



Building Investment, Finance and Audit Committee

931 Yonge Street,
Toronto, M4W 2H2

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The Building Investment, Finance and Audit Committee (“BIFAC”) of the Toronto Community Housing Corporation (“TCHC”) held a virtual Public meeting on April 8, 2022, via WebEx, commencing at 9:15 a.m.

BIFAC Directors Present: Adele Imrie, Chair
Brian Smith (9:23 a.m. – 10:39 a.m.)
Nick Macrae
John Campbell

BIFAC Directors Absent: Deputy Mayor Ana Bailão
Naram Mansour

Management Present: Jag Sharma, President and Chief Executive Officer (“CEO”)
Nadia Gouveia, Acting Chief Operating Officer (“COO”)
Darragh Meagher, General Counsel & Corporate Secretary
Rose-Ann Lee, Chief Financial Officer & Treasurer
Kelly Skeith, Acting Chief Development Officer
Barbara Shulman, Interim Vice President, Human Resources
Luisa Andrews, Vice President, Information Technology Services
Allen Murray, Vice President, Facilities Management
Richard Grotsch, Acting Senior Director, Business Operations
Paula Knight, Vice President, Strategic Planning & Communications
Karim Jessani, Director, Internal Audit
Christine Yan, Acting Assistant Corporate Secretary

A quorum being present, Ms. Imrie, serving as Chair, called the meeting to order, and Ms. Yan served as recording secretary.

ITEM 1 CHAIR'S REMARKS

The Chair welcomed everyone to the BIFAC meeting, noted the Acknowledgement of the Land and notified everyone that due to the need for social distancing to limit the spread of COVID-19, TCHC is holding this BIFAC meeting virtually.

DEPUTATIONS

The Chair polled for any deputations to be heard at the meeting. The following verbal deputations were presented:

- Item 6 – Tenant Funds Distribution Policy and Procedures (*Omer Ainanshe, Rama Fayaz, Debbie Menezes and Vidya Rajasingham*)

The following written deputations were received in relation to the following items:

- Item 6 – Tenant Funds Distribution Policy and Procedures (*Gary Brigden, Jack Chappelle, Michelle Leslie and Nickza Dalas*)

ITEM 2A APPROVAL OF PUBLIC MEETING AGENDA

Motion carried **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC approved the Public meeting agenda for the BIFAC's April 8, 2022 meeting.

ITEM 2B CHAIR'S POLL RE: CONFLICT OF INTEREST

The Chair requested members of the BIFAC to indicate any agenda item in which they had a conflict of interest, together with the nature of the interest. **No conflicts were declared.**

ITEM 2C CONFIRMATION OF MINUTES OF THE PUBLIC BIFAC MEETING OF MARCH 8, 2022

Motion carried **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC confirmed the above-captioned minutes without amendments.

ITEM 2D Q1 2022 INTERIM HOMES PROJECT UPDATE BIFAC:2022-44

Motion carried **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC received for its information Report BIFAC:2022-44, being the Interim HoMES Project Update report for the first quarter of 2022.

ITEM 2E STATUS UPDATE ON AUDIT RECOMMENDATIONS AS OF DECEMBER 31, 2021 BIFAC:2022-45

Motion carried **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC received for its information Report BIFAC:2022-45, a report regarding the Status Update on Audit Recommendations as of December 31, 2021.

ITEM 3 BUSINESS ARISING FROM THE PUBLIC MEETING MINUTES AND ACTION ITEMS UPDATE

Motion carried **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC received the matters reported as Business Arising from the Public Meeting Minutes and Action Items Update as of March 8, 2022 for its information.

ITEM 4 ANNUAL INFORMATION RETURN

BIFAC:2022-54

The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Lee provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- The BIFAC had a discussion on the not-in-demand units, majority of which are bachelor units. Management provided that the choice-based housing system groups the bachelor unit and the one-bedroom unit into one category, under which applicants often prefer a one-bedroom apartment as supposed to a bachelor apartment. Management further provided that many of the vacant bachelor units are located in areas and buildings that have other issues of vulnerability. TCHC has been working with the Service Manager to look at opportunities to lease more bachelor units, which include collaborating with the Rapid Housing Initiative, and mapping out services and supports to ensure new tenants coming into the buildings are supported by the necessary services.

*Motion
carried*

ON MOTION DULY MADE by Mr. Campbell, seconded by Mr. Smith and carried, the BIFAC unanimously approved and forwarded to the Board for approval the following recommendations as outlined in Report BIFAC:2022-54, to:

1. approve the Annual Information Return of Toronto Community Housing Corporation for the year ended December 31, 2021 and;
2. That this report be brought forward to the Board of Directors for approval and that two directors be authorized to sign the report as is required per the Operating Agreement, on behalf of the Board.

**ITEM 5 2021 ANNUAL REPORT AND LETTER TO
 THE SHAREHOLDER**

BIFAC:2022-46

The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Knight provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- It was recommended that the annual report recognize the retirement of the former Chief Operating Officer Sheila Penny.

*Motion
carried*

ON MOTION DULY MADE by Mr. Smith, seconded by Mr. Macrae and carried, the BIFAC unanimously approved and forwarded to the Board for approval the following recommendations as outlined in Report BIFAC:2022-46, to:

1. Approve the 2021 Annual Report (Attachment 1 to this report);
2. Forward the 2021 Letter to the Shareholder to the Board for its consideration (Attachment 2 to this report);
3. Authorize the President and CEO (or designate) to forward the 2021 Annual Report and Letter to the Shareholder to the City of Toronto's City Manager once approved by the Board; and
4. Request the City of Toronto's advice on the manner in which the President and CEO might attend TCHC's Annual General Meeting and, specifically, whether it is the City's intention to convene a virtual meeting of the Executive Committee for this purpose.

ITEM 6 TENANT FUNDS DISTRIBUTION POLICY
AND PROCEDURES BIFAC:2022-47

The above-captioned report was circulated to BIFAC members prior to the meeting.

Written deputation from Gary Brigden, Jack Chappelle, Michelle Leislie and Nickza Dalas were received with respect to this item and were circulated to the BIFAC prior to the meeting.

Verbal deputations from Omer Ainanshe, Rama Fayaz, Debbie Menezes and Vidya Rajasingham were received with respect to this item.

Ms. Gouveia delivered a presentation on the Tenant Funds Distribution Policy and was available to answer questions of the BIFAC. Highlights of the discussion include:

- Management provided that the Tenant Action Fund is intended to support smaller and short-term projects such as holding community events and purchasing gardening supplies.
- In terms of the differences between the Tenant Action Fund (“TAF”) and the CABR Centre Community Fund (“CABR Fund”), the TAF runs monthly and is broken into the East, West, and Central regions with an annual fund of \$250,000 per region; the CABR Fund is a one-time funding program for larger projects, many of which are city-wide.
- It was provided that TCHC does receive report-back on all of the funded projects and has used this information to assess program results and improve the application process. It was recommended that the team share some of the successful projects, ideas and best practices publicly for knowledge sharing across communities.
- It was provided that the Tenant Funds Distribution Policy has not been formally submitted to the Tenant Services Committee, but the intended next step is to forward the Policy to the Board to have the discussion at the Board level.
- Questions were raised around how vendors are selected and how to ensure the spending achieves value for money. The item procurement/vendor selection process and the system controls to ensure accountability and fairness were elaborated. It was recommended that proper training be provided to staff who are involved

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in the process.

- It was provided that the TAF Table consists of the Manager of Community Safety and Support of the region and six tenants, so that majority of the decision making lies with the tenants but the Manager is there to ensure the decisions are in line with the processes and controls.
- Staff explained the liability insurance expense example in the CABR Fund application toolkit.

*Motion
carried*

ON MOTION DULY MADE by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC:

1. approved and recommended that the Board approve the Tenant Action Funds Distribution Policy, as set out in Attachment 1 to this Report;
2. received and forwarded to the Board for its information:
 - a. the Tenant Action Funds Procedures as set out in Attachment 2 to this Report;
 - b. the Confronting Anti-Black Racism Centre Community Funds Procedure as set out in Attachment 3 to this Report;
 - c. the Tenant Action Funds application guide as set out in Attachment 4 to this Report;
 - d. the Confronting Anti-Black Racism Centre Funds application toolkit as set out in Attachment 5 to this Report;
 - e. the Tenant Action Funds Verification Checklist as set out in Attachment 6 to this Report;
 - f. the Confronting Anti-Black Racism Centre Community Funds verification checklist as set out in Attachment 7 to this Report; and
 - g. the Process maps for controls and oversight as set out in Attachment 8 and 9 to this Report; and
3. authorized the appropriate staff to take the necessary actions to give effect to the recommendations in this Report.

ITEM 7 CHANGE ORDER: YARDI CANADA LTD. BIFAC:2022-48

The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Andrews provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- Management further elaborated on the 10-week COVID-related delay of the project. It was provided that upon consultation with the Union, the Track 2B training is intended to be conducted in person for building staff, which has been delayed due to the pandemic. The Track 2B training is a net new training in relation to building services and demand maintenance which cannot be conducted by only in-house staff.
- Apart from the training support, the vendor will also provide other services including post-launch issue resolution.
- Management provided that TCHC has negotiated with the vendor for some additional work beyond the original scope of work at no cost to TCHC.
- It was provided that there is a \$600,000 contingency fund remaining in the project and staff believe that the amount is sufficient for the rest of the project.

Motion carried **ON MOTION DULY MADE** by Mr. Macrae, seconded by Mr. Smith and carried, the BIFAC unanimously approved the following recommendations contained in Report BIFAC:2022-48 to:

1. Approve a change order to Yardi Canada Ltd for \$1,056,536.80 (exclusive of taxes) to accommodate an extended Track 2B-2 rollout as outlined in Project Background and for an change in the scope of work for reports and customizations as detailed below
 - \$680,492 for resource extension to accommodate the delayed Track 2B-2 rollout (COVID)

- \$57,844.80 for travel and expenses which is a reduction from 13% in original agreement (COVID)
 - \$318,200 for additional reports and customizations, over and above original the Statement of Work fixed price scope accumulated over the course of the entire implementation.
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CHANGE ORDER: ROGERS
COMMUNICATION CANADA INC. MOBILE
ITEM 8 DEVICES, VOICE AND DATA SERVICES BIFAC:2022-49**

The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Andrews provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- A concern was raised on providing smartphones to cleaners at the buildings. It was provided that a decision was made in 2019 to upgrade the flip phones to smartphones for cleaners to receive work orders from the system and address building needs. TCHC typically procures mobile devices for staff at a substantially reduced cost and staff do not have the latest iPhones as their work phones. This change order pertains to data services and mobile services of the work phones.
- Staff in the Seniors Housing Unit will continue to use their current mobile devices after the transition, the cost of which will be reimbursed by Toronto Seniors Housing Corporation through the Shared Service Delivery Agreement.
- It was provided that the funding of this change order was projected in the 2022 budget.
- The BIFAC had a discussion on the additional 10% contingency. Management provided that as TCHC is working with the City of Toronto to understand the future state of the hybrid model, the contingency is in place to account for any unplanned additional demand. It was

recommended that as a good practice, any additional demand be brought back as a change order. As such, the BIFAC resolved to remove the \$127,911.14 contingency fund from the recommendations.

*Motion
carried*

ON MOTION DULY MADE by Mr. Macrae, the BIFAC approved, by a vote of two in favour to one against, the following recommendations contained in Report BIFAC:2022-49 to:

1. Approve a change order to Rogers Communications Canada Ltd. for \$1,279,111.50 (exclusive of taxes) to accommodate a substantial increase in TCHC's requirements for mobile voice and data services; and
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**RECONCILIATION OF PREVENTIVE
MAINTENANCE/ DEMAND REPAIR
PROGRAMS AND ELEVATOR CONTRACTS
– YEAR ENDED DECEMBER 31, 2021**

ITEM 9A

BIFAC:2022-39

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided a detailed introduction of the report and highlighted the lessons-learned through the reconciliation process. The BIFAC appreciated that the report provided a bigger picture for monitoring change orders. The reconciliation reports will be presented to the BIFAC on a quarterly basis.

*Motion
carried*

ON MOTION DULY MADE by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC received for its information Report BIFAC:2022-39, regarding the Reconciliation of Preventive Maintenance/ Demand Repair Programs and Elevator Contracts – Year Ended December 31, 2021.

**CHANGE ORDER: ADDITIONAL FUNDING
FOR DEMAND MAINTENANCE SERVICES**
ITEM 9B – PLUMBING (VAC22063/RFP 19267) BIFAC:2022-35

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- The demand plumbing service program is a shared program utilized by multiple business units throughout TCHC with work orders issued by Facilities Management, Client Care Centre, Maintenance Dispatch, and Risk and Insurance. It was discovered during the year end reconciliation of the program that the original award only contemplated work delivered through Facilities Management, which should have included work managed by other business units. This change order is required to reconcile the demand services spend from 2020 to 2021 and the forecasted requirement to end of the contract, December 31, 2022.
- Management provided that the program spend has exceeded the amount approved in the original contract, but is covered by available funding under the operating budget and the capital budget.
- Management shared that the reconciliation exercise has identified the lack of proper ties between the award approval and the approved budget, Facilities Management has been working with the Finance Team to ensure that the budget is accessible and program spend is within budget.
- Facilities Management will be retendering the program in 2022 to reset the approvals for this program. Facilities Management will coordinate with all the other business units to forecast the holistic program budget for the new RFP.

Motion carried **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC unanimously approved and forwarded to the Board for approval the following recommendations as outlined in Report BIFAC:2022-35, to:

1. approve a change order of up to \$23,555,426.55 (exclusive of taxes) for additional funding for demand plumbing maintenance services for additional spend for years:
 - a. 2020 – previous spend in the amount of: \$5,282,613.55
 - b. 2021 – previous spend in the amount of: \$6,972,813.00
 - c. 2022 – forecasted spend in the amount up to: \$11,300,000.00to the following pre-qualified vendors;
 - Bomben Plumbing & Heating Ltd.
 - Carmar Mechanical Inc.
 - Firenza Plumbing & Heating Ltd.
 - Midsteel Mechanical Ltd.; and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CHANGE ORDER FOR DEMAND
REPAIRS: ADDITIONAL FUNDS FOR
ELEVATOR DEMAND REPAIRS**

ITEM 9C (VAC19307/RFQ 19207)

BIFAC:2022-36

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- It was agreed that the need for the change order should have been identified earlier, which is one of the lessons-learned highlighted in the reconciliation exercise and will be rectified going forward. Future elevator demand repair contracts will take into consideration all factors such as part maintenance.

- The expertise of the elevator team in identifying maintenance requirements and ensuring value for money of the spending was shared.

Motion carried

ON MOTION DULY MADE by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2022-36, to:

1. approve a change order to Elcan Elevator Inc. for \$627,367.42 (exclusive of taxes) for the addition of demand repair services to the elevator maintenance contract for thirty five (35) elevators located in seventeen (17) buildings; broken down as follows:
 - a. \$277,367.42 for previous spend;
 - b. \$350,000.00 for forecasted spend to the end of the contract
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

CHANGE ORDER FOR DEMAND REPAIRS: ADDITIONAL FUNDS FOR ELEVATOR DEMAND REPAIRS

ITEM 9D

(VAC19308/RFQ 19207)

BIFAC:2022-37

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC.

Motion carried

ON MOTION DULY MADE by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2022-37, to:

1. approve a change order to Elcan Elevator Inc. for \$411,188.00 (exclusive of taxes) for the addition of demand repair services to the elevator maintenance contract for thirty four (34) elevators located in fifteen (15) buildings; broken down as follows:
 - a. \$181,188.00 for previous spend
 - b. \$230,000.00 for forecasted spend to the end of the contract
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CHANGE ORDER FOR ADDITIONAL
FUNDS FOR TIGHTENING, LUBRICATION
AND THERMOGRAPHY OF ELECTRICAL
MAINS AND SWITCHGEARS**

ITEM 9E (VAC22064/RFP 16297)

BIFAC:2022-40

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC.

*Motion
carried*

ON MOTION DULY MADE by Mr. Macrae, seconded by Mr. Campbell and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2022-40, to:

1. approve a change order to Pegasus for \$100,000.00 (exclusive of taxes) for preventative maintenance and demand maintenance repairs for tightening, lubrication

and thermography of electrical mains and switchgears (RFP 16297); and

2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

CHANGE ORDER FOR ADDITIONAL FUNDS FOR PREVENTATIVE MAINTENANCE SERVICES FOR CHILLER SYSTEMS (VAC22065/RFP 16016)

ITEM 9F

BIFAC:2022-41

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC.

Motion carried

ON MOTION DULY MADE by Mr. Macrae, seconded by Mr. Campbell and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2022-41, to:

1. approve a change order to Ambient for \$200,533.00 (exclusive of taxes) for additional preventative maintenance services for chiller systems (RFP 16016) and for the demand spend for years 2016 to 2020; and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

INTERNAL AUDIT DEPARTMENT'S ANNUAL REPORT FOR 2021

ITEM 10

BIFAC:2022-53

The above-captioned report was circulated to BIFAC members prior to the meeting.

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Mr. Jessani provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- Mr. Jessani provided an overview of the vacancies in the Internal Audit Department and updated that recruitment for those vacant positions is underway.
- Management's approach to implementing the internal audit recommendations was elaborated.
- The BIFAC acknowledged the Internal Audit Department's valuable contribution to the organization.

Motion carried **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC received Report BIFAC:2022-53, being the Internal Audit Department's Annual Report for 2021.

TERMINATION

A Motion to adjourn the meeting was moved by Mr. Campbell and seconded by Mr. Macrae. The public meeting terminated at 11:39 a.m.

Secretary

Chair, Building Investment,
Finance & Audit Committee