

MINUTES of the public portion of the 64th meeting of the Board of Directors of Waterfront Toronto held at the Offices of Waterfront Toronto, 20 Bay Street, Suite 1310, Toronto, Ontario on Thursday, November 13, 2007, at 10:15 a.m., local time.

PRESENT: Mark Wilson, Chair
Bill Charnetski
Jack Cockwell
Sue Dabarno
Renato Discenza
Vivien Dzau
Janet Graham
Ross McGregor
Mayor David Miller
John Ronson
Peter Smith

ABSENT WITH REGRETS: Kevin Garland

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; Robert Siddall, Chief Financial Officer; Victor Wong, V.P. Legal; Marisa Piattelli, V.P. Government Relations and Special Projects; Christopher Glaisek, V.P. Planning and Design; Andrew Gray, V.P. Development, East Bayfront; Meg Davis, V.P. Development, West Don Lands; David Whyte, V.P. Construction; Elaine Baxter-Trahair, City Secretariat; John Piper, Special Assistant to the Mayor.

The Chairman, Mark Wilson, continued in the chair and Donna Metcalfe continued to act as secretary of the meeting.

1. Approval of Minutes

The minutes of the public portion of the 63rd meeting of the Board held on September 6, 2007 were tabled, and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the minutes of the public portion of the 63rd meeting of the Board held on September 6, 2007 were approved.

2. CEO Report

The President and CEO tabled reports and information on various matters, including the following subjects and information and on which the following Board and Management comments were made:

- *First Waterfront Place:* John Campbell gave an update on this \$12.5M investment. The adherence to requests including the need for LEED Gold standards has been met. WT is looking to public supported infrastructure projects that will offset some of the costs.

- *Vacuum Waste:* WT is looking to the West Don Lands project as a showcase to this innovative technology. Waste Management and Planning Staff at the City of Toronto are reviewing the feasibility of such an approach.

- *Funding:* \$1.5B in place with WT is earmarked for the infrastructure gap. For the Portlands, WT will look to other streams for funding and financial resources. A mix and match approach will help sustain projects over an expected 20-25 year span.
- *Cost Estimating Validation Process (CEVP):* WT will look at the costs and ranges of expenditures from the original 1.5 M long term capital plan and will realign with the actualities of the day.
- *TTC:* WT has previously contributed to the support of Toronto's LRT using City funds; and will provide another \$4M for the design of a train station at Bay Street and Union Station.
- *West Don Lands:* The West Don Lands project is going forward into a second stage of the Developer RFP process for Phase 1; with the design of the Don River Park construction now 90% complete and issues of indemnity, warranty and security nearing solution.
- *Redpath:* A settlement in principle on Redpath's appeal to the Zoning By-Law has been reached.
- *Spadina Slip:* An official ground breaking event is scheduled for November 30, 2007 with an anticipated completion date anticipated for June 21, 2008.

3. CFO Report

The Chief Financial Officer tabled reports and third quarter financial information on the following subjects and information; and the following Board and Management comments were made:

- *Q3 Report:* Q3 cash requests are anticipated to be \$32.2M and Q3 expenses are projected at \$40M. Expenses for fiscal 2007/2008 are projected at \$119M with land acquisition projected at \$20M for a total of \$139 M compared with \$47.1M and \$15M for fiscal year 2006/2007.

It was determined that a) the third quarter financial statements will be approved at the January 30 Board meeting b) the next set of financials will show expenses accrued to the balance sheet and spending relative to creating value (investment) on a quarterly basis c) the Audit Committee will quantify investments and make ready for the Annual Report and d) comparative profit and loss statements/balance sheets will profile outstanding variations.

- *Enterprise Risk Management:* was reviewed under the following headings a) corporate objectives b) key corporate risks c) link between objectives & risks d) current controls and e) risk management next steps.

It was determined that a) the top 5 corporate risks (one risk at a time) will drill down on appropriate actions to minimize risk and report back on each to the Board and b) the FARM committee will continue to report on protocols and risk management and the use of Advanced Contract Award Notices (ACAN).

4. Land Disposition Protocol

The Land Disposition Protocol was tabled, discussed and approved.

5. East Bayfront Transfer of Lands

East Bayfront land transfer conditions were reviewed. It is anticipated that the transfers can be fast tracked for completion by December 31, 2007.

6. District Energy

An up-date on District Energy (DE) was presented by Marisa Piattelli. Mayor David Miller took the opportunity to congratulate WT on their approach of the DE project and the partnerships developed within the City of Toronto.

7. Subsidiary Board Membership

Chair, Mark Wilson advised Directors that a Subsidiary Board (SB) is being considered to cover the long term, specific contractual needs of WT. The SB will operate in tandem with WT's present Board. Discussions continue with government on feasibility, mandate and approach; and will reflect the concerns of long term continuity, long term legal needs and long term advisory capabilities.

8. Departmental Reports

Departmental Reports were accepted as tabled.

9. Adjournment

The meeting adjourned at 11:15 a.m.

Chair, Mark Wilson

Secretary, Donna Metcalfe