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PART I - Overview and Introduction

1. The City of Toronto (“City”) submits that the Commissioner should find that Paula Leggieri suffered no adverse employment consequences because she cooperated with the Toronto Computer Leasing Inquiry (“Inquiry”) or its counsel (“Commission Counsel”). Nothing about the City’s dealings with Ms. Leggieri has harmed, or was intended to harm, the Inquiry process.

2. Ms. Leggieri made a number of very serious allegations about Kathryn Bulko.

- a. Kathryn Bulko threatened Ms. Leggieri that if she did not tell Commission Counsel what Ms. Bulko wanted her to say she would be in very serious trouble;¹ and
- b. Ms. Leggieri did not have a position with the City of Toronto because she cooperated with Commission Counsel.² (collectively the “Leggieri Allegations”)

Taken at their highest, if true, these allegations could be found to violate s. 9 of the *Public Inquiries Act*.

3. There is no direct evidence to support the Leggieri Allegations. All of the evidence demonstrates that Ms. Leggieri’s position was eliminated because of an administrative reorganization. Moreover, the evidence is clear that Ms. Leggieri knew that to be the case before she went on sick leave on November 26, 2002. That administrative re-organization had nothing to do with Ms. Leggieri’s communications with Commission Counsel.

¹ [Leggieri Testimony 04/09/2003, 212:12 to 215:1.](#)

² [Leggieri Testimony 04/09/2003, 220:11 to 221:6; 04/10/2003, 52:15 to 54:10.](#)

4. Once Ms. Leggieri went on sick leave, she was not available to attend either training sessions or job interviews. She never told the City that she was capable of returning from sick leave. Ms. Leggieri's sick leave complicated the resolution of her employment situation.

5. However, Ms. Leggieri suffered no adverse employment consequences because of her cooperation with Commission Counsel. The Inquiry's process has not been compromised.

A. *Limited scope of this phase of the Inquiry*

6. Ms. Leggieri took the stand on April 9, 2003. Ms. Leggieri, the Supervisor Technology Leasing Administration, Coordination and Approvals ("Leasing Supervisor"), was the first of several scheduled witnesses from the Contract Management Office ("CMO"). This group of witnesses is expected to provide the Inquiry with important evidence concerning how computer hardware and software was placed on lease and how the City administered its leasing program.

7. In addition to raising the Leggieri Allegations, Ms. Leggieri testified about the general operation of the CMO, the administration of the leases, and the re-writing of the lease schedules. Ms. Leggieri testified about a number of issues that are clearly relevant to the Inquiry's Terms of Reference, including:

- a. Whether or not Dash Domi made the work of the CMO more difficult, or otherwise bypassed the CMO office, by taking

equipment schedules directly to the CFO and Treasurer for signature;³

- b. How often Dash Domi appeared on the 15th floor of Metro Hall or telephoned CMO staff;⁴
- c. The nature of the relationship between Mr. Domi and Ms. Bulko including whether or not:
 1. Mr. Domi and Ms. Bulko had more than a platonic relationship or more than an ordinary vendor/client relationship;⁵
 2. Ms. Bulko referred to Mr. Domi as her boyfriend and what she did or did not mean by that;⁶
 3. Ms. Bulko ever danced with Mr. Domi;⁷
- d. Whether or not Ms. Bulko's relationship with Mr. Domi compromised the performance of her job duties;⁸
- e. The nature of Ms. Leggieri's relationship with Mr. Domi;⁹
- f. Whether or not Ms. Bulko competently performed her job in the CMO;¹⁰
- g. Whether or not staff in the CMO were asked to promote MFP to Agencies, Boards and Commissions of the City;¹¹ and
- h. The nature and extent of MFP entertaining of CMO staff.¹²

³ Leggieri Testimony [04/09/2003, 80:25 to 91:19; 82:9 to 84:9; 87:1 to 87:17; 88:2 to 16.](#)

⁴ Leggieri Testimony [04/09/2003, 88:17 to 88:22; 90:1 to 90:10; 91:22 to 92:13.](#)

⁵ Leggieri Testimony [04/09/2003, 89:9 to 89:23; 90:11 to 90:14; 93:18 to 94:14; 94:23 to 95:7; 102:20 to 103:11.](#)

⁶ Leggieri Testimony [04/09/2003, 97:16 to 98:7; 101:19 to 102:4.](#)

⁷ Leggieri Testimony [04/09/2003, 96:24 to 97:15.](#)

⁸ Leggieri Testimony [04/09/2003, 98:14 to 99:23; 100:22 to 101:6; 113:20 to 115:3; 128:1 to 128:8.](#)

⁹ Leggieri Testimony [04/09/2003, 192:13 to 193:22.](#)

¹⁰ Leggieri Testimony [04/09/2003, 111:12 to 111:19; 138:8 to 138:14; 173:4 to 173:20; 182:17 to 183:25.](#)

¹¹ Leggieri Testimony [04/09/2003, 115:4 to 116:1; 118:18 to 119:23; 121:3 to 19.](#)

¹² Leggieri Testimony [04/09/2003, 196:22 to 198:15; 199:5 to 200:25.](#)

8. The Commissioner indicated that the Leggieri Allegations were very serious and set aside one week to hear evidence on them. The Commissioner indicated that she wanted to know whether or not the Inquiry's process has been compromised.¹³

9. The Commissioner instructed counsel for all parties not to address the broader CMO issues, the administration of the leases or the conduct or events surrounding changes to leases during that week of evidence ("Leggieri Phase").¹⁴

10. During the Leggieri Phase, Commission Counsel introduced evidence that was relevant to the issues set out in paragraph 7 above.

11. At the conclusion of the Leggieri Phase, the Commissioner invited written submissions on the Leggieri Allegations to determine the narrow issue of whether or not the Inquiry process had been compromised.¹⁵ This interim ruling should only make findings of fact necessary to determine this narrow point.

12. It would be unnecessary and inappropriate at this time to make findings of fact related to the CMO, the administration of the leases or the conduct or events surrounding changes to leases or any of the other issues identified in paragraph 7.

¹³ Commissioner Bellamy's ruling on Paula Leggieri's application for limited standing, Transcript [06/12/2003, 7:5 to 7:12](#); see also Statement by Commissioner Bellamy [06/16/2003, 34:4 to 34:6](#).

¹⁴ Statement by Commissioner Bellamy [6/12/2003, 9:24 to 10:7](#); see also [06/16/2003, 6:2 to 6:16](#).

¹⁵ Statement by Commissioner Bellamy [06/19/2003, 329:24 to 332:10](#).

13. These broader issues lie at the heart of the Inquiry's mandate and should not be determined until the Inquiry has heard all of the relevant evidence from all the scheduled witnesses including Lana Viinamae and Jim Andrew. In addition, other parties (for example, MFP or Dash Domi) may have an interest in making submissions on some of these issues. In fairness to the Inquiry process, this interim ruling should focus narrowly on the Leggieri Allegations and whether or not the Inquiry process has been compromised.

PART II – Ms. Bulko did not threaten Ms. Leggieri

14. Ms. Leggieri testified that Ms. Bulko threatened her before her interview with Commission Counsel.¹⁶ Ms. Leggieri alleged that Ms. Bulko told her that she would be in “serious trouble” if she did not tell Commission Counsel what Ms. Bulko told her to say.¹⁷

15. Ms. Leggieri described what Ms. Bulko allegedly told her to say in several ways:

- a. Ms. Bulko was not involved in the RFQ process;¹⁸
- b. Ms. Bulko was not involved in anything to do with computer leasing prior to April 2000, including the development of the leasing program;¹⁹
- c. Ms. Bulko was not involved in signing or reviewing any of the equipment schedules signed before April 2000, for example the Oracle 838-2 schedule;²⁰ and
- d. Ms. Bulko was not involved in the sale-leaseback transaction.²¹

16. When cross-examined by counsel for Ms. Bulko, Ms. Leggieri admitted that, even on her version of events:

- a. Ms. Bulko did not ask her to lie to Commission Counsel;²²

¹⁶ Leggieri Testimony [04/09/2003, 212:6 to 213:21](#); [214:1 to 215:1](#); [06/16/2003, 108:16 to 119:24](#).

¹⁷ Ms. Leggieri appears to have abandoned any suggestion that Ms. Bulko threatened her before her KPMG interview: [06/16/2003, 108:16 to 109:6](#).

¹⁸ Leggieri Testimony [06/16/2003, 113:25 to 114:1](#).

¹⁹ Leggieri Testimony [04/09/2003, 212:12 to 212:21](#); compare to [06/16/2003, 112:21 to 113:10](#).

²⁰ Leggieri Testimony [06/16/2003, 114:4 to 114:8](#).

²¹ Leggieri Testimony [06/16/2003, 119:10 to 119:15](#).

²² Leggieri Testimony [06/16/2003, 185:9 to 185:13](#).

- b. Ms. Bulko did not say she was going to do anything to Ms. Leggieri if she did not do as she was told;²³
- c. Ms. Bulko never said she was going to fire Ms. Leggieri if she did not do as she was told,²⁴ and
- d. if Ms. Bulko was not involved during 1999 in any of the ways described above, then Ms. Bulko did not threaten her.²⁵

17. Ms. Bulko denied threatening Ms. Leggieri. Ms. Bulko testified that she did not tell Ms. Leggieri or coach her what to say in her interviews with Commission Counsel.²⁶

18. Ms. Bulko described her role in the leasing process during 1999 as follows:

- a. she was not involved in drafting or evaluating the RFQ except to provide the number of computers that the City had already purchased;²⁷
- b. she was consulted by Ms. Leggieri and others during the creation of the process for putting new equipment on lease.²⁸ This was a well-known fact. Ms. Bulko had disclosed this involvement to KPMG and this was reflected in her KPMG interview summary;²⁹
- c. Ms. Bulko was not involved in reviewing the leasing schedules (including the 838-2 Oracle lease), determining the length of the lease terms, deciding what equipment went on lease, or reviewing lease rates;³⁰ and

²³ Leggieri Testimony [06/16/2003, 186:5 to 186:18.](#)

²⁴ Leggieri Testimony [06/16/2003, 187:19 to 187:25.](#)

²⁵ Leggieri Testimony [06/16/2003, 119:11 to 119:24.](#)

²⁶ Bulko Testimony [06/18/2003, 60:4 to 60:21.](#)

²⁷ Bulko Testimony [06/17/2003, 245:2 to 245:7; 249:8 to 249:24.](#)

²⁸ Bulko Testimony [06/17/2003, 252:22 to 253:12.](#)

²⁹ Bulko Testimony [06/17/2003, 245:25 to 246:8.](#)

³⁰ Bulko Testimony [06/17/2003, 251:4 to 251:19.](#)

- d. Ms. Bulko had only minimal involvement in the sale-leaseback transaction. Ms. Bulko testified that, since she had essentially purchased all the equipment, Ms. Marks would occasionally ask what a particular item on an invoice represented and whether or not the item should be on lease.³¹

19. Given this evidence, Ms. Bulko had no reason to threaten Ms. Leggieri.

20. Further, it is inherently implausible that Ms. Bulko would have threatened Ms. Leggieri when other individuals being interviewed by Commission Counsel, including Lana Viinamae, Jim Andrew, and Line Marks, would have a much more detailed understanding of Ms. Bulko's role in 1999. Given the number of people who would be able to give evidence regarding Ms. Bulko's role, threatening Paula Leggieri would not have assisted Ms. Bulko.

21. Despite the fact that Ms. Marks, like Ms. Leggieri, was also a supervisor reporting to Ms. Bulko, Ms. Marks testified that Ms. Bulko never threatened her, was not overly inquisitive about what Ms. Marks told Commission Counsel, and never suggested to her that she should tailor or alter her evidence in any way.³² Counsel for Ms. Leggieri did not cross-examine Ms. Marks on this evidence.

22. Finally, despite Ms. Leggieri's willingness to disparage Ms. Bulko in e-mails to her boyfriend³³ and to her co-worker Felix Di Brina,³⁴ there is not a single

³¹ Bulko Testimony [06/17/2003, 249:25 to 250:17](#).

³² Affidavit of Line Marks 06/18/2003, paragraphs 20 to 22; Marks [Testimony 06/18/2003, 283:21 to 284:13; 285:15 to 286:19](#).

³³ [COT062850](#) (Leggieri Volume 3, Tab 9).

³⁴ See for example: [COT062434](#) (Leggieri Volume 2, Tab 23); [COT062437](#) (Leggieri Volume 2, Tab 20); [COT063013](#) (Leggieri Volume 2, Tab 39); [COT062982](#) (Leggieri Volume 2, Tab 46); [COT062987](#) (Leggieri Volume 2, Tab 52); [COT062989](#) (Leggieri Volume 2, Tab 59).

contemporaneous e-mail authored by Ms. Leggieri that makes any reference to this alleged threat.

23. The Commissioner should find as a fact that Ms. Bulko did not threaten Ms. Leggieri.

PART III - Ms. Leggieri suffered no adverse employment consequences

A. Ms. Leggieri's Allegation

24. Ms. Leggieri alleged that she does not have a position with the City of Toronto because she cooperated with Commission Counsel.³⁵

25. Ms. Leggieri admitted that she has no direct evidence that her employment situation is in any way connected to her cooperation with the Inquiry. She acknowledged that she made these very serious allegations simply because she could not think of another reason that she would not have a job. Since she could not think of any other reason, she reasoned that it must have something to do with her cooperation with the Commission:

16 Q: Do you think the fact that you have, in
17 your mind, that you have no job position, is connected with
18 your co-operation with this Commission?

19 A: Yes, I do.

20 Q: Why do you believe that?

21 A: I believe that, because I can't think of
22 any other reason that I would not still have a job at the
23 City. I've had excellent performance reviews. I've
24 transitioned before and, you know, the IT Division in the
25 City, doesn't normally operate in the way that this was done.

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1 HR would -- I can't see them operating in this
2 way and treating me this way as a City employee. I've been
3 there for a very long period of time and I don't think
4 anybody else has been treated this way.

5 Everybody else went and they're still working
6 there and I don't have a job.³⁶

³⁵ Leggieri Testimony [04/09/2003, 220:11 to 221:6](#); [04/10/2003, 52:15 to 54:10](#).

³⁶ Leggieri Testimony [04/09/2003, 220:11 to 221:6](#).

26. Ms. Leggieri testified that even in the middle of November 2002 she did not believe she had lost her job. She claimed that she did not come to the conclusion that she had lost her job, and the further conclusion that she lost her job because of her cooperation with Commission Counsel, until several months after she started on sick leave.³⁷ Having reached this conclusion, Ms. Leggieri testified, “it all makes sense to me.”³⁸

27. Ms. Leggieri first testified that no one at that City ever told her that her position would be eliminated because of administrative restructuring.³⁹ Only when pressed did Ms. Leggieri finally admit that she knew that the Leasing Supervisor position would be eliminated or declared redundant because the leasing program was ending.⁴⁰

28. However, Ms. Leggieri maintained that Ms. Bulko never told her that she might lose her job, that is, her employment with the City, even if her position was eliminated.⁴¹ As Ms. Leggieri put it, she “never expected not to be transitioned” into a new job.⁴² Ms. Leggieri testified that, because of Ms. Bulko’s assurances, she was not looking for a new job in November 2002.⁴³

³⁷ Leggieri Testimony [06/16/2003, 98:7 to 98:25](#); [101:17 to 102:17](#); [103:19 to 104:4](#).

³⁸ Leggieri Testimony [06/16/2003, 103:22 to 104:4](#).

³⁹ Leggieri Testimony [06/16/2003, 107:4 to 107:14](#).

⁴⁰ Leggieri Testimony [06/16/2003, 240:9 to 240:20](#); [06/16/2003, 226:1 to 226:10](#); [06/17/2003, 33:9 to 33:19](#).

⁴¹ Leggieri Testimony [06/16/2003, 89:18 to 91:2](#); [228:4 to 228:8](#).

⁴² Leggieri Testimony [06/16/2003, 214:25 to 215:18](#).

⁴³ Leggieri Testimony [06/16/2003, 230:8 to 230:22](#).

29. Ms. Leggieri also complained that the City failed to provide her with answers to questions regarding her employment status for “months and months”.⁴⁴

B. Ms. Leggieri did not suffer any adverse employment consequences

1. Overview

30. The Commissioner should reject Ms. Leggieri’s allegation that she no longer has a position because of her cooperation with Commission Counsel. Ms. Leggieri offered no evidence to support this allegation. At its highest, her case rests on her theory of events, and her unsupported conclusion that there can be no other reason for her current employment situation. However, Ms. Leggieri’s theory does not constitute evidence which supports her allegation.

31. The evidence is clear that:

- a. the City eliminated Ms. Leggieri’s position for legitimate administrative reasons;
- b. Ms. Bulko informed Ms. Leggieri that her position would be eliminated for legitimate administrative reasons;
- c. Ms. Leggieri knew that the elimination of her position could lead to the termination of her employment with the City;
- d. in November, Ms. Leggieri commenced looking for a new job inside and outside the city because of the planned elimination of her position and the possible termination of her employment;
- e. the City complied with all of its obligations to Ms. Leggieri;

⁴⁴ Leggieri Testimony [06/16/2003, 241:24 to 242:10](#).

- f. after Ms. Leggieri commenced her sick leave, which significantly complicated her employment situation, she never had to wait “months and months” for a reply to her demands for information; and
- g. Ms. Leggieri has suffered no adverse employment consequences as a result of her cooperation with Commission Counsel.

2. The Leasing Supervisor’s position was eliminated for legitimate administrative reasons

32. The unchallenged evidence before the Inquiry is that James Ridge, Executive Director of I&T, decided to eliminate Ms. Leggieri’s position early in 2002. This decision was Mr. Ridge’s, not Ms. Bulko’s. Mr. Ridge decided to free up salary dollars to fund a new position in the CMO. This decision was made for legitimate administrative reasons and had nothing whatsoever to do with Ms. Leggieri’s communications with Commission Counsel. In fact, Mr. Ridge made his decision to eliminate Ms. Leggieri’s position in Spring 2002, before Ms. Leggieri ever met with Commission Counsel.

33. Paula Leggieri was the Leasing Supervisor. She was responsible for supervising the City’s leasing of computer hardware and software. In August 2001, the City froze all computer hardware and software leasing pending a review of the MFP leasing contracts.⁴⁵ On November 6, 2001, City Council continued the freeze on external leasing indefinitely.⁴⁶

34. In the 2002 budget process, Mr. Ridge sought funding for an additional ten staff positions in the CMO to increase and vary the staff skill-set. In particular,

⁴⁵ Affidavit of James Ridge, Exhibit 44 paragraph 11a, Transcript [06/19/2003, 265:17 to 265:20](#).

⁴⁶ Extract from Minutes of Council, Exhibit A to Affidavit of James Ridge, Exhibit 44 paragraph 11d, Transcript [06/19/2003, 265:24 to 266:8](#).

Mr. Ridge had identified the need to hire a supervisor to deal with software licence administration (“Licence Supervisor”). City Council rejected Mr. Ridge’s funding request and in Spring 2002, Mr. Ridge began to look internally to find the necessary funds.⁴⁷

35. Mr. Ridge felt that the obvious staff position to eliminate was the Leasing Supervisor. The City had not leased since the summer of 2001 and he felt that this position would not be needed in the future. Mr. Ridge instructed Karen Graham, then Manager of Administration for I&T, to prepare a confidential space-planning chart that did not include Ms. Leggieri’s position.⁴⁸

3. Paula Leggieri knew her position was being eliminated for administrative reasons and that this could lead to the termination of her employment with the City

36. Ms. Bulko informed Ms. Leggieri that her position would be eliminated for legitimate administrative reasons and Ms. Leggieri knew that the elimination of her position could lead to the termination of her employment with the City.

37. Ms. Leggieri testified that the City never communicated to her that her position was being eliminated because of administrative reorganization.⁴⁹ This testimony is patently false and is contradicted by Ms. Leggieri’s own e-mails sent throughout 2002.

⁴⁷ Affidavit of James Ridge, Exhibit 44 paragraphs 4 to 6, Transcript [06/19/2003, 262:8 to 263:14](#).

⁴⁸ [COT061929](#). Affidavit of James Ridge, Exhibit 44 paragraphs and 6, Transcript [06/19/2003, 262:8 to 262:21](#).

⁴⁹ See for example Leggieri Testimony [06/16/2003, 106:22 to 107:17](#).

38. On January 18, 2002, Ms. Leggieri sent a series of questions to Mr. Ridge in advance of a scheduled information session.⁵⁰ These questions included:

- a. What role do you see that the leasing unit will now take?
- b. What kinds of opportunities will open up for existing leasing staff?
- c. Will we have to reapply for our positions if key functions change?
- d. What kinds of development opportunities will now exist for staff who are interested in different areas of IT?

39. Ms. Leggieri understood that the role of the leasing group could change because of the freeze on leasing. She knew that such a change could affect or eliminate the positions held by the staff in the leasing unit.

40. On or about September 19, 2002, Ms. Bulko and Ms. Leggieri discussed the fact that Ms. Leggieri's position might no longer be required in the CMO because of changes in the way the City would finance the acquisition of its computers. Ms. Leggieri sent an e-mail to herself which read in part:

As noted in our meeting once you received the new finance model in October you can then be in a better position to determine the future of my role in the CMO and in turn whether or not my position would remain required in the CMO. [emphasis added]⁵¹

⁵⁰ [COT062925](#) (Leggieri Volume 2, Tab 41); see Leggieri Testimony [06/16/2003, 71:22 to 74:4](#).

⁵¹ [COT062554](#) (Leggieri Volume 2, Tab 81).

41. Ms. Leggieri was clearly aware by September 19, 2002, that her position could be eliminated for administrative reasons as being no longer necessary.⁵²

42. On October 25, 2002, and/or November 6, 2002, Ms. Bulko met with Ms. Leggieri.⁵³ At this meeting Ms. Bulko told Ms. Leggieri to begin wrapping up the leasing program. Ms. Bulko said she would speak to Mr. Ridge about other job opportunities for Ms. Leggieri.⁵⁴ Ms. Leggieri eventually admitted that she knew by this time that her position would become redundant.⁵⁵

43. On October 25, 2002, at Ms. Leggieri's request,⁵⁶ Ms. Bulko forwarded to Ms. Leggieri a copy of the staff report recommending that in the future the City purchase, not lease, computer hardware and software (the "Finance Model Report").⁵⁷ As discussed in paragraph 40 Ms. Bulko told Ms. Leggieri in September that her future in the CMO would depend on this report.

44. Ms. Leggieri testified that she did not read the Finance Model Report right away, nor did she understand that it related to the future of the Leasing Supervisor position.⁵⁸ It is evident from the Finance Model Report that the Leasing Supervisor position would be affected by the recommendation to purchase computer hardware and software instead of leasing it. Given the

⁵² Ms. Leggieri was extremely reluctant to concede this point. See Leggieri Transcript [06/16/2003, 214:13 to 216:24](#).

⁵³ Leggieri Testimony [06/17/2003, 33:16 to 33:19](#). Nothing appears to turn on which date this meeting took place or whether there were two such meetings.

⁵⁴ Bulko Testimony [06/18/2003, 14:4 to 14:10](#).

⁵⁵ Leggieri Testimony [06/17/2003, 33:16 to 33:19](#).

⁵⁶ Leggieri Testimony [06/16/2003, 82:7 to 82:20](#).

⁵⁷ [COT062555](#) (Leggieri Volume 3, Tab 72) and attachments (A: [COT062556](#), B: [COT062557](#), C: [COT062558](#), D: [COT062559](#)).

⁵⁸ Leggieri Testimony [06/16/2003, 217:8 to 217:19](#).

circumstances, Ms. Leggieri's testimony that she did not read the Finance Model Report at the time lacks credibility and should not be believed.

45. Ms. Bulko testified that she advised Ms. Leggieri to speak to Janice David in Human Resources for information on her options and her status because Ms. Bulko was not aware of all of the new HR policies.⁵⁹ This is consistent with the advice that staff in Human Resources give to Managers.⁶⁰ Ms. Leggieri testified that no one ever told her to speak to HR.⁶¹ The City submits that the evidence of Ms. Bulko should be preferred on this point.

46. In any event, Ms. Leggieri began extensive e-mail discussions with Janice David on November 6, 2002.⁶² These discussions focused exclusively on Ms. Leggieri's length of service. Ms. Leggieri's length of service was only relevant if Ms. Leggieri's employment was terminated. For example:

- a. On November 12, 2002, Ms. Leggieri wrote to Janice David and said that "I have been reminded on a weekly basis for over the past year that my position will be ending and would like to resolve this issue [length of service] for obvious reasons."⁶³
- b. On November 14, 2002, she wrote to Janice David and said "I would like to make an appointment with you to discuss my options

⁵⁹ Bulko Testimony [06/18/2003, 16:2 to 16:16](#).

⁶⁰ Allain Testimony [06/19/2003, 258:22 to 259:7](#).

⁶¹ Leggieri Testimony [06/16/2003, 99:1 to 99:8](#).

⁶² See Leggieri Volume 1, Tabs 40 ([COT059490](#)) and 41 ([COT059491](#)); Leggieri Volume 2, Tabs 83 to 90 (83: [COT062808](#); 84: [COT062818](#); 85: [COT062547](#); 86: [COT062548](#); 87: [COT062810](#); 88: [COT062821](#); 89: [COT062825](#); 90: [COT062823](#)); Leggieri Volume 3, Tabs 1 to 8 and Tabs 10 and 11 (1: [COT062568](#); 2: [COT062830](#); 3: [COT062571](#); 4: [COT062575](#); 5: [COT062838](#); 6: [COT062846](#); 7: [COT062853](#); 8: [COT062849](#); 10: [COT062859](#); 11: [COT062578](#)).

⁶³ [COT062848](#) (Leggieri Volume 3, Tab 6) [emphasis added].

further to years of service, and my options when my position becomes redundant and other HR related issues.”⁶⁴

47. In cross-examination, Ms. Leggieri tried to explain the November 12 e-mail away by stating that she “was just very flowery in the way I speak.”⁶⁵

48. Further, in an e-mail to her boyfriend dated November 14, 2002, Ms. Leggieri wrote:

“I am just a lowly supervisor that Kathryn [Bulko] has deemed incompetent, and already submitted my position realigning to [James Ridge] for approval.”⁶⁶

49. Ms. Leggieri was clearly aware that her position was being eliminated or declared redundant in order to realign salary dollars. In cross-examination, Ms. Leggieri said she was simply speaking in a “sarcastic” and “off the cuff” manner to her boyfriend.⁶⁷

50. On November 26, 2002, City Council adopted Clause 7 of Report No. 14 of the Administration Committee including the Finance Model Report. The very same day, Ms. Leggieri commenced her sick leave.

4. Ms. Leggieri knew that her employment might be terminated and she was looking for a job in November 2002.

51. Ms. Leggieri testified that she did not know that her employment might be terminated following elimination of her position. She also testified that she was not looking for a new job in November 2002. This testimony was patently false

⁶⁴ [COT062853](#) (Leggieri Volume 3, Tab 7) [emphasis added].

⁶⁵ Leggieri Testimony [06/17/2003, 84:3 to 84:10](#).

⁶⁶ [COT062850](#) (Leggieri Volume 3, Tab 9) [emphasis added].

⁶⁷ Leggieri Testimony [06/17/2003, 92:9 to 93:17](#).

and is contradicted by the e-mails she sent at the time. Her reluctance to concede this obvious point greatly harms her credibility.

52. Ms. Leggieri wrote the following e-mails in November 2002:

- a. On November 20, 2002, she sent an e-mail to her mother saying “I have been told I no longer have a job, anyway, trying to find another. Look in Guelph for me.”⁶⁸

In cross-examination Ms. Leggieri explained that she was “in a distressed state” or “just being very paranoid,”⁶⁹ and was just “venting” to her mother.⁷⁰

- b. On November 22, 2002, she e-mailed her friend Veronica Segarra and said, “I’ve just recently been told my job is no longer needed so I am on the job hunt.”⁷¹

She added that she expected to have her job until the new year. In cross-examination Ms. Leggieri characterized this e-mail as just “venting” from her “very confused state.”⁷²

- c. On November 21 and 22, 2002, she exchanged e-mails with Grant Coffey, another City employee. She informed him that certain summaries had to be completed “before year end and my end here.” She added that, “my job has now been deemed “redundant” (no more leasing...leasing Supervisor) so I have a short period of time to find something or off I go.”⁷³

Although there appears to be no ambiguity in this e-mail, on cross-examination she testified that she was just “venting” and “scared and confused”. Ms. Leggieri added that Mr. Coffey would not have been surprised to hear this news since he was aware that the whole leasing program was frozen.⁷⁴

⁶⁸ [COT062869](#) (Leggieri Volume 4, Tab 22) [emphasis added].

⁶⁹ Leggieri Testimony, [06/17/2003, 110:7 to 110:20](#).

⁷⁰ Leggieri Testimony, [06/17/2003, 115:24 to 116:2](#).

⁷¹ [COT062894](#) (Leggieri Volume 3, Tab 15) [emphasis added].

⁷² Leggieri Testimony [06/17/2003, 99:13 to 99:23](#).

⁷³ [COT062885](#) (Leggieri Volume 3, Tab 16) [emphasis added].

⁷⁴ Leggieri Testimony [06/17/2003, 104:24 to 105:20](#) and [107:1 to 20](#).

- d. On November 25, 2002, she e-mailed Councillor Maria Augimieri and said that she was looking for work.⁷⁵
- e. On November 25, 2002, she e-mailed her friend Angela Comack and said, “I just learned I am losing my job. Horrible. Was wondering if you could have a look-see at your job postings and see if anything is available in Hamilton or Toronto.”⁷⁶

53. Felix Di Brina also testified that Ms. Leggieri asked him to send her job postings from the City.⁷⁷ He sent her several job postings while she was on sick leave including the posting for a Supervisor of Customer Service position.⁷⁸ He testified that he had a specific recollection of Ms. Leggieri asking him to re-send this particular job posting to her because it referred specifically to experience administering leases.⁷⁹

54. Ms. Leggieri testified that she was surprised Mr. Di Brina sent her the Supervisor of Customer Service job posting.⁸⁰ She wondered why Mr. Di Brina had sent this job posting to her and how he knew she was having trouble with her job.⁸¹ She said she was “very paranoid” at this time and concluded that Ms. Bulko had told Mr. Di Brina something about her job status.⁸²

55. The City submits that Mr. Di Brina’s evidence should be believed over that of Ms. Leggieri for the following reasons:

⁷⁵ [COT062905](#) (Leggieri Volume 3, Tab 20).

⁷⁶ [COT062624](#) (Leggieri Volume 3, Tab 21) [emphasis added].

⁷⁷ Affidavit of Felix Di Brina, paragraph 21; Transcript [06/19/2003, 114:12 to 114:20](#).

⁷⁸ [COT059521](#) (Leggieri Volume 1, Tab 64).

⁷⁹ Di Brina Testimony, [06/19/2003, 210:20 to 213:6](#).

⁸⁰ Leggieri Testimony [06/17/2003, 175:23 to 176:3](#).

⁸¹ Leggieri Testimony [04/10/2003, 39:12 to 39:21](#).

⁸² Leggieri Testimony [06/17/2003, 174:25 to 175:7; 175:23 to 176:3](#).

- a. Ms. Leggieri and Mr. Di Brina had a close office friendship. The e-mails circulated between them demonstrate a level of comfort and frankness inconsistent with Ms. Leggieri's supposed surprise at receiving a job posting from Mr. Di Brina;⁸³
- b. Ms. Leggieri and Mr. Di Brina had previously exchanged job postings;⁸⁴ and
- c. Mr. Di Brina's specific recollection of the circumstances surrounding this e-mail is more plausible than Ms. Leggieri's explanation.

56. For all the reasons set out above, the City submits that Ms. Leggieri's testimony that she did not know that her employment might be terminated should be rejected. Ms. Leggieri's e-mails in November 2002 provide better evidence of her knowledge and belief at that time than did her rationalizations in the witness box. The overwhelming weight of the evidence supports the conclusion that by the end of November 2002 Paula Leggieri knew that:

- a. The City was eliminating her position for administrative or restructuring reasons;
- b. The City's decision had nothing to do with her cooperation with Commission Counsel; and
- c. The elimination of her position could result in the termination of her employment and that she should begin looking for another job (and in fact was looking for another job) inside and outside the City.

5. The City complied with all of its obligations to Ms. Leggieri

57. Once the City decided to eliminate Ms. Leggieri's position, if she could not find another position at the City, the City owed her, like every other non-

⁸³ See generally Leggieri Testimony [06/17/2003, 177:19 to 179:10](#).

⁸⁴ See Leggieri Volume 2 Tabs 10 ([COT062340](#)), 12 ([COT062518](#)), 46 ([COT062982](#)), 48 ([COT062983](#)), 58 ([COT063091](#)), and 67 ([COT063057](#)).

unionized employee, a severance package that complied with statutory and common law requirements. The City was under no obligation to provide Ms. Leggieri with another position, to train Ms. Leggieri for another position, or to guarantee her salary beyond the appropriate notice period based on her years of service. The City complied with all of its obligations to Ms. Leggieri.

a) General duties the City owes its employees

58. When the City decides to end a program, positions associated with that program are deleted.⁸⁵ After the City had advised a non-union employee that her or his position will be deleted, that employee may continue to work in that position until it disappears.⁸⁶ During this period the employee may attempt to locate another position (temporary or permanent) at the City. In some cases, the City may be able to provide the employee with an opportunity to apply for another position.⁸⁷

59. If the employee does not locate another position by the time his or her position is deleted, the City is obligated only to provide reasonable notice of termination or payment in lieu thereof in the form of a Position Termination

⁸⁵ Allain Testimony, [06/19/2003, 220:21 to 221:9](#).

⁸⁶ Where a City employee is a member of a bargaining unit, the rules set out in the applicable Collective Agreement apply. Ms. Leggieri was a Supervisor; she was not a unionized employee: Leggieri Testimony [06/17/2003, 20:18 to 21:5](#).

⁸⁷ Allain Testimony [06/19/2003, 221:7 to 221:18](#).

Package (“PTP”).⁸⁸ The PTP is a formula driven severance package based on an employee’s years of service for the City.⁸⁹

60. Guy Allain is a Manager of Human Resources (“HR”) for the City of Toronto. He is responsible for providing human resources advice to the Corporate Services Department, including the I&T Division.⁹⁰ The City’s human resources expertise is located in HR. The City’s Managers and Supervisors are not HR experts and they are advised to turn to HR for advice and guidance on HR policies.⁹¹

61. Mr. Allain testified that the City is not obligated to:

- a. find an employee another position and there is no formal process to do so at the City;⁹²
- b. provide training to an employee so they may secure another position;⁹³ or
- c. guarantee an employee’s salary for two years following notice of termination.⁹⁴

62. Mr. Allain’s testimony with respect to points (a) and (b) was uncontradicted.

⁸⁸ Allain Testimony [06/19/2003, 229:24 to 230:3](#).

⁸⁹ An employee in Ms. Leggieri’s situation would be entitled to, *inter alia*, four months pay for every year of service, plus outplacement counseling, tuition fee reimbursement. Allain Testimony [06/19/2003, 223:10 to 224:4](#).

⁹⁰ Allain Testimony [06/19/2003, 218:6 to 219:13](#); [259:1 to 259:10](#).

⁹¹ Franey Testimony [06/18/2003, 225:17 to 227:16](#).

⁹² Allain Testimony [06/19/2003, 226:10 to 227:23](#).

⁹³ Allain Testimony [06/19/2003, 228:25 to 229:23](#).

⁹⁴ Allain Testimony [06/19/2003, 224:5 to 225:18](#).

63. Mr. Franey and Ms. Bulko both testified that they believed terminated employees would receive a two-year salary guarantee.⁹⁵ Ms. Bulko testified that she learned about this policy from Mr. Franey.⁹⁶ Mr. Franey agreed that the Inquiry needed to hear from someone with human resources expertise to understand precisely whether or not the “two-year guarantee” even existed.⁹⁷

64. The City submits that the evidence of Mr. Allain on the City’s obligations should be preferred to that of Mr. Franey and Ms. Bulko.

b) The City did not have an obligation to train Ms. Leggieri

65. As discussed above, the City was under no obligation to provide training to Ms. Leggieri to assist her to obtain another position.

66. In addition, Mr. Ridge testified that there is no formal training program in I&T and, in particular, no training is provided to I&T employees to permit them to secure new jobs.⁹⁸ There was no I&T training program which could have been offered to Ms. Leggieri.

67. Moreover, Ms. Leggieri testified that her sick leave meant that she was not available to attend any training courses even if they were offered.⁹⁹

⁹⁵ Franey Testimony [06/18/2003, 217:23 to 220:7](#); Bulko Testimony [06/18/2003, 38:4 to 39:3; 87:20 to 89:17](#).

⁹⁶ Bulko Testimony [06/18/2003, 158:20 to 160:2](#).

⁹⁷ Franey Testimony [06/18/2003, 226:8 to 227:16](#).

⁹⁸ Ridge Testimony [06/19/2003, 272:5 to 272:22](#).

⁹⁹ Leggieri Testimony [06/17/2003, 52:5 to 52:11](#).

68. There is no basis for Ms. Leggieri to complain about the City's failure to provide her with training when:

- a. the City was under no obligation to provide such training;
- b. the I&T Division had no such training program for its employees;
and
- c. Ms. Leggieri was not able to attend any training courses, even if they had been offered, after November 26, 2002, when she commenced her sick leave.

69. There is no evidence to suggest that the City's dealing with Ms. Leggieri and her training is in any way connected to her cooperation with Commission Counsel or harmed the Inquiry process.

c) The City was not obliged to offer Ms. Leggieri any other position

70. As discussed above, the City was under no obligation to offer Ms. Leggieri another position or to transition her to another job at the City of Toronto.

71. Ms. Leggieri testified that she knew that she was not guaranteed a job with the City and that if her position disappeared she was only entitled to a severance payment based on her years of service. Although Ms. Leggieri testified that she felt she should have been transitioned to another position, she admitted that she had no right to another job.¹⁰⁰

72. Mr. Ridge testified that although he is not obliged to find a non-union employee a new position at the City, it is in his interest to try to do so to avoid

¹⁰⁰ Leggieri Testimony [06/17/2003, 24:2 to 24:19](#); [25:5 to 25:9](#); [26:6 to 26:11](#); [30:20 to 31:6](#).

severance payments that would otherwise come from his budget. In this case, the City tried to find Ms. Leggieri another position for which she could apply. Mr. Ridge approached Greg Essenza, the person responsible for staffing the fall 2003 municipal elections. Mr. Essenza advised Mr. Ridge that he wished to meet Ms. Leggieri to determine if she was a suitable candidate for any of the available positions.¹⁰¹

73. Most jobs at the City of Toronto are posted on the City's website so that employees may apply and interview for the vacant position. Ms. Leggieri testified that she has not been available for job interviews since commencing her sick leave in November 2002.¹⁰²

74. While most jobs are posted, senior managers at the City may place employees in new management or excluded positions without posting or having an open competition for the position. Mr. Ridge testified that he created a Licence Supervisor position in the CMO. He believed this to be a very complex and demanding position, one that was more demanding than other supervisor positions in the I&T Division.¹⁰³ He offered this position to Karen Graham, the former Manager of Administration. Mr. Ridge had previously deleted Ms. Graham's position.

¹⁰¹ Affidavit of James Ridge, Exhibit 44 paragraph 113; Transcript [06/19/2003, 269:8 to 269:15](#).

¹⁰² Leggieri Testimony [06/17/2003, 52:5 to 52:11](#).

¹⁰³ Ridge Testimony [06/19/2003, 280:15 to 281:12](#).

75. Knowing that Ms. Graham's position had been eliminated, Mr. Ridge did not consider Ms. Leggieri for the Licence Supervisor position. He elected to offer Ms. Graham the position because:

- a. Ms. Graham was a relatively experienced manager who had worked directly for Mr. Ridge¹⁰⁴ whereas Ms. Leggieri was a relatively new and inexperienced supervisor;¹⁰⁵
- b. Ms. Graham had greater experience in a broader range of roles than did Ms. Leggieri;¹⁰⁶
- c. Ms. Leggieri did not have the breadth and depth of experience that met the minimum threshold for the position;¹⁰⁷ and
- d. Ms. Graham had relevant technology training for the position.

76. There is no basis for Ms. Leggieri to make any complaints about the City's failure to provide her a job or the Licence Supervisor job since:

- a. The City was under no obligation to provide a new job; and
- b. Mr. Ridge acted within his discretion to offer the License Supervisor position to Ms. Graham.

6. Timing of Communication

77. Ms. Leggieri complained that the City did not provide her with "any answer for months and months" regarding her employment status.¹⁰⁸ The e-mails between City staff and Ms. Leggieri completely contradict this assertion. Ms.

¹⁰⁴ Ridge Testimony [06/19/2003, 278:5 to 278:13](#).

¹⁰⁵ Ridge Testimony [06/19/2003, 278:5 to 278:13](#).

¹⁰⁶ Ridge Testimony [06/19/2003, 278:20 to 279:2](#).

¹⁰⁷ Ridge Testimony [06/19/2003, 279:17 to 279:23](#).

¹⁰⁸ See generally Leggieri Testimony [06/17/2003, 129:8 to 131:19](#) and the additional transcript references contained in that passage.

Leggieri sent a series of inquiries to which the City replied as quickly and fairly as possible:

- a. December 16, 2002, Paula Leggieri first wrote to Kathryn Bulko and requested “immediate clarification of my job status in writing”.¹⁰⁹
- b. The same day Kathryn Bulko replied and promised to write and clarify Ms. Leggieri’s job status.¹¹⁰
- c. December 24, 2002, only eight days later, Ms. Bulko mailed a response to Ms. Leggieri,¹¹¹ which provided written clarification of Ms. Leggieri’s employment status. It read, in part:

You will recall that in late October, we discussed the future of the Technology Leasing Program at the City. At that time, you were advised that the Technology Leasing Program would be coming to an end. In addition, I suggested that you should think about other positions within the City where you could apply your skills. I understand that you are currently applying for positions as they become available and while you have not been successful to date, I encourage you to continue applying.

In the interim, there is work related to the Technology Leasing Program and the interim emergency technology acquisition process for a duration of approximately two months.

I would like to have the opportunity to discuss your employment prospects beyond that period early in the new year. Please let me know when you might be able to meet.

Ms. Leggieri never called Ms. Bulko to say that she was available to meet to discuss her employment prospects. Ms. Leggieri agreed in cross-examination that this was because she was ill.¹¹²

- d. December 27, 2002, Ms. Leggieri e-mailed Ms. Bulko and asked for a response to her December 16 e-mail.¹¹³

¹⁰⁹ [COT062171](#) (Leggieri Volume 3, Tab 22).

¹¹⁰ [COT062171](#) (Leggieri Volume 3, Tab 22).

¹¹¹ [COT062295](#) (Leggieri Volume 3, Tab 28).

¹¹² Leggieri Testimony [06/17/2003, 140:6 to 141:6](#).

¹¹³ [COT062190](#) (Leggieri Volume 3, Tab 29).

- e. December 30, 2002, Ms. Bulko responded to Ms. Leggieri's e-mail and advised her that Ms. Bulko's response was in the mail.¹¹⁴
- f. January 17, 2003 Leggieri sent Ms. Bulko a very lengthy e-mail.¹¹⁵ For the first time, she raised a significant number of very specific questions about her employment and options for her future.

Ms. Leggieri added, "if my specific questions in this correspondence are not clearly answered, I will assume that you are refusing to provide me with the specific information that I am seeking."

- g. During this period many city staff from HR, payroll, City Legal and I&T continued to address Ms. Leggieri's concerns.¹¹⁶
- h. January 21, 2003, four days after her last e-mail, Ms. Leggieri e-mailed Ms. Bulko and demanded an answer to her January 17, 2003 e-mail, by the next day, January 22.¹¹⁷

Ms. Leggieri wrote, "an incomplete set of responses will be deemed inconclusive and will not be accepted."

- i. February 12, 2003, Mr. Orr, counsel for Ms. Leggieri, wrote to the City Legal Department regarding Ms. Leggieri's employment status.¹¹⁸

78. Ms. Leggieri agreed that once her lawyer sent the letter to the City's Legal Division, the matter was taken out of Ms. Bulko's hands and became a matter for the City Legal Division.¹¹⁹

79. The City submits that it is clear that Ms. Leggieri's requests for information did not go unanswered for months and months.

¹¹⁴ [COT062190](#) (Leggieri Volume 3, Tab 29).

¹¹⁵ [COT062139](#) (Leggieri Volume 4, Tab 1).

¹¹⁶ Leggieri Testimony [06/16/2003, 91:3 to 91:12](#) and the documents referred to therein.

¹¹⁷ [COT063288](#) (Leggieri Volume 4, Tab 3).

¹¹⁸ [COT061963](#) (Leggieri Volume 3, Tab 68).

¹¹⁹ Leggieri Testimony [06/17/2003, 160:7 to 160:19](#).

Part 4 – Conclusion

80. The City submits that the Commissioner should find that Paula Leggieri did not suffer any adverse employment consequences because she cooperated with the Inquiry or Commission Counsel.

81. The Commissioner should find that the Inquiry process was not compromised by the City's dealings with Ms. Leggieri and that there was no attempt by any City employee to compromise the Inquiry process.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

August 1, 2003

Linda Rothstein

Paliare Roland Rosenberg Rothstein LLP

Barristers

250 University Avenue

Suite 501

Toronto, ON M5H 3E5

Tel: (416) 646-4327

Fax: (416) 646-4328

Solicitors for the City of Toronto