

**Board of Directors Meeting
Minutes – Approved**

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| DATE: Wednesday, May 20, 2020 | TIME: 9:00 a.m. – 3:45 p.m. |
| Meeting conducted online | |
| <p>Chair: Glenda Gies Directors: Tom Wright (Vice Chair), Mary Shenstone (Secretary), Ken Kawall (Treasurer), Christine Bomé, David Brezer, Saqib Cheema, Andrea Nemtin, Robert Poirier, Rajesh Sharma</p> <p>Guests: Charles O'Hara, Resource Recovery Policy Branch, MECP Gail Bergman, Chaplin and Co Chartered Accountants (Item 7.1a)</p> <p>RPRA: Frank Denton, Noah Gitterman, Wilson Lee, Pat Moran, Sandra Montague, John Pinard, Geoff Rathbone</p> <p>Board Secretariat: Andrea Abraham</p> | |

1.0 Call to Order

With a quorum present, the meeting was called to order at 9:00 a.m.

The Board Chair welcomed Christine Bomé, who was appointed by the Minister to the Board.

1.1 Adoption of the Agenda

A request was made to move the discussion of agenda Item 9.0 to In Camera.

Motion: To adopt the meeting agenda as amended.

It was duly Moved, Seconded and Carried.

1.2 Declaration of Real, Potential or Apparent Conflict of Interest

Directors M. Shenstone and K. Kawall each declared a conflict of interest for item 7.4 a).

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 Board Chair presented her report, which included information about the impact of the COVID-19 pandemic on the economy. The report also requested that Board Members update their skills as part of the annual review of the Board Skills Matrix.

4.0 CEO Report on RPRA Response to COVID-19

The CEO presented his report, which focused on the impact of COVID-19 on the Authority's operations, Ministry updates and a stakeholder engagement and communications update.

The Board discussed staff planning for returning to work in the office. The CEO responded that management is working on a return-to-office framework with the Joint Health and Safety Committee.

There was also a discussion about the status of ministry decision-making on RRCEA regulations and the period addressed by the CEO Attestation.

5.0 Registrar Report

The Registrar presented his report, which focused on registry implementation, compliance cases and risks.

6.0 Consent Items

Motion: IT IS RESOLVED:

1. That the Board of Directors approve the following minutes:
 - 6.1 Minutes of the April 9, 2020 Board Meeting
2. That the Board receive the remaining consent items:
 - 6.2 Business Arising
 - 6.3 Correspondence
 - 6.4 Audit and Risk Committee Report Information Item
 - a) Minutes of the November 28, 2019 Meeting
 - b) Appointment of Auditor for Fiscal 2021 (Procurement Process)



- 6.5 Finance and Technology Committee Report Information Item
 - a) Minutes of the February 10, 2020 Meeting
 - b) Q4. 2019 Review Board Remuneration and Board/CEO Expense Claims
 - c) Q4. 2019 YTD/Variance Analysis
 - d) Q4. 2019 Registry Expenditure Report
 - e) Review Business Continuity Plan
 - f) COVID-19 Impact (April 21 Report and Deck)
 - g) Registry Procurement Update

- 6.6 Governance Committee Report Information Item
 - a) Minutes of the February 11, 2020 Meeting

- 6.7 Human Resources Committee Information Item
 - a) Minutes of the February 6, 2020 Meeting
 - b) HR Performance Report

It was duly Moved, Seconded and Carried.

7.1 Audit and Risk Committee Report

- a) 2019 Audit and Financial Statements
 - i. Presentation of Auditor's Report
 - ii. 2019 Audit Findings Letter
 - iii. 2019 Audited Financial Statements
 - iv. Representation Letter

The Audit and Risk Committee Chair summarized the Committee's discussion of the Auditor's Report and the Audited Financial Statements. The Chair discussed the Committee's recommendations regarding clarifying edits and suggested wording for financial statement notes.

The Auditor, Gail Bergman of Chaplin & Co Chartered Accountants, presented her report. The Board discussed the report.

The Treasurer noted that, as in the past years, he was invited to sit in on the Audit and Risk Committee's discussion of the Auditor's Report, and that he had no concerns with the auditor's findings or the Committee's recommendations.

The Board Chair informed Members that the motion to approve the 2019 Financial Statements would be considered at the Annual Meeting of the Board.

Motion:

IT IS RESOLVED that the Board authorizes the execution of the required documents relating to the financial statements and the independent audit by the Board Chair, Treasurer, Audit and Risk Committee Chair, and CEO, as applicable.

It was duly Moved, Seconded and Carried.

b) Appointment of Auditor for Fiscal 2020

The Audit and Risk Committee Chair reminded the Board of the Committee's September 2019 recommendation to reappoint Chaplin and Co as auditor for the 2020 fiscal year. Based on the review of the auditor's execution of the 2019 audit, the Committee is not recommending any changes to the re-appointment recommendation. The Committee Chair noted that the Committee has initiated a procurement process to identify auditors for the 2021 fiscal year and beyond.

The Board Chair informed Members that the motion to appoint Chaplin and Co. for the 2020 fiscal year would be considered at the Annual Meeting of the Board.

c) Enterprise Risk Management

The Audit and Risk Committee Chair informed the Board that the ERM process continues to evolve. He also noted that risk assessments have been updated to consider the effects the COVID-19 pandemic has had on the organization.

The CEO provided an overview of the Top 12 risks. The Board discussed the risks, staff's assessment of the risks, and staff's mitigation approaches.

7.2 Human Resources Committee Report

The Board Chair presented the Human Resources Committee Report on behalf of the Committee Chair R. Poirier.

a) 2020 and Beyond Staffing Assumptions

The CEO presented the 2020 and Beyond Staffing Assumptions. The Board discussed the organization's future staffing needs and requirements to fulfill its legal mandate.

b) Deferring 2020 Stakeholder Survey

The Board Chair informed the Board that, at the May Human Resources Committee meeting, the Committee considered staff's recommendation that the 2020 Stakeholder Survey be deferred and supported the recommendation.

Motion:

It is resolved that the CEO is directed to defer the third-party stakeholder survey scheduled for 2020, and that the corporate objectives be updated to eliminate the reference to a third-party survey in 2020.

It was duly Moved, Seconded and Carried.

7.3 Finance and Technology Committee Report

a) COVID-19 Financial Impacts

The Finance and Technology Committee Chair summarized the May 11, 2020 Finance and Technology Committee's discussion of potential financial impacts of COVID-19 on the organization. Staff presented Committee Members with hypothetical financial risk scenarios and potential mitigation measures.

The CEO noted that, following this preparatory analysis, staff are monitoring COVID-19 developments and focusing on delivering the Authority's 2020 mandate.

The Director of Transition presented the COVID-19 financial risk scenarios to the Board. There was a discussion about impacts on stakeholders, Ministerial directions, and potential responses to financial risks.

b) 2020 Forecast and Allocations

The Finance and Technology Committee Chair informed the Board that Committee Members reviewed the 2020 forecast and proposed updated allocations between the RRCEA and WDTA and among obligated materials.

The Board discussed the proposed updated allocations. An amendment to the proposed motion was requested for the purposes of clarity.

Motion:

IT IS RESOLVED that the Board approves the revised 2020 allocations between WDTA and Registry programs; and

IT IS FURTHER RESOLVED that the WDTA fee-setting methodology be updated to clarify that exceptional direct program costs unrelated to ordinary program oversight will not be considered when calculating the share of indirect costs allocated to each WDTA program.

It was duly Moved, Seconded and Carried.

c) Draft 2020 Fees Approval for Consultation

The CEO informed the Board that he is seeking approval to consult on draft 2020 Registry Fees.

The Director of Transition commented that this is the first time the organization would be collecting RRCEA fees from multiple material groups, which are anticipated to be Tires, Batteries and Electronics. He noted that setting 2020 Registry fees has already been significantly delayed due to the government's timing of the release of the Electronics Regulation under the RRCEA. He presented the timeline for the proposed 2020 and 2021 fee consultations and noted that a key consideration for these consultations is the finalization of the Electronics Regulation.

There was a discussion of the draft Registry fees proposal, including the timelines for consultation and approval, the assumptions for new materials and how fees might be 'trued-up' in subsequent years, contingency amounts, and how uncertainty over the timing of regulations will be communicated to stakeholders.

Motion:

IT IS RESOLVED that the CEO is authorized to begin consultations on setting 2020 Registry fees for Tires, Batteries and Electronics at a time to be determined by the CEO

It was duly Moved, Seconded and Carried.

7.4 Governance Committee Report

a) Expiry of Elected Director Term

Directors K. Kawall and M. Shenstone left the meeting.

The Governance Committee Chair reported on the Committee's discussion related to the terms for K. Kawall and M. Shenstone. He advised that he had spoken with both Members and that both expressed their interest to stand for re-election.

The Board discussed the re-election of each candidate, including the length of their terms.

Motion:

IT IS RESOLVED that Ken Kawall be reelected to the Board of Directors of the Authority effective July 1, 2020 for a three-year term.

It was duly Moved, Seconded and Carried.

Motion:

IT IS RESOLVED that Mary Shenstone be reelected to the Board of Directors of the Authority effective November 1, 2020 for a three-year term.

It was duly Moved, Seconded and Carried.

Directors K. Kawall and M. Shenstone returned to the meeting.

b) Nominees for Appointment of Board Officers

The Governance Committee Chair presented the Committee's recommendations regarding the appointment of Board officers for the next year. The term for Board Officers is one year.

It was noted that the motion to appoint officers would be considered at the annual meeting of the Board to be held immediately following the regular Board meeting.

c) Nominees for Board Committees and Committee Chairs

The Governance Committee Chair presented the Committee's recommendations regarding the appointment of Committee Members and Committee Chairs for next year. The Committee recommended no changes in order to provide continuity.

It was noted that the motion to appoint Committee Members and Chair would be considered at the annual meeting of the Board to be held immediately following the regular Board meeting.

d) Delegation of Authority Policy

The Governance Committee Chair presented the Delegation of Authority Policy. He informed the Board that the Committee discussed how sub-delegations are provided for in the Policy, noting that mechanisms for sub-delegations will be developed by the CEO, consistent with the principles set out in the Policy.

Motion:

BE IT RESOLVED that the Delegation of Authority Policy is approved.

It was duly Moved, Seconded and Carried.

8.0 Draft Final 2019 Annual Report

The CEO presented the draft 2019 Annual Report for approval. It was noted that Board Members had previously had opportunities to review and provide comments on an earlier draft of the document. The Director of Communications and Stakeholder Relations noted that staff continue to do quality assurance on the document.

Motion:

Whereas S. 44 (3) of the *Resource Recovery and Circular Economy Act, 2016*, S.6 (2) of the *Waste Diversion Transition Act, 2016* and S. 9 (3-6) and Schedule A of the Operating Agreement outline requirements for the Authority to submit an Annual Report covering the previous fiscal year by June 1st; and

Whereas the Ministry was provided the draft 2019 Annual Report for review 6 weeks in advance of the May 20 Board Meeting;

Be it resolved that the Board approves the final 2019 Annual Report, subject to revisions arising from final comments, and to include the Audited Financial Statements approved by the Board, for submission to the Minister by June 1st and for public posting on the Authority's website.

It was duly Moved, Seconded and Carried.

9.0 Registry GEL Project

Following an in-camera discussion, Board Members considered the motion.

Motion:

It is resolved that the CEO is authorized to contract with PwC to convert the Registry to the Lightning development framework and make enhancements to the Registry in preparation for the addition of new portals, within the proposed budget including contingency.

It was duly Moved, Seconded and Carried.

10.1 Board Portal

The Board Chair informed Members that this item was being presented to the Board for a second time to address potential improvements to the functionality and security of the current Board portal.

The CEO reminded Members of the rigorous process completed previously with respect to moving to a cloud-based Board portal.

There was a discussion around security settings and privacy with respect to the features being offered by the proposed vendor.

Motion:

IT IS RESOLVED that the Board authorize the CEO to enter into an agreement with Boardvantage to provide Board portal services, subject to completion of a trial to the satisfaction of the Board Chair and Chair of the Finance and Technology Committee and negotiation of mutually acceptable terms; and



IT IS FURTHER RESOLVED that the Board authorize the CEO to implement the proposed data security and document control measures.

It was duly Moved, Seconded and Carried.

11.0 Generative Discussion: The Batteries Regulation ~ Presenter P. Moran

The Registrar gave a presentation on the Batteries Regulation.

12.0 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.

13.0 Adjournment

The meeting was adjourned at 3:45 p.m.

Glenda Gies

Mary Shenstone

Chair

Corporate Secretary