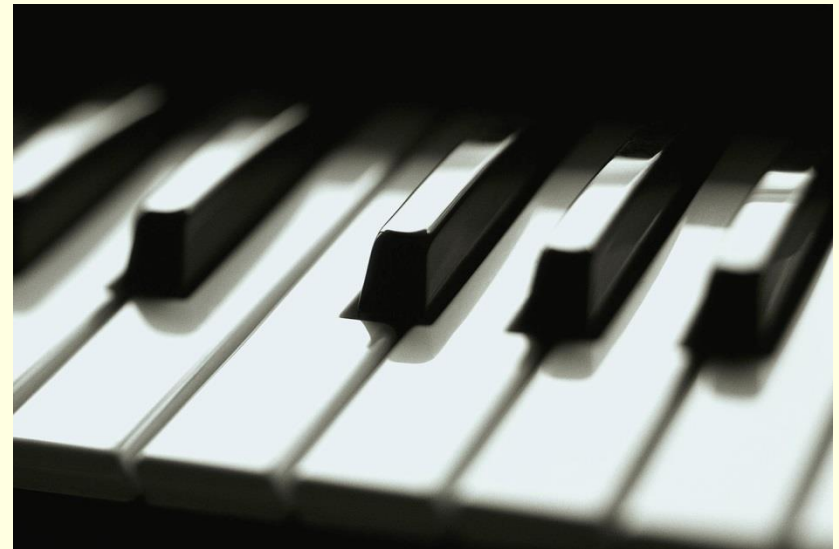


Governance: Board-Management Relations: A Critical Factor in Your Port's Success

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Keys to a harmonious relationship

- Trust (based on honesty)
- Confidence (based on dependability)
- Mutual respect
- Communication
- Sense of humour



Respect Roles and Relationships

- Define and communicate roles
 - Board Charter
 - Orientation of new directors, officers, managers
- Awareness - boundaries, interactions, sensitive areas
- Lines of Communication
 - Board
 - Committees
 - Chair
 - CEO
 - Corporate Secretary
 - Legal Counsel to Board
 - Other Officers
 - Senior Managers



Board of Directors - Power to Manage

“The board of directors is responsible for the management of the activities of a port authority.”

Canada Marine Act, s.20

Halifax Port Authority - Board Charter

- Adopted February 2007 to delineate key stewardship and governance responsibilities and clarify respective roles of the Board and the CEO in the following areas:
 - Mission, Vision and Values
 - Corporate Plans and Performance
 - Human Resources
 - Fiscal Management
 - Risk Management
 - Stakeholder Relations and Communications
 - Governance Effectiveness and Efficiency
- Reviewed bi-annually

A Board's Challenges

- Understand mandate
- Understand legislated authority and powers
- Identify port's strengths, weaknesses, risks
- Set strategic direction ... mission, objectives & strategies
- Select CEO
- Establish effective control & information systems
- Set general operating policies
- Evaluate progress toward goals
- Evaluate performance of CEO
- Plan for succession

A CEO's Challenges

- Operate, manage, transact, execute
- Translate board's directions into action
- Manage business and activities
- Make recommendations on strategic direction
- Hire, fire, direct staff
- Accountability for results
- Spokesperson for port business
- Liaison with port stakeholders

Counselling the Board

- Corporate history and knowledge from experience
- Issues tend to be local and thus potential for trouble
- A close relationship with Board Chair and CEO
- An extra set of eyes and ears

Board-Management Relationship

...TEAMWORK

- Empower CEO
- Delegate authority needed to achieve mandate
- Hands-on governance
- Hands-off management
- Accountability
- Establish objectives, measure performance
- Reward for performance

Board- CEO Relationship

- Cultivate relationship of openness & trust
 - Board
 - listen, offer advice, seek recommendations
 - allow CEO to do the job
 - earn respect
 - CEO
 - report regularly and fully, seek advice
 - follow Board's policies
 - earn respect

Legal Counsel to HPA

Roles & Responsibilities

Management

- Provide complete range of legal services including contracts, leases, litigation, labour, governance, acquisitions of real estate, real estate (general);
- Advise President on legal issues;
- Work with Senior Management including:
 - VP – Finance
 - VP – Real Estate
 - VP – Operations

Legal Counsel to HPA

- Work with Senior Directors
 - Human Resources
 - Environment
- Work with Corporate Secretary re: legal status, governance, resolutions for Board, Canada Marine Act

Legal Counsel to HPA

Board

- Attend Board meetings
- Advise Board on Governance
- Advise Board on Canada Marine Act & Letters Patent
- Update Board on legal issues as they relate to litigation and significant contract negotiations