Meeting No. 162 was held at the Best Western Plus Fernie Mountain Lodge in Fernie, BC.

Directors in attendance:
G. Deck, Chair
L. Page
K. Deane
P. Peterson
C. Gallinger
D. Birdstone
A. Naqvi
G. DeRosa
W. Booth
D. Raven
R. Jensen
A. McCracken

Staff in attendance:
N. Muth
J. Strilaeff
S. Curtis
W. Lundeberg
K. Gosal
M. Forster, Recording Secretary

The meeting was called to order at 1:00 pm on Friday, January 31, 2014.

ADOPTION OF AGENDA

Attachments:
- Election of Chair and Vice Chair
- Minutes: Board Meeting No. 161
- Report from the CEO
- Minutes: Executive Committee Meeting Nos. 104 and 105
- Memorandum of Understanding
- Update on CBT’s Evaluation
- Engagement Framework for Consultations on Future CBT Support of Community Development
- Major CBT Projects and Initiatives Update
- 2014/15 – 2016/17 Service Plan Update
- Five Year Treasury Board Forecasts
- FY2013/14 Q3 Consolidated Financial Statements
- Columbia Basin Broadband Corporation Update
- Cheque Signing and Banking Authority
- Restriction on CPC Indebtedness – Request for CBT Waiver
- CBT/CPC Development Opportunity Review
- Communications Update
- Minutes: Investment Committee Meeting No. 63
- Benefits of Private Placement Investments
- Statement of Investment Policies and Procedures
- BC Investment Management Corporation
- CRT Summary Financial Impact Review
- Delivery of Benefits Update on Activities
- Minutes: Community Initiatives Committee Meeting No. 2
- Community Directed Funds for Creston and District and Central East Kootenay
- City of Trail Request for Façade Improvement Grant Funding
- Minutes: Sector Initiatives Committee Meeting No. 2
- Environment Strategic Plan 2014 – 2019
- Social Strategic Plan
Advisory Committee Appointments
Manufacturing and Technology Sector Initiative Pilot
Selkirk College Silver King Trades Campus
Unallocated Budget – Commitments for 2013/14 Fiscal Year
Special Initiatives Department Update
CBT Process and Approach to Energy in the Basin

1/14 Moved, seconded and resolved that:
Agenda No.162 be approved and hereby is adopted as amended.

ELECTION OF CHAIR AND VICE CHAIR
A memorandum was provided to the Board of Directors which sought the election of Board Chair and Vice Chair to the CBT Board of Directors in accordance with CBT’s Meeting Policy and Procedures for the Board of Columbia Basin Trust, Section 10 – Election of Chair and Vice Chair. N. Muth, President and CEO, assumed the Chair for the purpose of electing a Chair. Nominations were requested and Greg Deck was nominated. There being no further nominations, Greg Deck was declared Chair of Columbia Basin Trust by acclamation.

2/14 Moved, seconded and resolved that:
The Board of Directors hereby appoints Greg Deck as Chair of Columbia Basin Trust.

Greg Deck assumed the Chair and the meeting continued.

The Chair requested nominations for Vice Chair, and Laurie Page was nominated. There being no further nominations, Laurie Page was declared Vice Chair of Columbia Basin Trust by acclamation.

3/14 Moved, seconded and resolved that:
The Board of Directors hereby appoints Laurie Page as Vice Chair of Columbia Basin Trust.

ADOPTION OF MINUTES
4/14 Moved, seconded and resolved that:
The Minutes of Meeting No. 161 held on November 22/23, 2013 be approved and hereby are adopted as amended.

The date of the April 2014 Board meeting was amended to read: Tuesday/Wednesday, March 25/26, 2014 – Nelson.

REPORTS FROM OFFICERS AND EXECUTIVE COMMITTEE
Report from the Chair
The Chair provided a verbal report to the Board of Directors. The Directors were informed that the Chair attended a meeting with K. Gosal and R. Allen in Cranbrook at the request of Minister B. Bennett in order to engage and inform Minister S. Thomson, Ministry of Forests, Lands and Natural Resource Operations, on land use issues surrounding the Koocanusa Reservoir. CBT was invited to lead the consultation that will now be required to ensure that the planning is sufficient to address the issues.

There were no resolutions arising.

Report from the CEO
The CEO provided a written and verbal report to the Board of Directors.

There were no resolutions arising.
Report from the Executive Committee
The Minutes from Meeting No. 104 held on November 21, 2013 and Meeting No. 105 held on December 20, 2013 were provided for informational purposes only.

There were no resolutions arising.

Memorandum of Understanding
A memorandum was provided to the Board of Directors which gave an update on discussions with the Ministry responsible for CBT, and efforts to create a memorandum of understanding between CBT and the Province that would clarify CBT’s accountability structure. The memorandum was provided for informational purposes only.

There were no resolutions arising.

Update on CBT’s Evaluation
A memorandum was provided to the Board of Directors which gave an update on CBT’s evaluation efforts. CBT had engaged consultant Mark Cabaj to assess CBT’s Evaluation Framework and other evaluation efforts. The consultant submitted a draft report which staff is still assessing. Staff will review the report and develop a process and timeline for prioritizing the consultant’s recommendations for action and moving towards implementation.

There were no resolutions arising.

Engagement Framework for Consultations on Future CBT Support of Community Development
A memorandum was provided to the Board of Directors to inform a discussion on CBT’s plans for engaging Basin residents on CBT’s forecast increased revenues. The memorandum also sought a decision on establishing a Board Task Force to guide the consultation process. The Chair proposed a Task Force with geographic and gender diversity comprised of Directors D. Birdstone, R. Jensen, G. DeRosa, L. Page and D. Raven.

5/14 Moved, seconded, and resolved that:
As recommended by the Executive Committee, the Board of Directors hereby approves the establishment of a Task Force on future CBT support of community development with the membership comprised of Directors D. Birdstone, R. Jensen, G. DeRosa, L. Page and D. Raven;

And further resolved that:
As recommended by the Executive Committee, the Board of Directors hereby approves the Terms of Reference for the Task Force on future CBT support of community development as presented.

And further resolved that:
The Board of Directors hereby authorizes the Task Force to pick a name for itself.

Major CBT Projects and Initiatives Update
A memorandum was provided to the Board of Directors which gave an update on the major CBT projects and initiatives currently underway. The memorandum was provided for informational purposes only.

There were no resolutions arising.
2014/15 – 2016/17 Service Plan Update
A memorandum was provided to the Board of Directors which gave an update on CBT’s 2014/15 – 2016/17 Service Plan. The final Board approved draft of the plan has been submitted to government for the Minister’s review and approval. The Minister’s approval or requests for changes will be given to CBT by January 30, 2014. At the November 2013 Board meeting, the Board delegated authority to the Executive Committee to approve any material changes to the plan that might occur as a result of feedback or requests for changes from government. The memorandum was provided for informational purposes only.

There were no resolutions arising.

REPORTS FROM FINANCE AND AUDIT COMMITTEE
Report from the Finance and Audit Committee
The Committee Chair provided the Board of Directors with a verbal report on a recent Finance and Audit Committee meeting held on January 16, 2014.

There were no resolutions arising.

Five Year Treasury Board Forecasts
A memorandum and quarterly forecast was provided to the Board of Directors which outlined the five year financial forecasts provided to Treasury Board. The memorandum also sought approval of the Five Year Treasury Board Forecasts.

6/14 Moved, seconded and resolved that:
As recommended by the Finance and Audit Committee, the Board of Directors hereby approves the Five Year Treasury Board Forecasts.

FY2013/14 – Q3 Consolidated Financial Statements
A memorandum was provided to the Board of Directors which discussed the consolidated financial statements for the period ended December 31, 2013 and any material changes from the consolidated financial statements for the period ended December 31, 2012. The memorandum also sought approval of the consolidated financial statements.

7/14 Moved, seconded and resolved that:
As recommended by the Finance and Audit Committee, the Board of Directors hereby approves the Consolidated Financial Statements for the period ended December 31, 2013, substantially in the form presented.

REPORTS FROM SUBSIDIARIES AND SPECIAL COMMITTEES
Columbia Basin Broadband Corporation (CBBC)
A memorandum was provided to the Board of Directors which gave an update on recent and future activities undertaken by CBBC. N. Muth informed the Directors that he recently met with Shaw executives on January 29, 2014 in Calgary.

There were no resolutions arising.

CORPORATE MATTERS
Cheque Signing and Banking Authorities
A memorandum was provided to the Board of Directors which set out the requirement and approval for the removal of Gary Ockenden and the addition of Aimee Ambrosone as Cheque Signing and Banking Authorities for Columbia Basin Trust and its wholly owned subsidiaries.
8/14 Moved, seconded, and resolved that:
The Board of Directors hereby approves the removal of Gary Ockenden as an authorized Cheque Signing and Banking Authority, and the addition of Aimee Ambrosone as an authorized Cheque Signing and Banking Authority.

Restriction on Columbia Power Corporation Indebtedness – Request for CBT Waiver
A memorandum was provided to the Board of Directors which provided information on an Executive Committee approval to waive section 4.10 of the 1995 Financing Agreement between the Province and CBT in order to permit Columbia Power Corporation to execute a recapitalization. The proposed recapitalization does not have a direct impact on CBT or CBT’s interests in the jointly owned power projects and is specific to the relationship between CPC and the Province. The memorandum was provided for informational purposes only.

There were no resolutions arising.

CBT/CPC Development Opportunity Review
A memorandum was provided to the Board of Directors which outlined a proposed study to identify large development opportunities in the Basin as a result of feedback received from residents and consultation during the 2013 Symposium around increased CBT revenues over the coming years. CBT/CPC would benefit from jointly commissioning such a study on the understanding no commitments will be made by either organization to move forward with potential projects either independently or partnership.

There were no resolutions arising.

Communications Update
A memorandum was provided to the Board of Directors which gave an update on activities planned or underway in Communications. The memorandum was provided for informational purposes only.

There were no resolutions arising.

INVESTMENT PROGRAM
Report from the Investment Committee
The Minutes from Meeting No. 63 held on November 19, 2013 were provided for informational purposes only.

There were no resolutions arising.

Baker Street Professional Centre Ltd.
Director and Investment Committee Chair Rick Jensen provided the Board of Directors with a written Disclosure of Interest in Baker Street Professional Centre Ltd.

The Board of Directors were provided with a verbal report on a recent Investment Committee meeting held on January 17, 2014 where the Committee reviewed and approved a business proposal for a $4,070,000 debt investment in Baker Street Professional Centre Ltd. for the purchase and renovation of the existing Baker Street Mall in downtown Cranbrook, which will be converted into a medical centre. Committee Chair Rick Jensen left the Investment Committee meeting during the discussion of this agenda item due to a conflict of interest. Committee member David Raven chaired the meeting in Rick Jensen’s absence.

There were no resolutions arising.
**Benefits of Private Placement Investments**
A memorandum was provided to the Board of Directors which presented the findings of a study commissioned to better understand the impacts and benefits of investments made through the Private Placement Program (PPP). CBT engaged Cornerstone Consulting to interview each of the key contacts from PPP relationships. The study reported on ancillary benefits as well as general perceptions of the PPP.

There were no resolutions arising.

**Statement of Investment Policies & Procedures**
A memorandum was provided to the Board of Directors which sought approval of minor amendments to the Statement of Investment Policies & Procedures as part of the required biennial review. The amendments included changes to staff titles.

9/14 Moved, seconded, and resolved that:
As recommended by the Investment Committee, the Board of Directors hereby approves the amendments to the Statement of Investment Policies & Procedures as presented, in satisfaction of the required biennial review.

**BC Investment Management Corporation**
A memorandum was provided to the Board of Directors which informed of a pending incremental investment in CBT’s Market Securities portfolio subsequent to a $20 million loan repayment from Columbia Power Corporation. After considering CBT’s cash requirements and the various investment options available, it is expected these funds will be invested with BC Investment Management Corporation. The memorandum was provided for informational purposes only.

There were no resolutions arising.

**CRT Summary Financial Impact Review**
A memorandum was provided to the Board of Directors which presented the findings of a joint CBT/CPC study investigating the financial impacts of possible Columbia River Treaty futures on CBT’s power project investments. The study progressed through three phases of investigation including a technical evaluation, contractual review, and a financial analysis. The study period extended to 2045 and concluded there is no potential financial benefit to be realized by CBT/CPC over that time and the potential for a loss of revenue of $1.75 million per year to each of CBT/CPC. The memorandum was provided for informational purposes only.

There were no resolutions arising.

**DELIVERY OF BENEFITS**
**Delivery of Benefits Committee Update**
A memorandum was provided to the Board of Directors which gave an update on the Delivery of Benefits programs since the last Board meeting.

There were no resolutions arising.

**Report from the Community Initiatives Committee (CIC)**
The Minutes from Meeting No. 2 held on November 22, 2013 were provided for informational purposes only. The Committee Chair provided a verbal update on a recent Community Initiatives Committee meeting held on January 31, 2014.

There were no resolutions arising.
CIC – Community Directed Funds for Creston and District and Central East Kootenay

A memorandum was provided to the Board of Directors which sought approval of two new initiatives under the Community Directed Funding Program (CDP). The two areas are Creston and District and Central East Kootenay. These initiatives are focused on sub-regions and on communities-of-interest, rather than individual local communities. The desired outcome is a relationship where the Communities determine their own plans and priorities for the use of CDP funds, and CBT will ensures the principles are adhered to and provide technical support as appropriate. If this proposal is approved, the Communities will not be eligible for additional CDP funds for area-wide projects. Local communities will still be eligible for CDP funds for local projects.

10/14 Moved, seconded and resolved that:
As recommended by the Community Initiatives Committee, the Board of Directors hereby approves the Community Directed Funds of $600,000 for the Creston and District area with monies to be transferred from the 2013/14 unallocated budget as required.

11/14 Moved, seconded and resolved that:
As recommended by the Community Initiatives Committee, the Board of Directors hereby approves the Community Directed Funds of $600,000 for the Central East Kootenay area with monies to be transferred from the 2013/14 unallocated budget as required.

CIC – City of Trail Request for Façade Improvement Grant Funding

A memorandum was provided to the Board of Directors that discussed a request from the City of Trail to establish a program for municipal façade improvements. Staff will work with the City of Trail to explore the possibility of accommodating this initiative through a grant under CBT’s Community Development Program.

There were no resolutions arising.

Report from the Sector Initiatives Committee (SIC)

The Minutes from Meeting No. 2 held on November 22, 2013 were provided for informational purposes only. The Committee Chair provided a verbal update on a recent Sector Initiatives Committee meeting held on January 31, 2014.

There were no resolutions arising.

SIC – Environment Strategic Plan 2014 - 2019

A memorandum was provided to the Board of Directors which sought approval of the final draft Environment Strategic Plan 2014 – 2019 (Plan). The Plan sets out five goals along with supporting objectives and activities which are focused on ecosystems, water, climate change, environmental education and environmental capacity building and will guide CBT’s Environment and Water Initiatives from 2014 to 2019. The Plan has been prepared based on extensive community and sector engagement, including a recent final public comment period.

12/14 Moved, seconded and resolved that:
As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves the Environment Strategic Plan 2014 – 2019 for implementation, substantially in the form presented.
SIC – Social Strategic Plan
A memorandum was provided to the Board of Directors which gave a summary of the key themes arising from the first phase of the engagement for reviewing CBT’s Social Strategic Plan and also outlined proposed next steps in the process. Staff plan to convene some social sector leaders to help inform further stages of engagement, to ensure meaningful roles for CBT can be developed within the key themes of issues which have been identified.

There were no resolutions arising.

SIC – Advisory Committee Appointments
A memorandum was provided to the Board of Directors which sought approval of one new appointment to the Social Advisory Committee.

13/14 Moved, seconded and resolved that:
As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves the appointment of Jim Fisher to the Social Advisory Committee for a three year term expiring January 31, 2017.

SIC – Manufacturing and Technology Sector Initiative Pilot
A memorandum was provided to the Board of Directors that sought approval of up to a maximum of $30,000 to support the orderly completion and wrap-up of the Manufacturing and Technology Sector Initiative Pilot (MATS). MATS is a collaborative partnership between CBT, Kootenay Association for Science and Technology and Kootenay Rockies Innovation Council. It focuses on the development, retention and expansion of Basin manufacturing and technology businesses. In July 2011, CBT provided $300,000 for this MATS Initiative.

14/14 Moved, seconded and resolved that:
As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves funding of up to a maximum of $30,000 from Other Economic Initiatives, to support the extension and completion of the Manufacturing and Technology Sector Initiative Pilot.

SIC – Selkirk College Silver King Trades Campus
A memorandum was provided to the Board of Directors that sought approval of a $1 million commitment to Selkirk College to assist with facility and equipment upgrades to the Silver King Trades Campus in Nelson.

15/14 Moved, seconded and resolved that:
As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves a commitment of $1 million to assist Selkirk College with funding facility and equipment upgrades to the Silver King Trades Campus;

And further resolved that:
As recommended by the Sector Initiatives Committee, the Board of Directors hereby delegates authority to staff to approve release of the funds subject to satisfactory receipt and review of a project development plan;

And further resolved that:
As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves the transfer of $1 million from the Unallocated Budget to fund the commitment.
Unallocated Budget – Commitments for 2013/14 Fiscal Year

A memorandum was provided to the Board of Directors that outlined and sought approval of proposed commitments for programs/projects that may be funded through the unallocated portion of the 2013/14 budget. Staff and management presented a number of programs and projects that could be committed to prior to March 31, 2014.

16/14 Moved, seconded and resolved that:
The Board of Directors hereby approves the commitment of funds to the programs and projects as presented to the Board;

And further resolved that:
The Board of Directors hereby designates authority to staff to best determine what programs and projects may be funded from the current year’s budget;

And further resolved that:
The Board of Directors hereby designates authority to the CEO to transfer monies from the 2013/14 unallocated budget for the programs and projects as required.

Special Initiatives Department Update

A memorandum was provided to the Board of Directors that gave an update on the Special Initiatives Department and current projects and research underway.

There were no resolutions arising.

CBT Process and Approach to Energy in the Basin

A memorandum was provided to the Board of Directors which detailed the process undertaken by Special Initiatives to investigate and identify key energy themes in the region and recommend a CBT energy approach for consideration and approval. The Board of Directors directed Special Initiatives staff to investigate the field of energy to better understand the current Basin context, potential challenges, opportunities and CBT’s potential role. Through the skills and knowledge of a variety of individuals and organizations through the CBT Energy in the Columbia Basin Advisory Group (the Group), the Group identified four key themes for CBT to consider further exploration, program development and implementation. Further exploration of each theme will require the development of rationale, objectives, target audience, identification of opportunities/challenges and potential partners. Any program development in key themes will include monitoring and evaluation frameworks to ensure goals and objectives are being met.

17/14 Moved, seconded and resolved that:
The Board of Directors hereby endorses staff moving forward with the recommended approach to undertake further research and development in the field of energy in the Columbia Basin.

OTHER BUSINESS

Verbal Reports from Directors on Community Activities

There were no resolutions arising.

Notice of Motion

Directors asked to address the following items at the next Board meeting:

1. Director D. Birdstone asked if there was a policy in effect that allows Directors to work for programs that have been funded by CBT.
2. Director W. Booth requested an update on the CBT/Local Government/KNC Governance Committee.
3. Director A. Naqvi would like further discussion on the sustainability of the Board of Directors and CBT regarding a sound business model. He would like to see a framework developed that measures how CBT’s assets will be utilized with increased revenues in the future.

There were no resolutions arising.

IN CAMERA
Board Round Table
There were no resolutions arising.

The meeting was concluded at 10:30 am on Saturday, February 1, 2014.

Certified Correct:

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G. Deck, Chair                    M. Forster, Recording Secretary