

GREATER TORONTO TRANSPORTATION AUTHORITY

Present: Chair: R. MacIsaac
Members: Roger Anderson
Brian Ashton
Paul Bedford
Bill Fisch
Adam Giambrone
Hazel McCallion
David Miller
Peter Smith

**BOARD
MINUTES**
Meeting No. 1
March 23, 2007

Regrets Members: Fred Eisenberger

Staff in Chief Executive Michael Fenn
attendance Officer

Ministry of David O'Toole
Transportation
ADM

Staff of Ministry
of Transportation,
City of Toronto
and GTTA

1. CALL TO ORDER

Chair MacIsaac welcomed everyone to the meeting and requested a motion to open the meeting to the public and media pursuant to Clause 11 (3) (6) of the *Greater Toronto Transportation Authority Act 2006*.

Carried

Regrets were received from Mayor Eisenberger of Hamilton, who is looking forward to joining the next meeting.

2. WELCOME BY THE MINISTER OF TRANSPORTATION

The Honourable Donna Cansfield expressed her thanks, and on behalf of the Premier and her colleagues, to each Board Member for their willingness to commit their time and effort to the important work of this Board.

The Minister acknowledged the challenge ahead, with regard to the issues of gridlock, and moving people, goods and services. There is no option for failure. The Board Members must work together to develop a region-wide transportation plan. The plan must consider funding. The Minister thanked Robert MacIsaac and Peter Smith for agreeing to assume the responsibilities of Chair and Vice-Chair.

3. REMARKS BY THE CHAIR

Chair MacIsaac stressed that the GTTA is very fortunate to have the enthusiastic support of Minister Cansfield, who has already offered so much of her time during regular meetings over the last three months.

Chair MacIsaac welcomed all the Board Members to the meeting. He informed the Board that Gary Carr's nomination to the Board has not yet been finalized, however Carr will join the meeting, participate in discussions, but not vote.

Chair MacIsaac offered condolences, on behalf of all Board Members, to Bill Fisch on the recent passing of his mother.

Chair MacIsaac echoed Minister Canfield's thanks to all the staff who have worked so hard to get where we are today.

It is evident, from recent speaking engagements undertaken by Chair MacIsaac, that there are high expectations for the GTTA.

Such an influential group of people as the GTTA Board reaching consensus will provide a powerful statement with which to move forward. The aim is to provide some tangible results from the GTTA in the short-term, with a long-term vision and plan for a first-class transportation system.

Chair MacIsaac outlined his goal of submitting a transportation, capital and investment plan to the Province by March 31, 2008.

It was noted that, although the legislation calls for meetings of the Board to be held at least quarterly, they are scheduled monthly to the end of 2007.

In introducing Michael Fenn for the CEO's Report, Chair MacIsaac indicated that he was worked with Fenn in a number of different capacities, and the GTTA is fortunate to have him assume this role.

Information and discussion Items

4. CEO's REPORT

The CEO's Report will be a standing item of the agenda. Future CEO reports will be a formal written submission. Supplemented by verbal updates at each Board Meeting, GTTA Management Reports will also be presented periodically, for example addressing

lower profile/operational matters, time sensitive issues, subjects outside Members' usual information sources, or items specifically requested by Members.

The GTTA is starting small, and will stay small, nimble and value-added organization. The addition of GO Transit will not alter the 'character' of the GTTA. It will remain a strategic organization with an emphasis on integration and innovation. The GTTA legislation offers full scope for a wide range of things to do, providing a good foundation with which to move forward. Constant focus will be on the resident, consumer, commuter, driver and taxpayer.

Municipal boundaries will be recognised and respected. However, as the transportation plan is being developed consideration must be given to the impact of the individual actions taken in one region or city that may have an impact across regional boundaries. . The cumulative effects of individual municipal decisions on their own initiatives are important, not just their own individual merit, but also to demonstrate a positive strategic impact across the region.

Fenn stressed that the GTTA's role does not pertain just to transit and transportation, but also links to social and environmental priorities. Making existing systems work better together, more smartly and more productively, will enable better 'value-capture' from public investments.

Fenn identified three primary needs for a planning and projects focus:

- a) Results. Momentum and support can be achieved by moving quickly, picking projects strategically and achieving early results.
- b) Longer-term, broader thinking in areas of technology and best practice. The best on offer in these areas should be sought, both at home and abroad. Board Members can assist by providing their own findings and observations.
- c) The need to build support among those on councils and in communities, who might currently see traffic, parking, transit and pollution issues and solutions as local or neighbourhood concerns, rather than region-wide issues.

Opportunities will be sought to meet with Members' staff, as well as Provincial and Federal staff to discuss work done to date, future plans, current and future finances (capital and operating).

The GTTA workplan will have aggressive timelines, and will seek to make use of Board Members' staff (and work already done), as well as GTTA staff and consultants. Solid planning results are expected this time next year. Further, it is expected that within 36 months, the Board Members should be able to point to 'concrete' results to justify their input of time and effort.

5. ORIENTATION

a) **Legislation:**

Kim Lambert provided highlights of the *Greater Toronto Transportation Act, 2006*

Discussion:

Municipal Representatives on the Board do not receive per diems, however GTTA related expenses will be paid by the agency

As confirmed by the Minister, the short-term focus of the board would be to develop a transportation plan with a five year capital plan and an investment strategy. The transfer of GO Transit operations will occur in the future.

The legislation refers to the GTTA as a 'rail body'. It was advised that this is to cover the future transfer of GO Transit.

b) **GTA Fare Card:**

David O'Toole, Assistant Deputy Minister, Policy and Planning Division, Ministry of Transportation provided a status on the GTA Fare Card project. the development and implementation of a common fare card system for transit properties across the GTA. The initial launch is scheduled for the summer of 2007 with a detailed blueprint for complete rollout expected in Fall 2007. A branding exercise is currently underway. He highlighted some of the benefits to local transit authorities of the new fare collection system.

Discussion:

The Board Members noted the high cost of implementing the fare card system, and enquired if there is any possibility of major corporations (e.g. banks) sponsoring the initiative, bearing in mind that card will reach a large audience. O'Toole undertook to raise this potential business development opportunity at the Fare Card Executive Committee or Steering Committee.

After some discussion regarding the brand name for the fare card, the following resolution was carried:

Be it resolved that the Province be requested to engage in discussions with the GTTA surrounding a formal involvement for the GTTA in the branding process of the GTA Fare Card.

Carried.

It was noted that the former GTSB produced a number of reports regarding integration of transit, transportation planning and a fare card system, which should be made available to

the GTTA. The Board Members agreed with Chair MacIsaac's suggestion that a refresher of the GTSB's work be presented at the next meeting or a future meeting.

It was agreed that current operational agreements between transit authorities be surveyed and included in the environmental scan work for the development of the regional transportation plan.

c) **Transit Procurement Initiative:**

David O'Toole provided a briefing on the transit vehicle procurement initiative.

To avoid the inefficiencies and high costs incurred by the 86 individual transit properties in the Province purchasing transit vehicles on an individual basis, the Province created a purchasing cooperative to develop a set of common standards /procedures that will achieve savings through economies of scale.

d) **New Disclosure Rules:**

Ross Flowers, Legal Council for Ministry of Transportation, provided a briefing on the new disclosure rules.

The Legislature of Ontario has passed a new piece of legislation that may change the rules for conflict of interest and disclosure for members of the Board and agency staff. While the *Public Service Act 2006* has yet to be proclaimed as part of the new scheme, agencies may be designated as "public bodies" under the Act. This designation of all agencies including the GTTA is still under consideration. If the GTTA is designated it will specifically affect conflict of interest and disclosure rules for members of the board and staff of the agency. If the GTTA is so designated staff will make a presentation to the board regarding its impact on board members and the agency as a whole.

Be it resolved that the Province be requested to engage in discussions with the GTTA regarding the new disclosure rules under the *Public Service Act, 2006.*

Carried

Decision Items

6. **BY-LAW No. 1**

Ross Flowers highlighted the key items in the By-law. Clarification was provided with regard to conflict of interest (Article 6), whereby it is deemed to apply in the event of a personal conflict, rather than because of any municipal role held.

Potential Amendment to be considered to Section 6.2 to include 'public transit authority' as follows: '... if a Director or Officer is an elected official, or an employee of a municipality, regional municipality or public transit authority...'. Ross Flowers to follow up with a report back to the Board.

It was noted that participation in Board Meetings, other than in person (Section 7.11), is far from ideal. This provision is recommended for use only where absolutely essential in carrying out the business of the organization.

Concern was expressed regarding the Chair and CEO reviewing and approving each other's expenses (Section 4.7/4.8). A detailed expenses policy was recommended. Chair MacIsaac suggested that this issue be referred to the Audit Committee for review and recommendation. They By-law should be amended accordingly.

Discussion occurred regarding Board Meetings being open/closed to the public. Some Members felt they should operate on the same basis as the municipalities by conducting confidential business of the board in-camera and all other business open.

Be it resolved that the GTTA Board Meeting being held in April 2007 be an open meeting. And further that the CEO bring forward a policy for discussion and approval regarding public access to Board Meetings.

Carried

7. **RESOLUTIONS**

07-B1 Terms and Conditions of Chair, Directors and CEO

Be it resolved that:

1. In accordance with his appointment under subsection 9 (7) of the GTTA Act, the Corporation remunerate and pay reasonable expenses to the Chair of the GTTA, Rob MacIsaac on the terms and conditions set out by the Province on his appointment.
2. In accordance with his appointment under subsection 14 (3) of the GTTA Act, the Corporation remunerate and pay reasonable expenses to the Chief Executive Officer, Michael Fenn on the terms and conditions set out by the Province on his appointment.
3. In accordance with their appointment under subsection 9 (7) of the GTTA Act, the Corporation remunerate and pay reasonable expenses to the Vice-Chair and other Directors on the terms and conditions set out by the Province on their appointment.

Carried

07-B2 Staffing and Organizational Design

Be it resolved that:

1. The Chief Executive Officer be directed to proceed with recruiting, hiring and seconding such employees as are necessary for an interim organization for the Corporation including executive and administrative assistants and other support functions to allow the Corporation to proceed with its mandate in the short term.

2. The CEO be directed to proceed with the development of an Organizational Design for Board approval that will serve the longer term needs of the Corporation.
3. The CEO be authorized to retain such assistance and employ such resources as are required to proceed with the development of the Organizational Design while reporting back to the board on all such items.
4. The CEO be authorized and directed to establish and continue OMERS pension coverage for affected officers and employees of the corporation.

Carried

Discussion:

Funding:

The Board Members enquired what budget has been provided by the MTO. A business and operating plan will be presented to MTO in May. Once this business case is approved funds will be released to the GTTA.

Staffing:

It is proposed that there will be a Transition Team created through secondments of staff from the provincial government. It is also anticipated that municipalities may choose to have staff seconded to the GTTA to assist on specific projects.

Consultants:

The prospective role of consultants was queried. It is anticipated that consultants will be used strategically, applying their skills to assist on specific initiatives, and to ensure timely completion of projects. The GTTA will keep a relatively small staff complement, to be supplemented by secondees and consultants.

Chair MacIsaac stressed that the aggressive timeline for the development of the transportation plan assumes taking advantage of all the information already available, and utilizing the expertise available from the province, municipalities and transit authorities.

07-B3 Committees of the Board

Be it resolved that:

1. The following Committees of the Board be established:
 - a) Audit Committee;
 - b) Governance Committee; and
 - c) Finance Committee.
2. The Chair be requested to canvass the Board members for interest in participation in the above Committees and the establishment of any additional Committees and report back to the board with recommendations for membership.

3. Upon the adoption by the Board of a committee structure, staff be directed to recommend a Charter for each Committee to the Board for approval.

Chair MacIsaac advised that Terms of Reference will be provided for each committee. Individual Board Members will be contacted to ascertain which committees they would like to sit on. Vice-Chair Smith indicated his interest in the Audit, Governance and Finance Committees.

Carried

The Board will act as a committee of the whole to develop the transportation plan.

07-B4 Indemnification, and Errors and Omissions Insurance

Be it resolved that:

Staff be directed to report back to the Board on the process to indemnify Directors and Officers, and to procure Errors and Omissions insurance.

Fenn advised that research will be undertaken, and recommendations made to the Board.

Carried

07-B5 Workplan

Be it resolved that:

1. The Chief Executive Officer be directed to proceed with the development of a workplan for Board approval which shall include the following:
 - a. Development of policies and procedures for the Corporation generally including a code of conduct for the business of the Corporation;
 - b. Development of policies to govern the conduct of Board meetings;
 - c. Development of a corporate Strategic Plan for the Corporation;
 - d. Development of a Framework for a Strategic Transportation Plan, a Rolling Five Year Capital Plan, an Investment Strategy, a companion Funding Plan and any statutory and regulatory matters not included above; and
 - e. All other matters set forth in the GTTA Act, which form part of the Corporation's mandate.

Carried

2. The CEO be authorized to retain such assistance and employ such resources as are required to proceed with the development of the workplan while reporting back to the board on all such items.

07-B6 MOU with GO Transit to Provide Services

Be it resolved that:

The Chief Executive Officer be directed to develop a Memorandum of Understanding with GO Transit for Board approval to acquire from GO Transit such goods and services as are reasonably necessary for the operation of the Corporation in the nature of:

1. Office Equipment, including furniture and electronic equipment, including access to GO Transit's telephone system;
2. Services to set up and ensure that any provided equipment operates properly and is in good working condition;
3. Postal and Courier Services;
4. Information and Information Technology service delivery, asset management and support, including assistance in developing GTTA's website and access to GO Transit's servers and networks;
5. Office space, and related accommodation services; and
6. Corporate Service support in the areas of human resources and finance as needed and determined to be appropriate in discussion with the GTTA Chair, and GO Transit Chair and Managing Director/CEO, or their respective delegates.

Carried

07-B7 Provincial Government Directives

Be it resolved that:

Until such time as the Corporation enters into a Memorandum of Understanding with the Ministry of Transportation setting out the Provincial government Directives to comply with, the corporation shall follow:

1. Agency Establishment and Accountability Directive – February 2000;
2. Advertising Content Directive – June 2006;
3. Government Appointees Directive – September 2006;
4. Internal Audit Directive – November 2002;
5. Business Planning and Allocations Directive – April 2000;
6. Cash Management Directive (Ontario Financing Authority);
7. Expenditure Management Directive – April 2000;

8. Travel, Meal and Hospitality Expenses Directive – August 2006;
9. Enhancing Privacy: Computer Matching of Personal Information Directive and Guideline – May 1994;
10. Freedom of Information & Privacy Directive – February 1991;
11. Visual Identity Directive – February 2002;
12. Procurement Directive on Advertising, Public and Media Relations, and Creative Communications Services, May 2006;
13. Ministry of Finance: Risk Management Policy for the Government of Ontario; and
14. MGS procurement Directives of the Ontario government.

Further, that the CEO be authorized to begin discussions with the Ministry of Transportation on behalf of the Board and Chair on the development of a Memorandum of Understanding between the GTTA and MTO, and provide reports to and receive direction from the Chair as required.

The intent is for the GTTA's MOU with the MTO to be formulated in a similar way to the proposed GO Transit MOU in order to ease amalgamation in due course.

Carried

07-B8 Head Office

Be it resolved that:

The head office of the Corporation shall be in the City of Toronto.

07-B9 Corporate Seal

Be it resolved that:

The Corporation adopt the following imprint as its seal:

...(imprint of seal)...

Carried

07-B10 Banking Arrangements

Detailed terms are currently under negotiation. It is anticipated that the resolution relating to Banking Arrangements will be brought forward at the next Board Meeting.

07-B11 Corporate Secretary

Be it resolved that:

The Corporation appoint the CEO, Michael Fenn, as the Corporation's Chief Financial Officer and Corporate Secretary until such time as the Board fills these offices on a fulltime basis.

Carried

Other Items

8. Transportation Trends and Outlooks for the Greater Toronto Area and Hamilton – Strategic Transit Directions

David O'Toole advised the Board that the MTO commissioned some foundational planning work last summer from IBI Group. The presentation by Neil Irwin is intended to provide background information to the GTTA Board on its future planning activities.

Irwin's presentation included current travel characteristics and trends, future travel demands (base case), existing traffic congestion, projected 2031 traffic congestion, 2031 transit modal split, 2031 transit trips, indicative capital costs, strategic directions and short term directions for the GTA region..

On behalf of the Board Members, Chair MacIsaac thanked Irwin for his presentation.

IBI Group will forward a copy of the presentation to Chair MacIsaac, for distribution to the Board Members.

8. ROUND TABLE

The Board Members expressed their enthusiasm and optimism for the task ahead. Some of the key points include:

- Major cities all over the world are able to build successful transportation systems. Toronto should be able to do the same.
- Very optimistic regarding the premise of municipalities working together.
- Concentrate on short-term improvements, and plan for long-range. (Central Ontario Smart Growth Panel produced a list of 'quick hits'. Use to make recommendations for short-term improvements.)
- Toronto is very dependent on people coming in to work, and sharing in cultural activities/tourism, but the transit needs of people outside Toronto are also key.
- Cognizant of what the movement of people and goods means to the economy.
- Major challenge will be finding the balance between the economy and environment.
- Seek best use of available technologies.
- Be bold!
- Shaping the future of the whole region - decisions will impact the next 100+ years.
- Relate transportation plan to health plan.
- Transit a high priority. Traffic congestion also major issue. A successful transit system will help clear roads to help goods move.
- Transit levy should be considered, rather than cost of transit in general budget.
- Land use planning should also tie in.
- GO Transit is a major part.
- Buses important to move people on to LRT.

- Capital/operating funds an issue, with huge impacts on operators. Who will pay?
- Invest first where there is established transit ridership, and then build out.
- A great deal of information (reports etc.) already available. Make best use of them.
- Plan has to be realistic or will never be implemented.
- Population shift moving out of Toronto, and commuting against the flow.
- Include freight in planning terms of reference.
- Will allocation of funding be decided politically, or based on priority established by GTTA?
- Commitment required from Board Members, current government and any future government. Legislation is required.

10. **FUTURE AGENDA ITEMS**

- a) Director's Handbook – This handbook, which will include resource materials as well as copies of legislation, will be made available for the next Board Meeting.
- b) Transportation Prioritization Framework – McCormick Rankin Corporation have done some preliminary work in producing an analytical framework for prioritizing transportation projects, and will make a presentation at a future Board Meeting.

11. **OTHER BUSINESS**

- a) Future Meeting Schedule – Dates have been scheduled to the end of the year, but may not all be required. Consideration was given to changing the meeting day from Friday,
- b) Distribution of Agenda – Gary Carr and Bill Fisch requested the agenda and backup materials be sent electronically. Paper copies will also be available at the meetings.

Meeting adjourned: 1.55pm