

1

MINUTES

Meeting of the Directors of the Pittsburgh Community Benefit Fund
La Salle Library
Monday, June 29, 1998

Present: Jack Hamilton (Chair), Leonore Foster, George Sutherland, Chander Datta, Harry Tudor, Audrey Helmstaedt, Hans Westenberg, Eric Bennett (Legal Counsel).

Regrets: Gerry Coady.

- 1) Chairman Hamilton called the meeting to order at 7.30 p.m.
- 2) **Moved by Hans Westenberg, seconded by Audrey Helmstaedt**, that the minutes of the meeting of June 03, 1998 be approved. **Carried.**

Moved by Harry Tudor, seconded by Hans Westenberg, that the minutes of the meeting of June 22, 1998, be approved. **Carried.**

Leonore Foster spoke on a matter of privilege, saying that she had received a letter from a lawyer on behalf of the Pittsburgh Ratepayers Association questioning the validity of the Benefit Fund Committee, raising the matter of financial liability for Board Members, etc. She stated that she had made up her mind that she would not vote on any issues while attending the Board meeting.

- 3) Approval of Accounts.

Mailrite had returned a cheque for \$900.00 for unused mail regarding the pool ballots.

There was a bill for \$13,950.00 from the Blue Marlins: Consultant Burke Oliver had billed for \$9000.00; office expenses were claimed at \$4,200.00, and damage to billboards at the information meeting was pegged at \$250.00. Chairman Hamilton said that the Board had asked the Blue Marlins to prepare a bill for office expenses, although there had not been a written agreement in advance with the previous Council or with the Benefit Fund. Audrey Helmstaedt stated that she had asked the Blue Marlins to provide all the copies and printed material, and she stated that she felt that these were all legitimate expenses. Leonore Foster requested a further breakdown of costs, and also mentioned, that we should have a set of drawings from the Braebury plans, for which we had paid already. Audrey Helmstaedt stated that all Braebury expenses had been covered earlier by the Benefit Fund. Chander Datta said that the former Pittsburgh Council, in haste at the end of its term, had given implicit guarantee, that bills would be paid. **Moved by Audrey Helmstaedt, seconded by Chander Datta**, that the account of the Blue Marlins be paid.

Mrs Madonna Funnell, the previous treasurer of Pittsburgh Township, was in the audience, and was asked for her opinion. She stated that there had been a verbal agreement, and she felt that she would have no problem in paying this amount. If the Pittsburgh Benefit Fund was not going to

pay this invoice, then it would have to be paid by the new City of Kingston, and it would be deducted from the amount that the City would still be owing the Pittsburgh Benefit Fund - either way, it would be paid. Chander Datta did not feel that it was necessary to provide more information, as we had all the information that was needed. **Motion carried, with George Sutherland and Hans Westenberg against, and Leonore Foster abstaining.**

There was an invoice from La Salle Secondary School for printing brochures for a total of \$600.00. **Moved by Harry Tudor, seconded by Chander Datta,** that this account be paid. There was active discussion whether there was enough work done to justify paying such a price. **Motion carried.**

There was a further invoice from Mr Brad Johnson, landscape architect, for \$12,326.31. He had provided detailed drawings for the La Salle Secondary School sport fields upgrading. So far he had been paid \$15,000.00 The previous agreement called for a total expenditure of \$28,900.00. **Moved by Audrey Helmstaedt, seconded by Hans Westenberg,** that this account be paid. **Motion carried.**

Invoice from Thornley Stoker for \$494.46 for mail-in vote regarding the pool. **Moved by Chander Datta, seconded by Audrey Helmstaedt,** that this invoice be paid. **Carried.**

- 4) The Library to be built in the MacLean house, and more particularly the contract between the Library Board and the Pittsburgh Benefit Fund, was next on the agenda. Eric Bennett, Legal Advisor, suggested that the item regarding the audited surplus to be deducted from the \$881,000.00 be deleted out of the previous motion on this topic. (June 3, 1998). He felt, that the audited surplus between the City of Kingston and the Pittsburgh Benefit Fund had nothing to do with the Library Board. The contract draft agreement was presented to the Board as dated June 29, 1998. Harry Tudor felt, that \$881,000.00 had to be committed without riders, and regardless of what happened to the surplus. Chander Datta referred to the June 03, 1998 meeting, in which it had been decided, that the surplus was to be deducted from the committed \$881,000.00. Paragraph #1 was a mutual agreement: not an obligation but an understanding. Leonore Foster stated, that the City of Kingston could not be bound by an agreement that was made between the Library Board and the Pittsburgh Benefit Fund. George Sutherland felt, that in opening up the discussion on the agreement we could lose the remainder of what was left in the Benefit Fund. He felt that we should just leave matters as they were, and that it was a separate issue. **Moved by Hans Westenberg, seconded by George Sutherland,** to accept the draft agreement between the Library Board and the Pittsburgh Community Benefit Fund as presented. **Hans Westenberg, George Sutherland, Harry Tudor were in favour; Chander Datta, Steven Hodgson and Gary Shultz, as well as the Chairman were against. Leonore Foster abstained. Motion lost.**

Gary Shultz reminded the Benefit Board, that the Library was sitting on \$2,000,000.00 worth of land, and Stephen Hodgson brought up the point, that we did not need a Library at this locaton so close to the City, as we now have access to the City's Main Library on Johnson Sreet. Chander Datta suggested, that we challenge the City to get the money back from the audited surplus, and

that we were in need of a bargaining tool. Eric Bennett, Legal Advisor, stated, that there could be a situation where there was no legal obligation for the City to turn the audited surplus over to the Benefit Fund, and that the City could challenge us if we actually kept on pushing for the return of this surplus. Madonna Funnell stated from the audience, that there was \$160,254.00 of audited surplus at the present time, and that she had heard that the City administration considered the bylaws of the Benefit Fund pretty tight. She questioned why the Community Fund was owed any money.

Leonore Foster suggested, that the Benefit Fund was trying to rewrite the amalgamation agreement. Chander Datta: "Let them challenge". He felt, that the Benefit Fund was not party to the agreement, but simply was the owner of the funds. The city could go after the former township, but not after the Benefit Fund. Furthermore he said, that this was not a dormant, but a politically active community.

Leonore Foster complained that she was not getting the floor. George Sutherland explained to the Board how difficult it was to make sure that motions would pass at City Council level. Leonore Foster felt, that if the city would be required to put in money of its own, it would likely tax the residents of the Pittsburgh Township Community. She said that the creation of the Benefit Fund and the Board had been a slight of hand, and that the City should have administered the money. Madonna Funnell provided the information that \$900,000.00 had been added to the original \$4,700,000.00. She reminded the Benefit Fund that the Library had to be completed by December 31, 1998, according to the motion passed by the former Pittsburgh Township Council. In the discussions regarding the amalgamation the dispute resolution had dealt with an approved 1997 surplus as well as the \$4,700,000.00, and this had been approved by County Council and the Amalgamation Board, and was deemed to have the approval of the City of Kingston and of Kingston Township.

Leonore Foster said, that the rumor existed, that the Benefit Fund Board and the Pittsburgh Community wanted to rewrite the agreement after the facts. All this discussion led to a **motion, made by Stephen Hodgson, seconded by George Sutherland**, to reconsider the previous rejection of the motion of agreement between the Library Board and the Pittsburgh Benefit Fund. This time the **original motion carried with everybody in favour, and Leonore Foster abstaining.**

Chander Datta stated, that City Council "had not been enthusiastic about letting us use our money, and that we should show our independence". George Sutherland expressed worries about a conflict of interest. It was agreed, that the Chair along with the Treasurer would sign the agreement and that there would be an initial funding release of \$100,000.00 as of July 01, 1998.

5) Other Business.

Harry Tudor suggested that we should not have a meeting until September, and that we needed to start a strategy for spending the \$4,000,000.00 which we still have in the Benefit Fund. We needed our "basic principles without motions or emotions".

After discussion the date for the next meeting was set for September 14, 1998, at 7.30 p.m. in the La Salle School Library.

Before adjournment Chander Datta asked for the floor, because he had to "get something off [his] chest". He had received a letter from Mr Peter Fortier, dated June 23, 1998. The letter suggested that he vacate his position on the Board, as the swimming pool project had been defeated. Chander Datta felt that this was promoting hatred, and that it came from a member of the Pittsburgh Ratepayers Association. Gary Shultz and Harry Tudor suggested we go in camera, but no motion was voted on to this effect, and Chander Datta went on to say, that we as members of the Board were not to discuss letters from lawyers or anybody else regarding our membership on the Board.

With regard to the earlier mentioned letter from the lawyer for the Ratepayers Association, Mr Eric Bennett stated, that Section S127 of the Legislation on Corporations allows for membership on Boards on either an elected or an appointed basis. He felt, that the provisions of the Act were not contravened. Nevertheless a quorum requirement for meetings had to be approved, and as we had a total of 11 members of the Board, **it was moved by Harry Tudor, seconded by Garry Shultz**, that the quorum requirement of the Benefit Board be changed from 5 to 6 board members. **Carried.**

The meeting was adjourned around 10.00 p.m.

RECEIVED
MAY 14 1998
MAY 14 1998
MAY 14 1998