



WATERFRONTToronto

Board of Directors Meeting

THURSDAY DECEMBER 6, 2018 8:30AM TO 12:30PM

WATERFRONT TORONTO

20 BAY STREET, SUITE 1310

TORONTO, ON, M5J 2N8



WATERFRONToronto

Meeting Book - Board of Directors Meeting

Open Session Agenda

8:30 a.m.	1. Motion to Approve Meeting Agenda	Approval	H. Burstyn
8:35 a.m.	2. Declaration of Conflicts of Interest	Declaration	All
8:40 a.m.	3. Consent Agenda	Approval	All
	Draft- Minutes of Oct 11, 2018 Board Meeting - Page 4		
8:50 a.m.	4. Chair's Opening Remarks	Information	H. Burstyn
8:55 a.m.	5. CEO Report	Information	M. Nobrega
	CEO Report - Page 9		
	Appendix 1 to CEO Report - Corporate Dashboard - Page 16		
9:00 a.m.	6. Motion to go into Closed Session	Approval	All

Closed Session Agenda

The Board will discuss the matter outlined in items 7 (Discussion of Confidential Provincial Information), 8 (Rolling Five-Year Strategic Plan) and item 9 (a) (Committee Chairs' reports - Investment, Real Estate and Quayside Committee Chairs' Report) in a Closed Session as permitted by By-Law No.2 of the Corporation. The exceptions relied upon for the discussion on item 7 is Section 6.1(1)(i), item 8 is Section 6.1(1)(a) and item 9 (a) is Section 6.1(1)(l) of By-Law No. 2. The Board will continue in Open Session at the end of the Closed Session to discuss and vote on any resolutions pertaining to the Closed Session.

10:45 a.m.	10. Motion to go into Open Session	Approval	All
------------	------------------------------------	----------	-----

Open Session Agenda

10:50 a.m.	11. Resolutions Arising from the Closed Session	Approval	All
	Draft - Resolution(s) Arising from the Closed Session - Page 17		
11:00 a.m.	12. Stakeholder Relations (SR) Committee Chair's Report	Information	J. Shim
	Cover Sheet - Page 18		
	SR Committee Chair's Report - Page 19		
11:10 a.m.	13. Finance, Audit and Risk Management (FARM) Committee Chair's Report	Information	S. Henderson
	Cover Sheet - Page 21		
	FARM Committee Chair's Report - Page 23		
11:30 a.m.	14. Chairs Committee Chair's Report		H. Burstyn

12:00 p.m.	<p>15. Motion to go into Closed Session</p> <p>Closed Session Agenda The Committee will discuss item 16, being the Board Closed Session Discussion, in a Closed Session as permitted by By-Law No.2 of the Corporation. The exception relied for the discussion of item 16 in Closed Session is Section 6.1.1(b) (Personal matters about an identifiable individual, including employees of the Corporation) of the By-Law No. 2. The Committee will continue in Open Session at the end of the Closed Session to discuss and vote on any resolutions pertaining to the Closed Session.</p>	Approval	All
12:15 p.m.	<p>17. Motion to go into Open Session</p> <p>Public Session Agenda</p>	Approval	All
12:20 p.m.	<p>18. Resolutions Arising from the Closed Session (if any)</p>	Approval	All
12:25 p.m.	<p>19. Chair's Closing Remarks</p>	Approval	H. Burstyn
12:30 p.m.	<p>20. Motion to Terminate the Meeting</p>	Approval	All

**MINUTES of the Meeting of the Board of Directors of the
Toronto Waterfront Revitalization Corporation
20 Bay Street, Suite 1310, Toronto, Ontario
Thursday, October 11, 2018 at 8:30 a.m. local time.**

PRESENT: Helen Burstyn, Chair
Michael Nobrega (Interim CEO)
Susan Henderson
Sevaun Palvetzian
Jeanhy Shim
Janet Rieksts-Alderman
Steve Diamond
Mohamed Dhanani

ABSENT: Mazyar Mortazavi
Denzil Minnan-Wong
Meric Gertler

IN ATTENDANCE WATERFRONT TORONTO
Chris Glaisek (Chief Planning and Design Officer)
Meg Davis (Chief Development Officer)
Marisa Piattelli (Chief Strategy Officer)
David Kusturin (Chief Project Officer)
Lisa Taylor (Chief Financial Officer)
Julius Gombos (Vice President Project Delivery)
Cameron MacKay (Vice President Communications)
Ian Beverley (General Counsel)
Rose Desrochers (Director, HR and Admin)
Kathleen Niccols (Governance Consultant, Waterfront Toronto)
Aina Adeleye (Board Administrator and Legal Assistant)

Also, in attendance for part or all of the meeting, were Adam Redish, Assistant Deputy Minister, Chris Giannikos, Associate Deputy Minister, Cham Whitehead, Manager, Ontario Ministry of Infrastructure (MOI), Jayne Naiman, City of Toronto Waterfront Project and Shawn Tippins, Senior Analyst, Investment, Partnership and Innovation Branch, Infrastructure Canada.

The Chair, Helen Burstyn, took the chair and appointed Ian Beverley 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 called the meeting to order at 8:35 a.m. and declared that the meeting was duly constituted for the transaction of business.

1. Motion to Approve Agenda

ON MOTION duly made by Susan Henderson, seconded by Jeanhy Shim and carried, it was **RESOLVED** that the Agenda for the October 11, 2018 meeting was approved, subject to the addition of a presentation by Cameron McKay on the Quayside Communications Strategy to be included in the IREQ Committee Chairs' Report in Closed Session.

2. Declaration of Conflicts of Interest

Susie Henderson informed the Board of her engagement as the North American Leader, Infrastructure, Investment and Economics of GHD Advisory, Austin, Texas, USA and her awareness of Waterfront Toronto's ongoing engagements with GHD Canada, and she is in discussions with Ian Beverley regarding the potential conflict. Ian Beverley confirmed that this was being reviewed and Ms. Henderson will be advised accordingly.

3. Consent Agenda

ON MOTION duly made by Steven Diamond, seconded by Janet Rieksts-Alderman and carried, it was **RESOLVED** that the Minutes of the July 31, 2018 meeting of the Board of Directors were approved as presented.

4. Chair's Remarks

Helen Burstyn welcomed everyone to the meeting and noted the key items for discussion at the day's meeting.

Ms. Burstyn provided a recap of her interview with Metro Morning CBC News on October 10, 2018 where she responded to various questions posed regarding Waterfront Toronto's ongoing projects.

5. CEO's Report

The CEO's Report was taken as read and received by the Board for information. Directors remarked on the new approach taken in the Report and suggested an amendment to the attached dashboard.

6. Motion to go into Closed Session

In accordance with By-Law No. 2 of the Corporation and **ON MOTION** made by Helen Burstyn, seconded by Michel Nobrega and carried, the Board **RESOLVED** to go into Closed Session to discuss Items 7, 8, 9(a) and 9(b). The exception to the Open Meeting Law relied on for the discussion of Items 7, 8, 9(a) and 9(b) in Closed Session are Sections 6.1(1)(i), 6.1(1)(a), 6.1(1)(l) and 6.1(1)(a) of the By-Law No. 2 of the Corporation, respectively.

The Chair requested that members of the public exit the meeting.

7. Discussion of Confidential Provincial Information

8. Rolling Five-Year Strategic Business Plan

9. Committee Chairs' Reports

a) **Investment, Real Estate and Quayside (IREQ) Committee Chairs' Report**

b) **Finance, Audit and Risk Management Committee Chair's Report**

10. Motion to go into Open Session

ON MOTION made by Helen Burstyn, seconded by Susan Henderson and carried, the Board **RESOLVED** to go into Open Session.

11. Resolutions Arising from the Closed Session

There were no resolutions arising from the Closed Session discussion.

12. Committee Chairs' Reports (Continued)

a) **Finance, Audit and Risk Management (FARM) Committee Chair's Report**

The Board took the FARM Committee Chair's report presented by Janet Rieksts-Alderman as read.

Ms. Rieksts-Alderman presented the request for capital approval of \$12.2 million for the construction of The Bentway Phase 2, Pedestrian and Cycling Bridge (the "Project") in line with the Waterfront Toronto Capital Approval Policy dated May 4, 2015 (the "Policy").

ON MOTION, duly made by Janet Rieksts-Alderman, seconded by Michael Nobrega and carried, it was **RESOLVED** that the Board of Directors hereby approves, that:

- 1) Management proceed as the Project Delivery Agent for The Bentway Phase 2 Bridge Project on behalf of the City of Toronto;
- 2) Capital investment of \$12.2 million in government funding be approved to allow for the commitment of The Bentway Phase 2 Bridge Project costs, **CONDITIONAL UPON** execution of a Delivery Agreement in a form and substance satisfactory to management in the amount of \$12.2 million between The City of Toronto and Waterfront Toronto; and

- 3) The Bentway Phase 2 be tendered using the General Contractor – Lump Sum Tender method due to cost certainty, overall cost and schedule compliance.

Ms. Rieksts-Alderman reported that the FARM Committee understands that the Policy will be reviewed with Management to consider reviewing to it.

b) Chairs Committee Chair's Report

The Board took the Chairs Committee Chair's report presented by Helen Burstyn as read.

To assist the Board in the selection of a new Chief Executive Officer, the Chairs Committee, by resolution, delegated authority to management to select the executive search firm through Waterfront Toronto's procurement process.

Rose Desrochers updated the Board on the process for the search for the new CEO and highlighted the key deadlines/milestones for the process, which culminates in the selection of a new CEO.

Helen Burstyn presented the draft 2019 Board and Committee meeting calendar for consideration. Management confirmed that calendar invites will be sent to directors in the weeks to follow.

13. Motion to go into Closed Session

In accordance with By-Law No. 2 of the Corporation and **ON MOTION** made by Helen Burstyn, seconded by Steve Diamond and carried, the Board **RESOLVED** to go into Closed Session to discuss Item 14. The exception to the Open Meeting Law relied on for the discussion Item 14 in Closed Session is Section 6.1.1(b) of the By-Law No. 2 of the Corporation.

The Chair requested that members of the public, management and other staff exit the meeting.

14. Board Closed Session Discussion

15. Motion to go into Open Session

ON MOTION made by Helen Burstyn, seconded by Michael Nobrega and carried, the Board **RESOLVED** to go into Open Session.

The Chair requested that members of the public, management and other staff rejoin the meeting.

16. Closing Remarks

The Chair thanked everyone for attending the meeting. She reminded the Board of the date of the next meeting and wished everyone a safe trip to their destination.

17. Adjournment of the Meeting

There being no further business, **ON MOTION** made by Helen Burstyn and seconded by Michael Nobrega and carried, it was **RESOLVED** that the meeting be adjourned at 12:38 p.m. local time.

Chairman

Secretary of the Meeting

DRAFT



Board of Directors Meeting – December 6, 2018 Item 5 - CEO Report Michael Nobrega

The CEO Report is organized to provide the Board with high level updates on current corporate and operating matters that have been and are being undertaken by Waterfront Toronto. The majority of the issues have been vetted and considered at the November 2018 meetings of the Stakeholder Relations, Investment, Real Estate and Quayside (IREQ), Finance, Audit and Risk Management (FARM) and Chairs Committees and posted on the BoardEffect platform. A dashboard is attached as Appendix 1 to this CEO Report that illustrates the status of key issues for Board information.

Corporate Matters

Strategic Plan

The Rolling Five-Year Strategic Plan (2019/20 -2023/24) (the “Plan”) is included in this meeting’s Board material for final consideration and approval. The Plan, along with one and five-year financial projections included in Appendix 2 to the document, is to be approved by the Board and made public on/before December 31, 2018.

The Plan, totaling \$1.5 billion, is built on continuing to excel on delivering on our portfolio of existing projects (\$1.3 billion), as well as taking on four more potential projects (Jack Layton Ferry Terminal and Harbour Square Park; Waterfront Walk; a Destination Playground and a Signature Structure) totaling \$206 million. The Plan is labelled a “Rolling Five Year Strategic Plan” as the intent is to update the Plan on an annual basis as many projects and activities undertaken by Waterfront Toronto can stretch into years for regulatory reasons or need to be shelved because of changed circumstances or lack of funding – and a rolling plan will accommodate such changes.

As noted in the September 2018 CEO Report, the Plan is a shared document between Board and management – and it has worked out that way. The Board members actively participated in the evolution of the Plan, once management prepared and released an initial first draft. A significant majority of Board members weighed in with their views and provided very insightful feedback and direction. The initial draft also was shared with the three levels of government and they provided timely input.

The Plan before the Board is, therefore, a broad representation of the input to the initial draft received from the Board members and the three levels of government. In management’s view, the Plan is a realistic document that expands the envelope of what the Corporation has achieved to-date but is sufficiently anchored to its mandate and accomplishments on the waterfront to guide future accomplishments.

The Finance, Audit and Risk Management Committee was fully briefed on the Plan at its November 29, 2018 meeting and recommended that the Plan be approved by the Board.



Board of Directors Meeting – December 6, 2018 Item 5 - CEO Report Michael Nobrega

CEO Search

Boyden Toronto has been selected as the search firm for the recruitment of the new CEO of Waterfront Toronto. The firm was founded in 1946 and is a global leader in the executive search industry with more than 70 offices in 40 countries.

There were 11 submissions in response to Waterfront Toronto's request for proposal and 2 firms made the short list. Boyden Toronto was the unanimous choice of the selection committee which was comprised of senior executives of Waterfront Toronto.

Boyden Toronto was selected based on its understanding of the attributes required of the new CEO including: (i) extensive experience in the governance and workings of a board, with a broad range of skills, appointed by government shareholders; (ii) operational experience in leading a multi-dimensional management team; and (iii) communication skills to represent Waterfront Toronto in public forums and the media to advance an organizational narrative that is compelling, innovative and resourceful.

The next step in the search process is for Boyden Toronto to gain a deeper understanding of the role of the new CEO through a consultation process with key members of Waterfront Toronto's senior management team and the members of a Search Committee to be established by the Board at today's meeting. The search process is expected to be completed in the first quarter of 2019.

Port Lands Flood Protection Project

The Port Lands Flood Protection (PLFP) Project is an infrastructure project requiring an investment of \$1.25 billion by the three levels of government, each funding 1/3 of the project. The project is a comprehensive plan for flood protecting the southeastern portion of downtown Toronto – including parts of the Port Lands, South Riverdale, Leslieville and the First Gulf/Unilever development site – that are at risk of flooding from a massive storm event. Consequently, these areas are undevelopable and economically underutilized until the flood risk is removed. The primary objective of the project is to provide a flood protection infrastructure that will be integrated with the natural habitat and public open spaces and enable development of lands which would, otherwise, not be developable. The Rolling Five-Year Strategic Plan that the Board is considering at this Board meeting elaborates on several features of the project and its economic impact to the waterfront.

The 90% design phase is nearing completion for the Cherry Street Realignment project, 60% design completion has been achieved at this time for the three new bridges, and the River Valley System and the Don Greenway. The three design consulting teams are also updating the cost estimates for their respective components. Contracts for the preliminary



Board of Directors Meeting – December 6, 2018 Item 5 - CEO Report Michael Nobrega

earthworks (shallow excavation), site clearing, and demolition have been awarded and construction is underway. Pilot testing to confirm construction methods for the river valley also is underway.

Revised budgets have been developed for the 23 projects within the PLFP based on the 30% design cost estimates and the design optimization as part of the review of the 30% design submissions. Further optimization measures are under review for implementation, if required. The Risk Register was updated to reflect updated design and construction information. Key risks to the schedule are being carefully monitored.

The IGSC (Chaired by federal Deputy Minister of Infrastructure, Kelly Gillis, with 15 representatives from the 3 levels of government) was briefed in detail on the project on Tuesday, November 13, 2018 by several members of Waterfront Toronto's management team – including the status of the project by its 4 segments: Roads and Services, Bridges and Structures, Flood Protection Features and Parks and Public Realm.

Corporate Reorganization

In September 2018, a reorganization of the Corporation was put in place to define the three operating business units through which the operating activities of Waterfront Toronto are carried out. The three C-suite management executives are Chris Glaisek (Planning & Design), Meg Davis (Development and Quayside) and David Kusturin (Project Delivery). My observation is that the reorganization has been well received by the entire organization and that the three executives are well respected by their respective teams and across the organization generally. The reorganization provides each executive with the opportunity to lead his or her respective operating business unit, with all the challenges and opportunities that leadership entails.

Succession Planning

The succession plan for the position of CEO was presented to the Board following the reorganization. The succession plan has been shared with the three C-suite management executives and four other management team members - and it has been well received.

The management team had intended to complete its succession plan for the corporate business unit and present that plan to the Board at today's meeting. The final planning has been delayed as executives have been totally absorbed in key corporate initiatives, including the provincial audit, the Rolling Five-Year Strategic Plan and the implementation of the ERP system. The activities of the corporate business unit include corporate strategy, legal, finance, and human resources – and its role is to provide the necessary leadership and infrastructure functions to the three operating business units and to



Board of Directors Meeting – December 6, 2018 Item 5 - CEO Report Michael Nobrega

support the Board and the Committees in carrying out their governance and oversight functions. The oversight of the provincial audit is an excellent example of the role of the corporate business unit – with the oversight led by Marisa Piattelli and Lisa Taylor, both executives in the unit.

ERP System

Waterfront Toronto’s “go-live” implementation of the Enterprise Resource Planning System (ERP) has been delayed as a result of a software flaw in the Microsoft designed product.

The flaw was detected in early November 2018 and it took ten days for Microsoft’s software specialists to identify the cause of the problem. Microsoft has committed to fix the software problem on a timely basis but there will be a delay of at least two months, thereby extending the “go live” implementation timing to at least January 15, 2019. In the meantime, Waterfront Toronto will continue to manage its projects using its current legacy systems.

The ERP, as a reminder, is one of the essential tools in Waterfront Toronto’s commitment to upgrade its project and financial management systems to handle large projects such as The Port Lands Flood Protection Project and new projects, such as Quayside and the initiatives described in the Rolling Five-Year Strategic plan. The other essential tools include upgrading technical skills and capabilities in the Capital Program Management Office and in the corporate business unit.

Operational Matters

Indigenous Consulting

Waterfront Toronto has entered into an agreement with the Mississaugas of New Credit First Nation (MNCFN) Field Liaison Representatives whereby the Field Liaison Representatives will undertake archeological and environmental monitoring on site. The duties of the Field Liaison Representatives include:

- (i) attend at project site to observe and participate in environmental and archaeological monitoring field work;
- (ii) provide regular feedback to MNCFN about the environmental and archaeological monitoring field work; and



Board of Directors Meeting – December 6, 2018
Item 5 - CEO Report
Michael Nobrega

- (iii) on a monthly basis, provide feedback to Waterfront Toronto with comments and identification of any interests and concerns about the environmental and archaeological monitoring field work.

The consultation with the MNCFN and other indigenous groups is a key delivery in the Contribution Agreement between Waterfront Toronto and the government stakeholders.

Ports Toronto

Waterfront Toronto and the Toronto Port Authority are discussing the development of a memorandum of understanding (MOU) to underline the importance of the two organizations having open lines of communication at all levels and giving due consideration to each other's core service competencies when procuring services. The MOU is not intended to be a legally binding agreement but a "good faith" effort by the parties to work collaboratively on the waterfront. The initial term of the MOU will be for three years and will automatically renew for additional one-year periods, unless terminated by either party.

Quayside Project

Efforts by both parties continue on the Master Innovation Development Plan (MIDP) document. Waterfront Toronto is tracking the progress of the MIDP in accordance with the contractual obligations in the PDA.

Waterfront Toronto expects to receive a first draft of the MIDP in early 2019, with a decision on the MIDP in late 2019.

Management continues to work on: (i) its approach to evaluating the MIDP (including a dashboard for tracking milestones from stakeholder engagement to a decision on the MIDP); (ii) defining the role of the Digital Strategy Advisory Panel in reviewing and providing input in the evaluation of the MIDP; and (iii) preparing a communications strategy on the project and responding to issues which may arise on evaluation and decision-making of the MIDP.

The Inter-governmental Steering Committee (IGSC) was briefed on the Quayside project on Tuesday, November 13, 2018, including the status of the project by its 6 segments: Government Engagement, Public Engagement, Governance & Panels, Obligations and Risks, Project Management and MIDP Evaluation Framework.

The IREQ Committee was also fully briefed at its November 22, 2018 meeting.



Board of Directors Meeting – December 6, 2018 Item 5 - CEO Report Michael Nobrega

York St. and Rees St. Parks Design

The winning designs for York Street Park and Rees Street Park were announced in October. Claude Cormier et Associés' "Love Park" was the successful design for York Street Park. WHY Architecture and Brook McIlroy's proposal, "Rees Ridge", was the successful design for the Rees Street Park site. Pending approval of the Rolling Five-Year Strategic Plan, Waterfront Toronto will enter into a Delivery Agreement with the City of Toronto to define its role as the project delivery agent.

Administrative Matters

Financial

There are no current financial and enterprise risks impacting the organization, except the continuing "internal cost" to manage and execute on provincial audit report, Rolling Five-Year Strategic Plan and the implementation of the ERP System. For example, the internal "cost" to date to manage the provincial audit is estimated at over 3,000 hours.

An amount of \$13.9 million is currently budgeted for the period December 1, 2018 to March 1, 2020 for the review and evaluation of the MIDP. This amount is projected to be covered by available internal cash resources without any draw down on Waterfront Toronto's existing \$40 million credit facility; \$3 million of the credit facility is currently drawn to support a letter of credit for The Port Lands Flood Protection Project.

Legal/Board Renewal

There will be eight directors whose terms expire by December 31, 2019. This is in addition to an existing vacancy and the expiry of a City Councillor's term on November 30, 2018. The composition of the Board and Board succession is part of the mandate of the Chairs Committee and Legal has brought this matter forward to the Chairs Committee at its meeting on November 29, 2018.

Human Resources

Management continues to define a list of HR priorities for the first calendar quarter of 2019, including a pay equity plan, an employee data privacy framework, and benefit coverages. An external consultant will be retained to assist on these initiatives.

Helen Burstyn and Meg Davis have been recognized in Toronto Life's 2018 Top 50 most influential people. Congratulations to both Helen and Meg.



**Board of Directors Meeting – December 6, 2018
Item 5 - CEO Report
Michael Nobrega**

Miscellaneous

Following the recommendations of MNP (internal auditor) and HUB International (insurance advisor), the Corporation has selected Allianz as the insurer for a cyber security insurance policy. This policy is now in force and provides protection against cyber-crime liabilities such as network security and privacy liability. The policy limit is consistent with current liability trends and exposures.

The Stakeholder Relations, IREQ, FARM and Chairs Committees met on November 15, 22 and 29, 2018, respectively. Each of these Committees will provide reports to the Board which can be accessed to provide additional background/information on several of the topics discussed above.

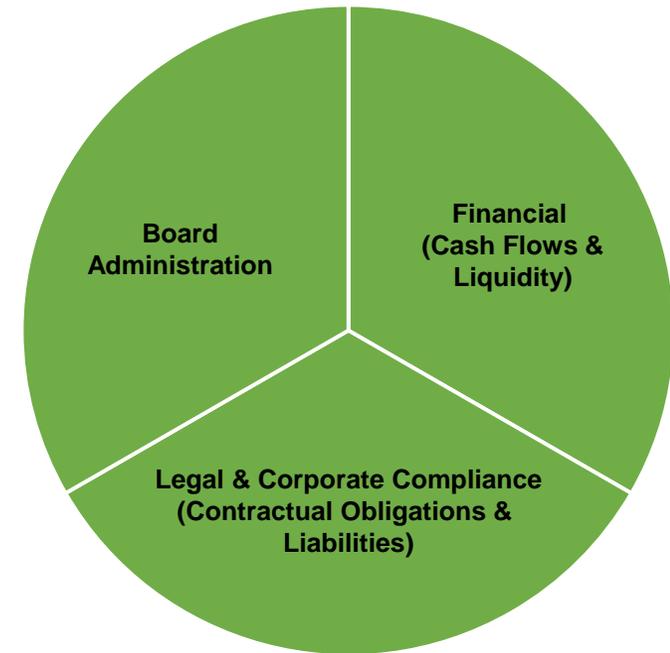
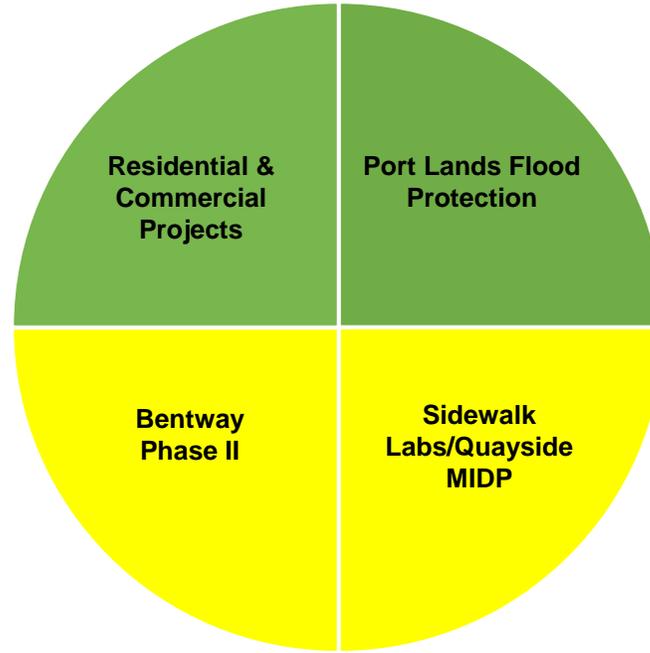
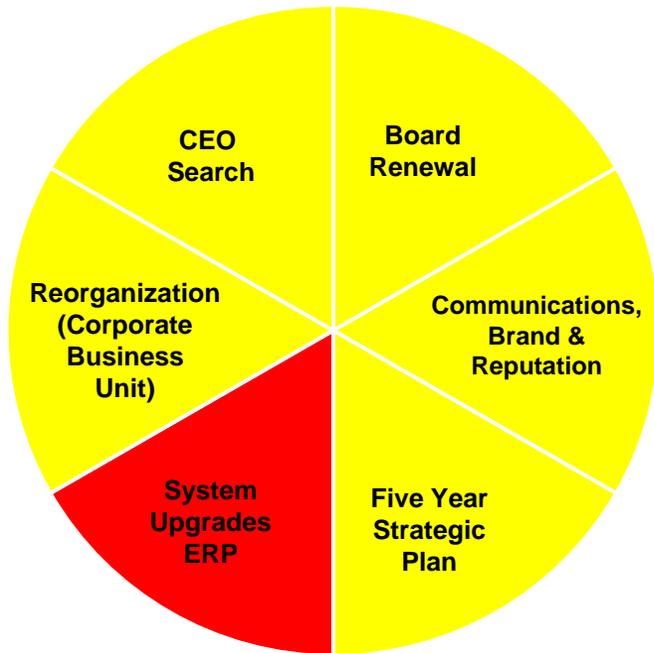
The management team will be pleased to answer any of your questions during the course of today's meeting.

Sincerely,

Michael Nobrega
Interim CEO

Corporate Dashboard

Corporate Matters	Project Matters	Administrative Matters
-------------------	-----------------	------------------------



● No concerns – on target
 ● Caution – emerging issues
 ● Concern – risk(s) identified



Board Meeting – December 6, 2018
Item 11 – Resolutions Arising from the Closed Session
Board Members

ON MOTION, duly made by [●], seconded by [●] and carried, it is hereby **RESOLVED** that the Board of Directors approves the Rolling Five-Year Strategic Plan as presented and in accordance with the provisions of Section 8 of the Toronto Waterfront Revitalization Corporation Act 2002, directs Management to give a copy of the Rolling Five-Year Strategic Plan to the federal government, the provincial government and the Clerk of the City of Toronto on or before December 31, 2018.

Agenda Item	Item 12 - Stakeholder Relations Committee Chair’s Report
Purpose	For information: report on the Stakeholder Relations Committee meeting November 15, 2018
Key Message	<p>The attached report on the Stakeholder Relations Committee meeting November 15, 2018 covers:</p> <ol style="list-style-type: none"> 1. 2019/2010 Communications and Public Engagement Plan (the Plan) 2. Update on the Partnership Strategy; and 3. Philanthropy Strategy Update.
Areas of note/ Key issues	<ul style="list-style-type: none"> • The Plan builds off the 2019/2023 Rolling Five Year Strategic Plan and will be finalized and brought back to the Committee before the start of FY 2019/20. Oversight of the Plan will be achieved via a communications dashboard to be prepared by management. • The partnership strategy, previously reported on in June 2018, also is being finalized. It will be linked to the objectives of the 2019/2023 Rolling Strategic Plan, and the capabilities and resources needed to execute the partnership strategy will be identified and added. • Through a report prepared by KCI / WHAT’S NEXT, the Committee has been made aware of the elements that will impact the philanthropic abilities and aspirations of the Corporation. Management is continuing to work on developing a philanthropy strategy for the Corporation.
Expected Outcome	The Board will be updated regarding the November 15, 2018 Stakeholder Relations Committee meeting.
Key Takeaways/ Next Steps	Management will finalize the Plan and the partnership strategy, and continue its work to develop a philanthropy strategy.

The Stakeholder Relations Committee met on November 15, 2018. All four Committee members were in attendance and quorum was achieved.

I wish to report on the three items set out below; all items are for **information**:

1. 2019/2010 Communications and Public Engagement Plan
2. Update on the Partnership Strategy; and
3. Philanthropy Strategy Update.

Overview of the Meeting

- The Committee received a presentation on and discussed the draft 2019/2020 Communications and Public Engagement Plan (the Plan).
- The Committee received an update on the development and directions of the partnership strategy.
- The Committee received and discussed a report prepared by KCI / WHAT’S NEXT to assist the Committee in reviewing the “if and how” of a philanthropy strategy for Waterfront Toronto.
- In closed session, the Committee received an update regarding certain confidential provincial information and a related communications approach (**agenda item 7 for this meeting**).

2019/20 Communications and Public Engagement Plan

- The Plan builds off the draft 2019/2023 Rolling Five Year Strategic Plan. Tactics in the Plan are designed to foster support for the Corporation’s projects, to move toward proactive “campaign” and “opportunistic” communications programming, and to reduce the need for reactive responses.
- The Plan includes four strategic imperatives that define success:
 1. Frame public discussion around how Waterfront Toronto initiatives will improve urban living;
 2. Mitigate public confusion by improving public literacy on key issues;
 3. Enhance Waterfront Toronto’s credibility on urban issues that people care about most; and
 4. Inspire people to be engaged advocates.
- A communications dashboard to report to the Committee on Plan progress was requested.
- The Plan will be refined and brought back to the Committee before the start of FY 2019/20.

Update on the Partnership Strategy

- A report was provided to the Committee that describes:
 - the purpose of a partnership strategy for Waterfront Toronto;
 - the project undertaken to understand and assess existing partnership activities;
 - the identification of what should be the key elements in a partnership strategy; and
 - recommended next steps.
- This was the second report on partnership strategy; an initial report was provided at the June 8, 2018 Stakeholder Relations Committee meeting.
- The Committee discussed the report and agreed that next steps would involve linking the partnership strategy to the objectives of the Rolling Five Year Rolling Strategic Plan and finalizing the strategy, including the capabilities and resources required.

Philanthropy Strategy Update

- The Committee received and discussed a report entitled: “Launching a Philanthropy Program at Waterfront Toronto: A Framework and Guide for Feasibility and Planning.”
- The report contained an inventory and assessment of the elements that will impact the Corporation’s philanthropic abilities and aspirations.
- Among the elements required are:
 - the ability to attract major and transformative investment;
 - leadership with fundraising acumen;
 - professional fundraising capacity and administrative infrastructure to execute fundraising activities; and
 - marketing and communications support for philanthropy initiatives.
- The Committee requested that management develop a plan for continued exploration of a philanthropy strategy for Waterfront Toronto.

Agenda Item	Item 13, Finance, Audit & Risk Management Committee Chair’s Report
Purpose	For information: Finance, Audit & Risk Management Committee Chair’s Report
Key Message	<p>The attached report covers:</p> <ul style="list-style-type: none"> • Corporate and Project Reporting Dashboards • Changes to the Procurement Policy; and • Port Lands Flood Protection Project: <ul style="list-style-type: none"> ○ 30% Stage Gate Budget for the PLFP Project; and ○ Independent Capital Monitor Report.
Areas of note/ Key issues	<ul style="list-style-type: none"> • Corporate and Project Reporting Dashboards covering 2018/19 Corporate Plan Performance, Finance & Administration and Capital Projects report that these areas are on track (no concerns) except: <ul style="list-style-type: none"> ○ Two caution areas in 2018/19 Corporate Plan Performance where some of the plan may not be met (five deliverables and a \$71 million budget reduction) and well as one red area where an area of the plan will not be met in the planned timeframe (ERP implementation). • The 30% Schematic Design Stage Gate for the PLFP Project is now complete and: <ul style="list-style-type: none"> ○ Management forecasts that the likelihood of delivering the program on budget is between 73% to 92% percent; and ○ Based on the current schedule risk analysis, there is 90% likelihood that the program will be completed within 90 days of the Substantial Completion date specified in the contribution agreement. • Key findings from the review by BTY, the Independent Capital Monitor, are: <ul style="list-style-type: none"> ○ The overall cost and schedule management processes being implemented on the PLFP project are in line with industry standards; ○ Best practice risk management techniques have been followed in predicting the cost and schedule of the overall project; and ○ The current overall estimated project cost remains the same as per the due diligence report, totalling \$1.185 billion.

Expected Outcome	The Board will be updated regarding the November 29, 2018 meeting of the FARM Committee.
Key Takeaways/ Next Steps	<ul style="list-style-type: none"> • Management will continue to manage and, where possible, mitigate the caution and red areas currently impacting 2018/19 Corporate Plan Performance. • Management will provide examples to the Committee of circumstances related to the new sole source exemption in the revised Procurement Policy (section 6. 3. (g) – circumstances where the nature of work is such that it would not be in the public interest to solicit bids or proposals). • Management will provide another update on the PLFP Project in March, 2019.

The Finance, Audit & Risk Management (FARM) Committee met on November 29, 2018. Three out of four Committee members were in attendance and quorum was achieved. Janet Rieksts-Alderman was unable to attend so Committee members appointed Susie Henderson Chair of the meeting.

This report covers the following four items, **for information**:

1. Corporate and Project Reporting Dashboards;
2. Changes to the Procurement Policy; and
3. Port Lands Flood Protection (PLFP) Project:
 - a. 30% Stage Gate Budget for the PLFP Project; and
 - b. Independent Capital Monitor Report.

In addition to the above items covered in this report, at the November 29, 2018 meeting the FARM Committee considered the following in closed session:

- Discussion of Provincial Information and
- Rolling Five-Year Strategic Plan.

These items are addressed separately. (See agenda items 7 and 8 for this meeting.)

1. Corporate & Project Reporting Dashboards

- Management presented a macro dashboard that was divided into three areas:
 - 2018/19 Corporate Plan Performance;
 - Finance & Administration; and
 - Capital Projects.
- The dashboard highlighted two **caution** areas in the 2018/19 Corporate Plan where some areas of the plan may not be met (five deliverables and a \$71 million budget reduction), and well as one **red** area where an area of the plan will not be met in the planned timeframe (ERP implementation).
- The FARM Committee is satisfied that management is taking the appropriate mitigation steps to manage these areas.
- All other areas of the dashboard remain on track.

2. Changes to the Procurement Policy

- Management amended the Procurement Policy on November 9, 2018 to strengthen the wording with respect to sole source procurements, as well as to provide greater clarity regarding compliance by the policy with the Broader Public Sector Procurement Directive.
- The changes were reported to the Committee for information.
- For clarification, the Committee requested that management provide examples of circumstances related to one of the sole source exemptions (section 6. 3. (g) – circumstances where the nature of work is such that it would not be in the public interest to solicit bids or proposals).

3. Port Lands Flood Protection Project

a. 30% Stage Gate Budget for the PLFP Project

- The 30% Schematic Design stage gate for the project is now complete.
- Management is forecasting that the likelihood of delivering the Port Lands Flood Protection Program on budget is between 73% to 92% percent, depending on the level of conservatism applied to risk allocation.
- Based on the current schedule risk analysis, there is 90% likelihood that the program will be completed within 90 days of the Substantial Completion date specified in the contribution agreement.
- Project Budgets for the Port Lands Flood Protection Program have been re-set to align with the current forecast, which is the best estimate of the final project cost available at this phase of the project. The project will also continue to be tracked back to the original project element budgets per the 2016 Due Diligence report.
- To ensure that budget and schedule risks are actively managed, management has introduced a series of enhancements to the risk monitoring process.
- The Stage Gate process will allow Waterfront Toronto to complete the design process, while ensuring that the likelihood of achieving the program budget remains high as projects move into construction.

b. Independent Capital Monitor Report:

- BTY presented their first report as Independent Capital Monitor for the PLFP project.
- Key findings from the BTY review include:
 - The overall cost management process being implemented on the project is in line with industry standards and provides the Board and the Committee with assurance that best practice risk management techniques have been followed in predicting the outturn cost of the overall project.
 - The estimates reviewed contained an appropriate level of detail as would be expected at the due diligence stage and 30% design stage.
 - The estimates contained appropriate allowances for design and escalation risk.
 - An industry standard Risk Management approach to identifying and mitigating budget risks was implemented and is being followed.
 - Effective cost control methods such as tracking changes from the baseline estimate and taking corrective measures to ensure the estimates remain within the overall budget have been implemented.
 - The current overall estimated project cost remains the same as per the due diligence report, totalling \$1.185 billion.
 - The overall schedule management process being implemented on the project is in line with industry standards and provides the Board and Committee with assurance that best practice risk management techniques have been followed in predicting the overall project schedule.

- The schedules reviewed were prepared in industry standard formats.
- The schedules reviewed contained appropriate level of detail as would be expected at the due diligence stage and 30% design stage.
- A Substantial Completion activity is included in the latest schedule and has the appropriate relationships tied to the activity to reflect the work required to be completed to achieve Substantial Completion.



Board of Directors Meeting – December 6, 2018
Item 14 - Chairs Committee Chair’s Report
Helen Burstyn

Agenda Item	Item 14 - Chairs Committee Chair’s Report
Purpose	For information and approval: Report on the November 29, 2018 Chairs Committee meeting
Key Messages	The attached report on the November 29, 2018 meeting of the Chairs Committee covers the following items: 1. Human Resources Update; 2. Directors Code of Conduct; and 3. Composition of the Board of Directors.
Areas of note/ Key issues	Directors should note: <ul style="list-style-type: none"> • The Human Resources Update includes recommendation that an Ad Hoc Search Committee of the Board be established to support the recruitment of a new Chief Executive Officer. • The revised Directors Code of Conduct (“revised Code”) is being presented to the Board for approval. This document was first presented for approval to the Board at its June 28, 2018 meeting. As a result of a request made at that meeting, an amendment has been made to Section 5.1. With this amendment, the document is now being presented to the Board for approval, again. • Resolutions to establish the Search Committee and approve the revised Code will be considered at today’s meeting. • There are currently two vacancies on the Board and the terms of an additional eight directors expire in 2019.
Expected Outcome	<ul style="list-style-type: none"> • The Board will establish a Search Committee to support the recruitment of a new Chief Executive Officer. • The Board will approve the revised Code. • Directors will be informed of the existing vacancies and upcoming expiring terms of Directors.



Board of Directors Meeting – December 6, 2018
Item 14 - Chairs Committee Chair's Report
Helen Burstyn

Key Takeaways/ Next Steps	<ul style="list-style-type: none">• The Search Committee will begin working with Boyden Global Executive Search and Management on the recruitment of a new CEO.• Following approval of the revised Code, each Director will be provided with copies for completion, execution and return to the Board Administrator.
--------------------------------------	---

The Chairs Committee met on November 29, 2018. Four out of five Committee members were in attendance (1 in person, 3 by phone) and quorum was achieved.

I wish to report on the three items set out below which were discussed at the November 29, 2018 meeting of the Committee and for which, under the terms of its Mandate, the Committee is responsible:

1. Human Resources Update
2. Directors’ Code of Conduct; and
3. Composition of the Board of Directors.

1) Human Resources Update

The Committee was advised in a report by Rose Desrochers, Human Resources Director, which was presented by Kathleen Niccols, that 31.5 of the 35.5 new positions approved in the Amended 2017/2018 and 2018/19 Corporate Plans have been filled.

Ms. Niccols also advised that the Toronto office of Boyden Global Executive Search (“Boyden”) has been retained to support the hiring by the Board of a permanent CEO.

Following discussion, the Committee recommends that the Board form an ad hoc Search Committee from its members, which would include at least one Director appointed from each level of government to work with and support the work of Boyden. The Committee further recommends that the members of the Search Committee be remunerated for their work according to the Board Member Remuneration Policy approved by the Board on May 5, 2014.

The time commitment required for members of the Search Committee is expected to be substantial in the early months of 2019 due to initial discussions with Boyden and then interviews with candidates. Directors who have expressed some interest in working as a member of the Search Committee so far are Janet Rieksts-Alderman (Federal), Susie Henderson (City), Helen Burstyn (Province) and Jeanhy Shim (Federal). It will be desirable to also have Michael Nobrega (Province) work with the Search Committee, either as a Director and member or as a member of Management. The Search Committee may also consider other advisors to support their work.

Other Directors who have an interest in working as a member of the Search Committee should express their interest either to the Chair before the December 6, 2018 Board meeting or in the discussion at the meeting.

2) **Directors Code of Conduct**

A revised Code of Conduct for Directors (“revised Code”) was presented by the Chairs Committee for approval at the June 28, 2018 meeting of the Board of Directors. Board approval was not obtained and staff was requested to reconsider the following sentence from Section 5.1:

“Directors must not make public comments about Waterfront Toronto or disclose Confidential Information, unless the Chief Executive Officer has authorized the Directors to do so.”

After review, this sentence has been deleted in the attached revised draft of the revised Code as it was considered unnecessary. With this deletion, Directors are still required, under Section 3, to keep Confidential Information confidential. Further, unless authorized by the Chair, Sections 5.1 and 5.2 restrict Directors from speaking on behalf of either Waterfront Toronto or the Board or from making public comments about the Board.

Detailed information concerning the revised Code were provided in a memorandum that was provided to the Board at its June 28, 2018 meeting. To access that memorandum, please [click here](#).

3) **Composition of the Board of Directors**

There are currently two vacancies on the Board and the terms of eight directors will expire in 2019. The Committee has reviewed the upcoming expiries and noted same.