

**Resource Productivity and Recovery Authority
Board Meeting Minutes
Tuesday, December 20, 2016 – 9:00 am**

In Attendance:

Directors:

Glenda Gies
Tom Wright
Nidhi Tandon
Joyce Barretto
David Brezer

Guests:

Paul Brace, Miller Thomson (Items 2.3; 2.4; 2.5)
Wendy Ren, MOECC (all items except item 10)

Staff:

Michael Scott, CEO
Geoff Rathbone, Director of Operations
Sarrah Young, Board & Transition Coordinator
Kiara Barrett, Office Manager

1. Call to Order

With a quorum present, the meeting was called to order.

1.1 Adoption of the Agenda

Motion: To adopt the agenda as presented.

The motion was duly moved and seconded. Carried

1.2 Declaration of Real, Potential or Apparent Conflict of Interest

None were declared.

1.3 Correspondence

Motion: To receive the correspondence items for information.

It was agreed that these items plus all future correspondence for the Board be contained in future Board meeting material.

The motion was deferred.

2. Governance

2.1 Appointment of Officers

Motion:

Be it resolved that the following are hereby appointed as Officers of the Corporation, to hold office until the Annual Meeting of the Corporation, or until their successors are duly appointed, namely:

Chair – Glenda Gies

Vice Chair – Tom Wright

Secretary-Treasurer – Joyce Barretto

The motion was duly moved and seconded. Carried

2.2 Board Committees

Motion:

Be it resolved that the following Board Committees are hereby established, with the Chair and members of each committee to hold office until the Annual Meeting of the Corporation, or until their successors are duly Appointed.

<u>Name of Committee</u>	<u>Chair</u>	<u>Members of the Committee</u>
1. Governance	Nidhi Tandon	Joyce Barretto
2. Human Relations and Nominations	Glenda Gies	Tom Wright
3. Finance	Committee of the Whole	
4. Audit	David Brezer	Glenda Gies

The motion was duly moved and seconded. Carried

2.3 Bylaw Revisions

The Board had a detailed discussion on proposed amendments to Bylaw number 2016, with the assistance of Paul Brace.

The Board agreed that it was appropriate to sign the current Code of Conduct so that a signed compliance statement is in place. The Code of Conduct will be reviewed by the Governance Committee to determine the need for any amendments.

Motion: That the Board approves RPRA Bylaw number 2016, as amended.

The motion was duly moved and seconded. Carried

2.4 Director Remuneration

The Board discussed this issue, with the assistance of Paul Brace.

Motion:

WHEREAS Section 27(1) of the *Resource Recovery and Circular Economy Act, 2016* (Ontario) authorizes the Board of Directors of the Authority to make by-laws providing for the payment of remuneration and reimbursement of the expenses of members of the Board;

WHEREAS the General By-Law of the Authority permits the Board, subject to the provisions of the Operating Agreement, applicable law and any policy directions of the Minister, to pay remuneration to the members of the Board of Directors;

WHEREAS it is advisable to approve the payment of remuneration in order to attract and retain well qualified and motivated candidates;

WHEREAS the rates of remuneration for Board members should be in keeping with the spirit of the per diem rates of remuneration for part-time appointees to regulatory agencies as set out in the most recent *Ontario Public Service Agencies & Appointments Directive*;

WHEREAS such remuneration should be paid to all members of the Board of Directors other than members employed by the Crown, including as public servants pursuant to the *Public Service of Ontario Act, 2006*.

Be it therefore resolved that:

1. The Authority pay remuneration on a per diem basis to the Chair, the Vice-Chair and the members of the Board of Directors other than members employed by the Crown, including as public servants pursuant to the *Public Service of Ontario Act, 2006*, at the rates provided for part-time appointees of regulatory agencies in Schedule B of the Ontario Public Service *Agencies and Appointments Directive* dated July 2016 and otherwise as set out in the Schedule hereto;
2. Payment of remuneration will be effective as of the date of appointment of each director, being November 30, 2016 for all current directors;
3. Staff of the Authority be directed to conduct a review of the rates of remuneration paid by comparable agencies including, without limitation, Travel Industry Council of Ontario, Ontario Motor Vehicle Industry Council, Real Estate Council of Ontario, Retirement Homes Regulatory Authority, and Bereavement Authority of Ontario and report to the Board with the results and recommendations for adjustments;
4. For greater certainty, the payment of remuneration for travel time as set out in the Schedule hereto does not affect the director's entitlement to be reimbursed for out-of-pocket expenses incurred in connection with such travel or other expenses properly incurred in the performance of the director's duties.

SCHEDULE FEES

The Chair, the Vice-Chair and members of the Board of Directors will receive per diem remuneration at the rates specified for periods of work of three (3) hours or more and one-half of the per diem rates specified for periods of work of less than three (3) hours.

Remuneration shall be paid for attendance at meetings of the Board and Committees of the Board, including: travel time; preparation for meetings of the Board and Committees of the Board (remuneration not to exceed remuneration for attendance at the related meeting); attendance at training, briefing or orientation sessions provided to directors; and other tasks assigned by the Chair to directors from time to time. In addition to the foregoing, the Chair and the Vice-Chair shall be entitled to remuneration for duties and activities other than Board and Committee meetings necessarily undertaken in the performance of their respective duties as officers of the Authority.

Directors shall be entitled to be remunerated for travel time undertaken outside normal working hours at an average hourly rate based on the per diem rates set out above, the total amount payable not to exceed 60% of the applicable per diem rate in respect of the meeting for which travel is undertaken. For purposes of calculating the applicable remuneration for travel time, the per diem rate is deemed to apply to a working day of 7.25 hours. If travel time is incurred on the date of a meeting, a director will not be reimbursed separately for travel time unless the total of meeting time and travel time exceeds 7.25 hours.

The motion was duly moved and seconded. Carried

2.5 Review Draft RPRA/MOECC Operating Agreement

The Board agreed to refer the draft Transitional Operating Agreement to an Ad-hoc Committee for further review. Wendy Ren shared the Ministry's timelines for posting on the Environmental Registry.

The Board noted that the proposed operating agreement places substantive obligations on the Authority which will be reflected in the business plan and budget.

Motion:

Be it resolved that the draft RPRA/MOECC Operating Agreement be referred to an Ad-hoc Committee of the Board comprising the Chair, Tom Wright, and David Brezer for a detailed review and development of recommendations to be presented to the Board by February 6, 2017.

The motion was duly moved and seconded. Carried

The Chair thanked Paul Brace for his assistance and he then left the meeting.

2.6 Recruitment of Board Members

The Board discussed the importance of identifying and commencing a recruitment process for the additional Board members as stipulated in the Waste-Free Ontario Act and the draft Transitional Operating Agreement. The Board's Governance Committee will develop a skills assessment and gap analysis that will help to guide the recruitment process to be overseen by the Human Relations and Nominations Committee.

Motion:

WHEREAS Section 25 (2) (4) the Resource Recovery and Circular Economy Act, 2016 (RRCEA) directs that a maximum of six members of the RPRA Board, or as may be prescribed by regulation, are to be elected by the Initial Board by November 30, 2017;

AND WHEREAS the executive search firm Odgers Berndtson was selected by the WDO Board in September 2016 as the executive search firm of record following an RFP and evaluation of competitive proposals;

AND WHEREAS the Initial Board has determined that it wishes to move forward with the selection of the additional Board members as soon as possible;

Be it therefore resolved that the Board directs the Human Relations and Nominations Committee of the Board to bring forward to the Board as soon as possible, and in consultation with Odgers Berndtson, a search and selection process and timelines, and a draft of an Executive Brief outlining the nature, requirements and search criteria to guide the process, developed in accordance with the experience and expertise stipulated in Section 26 (2) of the RRCEA and Section 7.1 of the draft Operating Agreement.

The motion was duly moved and seconded. Carried

3. Finance

3.1 December 2016 Budget

The Board reviewed a draft December 2016 RPRA budget.

Motion: That the Board approves the December 2016 RPRA Budget.

The motion was duly moved and seconded. Carried

3.2 Line of Credit

Motion:

That the Board ratify the WDO Board decision to use the current Line of Credit for accrued expenses of \$40K allocated to Schedule 1 work in 2016.

The motion was duly moved and seconded. Carried

Motion:

That the Board direct staff to provide the Finance Committee with regular updates on projected cash flow, and on discussions with financial institutions concerning the Authority's Line of Credit.

The motion was duly moved and seconded. Carried

3.3 Fee Policy Development

The CEO noted the complexity and challenges associated with developing this important policy. The Board agreed that the file will require thorough analysis and consultation with stakeholders.

Motion:

That the Board direct staff to bring forward to the Finance Committee of the Board recommendations on a methodology for allocation of Schedule 1 and Schedule 2 costs and for the development of RPRA fees.

The motion was duly moved and seconded. Carried

4. Human Resources

The Board discussed the importance of confirming the positions of the current permanent RPRA staff who transitioned from Waste Diversion Ontario and the need to move forward as soon as possible with the recruitment of key staff and the examination of future RPRA organizational structures.

WHEREAS it is desirable for the Board to confirm the permanent staff currently employed by the Authority and to include the related costs in the 2017 operating plan and budget of the Authority;

AND WHEREAS it is desirable for the Board to consider the ongoing need for contract staff currently engaged by the Authority in the context of the 2017 operating plan and budget of the Authority;

AND WHEREAS the HR and Nominations Committee should be tasked with matters relating to the future organizational structure of the Authority, recruitment of key staff and the development of training protocols.

THEREFORE BE IT RESOLVED THAT:

a) **Day One RPRA Permanent Staff**

The permanent staff positions of RPRA are hereby confirmed as permanent RPRA staff positions to be included in the draft 2017 RPRA Operating budget.

b) **RPRA Day One Contract Staff positions**

The Board direct staff to bring forward recommendations concerning the contract positions for inclusion in the draft 2017 budget to be presented to the Board.

c) **Optional Future Organizational Structures, Recruitment process for Key Staff, and Development of Training Protocols**

The HR and Nominations Committee of the Board:

- Review the optional future organizational structures and develop a recommended structure for RPRA administering WFOA Schedules 1 and 2 and RPRA administering Schedule 1 only;
- Participate in the recruitment process for key staff and bring recommendations to the board; and
- Review the draft HR plan including training protocol.

5. Registry

5.1 Establish Process to review Specification/Award Contract

The CEO and the Director of Operations gave a brief update on this file. The Director of Operations noted that the project work being carried out by Deloitte is near completion, and that both the short and long-term IT budget will likely need to be reassessed based on the project findings.

Motion:

That a draft Interim IT Policy and Term Sheet for RFP Specifications be reviewed by the Finance Committee of the Board prior to submission to the Board.

6. CEO Report

The CEO gave a brief update on the OTS Forensic Audit Investigation file.

7. Business Plan and Budget

The Board and staff had a lengthy discussion on this topic, identifying the ongoing process and associated resources, as well as the complexity of developing a methodology to identify Schedule 1 and 2 costs and fees.

Motion:

That the draft 2017 RPRA budget and plan be referred to the Finance Committee of the Board for review and recommendations to be presented to the Board at its January 2017 meeting.

The motion was duly moved and seconded. Carried

8. Administration

8.1 Audit of RPRA December 2016 Financials

WHEREAS Waste Diversion Ontario was continued as the Resource Productivity and Recovery Authority with effect as of the Proclamation Date (November 30, 2016);

AND WHEREAS the responsibility for all aspects of Waste Diversion Ontario's activities transitioned from the current WDO Directors to the new Directors appointed to the Board of the Resource Productivity and Recovery Authority as of the Proclamation Date;

AND WHEREAS it is important that there be a clear cut-off date so that pre and post proclamation costs in 2016 have been properly confirmed;

AND WHEREAS the auditors of Waste Diversion Ontario were instructed by the WDO Board to audit the financial statements for the period commencing January 1, 2016 and ending on the day immediately prior to the Proclamation Date (November 29, 2016);

BE IT THEREFORE RESOLVED THAT the auditors of Waste Diversion Ontario be continued as the auditors of the Resource Productivity and Recovery Authority and be instructed to conduct an audit of interim financial statements prepared by management for the period commencing November 30, 2016 and ending on December 31, 2016, and express an opinion thereon.

The motion was duly moved and seconded. Carried

8.2 2017 Board Calendar

The Board identified preliminary dates for quarter 1 2017 meetings.

8.3 Work Plans

The Board and staff had a high-level discussion on the many priorities and deliverables required by the *Waste-Free Ontario Act* and the draft Transitional Operating Agreement, and agreed that work plans should be developed to meet these goals.

Motion:

That the staff identify all required deliverables arising in particular from the WFOA and the draft RPRA /MOECC Operating Agreement and prepare a work plan for each, for review by the appropriate Board committee and subsequent approval of the Board.

The motion was duly moved and seconded. Carried

9. Other Business

No other business was declared.

10. In-Camera Discussion

11. Adjournment

The meeting was adjourned at 1:00 pm.