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

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

Absent: Councillors B. Clark, T. Whitehead

Also Present: G. Peace, City Manager
              J. Rinaldo, General Manager, Finance & Corporate Services
              A. Pekerak, City Managers Office
              R. Male, Finance and Corporate Services
              A. Dore, Public Works
              D. Wood, Community Services
              I. Sturgeon, City Clerk’s

THE FOLLOWING ITEMS WERE REPORTED TO CITY COUNCIL FOR CONSIDERATION:

1. FOI Quarterly Report (January 1 to March 31, 2007) (CL07005) (City Wide) (Item 5.1)

   (Pearson/Powers)
   That Report CL07005 respecting the FOI Quarterly Report (January 1 to March 1, 2007) be received.

      CARRIED

2. Cemetery Accounts Annual Investment Report 2006 (FCS07054) (City Wide) (Item 5.2)

   (Pearson/Powers)
   That Report FCS07054 with respect to the Cemetery Accounts Annual Investment Report 2006 be received.

      CARRIED
3. **Quarterly Status Report on the use of Policy #10- Emergency Purchasing and Policy #11- Negotiations for the 1st Quarter 2007 (FCS07051) (City Wide) (Item 5.3)**

*(Pearson/Powers)*

That Report FCS07051 respecting the Quarterly Status Report on the use of Policy #10- Emergency Purchasing and Policy #11- Negotiations for the 1st Quarter 2007 be received.

CARRIED

4. **Red Hill Valley Project Financial Status Report – December 2006 (FCS06004k/PW06004k) (City Wide) (Item 5.4)**

*(Pearson/Powers)*

a) THAT report FCS06004k/PW06004k “Red Hill Valley Project Financial Status Report – December 2006” be received for information; and

b) THAT, due to decreased levels of activity and the pending completion of the Project, staff recommends that all future reporting on the financial status of the Red Hill Valley Project be done on a quarterly basis.

CARRIED

5. **Tax Write-Offs Processed Under Section 357 of the Municipal Act 2001 (FCS07035(a)) (City Wide) (Item 5.5)**

*(Pearson/Powers)*

That tax write-offs, processed under Section 357 of the Municipal Act, 2001, in the amount of $255,619.32, be approved (refer to Appendix “A” to report FCS07035(a).

CARRIED

6. **Winona Peach Festival Inc. - Interest Free Loan Request to Upgrade Winona Park Electrical Service and Distribution Equipment (PW07062/ECS07042) - (Ward 11) (Item 8.1)**

*(Pearson/Morelli)*

(a) That the City of Hamilton provide an interest free loan in the upset amount of $130,000 to the Applicant (The Winona Peach Festival Inc.) to fund electrical upgrades at Winona Park, pursuant to the External Loan Guidelines to be repaid over a period of ten years:

(i) The Applicant, meeting all conditions related to the External Loans Guidelines;

(ii) The Applicant acquiring all required permits associated with the implementation of this project;
(iii) Determination of whether or not an archaeological study will be required prior to implementation of the electrical upgrades, and if required, all costs associated with the required Archaeological study(ies), over and above staff costs, be borne by the Winona Peach Festival Inc.;

(iv) That any additional project expenses, such as Consulting, Project Management and Archaeological studies (if required) also be borne by the Winona Peach Festival Inc.; an additional $20,000 has been added to the Applicant’s original loan request to address the potential additional expenses;

(b) That staff be directed to further investigate the additional operating costs associated with implementation of this project;

(c) That the City Solicitor and the General Manager, Finance and Corporate Services be authorized to draft the loan agreement for execution by the Mayor and City Clerk.

CARRIED

7. Audit Report 2006-06 – Metered Water Billings and Revenue (CM07015) (City Wide) (Item 8.2)

(Powers/Pearson)
(a) That Report CM07015 respecting Audit Report 2006-06, Metered Water Billings and Revenue, be received; and

(b) That the management actions plans as detailed in Appendix “A” of Report CM07015 be approved and the General Manager of Finance and Corporate Services direct the appropriate staff to have the plans implemented.

CARRIED

8. Follow Up of Audit Report 2005-01 – Dental Claims Administration (CM07011) (City Wide) (Item 8.3)

(Pearson/Powers)
That Report CM07011 respecting the follow up of Audit Report 2005-01, Dental Claims Administration, be received.

CARRIED

9. Audit Report 2007-01 – Human Resources – Benefits Administration (CM07016) (City Wide) (Item 8.4)

(Powers/Pearson)
(a) That Report CM07016 respecting Audit Report 2007-01, Human Resources – Benefits Administration, be received; and
(b) That the management actions plans as detailed in Appendix “A” of Report CM07016 be approved and the Acting Senior Director of Human Resources direct the appropriate staff to have the plans implemented.

CARRIED

10. Fair Wage Compliance Reviews (CM07019) (Item 8.5)

(Powers/Bratina)
That Report CM07019 respecting Fair Wage Compliance Reviews be received.

CARRIED

11. Authority to Negotiate and Place a Debenture Issue(s) (FCS07056) (City Wide) (Item 8.6)

(Powers/Morelli)

a) That the General Manager, Finance & Corporate Services, be authorized to negotiate the terms and placement of a debenture issue(s) in an amount not to exceed $50,000,000 Canadian currency;

b) That the General Manager, Finance and Corporate Services, be authorized to engage the services of a fiscal agent(s), outside legal counsel and enter into all agreements necessary, including Letter(s) of Representation with The Canadian Depository for Securities Ltd., to secure the terms and issuance of a debenture issue(s); and

c) That a By-Law be passed authorizing the debenture issue negotiated and placed in accordance with recommendation (a) above.

CARRIED

12. Purchasing Sub-Committee (FCS07057) (City Wide) (Item 8.7)

(Pearson/Bratina)

(a) That the Purchasing Sub-Committee be established with political and industry representation in order to review policies and procedures regarding City procurement in accordance with the attached Terms of Reference (refer to Appendix ‘A’ to FCS07057); and

(b) That Item O be removed from the Outstanding Business List of the Audit and Administration Committee.

CARRIED
13. **Purchasing Policy Amendments (FCS07017(a)) (City Wide)**

Audit and Administration Committee: Outstanding Business Items F and K (Item 8.8)

( Pearson/Bratina )

(a) That the amendments made to the Purchasing Policy for the City of Hamilton, Appendix 'A'; and Procedures for Participation of Elected Officials in the Procurement Process and Specifications, Appendix 'B' to Report FCS07017(a) be approved, and

(b) That Item F be removed from the Outstanding Business List of the Audit and Administration Committee, and

(c) That Item K be removed from the Outstanding Business List of the Audit and Administration Committee.

CARRIED

14. **Grants Sub-Committee Report 07-003 (Item 8.9)**

(Powers/Pearson)

(a) **Wilfrid Laurier (GRA07001(l)) (Ward 5) (Item 4.1)**

That the fee waiver in the amount of $331.50, for the St. Joseph’s Baby's Best Start Program for the period of January 1 to June 30 and September 1 to December 31, 2007, to utilize the General Purpose Room, Craft Room and kitchen at Sir Wilfrid Laurier Recreation Centre, be approved.

(b) **Fee Waiver Request for Incredible Years Parenting Program (GRA07001(m)) (Ward 5) (Item 4.2)**

That the fee waiver request in the amount of $349.50, for the Public Health Services, Incredible Years Parenting Program for the period of February 5 to April 30, 2007, to utilize Room # 1, Room # 3, the kitchen and the audio visual equipment at the Dominic Agostino Riverdale Community Centre, be approved.

(c) **Fee Waiver Request for St. Joseph’s Baby’s Best Start – Dominic Agostino Riverdale Community Centre (GRA07001(n)) (Ward 5)**

That the fee waiver in the amount of $782, for St. Joseph’s Baby’s Best Program for the period of January 17 to December 21, 2007 to utilize Room # 1, Room # 3 and the kitchen at the Dominic Agostino Riverdale Community Centre, be approved.
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(d) 2007 Community Partnership Program Approval (City Wide) (GRA07005)
(Item 4.5)

(i) That the 2007 Community Partnership Program recommended funding allocation, in the amount of $2,511,890, as outlined in the attached Appendix “A” to Report 07-003, be approved.

(ii) That Event Road Closure Services requests (formerly Services-in-Kind), in the amount of $300,412.49, be received for information.

(iii) That funding, in the amount of $47,996, for the now closed Family Services organization remain unallocated, in Category F – Counselling, in order to fund similar programs.

(iv) That the unallocated balance in Culture (Arts & Heritage) of $12,242 be first used towards funding additional programs in that area.

(v) That the amount of $37,680, for a contingency budget to be dedicated for 2007 unexpected Community Partnership Program funding, be approved.

(vi) That any amounts owing in arrears to the City of Hamilton from grants recipients, be recovered first from the 2007 approved grant and that the remainder of the grant, if any, be paid to the organization in accordance with the payment plan, as outlined in Appendix “B” to Report 07-003.

(vii) That staff be directed to initiate discussions with the Public Works Department, Waste Management Division respecting the feasibility of transferring the administration and monitoring of the Community Partnership Program (CPP) recipients, who receive assistance with transfer station fees, from the CPP program to the Public Works Department operating budget, and to provide a report back to the June 13, 2007 Grants Sub-Committee meeting.

(viii) That the Ancaster and Flamborough Horticultural Societies be transferred from Culture (Arts & Heritage) to the Committed Grants Category for 2007.

(ix) That funding in excess of the 30% maximum guidelines for the following programs be approved for 2007:

(a) Alternatives for Youth – 36% ($21,404)
(b) Community Info Services – 32% ($75,800)
(c) Ancaster Heritage Days – 62% ($14,461)
(d) Hamilton Santa Claus Parade – 42% ($12,051)
(x) That staff be directed to report back, prior to the 2008 budget process, to the Grants Sub-Committee with respect to:

(a) Future funding for programs outlined in recommendation (i)(i) through (i)(iv) above.

(b) On the definition, scope and criteria of programs for the Culture category.

(c) On the criteria for the Recreation and Sports category.

(xi) That funding to the Tenant Helpline – Housing Help Centre (shown as Category A – Poverty Alleviation, Item A-8, in Appendix “A” to Report 07-003) be tabled pending the recommendations of the Community Advisory Board.

(xii) That funding in the amount of $14,000 for STAR Hamilton’s use in their Community Skills Training Program for children (shown as Category C – Social/Recreational, Item C-10 in Appendix “A” to Report 07-003) be approved under the condition that the Senior Policy Analyst receives the requested information, from STAR Hamilton, and that the information provided meets the necessary Community Partnership Program requirements.

(xiii) That staff report back to the Grants Sub-Committee with the findings of their review for Category C – Social/Recreation, Item C-10: STAR Hamilton, of Appendix “A” to Report 07-003.

(xiv) That funding for Category F – Counselling, Item F-2: Friends in Grief, as shown in Appendix “A” to Report 07-003, be conditionally approved in the amount of $7,440, pending a report from staff to the Grants Sub-Committee.

(xv) That $2,500, for the Transfer Station Fees for the Salvation Army Recycling Centre for 2007 (shown in Category H – Transfer Station Fees, of Appendix “A” to Report 07-003), be conditionally approved, pending a joint report from the Corporate Services and Public Works Departments, as outlined in recommendation (g) above.

(xvi) That funding in the amount of $30,000, for the Hamilton Mardi Gras Carnival (shown in the Special Events Category, Item SE-21, in Appendix “A” to Report 07-003), be approved, under the condition that Hamilton Carnival Cultural Committee work with the Ward 6 Councillor and staff, before and after the event, to determine alternative funding for future events.
(xvii) That the Dundas Pipes & Drums maintain the same funding for 2007 that was provided in 2006 (shown in the Culture Category, Item CUL-23, to Appendix “A” to Report 07-003) in the amount of $2,308.

(xviii) That the base budget, for the Dundas Historical Society Museum (shown in the Culture Category, Item MYF-CUL-7, in Appendix “A” to Report 07-003) be increased to a maximum of 30% of the allowable budget or $5,000 whichever is greater.

(xix) That funding, in the amount of $500, to the Concession Street B.I.A. for the Concession Street Centennial Heritage Celebration (shown in the Culture Category, Item CUL-29 in Appendix “A” to Report 07-003), be approved.

(xx) That the amount of $12,000 for the Various Agricultural Groups (as shown in the Committed Grants Category, Item COMM-5 in Appendix “A” to Report 07-003) be approved for 2007.

(e) Canadian International Tattoo Association (Item 4.5)

(a) That the request for funding, in the amount of $35,000, made by the Canadian International Tattoo Association (shown in the Special Events – Cash Grants Category, Item SE-23 in Appendix “A” to Report 07-003), be referred to Committee of the Whole for consideration.

(b) That the Canadian International Tattoo Association be requested to appear before Committee of the Whole, as a delegation, to discuss the City’s ongoing funding commitment beyond 2007.

(c) That, prior to the Committee of the Whole delegation/presentation by the Canadian International Tattoo, staff be directed to meet with representatives of the organization to discuss matters, which were raised at the May 3, 2007 Grants Sub-Committee meeting, such as funding and the event location.

(d) That staff be directed to prepare a report to Committee of the Whole identifying an appropriate funding source for the 2007 request, made by the Canadian International Tattoo in the amount of $35,000 to be funded outside the grants process.

CARRIED
15. Follow Up of Audit Report 2005-04 – Municipal Service Centres (MSC) – Cash Handling (CM07017) (City Wide) (Item 12.1)

(Powers/Pearson)
(a) That Report CM07017 respecting the follow up of Audit Report 2005-04, Municipal Service Centres (MSC) – Cash Handling, be received.

(b) That Report CM07017 respecting the follow up of Audit Report 2005-04, Municipal Service Centres (MSC) – Cash Handling, remain confidential. 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. Stew Beattie, Vice-President, Winona Peach Festival Re: Item 8.1

(ii) Added Grants Sub-Committee Report 07-003 (Item 8.9)

(b) DECLARATIONS OF INTEREST (Item 2)

None

(c) APPROVAL OF MINUTES (Item 3)

The Minutes of the April 18, 2007 meeting of the Audit and Administration Committee were approved as presented.

(d) Winona Peach Festival Inc. - Interest Free Loan Request to Upgrade Winona Park Electrical Service and Distribution Equipment (PW07062/ECS07042) - (Ward 11) (Item 8.1)

Mr. Stew Beattie, Vice-President, Winona Peach Festival Inc. appeared before Committee and asked for the City’s support in providing the loan. He provided background information on how the festival has grown over the years and explained that this current electrical upgrade should meet the demands on the parks electrical system for the next 15 – 20 years.

Members of Committee thanked Mr. Beattie and all the volunteers for their hard work over the years in putting together a very successful festival.

Committee approved the staff recommendation as presented.
(e) Fair Wage Compliance Reviews (CM07019) (Item 8.5)

Councillor Powers asked staff to let Committee know if the third contractor has complied.

Joe Rinaldo advised that he will be meeting with Public Works staff to address this issue further.

(f) GENERAL INFORMATION (Item 11)

(i) Per Diem Travel Expenses

Councillor Powers asked staff to review the per diem for travel days and noted that a ½ day per diem is currently in effect. He questioned if there should be a provision for full day travel.

(ii) Greenhill Flooding Compensation

Councillor Collins asked staff to look into the possibility of extending the due date in submitting compensation claims to the City.

(g) 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