



**STAFF REPORT**  
**ACTION REQUIRED**  
with Confidential Attachment

**Toronto Port Lands Company - 2011 Professional,  
Technical and Consulting Fees**

<b>Date:</b>	May 12, 2013
<b>To:</b>	Executive Committee
<b>From:</b>	City Manager
<b>Wards:</b>	City-wide
<b>Reason for Confidential Information:</b>	This report involves the security of the property of the City or a local board and litigation or potential litigation, including matters before administrative tribunals, affecting the City or a local board.
<b>Reference Number:</b>	

**SUMMARY**

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This report responds to Council's request for the City Manager to report to the Executive Committee in early 2013 on the nature, costs and results of consulting work completed by Toronto Port Lands Company (TPLC) in 2011.

The confidential report from TPLC CEO and Chair of the Board (Attachment 1 to this report) shows a total of \$1.16 million expended on professional, technical and consulting fees by TPLC in 2011. This total is broken down into five categories of expenditures: legal fees, environmental monitoring, accounting and audit fees, and project/property consulting. The report notes that these fees represent 3.8% of TPLC's total operating expenditures for 2011. Attachment 1 to this report should remain confidential as it involves the security of property of the City and its wholly-owned corporation and litigation of the corporation.

**RECOMMENDATIONS**

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**The City Manager recommends that City Council:**

1. Receive this report for information; and

2. That Attachment 1 to the report remain confidential in its entirety in accordance with the *City of Toronto Act, 2006*, as it involves the security of the property of the City or a local board and litigation or potential litigation, including matters before administrative tribunals, affecting the City or a local board.

## **Financial Impact**

There are no financial implications resulting from the implementation of the recommendations in this report.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

At its meeting of October 30, 2012, in considering EX23.6 Toronto Port Lands Company - Annual General Meeting and Audited Annual Financial Statements 2011, City Council requested the City Manager, in consultation with the Chair of the Toronto Port Lands Company Board, to report to the Executive Committee in early 2013 on the nature, costs and results of consulting work completed in 2011 ([EX23.6 Toronto Port Lands Company - Annual General Meeting and Audited Annual Financial Statements 2011](#)).

## **ISSUE BACKGROUND**

The City of Toronto Economic Development Corporation (TEDCO), operating under the business name of the Toronto Port Lands Company (TPLC) since 2009, is incorporated under the *Business Corporations Act* (Ontario). The City is the sole shareholder. The mandate of TPLC is to hold, lease, manage and maximise revenues from Port Lands properties awaiting future development by Waterfront Toronto. TPLC is a key partner in the revitalization of the Port Lands along with the City of Toronto, Waterfront Toronto and the Toronto Region Conservation Authority (TRCA).

The Board of TPLC consists of City staff including: the General Manager of Economic Development and Culture (Chair), the Deputy City Manager responsible for the Waterfront, a designate of the Deputy City Manager and Chief Financial Officer, and the Chief Corporate Officer. Under TPLC's Shareholder Direction, and subject to any unanimous shareholder declarations made by City Council to TPLC, the Board of TPLC is responsible for making all policy and operational decisions of the organization.

Section 190 of the *City of Toronto Act, 1996* (COTA) provides for exceptions to open meetings, and as such consideration of confidential information, that include the security of the property of the City or a local board and litigation or potential litigation, including matters before administrative tribunals, affecting the City or a local board. TPLC is regarded as a local board for certain purposes.

## COMMENTS

In 2011, TPLC utilized external professional services with specialized knowledge and expertise to fulfill its mandate. Attachment 1 of this report contains a report from TPLC showing a total of \$1.16 million expended on professional, technical and consulting fees by the Company in 2011. The report notes that these fees represent 3.8% of TPLC's total operating expenditures for 2011.

Appendices A through D of Attachment 1 contain information on each contract organized into five categories: legal fees, environmental monitoring, accounting and audit fees, and project/property consulting. Information includes the project/property name, the professional or consultant firm, a description of the property/project, the procurement process used and the amount paid. This information is considered confidential by TPLC as it involves the security of property of the City or TPLC and litigation or potential litigation involving TPLC.

The table below summarizes the information in the report Appendices. In 2011, TPLC contracted with 35 different firms to carry out professional, technical or consulting work on 48 different properties or projects.

<b>Contract Type</b>	<b>Number of Properties/Projects</b>	<b>Number of Firms</b>	<b>Expenditures (net of GST)</b>
Legal fees	14 plus general and miscellaneous legal work	7	351,368
Environmental monitoring	15 properties	10	293,407
Accounting and auditing	1 audit and advice	1	93,635
Property or specific projects	27 properties or projects	18	347,881
Deferred projects	5 properties	5	76,996
<b>Total<sup>1</sup></b>	<b>48</b>	<b>35</b>	<b>1,163,286</b>

<sup>1</sup> Number of unique properties or projects, not including general and miscellaneous legal work. Number of unique firms contracted.

In 2011, TPLC procured professional services through processes specific to the type of service required. Most services were procured from pre-qualified rosters of firms using a Request for Quotation (RFQ's) or sole source process. A number of contracts were awarded using an open RFQ or sole source process. In cases where a contract was sole sourced, the work responded to an emergency or was urgent in nature, the consultant had unique knowledge or expertise related to the work, the consultant was particularly cost efficient or the contract was a low dollar amount, and a rationale was provided.

## **CONTACT**

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## **SIGNATURE**

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Joseph Pennachetti  
City Manager

## **ATTACHMENTS**

Confidential Attachment 1: Report on TPLC's 2011 Consulting Fees