

November 26 2014
COW and Council meetings
Item 1

**SPECIAL C W
COMMUNICATION**

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Date: Nov 26/14 ITEM NO. 1

Dear Mayor and Members of Council

Please consider this as my written deputation to item 1 on the agenda of November 26 COW and Council meeting.

I am writing this deputation in order to make it clear that I believe that the City of Vaughan CANNOT pay the legal fees of DiBiase or Rosati for the lawsuit brought by Mr DiPoce. This applies to direct payment and also hiring a lawyer through Vaughan's insurance.

The lawsuit was brought under two types of claims, the first being misfeasance (which staff states cannot be covered by taxpayer money) and the second and main claim is conflict of interest, which by statute cannot be covered by taxpayer until AFTER a court ruling where a judge finds there is no conflict.

Conflict of interest lawsuits are governed by the Municipal Conflict of Interest Act and the MCOI Act specifically states:

Insurance

14. (1) Despite section 279 of the *Municipal Act, 2001* or section 218 of the *City of Toronto Act, 2006*, as the case may be, the council of every municipality may at any time pass by-laws,

- (a) for contracting for insurance;
- (b) despite the *Insurance Act*, to enable the municipality to act as an insurer; and
- (c) for exchanging with other municipalities in Ontario reciprocal contracts of indemnity or inter-insurance in accordance with Part XIII of the *Insurance Act*,

to protect a member of the council or of any local board thereof who has been found not to have contravened section 5, against any costs or expenses incurred by the member as a result of a proceeding brought under this Act, and for paying on behalf of or reimbursing the member for any such costs or expenses. R.S.O. 1990, c. M.50, s. 14 (1); 2002, c. 17, Sched. F, Table; 2006, c. 32, Sched. C, s. 33 (2).

(http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90m50_e.htm)

Appendix A is a letter from the previous insurance company that outlines the Act. Although the insurance company has changed, the Act has not. The legislative rules still apply.

In addition, as all council members know, there is an issue that was raised in Feb 2011 that still has not been addressed, and that the payment of legal fees of DiBiase for the previous lawsuit, where the City of Vaughan lost and yet paid the legal fees of the defendant DiBiase.

I remind Vaughan Council that the Information Privacy Commission (IPC) ordered the City of Vaughan to release ALL documents from the above mentioned lawsuit and to do Vaughan remains in breach of this order. Orders are MO-2835 and MO-2823.

The matter remains with the Attorney General of Ontario who has stated they would respond, however have not yet done so.

The emails are attached as Appendix B

Thank you
Carrie Liddy

Vaughan resident

Appendix 1



Doc. 52-2

The above coverage is limited to the policy limit of \$250,000.00. Should costs be awarded to any Plaintiff in this matter then that is not considered part of the defense and therefore not recoverable under this policy of insurance. I ask that you, from time to time please advise me as to the status of this matter. If you have any questions or concerns please do not hesitate to contact me at 1-800-265-4000 extension 277.

Yours truly,

A handwritten signature in black ink, appearing to read 'Phil Presutti', written over a horizontal line.

Phil Presutti, CIP
Senior Claims Examiner
Frank Cowan Company