

**Subject: Notice of Motion - potential conflict of interest - Report Councillor Crist .**

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Notice of Motion - clarification of potential conflict of interest - Report Councillor Crist;

That Council obtain a legal opinion on a potential conflict of interest matter pertaining to members of Council who, by virtue of being appointed to the North Vancouver Recreation Commission by Council, receive a gratuitous gift from the Commission in the form of free passes to use facilities both for themselves as well as their immediate family members and subsequently may be in a conflict of interest situation and further,

that, if this is confirmed, it be established as to whether they are entitled to vote on matters coming before Council pertaining to North Vancouver Recreation Commission issues and/or whether they will have to forgo receiving such a gift from the Commission

**Rationale:**

It was recently reported that in a Municipality in Ontario a member of a local Municipal Council was prevented from voting on a local Municipal Recreation matter since as a Council appointed commissioner, he had received free annual passes both for himself and his immediate family similar to the practice in the District of North Vancouver.

In the District of North Vancouver we have two Council members who represent Council on the North Vancouver Recreation Commission. Both apparently receive from the Commission free passes for the use of facilities both for themselves and the immediate members of their families.

Although the North Vancouver Recreation Commission exists by virtue of both the City and the District, it acts independently in many areas and sets its own policies. While the Commission is ultimately accountable to the two Councils it enjoys a considerable degree of independence. It's capacity for lobbying is considerable and is outside what would be deemed acceptable for professional staff in the employ of the District. This has come to light on a number of occasions including during one of the municipal elections when commission members actively campaigned for the election of a particular slate of candidates.

On another occasion, the Commission strongly lobbied members of the District Council to vote for the construction of additional playing fields even though there was no shortage of playing fields in the District. The shortage existed because of a shortage of playing fields in the City which, as far as the Commission is concerned, is one and the same thing.

In another scenario, the Commission provided misleading data when studies on relevant issues were conducted. Data provided to a consultant hired to provide information on the value of joint services to both City and the District was clearly biased. The replacement value of a District facility, by way of example, was listed as a fraction of the actual replacement value while the value of the land was completely ignored. However, in the same report the value of a City facility was listed based on its true replacement value. In another instance, information provided to a consultant was that the Centennial Theater was under the jurisdiction of the North Vancouver Arts Council when, in reality, it is under the jurisdiction of the Rec Commission. In short the Commission provided inaccurate data to a consultant with the result that the costly study was useless more or less. It avoided key findings regarding the true value of joint recreation services for District residents.


The question which now arises is this. In light of the apparent bias of the Commission in attempting to prove that its services are of the highest quality and its claims accurate is it reasonable to assume that members of District Council who receive an annual gift from the Rec Commission can act in the best interest of the District taxpayers or are they, in fact, beholden to a bureaucracy and in a conflict of interest position. There is no evidence that they would act differently if they did not receive such benefits from the Commission despite that it may give the appearance that this has been the case as relevant reports and motions have come before District Council for debate. On the other hand, the conflict of interest standards as spelled out in numerous

documents, state categorically not only that a direct conflict of interest may prevent an elected official from voting on certain matters but that an indirect or perceived conflict of interest is equally unacceptable. No other Council appointed Commission and or Committee provides such benefits to its Council appointed members.

In light of the forgoing, it is prudent for both the benefit of District Council, the benefit of the public and the benefit of the persons directly concerned to seek a verdict based on a professional opinion. In the case of an Ontario municipality, it was ruled that for an elected official to receive a gift from a municipally appointed Commission or Committee unlike a volunteer sitting on such a Commission or Committee, is the same as receiving a gift from a private company or to put it another way, is the same as receiving compensation outside existing Council policies and parameters.

Ernie Crist

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