
**POLICY AND FINANCE COMMITTEE
AND
WORKS COMMITTEE**

AGENDA

Date of Meeting: Tuesday, November 19, 2002 **Enquiry:** Trudy Perrin
Time: 9:30 a.m. **Committee Administrator**
Location: Council Chamber **(416) 392-8027**
City Hall **tperrin@toronto.ca**

**DECLARATIONS OF INTEREST PURSUANT TO
THE MUNICIPAL CONFLICT OF INTEREST**

1. ESTABLISHMENT OF THE TORONTO WATER BOARD.

Chief Administrative Officer
(October 21, 2002)

Recommending that:

- (1) Council establish a municipal service board for water and wastewater services having the characteristics described in this report, including:
 - the City continues to be the employer of the water and wastewater workforce;
 - Council appoints the Board and designates the Chair;
 - Council retains the authority to approve annual operating and capital budgets and multi-year capital plans;
 - Council retains the authority to pass by-laws imposing all fees and charges (i.e., rates) for water and wastewater services; and
 - the service board be named the Toronto Water Board (TWB);

- (2) the Board of the TWB consist of nine members, as follows:
 - (a) four Councillors; and
 - (b) five Citizens;

- (3) the Councillor members of the first TWB Board be appointed by Council as follows:
- (a) the Mayor or his nominated designate;
 - (b) the Water Advocate;
 - (c) a member of the Works Committee (to be nominated by the Works Committee); and
 - (d) another Councillor (to be nominated by the Striking Committee);
- (4) the citizen members of the board be appointed by Council giving due consideration to the following qualifications:
- (a) a combination of extensive experience or knowledge with respect to:
 - public health;
 - environmental and watershed management issues;
 - contemporary business practice (specifically in water/wastewater services);
 - financial management;
 - capital projects planning; and
 - public sector governance;
 - (b) independence of judgement;
 - (c) personal integrity; and
 - (d) qualified to be elected as a member of Council, e.g., at least 18 years of age, a Canadian Citizen and other requirements of the *Municipal Act, 2001* and the *Municipal Elections Act, 1996*;
- (5) in order to have the TWB board members in place as soon as possible to assume operations of Water and Wastewater Services as per the Transition Workplan attached to this report, the Chief Administrative Officer (CAO) engage a search consultant to recruit qualified citizen candidates for consideration by the TWB Board Selection Committee;
- (6) the TWB Board Selection Committee be appointed by Council to review the citizen candidates recruited by the search consultant and recommend five appointees (including a Chair) to Council, and that the TWB Board Selection Committee consist of:
- the Mayor or his designate;
 - the Chair of the Works Committee;
 - the Water Advocate;
 - the Chair of the Personnel Sub-Committee;
 - the Chief Administrative Officer; and
 - the Commissioner of Works and Emergency Services;

- (7) the remuneration for citizen members of the TWB Board be \$500 per Board meeting attended, to a maximum of \$10,000 per annum, and the remuneration for the Chair be \$10,000 per annum plus \$500 per Board meeting attended, to a maximum of an additional \$10,000 per annum, and reimbursement for board-approved expenses be paid for all members of the Board;
- (8) the current General Manager of Water and Wastewater Services be appointed the Interim General Manager of the TWB upon its establishment;
- (9) the draft by-law establishing the TWB be adopted in the form or substantially in the form set out in Appendix 1 of this report, to come into force July 1, 2003;
- (10) Council approve the Direction to the Board attached to this report (Appendix 2), prescribing the relationship of the TWB to the City of Toronto, including policy objectives and reporting requirements and that, as a condition of its establishment, the Board must act in compliance with the Direction;
- (11) Council approve the TWB Transition Workplan, attached to this report (Appendix 3), and authorize the CAO to appoint a Transition Team with the mandate to undertake the matters referred to in the Workplan, including the preparation of the TWB Procedural, Financial Control and Purchasing By-laws for presentation to the Board;
- (12) the CAO report back, through the 2003 budget process, on the administrative issues relating to inter- and intra-departmental charges and recoveries for water and wastewater services and a process to deal with their implications for the 2004 budget, and that this report be in the context of the requirements of Provincial Bill 175 (the *Sustainable Water and Sewage Systems Act, 2002*);
- (13) the recommendations for the establishment of a Water Advisory Team for Enhanced Responsibility (WATER) and for the creation of a Toronto Water Code, both embodied in the report from the Water Advocate entitled "Safe, Clean, Accountable", be referred to the TWB for further development;
- (14) the City Clerk maintain a list for public inspection of the requirements Council has imposed on the TWB (as required by Section 201(2) of the *Municipal Act, 2001*);
- (15) Municipal Code Chapter 71, Financial Control, be amended effective July 1, 2003, in subsection 71-14H to include advances to the TWB on account of capital works; and
- (15) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto, including the introduction of any necessary bills in Council.

1(a). THE APPLICATION OF GATS AND NAFTA TO THE IMPLEMENTATION OF A WATER AND WASTEWATER MUNICIPAL SERVICES BOARD.

City Solicitor

(October 18, 2002)

Responding to the issues raised by deputants in their submissions to the joint meeting of the Policy and Finance and Works Committees on June 11 and 12, 2002, with respect to the impact of the General Agreement on Trade in Services (GATS) and the North American Free Trade Agreement (NAFTA) on the proposed change in governance structure for water and wastewater services; and recommending that this report be received for information.