Audit and Administration Committee
MINUTES
9:30 a.m.
Wednesday, September 5, 2007
Council Chambers
Hamilton City Hall
71 Main Street West, Hamilton

Present: Chair C. Collins
Vice-Chair M. Pearson
Councillors B. Bratina, B. Clark, B. Morelli and R. Powers

Absent: Councillor T. Whitehead, City Business

Also Present: Mayor F. Eisenberger
Councillors S. Merulla, L. Ferguson
J. Rinaldo, General Manager, Finance & Corporate Services
T. Tollis, Finance and Corporate Services
G. Peace, City Manager
J. Kay, General Manager/Fire Chief
S. Stewart, General Manager Public Works
C. Berge, Human Resources
I. Sturgeon, City Clerk’s

THE FOLLOWING ITEMS WERE REPORTED TO CITY COUNCIL FOR CONSIDERATION:

1. Monthly Status Report of Tenders and Requests for Proposals for July 13, 2007 to August 9, 2007 – (FCS07030(e)) (Item 5.1)

(Pearson/Clark)
That Report FCS07030(e) respecting Monthly Status Report of Tenders and Requests for Proposals for July 13, 2—7 to August 9, 2007 be received.

CARRIED
2. **FOI Quarterly Report (April 1 – June 30, 2007) (CL07005(a))** (Item 5.2)

   *(Pearson/Clark)*
   That Report CL07005(a) respecting FOI Quarterly Report (April 1 – June 30, 2007) be received.

   **CARRIED**

3. **Cemetery Accounts Investment Performance Report - June 30, 2007 (FCS07075) (City Wide) (Item 5.3)**

   *(Pearson/Clark)*
   That Report FCS07075 respecting Cemetery Accounts Investment Performance Report - June 30, 2007 be received.

   **CARRIED**


   *(Pearson/Clark)*
   That Report FCS07076 respecting Hamilton Future Fund Investment Performance Report - June 30, 2007 be received

   **CARRIED**

5. **Reserve/Revenue Fund Investment Performance Report - June 30, 2007 (FCS07077) (City Wide) (Item 5.5)**

   *(Pearson/Clark)*
   That Report FCS07077 respecting Reserve/Revenue Fund Investment Performance Report - June 30, 2007 be received.

   **CARRIED**

6. **HECFI Financial Results – June 30, 2007 (HECFI 07-002)** (Item 5.6)

   *(Pearson/Clark)*

   **CARRIED**

7. **Tax Write-Offs and Appeals under Sections 357 and 358 of the Municipal Act, 2001 (FCS07035(c)) (City Wide) (Item 5.7)**

   *(Powers/Pearson)*
   (a) That the tax write-offs processed under Section 357 of the Municipal Act, 2001, in the amount of $186,959.68 be approved (refer to Appendix “A” to report FCS07035(c)); and
(b) That tax appeals due to a gross or manifest clerical error pursuant to Section 358 of the Municipal Act, 2001, in the amount of $12,788.61 be approved (refer to Appendix “B” to report FCS07035(c)).

CARRIED

8. Audit and Administration Interview Sub-Committee Report 07-001 (Item 8.3)

(Pearson/Clark)
That the following fifteen (15) applicants be appointed to the Advisory Committee for Immigrants and Refugees for the balance of the 2006 to 2010 term of Council or until such time as successors are appointed:

a. Richard Gwozdowski
b. Jaswinder Singh Bedi
c. Samia Qadim
d. Sipiwe Mapfumo
e. Lori Fothergill
f. Rabelani Makwarela
g. Ehlam Agok
h. Samer Salman
i. Ismail Ibrahim
j. Monique Hoeflaak
k. David Hosten
l. Carolann Fernandes
m. Liban Abdi
n. Minh Ly Trinh
o. Jahan Zeb

CARRIED

9. Purchasing Sub-Committee Report 07-001(Item 8.4)

(Morelli/Pearson)
(a) Appointment of Chair and Vice Chair

(i) That Councillor L. Ferguson be appointed Chair of the Purchasing Sub-Committee;

(ii) That Clive Thurston be appointed Vice Chair of the Purchasing Sub-Committee.

(b) Amendment to the Terms of Reference for the Purchasing Sub-Committee

That the Terms of Reference for the Purchasing Sub-Committee be amended as follows:
(i) That the “Purpose” in the Terms of Reference be amended to read as follows:

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“To review policies, procedures and processes regarding city procurement in two phases, as related firstly to the construction industry as a whole, with input and consideration from members of the construction industry, and secondly, to purchasing issues related to the provision of goods and services to the City.”

(ii) That the membership of the Purchasing Sub-Committee be amended as required to include representation from providers of goods and services to the City, as appropriate;

(iii) That all members of the Purchasing Sub-Committee, be voting members;

(iv) That a quorum shall be achieved when 50% plus one of the voting membership body is present.

CARRIED

10. Assignment of FibreWired Services Agreement to Atria Networks Limited Partnership (FCS07083) (City Wide) (Item 8.4)

(Powers/Morelli)
(a) That the City of Hamilton (“City”) consents to the Assignment of the Services Agreement between Hamilton Hydro Services Inc. (“FibreWired”) and the City dated May 1, 2005, (“Services Agreement”) from FibreWired to Atria Networks Limited Partnership, pursuant to Section 24 of the Services Agreement; and

(b) That the Mayor and City Clerk be authorized and directed to execute the necessary documents to reflect subsection (a), said documents to be in a form satisfactory to the City Solicitor.

CARRIED

11. Restructuring of City Investments (FCS07084) (City Wide) (Item 8.5)

(Clark/Powers)
That report FCS07084 “Restructuring of City Investments” be received for information.

CARRIED
12. **Farm Tax Rebate Resolution Program (Item 11.2)**

(Powers/Clark)
WHEREAS the Farm Tax Rebate Program was previously fully financed by the Ministry of Agriculture, Food and Rural Affairs of the Province of Ontario;

AND WHEREAS the Farm Tax Rebate Program is not a local public service but provides lower-cost foods across the Province, as well as the economic benefit of Provincial exporting, and is truly an income redistributive program with Province-wide significance;

AND WHEREAS Rural areas do not have access to the lucrative commercial and industrial assessment and are being further penalized by being forced to absorb the loss of 75% of the taxation revenue on the farmland and managed forest properties;

AND WHEREAS the Ontario Municipal Partnership Fund (OMPF) provides some municipalities with a fraction of their lost property taxation, leaving municipalities absorbing the majority of the cost of the farm tax rebate program;

AND WHEREAS, the lost revenue to the municipalities is being absorbed by all properties within the individual municipality, increasing local tax rates and resulting in the local community (including farmlands and managed forest properties) paying for their own farm tax rebate program;

AND WHEREAS the Province’s battle with the Federal Government for proper financial arrangements was highlighted by the phrase “It’s time for fairness for all Canadians”; Rural Ontarians are asking for the same fairness’

AND WHEREAS removing the Farmland and Managed Forest Component from the Ontario Municipal Partnership Fund and establishing it as a separate program would be more appropriate since funding would be fair, easily calculated and would not be impacted by other components of the current OMPF calculations; and

THEREFORE BE IT RESOLVED that the Province of Ontario be requested to separate the Farmland and Managed Forest component from the Ontario Municipal Partnership Fund; and, establish a separate and distinct Provincial funding program with 100% reimbursement to municipalities of their annual lost property tax revenue on farmland and managed forest properties.

AND FURTHER that this resolution be forwarded to the Minister of Finance, Minister of Agriculture, Food and Rural Affairs, Minister of Municipal Affairs and Housing, local MPP’s Eastern Ontario Wardens’ Caucus, all Ontario municipalities and any other individual or association as deemed appropriate.

CARRIED
13. Implementation of C.U.P.E. Local 1041 Job Evaluation (HUR07009) - (City Wide) (Item 12.1)

(Bratina/Clark)
(a) That the mandated Consent Order issued by the Ministry of Labour on March 7, 2003, respecting the implementation of C.U.P.E. Local 1041 Job Evaluation adjustments be approved and funded from contingency provided in the 2007 Budget; and

(b) That the contents of Report HUR07009 respecting the implementation of C.U.P.E. Local 1041 Job Evaluation remain confidential as it contains information related to labour relations and employee negotiations.

CARRIED

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

The Clerk advised of the following changes to the agenda:

(I) Delegation Request by Mr. David Speers, Opera Hamilton to make his presentation to Committee this morning (Item 4.1)
(ii) Added Delegation request by Doug Selby, SBF Business Forms Re: Request to be added to the Preferred Vendor List

(b) DECLARATIONS OF INTEREST (Item 2)

None

(c) APPROVAL OF MINUTES (Item 3)

The Minutes of the June 20, 2007 meeting of the Audit and Administration Committee were approved as presented.

(d) DELGEGATION REQUESTS (Item 4)

Committee approved the delegation request by David Speers, Opera Hamilton requesting to appear before Committee today. This request was added as 6.1 of the agenda.
(e) Opera Hamilton (Item 6.1)

David Speers, General Director of Opera Hamilton appeared before Committee requesting the City to guarantee a Line of Credit in the amount of $250,000.00 for a period of 3 years and a one time grant of $166,149.00. These funds will be used by Opera Hamilton to launch its current season, achieve its projected surpluses and provide sufficient relief of their cash flow situation. Mr. Speers then made a brief PowerPoint presentation to the Committee which outlined the following:

- Opera Hamilton’s Contribution
- Steps towards long-term sustainability
- Projected 07/08 budget
- Need for extraordinary support
- History of City of Hamilton funding
- Impact of Extraordinary Support
- Moving Forward

A discussion ensued and members of committee asked for further clarification regarding current operating practices and the variances affecting their 2007 budget.

On a motion moved by Councillor Pearson and seconded by Councillor Bratina, the presentation by David Speers, General Director of Opera Hamilton was received and staff were directed to review the matter and report back with alternative option(s) to the Committee of the Whole meeting scheduled on September 11, 2007.

Mayor Eisenberger asked all those involved to consider any possible partnering opportunities with H.E.C.F.I. in order to save costs.

(f) NOTICE OF MOTION

Councillor Powers brought forward a Notice of Motion requesting staff to prepare a companion review to accompany the 2008 Fees and Charges report. He asked the Clerk to list this as a motion on the next agenda.

(g) GENERAL INFORMATION/OTHER BUSINESS

(i) Fire Fighter Recruitment Process (Item 11.1)

On a motion moved by Councillor Morelli and seconded by Councillor Pearson, the Committee directed staff to prepare a report for Committee of the Whole outlining the current process used for the recruitment of Fire Fighters.
(ii) Farm Tax Rebate Resolution Program (Item 11.1)

Councillor Powers requested that copies of the approved resolution also be forwarded to A.M.O. and our Local M.P.P.’s

(h) PRIVATE & CONFIDENTIAL (Item 12)

Implementation of C.U.P.E. Local 1041 Job Evaluation (HUR07009) - (City Wide) (Item 12.1)

On a Motion (Pearson/Bratina), Committee moved into Closed Session at 10:15 am, to consider a matter pertaining to labour relations and employee negotiations.

On a Motion (Bratina/Clark), Committee resumed in Open Session at 10:17 a.m.

See Item 13 for recommendation resulting from Closed Session.

(i) ADJOURNMENT

On a motion, the Audit and Administration Committee adjourned at 10:20 a.m.

Respectfully submitted,

Councillor C. Collins, Chair
Audit and Administration Committee

Irene Sturgeon
Legislative Assistant
September 5, 2007