



BOARD OF DIRECTORS MINUTES

NOVEMBER 4, 2017

Held in Suite 1200 of the Brown Building at 3600 McTavish Street in Montreal, Quebec, H3A 0G3.

Attendance: Ben Ger (President), Niall Carolan Vice-President (Finance), Erin Sobat Vice-President (University Affairs), Ryan Hughes, (General Manager [non-voting]), Sean Taylor (Member at Large), Zacheriah Loeb-Houston (Member at Large), Sebastian Morales (Member at Large), Adam Templer (Member at Large).

Regrets: Kahli-Ann Douglas (Member at Large), Chelsea Kingzett (Member at Large), Lexi Michaud (Member at Large), Dushan Tripp (Member at Large).

Agenda

Call to Order: 02:34 PM

Adoption of the Agenda

Motion to adopt by Niall, seconded by Kahli-Ann.

Approval of the Minutes

Ben: No minutes to approve at this time.

New Business

For Discussion: Judicial Board Question Regarding the Powers of the Board;

Ben: Just give everyone a quick reminder that the judicial board wrote the Board of Directors just talking about last time an open session just to clarify the relationship between the boards and how it can interact with the judicial board, what's our role and power.



Ryan: I believe the question that was asked by the judicial board was documentation and explanation of the power of the board to strip justice of their Chief Justice title. The fact that the second and the third paragraph reference that so technically don't need the first part but I think that there was a general misunderstanding of the board and its role and why its where and the role of the judicial board in general. But if you want to take a couple minutes to read it, go right ahead.

Erin: Should the board select a new Chief Justice or should the nominating committee? We're asserting power, but I'm not sure how heavy handed we should be.

Ryan: The nominating committee selects the justices, since the Chief Justice is an administrative position created by the judicial board, I don't know if the nominating committee would be able to do that as well. The sole purpose is the direct point of communication between the membership and the judicial board, so we would need somebody to act in that capacity. You could get away with not having one at all and just emailing the group as a whole. But usually you need a point person to administrate that.

Ben amends the language of the motion.

Sean: I was wondering, in the first paragraph, the line: "the board of directors is not bound by the opinions of the judicial board because the members of that body are not responsible for the integrity of the corporation." I was wondering if that needs a citation or is that fine as is? Should we cite from the constitution?

[Zacheriah]: I think that it's actually an explicit article that says we're not bound by the opinions. It would be useful to cite, I'll try to find that.

Ben: There's also the difference here between opinions and things referenced explicitly as reference questions, because is that specifically what you're referring to or just more broadly?

Sean: I believe, under the description of the judicial board, they render opinions only.

Ben: There are different practices though, internally.

[Zacheriah]: I think you're right that when you say the BoD will not be bound by the opinions of the j-board, that they consider opinions maybe different from rulings but what we're, in this instance, using it as, it mean rulings and opinions, that we just cannot be bound by the j-board period. But clarification might be required because they consider a ruling something that they can do separate from rendering an opinion, whether that actually be in the constitution or not.



Ben: Considering that this is a letter specifically to the judicial board, I don't know how in depth they expect us to go, so fair enough.

Adam: Just regarding Sean's point about the citation, I found it. It's in article 41.13 of the governance regulations.

[Person]: See the problem though is the constitution, which is obviously superseding, the constitution gives it the authority to adjudicate on matters within its jurisdiction as set out by the IRs (internal regulations), but then the IRs just say it can render opinions on a list of things. The definition of adjudicate is make a formal judgment or decision about a problem or disputed matter, it doesn't make a judgment. I'm not saying that they do have the authority to make decisions that can't be overturned by the Board, it's just how do you show that. That's the issue that they disagree with us on. They believe that the Board doesn't have the authority to overturn a j-board decision.

Ben: In terms of legally speaking? Because legally speaking I don't know if they would think that as we are a body that was created by the society underneath it, this is the highest legal governing body. But like in practice and principle, they could see that as their role. But what we're saying, as whole, is that regardless of practice and principle, once something becomes dangerous in terms of someone not doing their job or something like that, the board has the authority to step in to that situation in order to make sure that things remain stable. Specifically in this case it was in reference to the Board having decision-making powers in instances regarding the Chief Justice as well.

Ryan: Yes, in this particular case, the Board found that there was a delinquency of duty. They did not consider it serious enough to remove from office, but also wanted to remove that person from the Chief Justice role, as I believe that the Board at that time thought that communications from the Board were not getting through or understood properly and the Chief Justice did not vet it properly.

[Person]: In a meeting with her, she outright said that she decided to stop sharing our communications with the j-board because she didn't think they were productive. That's not a direct quote, but the gist.

Adam: Under article 6.12 (Constitution), it says, [quotes it], and that's kind of vague but it's central in terms of power because it defines them as a committee of the Board.

Ben: The judicial board, I don't believe, is registered as a committee beneath us. They're like a floating quasi-judicial body, like they're not fully registered in our governance list, they're not in the same structure as like a committee would be. I mean regardless, if what we were talking about earlier was true then this would within the scope if something like delinquency of duty happens, that's within the scope of HR matters, if someone isn't doing their job then the Board has the authority within HR to make sure that things actually function well here. That's the step in.



Sean: I think Adam has a point though, that being a committee says that under 8.10 in the constitution, it says that under committees in addition to the judicial board, council may use their discretion to create permanent committees, So it seems to maybe set a precedent that it is a committee of which additional committees can be added under that umbrella.

Ben: No that's a good point. Do we want to quote 8.10 and 6.12?

Ryan: I find 6.12 to be weird and I'm not sure if they would be classified as a committee,

Ben: But under 8.10, it seems that it falls under that nomenclature.

Ryan: Okay, let's add them in, if the Board is okay with that.

[Zachariah]: I don't know if it is even necessary, because these articles don't speak that well to the point of that sentence. You have to make a few logical jumps from simply identifying the j-board as a committee to understanding why we're not bound by their opinions. I don't think it's that clear. But we can add it if we want.

Adam: I think it fits with the overall message of the letter itself, but maybe there's somewhere better to put it in.

[Zachariah]: But what is your point? The j-board is technically a committee and thus the Board has the ability to restrict its powers? If so, I think you need to say that or the point of the citation won't be clear.

Sean: Could we say that they are a committee whose powers and responsibilities are determined by the Board of Directors? Because that's a quote from 6.12.

[Zachariah]: The problem is, to be honest, "in addition to the j-board" implies that the j-board is a committee, but this article is not about the j-board. It's saying "in addition to the j-board", LC can do these other things like restrict their powers. Like you can use 8.10 to argue that the j-board is a committee, and then go up to 6.12 and say the Board of Directors may create permanent ad-hoc committees, and it determines their powers and responsibilities, but I think it's kind of weak. Usually in legal documents and specifically in our legal documents, when things are given as an example, we try to remove that outright because in addition to the j-board, the LC can create committees is a pretty weak way to say that the j-board will be qualified as a committee. It is to the letter, it is saying that, but not necessarily in spirit and it is easy to argue that that's also an out of date reference. You see that a lot in gov docs, you'd see like "in addition to" or an example of a service that doesn't exist anymore and you could kind of argue that this thing is still a service, but that doesn't really make sense, it's just an out of date example. I just think it's weak and not needed. In my experience the j-board will argue every little point that they disagree with,



sort of like I am not, so if you put that citation you might just get a letter back that says “we disagree that the j-board is a committee for these reasons, therefore your point is invalid”.

Decided not to include citation.

For Discussion: Vending Machines;

Ryan: I have the vending machines supplier a default notice, as they hadn't paid, and I gave them 10 days to rectify that and also information regarding a new contract, which they agreed to but didn't pay. They eventually paid but there's a question as to whether we want to honor the default and remove them from the building or have them sign the contract until the end of May and then look for other suppliers in the meantime. This is the board's jurisdiction, what do you want me to do in this situation?

Adam: Why is this the board's jurisdiction?

Ryan: It's operational matter, to do with a tenant, technically.

Niall: Can we bring up stuff with the FFC see how that plays in? So I feel like we have the opportunity here to leverage, one, they defaulted on the contract and I don't think that we should use the provider again, there are many alternatives vending machine industries in Montreal so it's not like we're stuck if we don't go with this one supplier. Since they defaulted on the contract, I don't think we should use them even if there is a chance that they'll do it again. So I think that we should go with someone else but I would like to use my recommendation to hold off on that because we're currently in talks with the administration, the food and dining people, negotiating with them to get support of the SLC. It could pan out that the vending machines is something that they want in that deal, that may become a bargaining chip, and honestly the revenue compared to a couple vending machines to having a successful student run operation isn't really comparable so I would very much recommend that the board waits until we hear back from the food and dining people about whether to use that, and then if we can use it then I would much rather just forgo that vending machine revenue and use it to leverage a better deal.

[Zachariah]: So stick with the tenant until May so that you can figure out what we're going to replace it with, basically?

Niall: Yeah. But that's the thing, are we signed with the tenant for a year, as of right now?

Ryan: Yeah, so what happened is that our last contract with the tenant was in 2011, it's just basically a one-page thing saying, “you can be in the building and you're going to give us 15 percent commission”. Somewhere along the line they also paid for a monthly storage, it was never included in the contract, the



contract was never updated. So when we redid our tenant contracts, we redesigned all of our commercial contracts to align them all together, and in so doing we did the same thing for the vending machines. So there's a contract pending, that they can sign and they have agreed to all the terms and conditions in the contract verbally, or through email, that also includes an increased commission rate, from 15 percent to 25 percent, and defined dates for payment. So if we are to continue on to May 31st, if they don't sign the contract it's going to be in the same terms and conditions as the old contract, and that is vulnerability for us because there are issues in regards to vandalism and shared costs associated with that.

Niall: But if it doesn't get signed does that mean that the old contract is in effect on a rolling basis?

Ryan: Basically same terms and conditions apply.

Niall: But we would be able to pull up that past contract and point, right?

Ryan: Yeah, we would give them approximately 60 days notice, please exit the building at such a date if we so decided that we no longer wanted to do business.

Niall: Okay so right now, are we able to sign on month-to-month or you wouldn't want that?

Ryan: Technically speaking, when the contract expires, it kind of goes to a month-to-month basis.

Niall: When does it expire?

Ryan: It has expired, it expired last fiscal year.

Niall: Okay so I would recommend that we keep it month to month for the time being.

Adam: Are we resolving something to be enacted?

Ryan: No, this is just discussion. I'm interested in what your opinions are. There is no decision being made here, just a general direction. We can do nothing and go forward either way, we can just leave things as is. From a cost perspective it's not that much money.

Jonathan: If we keep it at month to month, didn't he say there was a problem with the existing contract?

Niall: Yeah, mainly just a liability over the units and the shared terms. Where there's a shared liability, in the new contract we renegotiated where there is no shared liability. That just stems from issues we had over the summer.



[Zacheriah]: So you successfully, or you were in the process of negotiating a new lease for what term?

Ryan: I only put it down for a year. May to May. There was also a question of whether we wanted to do our own vending machines, or get third party suppliers in and we got quotes for that as well, but it was never solidified, it was just on the table.

[Zacheriah]: Do you mean retroactive May 16 to May 17, May 17 to May 18.

Ryan: Basically if they were to sign the contract now, it would go until May 31st, 2017.

[Zacheriah]: So what's the harm in doing that? Because even negotiating with Food and Dining, it's going to take some time. You could tell them that they can come in the summer.

Niall: We can do it from May, and the more it goes on the more likely that it, but I know that there was a possibility of trying to make that negotiation, so I didn't want to have things in place that would kind of mess that up, but again I don't have a very strong opinion either way because it will likely play out to have an effect in May either way.

[Zacheriah]: And we have higher commissions under the new lease?

Ryan: Yes. We had gone to different suppliers and it was ranging from 20-25%, which seems to be the standard and the previous one was 15%.

Niall: To put that in context, I think that only equates to maximum \$500 increase.

Ryan: Yeah, it's really inconsequential when it comes to the overall revenue. I do believe vending machines are important to the building because once operations cease, there is not place to purchase food and beverages, especially for the occupants who are afterhours. And we have had no issues other than the payment issues with this particular supplier.

[Zacheriah]: Do you have any preference between the two options?

Ryan: Right now, we don't have another options on the table that's better or worse and we need vending machine in the building like I said, so I would just extending that contract until May 31st 2017. And if nothing pulls through you can always extend longer, it depends.

[Zacheriah]: That seems to make sense, although you could, depending on what place you are in your negotiations, you might be able to leverage the possibility of signing a contract, you might be able to go



to them and say, “look, if you don’t want to commit to this, then we’re signing a contract until May and we’ll keep negotiating.”

Niall: Ben’s been the one who has done all that work, so if you want to speak to this?

Ben: I don’t know if there is a complete timeline for those negotiations, right now what is happening is it’s part of the MOA, so there is conversations happening, there was one that was supposed to happen in the past few weeks but didn’t happen because Olivier needed to kick it back like a month. I know Sasha’s having a conversation with people today, beyond that we’ll see what develops out of it. Next time Jonathan, Erin and I meet to talk about MOA stuff, which I think is next month.

Ryan: There’s no exclusivity, by the way. So you could put any number of any machines at any location within the building.

[Zacheriah]: So signing the new contract doesn’t get exclusivity.

Ryan: No we’ve removed exclusivity from contract for more flexibility.

[Zacheriah]: I feel comfortable going ahead and signing a new contract then, until May, especially as there isn’t exclusivity.

Ben: Would Food and Dining was exclusivity though?

Erin: We can try it until May 31st and then if they want exclusivity they can have it then.

Building and Construction Projects Update;

Ryan: So today there’s x-rays going on in the basement. We had heating problems within the building, that’s because the construction, those steam lines are coming from the opposite side of campus, and the construction severed that link. So there’s no heat coming its traditional source, so out in the parking lot, there’s a large tractor trailer that is a temporary boiler that is heating the SSMU building, Peterson Hall and all down the line. It’s powered by diesel and it is supplying heat to the university center in less than consistent fashion but at least we have heat for a period of time. The steam lines were supposed to be reconnected on October 15th and for a period of time, like a week, we did not have heat and it was starting to become palpable. We supplied some temporary heating to the McGill Daily, and they were very appreciative of that. But I just went down there and I took away a space heater. There’s also a problem up in the cafeteria, the ceiling above the window spaces and adjoining the brown building above the doors, has some water damage, we’re taking a look at that. There may be some issues up in the ceiling and I



have to confirm that with the facility supervisor. If that is the case, there might be some disruptions to the cafeteria while they do repair within the space. For that I don't have a duration, we just at the beginning but you should be aware of it. That's it for the construction, the construction outside is ongoing, we had a water shut down in the brown building which because the construction crew clipped a water line over on Doctor Penfield, and the City of Montreal had to come do a repair. It didn't affect us except for the office; the university center as luck would have it was not affected, but a number of other buildings on Peel were. We're good on that stretch. So far we are surviving, the closure of the walkway between brown building on the exterior has served us quite well in terms of overall traffic, although overall expenditures are up because of the increase of traffic running through the building, particularly on the main floor. But so far projections of traffic loss of 25-30% have not manifested so it's been quite good. That's it.

[Zachariah]: Did your walk-through include Gerts? Saw something that looked like water damage on their ceiling.

Ryan: Yeah that was a problem from Liquid Nutrition. Their ice machine broke and leaked through in that area. But do keep me apprised about the building; I can't be everywhere at once so I do need reports so we can take action when needed.

Ben: Just because we're about to talk about some people's resumes, I'm going to ask the media to leave so that we can have a brief confidential session, don't want to talk about people's resumes in public.

Ratification of Audited Financial Statement (2015-2016) – APPROVED;

[Zachariah]: Why did they qualify our cash control? We have internal cash controls for them to check.

Niall: I think there was just a huge increase in cash use this year. Also the reason why it looks like we have a huge surplus when we really have like an \$85,000 deficit is because it's restricted money, used for other things like money, that money gets billed as a revenue but I don't really count that because it flows out into funds and services and things.

[Zachariah]: What is this \$100,000 coming out of SERF? Wait never mind, I get it, it's restricted funding again.

Motion to approve, all are in favor. Motion passes.

Ratification of Nominees for the 2016/2017 Board of Directors to go to GA.



Students' Society of McGill University

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Ben: we just lost quorum, so we're going to have to do the ratification of the nominees online, but either way it goes to the GA for public ratification, so that will have to happen.

David: Who of the councilors are sticking on?

Ben: Kahli and Adam are staying as councilors. Sean is staying as a member-as-large.

The Board moves into Confidential Session.

Adjournment: 03:49 PM

A handwritten signature in blue ink that reads "Muna Tojiboeva". The signature is written in a cursive style and is positioned above a horizontal line.

Muna Tojiboeva, President

2017-08-09

Approved