



City of Hamilton

AUDIT, FINANCE AND ADMINISTRATION COMMITTEE REVISED

Meeting #: 21-018

Date: October 21, 2021

Time: 9:30 a.m.

Location: Due to the COVID-19 and the Closure of City Hall (CC)

All electronic meetings can be viewed at:

City's Website:

<https://www.hamilton.ca/council-committee/council-committee-meetings/meetings-and-agendas>

City's YouTube Channel:

<https://www.youtube.com/user/InsideCityofHamilton> or Cable 14

Angela McRae, Legislative Coordinator (905) 546-2424 ext. 5987

1. CEREMONIAL ACTIVITIES

2. APPROVAL OF AGENDA

(Added Items, if applicable, will be noted with *)

3. DECLARATIONS OF INTEREST

4. APPROVAL OF MINUTES OF PREVIOUS MEETING

4.1. October 7, 2021

5. COMMUNICATIONS

6. DELEGATION REQUESTS

*6.1. Ron Vankleef and Anthony Rizzutto, Hamilton Cab and Blue Line Tax, respecting Item 10.2, Report on Taxi Industry Options (For today's meeting)

7. CONSENT ITEMS

8. STAFF PRESENTATIONS

9. PUBLIC HEARINGS / DELEGATIONS

10. DISCUSSION ITEMS

10.1. 2023 Development Charges Background Study – Procurement Policy 11 Request (FCS21085) (City Wide) - Revised

*10.2. Options for Relief from Municipal Charges for the Taxi Industry (LS21020(a)) (City Wide) (Outstanding Business List Item)

11. MOTIONS

12. NOTICES OF MOTION

*12.1. Timely Access to Confidential Documents

13. GENERAL INFORMATION / OTHER BUSINESS

*13.1. Amendments to the Outstanding Business List:

*13.1.a. Item to be Removed:

Options for Relief from Municipal Charges for the Taxi and Snow Plow Industries (LS21020) (City Wide)

Added: June 3, 2021 at AF&A - Item 7.4

Competed: October 21, 2021 at AF&A - Item 10.2

OBL Item: 21-H

14. PRIVATE AND CONFIDENTIAL

14.1. Commercial Relationship Between City of Hamilton and Garda Canada Security Corporation also known as GardaWorld Canada Security Corporation also known as GardaWorld Corporation (LS20025(a) / FCS20083(a)) (City Wide) - WITHDRAWN

*14.1.a. Item 14.1 has been Withdrawn - Commercial Relationship Between City of Hamilton and Garda Canada Security Corporation also know as GardaWorld Canada Security Corporation also known as GardaWorld Corporation (LS20025(a)/FCS20083(a)) (City Wide)

15. ADJOURNMENT



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 21-016

9:30 a.m.

October 7, 2021

Council Chambers

Hamilton City Hall

Present: Councillors L. Ferguson (Chair), B. Clark, B. Johnson, M. Pearson, and A. VanderBeek

Absent: Councillor M. Wilson – Personal

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. CONSENT ITEMS (Item 7)

(Pearson/Clark)

That the following Consent Items, be received:

- (a) 2021 Second Quarter Request for Tenders and Proposals Report (FCS21008(a)) (City Wide) (Item 7.1)**
- (b) 2021 Second Quarter Emergency and Non-competitive Procurements Report (FCS21009(a)) (City Wide) (Item 7.2)**
- (c) 2021 Second Quarter Non-Compliance with the Procurement Policy Report (FCS21010(a)) (City Wide) (Item 7.3)**

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

2. Revised Water Leak Adjustment Policy (FCS21087 / LS21037) (City Wide) (Item 8.1)

(Clark/Johnson)

- (a) That the revised Water Leak Adjustment Policy, effective January 1, 2022, attached as Appendix "A" to Report FCS21087 / LS21037, be approved;**

- (b) That the Mayor and City Clerk be authorized and directed to execute all necessary documents to engage ServLine by HomeServe to implement the revised Water Leak Adjustment Policy attached as Appendix “A” to Report FCS21087 / LS21037, in a form satisfactory to the City Solicitor and with content satisfactory to the General Manager, Finance and Corporate Services;
- (c) That the daily water fixed charges for all residential properties in the City of Hamilton with individual water meters be increased by \$0.01 effective January 1, 2022;
- (d) That the contents of Appendix “B” to Report FCS21087 / LS21037, Revised Water Leak Adjustment Policy remain confidential under solicitor-client privilege; and,
- (e) That staff be directed to undertake an amendment to the Water and Wastewater Infrastructure Support Community Improvement Plan so the revised Water Leak Adjustment Policy attached as Appendix “A” to Report FCS21087 / LS21037 can be incorporated into the Community Improvement Plan to extend water leak adjustments to residential rental properties and report back at a future Planning Committee meeting.

Result: Motion CARRIED by a vote of 3 to 0, as follows:

CONFLICT - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
CONFLICT - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

3. Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund (PW21055) (City Wide) (Item 8.2)

(Pearson/VanderBeek)

That Report PW21055, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund, be received.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

**4. Audit and Accountability Fund Intake 3: Expression of Interest (FCS21084)
(City Wide) (Item 10.1)**

(Johnson/Pearson)

- (a) That the General Manager, Finance and Corporate Services, be authorized and directed to submit expressions of interest associated with third-party reviews of municipal services to identify potential savings and efficiencies, in accordance with the terms and conditions associated with the Audit and Accountability Fund Intake 3 by October 28, 2021;
- (b) That the third-party reviews only be undertaken should the City be successful in obtaining funds from the Ministry of Municipal Affairs and Housing;
- (c) That Council direct staff to single source third-party consultants to complete reviews should the City be successful in obtaining funds from the Ministry of Municipal Affairs and Housing;
- (d) That the Mayor and City Clerk be authorized to execute a transfer payment agreement between the City of Hamilton and Her Majesty the Queen in right of Ontario as represented by the Minister of Municipal Affairs and Housing for the transfer of funds from the Audit and Accountability Fund, together with all necessary or advisable associated documents, in a form satisfactory to the City Solicitor and with content acceptable to the General Manager, Finance and Corporate Services;
- (e) That where required to give effect and authorize the signing of a transfer payment agreement between the City of Hamilton and Her Majesty the Queen in right of Ontario as represented by the Minister of Municipal Affairs and Housing for the Province of Ontario for the transfer of funds from the Audit and Accountability Fund, one or more by-law(s) be prepared in the form satisfactory to the City Solicitor for consideration by Council; and,
- (f) That a certified copy of the approved by-law authorizing the signing of the transfer payment agreement be forwarded to the Ministry of Municipal Affairs and Housing upon Council approval.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

**5. Discontinuation of Water Billing Services by Alectra Utilities (FCS21082)
(City Wide) (Item 10.2)**

(Pearson/VanderBeek)

That staff be directed to request that the Chair of Alectra Utilities attend an upcoming General Issues Committee meeting to provide more information regarding the discontinuation of water billing services to the City of Hamilton.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(Pearson/VanderBeek)

That Report FCS21082, Discontinuation of Water Billing Services by Alectra Utilities, be received.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

6. DELEGATION REQUESTS

6.1 James Kemp, respecting Item 8.2, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund (PW21055) (For Today's Meeting)

(Pearson/Johnson)

That the agenda for the October 7, 2021 Audit, Finance and Administration Committee meeting be approved, as amended.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson

YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(b) DECLARATIONS OF INTEREST (Item 3)

Councillor Pearson declared an interest to Item 8.2, Report FCS21087 / LS21037 respecting the Revised Water Leak Adjustment Policy and Item 14.1, Confidential Appendix "A" to Report FCS21087 / LS21037 respecting the Revised Water Leak Adjustment Policy as she and her husband own rental properties.

Councillor VanderBeek declared an interest to Item 8.2, Report FCS21087 / LS21037 respecting the Revised Water Leak Adjustment Policy and Item 14.1, Confidential Appendix "A" to Report FCS21087 / LS21037 respecting the Revised Water Leak Adjustment Policy as she owns rental properties.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 4)

(i) September 23, 2021 (Item 4.1)

(VanderBeek/Pearson)

That the Minutes of the September 23, 2021 meeting of the Audit, Finance and Administration Committee be approved, as presented.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(d) DELEGATION REQUESTS (Item 6)

(i) James Kemp, respecting Item 8.2, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund (PW21055) (For Today's Meeting) (Added Item 6.1)

(VanderBeek/Johnson)

That the delegation request from James Kemp, respecting Item 8.2, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund (PW21055), be approved for today's meeting.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson

YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(e) CONSENT ITEMS (Item 7)

(i) Hamilton Mundialization Advisory Committee Minutes - June 16, 2021 (Item 7.4)

(Pearson/Clark)

That the Hamilton Mundialization Advisory Committee Minutes of June 16, 2021, be received.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(f) STAFF PRESENTATIONS (Item 8)

(i) Revised Water Leak Adjustment Policy (FCS21087 / LS21037) (City Wide) (Item 8.1)

The Chair advised that public notice was given for the Revised Water Leak Adjustment Policy, inviting interested parties to make written or virtual representation at today's meeting. There were no registered speakers.

John Savoia, Senior Policy Advisor addressed the Committee with a staff presentation respecting Report FCS21087 / LS21037, Revised Water Leak Adjustment Policy.

(Clark/Johnson)

That the Staff Presentation respecting Report FCS21087 / LS21037, Revised Water Leak Adjustment Policy, be received.

Result: Motion CARRIED by a vote of 3 to 0, as follows:

CONFLICT - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
CONFLICT - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

For disposition of this matter, please refer to Item 2.

(ii) Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund (PW21055) (City Wide) (Item 8.2)

Maureen Cosyn Heath, Director of Transit, and Dennis Kar from Dillon Consulting addressed the Committee with a staff presentation respecting Report PW21055, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund.

(Pearson/Clark)

That the Presentation respecting Report PW21055, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund, be received.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(Pearson/Clark)

That consideration of Report PW21055, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund, be DEFERRED until after the delegates for this matter have been heard.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

For disposition of this matter, please refer to Item 3.

(g) PUBLIC HEARINGS / DELEGATIONS (Item 9)

(i) James Kemp, respecting Item 8.2, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund (PW21055) (Added Item 9.1)

James Kemp addressed the Committee respecting Item 8.2, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund.

(Pearson/Johnson)

That the delegation from James Kemp respecting Item 8.2, Consultant Report to Accessible Transportation Services funded by Provincial Audit and Accountability Fund (PW21055), be received.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

(h) ADJOURNMENT (Item 15)

(Pearson/Johnson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 11:00 a.m.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 1 Councillor Maureen Wilson

Respectfully submitted,

Councillor Ferguson, Chair
Audit, Finance and Administration
Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk

Submitted on Monday, October 18, 2021 - 1:02pm Submitted by anonymous user: 172.70.178.156 Submitted values are:

==Committee Requested==

Committee: Audit, Finance & Administration Committee

==Requestor Information==

Name of Individual: Ron Vankleef / Anthony Rizzutto

Name of Organization: Hamilton Cab / Blue Line Taxi

Contact Number:

Email Address:

Mailing Address:

Reason(s) for delegation request: Discuss October 21ST Report Taxi Industry Options. Our input and concerns currently being faced.

Will you be requesting funds from the City? No

Will you be submitting a formal presentation? No

Development Charge Client List Re the Establishment of Charges Under the D.C.A., 1997, 2003 to 2021

REGIONS

Durham
Haldimand
Halton
Niagara
Peel
Waterloo
York

COUNTIES

Brant
Bruce
Dufferin
Haldimand
Lanark
Norfolk
Northumberland
Oxford
Prince Edward
Renfrew
Wellington

CITIES

Barrie
Belleville
Brantford
Brockville
Burlington
Cambridge
Cornwall
Cumberland
Guelph
Hamilton
Kanata
Kawartha Lakes
Kingston
London
Mississauga
Niagara Falls
North Bay
Orillia
Oshawa
Ottawa
Owen Sound
Pickering
Port Colborne
Quinte West

CITIES (Cont'd)

Richmond Hill
St. Catharines
St. Thomas
Sarnia
Sault Ste. Marie
Stratford
Thorold
Timmins
Toronto
Waterloo
Welland
Woodstock

DISTRICTS

Muskoka

MUNICIPALITIES

Bluewater
Brighton
Casselman
Central Elgin
Chatham-Kent
Clarington
Grey Highlands
Lakeshore
Lambton Shores
Leamington
Middlesex Centre
North Grenville
North Middlesex
North Perth
Port Hope
South Bruce Peninsula
South Huron
Southwest Middlesex
Thames Centre
Trent Hills
Trent Lakes
West Elgin
West Grey

TOWNS

Ajax
Amherstburg
Arnprior

TOWNS (Cont'd)

Aurora
Aylmer
Bradford West Gwillimbury
Caledon
Carleton Place
Cobourg
Collingwood
East Gwillimbury
Erin
Essex
Fort Erie
Gananoque
Georgina
Grand Valley
Gravenhurst
Grimsby
Halton Hills
Hawkesbury
Huntsville
Ingersoll
Kingsville
Lakeshore
LaSalle
Lincoln
Milton
Minto
Mississippi Mills
Mono
Niagara-on-the-Lake
Oakville
Orangeville
Parry Sound
Pelham
Perth
Petawawa
Petrolia
Renfrew
St. Marys
Saugeen Shores
Shelburne
South Bruce Peninsula
Tecumseh
Tillsonburg
Wasaga Beach
Whitby
Whitchurch-Stouffville

TOWNSHIPS

Adelaide Metcalfe
Adjala-Tosorontio
Alfred and Plantagenet
Amaranth
Asphodel-Norwood
Blandford-Blenheim
Cavan Monaghan
Centre Wellington
Clearview
East Luther Grand Valley
Chatsworth
Clearview
East Garafraxa
East Zorra-Tavistock
Frontenac Islands
Greater Madawaska
Guelph/Eramosa
Hamilton
Havelock-Belmont-Methuen
King
Madawaska Valley
Malahide
Mapleton
Melancthon
Mulmur
North Dumfries
North Glengarry
Norwich
Oro-Medonte
Otonabee-South Monaghan
Puslinch
Rideau Lakes
Russell
Severn
Smith-Ennismore-Lakefield
South Frontenac
Southgate
South Stormont
South-West Oxford
Southwold
Springwater
Tay
Tay Valley
Tiny
Uxbridge
Wainfleet

TOWNSHIPS (Cont'd)

Warwick
Wellesley
Wellington North
West Lincoln
Whitewater Region
Wilmot
Woolwich
Zorra

VILLAGES

Dundalk
Point Edward

OTHER

Bradford West Gwillimbury
PUC
Chatham-Kent PUC
Essex Union Water Board
GO Transit -GTA/Hamilton



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Planning, Administration and Policy Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	October 21, 2021
SUBJECT/REPORT NO:	2023 Development Charges Background Study – Procurement Policy 11 Request (FCS21085) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Shivon Azwim (905) 546-2424 Ext. 2790
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That a new Development Charges Background Study for all City services be initiated, at an appropriate time, subject to the Growth Related Integrated Development Strategy (GRIDS) 2 process, to support a new Development Charges By-law in accordance with the *Development Charges Act, 1997*;
- (b) That the single source procurement of Watson & Associates Economists Ltd. as external consultants for the City's 2023 Development Charges Background Study, pursuant to Procurement Policy #11 – Non-competitive Procurements within the planned budget of \$900 K in Capital Project 3382155301 "Development Charges By-law Studies" be approved;
- (c) That the General Manager, Finance and Corporate Services, be authorized to negotiate, enter into and execute a contract and any ancillary documents required to procure Watson & Associates Economists Ltd. as the consultant to complete the 2023 Development Charges Background Study in a form satisfactory to the City Solicitor.

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**SUBJECT: 2023 Development Charges Background Study – Procurement
Policy 11 Request (FCS21085) (City Wide) – Page 2 of 7**

EXECUTIVE SUMMARY

The Development Charges Act, 1997 (DC Act) requires that the Development Charges (DC) By-law expires no more than five years from the date it comes into effect. The last DC Background Study and DC By-law for all City of Hamilton services was completed in 2019. Since then, the Province has released several pieces of legislation affecting development charges, including: Bill 108, More Homes, More Choice Act, 2019 (Bill 108); Bill 138, Plan to Build Ontario Together Act, 2019 (Bill 138); Bill 197, COVID-19 Economic Recovery Act, 2019 (Bill 197); and Bill 213, Better for People, Smarter for Business Act, 2020 (Bill 213).

The City completed a Development Charges Update Study in 2021 and amended the 2019 DC By-law via By-law 21-102 to reflect some of the changes. Other changes took effect when the legislation passed and did not require a By-law update. This amendment does not impact the expiry date of the current DC By-law. A new DC By-law must come into effect by June 12, 2024 in order for the City to continue collecting DCs.

Staff is recommending that for the 2023 DC Background Study, Watson & Associates Economists Ltd. (Watson) be single sourced through Policy #11 of the City's Procurement Policy (By-law 20-205) to consult and advise staff and Council on matters related to the study. Watson is a DC expert and leader in the field of municipal finance and have served over 100 municipalities across Canada. Watson has prepared the DC Background Studies for City of Hamilton since 2004. Most recently, related to DC specific engagements, Watson was engaged by the City to complete the DC Background Study Update in 2021.

Watson is currently engaged to perform the GRIDS 2 Financial Impact Assessment which uses many of the same masterplans as the DC Background Study. Watson was the sole and successful bidder for this engagement following a public Request for Tender process. As a result of past and current engagements, Watson has extensive knowledge and familiarity with the City's services, policies, processes, infrastructure, employment and residential housing metrics which will provide for a solid base on which to begin the work for the next DC Background Study.

Alternatives for Consideration – See Page 6

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**SUBJECT: 2023 Development Charges Background Study – Procurement
Policy 11 Request (FCS21085) (City Wide) – Page 3 of 7**

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Subject to Council approval of the recommendations to Report FCS21085, staff will begin negotiations with Watson in order to obtain a reasonable and competitive hourly rate. Watson’s billing practice is based on an hourly fee and direct expenses billed at cost. In-house staff expertise will also contribute to the compilation of the DC Background Study, which will require a portion of staff time. Council approved Capital Project 3382155301 “DC Bylaw Studies” in the amount of \$900 K through the 2021 Capital Budget process which will be the funding source for the consultant, sub-consultants, direct staff costs, as well as, other costs such as advertising and printing costs.

Staffing: Staff from each service area in the City, as well as, Local Boards will be required to participate in and provide information required for the DC Background Study. It is anticipated that the current staff complement in Budgets and Fiscal Policy, including the existing temporary resource, will be able to accommodate the leadership and co-ordination needs for the study by re-prioritizing the execution of various tasks.

Legal: The DC Act requires that DC By-laws expire after a period of no more than five years. The 2019 DC By-law will expire on June 12, 2024. A DC Background Study must be completed in order to support a new By-law and the By-law must be passed within one year of the completion of the DC Background Study, in order to remain in compliance with the DC Act.

HISTORICAL BACKGROUND

Watson has developed an understanding of the City’s services and relevant policies and procedures related to DCs through completion of previous DC Background Studies for the City of Hamilton dating back to 2004.

Currently, Watson is engaged to work on the GRIDS 2 Financial Impact Assessment (GRIDS 2 FIA). Watson was the successful bidder for this engagement following a public Request for Tender process. GRIDS 2 FIA is mandated by Provincial policy to determine how and where to plan for forecasted population and employment growth to the year 2051, in accordance with the Provincial population and employment growth forecasts and land needs assessment methodology. Much of the same information collected for GRIDS 2 FIA will be required to produce the new DC Background Study. As such, since Watson is already involved in the collection and interpretation of the information needed for GRIDS 2 FIA, it would result in some duplication of work to have another consultant collect the same data for the DC Background Study.

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SUBJECT: 2023 Development Charges Background Study – Procurement Policy 11 Request (FCS21085) (City Wide) – Page 4 of 7

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Under City By-law 20-205, Procurement Policy #11 requires Council approval for single source requests greater than \$250 K.

Section 10(1) of the DC Act requires the completion of a DC Background Study by the municipality prior the approval of a DC By-law. Per Section 11 of the DC Act, the accompanying DC By-law may only be passed within the one-year period following the completion of the DC Background Study. The accompanying By-law adopted following completion of the 2023 DC Background Study will replace the current DC By-law 19-142.

RELEVANT CONSULTATION

Corporate Services Department, Procurement Section, advised that a report to Committee and Council is required for all requests under Policy #11 – Non-competitive Procurements over \$250 K.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

Recommendation (a) to Report FCS21085 is required in order to pass a new DC By-law and collect DCs from net new development within the City. DCs are permitted to be collected per the DC Act. DCs are collected in order to recover the growth-related capital costs related to servicing new development. If DCs were no longer collected, the costs associated with DC funded capital projects would have to be funded from other sources, such as, property taxes and rate user fees.

Staff is recommending that for the 2023 DC Background Study, Watson be hired as the external consultant to consult and advise staff and Council on matters related to the study. Per City of Hamilton By-law 20-205, Procurement Policy #11- “Non-competitive Procurements”, staff must obtain Council approval for single source requests greater than \$250 K.

Watson is a DC expert and leader in its field and has served over 250 municipalities across Canada in matters related to municipal finance, education and land economics. Watson has assisted over 100 municipalities with the calculation and consultation process related to DC Background Studies and has undertaken over 400 DC studies (See Appendix “A” to Report FCS21085).

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**SUBJECT: 2023 Development Charges Background Study – Procurement
Policy 11 Request (FCS21085) (City Wide) – Page 5 of 7**

As a result, Watson is able to navigate through a DC Background Study for the City without the preliminary work of learning the City's policies, procedures, infrastructure, services and housing statistics from scratch. Firstly, this will save staff the time it takes to reorient a new external consultant. Secondly, switching from one consultant to another could increase the risk of an oversight or inconsistency between methodologies used in the past, which could result in an Ontario Land Tribunal (OLT) appeal.

Watson was involved in the Provincial Technical Working Group on the Community Benefits Charge (CBC) regulations and methodology, which also resulted in changes to the originally proposed changes to the DC Act per Bill 108. These changes were reflected in Bill 197. As such, Watson has extensive experience and knowledge with the new legislation that will be reflected in the new DC Background Study.

In advocating for municipalities, Watson has been involved in all of the working groups established for the Province during the passing of Bill 108, Bill 138, Bill 197 and Bill 213 and has been a source of information and advice for matters related to the CBC. Watson's expertise and knowledge related to these Bills will ensure the Background Study is compiled properly. Additionally, through Watson, the City will have access to an expansive database on rates, policies and exemptions for over 200 municipalities which can be accessed by clients as a free resource.

Watson is currently engaged to perform the GRIDS 2 FIA which will use the same masterplans and information required to complete the DC Background Study. The GRIDS 2 FIA engagement went through a public Request for Tender process. In addition, Watson has prepared DC Background Studies for City of Hamilton in the past and is familiar with the City's processes.

As a result, Watson has extensive knowledge and familiarity with the City's service lines, policies, processes, infrastructure, employment and residential housing metrics, as they have most recently completed and are working on projects directly related to the information required to be scrubbed and used as inputs into the next DC Background Study.

The timing of the next DC Background is recommended to commence as soon as the inputs are available following the GRIDS 2 process which will ensure that the City is keeping its DC rates relevant based on growth plans. The GRIDS 2 process is anticipated to be complete in April of 2022 as per the timeline presented in the presentation to the General Issues Committee on August 4, 2021. The related masterplans are also anticipated to be well underway at this time.

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: 2023 Development Charges Background Study – Procurement Policy 11 Request (FCS21085) (City Wide) – Page 6 of 7

ALTERNATIVES FOR CONSIDERATION

Council could direct staff to issue a Request for Proposal (RFP) for consulting services for the completion of a Development Charges Background Study and providing the support for the passing of a new Development Charges By-law.

Given the active engagement that Watson has with the GRIDS 2 FIA projects, issuing an RFP may or may not result in cost savings as compared to approving a single source through Procurement Policy #11. Through the GRIDS 2 FIA project, Watson is currently reviewing and working with the same data that will feed into the next DC Background Study and, therefore, they will have some base information needed to start the DC study calculations through this other engagement which would suggest that there could be a cost savings by sole sourcing Watson. Further, this alternative could result in the City selecting a consultant with less expertise and knowledge about the City's current DC policies and processes, resulting in more City staff time spent on educating a new consulting firm.

To mitigate the risk of hiring a less experienced consultant, if an RFP is issued, staff recommends that the bid be restricted to only Watson or Hemson Consulting Ltd. (Hemson). Hemson is also a leader in the field of municipal finance and provides expert advice in areas of planning policy, municipal finance, demographic and economic forecasting, growth management strategy, land needs assessment, real estate advisory and transportation impact analysis. They have completed over 200 DC Background Studies for a range of municipal clients.

Financial: It is unknown whether issuing an RFP would result in cost savings as compared to approving a single source through Procurement Policy #11. Should cost savings be identified, they may be offset by the additional staff time requirements noted in the Staffing section.

Staffing: Should Council wish to undertake an RFP for this project, additional staff time over the recommended approach would be required. There would be staff involved in the development, issuance, bid evaluation and award. If a new consultant firm was procured, it would require staff to spend a significant amount of time educating the new firm about the City's policies and processes.

Legal: No difference compared to staff recommendation in Report FCS21085.

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**SUBJECT: 2023 Development Charges Background Study – Procurement
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ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.


APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report FCS21085 – Watson & Associate Economists Ltd. Client List

SA/dt



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	October 21, 2021
SUBJECT/REPORT NO:	Options for Relief from Municipal Charges for the Taxi Industry (LS21020(a)) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	John McLennan (905) 546-2424 Ext. 5736
SUBMITTED BY:	Stephen Spracklin City Solicitor Legal Services
SIGNATURE:	

COUNCIL DIRECTION

- (i) That staff be directed to prepare correspondence to be sent to the Ministry of Transportation of Ontario, the Ministry of the Attorney General, the Insurance Bureau of Canada, the Financial Services Commission of Ontario, the Insurance Broker Association of Ontario, the Insurance Brokers Association of Hamilton, and other appropriate bodies respecting the cost of liability insurance for the taxi and snow plow industries and requesting the exploration of options for relief.
- (ii) Staff were directed to determine the number of snow plow operators in the last two years that have not been able to provide service due to insurance issues and report back to the Audit, Finance & Administration Committee.

INFORMATION

In regard to Item (i) Appendix A contains the proposed wording for correspondence from the Mayor's Office to various government bodies and insurance organizations requesting the exploration of options for relief for the taxi industry with the acquisition of liability insurance.

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**SUBJECT: Options for Relief from Municipal Charges for the Taxi Industry
(LS21020) (City Wide) - Page 2 of 2**

Appendix B contains similar proposed wording for correspondence from the Mayor's Office to various government bodies and insurance organizations requesting the exploration of options for relief for snow clearing contractors with the acquisition of liability insurance.

In regard to Item (ii) – Staff recognizes that occasionally contractors will choose to default or walk away from a contract for a variety of reasons. Procurement Section staff has indicated that within the past four years, 12 contractors providing snow clearing and landscaping work have chosen to default on their contract with the City because of their inability to secure the insurance coverage required under the contract or because they felt that the cost of securing such insurance was prohibitive to do so. This decision to default by the contractors has affected five City contracts (four snow clearing contracts and one mowing contract) and resulted in staff finding alternative methods to get the services completed (using less contractors for the same quantity of work, single sourcing to another vendor or, where time has permitted, reissuing a new competitive process).

APPENDICES AND SCHEDULES ATTACHED

Appendix A – draft wording for correspondence regarding taxi industry insurance difficulties.

Appendix B – draft wording for correspondence regarding snow clearing contractor insurance difficulties.

Appendix "A" to Report LS21020(a)

Appendix A - draft wording for correspondence regarding taxi industry insurance difficulties**Separate Addressees:**

The Honourable Caroline Mulroney, Minister of Transportation of Ontario
The Honourable Doug Downey, Attorney General of Ontario
The Honourable Peter Bethlenfalvy, Minister of Finance of Ontario
Ian McSweeney, Chair, The Financial Services Commission of Ontario
Joseph Carnevale, President, Insurance Broker Association of Ontario
Adam Veldpaus, President, Insurance Brokers Association Hamilton

Content:

Hamilton City Council has recently received a report from the City's Risk Manager outlining the ongoing difficulties our local taxi industry is experiencing with the acquisition of automobile liability insurance at reasonable premium rates and terms. The result of these insurance difficulties is a considerable decline in the availability of taxi service to Hamilton residents as service providers exit a market which is no longer profitable, primarily due to the rising cost of insurance.

The taxi industry has long provided an integral transportation service at an affordable cost to the citizens of Hamilton, particularly those who are unable to use public transit. A worrisome mobility void now exists across the City, one which regrettably disadvantages those with already existing mobility challenges the most.

On behalf of the citizens of Hamilton I respectfully urge (entity name) to examine the circumstances of this issue closely and to do anything within your power and mandate to illicit positive change.

We look forward to hearing from you and offer the assistance of the City of Hamilton in this endeavour.

Sincerely,

Fred Eisenberger
Mayor

Appendix "B" to Report LS21020(a)

Appendix B - draft wording for correspondence regarding snow clearing contractor insurance difficulties

Separate Addressees:

The Honourable Caroline Mulroney, Minister of Transportation of Ontario
The Honourable Doug Downey, Attorney General of Ontario
The Honourable Peter Bethlenfalvy, Minister of Finance of Ontario
Ian McSweeney, Chair, The Financial Services Commission of Ontario
Joseph Carnevale, President, Insurance Broker Association of Ontario
Adam Veldpaus, President, Insurance Brokers Association Hamilton

Content:

Hamilton City Council has recently received a report from the City's Risk Manager outlining the ongoing difficulties our local snow clearing contractors are experiencing with the acquisition of liability insurance at reasonable premium rates and terms. The result of these insurance difficulties is a considerable decline in the availability of snow clearing services to the City of Hamilton as a corporation, to local businesses and public entities, and to residential property owners as service providers exit a market which is no longer profitable, primarily due to the rising cost of insurance.

Local snow clearing contractors have long played an important role in the provision of winter maintenance services at affordable pricing to the City of Hamilton and its residents. With weather extremes becoming increasingly severe, municipalities across the provinces have never been more in need of assistance from private snow clearing contractors. The decline in the availability of private snow clearing services creates a significant challenge for municipalities in the provision of safe mobility routes with all due diligence while at the same time exercising fiscal prudence as operational budgets are stretched ever thinner.

On behalf of the citizens of Hamilton I respectfully urge (entity name) to examine the circumstances of this issue closely and to do anything within your power and mandate to illicit positive change.

We look forward to hearing from you and offer the assistance of the City of Hamilton in this endeavour.

Sincerely,

Fred Eisenberger
Mayor

CITY OF HAMILTON

NOTICE OF M O T I O N

Audit, Finance and Administration Committee: October 21, 2021

MOVED BY COUNCILLOR B. CLARK.....

Timely Access to View Confidential Documents

WHEREAS, Council access to confidential documents takes inordinately long; and,

WHEREAS, there is no policy informing or directing staff to enable Councillors to view confidential documents;

THEREFORE, BE IT RESOLVED:

That staff be directed to create a Procedure to enable Council timely access to confidential documents such as Memorandums of Understanding, Contracts and Agreements.