

Section I – Items for Board of Directors Action

TO: Chair and Members of the Board of Directors
Friday, May 28, 2021 Meeting

FROM: John MacKenzie, Chief Executive Officer

RE: **CONSERVATION ONTARIO GOVERNANCE ACCOUNTABILITY AND
TRANSPARENCY INITIATIVE**

KEY ISSUE

A report seeking endorsement of the Conservation Ontario Governance Accountability and Transparency Initiative and an overview of the required actions by Toronto and Region Conservation Authority (TRCA) to fulfill the eight proposed Best Management Practices.

RECOMMENDATION

WHEREAS on February 2, 2021 a number of legislative amendments to the *Conservation Authorities Act* primarily related to governance, administration and accountability, were proclaimed;

AND WHEREAS Toronto and Region Conservation Authority (TRCA) remains committed to the principles of accountable and transparent governance;

AND WHEREAS Conservation Ontario Council requested that all conservation authorities endorse its Governance Accountability and Transparency Initiative;

AND WHEREAS TRCA had already implemented six out of eight proposed Best Management Practices actions under the CO Council initiative;

LET IT BE RESOLVED THAT TRCA staff report back in Q4 2021 with updates to the Board of Directors By-Law addressing the two outstanding Business Management Practices;

AND FURTHER THAT Conservation Ontario and the Minister of Environment, Conservation and Parks be so advised.

BACKGROUND

On November 5, 2020, the Province of Ontario introduced *Bill 229, Protect, Support and Recover from COVID-19 Act (Budget Measures)*, 2020. Schedule 6 of Bill 229 proposed a number of amendments to the *Conservation Authorities Act* (CA Act) and the *Planning Act*, discussed in detail in the November 13, 2020 Board report (amended Res.#A176/20) and presentation (Res.#A175/20) and further during the January 29, 2021 Board of Directors Education session.

Bill 229 received Royal Assent on December 8, 2020. New section 28.0.1 associated with the requirements for conservation authorities to issue permits where development has been authorized by a Minister's Zoning Order (MZO) was proclaimed upon the passing of the legislation and is discussed in greater detail in a separate February 26, 2021 Board report (RES.#A22/21). Additionally, following Royal Assent, a number of governance, permitting and enforcement amendments were scheduled to be proclaimed at a later date.

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On February 5, 2021, the Ministry of Environment, Conservation and Parks (MECP) informed all conservation authorities that a number of amendments to the Act, largely related to governance, administration and accountability, were proclaimed on February 2, 2021.

Following the proclamation, Conservation Ontario developed a Governance Accountability and Transparency Initiative to demonstrate conservation authority commitment to transparency and governance accountability, which was adopted at the CO Annual General Meeting on April 12, 2021. The initiative is focused on three (3) key actions:

1. **Updates to CA Administrative By-Laws**, with a focus on capturing legislative amendments to the CA Act;
2. **Proactive Reporting on Governance Accountability and Transparency Priorities** to ensure CAs compliance and enable the analysis of CA issues/impacts raised in relation to implementation of the clauses; and
3. **Promotion/ Demonstration of Results**, which includes development of a QA/QC governance checklist to be made available on CA websites to encourage ease of access.

As part of the adopted initiative Conservation Ontario circulated a list of recommended Conservation Authority Best Management Practices to guide CAs change management as it relates to the key actions. Out of eight (8) identified practices, TRCA had already implemented six (6) items with the final two (2) relating to minor outstanding updates targeted to be addressed during the scheduled Administrative By-Law update in Q4 2021.

RATIONALE

TRCA staff have been closely following relevant legislative amendments throughout 2020 and 2021 to ensure TRCA remains compliant with legislation. Following Bill 229 Royal Assent on December 8, 2020, TRCA's Board of Directors Administrative By-Law ("By-Law") and current governance and accountability practices were examined for compliance with legislation. Following February 2, 2021 CA Act amendment proclamation, TRCA staff reported to the Board on the implication of proclaimed amendments for TRCA (RES.#A18/21, as amended). At the moment TRCA is fully compliant with the Act, with a couple minor proposed changes to the By-Law pending, which does not impact compliance. The same applies to the Conservation Ontario Governance Accountability and Transparency Initiative BMPs. The detailed review of TRCA fulfillment of these Business Management Practices is outlined in the table below.

Table 1: TRCA's status of action items proposed in the CO Governance Accountability and Transparency Initiative

Section and Change to the Act	Proposed CO Action and TRCA Status
Section 14 (1.1): Council of a participating municipality shall ensure that at least 70 per cent of its appointees are selected from among the members of the municipal council.	Proposed CO BMP Immediate circulation of letters to municipalities notifying them of changes, exception process, and next scheduled appointment date, and an update to By-Law to reflect the change.
Section 14 (1.2) Exception: Minister may grant permission to a municipality to select less than 70 per cent of its appointees to an authority from among the members of the municipal council, subject to such conditions or restrictions as the Minister considers	TRCA Status - COMPLETE On December 8, 2020, the City of Toronto and the Town of Mono/ Township of Adjala-Tosorontio, the only TRCA municipalities that appoint members of the public, were advised of the amendments to the CA Act. The municipalities submitted requests for exception to the Minister. TRCA staff will further remind the

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appropriate.	municipalities of the changes during the next scheduled appointment process.
Section 14(2.2): CAs are required to make public and provide to the Minister copies of municipal member agreements in respect to the total number of municipally appointed members.	<p>Proposed CO BMP Send existing agreements to the Minister, with a copy to CO and make them available on the website.</p> <p>TRCA Status - COMPLETE TRCA staff prepared a letter, outlining TRCA membership agreement history and posted it on the TRCA Board of Directors webpage.</p>
Section 14(4): Minister's power to appoint a member from the agricultural sector with limitations added to the member's voting rights.	<p>Proposed CO BMP Include reference to the prospective new member in the By-Law.</p> <p>TRCA Status - PENDING TRCA staff intend to include a reference to this requirement into the By-Law, during the next scheduled update in Q4 2021.</p>
Sections 15 (2.1) and Sections 15 (2.2): Authority will make agendas and minutes available to public within specific time parameters.	<p>Proposed CO BMP Make agendas and minutes available to public on CA website. Ensure agendas are available in advance of meetings and minutes are available within 30 days after the meeting. Update to the By-law accordingly.</p> <p>TRCA Status - COMPLETE Under section B5(3) of the By-Law agendas for meetings are made available to the public on TRCA's website at least seven (7) calendar days in advance of the meeting, except in unforeseen circumstances preventing timely circulation. In special circumstances an amended agenda may be circulated at least two (2) days in advance of the meeting.</p> <p>According to section C19(4) of the By-Law the minutes of the previous meeting are posted on the TRCA website as soon as they are approved by the Chief Executive Officer and within 30 days of the Meeting.</p>
<p>Section 17 1.1): Limiting the term of the chair or vice-chair to one year with a maximum of two consecutive terms.</p> <p>Section 17(1.2): Requirement to rotate chair and vice-chair positions among CA's participating municipalities.</p> <p>Section 17(1.3) Exception: Minister may grant an exception to the above-mentioned sections, which would allow a chair/vice-chair to hold office for more than two one year terms, or a</p>	<p>Proposed CO BMP Review Chair/Vice Chair election history, adjust elections accordingly or request an exception, and update the By-law as appropriate.</p> <p>TRCA Status - COMPLETE TRCA was granted a Minister's exception under subsection 17(1.3) on February 25, 2021, which permits continuation of two-year terms. As such no update to the Board of Directors Administrative By-Law is required at this time.</p> <p>The next Chair and Vice-Chair elections are scheduled</p>

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member to succeed an outgoing chair, vice-chair, appointed from the same participating municipality.	for January 2023. In advance of this will evaluate whether a further exception is sought or if updates to the By-Law are required.
Section 21(1): Minor amendments to the 'powers of authorities': integrating the CA power to "cause research to be done" with the CA power to "study and investigate the watershed" in order to support the programs and services the CA delivers.	<p>Proposed CO BMP Update to the By-law as appropriate.</p> <p>TRCA Status - COMPLETE Appendix 9 – Sections of the Conservation Authorities Act in the By-law was amended accordingly. Board of Directors approval was not required for the update due to its administrative nature.</p>
Subsections under sections 23.1 and 23.2: Enable the Minister to issue a binding directive to a CA following an investigation and enable the province, upon recommendation by the Minister, to appoint a temporary administrator to assume control of a CA's operations following an investigation or the issuance of a binding directive, if the directive is not followed. Immunity is provided for the administrator.	<p>Proposed CO BMP Consider including reference to these new sections in the By-Law.</p> <p>TRCA Status - PENDING TRCA staff will include a reference to these new sections in the By-Law during the next scheduled update in Q4 2021.</p>
Section 38(1): Conservation authorities will transition to the use of generally accepted accounting principles for local government and ensure that key conservation authority documents are made available to the public.	<p>Proposed CO BMP Review current audit practices and make any required adjustments to align with legislative requirements. Make audit report available to public on CA website within 60 days of receipt.</p> <p>TRCA Status - COMPLETE TRCA is already fully compliant with this requirement. Audit reports are made available through the Board of Directors Agendas and Minutes.</p>

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategy set forth in the TRCA 2013-2022 Strategic Plan:

Strategy 7 – Build partnerships and new business models

FINANCIAL DETAILS

There are no financial implications associated with this report.

DETAILS OF WORK TO BE DONE

TRCA staff will circulate the resolution and the report to Conservation Ontario and to the Minister of Environment, Conservation and Parks.

The final two Business Management Practices items will be addressed in TRCA's By-Law update in Q4 2021.

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Date: May 13, 2021