

MINUTES of the public portion of the 50th meeting of the Board of Directors of the Toronto Waterfront Revitalization Corporation held at the Radisson Admiral Hotel - Toronto Harbourfront, 249 Queen's Quay West, Toronto, Ontario, on Thursday, April 6, 2006, at 8:00 a.m., local time.

PRESENT: Robert Fung, Chairman
 Bill Charnetski
 Murray Chusid
 Vivien Dzau
 Kevin Garland
 Ross McGregor
 Mayor David Miller
 John Ronson
 Peter Smith
 Mark Wilson

being all of the Directors of the Corporation.

In addition to the general public, the following additional persons were in attendance, unless otherwise noted, throughout the meeting or only for particular business items as noted in these minutes: John Campbell, President and Chief Executive Officer; Edward Dato, Chief Financial Officer; Victor Wong, V.P. Legal; Christopher Glaisek, V.P. Planning and Design; Kristin Jenkins, V.P. Public Affairs; Marisa Piattelli, V.P. Government Relations and Special Project Management; David Matheson, McMillan Binch Mendelsohn LLP; Allan Leibel, Goodmans LLP; Bruce Bodden and Karen Pitre, Toronto Waterfront Joint Venture; Leslie Woo, Special Assistant to the Mayor.

The Chairman, Robert Fung, continued in the chair, and Ann Marie Landry continued to act as secretary of the meeting.

1. Approval of Minutes

The minutes of the public portion of the 49th meeting of the Board held on March 9, 2006 were tabled, and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the minutes of the 49th meeting of the Board held on March 9, 2006 were approved subject to changes as noted.

2. Value for Money Audit

Vivien Dzau, Chair of the Audit Committee reported that a meeting is being convened to discuss the scope of the Value for Money ("VFM") audit and that she will provide a full report to the Board after the meeting has taken place.

Discussion ensued and the following points were noted:

- the Corporation must be cautious in ensuring that this exercise does not turn into bureaucratic strangulation;
- the Corporation must address the impact of the VFM audit on its day-to-day operations as well as on staff resources;
- the Corporation must constructively work with the auditors to be reasonable with respect to the scope of the VFM audit;
- the VFM audit should include an audit on the efficiency of the Governments' roles with the Corporation especially with respect to the efficiency of the contribution agreements concept;
- the VFM audit could be done in phases and should also focus on the future and how the Corporation can be more effective, not just concentrating on the past;
- the Corporation must ensure that the VFM auditors chosen are experienced in conducting an audit of this nature;

3. Chairman's Remarks

The Chairman commented on the success of the West Don Lands Kick-Off Event on March 27th and the subsequent positive media coverage. He indicated that he has encouraged Management to be aggressive and to take the appropriate risks in order to get shovels in the ground especially in the creation of parks and public spaces and to maintain public support shown for the Corporation.

4. CEO's Report

John Campbell tabled reports and information on various matters, which included the following subjects and information:

- *West Don Lands* ("WDL") – Things are moving along well. The District 3 ground breaking event held on March 27th was very successful with good political, community and media participation. The Risk Assessment/Risk Management ("RA/RM") plan was submitted to the City on March 13, 2006 and City staff is reviewing it. The first feedback from staff is positive and the Corporation will present the plan to City Council in April.
- *East Bayfront* ("EBF") – The EBF Task Force has begun meeting to work on issues related to implementation. Key Corporation, City, TEDCO and Program Management staff are working together to finalize an overall project schedule and milestones. The schedule continues to target a September meeting for City Council approval of the zoning by-law. There has been an increased effort to push this project forward and it is anticipated that a proposal call will be issued in October.

- *Risk Management/Risk Assessment* (“RM/RA”) – There is an issue of who will bear the responsibility for the ongoing monitoring of RM/RA on public land. Private landowners will bear this responsibility for their land but the responsibility for public land has not yet been established.
- *McCord Site* - There is a potential issue regarding funding for affordable housing and the allocation of affordable units on the McCord site. The Corporation is working with the Toronto Community Housing Corporation (“TCHC”) to resolve the issue.
- *Transitional Sports Fields* - Every effort has been made to expedite this project in order to have the transitional sports fields ready for the coming summer season; but due to circumstances beyond the control of the Corporation, they will not be ready until the summer of 2007. A RM/RA plan must be completed and the Corporation must do the proper due diligence as this land is highly contaminated and must be made ready for use by the public, and in most cases, children.
- *Regional Sports Complex* – Management is concerned about the scope of the Request for Proposals and has asked the Program Manager to re-scope the project in order to be sure that the cost for the project is the budgeted \$20 million, not more.

5. Report of the Finance and Risk Management Committee

John Ronson, Chair of the Finance and Risk Management Committee (“the Committee”), reported that the Committee held a three hour meeting on March 30, 2006 and tabled the draft minutes of this meeting. Mr. Ronson reported that the Committee is comfortable that Management has conducted business in a prudent and efficient manner, and that the Committee has made specific suggestions on future processes.

Mr. Ronson reported on the ongoing issue of budget under spending and advised that the Committee has made recommendations to Management on dealing with this issue. Mr. Ronson reported that the processes around Contribution Agreements (“CAs”) and Environmental Assessments (“EAs”) create the largest risk to under spending due to the length of time required for approvals. He further reported that the Committee has undertaken to monitor the approval processes for CAs and EAs and examine ways to streamline them.

It was suggested that the Committee approach the senior levels of Government to discuss the serious delay impact of such approval processes on revitalization projects. John Ronson confirmed again that the Committee is very focused on this issue and is working towards consolidating EAs and producing fewer CAs with larger scopes and budgets as opposed to the current practice of smaller CAs.

Karen Pitre reported that the Corporation is overloading the Government resources in their “approvals” departments and that more Government staff is required to accommodate the large number of approvals required. John Campbell reported that the Corporation has met with the Canadian Environmental Assessment Agency (“CEAA”) and has requested that a Task Force be formed to handle the Corporation’s projects. John Ronson advised that the Committee will undertake to deal with this issue.

The Chairman commended the Committee members for their commitment, time and effort. Vivien Dzau commended Management and staff for their efforts as well.

John Ronson then left the meeting.

6. Chief Financial Officer’s Report, 2006/2007 Budget Resolution and General Banking Resolution

Edward Dato presented a financial report on the 2006/07 Budget and provided a procurement update and a funding update. He responded to questions from the Directors and provided clarification on the following budget line items:

- Humanitas Festival;
- Union Station Platform;
- Harbourfront Centre Canada Square - Parking Garage
- University for Peace

A discussion then took place regarding the University for Peace initiative, the initial funding for this initiative and on ongoing operational funding. Marisa Piattelli reported that the initiative is funded unilaterally by the Federal Government. She advised that the Corporation has allocated funds provided by the Federal Government for a feasibility study and launch, securing partnerships with local universities, developing a long term sustainability strategy, hosting an international conference, establishing the appropriate relationships with Foreign Affairs and developing a curriculum for Toronto. Ms. Piattelli further advised that the Corporation is not funding the ongoing operations of the University. There was concern expressed regarding the internal processes followed in acquiring Board approval for this initiative as well as the appropriateness of funding certain aspects of the project. It was agreed that Management will provide the Board with a comprehensive detailed report on the University for Peace at the next Board meeting.

Mr. Dato, at the request of the Chair of the Finance and Risk Management Committee, provided the Board with a breakdown of actual costs to March 31, 2006 for the Front Street Extension project.

Mr. Dato also provided a report on sole source procurements as well as extensions to existing contracts or scope additions. Mr. Dato noted a specific sole source contract which the Finance and Risk Management Committee queried, one for which the amount was greater than the \$75,000 limit (per the Contribution Agreement). The Board requested that a more fulsome

report be provided at the next Board meeting on such contract and on the scope of work and the rationale for the sole sourcing of the contract.

2006/2007 Budget Resolution

Discussion ensued and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the 2006/07 Budget of \$150.7 million be approved, excluding the allocation of funding for the University for Peace which is to be deferred pending a detailed report and further discussion.

General Banking Resolution

Mr. Dato tabled a memorandum requesting a change to the Corporation's General Banking Resolution on authorized signing officers for the Corporation. Mr. Dato requested that two additional in-house signing officers be added to alleviate practical problems encountered when the existing in-house signing officers are on vacation or out of town on business. Mr. Dato reported that the Corporation's external auditors, Deloitte & Touche LLP, and the Finance and Risk Management Committee have viewed this an appropriate change from both a practical and internal control perspective, and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the proposed General Banking Resolution amendment, as attached, be approved in the form prescribed by the Corporation's bankers.

Mayor Miller and Leslie Woo then left the meeting.

Board Endorsement of Revised Procurement Policy

Edward Dato then tabled a proposed revised Procurement Policy and reported that the Finance and Risk Management Committee approved the Policy effective April 1, 2006. Mr. Dato provided the Board with a brief review of the significant policy changes, being:

- the sole source ceiling raised to \$25,000 (from \$10,000);
- Board approval floor raised from \$1 million to \$2 million; and
- all procurements over \$1 million to be reported to the Finance and Risk Management Committee for information.

The Board endorsed the revised Procurement Policy.

Peter Smith and Kevin Garland then left the meeting.

7. Communications

Kristin Jenkins tabled a report on communications activities and the Board congratulated Ms. Jenkins and her staff on the recent positive media coverage and on a job well done.

8. TWRC Governance – Audit Committee and Finance and Risk Management Committee Mandates

David Matheson tabled the Audit Committee and the Finance and Risk Management Committee Mandates for approval by the Board. Mr. Matheson reported that Committees Mandates were complete and both Committees were in agreement with them and on the responsibilities of each of such Committee in respect of overlapping matters.

Discussion ensued, and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the Audit Committee Mandate and the Finance and Risk Management Committee Mandate be approved.

9. Environmental Issues

Victor Wong advised that there was nothing to report for the meeting.

10. Termination of the Meeting

There being no further business, **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the meeting be terminated.

Chairman

Secretary of the Meeting