



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 18-004

**9:30 a.m.
April 9, 2018
Council Chambers
Hamilton City Hall**

Present: Councillors A. VanderBeek (Chair), Councillor B. Johnson, M. Pearson, D. Skelly, L. Ferguson, C. Collins, and A. Johnson

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

- 1. 2017 Fourth Quarter Request for Tenders and Proposals Report (FCS17010(c)) (City Wide) (Item 5.2)**

(Pearson/B. Johnson)

That Report FCS17010(c), respecting the 2017 Fourth Quarter Request for Tenders and Proposals Report, be received.

CARRIED

- 2. 2017 Fourth Quarter Emergency and Non-competitive Procurements Report (FCS17011(c)) (City Wide) (Item 5.3)**

(B. Johnson/Pearson)

That Report FCS17011(c), respecting the 2017 Fourth Quarter Emergency and Non-competitive Procurements Report, be received.

CARRIED

- 3. 2017 Fourth Quarter Non-compliance with the Procurement Policy Report (FCS17012(d)) (City Wide) (Item 5.4)**

(B. Johnson/Pearson)

That Report FCS17012(d), respecting the 2017 Fourth Quarter Non-compliance with the Procurement Policy Report, be received.

CARRIED

4. Fair Wage Policy and Schedule Complaints Annual Report (FCS18036) (City Wide) (Item 5.5)

(Ferguson/Skelly)

That Report FCS18036, respecting the Fair Wage Policy and Schedule Complaints Annual Report, be received.

CARRIED

5. Zachary Waxman, respecting interest on property tax bill unable to be credited (Item 6.2)

(Ferguson/B. Johnson)

That staff be directed to waive 50% of the Property Tax interest on Zachary Waxman's outstanding Property Tax owing.

CARRIED

6. 2018 Property and Liability Insurance Renewal Report (FCS18032) (City Wide) (Item 8.1)

(Ferguson/Pearson)

(a) That the Liability and Property Insurance coverage for the term January 1, 2018, to January 1, 2019, be renewed through Jardine Lloyd Thompson Canada Inc. (JLT) at a cost of \$4,665,402 (net of applicable taxes) and be funded through the 2018 Risk Management Services Budget, in accordance with Appendix "A", attached to Report FCS18032;

(b) That the General Manager, Finance and Corporate Services, be authorized and directed to execute all associated documents related to the renewal of the Liability and Property Insurance coverage for the term January 1, 2018, to January 1, 2019, through Jardine Lloyd Thompson Canada Inc., on behalf of the City;

(c) That the 2018 budget shortfall of \$276,884 be funded from the Tax Stabilization Reserve (110046)

CARRIED

7. Authority to Negotiate and Place a Debenture Issue(s) (FCS18011) (City Wide) (Item 8.2)

(Collins/Pearson)

(a) That the General Manager, Finance and Corporate Services, be authorized to negotiate the terms and placement of a debenture issue(s), and / or private placement debenture issue(s), in either a public or private market and / or bank loan agreement and debenture issue(s) and / or variable interest rate bank loan agreement and debenture issue(s), in an amount not to exceed \$543,881,942 Canadian currency, as attached in Appendix "A" to Report FCS18011, which includes \$148,065,409 in Tax Supported

municipal debt, \$39,168,831 in Development Charges Tax Supported municipal debt, \$137,243,479 in Rate Supported municipal debt and \$219,404,223 in Development Charges Rate Supported municipal debt;

- (b) That the General Manager, Finance and Corporate Services, be authorized to negotiate the terms and placement of a debenture issue(s), and / or private placement debenture issue(s) in either a public or private market and / or bank loan agreement and debenture issue(s) and / or variable interest rate bank loan agreement and debenture issue(s), in an amount not to exceed \$24,539,000 Canadian currency of CityHousing Hamilton debt, as attached in Appendix "A" to Report FCS18011;
- (c)
 - (i) That the General Manager, Finance and Corporate Services, be authorized to engage the services of all required professionals to secure the terms and issuance of the debenture issue(s) described in subsections (a) and (b), including but not limited to: external legal counsel, fiscal agents and Infrastructure Ontario's Loan Program;
 - (ii) That the General Manager, Finance and Corporate Services, Mayor and City Clerk are each authorized and directed to enter into and / or execute, on behalf of the City of Hamilton, all agreements and necessary ancillary documents requiring their respective signatures to secure the terms and issuance of the debenture issue(s) described in subsections (a), (b) and (c), in a form satisfactory to the City Solicitor;
- (d) That all necessary By-Law(s) be passed to authorize the debenture issue(s) negotiated, placed and secured in accordance with subsections (a), (b) and (c).

CARRIED

8. Ward-Specific Funding Initiatives - Area Rating Special Capital Re-investment Reserves, Discretionary Spending, Cell Tower and Minor Maintenance Council Priority Capital Projects Update as of December 31, 2017 (FCS18014) (City Wide) (Outstanding Business List Item) (Item 8.3)

(B. Johnson/Skelly)

- (a) That Project 3301809602 be created for the Hydro One contract under the Ward-Specific Non-Property Tax Revenues;
- (b) That annual reporting to Council of the balances and activities in the ward-specific funding initiatives including Wards 1 to 8 Area Rating Special Capital Re-investment Reserves, Ward-Specific Non-Property Tax Revenues, Cell Tower Revenues, Hydro One Contract Revenues and Minor Maintenance Council Priority Capital Projects, be approved;
- (c) That all grant contribution and sponsorship requests to utilize discretionary funding from Wards 1 to 8 Area Rating Special Capital Re-investment Fund above \$350 per named organization be approved by Council;

- (d) That the necessary Council approved policies, guidelines and procedures related to Ward-Specific Funding initiatives be amended as per recommendation (b);
- (e) That Appendix “A” to Report FCS18014, detailing the balance and projects funded from the Wards 1 to 8 Area Rating Special Capital Re-investment Reserves as of December 31, 2017, be received;
- (f) That Appendix “B” to Report FCS18014 detailing the Wards 1 to 8 Area Rating Special Capital Re-investment Discretionary Spending as of December 31, 2017, be received;
- (g) That Appendix “C” to Report FCS18014, detailing the sponsorships, community events and office expenses from the Wards 1 to 8 Area Rating Discretionary Spending from the Area Rating Special Capital Re-investment Fund as of December 31, 2017, be received;
- (h) That Appendix “D” to Report FCS18014, detailing the Ward-Specific Non-Property Tax Revenues and Cellular Tower Revenues spending as of December 31, 2017, be received;
- (i) That Appendix “E” to Report FCS18014, detailing the Ward-Specific Minor Maintenance Capital project balance from Public Works as of December 31, 2017, be received;
- (j) ***That staff report back to the Audit, Finance & Administration Committee to provide clear criteria for each of the following:***
 - (i) ***Area Rating***
 - (ii) ***Discretionary Funding***
 - (iii) ***Cell Tower and Minor Maintenance***
- (k) ***That staff report back to the Audit, Finance & Administration Committee on the history behind using social infrastructure as a criteria for Area Rating and Discretionary Funding approval.***

Main Motion as Amended CARRIED

9. Commercial Relationship Between City of Hamilton and M.J. Dixon Construction Limited (LS13018(b) / FCS13041(b)) (City Wide) (Item 12.1)

(Collins/Ferguson)

That the recommendations of Report LS13018(b) / FCS13041(b), respecting “Commercial Relationship Between City of Hamilton and M.J. Dixon Construction Limited” be approved and the recommendations remain private and confidential until approved by Council.

CARRIED

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised of the following changes to the agenda:

1. DELEGATION REQUESTS

- 4.1 Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre (For a future meeting)
- 4.2 Shekar Chandrashekar, respecting Report FCS18030 - Response to Mr. Shekar Chandrashekar, Respecting a FOI Request. Report was received at AF&A on March 26, 2018 and Mr. Chandrashekar was unable to delegate at that meeting (For a future meeting)
- 4.3 Viv Saunders, respecting Area Rating Spending, Item 8.3 on today's agenda (For today's meeting)

2. PRIVATE AND CONFIDENTIAL

- 12.2 M.J. Dixon Construction Limited - Delegation Submissions
 - 12.2.a Correspondence from the City of Hamilton to M.J. Dixon Construction Limited

(B. Johnson/Pearson)

That the agenda for the April 9, 2018 Audit, Finance and Administration Committee meeting be approved, as amended.

CARRIED

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)

(i) March 26, 2018 (Item 3.1)

(Pearson/Ferguson)

That the Minutes of the March 26, 2018 meeting of the Audit, Finance and Administration Committee be approved, as presented.

CARRIED

(d) DELEGATION REQUESTS (Item 4)

- (i) Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre (For a future meeting) (Added Item 4.1)**

(Ferguson/B. Johnson)

That the delegation request from Kyra Kozole and Jocelyn Heaton, respecting LGBTQ and 2S communities needs assessment and requesting support for the creation of a LGBTQ and 2S Centre, be approved for a future meeting.

CARRIED

- (ii) Shekar Chandrashekar, respecting Report FCS18030 - Response to Mr. Shekar Chandrashekar, Respecting a FOI Request. Report was received at AF&A on March 26, 2018 and Mr. Chandrashekar was unable to delegate at that meeting (For a future meeting) (Added Item 4.2)**

(Ferguson/Pearson)

That the delegation request from Shekar Chandrashekar, respecting Report FCS18030 - Response to Mr. Shekar Chandrashekar, Respecting a FOI Request, be received.

CARRIED

- (iii) Viv Saunders, respecting Area Rating Spending, Item 8.3 on today's agenda (For today's meeting) (Added Item 4.3)**

(Pearson/Skelly)

That the delegation request from Viv Saunders, respecting Area Rating Spending, Item 8.3 on today's agenda, be approved for today's meeting.

CARRIED

(e) CONSENT ITEMS (Item 5)

- (i) Minutes of Various Advisory Committees (Item 5.1)**

(Pearson/B. Johnson)

That the following minutes from various advisory committee meetings, be received as presented:

- (1) Hamilton Status of Women Advisory Committee – January 25, 2018 (Item 5.1.a)**
- (2) Hamilton Mundialization Advisory Committee – February 21, 2018 (Item 5.1.b)**

- (3) Immigrant & Refugee Advisory Committee – February 8, 2018
(Item 5.1.c)

CARRIED

(f) PUBLIC HEARINGS/DELEGATIONS (Item 6)

- (i) Gregory Hersen, M.J. Dixon Construction Company Limited, respecting the commercial relationship between the City and M.J. Dixon, and the City's potential prohibition against M.J. Dixon bidding or entering into contracts on City projects (Item 6.1)**

Gregory Hersen, representing M.J. Dixon Construction Company Limited, addressed the Committee respecting the commercial relationship between the City and M.J. Dixon, and the City's potential prohibition against M.J. Dixon bidding or entering into contracts on City projects.

(Pearson/B. Johnson)

That the delegation from Gregory Hersen, M.J. Dixon Construction Company Limited, respecting the commercial relationship between the City and M.J. Dixon, and the City's potential prohibition against M.J. Dixon bidding or entering into contracts on City projects, be received.

CARRIED

For further disposition of this matter, refer to Item 9.

- (ii) Zachary Waxman, respecting Property Tax Bill (Item 6.2)**

Zachary Waxman, addressed the Committee respecting interest on his property tax bill that was unable to be credited.

(Ferguson/Pearson)

That the delegation from Zachary Waxman, respecting interest on his property tax bill that was unable to be credited, be received.

CARRIED

For further disposition of this matter, refer to Item 5.

- (iii) Viv Saunders, respecting Area Rating Spending (Added Item 6.3)**

Viv Saunders addressed the Committee respecting Area Rating Spending, with the aid of speaking notes.

(Pearson/B. Johnson)

That the delegation from Viv Saunders, respecting Area Rating Spending, be received.

CARRIED

A copy of the presentation is available at www.hamilton.ca.

For further disposition of this matter, refer to Item 8.

(Skelly/Ferguson)

That Item 8.3, respecting Ward-Specific Funding Initiatives - Area Rating Special Capital Re-investment Reserves, Discretionary Spending, Cell Tower and Minor Maintenance Council Priority Capital Projects Update as of December 31, 2017 be moved up on the agenda to be considered immediately following Item 6.3.

CARRIED

(g) DISCUSSION ITEMS (Item 8)

- (i) Ward-Specific Funding Initiatives - Area Rating Special Capital Re-investment Reserves, Discretionary Spending, Cell Tower and Minor Maintenance Council Priority Capital Projects Update as of December 31, 2017 (FCS18014) (City Wide) (Outstanding Business List Item) (Item 8.3)**

That Report FCS18014, respecting Ward-Specific Funding Initiatives - Area Rating Special Capital Re-investment Reserves, Discretionary Spending, Cell Tower and Minor Maintenance Council Priority Capital Projects Update as of December 31, 2017, be amended to add the following sub-sections:

(B. Johnson/Skelly)

- (j) That staff report back to the Audit, Finance & Administration Committee to provide clear criteria for each of the following:**

- (i) Area Rating**
- (ii) Discretionary Funding**
- (iii) Cell Tower and Minor Maintenance**

- (k) That staff report back to the Audit, Finance & Administration Committee on the history behind using social infrastructure and as a criteria for Area Rating and Discretionary Funding approval.**

Amendment CARRIED

For further disposition of this matter, refer to Item 8.

Councillor VanderBeek relinquished the chair.

Councillor B. Johnson assumed the chair.

(h) GENERAL INFORMATION / OTHER BUSINESS (ITEM 11)

That the following amendments to the Outstanding Business List, be approved:

(Pearson/Ferguson)

11.1.a Items requiring a new due date:

Live Streaming of Audio and Video at City Hall Upper and Lower
Lobby Areas

Item on OBL: B

Due Date: January 16, 2018

Revised Due Date: May 7, 2018

Request for approval of the urgent work and HVAC repairs
required for the Dundas Library

Item on OBL: K

Due Date: February 12, 2018

Revised Due Date: May 7, 2018

CARRIED

(i) PRIVATE AND CONFIDENTIAL (ITEM 12)

- (i) Commercial Relationship Between City of Hamilton and M.J. Dixon Construction Limited (LS13018(b) / FCS13041(b)) (City Wide) (Items 12.1, 12.2 & 12.2(a))**

(Ferguson/Collins)

That Committee move into Closed Session respecting Items 12.1, 12.2 & 12.2(a) pursuant to Section 8.1, Sub-sections (e) and (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (e) and (f) of the *Ontario Municipal Act*, 2001, as amended, as the subject matter pertains to litigation or potential litigation, including matters before administrative tribunals, affecting the City; advice that is subject to solicitor/client privilege, including communications necessary for that purpose.

CARRIED

For further disposition of this matter, please refer to Item 9.

- (ii) M.J. Dixon Construction Limited - Delegation Submissions (Item 12.2)**

(Collins/Pearson)

That the submission by M.J. Dixon Construction Limited, be received and remain confidential.

CARRIED

**(iii) Correspondence from the City of Hamilton to M.J. Dixon Construction
(Item 12.2.a)**

(Collins/Pearson)

That the correspondence from the City of Hamilton to M.J. Dixon Construction Limited, be received and remain confidential.

CARRIED

(j) ADJOURNMENT (Item 13)

(Pearson/Skelly)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 12:42 p.m.

CARRIED

Respectfully submitted,

Councillor VanderBeek, Chair
Audit, Finance and Administration
Committee

Councillor B. Johnson, Vice-Chair
Audit, Finance and Administration
Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk