

DRAFT MINUTES

GOVERNMENT RELATIONS – JUNE 28 /2016

Attendees: Peter Brain, Simon Resch, Philippe Bachand, Abe Taqtaq, Laurie Karson

Special GR Advisors: Tania Lee (Blue Water Bridge), Michael Gruyich (Niagara Duty Free)

Absent: Gerry Lee

FDFA Staff: Allison Boucher

TSA: Don Moors

Review of prior meeting minutes:

Motion by Philippe Bachand to approve the draft June 1/2016 GR Mtg. Minutes. Seconded by Abe Taqtaq. No opposition. All in favour. Motion passed

Lease Update:

Review of Chairman Hoyt Letter Received: Don Moors noted that he did not see a strategic angle from the response letter received recently from Chairman Hoyt. Despite their claim to an open, transparent process, Don feels there are still serious concerns with the fairness of the process of the RFP conducted the by PBA.

Martin Bolduc, Vice-President Operations Branch, CBSA: Don noted that he had the opportunity to speak to BLG on the letter received from Martin Bolduc and found their legal opinion to be of a positive nature, Don did not feel the same. BLG sees the policies as being different from the regulations – BLG did not see a benefit in a legal response to the letter.

David Hurl, Sr. Policy Advisor, Minister Public Safety: Don spoke to David Hurl and reviewed the letter from the FDFA in detail. David was not aware of the resignation of Anthony Annunziata from the PBA Board and wanted to brief the Minister on this development. Don stressed the importance to David of the departments need for due diligence considering this development. Don noted to the Committee that he felt David did take the conversation seriously and once the winner of the RFP was announce that this file may rise to the top of his desk, however, he also felt David was getting bad advice from CBSA re: Memo D4-3-2.

Recommended Next Steps: Don contact David Hurl for an update and clarification on:

1. David's due diligence re: Annunziata resignation and attempt to ascertain if they are on top of the file and/or if they have a different view after the winner is announced on July 1st.
2. The comment in Mr. Bolduc's letter stating there are other factors the Minister will consider when exercising his discretion under the regulations – what are the other factors?
3. Clarification on whether or not David believes Memo D-4-3-2 applies

Post July 1st announcement: Don recommended we keep a conciliatory approach with CBSA and switch to an advocacy role with David Hurl by stressing they not cancel the PBDF license and recommend the Minister follow D4-3-2. Don is presuming that if PBDF loses, they will likely take aggressive action against CBSA and the Minister. The GR Committee will need to decide if they want to pursue Martin Bolduc any further.

In-Camera Discussion:

Laurie advised the Committee that Don Moors was no longer on retainer and any further work would be billed hourly at a rate of \$350/hour. Laurie recommend that Don contact David Hurl for an update.

The Committee discussed the potential scenarios dependant on the outcome of the RFP including:

- How much information would be shared with PBDF?
- What role the FDFA will play after the winner is announced.
- The potential implications of a new company joining the FDFA and PBDF or Queenston-Lewiston re-joining.
- Whether to have something prepared for the media sating our position should the FDFA or an operator be contacted

The Committee agreed after the July 1st announcement to first wait and see if PBDF approaches the FDFA for any support or requests to re-join the FDFA. PBDF would then be asked to share their information before any decision or information would be provided. At that time the FDFA would review and reassess potentially recovering some of the costs spent on the RFP issue.

It was also noted that it may be dangerous to miss the opportunity to put our position out there through the media, once the RFP is announced. The importance of defending the structure of licensing according to the rules and regulations without embarrassing the Government was stressed.

ACTIONS:

- Committee agreed to keep Don Moors on an hourly basis (\$350/hour) while he follows up with David Hurl as per Don's recommended next steps (3 points noted above). Laurie will monitor his hours and apprise the committee should it reach a significant amount worthy of reconsidering placing Don back on retainer
- Laurie will instruct Don to contact David Hurl immediately for an update on their position given recent developments with the PA and pending RFP announcement July 1st
- Laurie will ask Don for his opinion on preparing a media response and the potential impact or backlash from the Minister, based on the tone in our message – how far should we go?
- Laurie will review the Bylaws and create a scenarios document outlining the various outcomes of the RFP and how it may apply to a new operator member of the FDFA.

Nest GR Meeting:

No meeting scheduled at this time. Laurie Karson will schedule the next meeting when necessary – a meeting alert will be sent via email.