

August 17, 2001

Memo to: Bob Noseworthy, Chair
TRIP/Canada Management Committee

And to: TRIP/Canada Management Committee
Michael Atkinson, President CCA
Jim Facette, Executive Director Trip/Canada
WCR&HCA Board of Directors

Subject: **GGA and TRIP/Canada National Lobby Efforts Promoting a NHP**

The WCR&HCA Board of Directors was briefed at its June 5, 2001 meeting with respect to the decision by the TRIP/Canada Management Committee, approved by the Roadbuilder & Heavy Construction Council (RBHCC) of the CCA, to retain the government relations services GGA Communications.

The Board was advised that the Council also agreed that industry be approached to contribute the sum of \$100,000. This fund was to be dedicated exclusively towards GGA assisted lobby efforts and key political meetings across Canada in support of a National Highways Program (NHP), to the period ending September 2001 and other extraordinary efforts outside the parameters of TRIP/Canada's annual operating budget.

After deliberating at the June 5, 2001 meeting, the Board resolved as follows:

1. That the WCR&HCA endorse the decision to raise \$100,000 for the purpose of retaining GGA Communications (and successor) to lead national strategic lobby efforts in support of a NHP;
2. That the WCR&HCA is prepared to advance the sum of \$40,000 towards this effort **subject to** the following explicit conditions being met, namely:
 - i) That prior to funds being advanced, the WCR&HCA receive from the TRIP/Canada Management Committee, a copy of the Agreement for Services with GGA, along with a complete action plan and budget, each of which are to its complete satisfaction, which outline the national steps proposed to be undertaken and accomplished by GGA to the period ended September 30, 2001 or later if the engagement period is longer, as a result of its retainer earlier referred to;
 - ii) That the said funds be applied exclusively towards the said Agreement for Services with GGA or such other government lobby professional as may be approved from time to time by the RBHCC;
 - iii) That the said funds be held in trust, separate and apart from and not be applied for or used to support or sustain the TRIP/Canada annual operating budget;
 - iv) That the WCR&HCA receive explicit and complete quarterly financial statements and progress reports related to GGA activities, or its successor(s), on behalf of the RBHCC and TRIP/Canada, such reports to be provided by the end of March, June, September and December.

We understand that you received a copy of the Board resolution and had it before the TRIP/Canada/Fundraiser meetings of June 26 and/or July 25, 2001.

The WCR&HCA Board met again on August 14, 2001 at which it reviewed the following documents:

- a. Minutes of Fundraiser Conference Call dated June 26, 2001 to which was attached the "Plan of Action Budget July 2001 to March 2002;"
- b. Memo from Bob Noseworthy dated August 8, 2001;
- c. Memo from Jim Facette dated August 10, 2001; and
- d. GGA Communications 'First Draft for Review Action Plan for the period September 2001 to December 2002.'

The Board was further advised that fundraising efforts led to the following committed amounts, but not yet collected, by province/association:

WCR&HCA	\$40,000	BC	\$10,000
Alta	\$41,000	Sask.	\$23,500
MB	\$5,000	Ont	\$25,000
Que	\$25,000	PEI	\$3000
NB	uncertain	NS	\$3800
NFLD	\$20,000		

Commitments from all sources based upon the above totalled \$196,300 although some of those numbers we understand have fallen slightly, and a contribution is expected from New Brunswick.

The Board noted that at the June 26, 2001 meeting, the TRIP/Canada Management Committee had only authorized an expenditure of up to \$30,000 to cover the retainer expenses of GGA to the end of September 2001. It was also clear that the industry was not interested in "spending what was collected" but applying raised funds in a carefully and prudently developed lobby strategy. We agree with that approach. The said meeting minutes suggest that the WCR&HCA was committed to contributing \$40,000 towards the effort. The WCR&HCA Board noted that that was true, to the extent the underlying conditions to the contribution were met.

The WCR&HCA Board also reviewed your memorandum of August 8, 2001. It was satisfied with the 'First Draft-For Review Action Plan' submitted by GGA Communications. However the Board was not satisfied with the loose allocation of funds for the period October to December 2001. In particular it was quite concerned about an allocation of \$72,500 towards 'other activities.' Respectfully, the memorandum of August 10, 2001 from Jim Facette did not address the Board's concerns.

It would also appear that no specific direction supported by any adopted and/or recorded motion was made at either of the June 26 or July 25, 2001 meetings, which restricted the application of raised funds towards extraordinary lobby efforts exclusively for the national highways program outside the annual TRIP/Canada operating budget, nor any indication that CCA had accepted such restrictions.

The Board therefore unanimously agreed after reviewing the above noted documents, that TRIP/Canada had not yet addressed the conditions precedent to payment. That being the case the Board was of unanimous view that there was at this time no obligation to forward any amount of money.

As a result of our discussions however, it was unanimously agreed that the Board communicate the following to your attention:

- a. The WCR&HCA remains committed to making a contribution in the amount of \$40,000 towards this effort upon all of the June 5, 2001 conditions being specifically met. The funds have been earmarked and set aside for this purpose;
- b. There is an expectation that a full activity and accomplishments report will be prepared by or through TRIP/Canada, detailing GGA/TRIP activities and accomplishments to the period ended September 30, 2001, coupled with a specific budget detailing revenues received and expenses incurred for the same period;
- c. There is also an expectation that a complete and particularized action plan identifying proposed activities, anticipated results and accompanying particularized budget covering the next projected period with GGA Communications will be prepared for consideration by the Roadbuilder & Heavy Construction Council for the October 21, 2001 meetings;
- d. The WCR&HCA Board will meet on October 16, 2001 to consider this matter. In preparation, we would appreciate a copy of the reports contemplated in "a, b & c" above being provided to the WCR&HCA care of the undersigned, by *no later* than October 10, 2001. This will allow sufficient opportunity for the Board to determine whether or not the conditions adopted by it on June 5, 2001 and clarified in this communication, were satisfactorily met freeing up payment to TRIP/Canada of the \$40,000 in one lump sum.

Given the size of the proposed contribution, we trust you regard the above conditions are reasonable and would therefore appreciate a confirming reply.

Yours truly,

Western Canada Roadbuilders &
Heavy Construction Association (WCR&HCA)



Wayne Morsky
Chairman



Chris Lorenc
President