

Report to Council

Report Title:	Saugeen Municipal Airport Revised Corporate By-Laws		
Prepared By:	Fiona Hamilton, Director of Legislative and Legal Services (Clerk)		
Department:	Clerk's		
Date:	January 10, 2023		
Report Number:	CLK2023-01	File Number:	C11CL
Attachments:	Proposed Saugeen Municipal Airport Revised Corporate By-Laws		

Recommendation:

That the Council of the Municipality of Brockton hereby approves Report Number CLK2023-01 – Saugeen Municipal Airport Revised Corporate By-Laws, prepared by Fiona Hamilton, Director of Legislative and Legal Services (Clerk) for information purposes and formally request that the Saugeen Municipal Airport Commission consider formal comments from the member Municipalities for formal comment prior to any approval by the Commission; and further that the report and resolution be provided to the Municipality of West Grey and the Town of Hanover for their consideration.

Report:

Background:

The *Not-for-Profit Corporations Act, 2010*, S.O 2010, c. 15 ("the Act") came into effect on October 19, 2021 and required organizations that were previously constituted under certain parts of the previous *Corporations Act*, R.S.O 1990 c. C.38 to review and potentially revise their governing by-laws to comply with the Act within a three year transition period.

The Saugeen Municipal Airport (the "SMA") is one of these organizations and also a local board of the municipalities of Brockton, West Grey and the Town of Hanover. The SMA hired a law firm to review and recommend updated governing by-laws. The proposed draft SMA by-laws have been attached to this report after being initially presented at the SMA meeting in October.

According to the Act, once the SMA Commissioners approve the new by-laws, the by-laws must then be confirmed, repealed or amended by the members of the SMA (which includes Brockton, West Grey and Hanover) at the next meeting of the members (which may not occur until the next annual general meeting, if a member did not call a meeting earlier).

While this process will ensure Brockton would eventually have an opportunity to comment, the by-laws could have been operational for some time before that next meeting of Members occurred. To be more efficient

and mindful of legal costs, Brockton Council may wish to request some changes to these by-laws prior to the adoption by the SMA, and further encourage Hanover and West Grey to endorse changes as well.

Analysis:

Overall, the updated by-laws provide additional clarity and ensure compliance with the Act. However, there are some provisions that should be reviewed to also reflect the requirements in the *Municipal Act, 2001* for local boards.

Some of these proposed revisions are as follows:

- 1) The Board should not have the ability to amend the financial year end, as doing so could interfere with the municipal auditing process and timing by which the municipalities would need to file the Financial Information Return with the Ministry of Municipal Affairs and Housing.
- 2) While section 2.02 provides a welcome definition of the membership of the SMA, the Board should not be permitted to add new members without the municipalities consent, or terminate the membership of a municipality, particularly given that the operations and capital investment in the facility has been funded by those ratepayers for many years;
- 3) Recommendation that the number of Directors be limited to 5 with 3 representatives from the municipalities to be consistent with the ratios in place prior to the departure of Arran-Elderslie;
- 4) Many of the provisions around notice to the Directors or Members should be revised to ensure that proper notice of meetings is also being posted publicly and remain open to the public – while this is not required under the Act, it is an additional requirement because the SMA is a local board. Similarly, meetings of the Members, as municipalities, cannot allow for restricted attendance.
- 5) Given the financial implications to the three municipalities, any meeting of the members should require the attendance of all three entities to establish a quorum.

Once the By-laws have been amended, the next steps to update the SMA governance documents should be a revised Members agreement and updated cost-sharing arrangement.

As noted above, the new by-laws are an important component of proper governance of the SMA. However, as the SMA is funded by the three municipalities that must remain accountable and transparent to their residents, ultimate control over the asset must remain within the municipalities.

Strategic Action Plan Checklist:

What aspect of the Brockton Strategic Action Plan does the content/recommendations in this report help advance?

- | | |
|---|-----|
| • Recommendations help move the Municipality closer to its Vision | N/A |
| • Recommendations contribute to achieving Heritage, Culture, and Community | Yes |
| • Recommendations contribute to achieving Quality of Life | N/A |
| • Recommendations contribute to achieving Land Use Planning and the Natural Environment | Yes |
| • Recommendations contribute to achieving Economic Development | Yes |
| • Recommendations contribute to achieving Municipal Governance | Yes |

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

Brockton has not yet received the 2023 allocation, but has been advised that there was a deficit by the SMA in 2022.

Reviewed By:

Trish Serratore, Chief Financial Officer

Respectfully Submitted by:

Fiona Hamilton, Director of Legislative and Legal Services (Clerk)

Reviewed By:

Sonya Watson, Chief Administrative Officer

BY-LAW NO. 2

A by-law relating generally to the
transaction of the business and
affairs of

**Saugeen Municipal Airport
(the “Corporation”)**

TABLE OF CONTENTS

SECTION 1 – GENERAL	4
1.01 Definitions	4
1.02 Interpretation	5
1.03 Severability	5
1.04 Corporate Seal	5
1.05 Execution of Documents	5
1.06 Financial Year End	5
1.07 Banking Arrangements	5
1.08 Appointment of Auditors	6
1.09 Head Office	6
SECTION 2 – MEMBERS	6
2.01 Membership Conditions	6
2.02 Termination of Membership	6
2.03 Discipline of Members	7
SECTION 3 - MEETINGS OF MEMBERS	7
3.01 Notice of Meeting of Members	7
3.02 Persons Entitled to be Present	9
3.03 Chair of the Meeting	9

3.04	Quorum.....	9
3.05	Voting of Members.....	9
3.06	Participation by Electronic Means	10
3.07	Virtual Meetings	10
3.08	Annual Meeting of Members.....	10
3.09	Special Meetings.....	10
3.10	Adjournments	11
SECTION 4 – COMMISSIONERS		11
4.01	Board of Commissioners	11
4.02	Nomination to the Board.....	11
4.03	Election and Term	11
4.04	Vacancies	11
4.05	Filling Vacancies	12
4.06	Remuneration of Commissioners	12
SECTION 5 – MEETING OF COMMISSIONERS.....		12
5.01	Regular Meetings.....	12
5.02	Special Meetings.....	12
5.03	Notice of Meeting.....	13
5.04	Waiver of Notice.....	13
5.05	Quorum.....	13
5.06	Chair.....	13
5.07	Voting.....	13
5.08	Committees.....	14
5.09	Participation by Electronic Means	14
SECTION 6– OFFICERS		14

6.01 Officers.....	14
6.02 Duties of the Airport Manager	14
6.03 Vacancy in Office	14
SECTION 7 – INDEMNITIES TO COMMISSIONERS AND OTHERS.....	15
7.01 Indemnification of Commissioners and Officers.....	15
7.02 Insurance.....	15
SECTION 8 - NOTICES	15
8.01 Method of Giving Notices	15
8.02 Omissions and Errors	16
SECTION 9 – CONFLICT OF INTEREST.....	16
9.01 Conflict of Interest	16
SECTION 10 - DISPUTE RESOLUTION	16
10.01 Dispute Resolution Mechanism	16
SECTION 11 - EFFECTIVE DATE.....	17
11.01 Effective Date	17

BE IT ENACTED as a by-law of the Corporation as follows:

SECTION 1 – GENERAL

1.01 Definitions

In this by-law and all other by-laws of the Corporation, unless the context otherwise requires:

- (a) **"Act"** means the Ontario *Not-for-Profit Corporations Act*, 2010, S.O. 2010, c.15 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- (b) **"articles"** means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;
- (c) **"Board"** means the Board of commissioners of the Corporation;
- (d) **"by-law"** means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;
- (e) **"chair"** means the chair of the Board;
- (f) **"commissioner"** means a director of the Board;
- (g) **"Corporation"** means the corporation that has passed these by-laws under the Act or that is deemed to have passed these by-laws under the Act;
- (h) **"director"** means an individual occupying the position of the director of the Corporation by whatever name they are called;
- (i) **"member"** means a member of the Corporation;
- (j) **"members"** means that collective membership of the Corporation;
- (k) **"meeting of members"** includes an annual meeting of members or a special meeting of members; **"special meeting of members"** includes a special meeting of all members entitled to vote at an annual meeting of members;
- (l) **"officer"** means an officer of the Corporation; and
- (m) **"Regulations"** means the regulations made under the Act, as amended, restated or in effect from time to time.

Commented [SR1]: This term has been revised.

Commented [SR2]: This term has been added. The term "director" has been replaced with "commissioner" throughout the by-law.

1.02 Interpretation

In the interpretation of the by-laws, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified in 1.01 above, words and expressions defined in the Act have the same meanings when used in the by-laws.

1.03 Severability

The invalidity or unenforceability of any provision of these by-laws shall not affect the validity or enforceability of the remaining provisions of the by-laws. If any of the provisions contained in the by-laws are inconsistent with those contained in the articles or the Act, the provisions contained in the articles or the Act, as the case may be, shall prevail.

1.04 Corporate Seal

The Corporation may have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the secretary of the Corporation shall be the custodian of the corporate seal.

1.05 Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by the chair or vice-chair and by the secretary. Contracts in the ordinary course of the Corporation's operations requiring execution may be signed by the chair, vice-chair, treasurer or by any person authorized by the Board. In addition, the Board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any commissioner or officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

1.06 Financial Year End

Unless otherwise ordered by the Board of commissioners, the financial year end of the Corporation shall be December 31st in each year.

1.07 Banking Arrangements

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board may designate, appoint or authorize from time to time by resolution. The banking business or any part

of it shall be transacted by those officers or other persons as the Board may designate, appoint or authorize from time to time by resolution.

1.08 Appointment of Auditors

The members shall at each annual meeting of members appoint an auditor or auditors to hold office until the next annual meeting of members, provided that the commissioners may fill any casual vacancy in the office of auditor. The remuneration of the auditor shall be fixed by the Board of commissioners.

1.09 Head Office

The head office of the Corporation shall be in the Municipality of Brockton, in the Province of Ontario, or, at such other location as the Board may determine from time to time.

Commented [SR3]: This has been revised.

SECTION 2 – MEMBERS

2.01 Membership Conditions

Subject to the articles, there shall be one class of members in the Corporation. The Municipality of West Grey, Town of Hanover, and Municipality of Brockton shall each be admitted as a voting member of the Corporation without further action or formality. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation.

Commented [SR4]: Membership in the corporation has been revised to include the three founding members only. This means that three founding members will maintain control of the corporation and the Board. No additional members may be added to the Corporation; only additional commissioners may be elected to the Board.

2.02 Termination of Membership

A membership in the Corporation is terminated when:

- a. the member dies, or, in the case of a member that is a corporation, the corporation is dissolved;
- b. a member fails to maintain any qualifications for membership described in the articles or by-laws;
- c. the member resigns by delivering a written resignation to the chair of the Board of the Corporation in which case such resignation shall be effective on the date specified in the resignation;

- d. the member is expelled in accordance with Section 2.03 or is otherwise terminated in accordance with the articles or by-laws;
- e. the member's term of membership expires;
- f. at any time, the membership passes on a two-thirds vote to terminate the member's membership; or
- g. the Corporation is liquidated or dissolved under the Act.

Subject to the articles, upon any termination of membership, the rights of the member, including any rights in the property of the Corporation, automatically cease to exist. The member will not be entitled to any compensation upon termination.

Commented [SR5]: This has been added.

2.03 Discipline of Members

The Board shall have authority to suspend or expel any member from the Corporation for any one or more of the following grounds:

- a. violating any provision of the articles, by-laws, or written policies of the Corporation;
- b. carrying out any conduct which may be detrimental to the Corporation as determined by the Board in its sole discretion;
- c. for any other reason that the Board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

In the event that the Board determines that a member should be expelled or suspended from membership in the Corporation, the chair of the Board or such other officer as may be designated by the Board, shall provide fifteen (15) days' notice of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the chair of the Board, or such other officer as may be designated by the Board, in response to the notice received not less than five (5) days before the end of the fifteen (15) day-period. In the event that no written submissions are received by the chair of the Board, the chair of the Board, or such other officer as may be designated by the Board, may proceed to notify the member that the member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the Board may allow the member to make oral submissions to the Board. The Board will consider the written and oral submissions (if any) in arriving at a final decision and shall notify the member concerning such final decision. The Board's decision shall be final and binding on the member, without any further right of appeal.

SECTION 3 - MEETINGS OF MEMBERS

3.01 Notice of Meeting of Members

Subject to the Act, not less than ten (10) days written notice of any annual or special members' meeting shall be given in the manner specified in the Act to each member and to the auditor or person appointed to conduct a review engagement. Notice of any meeting where special

business will be transacted must contain sufficient information to permit the members to form a

DRAFT

reasoned judgment on the decision to be taken.

3.02 Persons Entitled to be Present

The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, the commissioners and the auditors of the Corporation (or the person who has been appointed to conduct a review engagement, if any) and such other persons who are entitled or required under any provision of the Act, articles or by-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the majority consent of the members present at the meeting.

3.03 Chair of the Meeting

In the event that the chair and the vice-chair of the Board are absent, the members who are present and entitled to vote at the meeting shall choose one of the commissioners to chair the meeting. In the event that a commissioner cannot chair the meeting, the members who are present and entitled to vote at the meeting shall choose one of their members to chair the meeting.

3.04 Quorum

A quorum for the transaction of business at a meeting of members is a majority of the members entitled to vote at the meeting, present in person. A quorum must be present throughout the meeting in order for the members to proceed with the business of the meeting.

Commented [SR6]: Given that the three founding members are the sole members of the corporation, should all three be present for a meeting of members? Or only a majority (i.e. 2 of 3)?

3.05 Voting of Members

Business arising at any members' meeting shall be decided by a majority of votes unless otherwise required by the Act or the by-law provided that:

- a. Each member shall be entitled to one vote at any meeting;
- b. Votes shall be taken by a show of hands among all members present and the chair of the meeting, if a member, shall have a vote;
- c. An abstention shall not be considered a vote cast;
- d. Before or after a show of hands has been taken on any question, the chair of the meeting may require, or any member may demand, a written ballot. A written ballot so required or demanded shall be taken in such manner as the chair of the meeting shall direct;
- e. If there is a tie vote, the chair of the meeting shall require a written ballot, and shall not have a second or casting vote. If there is a tie vote upon written ballot, the motion is lost; and
- f. Whenever a vote by show of hands is taken on a question, unless a written ballot is required or demanded, a declaration by the chair of the meeting that a resolution has

Commented [SR7]: Note that the right of the founding member to vote by proxy has been removed.

been carried or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

3.06 Participation by Electronic Means

Participation at any meeting of members may be by telephonic, electronic or other communication facility.

3.07 Virtual Meetings

Any meeting of members may be held entirely by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

3.08 Annual Meeting of Members

The annual meeting of members shall be held on a day and at a place within Ontario fixed by the Board. Any member, upon request, shall be provided, not less than twenty-one (21) days or other number of days prescribed in regulations before the annual meeting, with a copy of the approved financial statements, auditor's report or review engagement report and other financial information required by the by-laws or articles.

An annual meeting of members shall be held for the transaction of the following business:

- a. Approval of the Minutes of the previous annual meeting of members;
- b. Receiving reports of the activities of the Corporation during the previous year, the Annual Financial Statement and the Audit Report;
- c. The appointment of auditors for the current year;
- d. The election of commissioners;
- e. Transaction of any other business, either special or general which is pertinent to the interests of the membership and which may properly come before the annual meeting of members with at least ten (10) days notice before the meeting.

3.09 Special Meetings

The Board, chair or vice-chair may call a special meeting of the members. The Board shall call a special meeting on written requisition of members, who hold at least 10 per cent (10%) of votes that may be cast at a meeting of members, for any purpose connected with the affairs of the Corporation that does not fall within the exceptions listed in the Act or is otherwise inconsistent with the Act, within twenty-one (21) days from the date of the deposit of the requisition.

Commented [SR8]: Note that this is a requirement of ONCA.

3.10 Adjournments

The chair may, with the majority consent of any members' meeting, adjourn the same from time to time and no notice of such adjournment need be given to the members, unless the meeting is adjourned by one or more adjournments for an aggregate of 30 days or more. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

SECTION 4 – COMMISSIONERS

4.01 Board of Commissioners

The Board shall consist of the number of commissioners as specified in the articles. Each member shall be represented by one (1) commissioner on the Board.

Commented [SR9]: Note that the Articles of Amendment will state that there should be 5-7 commissioners (aka directors) on the Board.

Commented [SR10]: This refers to the three founding members listed in section 2.01. Each founding member will be represented by one commissioner on the Board.

4.02 Nomination to the Board

Nominations made for the election of commissioners must be made in accordance with the nominating procedure prescribed by the Board from time to time and must be received at the head office of the Corporation at least twenty-one (21) days prior to the annual meeting of members.

4.03 Election and Term

Subject to the articles, the members will elect the commissioners at the first meeting of members and at each succeeding meeting at which an election of commissioners is required. The term of office of each commissioner is four (4) years. Each commissioner shall be eligible to serve for a maximum of two (2) consecutive terms. After a period of one (1) year's absence, a commissioner may be eligible for re-election.

Commented [SR11]: This has been revised.

4.04 Vacancies

The office of a commissioner shall be vacated immediately:

- if the commissioner resigns office by written notice to the Corporation, which resignation shall be effective at the time it is received by the Corporation or at the time specified in the notice, whichever is later;
- if the commissioner dies;
- if the commissioner becomes bankrupt;
- if the commissioner is found to be incapable of managing property by a court or under Ontario law; or

Commented [SR12]: Note that this provision is based on section 25(1) of ONCA and cannot be changed.

- e. if, at a meeting of the members, a resolution is passed by at least a majority of the votes cast by the members removing the commissioner before the expiration of the director's term of office.

4.05 Filling Vacancies

A vacancy on the Board shall be filled as follows:

- a. a quorum of directors may fill a vacancy among the directors, and the appointee shall hold office until the next annual meeting of members. After that, the appointee shall be eligible to be elected as a director.
- b. if there is not a quorum of commissioners or there has been a failure to elect the minimum number of commissioners set out in the articles, the commissioners in office shall, without delay, call a special meeting of members to fill the vacancy and, if they fail to call such a meeting, the meeting may be called by any member;
- c. if the vacancy occurs as a result of the members removing a commissioner, the members may fill the vacancy by a majority vote of the members and any commissioner elected to fill the vacancy shall hold office for the remainder of the removed commissioner's term; and
- d. the Board may fill any other vacancy by a majority vote of the members, and the appointee shall hold office for the remainder of the unexpired portion of the term of the vacating commissioner. After that, the appointee shall be eligible to be elected as a commissioner.

4.06 Remuneration of Commissioners

The commissioners shall serve as such without remuneration and no commissioner shall directly or indirectly receive any profit from occupying the position of commissioner; provided that commissioners may be reimbursed for reasonable expenses they incur in the performance of their commissioners' duties.

SECTION 5 – MEETING OF COMMISSIONERS

5.01 Regular Meetings

The Board may appoint a day or days in any month or months for regular meetings of the Board at any time and any place on notice as required by this by-law. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each commissioner forthwith after being passed.

5.02 Special Meetings

The chair, vice-chair or if two (2) commissioners so request in writing, may call a special meeting of the Board, at any time and any place on notice as required by this by-law.

5.03 Notice of Meeting

Notice of the time and place for the holding of a regular meeting of the Board shall be given to every commissioner of the Corporation not less than five (5) five days before the time when the meeting is to be held.

Notice of the time and place for the holding of a special meeting of the Board shall be given to every commissioner of the Corporation not less than two (2) two days before the time when the meeting is to be held.

Notice of a meeting shall not be necessary if all of the commissioners are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. If a quorum of commissioners is present, each newly elected or appointed Board may, without notice, hold its first meeting immediately following the annual meeting of members of the Corporation.

5.04 Waiver of Notice

No error or omission in giving notice for a meeting of the Board shall invalidate such meeting or invalidate or make void any proceedings of the meeting and any commissioner may at any time waive notice of a meeting of the Board and may ratify and approve of any or all proceedings of the meeting. Attendance of a commissioner at a Board meeting is a waiver of notice of the meeting, except if the commissioner attends for the express purpose of objecting to the transaction of business on the grounds that the meeting was not lawfully called.

5.05 Quorum

A quorum for transaction of business at any meeting of commissioners shall be a majority of the commissioners, where at least two (2) of the commissioners must be representatives of the members.

Commented [SR13]: This has been added. This means that quorum for meeting of commissioners is a majority of the 5-7 commissioners, where at least 2 of the commissioners must be the representatives of the founding members.

5.06 Chair

The chair shall preside at Board meetings. In the absence of the chair, the vice-chair shall preside at Board meetings. In the absence of the chair or vice-chair, the commissioners present shall choose one of their number to act as the chair.

5.07 Voting

At all meetings of the Board, every question or motion shall be decided by a majority of the votes cast on the question. Each commissioner shall be entitled to one vote. In the event of an equality

of votes, the chair shall not have a second or casting vote and the motion is lost.

Commented [SR14]: This has been added.

5.08 Committees

The Board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. Any committee member may be removed by resolution of the Board.

5.09 Participation by Electronic Means

A commissioner may participate in a meeting of the Board by telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other, and a commissioner participating in such a meeting by such means is deemed to be present at the meeting.

SECTION 6– OFFICERS

6.01 Officers

The Board shall appoint from amongst the commissioners a chair and appoint any other person to be vice-chair, secretary and treasurer at its first meeting following the annual meeting of members of the Corporation. The office of secretary and treasurer may be held by the same person. The Board may appoint such other officers and agents as it deems necessary, and who shall have the authority and shall perform such duties as the Board may prescribe from time to time.

Commented [SR15]: This has been modified.

6.02 Duties of the Airport Manager

The Airport Manager of the Corporation shall be appointed by the Board. The Airport Manager shall be responsible to the Board for the direction and management of the affairs and undertakings of the Corporation within the limitations of the mission statement and policies of the Corporation. All staff members shall be under the direction of and be responsible to the Airport Manager.

Commented [SR16]: This provision has been revised to refer to the Airport Manager as the senior executive of the corporation.

6.03 Vacancy in Office

In the absence of a written agreement to the contrary, the Board of commissioners may remove, whether for cause or without cause, any officer of the Corporation. Unless so removed, an officer shall hold office until the earlier of:

- a. the officer's successor being appointed,
- b. the officer's resignation,
- c. such officer ceasing to be a commissioner (if a necessary qualification of appointment) or
- d. such officer's death.

If the office of any officer of the Corporation shall be or become vacant, the commissioners may, by ordinary resolution, appoint a person to fill such vacancy.

SECTION 7 – INDEMNITIES TO COMMISSIONERS AND OTHERS

7.01 Indemnification of Commissioners and Officers

Every commissioner or officer of the Corporation, former commissioner or officer of the Corporation, and an individual who acts or acted at the Corporation's request as a commissioner or officer, or in a similar capacity, shall be indemnified against all costs, charges, and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other action or proceeding in which the individual is involved because of the association with the Corporation. A Corporation shall not indemnify an individual unless:

- a. the individual acted honestly and in good faith with a view to the best interest of the Corporation; and
- b. if the matter is a criminal or administrative proceeding that is enforced by monetary penalty, the individual had reasonable grounds for believing their conduct was lawful.

7.02 Insurance

The Board shall cause to be purchased and maintained as it considers advisable and necessary insurance coverage to ensure that commissioners and officers will be indemnified and saved harmless in accordance with this by-law. The premiums for such insurance coverage shall be paid from the funds of the Corporation.

SECTION 8 - NOTICES

8.01 Method of Giving Notices

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), other than notice of a meeting of members or a meeting of the Board of commissioners, pursuant to the Act, the articles, the by-laws or otherwise to a member, commissioner, officer or to the auditor or person who has been appointed to conduct a review engagement shall be sufficiently given:

- a. if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a commissioner to the latest address as shown in the last notice that was sent by the Corporation; or
- b. if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- c. if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch.

The secretary may change or cause to be changed the recorded address of any member, commissioner, officer, or auditor or person who has been appointed to conduct a review engagement in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any commissioner or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

8.02 Omissions and Errors

The accidental omission to give any notice to any member, commissioner, officer, auditor or person who has been appointed to conduct a review engagement, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the by-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

SECTION 9 – CONFLICT OF INTEREST

9.01 Conflict of Interest

A commissioner or officer who is in any way directly or indirectly interested in a contract or transaction, or proposed contract or transaction, with the Corporation shall make the disclosure required by the Act. Except as provided by the Act, no such commissioner shall attend any part of a meeting of commissioners or vote on any resolution to approve any such contract or transaction.

SECTION 10 - DISPUTE RESOLUTION

10.01 Dispute Resolution Mechanism

In the event that a dispute or controversy among members, commissioners, officers, committee members or volunteers of the Corporation arising out of or related to the articles or by-laws, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties, then without prejudice to or in any other way derogating from the rights of the members, commissioners, officers, committee members, employees or volunteers of the Corporation as set out in the articles, by-laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- a. the dispute or controversy shall be settled by arbitration before a single arbitrator, in accordance with the *Arbitration Act, 1991* (Ontario) or as otherwise agreed upon by the parties to the dispute. All proceeding relating to arbitration shall be kept confidential, and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law; and
- b. all costs of the arbitrator shall be borne by such parties as may be determined by the arbitrator.

SECTION 11 - EFFECTIVE DATE

11.01 Effective Date

Subject to matters requiring a special resolution, this by-law shall be effective when made by the Board.

CERTIFIED to be By-Law No. 2 of the Corporation, as enacted by the commissioners of the Corporation by resolution on the XX day of MONTH, 202X and confirmed by the members of the Corporation on the ■ day of MONTH, 202X.

Board Chair
Saugeen Municipal Airport

Commissioner/Officer
Saugeen Municipal Airport

**The Corporation of the Municipality of Brockton - Council Meeting
Council Meeting**

Agenda Number: 9.9.
Number: 23-01-16
Title: Saugeen Municipal Airport Revised Corporate By-Laws
Date: Tuesday, January 10, 2023

Moved By: James Lang
Seconded By: B. Carl Kuhnke

That the Council of the Municipality of Brockton hereby approves Report Number CLK2023-01 – Saugeen Municipal Airport Revised Corporate By-Laws, prepared by Fiona Hamilton, Director of Legislative and Legal Services (Clerk) for information purposes and formally request that the Saugeen Municipal Airport Commission consider formal comments from the member Municipalities for formal comment prior to any approval by the Commission; and further that the report and resolution be provided to the Municipality of West Grey and the Town of Hanover for their consideration; and further that staff be authorized to provide comments directly to the lawyers preparing the draft by-laws.

Carried

Original Signed By
Mayor - Chris Peabody