



**Board of Directors Meeting
Minutes – Approved**

DATE: Thursday, September 19, 2019	TIME: 9:00 a.m. – 4:05 p.m.
TELECONFERENCE: Toll free dial-in number: 1-877-394-5901 Local dial-in number: 416-548-6023 Conference ID:3476387 Moderator: RPRA	
Chair: Glenda Gies Directors: Tom Wright (Vice Chair), Mary Shenstone (Secretary), Ken Kawall (Treasurer), Joyce Barretto, David Brezer, Saqib Cheema, Andrea Nemtin, Robert Poirier, Rajesh Sharma, Nidhi Tandon Guests: Charles O'Hara, Resource Recovery Policy Branch, MECP John Dinner, Board Governance Services RPRA: Frank Denton, Noah Gitterman, Wilson Lee, Pat Moran, Sandra Montague, John Pinard, Geoff Rathbone Board Secretariat: Andrea Abraham	

1.0 Call to Order

With a quorum present, the meeting was called to order at 9:01 a.m.

1.1 Adoption of the Agenda

Motion: To adopt the meeting agenda as presented.

It was duly Moved, Seconded and Carried.

1.2 Declaration of Real, Potential or Apparent Conflict of Interest

Directors A. Nemtin and R. Sharma declared a conflict of interest for Item 7.2 b) Director Election Process.

2.0 Board In Camera Session

Motion: To move In Camera.

It was duly Moved, Seconded and Carried.



Motion: To move out of In Camera.

It was duly Moved, Seconded and Carried.

3.0 Board Chair Report

The Chair welcomed John Dinner from Board Governance Services who was invited to observe the Board meeting and answer any questions related to agenda item 7.2 c).

The Chair provided a verbal update on the meeting with Minister's staff on September 18.

4.0 CEO Report

The CEO presented his report, which included updates on the Blue Box Program wind-up, discussions with Ministry staff, delivery risk related to the Registry arising from timing of final regulations for Electrical and Electronic Equipment and Batteries, and internal staff activities.

5.0 Consent Items

Motion: IT IS RESOLVED:

1. That the Board of Directors approve the following minutes:
 - 5.1 Minutes of August 16, 2019 Board Meeting

2. That the Board receive the remaining consent items:
 - 5.2 Business Arising
 - 5.3 Correspondence
 - 5.4 Audit and Risk Committee Report Information Item
 - a) Minutes of June 13, 2019 Meeting
 - b) Strengthening ERM
 - c) Information & Information Technology – Business Continuity Plan Update
 - 5.5 Finance and Technology Committee Report Information Items
 - a) Minutes of August 6, 2019 Meeting
 - b) Q2. 2019 Review Board Remuneration and Board/CEO Expense Claims
 - c) Q2. 2019 YTD/Variance Analysis
 - d) Q2. 2019 Registry Expenditure Report
 - e) Information & Information Technology Plan – Network and Infrastructure Enhancements
 - 5.6 Governance Committee Report Information Item
 - a) Minutes of May 6, 2019 Meeting
 - 5.7 WDTA Transition and Oversight Committee Report Information Item
 - a) Minutes of August 6, 2019 Meeting
 - b) Report from OTS Administrator
 - c) 2020 Steward Obligation Update

It was duly Moved, Seconded and Carried.



6.0 2020 RRCEA Fee Discussion

The CEO noted the implications of timing of final RRCEA regulations for Electrical and Electronic Equipment and Batteries on the Authority's timelines for developing proposed 2020 fees, conducting consultations, and providing notice of the final fees. He noted that this is the first time the Authority is setting fees for multiple material groups (Tires, Batteries, and Electrical and Electronic Equipment).

The Board Chair explained that staff's report was being brought forward as a discussion item to enable the Board to discuss how the 2020 budget will impact its upcoming decision on RRCEA fees on obligated parties, as context for the Board's decision on the 2020 Budget and 2021 – 2022 Forecast. Staff will bring a proposal for consulting on 2020 RRCEA fees to the Board for approval later in the fall.

The Board discussed stakeholder consultation and communication, assumptions about the Electrical and Electronic Equipment and Batteries compliance programs and possible revisions to the Authority's Fee Setting Rules which could be consulted on in conjunction with the consultation on 2020 fees.

7.0 Board Committee Reports

7.1 Finance and Technology Committee Report

a) Accounting System Update – Request for Proposal

The Chair of the Finance and Technology Committee reminded the Board that in January staff presented a request to update the Authority's accounting system. Staff engaged an external procurement firm and posted an RFP to several public sites and sent targeted invitations to select vendors. The Committee Chair informed the Board that due to a low response rate staff have lengthened the RFP process so they can target additional vendors.

In order to complete the procurement process, staff are seeking Board approval to procure the required services at a cost not to exceed the budgeted amount as set out in the supporting materials.

The Board discussed the procurement process, reasons for the limited response from potential vendors, and the budget for the project.

Motion:

IT IS RESOLVED that the CEO is authorized to complete the competitive procurement process for a new accounting system and finalize a contract with the selected vendor, provided the cost of the project does not exceed the amount agreed to by the Board.

It was duly Moved, Seconded and Carried.



b) Financing Plan Recommendation

The Chair of the Finance and Technology Committee presented the staff report regarding financing and the Committee's recommendation regarding the loan agreement. The Committee Chair noted that the Committee requested staff include a scenario in the report showing a range of inflation rates. The Committee also discussed the merits of the proposals from the financial organizations offering services to the Authority.

Motion:

IT IS RESOLVED that the CEO and authorized signatories of the Board are authorized to finalize and execute the loan agreement with TD Bank consistent with the terms described in the supporting materials for the Board.

It was duly Moved, Seconded and Carried.

c) Final Business Plan – 2020 Budget and 2021 - 2022 Forecast

The Chair of the Finance and Technology Committee presented, on behalf of the Committee, the final Business Plan for approval. The Committee Chair noted that changes made to the Business Plan from the draft reviewed by the Board on August 16, 2019 were identified in the supporting materials.

The CEO commented that some of the changes made after the Committee meeting responded to feedback received from Ministry staff.

Motion:

Whereas RPRA is obligated to provide a Business Plan for the next three fiscal years that identifies a coordinated set of activities to achieve the strategic objectives; and,

Whereas the Business Plan must be submitted to the Minister 90 days before the beginning of the fiscal year;

IT IS RESOLVED THAT the 2020 Business Plan is approved subject to revisions to address any comments subsequently received from the Ministry of Environment, Conservation and Parks, for submission to the Minister of the Environment, Conservation and Parks and for subsequent posting on the Authority's website; and

Authority staff are directed to revise the Business Plan and the timing for submission to the Minister, if necessary to address comments subsequently received from the Ministry of the Environment, Conservation and Parks, in consultation with the Chair.

It was duly Moved, Seconded and Carried.



d) Procurement Approval – Transform Management Consulting

The Chair of the Finance and Technology Committee presented the Committee's recommendation to approve a procurement contract with a vendor for the purpose of assessing an industry funding organization's (IFO's) conflict of interest plan. The proposed vendor has been used by the Authority to analyze the conflict of interest plans previously submitted by IFOs.

Motion:

IT IS RESOLVED that Authority staff are authorized to finalize a sole source contract with Transform Management Consulting for assessment and other services in relation to the Stewardship Ontario Blue Box Conflict of Interest Plan, up to the budgeted amount for the project.

It was duly Moved, Seconded and Carried.

7.2 Governance Committee Report

The Chair of the Governance Committee informed the Board that John Dinner, who has been hired to develop and implement board member evaluations, was invited to observe the Governance Committee meeting held on September 4, 2019. The Committee Chair noted Mr. Dinner's conclusions that the tenor and tone of the Committee meeting showed a healthy culture; meeting procedures were effective; and engagement between Committee members and staff showed a reasonable level of trust balanced with oversight. Mr. Dinner provided some advice on meeting time management.

a) Regulatory Governance/Oversight of Compliance Policy

The Chair of the Governance Committee reminded the Board that work on the document used as the basis for the Policy began in June 2018. It has been revised based on minor suggestions for improvement from an external governance expert, and suggestions from Committee members to address clarity and language. The Committee Chair noted that the Policy is a living document that will be reviewed on a regular cycle.

The Board discussed the Policy and its purpose. Some clarifying edits were suggested for consideration during the next review cycle for the Policy. It was noted that the Registrar Reporting Protocol, referenced in the Policy, will be brought to the next Board meeting.

Motion:

BE IT RESOLVED that the Board approves the Policy on Oversight of the Compliance Function.

It was duly Moved, Seconded and Carried.



b) Director Election Process

Directors A. Nemtin and R. Sharma exited the room.

The Committee Chair presented the Committee's recommendation on director elections, consistent with the Board's discussion at its May 16, 2019 meeting.

Motion:

Whereas the terms of two elected Directors expire on November 1, 2019;

IT IS RESOLVED that Andrea Nemtin be reelected to the Board of Directors of the Authority effective November 1, 2019 for a three-year term, and

IT IS RESOLVED that Rajesh Sharma be reelected to the Board of Directors of the Authority effective November 1, 2019 for a three-year term.

It was duly Moved, Seconded and Carried.

Directors A. Nemtin and R. Sharma returned to the room.

c) Board Evaluations

The Chair of the Governance Committee reminded the Board that individual director evaluations are a requirement of the Operating Agreement with the Minister and must be completed by March 2020. An RFP was issued and John Dinner was contracted to provide evaluation services based on three evaluation frameworks: for the full board, board and committee Chairs, and non-Chair members. The Committee Chair noted that the proposal submitted by Mr. Dinner present options for completing the evaluations, and the Board must choose its preferred option.

The Board discussed the value of using peer-to-peer surveys to evaluate Board members. The Board also discussed whether a full Board evaluation was necessary in addition to the individual evaluations.

Mr. Dinner discussed his recommendations on the available options.

Board members agreed that the full Board evaluation should be deferred. Board members agreed that individual evaluations should be conducted through a peer-to-peer format and that the Board Chair and Committee Chairs should be assessed on their leadership roles in addition to their roles as individual members.



d) Review Orientation/Onboarding Program

The Board Chair noted that staff are preparing for orientation of possible new Minister appointees as terms for two Minister's appointees expire on November 30, 2019.

The Chair of the Governance Committee provided a verbal update on the proposed Orientation/Onboarding Program, referencing a list of documents to support Board member orientation considered at the September 4, 2019 Governance Committee meeting.

7.3 WDTA Transition and Oversight Committee Report

a) Approval of OTS Liquidator

The WDTA Transition and Oversight Committee Chair informed the Board that the OTS Administrator attended the Committee meeting on September 10, 2019. The OTS Administrator reported on the process implemented jointly with RPR staff to issue a competitive procurement RFP for a liquidator that resulted in Grant Thornton Ltd. being selected as the successful vendor. The OTS Administrator requested that the Authority approve Grant Thornton as liquidator, to be appointed by the Administrator.

The Committee Chair, noting that staff supported the OTS Administrator's request, explained that the Committee recommended approval by the Board.

The Director of Transition discussed timing matters and noted that an appointment date for the liquidator has not yet been set.

Motion:

IT IS RESOLVED that the Board approves Grant Thornton Ltd. as liquidator for Ontario Tire Stewardship (OTS), to be appointed by the OTS Administrator pursuant to s. 230 of the *Corporations Act*, as modified by O. Reg. 357/17 under the *Waste Diversion Transition Act, 2016*.

It was duly Moved, Seconded and Carried.

b) WEEE, MHSW and Blue Box Wind Up Update

WEEE

The Director of Transition provided an update on the WEEE Program and OES wind up. The Board's approval of the OES Wind up Plan was communicated to OES. Authority staff are working with OES to implement the conditions of approval.



MHSW

The Director of Transition reported that staff have been working closely with Stewardship Ontario to ensure the proposed MHSW Wind Up Plan is sufficiently compliant with the WDTA and sufficiently consistent with the Minister's directions and the Wind Up Guide for the Authority to consult with stakeholders. The Director of Transition noted that the draft Plan will be brought to the Board on October 7, 2019, for approval to consult.

Blue Box

The Director of Transition reported that Stewardship Ontario is deferring work on the wind-up plan until an agreement on its Conflict of Interest Plan has been reached with the Authority. Staff anticipate that Stewardship Ontario's proposed Conflict of Interest Plan will be available prior to the October 7, 2019 Board meeting.

7.4 Audit and Risk Committee Report

a) Enterprise Risk Management

The Chair of the Audit and Risk Committee provided an update on the Authority's Enterprise Risk Management report.

The Chair noted that, in response to a recommendation from the Governance Committee, the Committee agreed that ERM reporting should occur twice a year instead of quarterly.

The Board discussed the ERM report, including changes to risk ratings, risks related to delivering on Registry projects, and risks related to increasing the Authority's staff as new regulations are approved.

b) Risk Management Plan

The Chair of the Audit and Risk Committee informed the Board that the Authority is required to submit its Risk Management Plan on an annual basis to the Ministry under the Operating Agreement. The Committee Chair noted that the Plan is unchanged except for two minor edits for clarity requested by the Committee.

Motion:

IT IS RESOLVED that the Board approves the Risk Management Plan, as recommended by the Audit and Risk Committee, and staff are directed to provide the Plan to the Ministry of the Environment, Conservation and Parks in accordance with the requirements under the Transitional Operating Agreement.



It was duly Moved, Seconded and Carried.

c) Appointment of Auditors for Fiscal 2020

The Chair of the Audit and Risk Committee reminded the Board that in 2017 an RFP was issued for audit services for the years 2017 to 2020 inclusive. The successful vendor selected in 2017 was Chaplin and Co. The Committee is recommending that Chaplin and Co be re-appointed, at the Board's internal annual meeting in May 2020, for the 2020 fiscal year. The Committee also recommends that staff take appropriate steps to initiate a procurement process for audit services for the 2021 fiscal year.

The Board agreed with the Committee's recommendations.

8.0 Registrar Report

The Registrar presented his report to the Board, highlighting the following items:

- Registry implementation
- Recruitment of compliance officers
- How the compliance function is meeting the Authority's French language services commitment
- Key areas of focus for the compliance function
- Key risks

The Board discussed the report. A number of questions were asked, including how the compliance team is identifying producers who have not yet registered, the compliance team's approach to cases of non-compliance, and how Indigenous communities are being serviced under the Tires Regulation.

9.0 Other Business

No other business items were raised.

10.0 Generative Discussion: Stakeholders – Opportunities and Risks

The CEO, Director of Transition, Registrar and Director of Communications and Stakeholder Relations gave a presentation on stakeholder engagement.

11.0 In Camera Discussion

Motion: To move In Camera.

It was duly Moved, Seconded and Carried.

Motion: To move out of In Camera.



It was duly Moved, Seconded and Carried.

12.0 Adjournment

The meeting was adjourned at 4:05 p.m.

Glenda Gies

Mary Shenstone

Chair

Corporate Secretary