

MINUTES of the Board of Directors of the Toronto Waterfront Revitalization Corporation held at 20 Bay Street, Suite 1310, Toronto, Ontario on Monday, March 27, 2017 at 9:00 a.m. local time.

PRESENT: Helen Burstyn, Chair
Mohamed Dhanani
Susan Henderson
David Johnson
Sevaun Palvetzian
Janet Rieksts-Alderman
Julie Di Lorenzo
Ross McGregor
Mazyar Mortazavi

ABSENT: Meric Gertler
Denzil Minnan-Wong
Steve Diamond

The following additional persons were in attendance throughout the meeting, or unless otherwise indicated: Will Fleissig, President and Chief Executive Officer; Marisa Piattelli, Chief Administrative Officer; Meg Davis, Chief Development Officer; David Kusturin, Chief Operating Officer; Chris Glaisek, Vice President Planning & Design; Ian Beverley, General Counsel; Lisa Taylor, Chief Financial Officer; Andrew Hilton, Director Communications and Public Engagement; Kristina Verner, Director Intelligent Communities; Julius Gombos, Senior Project Director; and Sonya Pead, Associate Legal Counsel.

Also in attendance was Cassidy Ritz and Kyle Knoeck of the City of Toronto.

The Chair, Helen Burstyn, took the chair and appointed Ann Landry to act as secretary of the meeting.

With notice of the meeting having been sent to all Directors in accordance with the Corporation's By-laws and a quorum of Directors being present, the Chair declared the meeting duly constituted for the transaction of business.

1. Motion to Approve Agenda

ON MOTION duly made by Susie Henderson, seconded by Sevaun Palvetzian and carried, it was **RESOLVED** that the revised Meeting Agenda for the March 27, 2017 Board meeting, as tabled, was approved.

2. Declaration of Conflicts of Interest

No conflicts were declared.

3. Chair's Remarks

The Chair provided a quick overview of some changes that have been made to the Governance Committee in terms of membership. She advised that Mohamed Dhanani will be joining the Governance Committee, replacing Steve Diamond who will no longer serve on the Governance Committee. She advised that there may be further changes to the Committee structures from time to time in order to address the needs of the Committees. Further discussion was not required and **ON MOTION** duly made by Janet Rieksts-Alderman, seconded by Ross McGregor and carried, it was **RESOLVED** that the Governance Committee membership is revised to reflect the addition of Mohamed Dhanani who replaces Steve Diamond.

4. Consent Agenda

The Chair tabled the minutes of the February 10, 2017 meeting of the Board of Directors and **ON MOTION** duly made by Janet Rieksts-Alderman, seconded by Mohamed Dhanani and carried, it was **RESOLVED** that the Consent Agenda comprising the minutes of the February 10, 2017 meeting of the Board of Directors was approved.

5. Capital Approval

David Kusturin presented a request for a capital approval for the Port Lands Flood Protection and Enabling Infrastructure Schematic Design and Environmental Approvals, including the following:

- The objective of the presentation;
- An overview of the project;
- Project scope including schematic design elements;
- Project budget;
- Project risks;
- Contracting strategy;
- Schedule;
- Funding; and
- Recommendations.

Mr. Kusturin advised that there were no throw-away costs and no redundancy associated with this work. He further advised that future work on the Gardiner will not be in conflict with Waterfront Toronto's work on the Port Lands.

In response to a question regarding the community benefits associated with the project, it was agreed that Management would provide an overview of Waterfront Toronto's Employment Initiative at the next Board meeting. Discussion continued regarding the social aspects of the project, including the economic impacts.

Mr. Kusturin advised that the Michael Van Valkenburg Associates (“MVVA”) team will be retained to provide planning and design services for the Earthwork and Parks and Public Realm project components, including geomorphology/ecology, and municipal engineering services, in accordance with the original international design competition for the river. The competition brief stipulates that the selected consulting team be engaged to complete design development, detailed design and construction of the river so as to ensure a complete vision to an integrated approach. He further advised that MVVA has proven experience in moving rivers.

Mr. Kusturin also responded to questions regarding staffing costs and procurement. He advised that further staffing will be required but only when funding is provided. He advised that Waterfront Toronto is conducting a procurement review which will be critical to the project and will take the following elements into consideration: innovation; social and cultural policy; legal governance; and cap and trade agreements.

In response to a question regarding the financial processes associated with the project, the CEO advised that the Chief Operating Officer and Chief Financial Officer are in the process of conducting a wholesale upgrade to the Corporation’s reporting system which will incorporate both finance and project controls. He advised that a Request for Proposals (“RFP”) was issued for these services and Mazyar Mortazavi requested a copy of the scope of work included in the RFP.

There being no further questions, **ON MOTION** duly made by Julie Di Lorenzo, seconded by Susan Henderson, and carried, be it **RESOLVED** that the Board approves the following:

1. An initial capital expenditure of \$10 million to commence the Port Lands Flood Protection and Enabling Infrastructure schematic design and implementation work;
2. The retention of the Michael Van Valkenburg Associates team to provide planning and design services for the Earthwork and Parks and Public Realm project components, including geomorphology/ecology, and municipal engineering services based on the original international design competition for the Don River Naturalization and Flood Protection Environmental Assessment; and
3. Management is authorized to execute any necessary agreements and/or documentation associated with the above work.

Be it further **RESOLVED** that Management will commence the procurement process but will not award contracts until the Delivery Agreement between Waterfront Toronto and the City of Toronto has been properly executed.

6. Cherry Street Stormwater and Lakefilling Contracting Strategy

David Kusturin advised that the three orders of Government jointly announced \$65 million in funding for the implementation of the Cherry Street Stormwater & Lakefilling (“CSLF”) Project. He advised that the project is part of the broader Port Lands Flood Protection Project and must be completed by March 31, 2019 pursuant to the Clean Water and Wastewater funding (“CWWF”) program criteria.

As a result, the project must be fast-tracked to ensure that it is completed on schedule. He advised that a higher contingency is maintained in the event that drawings need to be updated in order to stay on schedule.

He provided background information on the project and the key considerations associated with the procurement decision, including:

- CWWF funding timeline criteria dictates that the project be fast-tracked;
- Early contractor involvement required to source fill material, assess constructability, schedule, and estimate the work;
- Critical approvals that can impact design will be ongoing as design progresses and nears scheduled completion. Enable flexibility to accommodate such fast-tracking;
- Approach needs to align with the essential design services that are already retained (Architect, Ecological Habitat, and Sewer Diversion design);
- Waterfront Toronto must retain some control over design aspects of the shoreline as it directly impacts the programming and design of the future Promontory Park North (currently not in Port Lands Flood Protection scope); and
- More transparent open book process supports timely decision making and easier government audits.

Mr. Kusturin provided an overview of the contracting analysis undertaken including the weighting of the individual elements associated with the project and the scores for each of the five contracting options. He advised that Construction Management scored the highest and achieves critical project requirements to the greatest extent: e.g. early contractor involvement, design/approvals flexibility, schedule constraints, and transparency. He advised that the option exists to negotiate a Guaranteed Maximum Price with the Construction Manager and both options are fully open book and transparent.

He advised that Management recommends the adoption of construction management for the Cherry Street Stormwater & Lakefilling project and proceed with the procurement of a Contract Manager upon approval by the Board. Management further recommends the conditions be monitored and consideration be given to the option of negotiating a Guaranteed Maximum Price with the Construction Manager prior to completion of construction drawings and sub-trade procurement.

Mr. Kusturin advised that the Board previously approved \$2 million for this project of which \$1.5 million has been committed to date.

There being no further questions, **ON MOTION** duly made by Mazyar Mortazavi, seconded by Mohamed Dhanani, and carried, be it **RESOLVED** that the Board of Directors hereby approve the following recommendations:

- That Waterfront Toronto adopt Construction Management for the Cherry Street Stormwater & Lakefilling project and proceed with the procurement of a Construction Manager; and

- That Waterfront Toronto monitor conditions and consider the option to negotiate a Guaranteed Maximum Price with the Construction Manager prior to completion of construction drawings and sub-trade procurement.

Be it further resolved that Management will spend only to the \$2 million threshold which is the current approved limit.

7. Port Lands Acceleration Initiative – Phase 2 Update

Amanda Santo introduced the Port Lands Framework Plan which will be going before City Council in the late spring/early summer of this year. She advised that in 2013 Council directed the City of Toronto and Waterfront Toronto to create a Port Lands Framework Plan (“PLFP”) in order to provide direction for the future growth of the Port Lands once flood protection is achieved. She advised that the Planning Framework is a high level document that provides direction for future growth of the Port Lands over a 50+ year time horizon and will provide the background and rationale for the area and specific amendments to the Central Waterfront Secondary Plan. She advised that Management presented a draft land use direction plan at the June 2014 Board meeting and received feedback and support from the Board.

Ms. Santo presented the vision, the study area and the objectives that define what is to be achieved and how success is measured. She provided an overview of the way in which feedback and advice from public consultations was incorporated into the framework. She advised that the team also met with the film industry, art, academia and development communities, and incorporated their feedback into the framework. She provided an overview of the Official Plan Amendments to encode policies for achieving the vision. She described the land use categories within the Framework, including:

- Mixed use Residential;
- Productions, Interactive and Creative (PIC);
- Destination and Catalytic;
- Light Industrial and Productions;
- Port; and
- Port and Industrial.

Ms. Santo responded to questions from the Board and noted the following comments:

- It was suggested that Management look to other places around the world such as Asia when engaging in this kind of work.
- It was suggested that Management allow for flexibility when developing future framework plans in order to avoid having policy tie the hands of the Corporation with regard to innovation.

Chris Glaisek then presented the Villiers Island Precinct Plan, highlighting the following:

- Introduction and vision;
- The study area within the context of the Port Lands Planning Framework Study area;
- The precinct plan and guiding principles;
- The many experiences within a 5 minute walk, including: living, working, shopping, walking, cultural, recreational boating, nature trails and parks to name a few;
- Heights and density; and
- The climate positive development program.

Mr. Glaisek responded to questions from the Board and advised that the presentation was provided for information purposes only.

8. Termination of the Meeting

There being no further business, **ON MOTION**, duly made by Janet Rieksts-Alderman, seconded by Susan Henderson and carried, it was **RESOLVED** that the meeting be terminated at 11:30 a.m. local time.

Chairman

Secretary of the Meeting