Committee of the Whole

REPORT 07-036

9:30 a.m.
December 10, 2007
Albion Room, Hamilton Convention Centre

Present: Mayor F. Eisenberger

Absent with regrets: Councillor B. Morelli – Sick Leave

Also Present: G. Peace, City Manager
J. Rinaldo, General Manager, Finance and Corporate Services
T. McCabe, General Manager, Planning and Economic Development
J. Kay, General Manager HES/Fire Chief
J. Priel, General Manager, Community Services
Dr. E. Richardson, Medical Officer of Health
M. Gallagher, Co-ordinator

COMMITTEE OF THE WHOLE PRESENTS REPORT 07-036 AND RESPECTFULLY RECOMMENDS:

1. 2008 Recommended Water/Wastewater and Storm Water Budget (FCS07098/PW07145) (Item 7.1)
   (a) That the metered water rate effective January 1, 2008 be increased by 8.9% from $0.913 to $0.994 per cubic meter;
   (b) That the monthly and bi-monthly water basic charge effective January 1, 2008 be increased by 8.9%;
   (c) That the metered sanitary sewer rates effective January 1, 2008, remain 100% of the water charge;
(d) That the combined “non-metered” water and wastewater services charge effective January 1, 2008 be increased by 8.9% from the fixed rate of $666.27 to $725.57 per annum;

(e) That the 2008 Water and Wastewater Proposed User Fees and Charges be approved as per Appendix “E” to FCS07098/PW07145;

(f) That the 2008 Water, Wastewater and Stormwater Management Rate Supported Operating Budget in the amount of $157,251,480 be approved as per Appendix “A” to FCS07098/PW07145;

(g) That the long-term financing plan for the Water, Wastewater and Stormwater programs and related rate increases required to meet sustainable financing, as identified in the 2008-2017 Water, Wastewater and Stormwater Management Rate Supported Operating Budget forecast as per Appendix “C” to FCS07098/PW07145 be approved;

(h) That the 2008 Water, Wastewater and Stormwater Management Rate Supported Capital Budget and Financing Plan in the amount of $191,050,000 be approved as per Appendix “F” to FCS07098/PW07145;

(i) That the 2008-2017 Water, Wastewater and Stormwater Management Rate Supported Capital Budget forecast and financing plan as per Appendix “G” to FCS07098/PW07145 be approved;

(j) That the General Manager of Finance and Corporate Services be directed to adjust and/or close the capital projects, as listed in Attachment “A” to Report FCS07098/PW07145, and that the net funding be allocated to reduce outstanding debt requirements on pre-2008 approved rate projects;

(k) That staff not proceed towards completion of the Wastewater Investment Needs projects, which support the Hamilton Harbour Remedial Action Plan, until such time as the Federal and Provincial government(s) have committed to support these projects for a minimum of $174,000,000;

(l) That staff undertake a stormwater utility rate review in an effort to try to capture associated user fees from all beneficiaries;

(m) That staff be directed to return to Council in 2008 for authority to proceed with the development of a new Development Charges By-law, so as to incorporate the impact of updated infrastructure master plans;
(n) That the City Solicitor and Corporate Counsel be authorized and directed to prepare all necessary by-laws, for Council approval, respecting the 2008 water and wastewater user fees and charges set out in the recommendations (a) through (e) of Report FCS07098/PW07145.

(o) That staff be directed to report back on improvements to the Utility arrears program to ensure its availability to all and to ensure that it's a proactive program to all those eligible (i.e. improvements in communications, enhanced public awareness of the program and ease of application procedures.

2. 2008 Tax Supported User Fees (FCS07105) (City Wide) (Item 7.2)

(a) That the 2008 User Fees contained in Attachment One to FCS07105, be approved and implemented;

(b) That Outstanding Business Item (I) of the Audit & Administration Committee be identified as completed and removed from the Outstanding List; and

(c) That the City Solicitor & Corporate Counsel be authorized and directed to prepare all necessary by-laws, for Council approval, for the purposes of establishing the user fees contained within this report.

3. 2008 Hamilton Civic Golf Course Rates and Fee Schedule (ECS07099) (Wards 1 & 5) (Item 7.3)

That the proposed 2008 Rates and Fee Schedule for the Hamilton Civic Golf Courses, attached as Appendix A hereto, be approved.

4. Ice Rates 2008-2009 (ECS07100) (City Wide) (Item 7.4)

That Report ECS07100 respecting Ice Rates 2008-2009, be received.

5. Economic Development: MOVING FORWARD Governance Review, Organizational Change, Engagement with Community and Enhanced Investment Funding (City Wide) (PED07306) (Item 7.5)

(a) That the Final Report by The Randolph Group, entitled Economic Development: Business Development Profile and Governance Review for the City of Hamilton dated January 15, 2007, attached as Appendix A to Report PED07306, be received.
(b) That the *Municipal Comparative Analysis* Report prepared by The Randolph Group dated August 17, 2006, attached as Appendix B to Report PED07306, be received.

(c) That the City continue to have Economic Development services provided through a municipal Economic Development Division reporting through, and integrated with, the Planning and Economic Development Department.

(d) That a Mayor’s Jobs/Prosperity Collaborative Group be established to provide advice and strategic direction to Council, subject to:

(i) a report being submitted to Committee of the Whole no later than March 26, 2008, setting out the refined purpose/mandate, reporting relationship, structure and membership of the Collaborative.

(aa) That the membership include the Mayor as an ex-officio member and Councillor T. Jackson as the city council representative

(ii) The Mayor’s Collaborative Group model vs. other governance options be reassessed by Committee of the Whole for effectiveness in relation to past performance and value, and the relevance to the City’s Strategic Plan and the business and economic environment at that time, by March 26, 2009.

(e) That the following recommendation related to the 2008 Budget enhancement for Economic Development be approved;

That an additional $1.5M be added annually to the City’s Operating Budget / levy representing Council’s recognition, commitment and priority for the importance of growing the City’s economy and that these funds be allocated as follows:

(i) That $1,013,000.00 be annualized into the Planning and Economic Development Department’s Operating Budget for the cost of eight (8) additional FTEs; $25,000.00 for the City’s contribution to the Industry Education Council and an additional $150,000.00 directed to enhanced and aggressive marketing; with the details for this outlined in Appendix E to Report PED07306.
(ii) That the Senior Advisor to Economic Development be initially hired on the basis of a three (3) year contract with an assessment of the past effectiveness of this position then undertaken coincidental with the new term of Council and any alternative governance models considered at that time.

(iii) That $380,000.00 of the $487,000.00 balance of the new $1.5M Economic Development Fund be allocated in 2008 as one-time monies for Intergovernmental Affairs ($150,000.00), the City’s contribution to the Jobs / Prosperity Collaborative in partnership with Mohawk College ($100,000.00), consultant retention to develop a new Economic Development Marketing Strategy ($100,000.00) and $30,000.00 per year (for five (5) years) contribution for a new partnership with the McMaster Institute for Transport and Logistics.

(iv) That a new reserve be established, being the Economic Development Investment Fund, and that the $107,000.00 balance from the 2008 Budget of the new $1.5M annual fund, and all balances not allocated from each future year, be contributed to this reserve for implementation of future strategic Council priorities related to economic development ($457,000.00 in 2009) ($487,000.00 in 2013).

(f) That Council support the initiative of the City being co-sponsors / co-convenors with Mohawk College regarding the Jobs / Prosperity Collaborative, being a working partnership with the business and education community supporting a new economic development strategy for the City.

(g) That the Economic Development and Real Estate Division’s Annual Work Plan include benchmarks and performance measures with identified targets of what is intended to be achieved each year and how activities have demonstrated support of Council’s strategic priorities.

(h) That the Economic Development and Real Estate Division prepare quarterly Progress Reports on achievement of targets and identified performance measures.

(i) That, in addition to comments on social and environmental issues, future staff reports include a section identifying economic development benefits to supporting recommendations, such as potential assessment and employment growth and additional direct revenues to the City.
6. Legal Services File No. 100-28/00.13 (LS07024) (Item 10.1)

(a) That the City of Hamilton settle the action in Legal Services File No. 100-28/00.13 by way of payment to the plaintiffs of:

(i) the sum of $350,000.00 inclusive of all claims for damages, advance payments, interest, and fees; and

(ii) the sum of approximately $58,000.00 representing assessable disbursements;

(b) That payment be charged to the Insurance Reserve Account Number 23007 000100,

(c) That the plaintiffs be required to execute a Full and Final Release in a form satisfactory to the City Solicitor; and

(d) That the action be dismissed on consent, without costs.

(e) That Report LS07024 respecting Legal Services File No. 100-28/00.13 remain a confidential document and not for public release.

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA

4th delegation added to agenda wishing to speak to the Water budget - Mr. Joe Pleavin. He will be considered as Item 6.2(d)

The agenda was adopted as amended.

(b) DECLARATIONS OF INTEREST

Item 2 2008 Tax Supported User Fees (FCS07105) (City Wide) (Item 7.2)

Councillor Ferguson – Declared an interest in the taxi renewal as he is an investor in the taxi industry

(c) ADOPTION OF MINUTES

3.1 November 26, 2007

The Minutes of November 26, 2007 were adopted as presented.
(d) **ANNOUNCEMENT**

The Mayor introduced the Mayors for the Day for the month of December Andrew Habros who attends Monseigneur-de-Laval Catholic School and is in Grade 7 and Ethan Michael Smeaton who attends Bell-times Millgrove School and is in Grade 5.

(e) **DELEGATIONS/PRESENTATIONS**

(i) **Presentation respecting 2008 Recommended Water/Wastewater and Storm Water Budget (Item 6.1)**

Jim Harnum and Mike Zegarac presented the Budget highlighting the following:
- Principle Objectives
- Divisional Facts
- 2007 Year in Review
- Environmental Scan
- Operating and Capital Overview
- Water and Wastewater Master Plan Overview
- Recommended 2008 Rates
- Rate Comparison
- Consumption Overview
- Financial Sustainability Strategy

The Main Motion was Carried on a recorded vote:

**Yeas:**
- Mayor F. Eisenberger

Total: 14

**Nays:**
- S. Merulla

Total: 1

**Absent:**
- B. Morelli

Total: 1

(ii) **Public Delegations (Item 6.2)**

(a) **Jim Hudson, BARC (written presentation)**

Mr. Hudson addressed council and asked that they support the proposed increase for the following reasons:
- investment in the economy
- investment in our people
- investment in the environment

(b) Mike Radkin

Mr. Radkin was not in attendance.

(c) John Hall, Remedial Action Plan

Mr. Hall spoke in favour of the increase. He addressed the wastewater master plan, support by the technical team and the provincial and federal cost sharing for remedial action plans.

(d) Joe Pleavin

Mr. Pleavin addressed concerns with respect to fluoride and chlorine in the water and his concern that any increases to a seniors pension gets eliminated by increases in water rates.

The presentations were received.

(iii) 2008 Tax Supported User Fees (FCS07105) (City Wide) (Item 7.2)

(aa) Staff was directed to review and report back on the additional fees that the City of Toronto has been allowed to apply through Provincial legislative changes; and highlight possible opportunities for Hamilton, enabling council to consider a similar request to the province.

(bb) User Fee rates for municipal Service Centres

(iv) Ice Rates 2008-2009 (ECS07100) (City Wide) (Item 7.4)

Staff to provide information on the following:
Increase for ice costs – what was the actual cost then and now?

(v) Economic Development: MOVING FORWARD
Governance Review, Organizational Change, Engagement with Community and Enhanced Investment Funding (City Wide) (PED07306) (Item 7.5)

Carolyn Kearns, The Randolph Group provided a power point presentation highlighting the following:
Committee of the Whole

- Factors which influenced the decision to review the Economic Development business development functions and governance
- Terms of Reference for the project
- Strengths of Business Development Section
- Defining Roles and Responsibilities
- Addressing Gaps
- Rationalizing the Organization Structure
- Current Reporting Relationship
- Business Advisory Committee vs. Stand Alone Economic Development Corporation

Tim McCabe, General Manager, Economic Development and Planning Department provided an overview of the staff report.

The Motion as Amended CARRIED on a recorded vote:

Yeas: Mayor F. Eisenberger
      Total: 14

Nays: L. Ferguson
      Total: 1

Absent: B. Morelli
      Total: 1

(f) PRIVATE AND CONFIDENTIAL

The Committee moved into closed session subject to Section 8.1(e) of the procedural by-law as the matter pertained to litigation affecting the Police Services Board.

Upon reconvening, Council approved recommendation #6 outlined in this report.

The meeting adjourned at 3:45 p.m.

Respectfully submitted,
Committee of the Whole 10 Report 07-036

Mayor F. Eisenberger

M. Gallagher, Co-ordinator
December 10, 2007