Company. Nominating entities advise the E-Comm Corporate Secretary prior to the AGM of the name of their nominee to be put before the shareholders-at-large at the AGM.

Q. Why is the Board of Directors term only one year? Can we nominate someone for more than one term?

A. The E-Comm Corporate Articles specify a term of one year. Nominating Entities may advise the Corporate Secretary in writing if they wish their nominee's name to stand for election for a specific number of terms (e.g. four). However, the Corporate Secretary must confirm in writing each year that the standing nomination remains intact, however there will be no further action for the Nominating Entity unless they wish to make a change from their previous direction.

In the case of Nominating Entities that are part of a grouping, the Corporate Secretary must receive written confirmation from each nominating entity of the standing nomination, including specification of number of terms. The direction must be consistent among all members of the grouping; otherwise all members of the grouping must be contacted each year asking for confirmation of the nomination.

Q. If my organization/municipality is part of a grouping, do we have to agree on the nominee?

A. The E-Comm Members' Agreement specifies that each designated group of members shall agree on their individual nominee. Consultation on a mutually-agreeable nominee should be undertaken prior to advising the E-Comm Corporate Secretary of the name of the nominee.

E-Comm Board of Directors: Common Questions & Background

Q. What is the difference between nominating a board director and sending someone to the AGM?

A. The individual board nominees, once elected at the AGM, will serve on E-Comm's board throughout the coming year, attending various board and committee meetings, and participating in the supervision of the organization's affairs. Your organization's representative at the AGM is simply the person who attends the AGM that day on behalf of your organization, and votes your share on any resolutions or votes which occur at the AGM that day. That person's role and duties cease after the AGM has adjourned.

Q. Why do you contact us in March when the Board is not appointed by Shareholders until June?

A. We provide sufficient notice of the process to allow for conferring with other members of member groupings, council and or other motions that may be required.

Q. What do directors receive for remuneration?

A. Meeting rates are \$387 per meeting (for Directors who are not full-time employees of a Member, the Provincial Government or Special User), twice that amount for meetings longer than four hours in duration. Board meetings are generally less than four hours.

Q. Who do I contact with questions?

A. Krystal Boros, Assistant Corporate Secretary, 604-215-6221

About the annual general meeting

Q. What is an AGM?

A. A general meeting of all shareholders of E-Comm is required to occur at least once annually under the Business Corporations Act (BC), which regulates E-Comm's corporate governance.

Q. What happens at an AGM?

A. The compulsory items on the agenda are the election of directors, the appointment (or reappointment) of the auditors, and the presentation of previous year's financial statements. Usually, a number of additional items are also placed on the agenda, such as a general report from the directors, or presentations on new initiatives. Special business items could also be dealt with (such as changing the Corporate Articles), but shareholders would receive notice of any special business with the notice of meeting.

Q. Who should attend AGM?

A. A representative of the shareholder should attend the AGM to vote on the matters listed above including electing the board of directors.

E-Comm Board of Directors: Common Questions & Background

Q. What are shareholders entitled to vote on?

A. Holders of Class A shares have one vote per share on all matters requiring a vote at the AGM, including any items of special business. Class B shares are generally non-voting, except for matters which involve certain fundamental changes – these are listed and specified in the E-Comm Corporate Articles.

Q. What is the voting process at the AGM?

A. Upon the representative of a shareholder arriving at the AGM, they sign in and are provided with a voting card. Votes are conducted by a simple show of hands (voting cards) unless a shareholder demands at the meeting that a formal ballot or “poll” vote occur on a particular resolution.

Q. What if no one can attend, can we proxy our vote?

A. Yes. A shareholder can appoint a proxyholder (in writing) to attend and vote on the shareholder’s behalf at the AGM. The proxyholder need not be a member themselves.

Proxies must be in writing, must specify the name of the shareholder, the identity of the proxyholder, and reference the AGM in question. They must be signed by an authorized signatory of the shareholder. Proxies must be pre-registered with E-Comm at least 2 business days prior to the AGM.

Q. How will my shares be voted if I return a proxy?

A. Proxies usually grant the proxyholder the ability to vote on all matters at the meeting, in their discretion. If a shareholder wishes, it can restrict that discretionary power by stating in the proxy form that its shares must be voted in a certain manner on specified resolutions or votes which it anticipates will be before the meeting. Such language, if included, needs to be clear and unambiguous.

Q. Can a proxy be revoked?

A. Once granted, proxies can also be revoked, but written revocation signed by the shareholder must be given to E-Comm at least one business day prior to the AGM.

Q. Who chairs the AGM?

A. E-Comm’s Corporate Articles specify that the chair of the Board of Directors will also chair the AGM.

Q. How important is it that we send someone?

A. As a shareholder of E-Comm we strongly urge in-person attendance to ensure shares are represented.

Q. What if I have a question about the AGM?

A. Contact Krystal Boros, Assistant Corporate Secretary, at 604-215-6221.

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