

MEETING OF THE BOARD OF DIRECTORS
SINAI HEALTH SYSTEM (“SHS”)
Thursday, April 27, 2017
MSH Executive Board Room, 19-317
4:00 – 6:10 p.m.

Minutes

Present:

Mr. Brent Belzberg, Chair	Mr. Philip Reichmann
Ms. Paula Blackstien-Hirsch	Ms. Heather Reisman
Mr. Lawrence Bloomberg	Mr. Joel Reitman
Mr. Peter Cohen	Mr. Robert Rubinoff
Mr. Paul Gallagher	Mr. Allan Rudolph
Mr. Bernard Ghert	Mr. Mark Saunders
Mr. Joseph Lebovic	Ms. Honey Sherman
Ms. Jane Merkley	Mr. Charles Winograd
Dr. Gary Newton	Mr. Mark Wiseman
Mr. Stephen Pustil	

Via Teleconference:

Ms. Debbie Kimel

Regrets:

Mr. David Denison, Vice Chair	Dr. Mirek Otremba
The Hon. Linda Frum, Senator	Mr. Edward Sonshine
Mr. Ira Gluskin	Mr. Lawrence Tanenbaum
Mr. Jay Hennick	Rt. Hon. John Turner
Dr. Rita Kandel	Dr. Trevor Young
Mr. David Leith	

SHS Attendees:

Mr. Peter Allatt	Ms. Carey Lucki
Dr. Chaim Bell	Dr. Howard Ovens
Ms. Susan Brown	Mr. Jason Rutland
Dr. Kerry Bowman	Dr. Maureen Shandling
Mr. Terry Caputo	Ms. Joan Sproul
Mr. Gerry Dimnik	Mr. John Toogood
Mr. Stephen Goldsmith	Mr. Marc Toppings
Dr. Tony Khouri	Ms. Jordana Warner
Ms. Patricia Macgregor	Ms. Kate Wilkinson
Ms. Joanne MacKenzie	Dr. Jim Woodgett
Ms. Barbara McCully	Mr. Andrew Wyllie

Guests:

Ms. Merie-Anne Beavis (Gowling WLG)	Ms. Karen Michell
Mr. John Cieslak	Ms. Joanna Rotenberg
Mr. Tom Kornya	Mr. Howard Sokolowski
Ms. Denise McNally (Infrastructure Ontario)	

CHAIR'S REPORT

Mr. Brent Belzberg, Chair, welcomed the Board members to the Board meeting of Sinai Health System ("SHS" or "Hospital").

Mr. Belzberg provided the Board with the Chair's Report, a copy of which is appended to the original minutes.

Mr. Belzberg also noted that a discussion related to the changes in the Hospital's administrative by-law and recommendations for the slate of Directors would take place during the *in camera* session and a proposed slate of Directors will be brought forward at the June 20, 2017 annual general meeting for approval.

1.0 CALL TO ORDER

Mr. Belzberg called the meeting to order.

1.1 Quorum

The Chair noted that a quorum was present and the meeting was duly constituted.

1.2 Declaration of Conflicts of Interest Arising from the Agenda

No Declarations of Conflicts of Interest were declared.

1.3 Approval of Agenda

The agenda was approved as circulated.

2.0 CEO'S REPORT

Dr. Gary Newton, President and CEO, updated the Board on recent leadership appointments in the organization, the ongoing work related to Accreditation, and notable updates on key clinical programs.

Dr. Newton addressed current leadership recruitment within the organization, which included the appointment of Mr. Gerry Dimnik to the position of Interim Vice President, Information Services & Chief Information Officer (CIO) and Ms. Karen Michell to the position of Vice President, Strategy. Additionally, Dr. Newton advised that Dr. Howard Ovens had stepped down from his roles as Chief of Emergency Medicine and Medical Director of the Urgent & Critical Care Centre of Excellence to take on the dual roles of Chief Medical Strategy Officer for SHS and Medical Advisor for Sinai Health Foundation (SHF).

Dr. Newton addressed the Hospital's upcoming Accreditation cycle and noted that this assessment is comprehensive and encompasses all operations, processes, and policies/procedures across the Hospital to ensure that standards are being met and to inform and support quality improvement. He noted that SHS's first survey as an amalgamated system will take place the week of June 12, 2017.

Dr. Newton also provided a brief update on recent work related to SHS's cancer and palliative care programs. Ms. Susan Blacker has been appointed to the new position of Senior Director, Cancer and Palliative Program Planning and Performance and Dr. Jeff Myers has been

appointed as a geographic fulltime Medical Site Lead at the Bridgepoint Hospital site in Palliative Care.

3.0 RESOURCES REPORT

The Report of the Resources Committee was pre-circulated, a copy of which is appended to the original minutes. The report highlighted the operating and performance results for the period ending February 28, 2017, and overview of financial highlights spanning the 2016/17 year. As well, the report provided an update on Renew Sinai Phase 3A redevelopment project; specifically related to the selection of the preferred proponent, the Local Share Plan (LSP) and requirements for Commercial and Financial Close.

- 3.1 Operating & Performance Dashboard (YTD February 2017)
- 3.2 Fiscal 2016/17 Highlights

Mrs. Joan Sproul, EVP, Finance (CFO) and Chief Administrative Officer, and Mr. Jason Rutland, VP, Finance and Support Services presented the Dashboard and a presentation outlining highlights from the 2016/17 fiscal year, both of which were pre-circulated, copies of which are appended to the original minutes. The Dashboard included the results of operations for the Hospital, Lunenfeld-Tanenbaum Research Institute ("LTRI"), Sinai Health Foundation, and Business Development. The Board was informed that the Hospital is tracking towards a balanced budget for year-end and that the funding requirements of LTRI had been fulfilled.

3.3 Renew Sinai – Phase 3A Redevelopment Project – Preferred Proponent

A Briefing Note and associated attachments were pre-circulated, copies of which are appended to the original minutes. These materials provided an overview of the Phase 3A bid process, proponent evaluation and selection, as well as the results of legal due diligence on the Project Agreement and the Build Finance Agreement. Notably, the pre-circulated materials did not identify the name of the preferred proponent or the final cost of the project. For confidentiality purposes, those items were provided directly at the meeting.

Phase 3A Bid Process & Evaluation

Mr. Belzberg introduced Ms. Denise McNally, Senior Vice President, Project Delivery at Infrastructure Ontario (IO). Ms. McNally provided the Board with an overview of the Phase 3A bid process, evaluation, and results. Ms. McNally noted that, due to the complexity of the project, in addition to the works schedule, the technical evaluation took into consideration the quality of the proponent teams and management approach, as well as communications plans.

The Project Agreement & Build Finance Agreement

Mr. Peter Cohen, Co-Chair, Resources Committee, advised that the Resources Committee and Buildings & Property Subcommittee had received comprehensive presentations from Gowlings WLG (legal counsel for IO/SHS on the Project Agreement), and McCarthy Tétrault LLP (legal counsel for SHS on the Build Finance Agreement) related to the legal diligence to date. It was noted that those Committees were satisfied with the legal diligence.

Post-Tender Costs and Local Share Plan (LSP)

With respect to the project cost, Mrs. Sproul, Mr. Rutland, and Mr. Tony Khouri, Vice President, Facilities & Capital Development reviewed the Final Estimate of Cost (FEC) and LSP with the Board.

In order to obtain approval from the Ministry of Health and Long-Term Care to move to commercial and financial close, the following resolution was put forward and approved by the SHS Board:

Whereas:

- a) The Ministry of Health and Long-Term Care ("**Ministry**"), Infrastructure Ontario ("**IO**") and Sinai Health System ("**SHS**") have estimated the total project cost (the "**Project Cost**") of up to **\$462,641,119** for the Phase 3A Surgery, Critical Care and Emergency Room Redevelopment Project (the "**Renew Sinai Phase 3A Redevelopment Project**");
- b) The Hospital Local Share estimated cost of the Project Cost is to be up to \$130.6 Million (excluding financing costs), as identified in the draft Build Finance Agreement and as previously approved by the SHS Board;
- c) The Ministry requires that the SHS Board of Directors approve and authorize certain actions to proceed to Commercial Close and Financial Close on or about June, 2017 in accordance with the project schedule that has been mutually agreed to by the Ministry, IO and SHS, namely (i) the execution and delivery of the Project Agreement (the "**Project Agreement**") to be entered into by SHS and "**Project Co**" (an entity controlled by the Preferred Proponent described below to be identified by the Preferred Proponent prior to Commercial Close), (ii) the Capital Redevelopment Project Local Share commitment by SHS, and (iii) the Build Finance Agreement (the "**Build Finance Agreement**") to be entered into by the Ministry and SHS (collectively, the "**Deliverables**"); and
- d) The Resources Committee of the SHS Board of Directors has reviewed the Deliverables as presented by Management and recommends their approval and authorization by the SHS Board of Directors;

Now therefore, be it resolved that the SHS Board of Directors approves and authorizes the following:

- 1) the selection of **EllisDon Capital Inc.** as the "Preferred Proponent" under the Request for Proposals for the Renew Sinai Phase 3A Redevelopment Project;
- 2) the execution and delivery by SHS of the Project Agreement substantially in the form presented to the SHS Board of Directors;
- 3) the total project cost of up to **\$462,641,119**;
- 4) the execution and delivery by SHS of all ancillary agreements, documents and instruments related to the Project Agreement and the Renew Sinai Phase 3A Redevelopment Project to be executed by SHS on Commercial Close and Financial Close other than the Build Finance Agreement (collectively, the Project Agreement and such other ancillary agreements, documents and instruments are the "**Project Documents**");
- 5) the Capital Redevelopment Project Local Share commitment by SHS of up to \$130.6 Million (excluding financing costs) of which **\$76,554,715** is budgeted for new Capital Equipment and IT, with the understanding that project implementation will utilize IO's Build Finance procurement model and documentation;
- 6) the execution and delivery by SHS of the Build Finance Agreement substantially in the form presented to the SHS Board of Directors;

- 7) any one of the Board Chair or Treasurer together with any one of the President & CEO or EVP, Finance (CFO) and Chief Administrative Officer (collectively, the "Project Documents Signatories") may execute and deliver the Project Agreement and the Build Finance Agreement for and on behalf of SHS, with such changes thereto as they in their discretion may approve, their approval of any such changes to be conclusively evidenced by their execution and delivery of the applicable agreement;
- 8) any two of the Project Documents Signatories may execute and deliver the Project Documents other than the Project Agreement for and on behalf of SHS, each in a form and substance as they in their discretion may approve, their approval of such form and substance to be conclusively evidenced by their execution and delivery of such Project Document; and
- 9) any director or officer of SHS is authorized to do all acts and things that are, in that person's opinion, necessary or desirable or as SHS may be advised by legal counsel are necessary or desirable, to give effect to the foregoing resolutions and/or to carry out the Deliverables and the other Project Documents as each of them in his or her discretion may approve, the performance or causing the performance of any and all such acts and things to be conclusive evidence of such approval.

4.0 PATIENT SAFETY AND QUALITY REPORT

The Report of the Patient Safety and Quality Committee was pre-circulated, a copy of which is appended to the original minutes. This report provided the Board with an update on the status of the work plan for the Patient Safety & Quality Committee and on an initiative related to medication safety.

Ms. Paula Blackstien-Hirsch, Chair, Patient Safety & Quality Committee, introduced a presentation on a Closed Loop Medication Management project. Mr. Andrew Wyllie, Practice Leader & Drug Information Pharmacist, delivered the presentation to the Board and noted that the project involves implementing hospital-wide technologies and practices to facilitate a closed loop medication management system to enhance accountability, safety, and reduce risk.

5.0 AUDIT & RISK MANAGEMENT COMMITTEE REPORT

The Report of the Audit & Risk Management Committee was pre-circulated, a copy of which is appended to the original minutes. The report provided the Board with an update on the status of the Enterprise Risk Management (ERM) initiative, including an overview of the organization's 'top' risks as identified by Management.

6.0 GOVERNANCE COMMITTEE REPORT

Ms. Kate Wilkinson, Vice President Quality & Clinical Programs introduced Dr. Kerry Bowman, Bioethicist and Mr. Peter Allatt, Clinical Ethicist. Dr. Bowman presented an overview of a new harmonized Ethics Committee, ethics framework, and decision making tool kit. Dr. Bowman advised the Board that a principle-based decision making model and tool kit have been developed to guide, support, and standardize decision making across the system. This tool can be used for ethics decision making across the organization, including at the Board and Board Committee levels.

7.0 APPROVALS

The following motions regarding Board minutes and Board Committee Reports were put forward by Mr. Belzberg and approved by the Board:

7.1 Minutes

The previous meeting minutes of the Board of Directors of SHS from Tuesday, February 28, 2017 were pre-circulated, a copy of which is appended to the original minutes. The following resolution was put forward and approved by the SHS Board:

Be it resolved that the Board of Directors of SHS approves the meeting minutes as circulated.

7.2 Board Committee Reports

Omnibus Motion Emanating from Board Committee Reports

Be it resolved that the Board of Directors accepts the recommendations of the following Committees of the Board and accordingly approves all of the following resolutions:

Audit & Risk Management Committee

The Report of the Audit and Risk Management Committee was pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Tuesday, April 4, 2017.

- Financial Results - YTD February 2017

Whereas the Audit and Risk Management Committee recommends that the Board of SHS approve the Financial Statements for the Eleven Months Ended February 28, 2017;

Be it resolved that the Board of SHS accepts the recommendation of the Audit and Risk Management Committee and accordingly approve the Financial Statements for the Eleven Months Ended February 28, 2017.

- Risk Registry: Business Development

Whereas the Audit and Risk Management Committee (the "**Committee**") has reviewed the risk report with respect to the Hospital's Business Development portfolio, including the underlying process to identify, assess and monitor risks identified (the "**Risk Report**"), and recommends approval of the Risk Report by the SHS Board of Directors;

Be it resolved that the SHS Board of Directors accepts the recommendation of the Audit and Risk Management Committee, and accordingly approves the Risk Report as presented.

Medical Advisory Committee

The Report of the Medical Advisory Committee was pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Wednesday, March 8, 2017.

- Medical Staff

Whereas the Medical Advisory Committee has completed a review of the changes to professional staff, new appointments, resignation, notice of death, and temporary privileges in accordance with the Professional Staff By-Law, and recommends SHS Board approval;

Be it resolved that the Board of Directors of SHS accepts the recommendation of the Medical Advisory Committee and accordingly approves the changes to professional staff, new appointments, resignation, notice of death, and temporary privileges recommended by the Medical Advisory Committee in accordance with the Professional Staff By-Law.

Patient Safety & Quality Committee

The Report of the Patient Safety & Quality Committee was pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Thursday, March 23, 2017.

- Quality Improvement Plan 2017/18

Whereas the Patient Safety and Quality Committee of the Board has reviewed the Quality Improvement Plan 2017/18 (the "QIP 2017/18) as prepared by Management in accordance with the Excellent Care of All Act, 2010, and as presented to the Committee;

Whereas the Patient Safety and Quality Committee recommends approval of the QIP 2017/18 by the SHS Board;

Be it resolved that the SHS Board accepts the recommendation of the Patient Safety and Quality Committee and accordingly approves the QIP 2017/18.

Resources Committee

The Report of the Resources Committee was pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Thursday, April 27, 2017.

- 2017-18 Hospital Service Accountability Agreement (HSAA)

Whereas the Toronto Central LHIN and SHS have been working together to set the performance, funding and accountability measures for the 2017/18 fiscal year, with the intention to enter into an amended Hospital Service Accountability Agreement (H-SAA) effective April 1, 2017;

Whereas management is satisfied with the terms of the agreement, which are substantially the same as the terms in the existing H-SAA agreement;

Whereas the Resources Committee recommends that the SHS Board of Directors delegate authority to the Board Chair and the President & CEO to execute the 2008-2018 amending H-SAA agreement;

Be it resolved that the SHS Board of Directors accepts the recommendation of the Resources Committee and accordingly delegates authority to the Board Chair and the President & CEO to execute the 2008-2018 amending H-SAA agreement.

- Multi-Sector Service Accountability Agreement (M-SAA)

Whereas the Toronto Central LHIN and SHS have been working together to enter into an amending Multi-Sector Accountability Agreement (M-SAA) effective April 1, 2017;

Whereas management is satisfied with the terms of the agreement, which are substantially the same as the terms in the existing M-SAA agreement;

Whereas the Resources Committee recommends that the SHS Board of Directors delegate authority to the Board Chair and the President & CEO to execute the 2014-2018 amending M-SAA agreement;

Be it resolved that the SHS Board of Directors accepts the recommendation of the Resources Committee and accordingly delegates authority to the Board Chair and the President & CEO to execute the 2014-2018 amending M-SAA agreement.

- Phase 3A Local Share Plan

Whereas Management has assessed the financial obligations and funding sources associated with the Local Share Plan (LSP) for Renew Sinai Phase 3A;

Whereas the Resources Committee accepts Management's recommendation and recommends that the Board of Directors:

- i) approves the LSP at a funding level of \$130.6M and a cost of \$107.73M (excluding financing costs); and
- ii) directs Management to restrict up to \$3.6M in hospital working capital as part of the local share funding plan, subject to working capital levels remaining in full compliance with SHS' Hospital Service Accountability Agreement (H-SAA) at year end.

Be it resolved that the SHS Board of Directors accepts the recommendation of the Resources Committee and accordingly:

- i) approves the LSP at a funding level of \$130.6M and a cost of \$107.73M (excluding financing costs); and
- ii) directs management to restrict up to \$3.6M in hospital working capital as part of the local share funding plan, subject to working capital levels remaining in full compliance with SHS' Hospital Service Accountability Agreement (H-SAA) at year end.

- Way-finding Fabrication and Installation

Whereas the Resources Committee has been presented with the business rationale regarding the purchase of certain way-finding signage related to the Renew Sinai Phase 3A Project and the balance of 600 University Avenue building, including fabrication and installation of such signage (collectively, the "**Requirements**") and the request by Management to approve a contract for the purchase of the Requirements;

And whereas the Resources Committee approves the Hospital entering into an agreement for the purchase of the Requirements and recommends that the SHS Board approve same;

Subject to confirmation that there are no material legal or business risks in the contract once prepared and no material changes to the business case as presented, and subject to confirmation that the final negotiated cost for the agreement does not exceed \$ 2.7M by more than 10%, such confirmation to be provided to the Resources Committee's Co-Chairs by Management prior to execution;

Now therefore, be it resolved that the SHS Board accepts the recommendation of the Resources Committee and accordingly approves the Hospital entering into an agreement for the purchase of the Requirements.

- **Miscellaneous Furniture – Phase 3 Renew Sinai**

Whereas the Resources Committee has been presented with the business rationale regarding the purchase of furniture related to the Renew Sinai Phase 3A Project (the "Furniture") and the request by Management to approve a contract for the purchase of the Furniture;

And whereas the Resources Committee approves the Hospital entering into an agreement for the purchase of the Furniture and recommends that the SHS Board approve same;

Subject to confirmation that there are no material legal or business risks in the contract once prepared and no material changes to the business case as presented, and subject to confirmation that the final negotiated cost for the agreement does not exceed \$ 2.2M by more than 10%, such confirmation to be provided to the Resources Committee's Co-Chairs by Management prior to execution;

Now therefore, be it resolved that the SHS Board accepts the recommendation of the Resources Committee and accordingly approves the Hospital entering into an agreement for the purchase of the Furniture.

- **Report of the Investment Subcommittee**

The Report of the Investment Subcommittee was pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Tuesday, December 13, 2016.

- **Terms of Reference**

Whereas the terms of reference of the Investment Subcommittee (the "Subcommittee") have been revised to align with the fact that the Subcommittee is now a common committee as among SHS, Sinai Health System Foundation and the Bridgepoint Foundation (the "Revised Terms of Reference");

Whereas Management and the Subcommittee have recommended that the Resources Committee approve the Revised Terms of Reference to

align with the Subcommittee's mandate and recommend same for approval by the SHS Board of Directors;

Whereas the Resources Committee approves the Revised Terms of Reference as presented and recommends approval of same by the SHS Board of Directors;

Be it resolved that the SHS Board of Directors accepts the recommendation of the Resources Committee and accordingly approves the Revised Terms of Reference as presented.

Governance Committee

The Report of the Governance Committee was pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Tuesday, April 25, 2017.

- Ethics Framework

Whereas the Governance Committee of the Board (the "**Committee**") has reviewed the SHS Ethical Framework and Decision Making Toolkit, as presented to the Committee by Management and recommends same for approval by the SHS Board of Directors;

Now therefore be it resolved that the SHS Board approves the SHS Ethical Framework and Decision Making Toolkit as presented.

8.0 IN-CAMERA WITH CEO & GENERAL COUNSEL

The Board met in-camera with Dr. Newton and Mr. Toppings.

10.0 OTHER BUSINESS


No other business was brought forward.

11.0 DATE OF NEXT MEETING

Tuesday, June 20, 2017
12:00 – 2:00 p.m.
Location TBD

12.0 ADJOURNMENT

There being no further business, the meeting adjourned at 6:10 p.m.



Brent Belzberg
Chair of the Board



Marc Toppings
Corporate Secretary