Audit and Administration Committee
MINUTES
9:30 a.m.
Wednesday, April 4, 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, T. Whitehead

Absent: Councillor R. Powers (Vacation)

Also Present: G. Peace, City Manager
J. Rinaldo, General Manager, Finance & Corporate Services
S. Stewart, General Manager, Public Works
R. Male, Finance and Corporate Services
I. Sturgeon, City Clerk’s

THE FOLLOWING ITEMS WERE REPORTED TO CITY COUNCIL FOR CONSIDERATION:

1. GLBT Advisory Committee of the meeting held on January 10, 2007 (Item 5.1)

(Pearson/Clark)
That the Minutes of the GLBT Advisory Committee Meeting of February 7, 2007 be received for information.

CARRIED

2. Annual Investment Report to December 31, 2006 (FCS06043(c)) (City Wide) (Item 5.2)

(Pearson/Clark)
That Information Report FCS06043(c) respecting the Annual Investment Report to December 31, 2006 be received.

CARRIED
3. Hamilton Future Fund Annual Investment Report to December 31, 2006 (FCS06044(c)) (City Wide) (Item 5.3)

(Pearson/Clark)
That Information Report FCS06044(c) respecting the Hamilton Future Fund Annual Investment Report to December 31, 2006 be received.

CARRIED

4. Council Correspondence Follow-up Procedures (CL07002) (City Wide) (Item 5.4)

(Pearson/Clark)
That Information Report CL07002 respecting Council Correspondence Follow-up Procedures be received.

CARRIED

5. Master Trust Pension Investment Performance 2006 (FCS07039) (City Wide) (Item 5.5)

(Pearson/Clark)
That Information Report FCS07039 respecting the Master Trust Pension Investment Performance 2006 be received.

CARRIED

6. Delegation of power to the Assessment Review Board under Section 357 of the Municipal Act, 2001 (FCS07018) (City Wide) (Item 8.1)

(Clark/Pearson)
That By-Law 87-191 be repealed and that a new By-law to Authorize the Assessment Review Board to exercise certain powers and functions of Council with respect to Compassionate Tax Appeals due to Sickness or Extreme Poverty (refer to Appendix “A” to report FCS07018) be forwarded to Council for approval.

CARRIED

7. Apportionment of Taxes for Various Properties in Stoney Creek (Ward 10), Hamilton (Ward 6), Ancaster (Ward 12), Dundas (Ward 13), Flamborough (Ward 13) and Glanbrook (Wards 11 & 15) (FCS07001) (City Wide) (Item 8.2)

(Pearson/Whitehead)
(a) That the 2006 land taxes for Wentworth Condo Plan 401 levied against Roll #2518 030 212 57620 (28 Victoria Ave. N., Hamilton) and Roll #2518 030 212 57650 (24 Victoria Ave. N., Hamilton), be apportioned in the amount of $1,603.88 and split amongst the fourteen newly created parcels as set out in Appendix A to report FCS07001(b);
(b) That the 2006 land taxes for Wentworth Condo Plan 399 levied against Roll #2518 060 571 00590 (908 Mohawk Rd. E., Hamilton), be apportioned in the amount of $2,236.18 and split amongst the thirty-six newly created parcels as set out in Appendix A to report FCS07001(b);

(c) That the 2006 land taxes for Wentworth Condo Plan 402 levied against Roll #2518 140 280 13956 (400 Stonehenge Drive, Ancaster), be apportioned in the amount of $21,987.13 and split amongst the twenty-four newly created parcels as set out in Appendix A to report FCS07001(b); and

(d) That the 2006 land taxes for Wentworth Condo Plan 394 levied against Roll #2518 140 280 18170 (0 Stonehenge Drive, Ancaster), be apportioned in the amount of $37,234.64 and split amongst the thirty-seven newly created parcels as set out in Appendix A to report FCS07001(b).

CARRIED

8. **Award of Tender C12-02-07 Environmental Cleanup and Disposal of Hazardous and Non-Hazardous Chemicals (FCS07041) (City Wide) (Item 8.3)**

(Clark/Pearson)
That Corporate Tender C12-02-07 for the Environmental Cleanup and Disposal of Hazardous and Non-Hazardous Chemicals be awarded to the following vendor, in accordance with the terms and conditions of the tender, as follows:

Section A and B be awarded to Echelon Response and Training Inc. with an estimated annual cost of $60,000.00

CARRIED

9. **External Loan Guidelines Amendment (FCS06078a) (City Wide) (Item 8.4)**

(Clark/Bratina)
That the revised External Loan Guideline as outlined in Appendix A of Report FCS06078a be approved.

CARRIED

10. **Rodeo Events In or On City-owned Lands and Facilities (HECFI 07-001) (Item 8.5)**

(Whitehead/Pearson)
(a) That the City of Hamilton be requested to allow an exemption to its policy which prohibits the holding of rodeos and Wild West shows in all city-owned facilities so as to allow the hosting of a Professional Bull Riders Canada Competition event at Copps Coliseum on June 2, 2007.
(b) That following the event, City of Hamilton staff be requested to review the relevance and applicability of this policy and report back to the Audit and Administration Committee

CARRIED

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

The Clerk advised of the following changes to the agenda:

Council at their meeting held on March 28, 2007, approved a delegation request by the Ontario General Contractors Association and this matter has been added on this morning’s agenda as Item 6.2.

Item 8.4 – An omission on Page 2 of the report of subsections g), h) & i) as shown on Appendix A of the report.

Committee approved the agenda as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

None

(c) APPROVAL OF MINUTES (Item 3)

The Minutes of the March 21, 2007 meeting of the Audit and Administration Committee were approved as presented.

(d) PUBLIC HEARINGS/DELEGATIONS (Item 6)

(i) Ms. Clara Berardocco, 239 West 5th Water & Sewer Account

Ms. Berardocco appeared before Committee to appeal a decision by the City of Hamilton to add a former tenant’s unpaid utility bill onto her tax bill. Ms. Berardocco explained the history and provided an account of her dealings with staff at both Horizon Utilities Corporation and the City of Hamilton. In addition, Ms. Berdocco submitted a information package to the members of Committee with copies of the correspondence that she has received from Horizons Utilities Corporation and the City of Hamilton.

Mr. Paul Hart, Supervisor, Horizons Utilities Corporation provided an overview to the Committee regarding the procedure to collect unpaid utility accounts.
On a motion moved by Councillor Morelli and seconded by Councillor Pearson, the Committee received the presentation by Clara Berardocco and requested that staff make a presentation at the next meeting of the Audit and Administration Committee regarding the Water & Wastewater Arrears Policy.

(ii) **Mr. Clive Thurston, Ontario General Contractors Association**

Clive Thurston, Ontario General Contractors Association, made a presentation to members of Committee regarding the importance of a fair, open and transparent procurement process. He noted the following concerns that the Ontario General Contractors Association had with the current practices of the City’s Procurement Department;

- Lack of understanding/familiarity of their industry
- Contradictions in the City Policy Book
- A lack of trust between parties involved
- Tenders that are not opened in public
- Optional Pricing has no standing in the construction industry – leaves door open for mis-use. Contractors need to know the risks going in.
- Current policies in place are dissuading contractors from submitting tenders
- Liaison Committee had been disbanded but S. Stewart helped re-establish the Liaison Committee last fall
- City is not working with the people in the industry
- Need to re-establish trust between the City and the industry

A lengthy discussion then ensued and members of Committee raised the following questions, comments and/or concerns;

- Confirmation when the last Liaison Committee meeting was held and when it was re-established
- The tender process should also be reasonable and understood by all parties
- Optional Pricing – is it reasonable?
- Are we getting the best value for our tax payers?
- City Hall Tender – ramifications are still being felt
- Concern respecting lack of activity of the Liaison Committee
- City should be better prepared when they send out their tenders
- Concern that broader staff representation is needed at the Liaison meetings – make sure all the right departments are represented
Minutes of the Liaison Committee should be forwarded to the members of the Audit and Administration Committee
Staff should sit down with the agency stakeholders to review the current process and make recommendations on improvements
The tender process should be attainable by those bidding
A Sub-Committee should be formed with political and industry representation in order to review the City’s general tendering process and as it relates to the construction industry as a whole

Councillor Morelli introduced the following motion which was approved by Committee:

(Morelli/Pearson)
(a) That the presentation by Clive Thurston, Ontario General Contractors Association be received;

(b) That staff be directed to contact the various construction agencies and stakeholders who participate in the City of Hamilton Procurement Process, including the Ontario General Contractors Association, the Hamilton-Halton General Contractors Association, the Ontario Association of Architects, the Hamilton and District Heavy Construction Association, the Consulting Engineers of Ontario and the Professional Engineers of Ontario, and request that they work cohesively with City staff to identify and resolve deficiencies within the City of Hamilton Procurement Process and that staff be directed to report back to the Audit and Administration Committee with the results;

(c) That staff be directed to continue to meet and liaise with members of the construction industry including the Hamilton-Halton Construction Association, the Hamilton–Halton General Contractors Association and the Ontario Association of Architects in order to continue improving relations between the industry and the City of Hamilton and that minutes of these meetings be provided to the Audit and Administration Committee.

(d) That a Sub-Committee be established with political and industry representation in order to review policies and procedures regarding City procurement, as it relates to the construction industry as a whole, and that staff be directed to prepare a Terms of Reference for this Sub-Committee and report back with this information to the Audit and Administration Committee within one month’s time.

CARRIED
(e) DISCUSSION REPORTS (Item 8)

Rodeo Events In or On City-owned Lands and Facilities (HECFI 07-001) (Item 8.5)

Concern was raised that H.E.C.F.I. staff had signed a contract with the promoter first and then approached the City for an exemption to the by-law. In future, it was suggested that if staff are working on a time sensitive issue, then they should walk on a report or make a verbal presentation to the Audit and Administration Committee prior to signing any contracts.

Sub-section (a) of the staff recommendation was approved on a standing recorded vote as follows;

Yeas: Collins, Morelli, Pearson, Whitehead
Total Yeas: 4

Nays: Bratina, Clark
Total Nays: 2

Sub-section (b) of the staff recommendation was approved on a standing recorded vote as follows;

Yeas: Collins, Bratina, Clark, Morelli, Pearson, Whitehead
Total Yeas: 6

Total Nays: 0

(f) GENERAL INFORMATION/OTHER BUSINESS (Item 11)

11.1 Provincial Funding Shortfalls

Councillor Whitehead raised a concern regarding a recent Spectator article that suggested that discussions were taking place between the City and the Federal and Provincial Governments with respect to funding shortfalls.

On a motion (Clark/Collins), staff was directed to report back to a future Committee of the Whole meeting regarding the status of negotiations with senior levels of government regarding funding shortfalls on the Red Hill Expressway, Randall's Reef, SocialServices Downloading and the Lister Block.

CARRIED
11.2 Status Update – Hamilton Specialty Bar

On a motion (Morelli/Pearson), direction was provided to Economic Development Staff and C.M.T. to provide a status update to Committee as soon as possible regarding Hamilton Specialty Bar and whether or not proactive assistance can be provided to keep this plant operational, if assistance can be provided in finding a new buyer or to bring forward any ideas regarding a contingency plan.

CARRIED

Chair Collins reminded members of Committee of the lunchtime rally which was taking place outside City Hall and urged members of Committee to attend and show their support.

(g) PERSONAL & CONFIDENTIAL

Approval of Minutes of Closed Session Meeting held on March 21, 2007

On a motion (Whitehead/Clark), the minutes of the Closed Session of the Audit and Administration Committee meeting of March 21, 2007 were approved. These minutes are to remain confidential and restricted from public disclosure in accordance with exemptions provided in the Municipal Freedom of Information and Protection of Privacy Act.

(k) ADJOURNMENT

On a motion, the Audit and Administration Committee adjourned at 11:48 a.m.

Respectfully submitted,

Councillor C. Collins
Chair
Audit and Administration Committee

Irene Sturgeon
Legislative Assistant
April 4, 2007