



**Board of Directors Meeting
Minutes – Draft for Approval**

DATE: Friday, December 14, 2018	TIME: 9:00 a.m. – 5:23 p.m.
LOCATION: 4711 Yonge Street, Suite 408, Toronto Ontario	
Chair Tom Wright (Vice Chair): Directors: Glenda Gies (Chair), Ken Kawall (Treasurer), David Brezer, Saqib Cheema, Andrea Nemtin, Robert Poirier, Rajesh Sharma, Mary Shenstone, Nidhi Tandon	
Regrets: Joyce Barretto (Secretary)	
Guests: John Armiento, Resource Recovery Policy Branch, MECP Bruce Campbell, OTS Administrator (for item 7.0)	
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 9:04 a.m. The meeting was chaired by the Vice Chair T. Wright and the Chair G. Gies participated as a Director by phone due to personal circumstances.

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

None was declared.

2.0 CONSENT ITEMS

Motion: IT IS RESOLVED that:

1. the Board of Directors approve the following minutes with a minor amendment to the November 16, 2018 minutes:



- 2.1 September 20, 2018 Board Meeting
 - 2.2 October 30, 2018 Board Meeting
 - 2.3 November 16, 2018 Board Meeting
 - 2.4 November 30, 2018 Board meeting
2. the Board receive the remaining consent items:
- 2.5 Business Arising
 - 2.6 Correspondence
 - 2.7 Audit and Risk Committee Report Information Items
 - 2.8 Finance Committee Report Information Items
 - 2.9 Governance Report Information Items
 - 2.10 Human Resources Committee Report Information Items

It was duly Moved, Seconded and Carried.

3.0 Board Committee Reports

3.1 Audit and Risk Committee Report

3.1a) 2018 Audit Plan

The Audit and Risk Committee Chair informed the Board that the Committee met with Gail Bergman, from Chaplin and Co., to discuss the Audit Plan for 2018. The Board discussed the plan, including changes from last year's plan. It was noted that among other changes, 2018 is the first year that the Authority has RRCEA revenue.

Motion

Whereas the Board appointed Chaplin & Company as the Authority's auditor at the May 16th, 2018 annual meeting;

IT IS RESOLVED that the Board approve the execution of the Engagement letter for the 2018 audit.

It was duly Moved, Seconded and Carried.

3.2 Finance Committee Report

3.2 a) Business Expense Policy

The Finance Committee Chair presented the Business Expense Policy for approval, as recommended by the Finance Committee. The policy was previously brought before the Board in June. Approval of the proposed policy changes was deferred at that meeting.



Additional revisions were proposed to the policy regarding mileage rates and toll expenses. The Board discussed the policy, including whether toll expenses should be allowed, if necessary. The Committee Chair commented that excluding toll charges is in the spirit of the Ontario Public Service expense guidelines in that those conducting business on behalf of the Authority should choose the least costly route.

Motion

Whereas the Finance Committee recommends the Business Expense Policy be approved;

IT IS RESOLVED that the Board approves the Business Expense Policy effective January 1, 2019.

It was duly Moved, Seconded and Carried.

3.2 b) Financial Literacy Update

The Finance Committee Chair provided an update on the Board Education Financial Literacy session held for Directors on November 13, 2018. The Committee Chair and Director of Finance and Administration will compile a list of the comments and suggestions received and report back to the Board on January 31, 2019.

3.3 Governance Committee Report

3.3 a) Charter Performance / Performance Against Committee Charters

The Governance Committee Chair informed the Board that all of the committees reviewed the Governance Charter and their respective performance against the Charter.

3.3 b) Charter Review/ Recommended Changes to Committee Charters

The Governance Committee Chair provided a report to the Board regarding recommended changes to the Committee Charters. Each committee reviewed its respective Charter, resulting in a number of changes being recommended. Some responsibilities were moved between committees for better alignment with current practice, and to improve clarity regarding committee responsibilities.

The Board discussed additional changes as they relate to both the Finance Committee and Audit and Risk Committee. There was also a discussion regarding delegation of risk.

A Board member asked that a list of all Authority policies be compiled indicating which committee had oversight as well as which policies were posted publicly and which were not.



Motion

IT IS RESOLVED THAT the Authority's Governance Charter is amended to reflect changes to the Committee Charters as recommended by the Governance Committee.

It was duly Moved, Seconded and Carried.

3.3 c) 2019 Committee and Board Workplans

The Governance Committee Chair presented the 2019 Board and Committee Workplan for approval. The Committee Chair informed the Board that the workplan for the IFO Wind Up Ad Hoc Committee was not reviewed as the Committee did not meet in December. The workplan and mandate will be developed in 2019.

Motion

IT IS RESOLVED that the Board approves the 2019 Board and Committee Workplans.

It was duly Moved, Seconded and Carried.

3.3 d) Board Evaluations

The Governance Committee Chair presented a proposed scope of work to procure a third party to conduct a full Board and individual Board member evaluations in 2019. Individual Board member evaluations are required to be conducted by March 2020 under the Authority's Operating Agreement with the Ministry. The Committee Chair also presented a recommendation for the Board to conduct an online, self-evaluation for the 2018 calendar year.

The Board discussed both proposals. It was discussed that, although a third party is not required to conduct Board member evaluations under the Operating Agreement, it is appropriate to have a third party propose an evaluation framework and conduct the evaluations in 2019. As part of the scope of work for the 2019 evaluations, the Board unanimously agreed that the role of the Committee Chairs should also be evaluated.

Motion

IT IS RESOLVED THAT the Board approve the scope of work for 2019 Board and Board Member evaluations as recommended by the Governance Committee.

IT IS FURTHER RESOLVED THAT that the Board shall self-evaluate its performance for 2018 through an online survey, to be developed and implemented by Governance Committee members with staff support.

It was duly Moved, Seconded and Carried.



3.3 e) Governance Support

The Committee Chair introduced the subject of procuring an outside expert to conduct a governance review and facilitate discussions about governance at the January 2019 Board Strategy Session. The Board discussed the purpose of the review, how long the session should be, and how the governance discussion should be facilitated.

The CEO asked for recommendations regarding facilitators or governance experts to help lead the two-day session. A number of names were presented for consideration and it was agreed that Directors will follow up with the CEO.

Motion

IT IS RESOLVED that the Board approves the proposed expenditure to procure one or more governance experts through sole source negotiation, and authorizes the CEO to conduct the procurement and enter into an agreement with the vendor(s).

It was duly Moved, Seconded and Carried.

4.0 Director of Transition Report

The Director of Transition provided the Board with an update regarding the backlog of tires at collection sites. Authority staff are working closely with the OTS Administrator to implement a contingency RFP to manage 7000 tonnes of incremental emergency processing capacity. Three processors have been awarded a share of the new capacity. One site is in Quebec and the other two sites are in the United States. The Authority will continue to monitor the situation and additional mitigation measures may be considered over the next several weeks.

The Board discussed the backlog concerns. A question was asked about whether the Ministry was aware of the contingency plans. The Director of Transition commented that the Ministry was informed.

A question was asked about the safety risks posed by backlogs. The Director of Transition informed the Board that if any site has more than 5000 tires on its property, they are required to apply for environmental approval, and that the contingency plan puts priority on clearing backlogs that are near the 5000 tire limit.

The Director of Transition provided an update on the WEEE – OES Wind up Plan. The Authority expects to receive the draft WEEE Wind up Plan in mid December and will report back to the Board in January.

The Director of Transition also provided an update on the MHSW Wind up Plan. After the November 27, 2018 Board meeting, SO was notified of the Board's support for their Conflict of Interest Plan (COI).



The Authority informed SO that preparation of the MHSW Wind up Plan could proceed once the COI Plan was implemented.

4.1 Blue Box and MHSW 2019 Rules for Stewards

The Director of Transition presented Stewardship Ontario's (SO) proposed changes to the Rules and the policies contained in the Rules for the Blue Box and MHSW Programs. The changes before the Board for approval are administrative or clerical in nature.

The Board discussed the rule changes, including the process for approval.

Motion

IT IS RESOLVED that the Rules for Stewards with Respect to Payment of Blue Box Fees for the Period Commencing January 1, 2019 and the Rules for Stewards with Respect to Payment of MHSW Fees for the period commencing January 1, 2019, including the amended Penalty and Interest Policy and the Policy for Steward-Initiated Adjustment Requests are approved, subject to approval by the Stewardship Ontario Board of Directors;

It is further resolved that the Chair of the Board is authorized to sign the Rules for Stewards with Respect to Payment of Blue Box Fees for the Period Commencing January 1, 2019 and the Rules for Stewards with Respect to Payment of MHSW Fees for the Period Commencing January 1, 2019 to signify the Authority's approval, and that such Rules, subject to approval by the Stewardship Ontario Board of Directors, be incorporated into the respective Program Agreements for the Blue Box and MHSW Program Plans and updated on the Authority's website.

It was duly Moved, Seconded and Carried.

5.0 Tire Registry Project Completion Report

The CEO and Registrar reported to the Board on the completion of the initial Registry Project, including the Tire Registry and the foundational components of the Registry. There was a discussion of the portion of the Registry costs that were used for the Tires Registry, and the portion that went to foundational components that will be used for future materials.

Having the Authority create a separate Registry budget for each new designated material was discussed. In January, the financial and procurement strategies for the WEEE Registry project will be brought forward. It was also discussed that the timeline for developing the WEEE Registry will be challenging especially with the new accelerated timeline for the wind up of the batteries program.

The Board discussed financing and budgeting strategies for the WEEE project.

Motion

IT IS RESOLVED that:



1. The Initial Registry project is complete, including the Tires Registry and the foundational components of the Registry.
2. Staff will prepare a financial strategy and procurement strategy to address the development of the WEEE Registry for the Board's consideration at the January 31, 2019 Board meeting

It was duly Moved, Seconded and Carried.

6.0 Stakeholder Engagement and Communications Strategy Update

The CEO and Director of Communications and Stakeholder Relations provided an update on the implementation of the Stakeholder Engagement and Communications Strategy. As part of the strategy, a crisis simulation was conducted. A report on the simulation to assess the organization's preparedness to effectively respond to crises will be provided by the consultant.

The Board asked about the Authority's social media presence. The Director of Communications and Stakeholder Relations commented that the Authority's social media presence is currently low key and is being calibrated to the needs of its Registrants on an ongoing basis

A request was made for a Stakeholder Map. The Director of Communications and Stakeholder Relations committed to providing one.

7.0 OTS Administrator Report

The Administrator thanked the Board for his appointment and provided an update on expected input tax credit returns from CRA and OTS cash flow management.

The Administrator also reported on OTS's efforts to address the tire backlog, including implementation of the contingency plan.

The Board discussed the Administrator's report, including options to address any substantial surplus that might remain at dissolution of the corporation.

8.0 Registrar Report

The Registrar provided an update to the Board regarding registrants and compliance.

To date the following obligated parties in the Tires sector have registered with the Authority:

- 626 producers
- 6 PROs
- 30 processors
- 12 retreaders
- 118 haulers
- 3,752 collectors with 4,014 identified collection sites



Since the last report to the Board, the Registrar and Compliance Officers have engaged in more active compliance activities to deal with issues regarding the backlog of tires.

9.0 CEO Report & Attestation

The CEO presented his report including the draft Corporate Dashboard for review and comment by the Board. The Board discussed streamlining the document to two pages to focus on points of strategic interest and corporate performance.

The CEO provided further updates on the Ministry, the Industry Advisory Group, implications of the Auditor General's Annual Report and staff engagement.

10.0 Other Business

The Board discussed cyber security and whether the Authority's security policies require adherence to any third party security standards. The Director of I&IT informed the Board that there are a number of data security policies in place, which were evaluated and supported by independent consultants. The Director of I&IT committed to following up with more detail at the January Board meeting.

11.0 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.

12.0 Adjournment

The meeting was adjourned at 5:23 p.m.

Glenda Gies

Chair

Joyce Barretto

Corporate Secretary