



City of Hamilton
AUDIT, FINANCE AND ADMINISTRATION COMMITTEE
AGENDA

Meeting #: 23-005
Date: April 6, 2023
Time: 9:30 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

Tamara Bates, Legislative Coordinator (905) 546-2424 ext. 4102

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 March 23, 2023
5. **COMMUNICATIONS**
 - 5.1 Heather Platt, respecting Resignation from the Hamilton Women and Gender Equity Committee

Recommendation: Be received.
6. **DELEGATION REQUESTS**
7. **DELEGATIONS**
8. **STAFF PRESENTATIONS**

- 8.1 Accessible Transit Services: DARTS Fleet Management and Vehicle Safety Audit (Report 50695) Management Action Plans (AUD22007(a)) (City Wide)

9. CONSENT ITEMS

- 9.1 2022 Fourth Quarter Emergency and Non-competitive Procurements Report (FCS22046(c)) (City Wide)
- 9.2 2022 Fourth Quarter Non-compliance with the Procurement Policy Report (FCS22047(c)) (City Wide)
- 9.3 2022 Fourth Quarter Request for Tenders and Proposals Report (FCS22048(c)) (City Wide)

10. DISCUSSION ITEMS

- 10.1 Indigenous Advisory Committee - Citizen Committee Report, respecting Revised Terms of Reference for the Indigenous Advisory Committee (IAC23001)
- 10.2 Private Water Service Line Leak Wastewater Bill Adjustment Policy (FCS23030) (City Wide) (Outstanding Business List Item)

11. MOTIONS

12. NOTICES OF MOTION

13. GENERAL INFORMATION / OTHER BUSINESS

14. PRIVATE AND CONFIDENTIAL

- 14.1 Closed Session Minutes - March 23, 2023

Pursuant to Section 9.1, Sub-section (a) and (b) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-section (a) and (b) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to the security of the property of the municipality or local board and to personal matters about an identifiable individual, including City or local board employees.

15. ADJOURNMENT



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 23-004

**9:30 a.m.
March 23, 2023
Council Chambers
Hamilton City Hall**

Present: Councillors C. Kroetsch (Chair), T. Hwang (Vice-Chair), J. Beattie, B. Clark, M. Tadeson, A. Wilson, and M. Wilson

Absent with Regrets: Councillor Spadafora – Personal

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. **Fraud and Waste Hotline Pilot Program: Evaluation (AUD23005) (City Wide) (Item 8.2)**
 - (A. Wilson/Beattie)**
 - (a) That the Fraud and Waste Hotline Pilot Program be made permanent.
 - (b) That effective July 1, 2023, the Fraud and Waste Hotline be funded via the operating levy through the Office of the City Auditor's operating budget, first by exhausting any remaining funding that was previously approved by Council.
 - (c) That Council approve the single source procurement, pursuant to Procurement Policy #11 – Non-competitive Procurements, for the Fraud and Waste Hotline Intake Services, Case Management Software, and Support until July 31, 2028 and that the City Manager be authorized to negotiate, enter into and execute a Contract and any ancillary documents required to give effect thereto with Whistleblower Security Inc., in a form satisfactory to the City Solicitor.
 - (d) That the name of the Office of the City Auditor be amended to the Office of the Auditor General in all corporate systems, on the City's website, and within any City Policy that references that Office, including but not limited to the Fraud Policy and Protocol, the Code of Conduct for Employees and Schedule F of the Code of Conduct for Employees "Interacting with the Office of the City Auditor" so that the independent and objective nature of the work being performed is recognized, acknowledged, and more easily understood by the public and staff.

- (e) That the position City Auditor be known as the Auditor General and this be updated in all corporate systems, on the City's website, and within any City Policy that references that Office, including but not limited to the Fraud Policy and Protocol, the Code of Conduct for Employees and Schedule F of the Code of Conduct for Employees "Interacting with the Office of the City Auditor".
- (f) That the revised Audit Charter (Appendix "A" to Report AUD23005) be approved.
- (g) That Legal Services be directed to prepare a by-law to amend the City's Procedural By-law 21-021, as amended, to replace Schedule F1, with the revised Audit Charter, attached as Appendix "A" to Report AUD23005 and to update references made to the City Auditor and the Office of the City Auditor within the Procedural By-law 21-021 to Auditor General and the Office of the Auditor General and that notice of the proposed amendment be given pursuant to the City's Public Notice Policy By-law 07-351.
- (h) That a by-law to amend the City Auditor By-law 19-180, to reflect the change from Office of the City Auditor to Office of the Auditor General and City Auditor to Auditor General attached as Appendix "B" to Report AUD23005, be enacted by Council.
- (i) That a by-law to amend the Whistleblower By-law 19-181, to reflect the change from Office of the City Auditor to Office of the Auditor General and City Auditor to Auditor General and to extend protections from reprisals to include employees who are witnesses in whistleblower investigations attached as Appendix "C" to Report AUD23005, be enacted by Council.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

2. Consent Items (Item 9)

(Clark/Hwang)

That the following Consent Items be received:

- (a) Fair Wage Policy and Fair Wage Schedule Complaints Annual Report (FCS23015) (City Wide) (Item 9.2)

- (b) Report of the 2022 Remuneration and Expenses as Required under Section 284 of the Municipal Act (FCS23018) (City Wide) (Item 9.3)
- (c) Annual Assessment Appeals as of December 31, 2022 (FCS23022) (City Wide) (Item 9.4)
- (d) Annual Tax Arrears as of December 31, 2022 (FCS23023) (City Wide) (Item 9.5)
- (e) COVID-19 Policy 10 Emergency Procurements Report (FCS23024) (City Wide) (Item 9.6)
- (f) Annual Occupational Injury & Illness Claims Report 2022 (HUR23003) (City Wide) (Item 9.7)
- (g) Annual Employee Attendance Report 2022(HUR23005) (City Wide) (Item 9.8)

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

**3. Use of External Services for Tax Assessment & Appeals
(FCS20005(b)/LS21047(a)) (Outstanding Business List Item) (City Wide) (Item 10.1)**

(A. Wilson/Hwang)

- (a) That costs for the use of external legal counsel, if required, to supplement internal legal resources and use of Assessment & Appraisal consultants / Expert Witnesses to actively participate in Assessment Appeals be funded from the existing Appeals operating budget (52108-252013);
- (b) That staff report on the financial impacts of the City of Hamilton's active participation in Assessment Appeals through the Annual Assessment Appeals Report; and
- (c) That as a result of this report, the item representing Use of External Services for Tax Assessment & Appeals will be considered complete and removed from the Audit, Finance and Administration Committee outstanding business list.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

**4. Request to Extend Banking Services Agreement (FCS23036) (City Wide)
(Item 10.2)**

(Clark/A. Wilson)

- (a) That the General Manager, Finance and Corporate Services Department, or their designate, be authorized and directed to negotiate an extension to Contract C12-01-11 for Professional Banking Services for the City of Hamilton (City) for a period of no less than three years with the Royal Bank of Canada (RBC), pursuant to Procurement Policy #11 – Non-competitive Procurements; and
- (b) That staff be directed to report back with the results of the negotiations of the extension with RBC to the Audit, Finance and Administration Committee for approval.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

5. Accounts Receivable Write-Offs for 2022 (FCS23017) (City Wide) (Item 10.3)

(Hwang/Tadeson)

- (a) That the Schedule of General Accounts Receivable Write-Offs less than \$1,000 in the amount of \$4,941.56 attached as Appendix “A” to Report FCS23017, be received for information;
- (b) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectable General Accounts Receivable over \$1,000 in the amount of \$86,105.77 attached as Appendix “B” to Report FCS23017.

- (c) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible Hamilton Farmer's Market Accounts Receivables in the amount of \$55,127.28 attached as Appendix "C" to Report FCS23017.
- (d) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible Lodges Accounts Receivables in the amount of \$17,867.05 attached as Appendix "D" to Report FCS23017.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

6. City Auditor Reporting of Serious Matters to Council (Case #63146) (AUD23006) (City Wide) (Item 14.1)

(Beattie/Tadeson)

That Report AUD23006, respecting City Auditor Reporting of Serious Matters to Council (Case #63146) (City Wide), be received and remain confidential.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

7. Committee Report (Added Item 14.2)

(A. Wilson/Clark)

- (a) That the direction provided to staff in Closed Session, be approved; and
- (b) That the Committee Report remain confidential.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch

YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

8. STAFF PRESENTATIONS / PRESENTATIONS

8.3 Hamilton Mundialization Committee – Annual Report
To be considered following Item 8.1.

9. CONSENT ITEMS

9.1(a) Committee Against Racism Minutes – January 10, 2023 -
WITHDRAWN

9.1(c) Hamilton Women and Gender Equity Committee Minutes –
January 26, 2023 - **WITHDRAWN**

12. NOTICES OF MOTION

12.1 Fair Wage Policy Review

14. PRIVATE AND CONFIDENTIAL

14.2 Committee Report

(Hwang/A. Wilson)

That the agenda for the February 16, 2023 Audit, Finance and Administration
Committee meeting be approved, as amended.

CARRIED

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

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

(i) February 16, 2023 (Item 4.1)

(Tadeson/Hwang)

That the Minutes of the February 16, 2023 meeting of the Audit, Finance and Administration Committee be approved, as presented.

CARRIED

(d) STAFF PRESENTATIONS / PRESENTATIONS (Item 8)

(i) Advisory Committee for Immigrants and Refugees – Annual Report (Item 8.1)

Jennie Hamilton, Chair, Advisory Committee for Immigrants and Refugees, addressed the Committee respecting the Advisory Committee for Immigrants and Refugees Annual Report.

(Tadeson/Hwang)

That the presentation from Jennie Hamilton, Chair, Advisory Committee for Immigrants and Refugees respecting the Advisory Committee for Immigrants and Refugees Annual Report, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(ii) Hamilton Mundialization Committee - Annual Report (Added Item 8.3)

Anthony Macaluso, Chair, Hamilton Mundialization Committee, addressed the Committee respecting the Hamilton Mundialization Committee Annual Report.

(A. Wilson/Hwang)

That the presentation from Anthony Macaluso, Chair, Hamilton Mundialization Committee respecting the Hamilton Mundialization Committee Annual Report, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang

YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(iii) Fraud and Waste Hotline Pilot Program: Evaluation (AUD23005) (City Wide) (Item 8.2)

Charles Brown, City Auditor, addressed Committee respecting the Fraud and Waste Hotline Pilot Program: Evaluation, with the aid of a presentation.

(A. Wilson/Hwang)

That the presentation from Charles Brown, City Auditor, respecting the Fraud and Waste Hotline Pilot Program: Evaluation, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

For further disposition of this matter, refer to Item 1.

(e) CONSENT ITEMS (Item 9)

(i) Committee Against Racism Minutes - February 6, 2023 (Item 9.1(a))

(Beattie/Clark)

That the Committee Against Racism Minutes of February 6, 2023, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson

YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(f) MOTIONS (Item 11)

Councillor Kroetsch relinquished the Chair to Councillor Hwang to introduce the following Motion and Notice of Motion:

(i) Feasibility of a Bring Your Own Device Policy (Item 11.1)

(Kroetsch/M. Wilson)

WHEREAS, the Council-approved *City of Hamilton E-mail, Internet, and Computer Acceptable Use Policy* and *IT Security Policy* strictly prohibit the use of personal devices in any form to conduct City of Hamilton business;

WHEREAS, the ability to use a range of technology, including software, to accommodate social media and graphic design would enable Councillors and their staff to optimize their office work;

THEREFORE, BE IT RESOLVED:

That Information Technology staff investigate the feasibility of implementing a bring-your-own-device policy that would allow Councillors and their staff to use personal computers, mobile phones and other personal devices to conduct City of Hamilton business and report back to the Audit, Finance and Administration Committee on the following:

- (a) the risks, operational impacts, and cost implications of implementing a bring-your-own-device policy;
- (b) the possible implementation of a pilot for a bring-your-own-device policy, that shall be limited to Councillors and their administrative staff; and
- (c) an investigation of other direct paths to allow Councillors and their staff to use a range of personal technology to meet their individual needs.

Result: Motion CARRIED by a vote of 6 to 1, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
NO - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson

YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(g) NOTICES OF MOTION (Item 12)

Councillor Kroetsch introduced the following Notice of Motion:

(i) Fair Wage Policy Review (Added Item 12.1)

WHEREAS, the Fair Wage Policy has not been updated recently, especially in light of the serious changes to the industry as a result of the COVID-19 pandemic;

WHEREAS, there are record-level investments in building and a renewed interest in health, hygiene, and safety on job sites; and

WHEREAS, the City and other employers are contending with an underground economy which is destabilizing the associated job markets.

THEREFORE, BE IT RESOLVED:

- (a) That Human Resources and Finance and Corporate Services staff be directed to engage in a review of the Fair Wage Policy and any related schedules through stakeholder meetings for report back to the Audit, Finance and Administration Committee by the end of Q3 2023 with recommendations; based on stakeholder feedback;
- (b) That the following stakeholder groups be included in the consulted: Christian Labour Association Canada; Electrical Construction Association Hamilton; Hamilton Brantford Ontario Building & Construction Trades Council; Golden Horseshoe General Contractors Association; Greater Hamilton & Niagara Construction Association; Hamilton Halton Construction Association; Mechanical Contractors Association Hamilton Niagara; Labourers' International Union of North America; and Merit OpenShop Contributors Association of Ontario;
- (b) That there be two stakeholder meetings, inviting all stakeholders to each, at the beginning of Q3 2023; and
- (c) That members of City Council be permitted to attend as guests to hear stakeholder feedback directly.

(h) GENERAL INFORMATION / OTHER BUSINESS (Item 15)

(i) Amendments to the Outstanding Business List (Item 13.1)

(Beattie/A. Wilson)

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

- (a) Items Considered Complete and to be Removed
 - 1. Use of External Services for Tax Assessment & Appeals
Item on OBL: 21-Q
Addressed as Item 10.1 on today's agenda

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(h) PRIVATE AND CONFIDENTIAL (Item 14)

(Beattie/A. Wilson)

That the Audit, Finance and Administration Committee move into Closed Session respecting Item 14.1 and 14.2, pursuant to Section 9.3, Sub-sections (a) and (b) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-section (a) and (b) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to the security of the property of the City or a local board and to personal matters about an identifiable individual, including City or local board employees.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
ABSENT - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(i) City Auditor Reporting of Serious Matters to Council (Case #63146) (AUD23006) (City Wide) (Item 14.1)

For further disposition of this matter, refer to Item 6.

(ii) Committee Report (Added Item 14.2)

For further disposition of this matter, refer to Item 7.

(i) **ADJOURNMENT (Item 15)**

(Tadeson/A. Wilson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 1:03 p.m.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - CHAIR - Ward 2 Councillor Cameron Kroetsch
YES - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

Respectfully submitted,

Councillor Cameron Kroetsch, Chair
Audit, Finance and Administration
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk

Bates, Tamara

Subject: FW: Women and Gender Equity Advisory Committee Meeting

From: Heather P. < >

Sent: Thursday, March 16, 2023 10:38 AM

To: >

Cc: Strutt, Jocelyn <Jocelyn.Strutt@hamilton.ca>; Stahl, Morgan <Morgan.Stahl@hamilton.ca>

Subject: Re: Women and Gender Equity Advisory Committee Meeting

Hello,


Unfortunately, I will be resigning from the committee effective immediately as I no longer live in the Hamilton region.

Good luck with all your current and future work advocating for women and gender equity in Hamilton.

Best regards,
Heather Platt



CITY OF HAMILTON
OFFICE OF THE AUDITOR GENERAL

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 6, 2023
SUBJECT/REPORT NO:	Accessible Transit Services: DARTS Fleet Management and Vehicle Safety Audit (Report #50695) Management Action Plans (AUD22007(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Brigitte Minard, CPA, CA, CIA, CGAP (905) 546-2424 Ext. 3107
SUBMITTED BY:	Charles Brown, CPA, CA Auditor General Office of the Auditor General
SIGNATURE:	

RECOMMENDATION

- (a) That the Management Action Plans, as detailed in Appendix “A” of Report AUD22007(a) be approved; and,
- (b) That the General Manager of Public Works be directed to implement the Management Action Plans (attached as Appendix “A” to Report AUD22007(a) and report back to the Audit, Finance and Administration Committee by October 2023 on the nature and status of actions taken in response to the audit report.

EXECUTIVE SUMMARY

An audit of Accessible Transit Services: DARTS Fleet Management and Vehicle Safety was completed in September 2022. Disabled and Aged Regional Transportation System (“DARTS”) is an external organization that provides accessible transit services in Hamilton under contract with the City.

OUR Vision: To be the best place to raise a child and age successfully.

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: Accessible Transit Services: DARTS Fleet Management and Vehicle Safety Audit (Report #50695) Management Action Plans (City Wide)
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The overall objective of the audit was to assess the maintenance and inspection activities employed by DARTS and its sub-contractors, with a view to concluding on the effectiveness of these processes in ensuring the safety of vehicles placed into service.

The audit was initiated as a result of a confidential Fraud and Waste report, expressing safety concerns with respect to the management of fleet, the Office of the Auditor General (OAG) initiated an audit of DARTS' vehicle maintenance and fleet inspection practices. DARTS is an external organization that provides accessible transit services in Hamilton under contract with the City.

A total of 73 recommendations were made in September 2022 (Report AUD22007). At that time an overall management response was provided, with Council direction to Public Works to provide detailed management action plans to the OAG by January 2023.

This report presents these management action plans Committee as Report AUD22007(a) so that direction to staff can be provided regarding implementation of the action plans.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: None.

Staffing: None.

Legal: None.

HISTORICAL BACKGROUND

The Office of the City Auditor Work Plan 2019 to 2022 (AUD19007) included the completion of a DARTS Audit, noting that the audit was pending the completion of a revised Master Operating Agreement (MOA) between the City and DARTS. A revised MOA has not been completed, however an audit was initiated as a result of a confidential Fraud and Waste report, expressing safety concerns with respect to the management of fleet.

SUBJECT: Accessible Transit Services: DARTS Fleet Management and Vehicle Safety Audit (Report #50695) Management Action Plans (City Wide)
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On March 24, 2022 this issue was reported by the City Auditor as a “Serious Matter” to Council, per the “City Auditor Reporting of Serious Matters to Council” policy. The two criteria being applied were that there was a situation that could threaten public safety and could have a significant adverse impact on the City’s vulnerable populations. The OCA informed Council that a comprehensive audit was being completed.

The results of that audit were reported in September 2022 as Report AUD22007.

Council provided direction to staff regarding Report AUD22007:

- (a) That the General Manager of Public Works be directed to report back to the Office of the City Auditor by January 2023 with a detailed management action plan, which will then be reported to the Audit, Finance and Administration Committee for approval.

The OAG (previously known as the Office of the City Auditor) received the management action plans in early February 2023. We reviewed the management action plans, ultimately found them to be adequate and are presenting them to Committee as Report AUD22007(a) so that direction to staff can be provided regarding implementation.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None.

RELEVANT CONSULTATION

Appendix “A” to Report AUD22007(a) includes management action plans from management responsible for overseeing accessible transit services within the City’s Transit Division of the Public Works Department.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Audit Process and Findings (September 2022)

The OAG used the services of Fleet Challenge Canada (FCC) to conduct the main parts of the audit. FCC specializes in fleet compliance to complete a thorough review of the inspection, maintenance and fleet management activities performed on DARTS operated vehicles with a view to identifying any control weaknesses or compliance

SUBJECT: Accessible Transit Services: DARTS Fleet Management and Vehicle Safety Audit (Report #50695) Management Action Plans (City Wide)
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issues that may impact public safety. This work included vehicle inspections completed by licensed Automotive Service Technicians and/or Truck and Coach Technicians.

The primary tool used to evaluate the current state of inspection and maintenance practices of DARTS was a planned sample of 40 (39 actual) vehicles during the first week of the review. The results were unequivocally poor. We found that 46% of the vehicles failed the independently conducted inspections.

According to FCC, this level of failure is “exceptionally high” and a decision was made to continue with further inspections of the entire fleet. The fail rates showed some improvement over time, mainly during the last weeks of the inspection process. The overall fail rate for first inspections, was 32%. For a commercial operation that serves a vulnerable population, we found this to be unacceptable, indicating an inadequate level of inspection and maintenance rigour that is systemic.

The audit found numerous issues relating to safety, and many opportunities for improvement. Issues were found with brakes, tires, exhaust systems, steering and suspension systems, including a “singular matter of urgency” – that being defective and/or seized emergency brakes which bear “rollaway” risk.

In terms of processes, we found various weaknesses related to inspection processes, quality assurance, safety awareness and training, contract oversight, qualifications, data management, and minimum standards requirements.

Perhaps most concerning to OCA was that the DARTS subcontractors were seemingly incapable of maintaining their fleets to the standards of safety required. These concerns are only magnified with the observation by FCC that some vehicles were taken out of service and retired permanently, shortly after the start of the vehicle inspection campaign.

OCA also had several additional audit findings related to contract management and oversight.

Management agreed with 70 recommendations and three recommendations were agreed in part. Management committed to providing a comprehensive management action plan to the OCA by January 2023. These were received by the OAG in early February 2023. We reviewed these responses and ultimately found that they adequately address the audit recommendations and are submitted to this Committee for approval and to direct Management to implement these action plans. The recommendations and management action plans can be found in Appendix “A” to Report AUD22007(a).

SUBJECT: Accessible Transit Services: DARTS Fleet Management and Vehicle Safety Audit (Report #50695) Management Action Plans (City Wide)
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ALTERNATIVES FOR CONSIDERATION

Not applicable.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

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 AUD22007(a) – Recommendations and Management Action Plans

[Report AUD22007 Accessible Transit Services DARTS Fleet Management and Vehicle Safety Audit](#)

[Appendix "A" to Report AUD22007 \(Audit Report\)](#)

[Appendix "B" to Report AUD22007 \(Fleet Challenge Canada Report\)](#)

[Appendix "C" to Report AUD22007 \(Recommendations and Management Response\)](#)

[Appendix "D" to Report AUD22007 \(Infographic\)](#)



**Accessible Transit Services:
DARTS Fleet Management and Vehicle
Safety Audit (Report #50695)**

**Recommendations
and
Management Action Plans**

April 6, 2023

**Office of the Auditor General
Brigitte Minard, Deputy Auditor General
Domenic Pellegrini, Senior Auditor
Charles Brown, Auditor General**

Introduction

As a result of the audit completed by the Office of the Auditor General (OAG) with support from Fleet Challenge Canada (FCC), many significant opportunities for improvement were identified and a total of 73 (nine from the OAG and 64 from FCC) recommendations were made.

The Office of the Auditor General requested one high-level management response from management in the Transit Division in Q3 2022, with direction received from Council to report back to the OAG by January 2023 with a detailed management action plan, which were then to be reported to the Audit, Finance and Administration Committee for approval. The detailed management action plans were received by the OAG and are included below.

FCC Recommendations-Key Highlights

The FCC recommendations covered a broad range of themes including:

- DARTS Driver Communications
- DARTS Safety Practices
- Recommendations for Accessible Transit Services (ATS)
- Recommendations for DARTS
- Recommendations for DARTS Regarding its Subcontractors
- Insurance
- Contracts-Memorandum of Agreement (MOA)
- Contracts-Subcontractor Service Agreements

Broadly speaking, many recommendations related to vehicle safety and how to ensure that service is delivered to residents-that is providing them with a trip in a safe vehicle that is properly insured, and are driven by a driver that is properly trained with an adequate safety and training record.

The many recommendations that related to contracts and insurance ultimately support the safe delivery of accessible transit services, while achieving value for money in service delivery (primary focus being effectiveness of service delivery).

Recommendations

Office of the Auditor General Recommendations

Recommendation 1

We recommend that the existing Memorandum of Agreement (MOA) be substantially redesigned with a view to ensuring safe and efficient operations, clear standards, and effective remedies and contingencies. The MOA is dated, and lacks many critical areas of contract language such as driver training, vehicle safety, remedies for non-performance or conformance, penalties for non-compliance, vehicle specifications and standards, etc. A new, modern legal document that meets the City's requirements is needed.

Management Response

Agree.

ATS acknowledges that the existing contract between the parties is insufficient. The overall approach to arrive at a new agreement will be undertaken in two parts:

- For existing terms which require minor updates or revisions, the Transit Division will work with internal legal counsel to issue an amending agreement to the existing contract between the parties, where it is practical to do so to cover interim matters pending the preparation of a new agreement. (In progress)
- For areas which require either substantive changes or new requirements, the Director of Transit will define business terms through discussions with the contractor. Legal counsel will thereafter prepare the appropriate terms and conditions for inclusion in a new agreement for the parties to execute. (Not yet started)

Anticipated completion: Q2 2023 (amending agreements), Q4 (new Agreement).

Recommendation 2

We recommend that the Transit Division set standards for contractor and sub-contractor vehicle safety inspection results and include this language in future contract updates to ensure public safety risks are properly addressed. When assessing inspection results, the City should exercise contractual rights to penalize contractors failing to meet the safety standards to the fullest extent

possible, and it should have intervention mechanisms that are effective and timely.

Management Response

Agree.

Best practices in contracting provide clauses which escalate dependent on the severity of the incident and incorporate corrective measures and cancellation and/or termination clauses which are more robust in nature than in the existing document between the parties.

Anticipated completion: Q2 2023 (amending agreements) Q4 (new Agreement). See also response below to themed recommendations 44-50.

Recommendation 3

We recommend that a single, accurate, and complete list of DARTS and Subcontractor vehicles be maintained by the contractor and be available to the Transit Division. The list should be up to date in real time and revised whenever there are changes proposed by the contractor. This should be part of any updated contract related to the provision of accessible transit services.

In order to properly identify each unique vehicle, this list should include the vehicle number, the license plate number, the VIN number, and proof of insurance. It should also reflect whether the vehicle is active or inactive. The accuracy and completeness of this list should be tested and verified at least annually. Consideration should also be given to defining key terms relating to the above in future contract updates.

Management Response

Agree.

The City will establish a rolling fleet inventory report with specified requirements and timelines to be completed by the Contractor/subcontractors. This will be set out as an Appendix in the revised Master Operating Agreement (MOA). Contract Management (CM) criteria will be established for verifying the vehicles. The City will establish this on a shared Fleet Management Information System to which the parties can have real-time access.

Anticipated completion: Q2 2023 (amending agreements) Q4 (new Agreement) Q2 2023 (Fleet Management Information System).

Recommendation 4

We recommend that Transit's contract management practices be improved to ensure adequate contract management documentation is maintained by the City, including for amendments, non-conformances, and penalties, ensuring that contract management administrative requirements are strictly adhered to, maintaining appropriate contractor boundaries, and formal communications with them are timely, effective, and sufficient.

Management Response

Agree.

ATS service is delivered through contracted services and the audit findings highlight the need for stronger oversight of the contractor/subcontractors given the performance concerns. A Contract Management (CM) program will be embedded into future agreements between the parties based on the new terms.

While ATS has improved its contract management practices over the past two years, there is more work to be done. Currently, responsibility for contract management on the DARTS file is a shared responsibility between the Manager and a Senior Project Manager whose portfolio also includes other divisional contracts.

A review will be conducted to assess the need for a dedicated Contract Manager position with sole responsibility for managing ATS contracts/subcontractor activity.

Anticipated completion: Q4 2023 (following Agreement completion) for new contract management framework. Q3 2023 (business case for dedicated Contract Manager for 2024 budget submission).

Recommendation 5

We recommend that Transit's process for approving subcontractors be improved and replaced with a consistent, formalized process and criteria that will ensure appropriate due diligence and provide the City with assurances that any proposed subcontractors are being properly vetted prior to being considered for approval. It should be the City's sole discretion if any sub-contractors are to be utilized or not.

Management Response

Agree.

ATS will include subcontractor approvals as part of the assessment set out in Recommendation 4 (above) regarding a dedicated Contract Manager.

Anticipated completion: Q2 2023 (amending agreements) Q4 (new Agreement); Q3 2023 (business case for dedicated Contract Manager).

Recommendation 6

We recommend that the Trapeze application and the service data be under the control of the City. The Transit Division needs access to all the Trapeze functionalities and captured data, and this should be a critical requirement of the terms that form part the next agreement with a contractor. Consideration should also be given to having future contracts include some level of authority over routing decisions by the City.

Management Response

Agree.

Trapeze should be returned to the control of the City, with contractor staff receiving restricted access based on job functions. ATS will discuss with Information Technology to determine a work plan to return that functionality back to City control.

A number of years ago, the City gave control to the contractor for reservations and routing, which necessitated the contractor having control of the software (Report PW11093).

ATS will conduct a study to determine if reservations and routing should be brought back within the control of the City not only for greater oversight of routing decisions, but also for effectiveness and efficiency reasons, including the delivery of a successful integrated transit pilot (see also Appendix "A" to Report PW21055 - Review of ATS Eligibility Determination Process and Services, and PW19083(a)/FCS18048(b) Investing in Canada Infrastructure Program, Public Transit Stream - Allocation of Funding Balance).

Anticipated completion: Q3 2023 (workplan for return of Trapeze database to City control, with implementation to follow); Q4 2023 (business case for return of scheduling and reservations decisions to ATS).

Recommendation 7

We recommend that contractor performance for the accessible transit services contracts be tracked and evaluated using a consistent and robust process.

Management Response

Agree.

ATS will develop a new Contract Management (CM) framework based on the terms of a modified or new Agreement between the parties. The CM program will include site inspections, document review and reporting requirements, at a minimum.

Anticipated completion: Q2 2023 (amending agreements) Q4 (new Agreement), Q3 2023 (business case for dedicated Contract Manager).

Recommendation 8

We recommend that contract management training be provided to Transit Division staff to ensure the City's rights under contract are protected and timely remedies can be implemented during the contract management process.

Management Response

Agree.

ATS will ensure that staff receive updated Contract Management training from the City of Hamilton as available.

Anticipated completion: Q3 2023.

Recommendation 9

We recommend that Transit develop contingency plans that can be executed should the need arise to replace and/or cancel a contract with a contractor/subcontractor.

Management Response

Agree.

ATS agrees that contingency planning is important, however, noting the specialized equipment in use on this type of contract, it is not operationally feasible to switch to a different provider in an emergent situation under a sole contract.

Future contingency planning will require consideration of more than one contract for similar work to ensure there are alternative service options.

Anticipated completion: Q3 2023 (contingency workplan).

Fleet Challenge Canada Recommendations

Theme A: Recommendations Regarding DARTS Driver Communications

Recommendation 1

DARTS drivers, whether employed by DARTS or its subcontractors, should have a mechanism for freely reporting their concerns and complaints without fear of reprisal.

Management Response

Agree.

The contractor has an Incident Management System in place available to it and its subcontractor drivers. The system has feedback loop capabilities and tiered access rights, and covers mechanical, scheduling, health and safety, and passenger issues.

Anticipated completion: Complete (incident management reporting system); Q2 2023 (Quality Management System database for anonymous and transparent non-conformance and resolution reporting).

Recommendation 2

DARTS drivers filing a complaint or concern should be given the option of anonymity if that is their choice.

Management Response

Agree.

The contractor advised they have an employee suggestion process available to staff. The contractor will implement a Non-Conformance Reporting (NCR) process for drivers through a Quality Management System (QMS) database.

The contractor advised they will include an anonymous reporting feature on their web site for employee use, and issue resolution will be posted online for their employees and those of their subcontractors.

ATS is working with City staff to explore a QMS database solution for the contractor that aligns with City processes.

Anticipated completion: Complete (Incident Management Reporting System); Q2 2023 (Quality Management System database for anonymous and transparent non-conformance and resolution reporting).

Recommendation 3

DARTS should appoint a designate to receive driver concerns and complaints. The designate should be a senior-level representative, sufficiently empowered and accountable for taking reasonable and appropriate corrective actions to address the driver's complaints/concerns once validated.

Management Response

Agree.

The contractor advised they have an employee suggestion process available to staff and will implement a Non-Conformance Reporting (NCR) process for drivers through a Quality Management System database.

The contractor will include an anonymous reporting feature on their web site for employee use, and issue resolution will be posted online for DARTS and subcontractor employees.

Anticipated completion: Complete (Incident Management Reporting System); Q2 2023 (Quality Management System database for anonymous and transparent non-conformance and resolution reporting).

Recommendation 4

Complaints and comments by DARTS drivers should be documented and time-stamped, and an action plan prepared to address the driver's issue(s) by the DARTS designate selected to receive driver concerns and complaints.

Management Response

Agree.

The contractor advised they have an employee suggestion process available to staff and will be implementing a Non-Conformance Reporting (NCR) process for drivers through a Quality Management System database.

The contractor will include an anonymous reporting feature on their web site for employee use, and issue resolution will be posted online for their employees and those of their subcontractors.

Anticipated completion: Complete (Incident Management Reporting System); Q2 2023 (Quality Management System database for anonymous and transparent non-conformance and resolution reporting).

Recommendation 5

The DARTS designate should ensure that there is a follow-up process in place to advise the complainant of the actions taken by DARTS to correct the issue.

Management Response

Agree.

The contractor advised they have an employee suggestion process available to staff and will be implementing a Non-Conformance Reporting (NCR) process for drivers through a Quality Management System database.

The contractor will include an anonymous reporting feature on their web site for employee use, and issue resolution will be posted online for their employees and those of their subcontractors.

Anticipated completion: Complete (Incident Management Reporting System); Q2 2023 (Quality Management System database for anonymous and transparent non-conformance and resolution reporting).

Recommendation 6

The DARTS designate should be required to prepare a monthly report to DARTS senior management and the ATS of all complaints/concerns and corrective actions taken.

Management Response

Agree

This will be incorporated into a Monthly Report from the contractor to ATS in an agreed-upon format, to include customer complaints and a summary of the incident management system referenced above. Customer complaints and Operator incident reports are currently followed up individually.

Anticipated completion: Q2 2023 (finalize monthly report format).

Theme B: Recommendations Regarding DARTS Safety Practices

Recommendation 7

DARTS should take immediate actions to ensure its vehicles, and those of its subcontractors always meet MTO safety standards, not just when inspections are completed.

Management Response

Agree.

The contractor immediately implemented a 6-month safety check process for all ambulatory vehicles (all accessible vehicles are already required to have a safety inspection ever 6 months under MTO regulation). The contractor hired a new Clerk to perform data entry for subcontractors, licence management, vehicle oversight, etc.

The contractor has been notified that ATS expects internal inspections to be completed monthly (at a minimum) for all vehicles used to provide service. Sample records are now audited by ATS, and ATS flags vehicles each month for third party inspections at an MVIS location beginning with the minimum random selection of five (5) percent of each fleet and adding more vehicles as is judged to be prudent, based on review of available records and previous inspection outcomes. The contractor and subcontractors have been compliant with the third-party inspection process as communicated by ATS.

Based on the above process, ATS currently selects vehicles for inspection each month, and will continue to do so until it is satisfied that any residual vehicle issues are resolved. Expectations regarding the ongoing oversight and audit of contractor and subcontractor vehicle maintenance will be set in the revised contractor Agreement.

Anticipated completion: Ongoing (ATS third party inspections); Q2 2023 (refine and document expectations as part of amending agreement to existing contract).

Recommendation 8

Safety inspections of the DARTS fleet, and its subcontractors should be conducted in accordance with applicable Ministry of Transportation of Ontario (MTO) Safety Standards Inspection (SSI) protocol and guidelines.

(For further details please see the section of this report that deals with DARTS and DARTS subcontractor's practices).

Management Response

Agree.

The contractor has been notified that ATS expects internal inspections to be completed at least monthly for all vehicles used to provide service: sample records are now audited by ATS each month and ATS flags vehicles each month for third party inspections at an MVIS location based on random selection as well as available records. The contractor and its subcontractors have been compliant with the third-party inspection process as communicated by ATS.

Anticipated completion: Complete (process in place for ATS third party vehicle inspections, ATS records inspections, and ATS expectations communicated). Q2 2023 (refine and document expectations as part of amending agreement to existing contract).

Recommendation 9

DARTS should provide drivers instruction on the use of emergency brakes and required to deploy their emergency brakes whenever their vehicle is stopped.

Management Response

Agree.

The contractor advised the topic has been included in its Driver Refresher Training Workshops. Sessions are scheduled for once a year, in groups of 2-3 (so as not to impact service) and are 4 hours in length.

These workshops are designed to provide refresher opportunities and current issues of the day based on trends. Recent topics include Q-Strait securement techniques and the new circle check process in response to recent complaints and audit findings. Subcontractors will be providing the same training to their drivers and will share the curriculum and content expectations. Attendees will sign off on participation and filed in their employee records. The contractor has implemented electronic reminders on driver tablets and notices in driver mailboxes for safety bulletins.

Anticipated completion: Complete.

Recommendation 10

DARTS should ensure that emergency brakes are inspected, tested and functional at all times.

Management Response

Agree.

The contractor has added Emergency brakes to the revised vehicle Circle Check used by drivers and have been included for checking every time vehicle is in for other repair under the revised procedures.

Anticipated completion: Complete.

Recommendation 11

DARTS should provide drivers with additional training and regular refresher on completing driver's daily inspections.

Management Response

Agree.

The contractor has advised the topic has been included in Driver Refresher Training Workshops described above.

Anticipated completion: Complete.

Theme C: Recommendations for ATS

Recommendation 12

ATS should conduct random MTO safety compliance inspections of Contractor (DARTS) and Subcontractor in-service vehicles.

Management Response

Agree.

ATS has put a robust process in place for inspecting contractor and subcontractor vehicles:

ATS immediately began inspecting vehicles based on repair history up until October 21; as these inspections wrapped up, we directed the contractor as of November 16 that we expected safety inspections to be completed internally at minimum monthly, in addition to regularly scheduled MTO inspections and operator circle checks.

ATS has begun randomly selecting five (5) percent of vehicles monthly from each provider, starting in December, for third party safety inspection and on-site records inspection, with additional vehicles as deemed prudent based on ATS review of available vehicle records and previous inspection outcomes. This will be embedded into the Contract Management program.

Anticipated completion: Complete.

Recommendation 13

Regarding contract language in the current MOA requiring DARTS vehicles to be "certified mechanically fit and safe" and "meet the requirements of the Ministry of Transportation" (MTO), the ATS should ensure that contract language is amended to apply the correct terminology and applicable requirements of the MTO (For further details please see section of this report dealing with Contracts)

Management Response

Agree.

These terms will be modified through an amending agreement between the parties.

Anticipated completion: Q2 2023 (amending agreements) Q4 (new Agreement).

Recommendation 14

ATS should have real-time online access into a new DARTS fleet maintenance information system (FMIS) that would be managed and maintained by DARTS. This would enable ATS to verify the status of all DARTS MTO safety inspections and vehicle histories at any time while saving ATS time and administrative effort (as opposed to the ATS' current practice of laboriously tracking Vehicle Inspection Records (VIRs) in Excel after-the-fact). (For further details please see recommendations for DARTS later in this report.)

Management Response

Agree.

After consideration and consultation with City of Hamilton Information Technology division and Enterprise Asset Management team, ATS has decided to work with staff to develop an interim FMIS solution that the contractor will use.

Anticipated completion: Q2 2023.

Recommendation 15

DARTS and DARTS subcontractor's driver's daily inspections should be in electronic format (as opposed to paper-based as they are now). ATS should have real-time access to drivers' inspection electronic records. Driver's electronic daily reports should be integrated into a fleet maintenance information system (FMIS) managed by DARTS. ATS should always have online access to the system to confirm actions are being taken by DARTS and subcontractors when defects are reported by drivers.

Management Response

Agree in part.

ATS is now regularly conducting on-site inspections of DARTS and subcontractor vehicle records, including driver's daily inspections. ATS also requests additional records based on repair history or third-party inspection outcomes, as it deems necessary. The contractor has advised its current paper-based form has been updated to include more focus on undercarriage, tire check, visible fluids on ground. Proper completion of circle checks is part of new driver training. The process for driver reporting for major defect going into service aligns with industry norms. There are few known technologies for electronic pre-trip checks. The contractor is not acting on this recommendation at this time.

ATS notes that some of this functionality for electronic access to records will be addressed in the response to Recommendation 14.

Anticipated completion: Not Applicable.

Recommendation 16

Vehicle inspection worksheets prepared to guide technicians in completing DARTS and subcontractor vehicle safety inspections should be reviewed by the ATS to confirm full compliance with applicable MTO Safety Standards Inspection guidelines (see previous point).

Management Response

Agree.

Working with the HSR Manager of Fleet Maintenance, ATS has reviewed monthly inspection forms in use by the contractor to provide direction for improvement and sample forms to use to ensure MTO compliance. The contractor is working with its subcontractors and with ATS to ensure all recommended amendments are clearly applied.

Anticipated completion: Complete (review and direction from ATS).

Recommendation 17

ATS should review and ensure that vehicle inspection worksheets prepared to guide technicians in completing DARTS and subcontractor vehicle safety inspections must be signed by the licenced mechanic completing the inspections.

Management Response

Agree.

Working with the HSR Manager of Fleet Maintenance, ATS has reviewed monthly inspection forms in use by DARTS and provided direction for improvement and sample forms to use to ensure MTO compliance. The contractor is working with its subcontractors and with ATS to ensure all recommended amendments are clearly applied. Mechanic's name, signature and license number are now added to all vehicle inspection worksheets.

Anticipated completion: Complete (review and direction from ATS).

Recommendation 18

DARTS and DARTS subcontractors should provide ATS with current copies of the trade licences for their technicians/mechanics engaged in completing their MTO safety inspections and advise the ATS in the event of mechanic's trade certificate suspensions.

Management Response

Agree.

All DARTS and DARTS subcontractor mechanic's license numbers have been provided to ATS for verification in the Skilled Trades Ontario public register. Expectations regarding updates to ATS in the event of license suspensions will be set in the revised contractor Agreement.

Anticipated completion: Complete (review of DARTS and subcontractor mechanic's licenses); Q2 2023 (refine and document expectations as part of amending agreement to existing contract).

Recommendation 19

Major portions of the DARTS Master Operating Agreement (MOA) are no longer relevant. A new MOA is needed, ideally prepared with a clean slate approach. (Please see Contracts section of this report.)

Management Response

Agree.

ATS acknowledges that the existing contract between the parties is insufficient. The overall approach to arrive at a new agreement will be undertaken in two parts:

- For existing terms which require minor updates or revisions, the Transit Division will work with internal legal counsel to issue an amending agreement to the existing contract between the parties, where it is practical to do so to cover interim matters pending the preparation of a new agreement. (In progress)
- For areas which require either substantive changes or new requirements, the Director of Transit will define business terms through discussions with the contractor. Legal counsel will thereafter prepare the appropriate terms and conditions for inclusion in a new agreement for the parties to execute. (Not yet started)

Anticipated completion: Q2 2023 (amending agreements); Q4 (new Agreement).

Recommendation 20

An approval process and protocol to be followed by DARTS and ATS should be in place in the MOA regarding fuel rates and upcharges, weekend rates and in general, all relevant pricing and rate structures. (Please see Contracts section of this report.)

Management Response

Agree.

ATS acknowledges that the existing contract between the parties is insufficient. The overall approach to arrive at a new agreement will be undertaken in two parts:

- For existing terms which require minor updates or revisions, the Transit Division will work with internal legal counsel to issue an amending agreement to the existing contract between the parties, where it is practical to do so to cover interim matters pending the preparation of a new agreement. (In progress)
- For areas which require either substantive changes or new requirements, the Director of Transit will define business terms through discussions with the contractor. Legal counsel will thereafter prepare the appropriate terms

and conditions for inclusion in a new agreement for the parties to execute.
(Not yet started)

Anticipated completion: Q2 2023 (amending agreements); Q4 2023 (new Agreement).

Recommendation 21

Language in the DARTS subcontractors Service Agreements regarding Validated Registered Drivers should be reviewed to include pre-hire driver abstracts, and follow-up abstracts after hire. (Please see Contracts section of this report.)

Management Response

Agree.

DARTS will include language from its contract into those of their subcontractors for consistency.

Anticipated completion: Q4 2023.

Recommendation 22

Language in the DARTS subcontractors Service Agreements regarding Validated Registered Drivers should be reviewed to define the minimum standards for drivers and include a maximum demerit point threshold. (Please see Contracts section of this report.)

Management Response

Agree.

DARTS will include language from its contract into those of their subcontractors for consistency.

Anticipated completion: Q4 2023.

Recommendation 23

Language in the DARTS subcontractors Service Agreements should include a commitment to professional driver improvement courses (PDIC) or remedial training, rather than taking a punitive approach when driver complaints are received, as is the current practice. (Please see Contracts section of this report.)

Management Response

Agree.

Agreed. DARTS will include language from its contract into those of their subcontractors for consistency.

Anticipated completion: Q4 2023.

Theme D: Recommendations for DARTS

Recommendation 24

DARTS should practice vigilance regarding the contractual vehicle safety inspection requirements and maintenance procedures of its subcontractors to prevent a recurrence of unsafe subcontractor vehicles being operated in the DARTS fleet.

Management Response

Agree.

DARTS reports it has directed all sub-contractors vehicles to subject vehicles to monthly inspections and forward the paperwork to DARTS to monitor vehicle repairs; random selections for inspection by DARTS are now in effect in addition to the 6-month safety inspections in place.

Anticipated completion: Ongoing (DARTS implementation of internal monthly inspections process); Complete (6-month safety inspections implemented).

Recommendation 25

DARTS preventive maintenance (PM) inspections should be increased in intensity and frequency to reduce or eliminate safety defects – how much they need to increase would be determined by a new fleet maintenance information system (FMIS) (See point #28 below regarding fleet maintenance systems) based on "uptime" tracking functionalities of the FMIS.

Management Response

Agree.

After consideration and consultation with City of Hamilton Information Technology division and Enterprise Asset Management team, ATS has decided

to work with staff to develop an interim FMIS in that will align with City of Hamilton practices.

ATS notified DARTS that it should be completing internal inspections at least monthly for all vehicles used to provide service. ATS audits sample records and then flags vehicles each month for third party inspections at an MVIS location based on both a minimum random selection, and on available records and previous inspection outcomes.

DARTS and subcontractors have been compliant with the third-party inspection process as communicated by ATS. DARTS reports it has implemented monthly vehicle inspection process for their fleet and that of their subcontractors, but ATS notes this has not yet been fully realized.

Anticipated completion: Complete (ATS third-party vehicle and ATS records inspections process implemented); Q2 2023 (FMIS); ongoing (DARTS internal monthly inspections process implemented).

Recommendation 26

The requirement for subcontractors' drivers to complete daily vehicle circle checks, and the processes of managing the checks, and in particular, defects reported by drivers, should be defined in the subcontractor's service agreements (SAs).

Management Response

Agree.

DARTS reports that all defect paperwork and maintenance checks for operators and subcontractors are being updated; DARTS will set expectations for subcontractors in updated subcontractor service agreements.

Anticipated completion: Q4 2023.

Recommendation 27

DARTS should immediately implement quality assurance measures. In its current preventive maintenance practices, there are no quality assurance processes in place at DARTS. We feel this is likely the root cause of the high rate of safety inspection failures during the recent safety inspection campaign.

The DARTS Maintenance/Driver Supervisor is not a licenced mechanic and therefore not in possession of the skills and accreditations required to confirm that the work of the mechanics is satisfactory.

As one option, DARTS should consider a new Lead Mechanic job classification, in which a licensed mechanic would be given responsibility for final inspection of work completed by DARTS mechanics thusly assuring quality and increasing adherence to safety protocols.

Management Response

Agree.

DARTS advised it has restructured its Maintenance area, hiring a shop assistant, three technicians (mechanics) and recruited a Lead Mechanic. Additionally, one of its existing technicians has been promoted to a Supervisor position. ATS is working with City staff to explore a QMS database solution for DARTS that aligns with City processes, but DARTS will be required to have their own internal QMS.

DARTS reports they continue to use various software programs with tiered access according to position responsibilities; DARTS is currently investigating International Organization for Standardization (ISO) 9001 quality management training for the DARTS Supervisor of Quality Assurance, to be pursued in 2023.

Anticipated completion: Complete (licensed supervising mechanic and shop assistant); Q2 2023 (Quality Management System database); Q4 2023 (DARTS staff QMS training).

Recommendation 28

DARTS should invest in a proper fleet maintenance information system (FMIS) to replace the current whiteboard. The fleet maintenance scheduling and management functionalities of the current program, which was developed in-house, are far inadequate for the needs of a modern fleet.

Management Response

Agree.

After consideration and consultation with City of Hamilton Information Technology division and Enterprise Asset Management team, ATS has decided to work with staff to develop an interim FMIS in that will align with City of Hamilton practices.

Anticipated completion: Q2 2023.

Recommendation 29

The recommended FMIS (see above) should be capable of multi-criteria preventive maintenance (PM) scheduling, tracking DARTS and subcontractor maintenance and safety inspection histories (now tracked by ATS externally in Excel), enable complex cost-analysis, track fuel usage and driver profiles, abstracts and a myriad of other functions required by a modern fleet. Electronic drivers' daily inspections should be connected to the FMIS to replace paper-based records now in place.

Management Response

Agree.

After consideration and consultation with City of Hamilton Information Technology division and Enterprise Asset Management team, ATS has decided to work with staff to develop an interim FMIS in that will align with City of Hamilton practices.

Anticipated completion: Q2 2023.

Recommendation 30

In the long-term, and once quality assurance processes are in place and the issue of safety inspections failures has been fully addressed in a manner that is acceptable to the ATS, DARTS should consider re-applying to become a licenced, accredited Ministry of Transportation (MTO) Motor Vehicle Inspection Station (MVIS).

If successful in becoming an MVIS, it would lower costs and increase efficiencies by eliminating the dependency on third-party garages for performing its MTO safety inspections.

That stated, without having quality assurance processes in place, as is the situation now, it would be risky if DARTS was able to complete its own MTO safety inspections given the results (~26% fail rate) from our independent safety inspections. At this time, a licenced, independent third-party MTO Motor Vehicle Inspection Station (MVIS) of the City's choosing would be a more prudent choice.

Management Response

Agree in part.

The DARTS location is unsuitable as an MVIS station as DARTS does not hold a lease to occupy its operating location at a facility that is shared by several different City divisions. To ensure our absolute confidence in MTO inspection

outcomes, ATS has arranged a location for external third party MTO-grade inspections, as the prudent choice outlined in Recommendation 30 (above).

Anticipated completion: Not Applicable (Contractor as MVIS); Complete (process in place for third party MVIS inspections).

Recommendation 31

Under the terms of the MOA, there is a contractual requirement for DARTS use of subcontractors to be approved by the General Manager of Public Works. DARTS management should immediately seek this approval for existing and future subcontractors and ensure that documentation of the approval(s) is available at all times.

Management Response

Agree.

There are currently 3 subcontractors that DARTS utilizes to provide shared ride specialized transit service. DARTS reports all subcontractor contracts are currently with DARTS legal, and changes are being applied as requested by the City in response to Audit recommendations. DARTS anticipates completion of the sub-contractor contract drafts by March 2023, for submission to the City for review, noting that the drafts will be more fully informed by the terms in the new City and DARTS Agreement.

ATS notes that since September of 2022, challenges with subcontractors have continued.

Anticipated completion: Q2 2023 (DARTS draft revised subcontractor agreements).

Recommendation 32

DARTS should conduct a detailed financial review to compare the cost of subcontractor vehicles versus similar vehicles being obtained by DARTS through leases, rentals, or purchases. The latter options may be more cost-effective than previously expected. Consider issuing an RFQ/Q for the provision options (i.e., buy, rent or lease) for acquisition of light-duty vans now being provided by its subcontractors.

Management Response

Agree.

DARTS has committed to undertaking this assessment, however, note that their current rented location at 330 Wentworth cannot house additional vehicles if expansion was considered. DARTS will perform this cost analysis and report back to ATS by Q2 2023.

Anticipated completion: Q2 2023.

Theme E: Recommendations for DARTS Regarding its Subcontractors

Recommendation 33

DARTS should take a vigilant approach in managing its subcontractors as far as their vehicle safety inspections and quality standards. For example, DARTS should require that annual MTO Safety Standards Inspections and 6-month accessible vehicle MTO Safety Standards Inspections required under the subcontractor Service Agreements to be carried out at MTO licenced Motor Vehicle Inspection Stations (MVIS') of DARTS choice, not the subcontractors.

Management Response

Agree.

DARTS reports all subcontractors have been contacted with dates for 6-month safety inspections at the MVIS station of DARTS' choice.

In the intermission, ATS is reviewing subcontractor vehicle information with DARTS and sending vehicles for third party assessment when required. ATS can advise that challenges with the subcontractors has not resolved since October of 2022.

Anticipated completion: Ongoing.

Recommendation 34

DARTS should re-investigate its dependency on outsourced subcontractors. Cost-effective alternatives may include in-sourcing the services now outsourced to the sub-contractors.

Management Response

Agree.

DARTS has committed to undertaking this assessment, however, note that their current rented location at 330 Wentworth cannot house additional vehicles if expansion was considered.

ATS also notes that if subcontractors are no longer used, there is a risk of having no alternatives for service. DARTS will perform this cost analysis and report back to ATS by Q2 2023. ATS will also consider other alternatives.

Anticipated completion: Q2 2023.

Recommendation 35

DARTS should complete comprehensive business case analysis to revisit the lowest cost options between insourcing or outsourcing to subcontractors.

Management Response

Agree.

DARTS has committed to undertaking this assessment, however, note that their current rented location at 330 Wentworth cannot house additional vehicles if expansion was considered.

ATS also notes that if subcontractors are no longer used, there is a risk of having no alternatives for service. DARTS will perform this cost analysis and report back to ATS by Q22023. ATS will also consider other alternatives.

Anticipated completion: Q2 2023.

Recommendation 36

For vehicles now provided and driven by DARTS subcontractors, DARTS should consider a hybrid business model in which DARTS would provide and maintain the vehicles while drivers would be provided and managed by contracted driver pool service-provider(s).

Management Response

Agree in part.

ATS agrees with the investigation of alternative service models. Our immediate priority is public safety and the above suggestion would add management and oversight complexity.

DARTS reports its current location cannot accommodate housing and maintaining the vehicles currently housed on two subcontractor lots, and one

subcontractor employs unionized staff who are allowed to bring their vehicles directly home at the end of their shift, as part of their collective bargaining agreement.

Anticipated completion: Not Applicable.

Recommendation 37

DARTS subcontractor Service Agreements should set a limit regarding the maximum age and total kilometres for subcontractor vehicles. As a starting point, we recommend vehicles should be no older than five model years and 200,000 total kilometres, but these thresholds should be confirmed through historical operating data and safety inspection failure rate analysis.

Management Response

Agree.

This is a material change in existing agreements. ATS will work directly with DARTS to review repair and inspection history of vehicles with more than 200,000 total kilometres and older than 10 model years to determine if this should be adjusted in the subcontractor agreements.

DARTS reports it has directed subcontractors to retire vehicles after 10 model years but have not applied a cap to kilometres.

Anticipated completion: Q2 2023 (amending agreements).

Theme F: Recommendations – Insurance

Recommendation 38

DARTS should require subcontractors to obtain insurance coverage that applies to all vehicles owned or operated by the insured (as opposed to insurance coverage for specific vehicles identified by their vehicle identifications numbers, fleet unit numbers, makes/model/year of units or other methods).

Management Response

Agree.

ATS is requesting copies of Certificate of Insurance (COI) for all vehicles owned and operated, as COIs are renewed. The type of policy used to cover all owned and operated vehicles is dependent on insurance policies obtained by subcontractors under the current DARTS MOA and subcontractor service

agreements. COIs are reviewed for compliance under these agreements and sent for review by the City of Hamilton Legal and Risk Management Service. Contract language governing insurance in both the DARTS MOA and subcontractor service agreements will be reviewed to include the requirement for vehicle coverage that applies to "all owned or leased" as opposed to vehicle-specific "as described" coverage, to avoid the extra administrative work necessary to track coverage for individual vehicles added or removed from service. There may be circumstances wherein subcontractors are only able to procure "as described" coverage. In these instances, Risk Management Services will review the coverage to ensure compliance.

Anticipated completion: Q4 2023 (revised subcontractor service agreement).

Recommendation 39

DARTS and ATS, as additional named insureds, on subcontractor's insurance policies should be provided legally notarized copies of the subcontractor's certificates of insurance (COIs).

Management Response

Agree.

An alternative and more vigilant approach as determined in consultation with the subject matter experts in Legal and Risk Management Services is to be implemented. Insurance documents from DARTS and/or their subcontractors should be submitted to ATS directly from the insurers, and then provided to Risk Management for a fulsome review, with a reserved right to request additional information and/ or notarized copies as needed to satisfy the City. Subject matter experts in Risk Management will reach directly out to these insurers as required. ATS has provided this direction to DARTS in a letter reviewed by Legal and Risk Management Services.

Anticipated completion: Q3 2023 (last subcontractor renewal due).

Recommendation 40

In subcontractor COIs, DARTS and ATS should be provided full details including Declarations (e.g., at minimum the risks that are covered, policy limits, and deductibles), Insuring Agreements (e.g., policy conditions, exclusions and special limits, risks that are covered, policy limits, and deductibles, other insureds, a list of form numbers and endorsements that add to or alter the policy, losses covered, the subject matter of the insurance and description of the property covered, the perils insured against and circumstances when the insured may receive the proceeds of the insurance), Policy Conditions and Exclusions and Special Limits.

Management Response

Agree.

An alternative and more vigilant approach as determined in consultation with the subject matter experts in Legal and Risk Management Services is to be implemented. Insurance documents from DARTS and/or their subcontractors should be submitted to ATS directly from the insurers, and then provided to Risk Management for a fulsome review, with a reserved right to request additional information and/ or notarized copies as needed to satisfy the City. Subject matter experts in Risk Management will reach directly out to these insurers as required. ATS has provided this direction to DARTS in a letter reviewed by Legal and Risk Management Services.

Anticipated completion: Q3 2023 (last subcontractor renewal due).

Recommendation 41

DARTS and ATS should be provided legally notarized subcontractor insurance COIs at least annually, any time changes are made to the policies, whenever a vehicle is added to the subcontractor's fleet, or any time a vehicle is returned to active DARTS service.

Management Response

Agree.

An alternative and more vigilant approach as determined in consultation with the subject matter experts in Legal and Risk Management Services is to be implemented. Insurance documents from DARTS and/or their subcontractors should be submitted to ATS directly from the insurers, and then provided to Risk Management for a fulsome review, with a reserved right to request additional information and/ or notarized copies as needed to satisfy the City. Subject matter experts in Risk Management will reach directly out to these insurers as required. ATS has provided this direction to DARTS in a letter reviewed by Legal and Risk Management Services.

Anticipated completion: Q3 2023 (last subcontractor renewal due).

Recommendation 42

City of Hamilton Risk Management should review and approve in writing to DARTS and ATS management, the legally notarized COIs provided by each subcontractor's insurers before vehicles are put into active service in the DARTS operation.

Management Response

Agree.

An alternative and more vigilant approach as determined in consultation with the subject matter experts in Legal and Risk Management Services is to be implemented. Insurance documents from DARTS and/or their subcontractors should be submitted to ATS directly from the insurers, and then provided to Risk Management for a fulsome review, with a reserved right to request additional information and/ or notarized copies as needed to satisfy the City. Subject matter experts in Risk Management will reach directly out to these insurers as required. ATS has provided this direction to DARTS in a letter reviewed by Legal and Risk Management Services.

Anticipated completion: Q3 2023 (last subcontractor renewal due).

Recommendation 43

City of Hamilton Risk Management should review subcontractor insurance requirements at least annually.

Management Response

Agree.

City of Hamilton Risk Management reviews all COI's upon renewal and requests amendments where any deficiencies are noted.

Anticipated completion: Complete (all COIs and any amendments as required are submitted by ATS to Risk Management for review).

Theme G: Recommendations – Contracts – the MOA

Recommendation 44

The DARTS Master Operating Agreement (MOA) should be re-written or replaced in its entirety. Although DARTS business structure has changed significantly over the years the MOA was executed almost ten years ago and has remained much the same:

- MOA Schedule A is irrelevant as it relates to vehicles and buses, they (the City) leased to DARTS, however there are no buses leased to the City as of last year

- MOA Schedule B relates to IT Services and has been stricken as DARTS procure their own servers and licences
- MOA Schedule C relates to City-owned land, offices & parking used by DARTS
- ATS no longer handles reservations – now DARTS manages

Recommendation 45

The terminology used in the MOA section 3.3.13 c): "Certificate of Mechanical Fitness" should be referred to as the Ministry of Transportation (MTO) Safety Standards Inspection (SSI) program.

Recommendation 46

The MOA should define requirements of accessible vehicles that must receive MTO accessible vehicle safety inspections every 6-months.

Recommendation 47

The MOA should be re-worded to require the Contractor (DARTS) to keep records of vehicle maintenance (it now refers to Schedule A regarding leased City-owned vehicles).

Recommendation 48

The MOA should define the requirement for driver's daily pre-trip inspections and the processes for managing documentation of, and actions resulting from these inspections.

Recommendation 49

The MOA should set out the requirements regarding driver screening and driver's abstracts, both pre-hire and during employment.

Recommendation 50

The MOA contract language should define the minimum standards as far as DARTS driver's demerit point status.

Management Response for Themed Recommendations 44-50

Agree.

ATS acknowledges that the existing contract between the parties is insufficient. The overall approach to arrive at a new agreement will be undertaken in two parts:

- For existing terms which require minor updates or revisions, the Transit Division will work with internal legal counsel to issue an amending agreement to the existing contract between the parties, where it is practical to do so to cover interim matters pending the preparation of a new agreement. (In progress)
- For areas which require either substantive changes or new requirements, the Director of Transit will define business terms through discussions with the contractor. Legal counsel will thereafter prepare the appropriate terms and conditions for inclusion in a new agreement for the parties to execute. (Not yet started)

Anticipated completion: Q2 2023 (amending agreements) Q4 (new Agreement).

Theme H: Recommendations – Contracts - Subcontractor Service Agreements (SAs)

Recommendation 51

Subcontractor Service Agreements (SAs) should be aligned with the DARTS MOA contractual obligations to the City.

Recommendation 52

Contract language throughout the subcontractor SAs including current references to "Certificate of Mechanical Fitness", should be updated to correctly refer to the Ministry of Transportation (MTO) Safety Standards Inspection (SSI) program.

Recommendation 53

The SAs should define requirements for accessible vehicles to receive MTO accessible vehicle safety inspections every 6-months.

Recommendation 54

The SAs should be re-worded to require the subcontractors to keep records of vehicle maintenance and promptly provide such records to DARTS.

Recommendation 55

The SAs should define minimum acceptable vehicle safety and preventive maintenance (PM) standards consistent with MTO safety standards.

Recommendation 56

The SAs should set out the consequence of non-compliance with MTO safety standards.

Recommendation 57

The SAs should define the consequence of non-compliance with MTO safety and PM standards, up to and including cancellation of their SA contracts.

Recommendation 58

The SAs should define the requirement for driver's daily pre-trip inspections, the processes for managing documentation of, and corrective actions resulting from these inspections.

Recommendation 59

The SAs should set out the requirements regarding driver screening and driver's abstracts, both pre-hire and during employment.

Recommendation 60

The SAs contract language should define the minimum standards as far as driver's demerit point status.

Recommendation 61

The SAs should include specific language requiring subcontractor vehicles to conform to safety requirements for the modification and construction of accessible vehicles.

Recommendation 62

Language in the SAs regarding Validated Registered Drivers should be reviewed to include pre-hire driver abstracts, and follow-up abstracts after hire.

Recommendation 63

Language in the SAs regarding Validated Registered Drivers should be reviewed to define the minimum standards for drivers and a maximum demerit point threshold.

Recommendation 64

Language in the SAs should include remedial measures such as professional driver improvement courses (PDIC) or training, rather than taking a punitive approach when driver complaints are received.

Management Response for Themed Recommendations 51-64

Agree.

ATS acknowledges that the existing contract between the parties is insufficient. The overall approach to arrive at a new agreement will be undertaken in two parts:

- For existing terms which require minor updates or revisions, the Transit Division will work with internal legal counsel to issue an amending agreement to the existing contract between the parties, where it is practical to do so to cover interim matters pending the preparation of a new agreement. (In progress)
- For areas which require either substantive changes or new requirements, the Director of Transit will define business terms through discussions with the contractor. Legal counsel will thereafter prepare the appropriate terms and conditions for inclusion in a new agreement for the parties to execute. (Not yet started)

Anticipated completion: Q2 2023 (amending agreements) Q4 (new Agreement).



Dodge Caravan

MV1

Promaster

Toyota Sienna

ACCESSIBLE TRANSIT SERVICES:

DARTS FLEET MANAGEMENT AND VEHICLE SAFETY AUDIT (MANAGEMENT RESPONSES)

Charles Brown, Auditor General

APRIL 6, 2023



Hamilton

Office of the Auditor General

- The overall objective of the audit was to assess maintenance and inspection activities employed by DARTS and its 3 subcontractors with a view to concluding on the effectiveness of these processes in ensuring the safety of vehicles placed into service.
- OCA sourced an external firm (Fleet Challenge Canada, “FCC”) to perform independent vehicle inspections and complete a review of the maintenance and fleet management practices performed by all 4 parties in order to identify weaknesses or compliance issues that may impact public safety.
- The primary tool used to evaluate the state of inspection and maintenance practices of DARTS was a planned sample of 40 (39 actual) vehicles during the first week of the review.

- The results of the initial inspections were unequivocally poor with an inspection failure rate of 46%.
- This level of failure was noted as “exceptionally high” and a decision was made to continue with further inspections of the entire fleet.
- Upon learning of these initial results, Council directed that no vehicle be placed into service until passing an independent inspection arranged by the audit team and FCC.
- A total of 202 vehicle inspections were carried out over 10 weeks. Some vehicles failed on re-inspection so they were inspected multiple times. 3

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Weeks 7-10
Total Passes	21	17	63	19	10	6	6
Total Fails	18	7	24	8	2	1	0
Total	39	24	87	27	12	7	6
Percentage Fails (average weekly)	46%	29%	28%	30%	17%	14%	0%
Overall 30%							

- Overall results improved through the course of the 10 week period. However they were still disappointing and included multiple failures on re-inspection. Overall failure rate 30%.
- While some failures were “technical” in nature there were many that were compromising of safety.
- Issues found included defects with brakes, tires, exhaust systems, steering and suspension systems.
- FCC pointed to a “singular matter of urgency” with respect to incidents of defective emergency brakes. 4

First Inspection Fail Rate - DARTS vs Subcontractors			
DARTS	H-Rising	VanKleef	City Marvel
26%	34%	35%	47%
Overall 32%			

- Overall first inspection rates of failure was 32% (note: the desired goal would be to reduce fail rates on first inspection to low or negligible numbers in order to have the utmost confidence in vehicle safety).
- FCC expressed concerns that the subcontractors were seemingly incapable of maintaining their fleets to the standards of safety required.

- FCC prepared an extensive report on operational issues/weaknesses of DARTS and its Subs, and also cited improvements needed to contract language and oversight.
- They pointed to various weaknesses in inspection processes, quality assurance, safety awareness and training, qualifications, data management, insurance requirements oversight, and minimum standards requirements.
- FCC made 64 recommendations to improve operation of vehicle maintenance and inspection activities.

- With one of the subcontractors there was a related party relationship with the garage used to certify vehicles which could be considered a conflict of interest.
- Evidence found that a principal of one of the subs faced prior charges related to fraudulent insurance and safety certificates and was convicted of forgery in 2018.
- After Council directed that all vehicles had to pass the audit inspection process before being placed into service we found 42 instances of non-compliance with that directive as well as instances of passenger runs by vehicles without an identifier.

Additional Findings

- Found limited oversight and management of the DARTS contract – for example Transit (ATS) did not conduct regular, independent, unannounced site visits or inspections.
- Transit needs more functional access to Trapeze.
- There are no contingency plans to deal with situations where the City may choose to cancel a contract for non-performance.
- These additional observations led to an additional 9 recommendations to ATS. (73 in total)

Conclusion

- Detailed management responses have been received by the OAG.
- Management agreed with 70 recommendations and three recommendations were agreed in part.
- OAG finds the management responses to be adequate.
- OAG requests that Public Works be directed to report back to the AF&A Committee by October 2023 on the nature and status of actions taken in response to the audit report.



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 06, 2023
SUBJECT/REPORT NO:	2022 Fourth Quarter Emergency and Non-competitive Procurements Report (FCS22046(c)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Patricia Vasquez (905) 546-2424 Ext. 5972
SUBMITTED BY:	Shelley Hesmer Acting Director, Financial Services and Taxation Corporate Services
SIGNATURE:	

COUNCIL DIRECTION

Council has directed Procurement to report on the use of Sections 4.10 and 4.11 of the Procurement Policy on a quarterly basis.

INFORMATION

This Report is issued quarterly in accordance with the Procurement Policy. The report details the procurement of goods and/or services during emergency situations and those detailed in Section 4.11 – Non-competitive Procurements for the fourth quarter of 2022.

The Policy for Non-competitive Procurements is used in narrowly defined circumstances where it is justified that the policies for the general acquisition process could not be followed. The “Emergency Procurement/Non-competitive Procurement Form” is completed by the Client Department and approved by the General Manager.

During the fourth quarter of 2022, there were 65 purchases totalling \$7,417,827.32 (Canadian dollars) and \$172,800.00 (US dollars), which were processed through the

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SUBJECT: 2022 Fourth Quarter Emergency and Non-competitive Procurements Report (FCS22046(c)) (City Wide) - Page 2 of 4

use of an approved Policy 10 or 11. These are summarized in Appendix “A” to Report FCS22046(c).

The breakdown are as follows:

- 6 purchases totalling \$3,605,695.91 (Canadian dollars) were issued under Policy 10, as “Emergency” purchases, whereby goods and services were acquired by the most expedient and economical means. The following purchases represent the largest dollar amounts in this category:
 - Purchase Order 100790 for \$3,248,709.00 was issued to Maple Reinders Constructors Ltd. for emergency works to digester 3 at the Woodward Avenue Wastewater Treatment Plant. As a result of 50,000 litres of primary sludge escaping from the digester through a damaged roof cover, emergency repairs were required to return the digester back to service including structural welding repairs, coatings/insulation and Technical Standards and Safety Authority (TSSA) testing and commissioning assistance. An information report to Council will be forthcoming.
 - Purchase Order 100678 for \$251,641.79 was issued to CIMA Canada Inc. for engineering services to digester 3 at the Woodward Avenue Wastewater Treatment Plant. As a result of 50,000 litres of primary sludge escaping from the digester through a damaged roof cover, a structural investigation was required to determine the damage, provide recommendations to repair the digester roof cover and provide contract administrative and site inspection services during construction. An information report to Council will be forthcoming.
- 10 purchases totalling \$1,332,665.97 (Canadian dollars) represent short-term “Extensions” of current contracts which have expired, and unforeseeable circumstances have caused a delay in awarding a new contract. The following purchases represent the largest dollar amounts in this category:
 - Purchase Order 100310 for \$685,000.00 was issued to SNF Canada Ltd. for the supply, delivery and inventory management of digested sludge dewatering polymer at Woodward Avenue Wastewater Treatment Plant. This extension was required in order to maintain services and provide sufficient time to complete the procurement process and award a new contract.
 - Purchase Order 101024 for \$245,000.00 was issued to Henry Schein Canada Inc. for the supply and delivery of dental equipment, supplies and maintenance services. This extension was required in order to maintain the required supplies while a review of current equipment and warranty requirements are carried out.

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SUBJECT: 2022 Fourth Quarter Emergency and Non-competitive Procurements Report (FCS22046(c)) (City Wide) - Page 3 of 4

It is the intention to obtain Council approval in Q2 of 2023 to standardize products prior to a new Request for Tenders being issued in the summer of 2023.

- PO 86805 for \$241,456.00 was issued to Power Property Contracting Inc. for property maintenance services for various City of Hamilton properties. This extension was required in order to maintain services until the award of a new contract.
- 49 purchases totalling \$2,479,465.44 (Canadian dollars) and \$172,800.00 (US dollars) were identified as “Single Source” purchases whereby a particular vendor was recommended because it was more cost-effective or beneficial to the City. The following purchases represent the largest dollar amounts in this category:
 - Purchase Order 100870 for \$240,000.00 was issued to Flycast Partners Inc. (“Flycast”) for the supply, training and professional services of the Ivanti IT Asset Management Module. It was in the best interest of the City to purchase the module from Flycast since they are familiar with the City’s system having provided similar support services including the Ivanti IT Service Management platform.
 - Purchase Order 101148 for \$220,892.00 was issued to Mohawk Ford Sales (1996) Ltd. (“Mohawk”) for the supply and delivery of four 2023 Ford Interceptor Utility Hybrid replacement vehicles for Paramedic Services. Paramedic Services was able to utilize the Police Cooperative Purchasing Group pricing for these emergency response vehicles ordered through Ford dealers. Due to the short timelines to order and receive allocation for the 2023 fleet, it was in the best interest of the City to purchase the vehicles from Mohawk to secure a place in the 2023 build schedule and leverage the best pricing available.
 - Purchase Order 100879 for \$172,800.00 (USD) was issued to Fishbowl Solutions Inc. (“Fishbowl”) to upgrade the WebCenter automated invoice system to the latest version. It was in the best interest of the City to have Fishbowl complete the upgrade since they have knowledge of the system having implemented the original system in 2016 and performed the previous upgrade in 2018.
 - Purchase Order 100330 for \$170,000.00 was issued to 1904452 Ontario Ltd. for the provision of IT consulting services on Active Directory project support, M365 Adoption/Enablement project support and Exchange project review. It was in the best interest of the City to have the vendor provide the service since they have experience on similar projects completed at other organizations and their capabilities are a direct match to the City’s needs.

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**SUBJECT: 2022 Fourth Quarter Emergency and Non-competitive Procurements
Report (FCS22046(c)) (City Wide) - Page 4 of 4**

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS22046(c) – Fourth Quarter Emergency and Non-Competitive Procurements Report.

PV/dw

2022 Fourth Quarter Emergency and Non-competitive Procurement Report

PO No.	Type	Amount	Supplier	Division	Ward No.
City Manager's Office					
97277	SGLE	\$23,350.00	Rizing Solutions Canada Inc.	Human Resources	All Wards
101125	SGLE	\$30,000.00	Pivotal Learning Inc.	Human Resources	All Wards
101002	SGLE	\$34,000.00	Mick Walker Consulting	Human Resources	All Wards
100840	SGLE	\$150,000.00	Maclean Media Systems Inc.	Communication & Strategic Initiatives	Ward 2
Corporate Services					
101176	SGLE	\$16,536.06	directworx	City Clerk	All Wards
No PO	SGLE	\$19,333.19	Spicers Canada ULC	City Clerk	All Wards
100929	SGLE	\$35,000.00	Hamilton Waterfront Trust	Financial Planning, Administration and Policy	Ward 2
100869	SGLE	\$62,500.00	KPMG LLP	Financial Services and Taxation	All Wards
100760	SGLE	\$65,000.00	F.H. Black & Company Inc.	Financial Services and Taxation	All Wards
101195	SGLE	\$112,091.00	Gartner Canada Co.	Information Technology	All Wards
100330	SGLE	\$170,000.00	1904452 Ontario Ltd.	Information Technology	All Wards
100879	SGLE	\$172,800.00 (USD)	Fishbowl Solutions Inc.	Information Technology	All Wards
100870	SGLE	\$240,000.00	Flycast Partners Inc.	Information Technology	All Wards
Healthy and Safe Communities					
101065	SGLE	\$18,000.00	Candian Cancer Society	Medical Officer of Health	All Wards
100815	EMER	\$23,895.00	WM Groves Ltd.	Recreation	All Wards
100896	SGLE	\$24,663.12	HGlobal Technologies Inc.	Hamilton Paramedic Services	All Wards
100897	SGLE	\$35,000.00	The Hospital For Sick Children	Medical Officer of Health	All Wards
101064	SGLE	\$39,217.00	Mckesson Canada Corp.	Medical Officer of Health	All Wards
101059	SGLE	\$42,775.00	Arjo Canada Inc.	Lodges	Ward 13
101068	SGLE	\$72,224.60	Arjo Canada Inc.	Lodges	Ward 7
101148	SGLE	\$220,892.00	Mohawk Ford Sales (1996) Ltd.	Hamilton Paramedic Services	All Wards
101024	EXTN	\$245,000.00	Henry Schein Canada Inc.	Medical Officer of Health	All Wards
Library					
100625	SGLE	\$12,820.00	ABCorp CA Ltd.	Library	All Wards
Planning and Economic Development					
100924	SGLE	\$251.75	Supreme Demolition Inc.	Tourism and Culture	Ward 2
94691	SGLE	\$9,500.00	WSP Canada Inc.	Transportation Planning and Parking	All wards
100824	SGLE	\$10,750.00	Servicemaster Contract Services dba Dougord Ltd.	Transportation Planning and Parking	All Wards
99150	SGLE	\$19,500.00	George Robb Architect	Tourism and Culture	Ward 3
100844	SGLE	\$35,000.00	Gary Barwin	Tourism and Culture	Ward 1
100997	SGLE	\$38,651.20	Antec Appraisal Group Inc.	Economic Development	Ward 2
101172	SGLE	\$53,460.00	Senate Flooring Inc.	Tourism and Culture	Ward 2
86805	EXTN	\$241,456.00	Power Property Contracting Inc.	Building	All Wards
Police					
100377	EXTN	\$167.24	Teknion Ltd.	Police	All Wards
100841	EXTN	\$741.52	Teknion Ltd.	Police	All Wards

2022 Fourth Quarter Emergency and Non-competitive Procurement Report

PO No.	Type	Amount	Supplier	Division	Ward No.
100260	EXTN	\$5,000.00	Hamilton Fire Control Ltd.	Police	All Wards
100234	SGLE	\$15,000.00	Graphic Associates	Police	All Wards
94975	SGLE	\$17,000.00	IBI Group Professional Services (Canada) Inc.	Police	Ward 5
101192	EXTN	\$20,301.21	Teknion Ltd.	Police	All Wards
101168	SGLE	\$20,996.36	CMI Inc.	Police	All Wards
101032	SGLE	\$41,600.00	Seven Meadows Equine Services	Police	All Wards
Public Works					
100747	EMER	\$4,782.04	Servicemaster Restore of Hamilton oa/ 918877 Ontario Inc.	Energy, Fleet and Facilities Management	Ward 2
100628	SGLE	\$5,220.00	Intelex Technologies Inc.	Public Works Admin	All Wards
100907	SGLE	\$8,250.00	Stonhard Inc.	Energy, Fleet and Facilities Management	Ward 3
100723	SGLE	\$10,000.00	Glaser Manufacturing Inc.	Hamilton Water	All Wards
101046	SGLE	\$14,156.00	WSP Canada Inc.	Energy, Fleet and Facilities Management	Ward 3
100777	EMER	\$18,980.00	Binbrook Plumbing & Heating (1997) Ltd.	Energy, Fleet and Facilities Management	Ward 2
99052	SGLE	\$19,220.00	Airon HVAC and Control Ltd.	Energy, Fleet and Facilities Management	Ward 7
100728	SGLE	\$20,000.00	Colville Consulting Inc.	Environmental Services	Ward 9
99629	EXTN	\$25,000.00	Top-Line Roofing and Sheet Metal Inc.	Energy, Fleet and Facilities Management	All Wards
97882	SGLE	\$29,981.00	Dillon Consulting Ltd.	Environmental Services	Ward 10
100761	SGLE	\$30,000.00	2216910 Ontario Inc. o/a Active Green & Ross	Transit	All Wards
100813	SGLE	\$50,000.00	Mark It Locates Inc.	Environmental Services	All Wards
100927	SGLE	\$50,000.00	Quality Seeds Ltd.	Environmental Services	All Wards
101045	SGLE	\$50,000.00	Waste Management of Canada Corp.	Environmental Services	All Wards
101161	EXTN	\$50,000.00	Compass Mechanical Group Ltd.	Energy, Fleet and Facilities Management	All Wards
95745	SGLE	\$54,815.30	Strasman Architects Inc.	Energy, Fleet and Facilities Management	Ward 2
101181	EMER	\$57,688.08	AECOM Canada Ltd.	Hamilton Water	Ward 1
101141	SGLE	\$58,200.00	Airon HVAC and Control Ltd.	Energy, Fleet and Facilities Management	Ward 2
100974	SGLE	\$58,602.86	Fisher Scientific Co. Ltd.	Hamilton Water	Ward 4
99442	EXTN	\$60,000.00	QM LP o/a QM Environmental	Hamilton Water	All Wards
101051	SGLE	\$89,994.00	Vanpark Imported Automobiles Inc.	Energy, Fleet and Facilities Management	All Wards
97877	SGLE	\$95,915.00	R V Anderson Associates Ltd.	Engineering Services	Ward 2
101050	SGLE	\$150,000.00	Commercial Truck Equipment Co.	Energy, Fleet and Facilities Management	All Wards
100678	EMER	\$251,641.79	CIMA Canada Inc.	Hamilton Water	Ward 4
100310	EXTN	\$685,000.00	SNF Canada Ltd.	Hamilton Water	All Wards
100790	EMER	\$3,248,709.00	Maple Reinders Constructors Ltd.	Hamilton Water	Ward 4



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 06, 2023
SUBJECT/REPORT NO:	2022 Fourth Quarter Non-compliance with the Procurement Policy Report (FCS22047(c)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Patricia Vasquez (905) 546-2424 Ext. 5972
SUBMITTED BY:	Shelley Hesmer Acting Director, Financial Services and Taxation Corporate Services
SIGNATURE:	

COUNCIL DIRECTION

Procurement Policy, Section 4.19, Item (3) requires a quarterly report be prepared and presented to Council to report the use of all Procurement Policy Non-Compliance Forms.

INFORMATION

This Report is issued quarterly in accordance with the Procurement Policy. This report details the use of all Procurement Policy Non-Compliance Forms for the fourth quarter of 2022.

Procurements that are non-compliant with the Procurement Policy can be identified at any time during the procurement process. Procurements are deemed to be non-compliant with the Procurement Policy when the applicable Policy (Policies) and published procedure(s) are not followed. Under Policy 19, the General Manager is responsible for reviewing each incident and determines the appropriate level of disciplinary action to be taken.

During the fourth quarter of 2022, there were seven (7) instances relating to the use of Policy 19, totalling \$489,540.70. The instances are summarized in Appendix "A" to Report FCS22047(c).

OUR Vision: To be the best place to raise a child and age successfully.

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**SUBJECT: 2022 Fourth Quarter Non-compliance with the Procurement Policy
Report (FCS22047(c)) (City Wide) - Page 2 of 2**

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS22047(c) – 2022 Fourth Quarter Non-compliance with the Procurement Policy Report

2022 Fourth Quarter Non-compliance with the Procurement Policy Report

PO No.	Amount	Name	Division	Ward	Comments
City Managers Office					
No PO	\$320.52	4imprint Inc.	Digital and Innovation Office	All Wards	<u>Description of Goods/Services:</u> Purchase of 300 branded pens for CityLAB <u>Rational for non-compliance:</u> Per the Procurement Policy, client departments shall utilize all applicable City Contracts. (Corporate Contract C17-07-19 - RFP for supply and delivery of Office and School Supplies)
Councillor's Office					
No PO	\$350.30	F&M Signs Ltd.	Councillor's Office	Ward 10	<u>Description of Goods/Services:</u> Printing services of three signs for the Santa Clause Parade. <u>Rational for non-compliance:</u> Per the Procurement Policy, client departments shall utilize all applicable City Contracts. (Corporate Contract C12-02-22 - RFP for various Print Services)
No PO	\$2,221.58	Structube Ltee.	Councillor's Office	Ward 1	<u>Description of Goods/Services:</u> Purchase of office furniture (2 desks, 1 conference table, 1 filing credenza) <u>Rational for non-compliance:</u> Per the Procurement Policy, client departments shall utilize all applicable City Contracts. (Corporate Contract C11-19-09 - RFP for Office Furniture)
No PO	\$5,163.30	Pinnacle Litho Inc.	Councillor's Office	Ward 4	<u>Description of Goods/Services:</u> Postcard printing and mailout services <u>Rational for non-compliance:</u> Per the Procurement Policy, client departments shall utilize all applicable City Contracts. (Corporate Contract C12-02-22 - RFP for various Print Services)
Library					
101056	\$34,485.00	H. I. Security Corp.	Library	Ward 9	<u>Description of Goods/Services:</u> Purchase of CCTV Cameras for Valley Park Library <u>Rational for non-compliance:</u> The purchase and install of the goods and services required GM approval to proceed with a Policy 11 - Non-competitive procurement which was not obtained.
Public Works					

PO No.	Amount	Name	Division	Ward	Comments
101139	\$25,000.00	Alternate Solutions Inc.	Energy, Fleet and Facilities Management	All Wards	<p><u>Description of Goods/Services:</u> Purchase of Fuel Station Software and Hardware Maintenance to replace old and obsolete equipment</p> <p><u>Procurement comment:</u> The procurement was an upgrade of hardware/software purchased to replace old/obsolete equipment. Upgrades of computer hardware and software do not fall under Schedule B - Exemptions of the Procurement By-law.</p> <p>In addition, GM approval (through the P11 Single Source process) was not obtained prior to completing the work. Per the Procurement Policy, the client department shall obtain the approval of their GM prior to City staff entering into any discussions with any vendor regarding the purchase of the good/service.</p>
99683	\$422,000.00	Viking Security Corp.	Energy, Fleet and Facilities Management	All Wards	<p><u>Description of Goods/Services:</u> Provision of Special Events Security Guard Services</p> <p><u>Rational for non-compliance:</u> The client had issued a Request for Quotations to obtain security services for special events. The services procured under the RFQ exceeded the dollar threshold allowed under Policy #5.2 - Request for Quotations.</p>



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 06, 2023
SUBJECT/REPORT NO:	2022 Fourth Quarter Request for Tenders and Proposals Report (FCS22048(c)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Patricia Vasquez (905) 546-2424 Ext. 5972
SUBMITTED BY:	Shelley Hesmer Acting Director, Financial Services and Taxation Corporate Services
SIGNATURE:	

COUNCIL DIRECTION

Procurement Policy, Section 4.2 – Approval Authority, Item (6) requires a quarterly status report for Request for Tenders and Request for Proposals be prepared and presented to Council.

INFORMATION

This Report provides an update on the status of active Request for Tenders and Request for Proposals and Cooperative Procurements for the fourth quarter of 2022.

Request for Tenders and Request for Proposals have been issued and awarded in accordance with the City of Hamilton Procurement Policy. Those items with a status of “Under Review” will remain on the Report until such time an award is made. Request for Tenders and Request for Proposals listed under the “Cooperative Procurements” section was entered by the City of Hamilton (City) via a Cooperative Procurement in accordance with the City’s Procurement Policy, Section 4.12 – Cooperative Procurements.

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**SUBJECT: 2022 Fourth Quarter Request for Tenders and Proposals Report
(FCS22048(c)) (City Wide) - Page 2 of 2**

Appendix "A" to Report FCS22048(c) details all Request for Tenders and Request for Proposals documents issued by the City or entered into by the City through a Cooperative Procurement. Award information is current as of December 31, 2022.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS22048(c) – 2022 Fourth Quarter Request for Tenders and Proposals Report

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CITY OF HAMILTON
 Summary of Tenders and Proposals Issued – October 1, 2022 – December 31, 2022

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C11-13-22	Proposal for Supply and Delivery of Digested Sludge Dewatering Polymer for Woodward Avenue Wastewater Treatment Plant	03/15/2022	SNF Canada Ltd.	1 year + 4 options	\$2,493,491.00	All Wards
C13-17-22	Tender for Main and King Combined Sewer Overflow (CSO) Outstation Rehabilitation	04/27/2022	Defaveri Group Contracting Inc.	Project Specific	\$1,155,643.11	Ward 1
C11-36-22	Proposal for Professional Engineering Consultant Services Required for the Ainslie Wood Neighbourhood Creek Separation from the Municipal Combined Sewer System Municipal Class Environmental Assessment & Conceptual Design	05/12/2022	Resilient Consulting Corp.	Project Specific	\$236,892.00	Ward 1
C1-01-22	Proposal for Digital Services Modernization Review	06/16/2022	Deloitte LLP	Project Specific	\$230,000.00	All Wards

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C11-25-22	Proposal for Supply and Delivery of Traffic Signal Controllers and Cabinets	06/16/2022	Electromega Ltd.	1 year + 4 options	\$7,630,445.73	All Wards
C11-16-22	Proposal for Special Event Security Guard Services	06/21/2022	Lowell Security Inc. o/a Sword Management	1 year + 4 options	\$3,558,366.00	Ward 3
C12-02-22	Proposal for Supply and Delivery of Various Print Services for the City of Hamilton	07/06/2022	723318 Ontario Inc. o/a Athens Printing Art Swiaty Investments Inc. o/a Minuteman Press M&T Printing Group	2 years + 4 options	\$58,512.50 \$111,700.00 \$157,900.00	All Wards
C11-59-22	Proposal for Property Maintenance Services for Various City of Hamilton Facilities	07/12/2022	Power Property Contracting Inc.	1 year + 4 options	\$1,143,878.48	All Wards
C11-40-22	Proposal for Provision of Third Party Functional Assessment for Accessible Transit Services	07/14/2022	Bayshore HealthCare Ltd.	1 year + 4 options	\$1,115,211.08	All Wards

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C11-63-22	Tender for the Supply and Delivery of Plow Parts for Vehicles and Equipment	07/29/2022	Viking Cives Ltd.	1 year + 4 options	\$1,483,404.98	All Wards
C11-69-22	Tender for Independent Testing Agency Required for Sewer and Watermain Cured in Place Pipe Sample Testing	08/03/2022	1211609 Ontario Ltd. o/a Paragon Systems	1 year + 4 options	\$1,083,832.04	All Wards
C11-45-22	Tender for Winter Roadway Maintenance Services	08/10/2022	KMCR Inc. Finesse Contract Ltd. Chlan's Landscaping Ltd. 1778263 Ontario Inc. Francesco Dicamillo o/a Frankie's Property Maintenance Palm Enterprises Inc.	2 years	Unit Price Contract	All Wards
C3-07-22	Proposal for City of Hamilton Workforce Strategy Review	08/15/2022	Deloitte LLP	Project Specific	\$77,495.00	All Wards

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C11-32-22	Tender for Supply and Delivery of Liquid Sodium Chloride (Salt Brine)	08/16/2022	Eco Solutions (Milton) Inc.	1 year + 4 options	\$306,000.00	All Wards
C12-11-22	Proposal for Supply and Delivery of Business Cards, Envelopes and Letterhead	08/17/2022	M&T Printing Group	2 years + 4 options	\$5,281,817.40	All Wards
C11-42-22	Tender for Supply and Delivery of Aftermarket Small Equipment Mower Parts, Reel Mower Assembly and Rotary Blade Sharpening and Grinding	08/23/2022	Slack Reel Services Inc.	1 year + 4 options	\$477,087.41	All Wards
C18-12-22	Tender for Contractor Required for Foundation Wall and Patio Repairs at 50 Congress Crescent for CityHousing Hamilton	08/24/2022	Rainforces Ltd.	Project Specific	\$1,008,936.00	Ward 5
C11-10-22	Tender for Soil Sampling per O.Reg. 406/19	08/29/2022	Engtec Consulting Inc.	1 year + 4 options	\$195,635.50	All Wards
C13-34-22	Tender for Contractor Required to Remove Existing and Install New Play Structures at Five City Parks	09/08/2022	1312772 Ontario Inc. o/a Alpine Green Contracting	Project Specific	\$742,859.00	Wards 5, 7, 10,12, 15

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C15-70-22 SL	Tender for Homestead Drive - Streetlighting Upgrades	09/12/2022	Fairway Electrical Services Inc.	Project Specific	\$135,585.00	Ward 11
C11-34-22	Tender for Automatic Door Operator and Mechanical Door Closure Repair and Replacement Services	09/13/2022	Royal Security Solutions Inc.	1 year + 4 options	\$606,000.00	All Wards
C18-09-22	Proposal for Repair Services for Automatic Doors for CityHousing Hamilton Properties	09/14/2022	A City Glass (1989) Inc.	1 year + 3 options	\$111,386.46	All Wards
C18-20-22	Tender for Contractor Required for Preventative Maintenance and Inspection Program, On Demand and Emergency Repair Services and Replacement of Gas Fired Furnaces for CityHousing Hamilton Properties	09/14/2022	Lancaster Group Inc.	1 year + 4 options	\$2,664,832.70	All Wards
C18-16-22	Tender for Contractor Required for Electrical Emergency Power System Modifications at 226 Rebecca St. Hamilton for CityHousing Hamilton	09/15/2022	Supply Point Inc.	Project Specific	\$488,000.00	Ward 2

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C11-75-22	Tender for Supply and Delivery of Graco Paint Machine Parts	09/19/2022	Core Equipment Inc.	1 year + 1 option	\$154,227.00	All Wards
C11-56-22	Tender for the Supply and Delivery or Pickup of Cold Patch Asphalt Mix	09/22/2022	Black Armour Asphalt Products Inc.	1 year + 2 options	\$300,000.00	All Wards
C13-35-22	Tender for Resetting or Adjusting of Water and Wastewater Utility Structures in the City of Hamilton	09/22/2022	714794 Ontario Ltd. o/a LM Enterprises	1 year + 4 options	\$4,710,625.00	All Wards
C11-73-22	Tender for Supply and Delivery of Industrial Vacuum Truck Service and Power Wash Service	09/28/2022	Pipetek Infrastructure Services Inc. (Primary) GFL Environmental Inc. (Secondary)	1 year + 4 options	\$1,167,490.00 \$1,189,294.00	All Wards
C15-72-22 SL	Tender for Supply and Install New Streetlight Standards	09/30/2022	Hastings Utilities Contracting Ltd.	Project Specific	\$303,150.00	Ward 12
C15-73-22 SL	Tender for Streetlighting Upgrades for Three Locations	10/06/2022	Fairway Electrical Services Inc.	Project Specific	\$190,898.50	Wards 1, 6, 11

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C3-09-22	<p>Proposal for Supply and Delivery of Yard Maintenance and Property Standards Services for the Licensing and By-law Services Division</p> <p>Section 1: Yard Maintenance</p> <p>Section 2: Property Maintenance</p>	10/11/2022	<p>Harper's Property Maintenance Corp.</p> <p>2803169 Ontario Inc. o/a JW Landscaping</p> <p>Oakridge Group Inc.</p> <p>2803169 Ontario Inc. o/a JW Landscaping</p>	1 year + 2 options	Unit Price Contract	All Wards
C15-75-22 M	Tender for Maintenance and Repairs of Various Retaining Walls as Required	10/14/2022	Oakridge Group Inc.	1 year + 2 options	\$195,566.33	All Wards
C18-21-22	Tender for Contractor Required to Overclad North and East Masonry Walls of the Mechanical Penthouse at 395 Mohawk Road East, Hamilton for CityHousing Hamilton	10/18/2022	Cabcon Contracting Ltd.	Project Specific	\$71,490.00	Ward 7

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C11-89-22	Tender for Supply and Delivery of Two Cabover Dump Trucks	10/26/2022	PTG Mississauga Enterprises Limited Partnership o/a Premier Truck Group	Project Specific	\$285,056.00	All Wards
C12-10-22	Tender for the Supply of Preparation Services of Unaddressed and Addressed Ad-mail and other Mailing Related Services	10/27/2022	Pegasus Direct Mail Worx Inc.	2 years + 4 options	\$1,714,536.00	All Wards
C13-50-22	Tender for Stoney Creek Municipal Service Centre Cooling Tower Replacement	11/01/2022	Black & McDonald Ltd.	Project Specific	\$340,900.00	Ward 10
C5-10-22	Tender for the Supply and Delivery of Cheverlot Tahoe Special Service Vehicles	11/07/2022	Rowland Emergency Vehicle Products Inc.	Project Specific	\$396,000.00	All Wards
C15-20-22 BR	Tender for Bridge #294 Rousseaux Street Rehabilitation	11/07/2022	Urbanlink Civil Ltd.	Project Specific	\$497,500.00	Ward 12
C15-53-22 AM	Tender for Structural Repairs of the Wellington Street North Storm Sewer Outfall	11/07/2022	Lancoa Contracting Inc.	Project Specific	\$1,083,378.60	Ward 3
C11-70-22	Tender for Supply and Installation of Portable Variable Message Signs	11/08/2022	ATS Traffic Ltd.	1 year + 3 options	\$208,440.00	All Wards

Contracts Awarded

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Vendor	Term	Award Amount	Ward
C13-44-22	Tender for General Contracting Services for the Hamilton Children's Museum Expansion	11/18/2022	STF Construction Ltd.	Project Specific	\$5,298,245.00	Ward 3
C9-08-22	Tender for General Contractor Required for the Emergency Generator Diesel Fuel Supply Upgrades at Station 20 for Hamilton Police Services	11/23/2022	Comco Canada Ltd.	Project Specific	\$140,920.00	Ward 5
C18-13-22	Tender for Inspection and Maintenance of Fire Protection Equipment for CityHousing Hamilton	12/02/2022	Vipond Inc.	2 years + 3 options	\$1,519,484.00	All Wards
C13-54-22	Tender for Prequalified Contractor for Roof Replacement at Brampton Yard at 2200 Brampton Street in Hamilton	12/08/2022	George Roque Roofing Corp.	Project Specific	\$154,000.00	Ward 4

Contracts Cancelled

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Reason for Cancellation	Ward
C11-43-22	Tender for Supply and Delivery of Mowers of Various Configurations	05/26/2022	The open for acceptance period (the period in which bid submission pricing remains firm) of the Request for Tenders expired. A new Request for Tenders was reissued under C11-12-23 and closed on February 28, 2023	All Wards
C15-77-22 M	Tender for Remove and Replace Signs on the Lincoln Alexander Parkway	09/21/2022	All bids received were over budget. A new Request for Tenders with revised specifications will be issued in June 2023.	Ward 8
C11-94-22	Tender for Supply and Delivery of Traffic Cable and Wire	11/01/2022	No bids were received. The client department intends to issue Request for Quotations for the next year until prices stop fluctuating given the current market conditions.	All Wards
C11-71-22	Proposal for Prime Consultant Services for the Diesel Fuel Tank Upgrades at 30 Outstations	11/02/2022	Single proposal received in response to the Request for Proposals and did not meet the mandatory benchmark score. A new Request for Proposals will be issued in Q1 of 2023	Ward 4
C9-07-22	Proposal for a 2S&LGBTQIA Facilitator	11/21/2022	No bids were received. A Policy # 11 – Non-competitive Procurement was approved to single source the services.	All Wards

Contracts Pending Award

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Contract Status	Ward
C11-37-21*	Proposal for Supply and Delivery of Waste Activated Sludge Thickening and Tertiary Treatment Polymers for Woodward Avenue Wastewater Treatment Plant	01/31/2022	Closed and Under Review	All Wards
C3-03-22	Proposal for Supply and Installation of a Parking Access and Revenue Control System (PARCS)	05/04/2022	Closed and Under Review	Ward 2
C11-47-22	Proposal for Prime Consultant Services for the Low Voltage Electrical Upgrades at the Woodward Avenue Water Treatment Plant	07/20/2022	Closed and Under Review	Ward 4
C5-05-22	Proposal for Provision of Data Management Services for OSCAR Software	09/02/2022	Closed and Under Review	All Wards
C3-08-22	Proposal for Visioning and Designing New Interpretive Visitor Experiences for the Hamilton Children's Museum	09/16/2022	Closed and Under Review	Ward 3
C11-61-22	Proposal for Audio Visual Specialist for Livestreaming of Council and Sub-Committee Meetings and Equipment Support at Hamilton City Hall	09/16/2022	Closed and Under Review	Ward 2
C5-09-22	Proposal for Consultant to Coordinate the Development of a Multi-year Plan to Build Safer Communities	10/13/2022	Closed and Under Review	All Wards

Contracts Pending Award

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Contract Status	Ward
C11-72-22	Proposal for Prime Consultant Services Required for the Pre-Treatment Isolation Valves and Raw Water Control Valve Flowmeter at the Woodward Avenue Water Treatment Plant	10/13/2022	Closed and Under Review	Ward 4
C11-79-22	Tender for Triaxle Hauling for Snow Removal	10/14/2022	Closed and Under Review	All Wards
C13-10-22	Proposal for Contractor Required for the Rehabilitation of the Kenilworth Trunk Watermain	10/19/2022	Closed and Under Review	Ward 4
C13-40-22	Proposal for Supply and Installation of Commercial In Duct Air Treatment Systems in Various City of Hamilton Buildings	10/20/2022	Closed and Under Review	All Wards
C12-09-22	Revenue Generating Tender for the Removal of Scrap Metals at Various City Owned Locations	10/21/2022	Closed and Under Review	All Wards
C11-60-22	Proposal for Prime Consultant Services for the Lynden (FDL01) Well Upgrade and Other Minor Upgrades to the Lynden (HD05B) Station	10/25/2022	Closed and Under Review	Ward 12

Contracts Pending Award

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Contract Status	Ward
C1-03-22	Proposal for Equity, Diversity and Inclusion e-Learning and Experiential Training Series for staff	11/02/2022	Closed and Under Review	All Wards
C11-74-22	Tender for Supply and Delivery of One (1) Single Axle Dump Truck and One (1) Tandem Axle Dump Truck	11/09/2022	Closed and Under Review	All Wards
C11-68-22	Proposal for Glass, Mirror and Window Repair Services for City of Hamilton and CityHousing Hamilton	11/15/2022	Closed and Under Review	All Wards
C15-01-22 P	Tender for Mountain Brow Trail Initiative #4	11/17/2022	Closed and Under Review	Ward 14
C13-45-22	Tender for General Contractor Required for the Removal and Replacement of Existing Play Structure at Father Sean O'Sullivan Memorial Park	11/18/2022	Closed and Under Review	Ward 5
C11-66-22	Proposal for Prime Consultant Services Required for a New Fire and Police Station Located in Waterdown	11/23/2022	Closed and Under Review	Ward 15
C15-76-22 TR	Tender for Post and Sign Installation	11/23/2022	Closed and Under Review	All Wards

Contracts Pending Award

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Contract Status	Ward
C13-48-22	Tender for Lighting Upgrade at 330 Wentworth Street Operations	11/25/2022	Closed and Under Review	Ward 3
C15-42-22 TR	Tender for Construction of New Traffic Control and Transportation Infrastructure	11/25/2022	Closed and Under Review	Wards 1, 3, 5, 10
C12-15-22	Proposal for Supply, Delivery and Installation of Case Good Furniture	11/30/2022	Closed and Under Review	All Wards
C13-12-22	Tender for Prequalified Contractor Required for the Real Time Control Implementation – Phase 2	11/30/2022	Closed and Under Review	All Wards
C11-96-22	Tender for Supply and Delivery of Large Caliper Trees	12/13/2022	Closed and Under Review	All Wards
C11-99-22	Tender for Supply and Delivery of One Gallon and Two Gallon Container Trees	12/13/2022	Closed and Under Review	All Wards
C13-47-22	Tender for Prequalified Contractor for Metal Roof Retrofit Project at Emergency Medical Services Station #30 at 489 Victoria Avenue North in Hamilton	12/15/2022	Closed and Under Review	Ward 3

Contracts Pending Award

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Contract Status	Ward
C11-81-22	Proposal for Prime Consultant Services for the Woodward Avenue Wastewater Treatment Plant Primary Clarifiers (Galleries 1- 8) and Scum Building Upgrades	12/19/2022	Closed and Under Review	Ward 4
C11-88-22	Tender for Supply and Delivery of Single and Tandem Axle Cab and Chassis with Combination Dump Bodies of Various Configurations As and When Required	12/20/2022	Closed and Under Review	All Wards
C13-57-22	Tender for the Wentworth Operations Centre Uninterruptible Power Supply (UPS) Replacement	12/20/2022	Closed and Under Review	Ward 3
C15-68-22 W	Tender for Large Valve Replacements at Fennel Avenue and Upper Ottawa	12/20/2022	Closed and Under Review	Ward 7
C11-77-22	Tender for Supply and Delivery of Culvert Pipes and Couplers	12/21/2022	Closed and Under Review	All Wards
C13-51-22	Tender for General Contractor Required for Bullocks Corners Park Tennis Court Reconstruction	12/21/2022	Closed and Under Review	Ward 13
C13-58-22	Tender for Glanbrook Town Hall Heating, Ventilation and Air Conditioning (HVAC) Unit Replacement	12/22/2022	Closed and Under Review	Ward 11

Contracts Pending Award

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Contract Status	Ward
C11-100-22	Tender for Supply and Delivery of Vehicle Mounted Aerial and Crane Device Inspections and Repairs	01/05/2023	Not closed as of January 1, 2023	All Wards
C11-46-22	Proposal for Supply and Installation of a Computer-Aided Dispatch / Automatic Vehicle Location (CAD/AVL) System	01/10/2023	Not closed as of January 1, 2023	All Wards
C11-104-22	Tender for Roll-Off Waste Bin Services Required for Various Locations in the City of Hamilton	01/10/2023	Not closed as of January 1, 2023	All Wards
C11-106-22	Tender for Supply and Delivery of Electrical Service Panels for Traffic Operations	01/10/2023	Not closed as of January 1, 2023	All Wards
C11-91-22	Tender for Catch Basin Cleaning Services Required for the City of Hamilton	01/11/2023	Not closed as of January 1, 2023	All Wards
C15-18-22 M	Tender for Installation of Roadside Protection Devices and Fencing as Required	01/11/2023	Not closed as of January 1, 2023	All Wards
C13-52-22	Tender for LED Lighting Upgrade at Dundas Town Hall and Fire Station 5	01/12/2023	Not closed as of January 1, 2023	Wards 6, 13

Contracts Pending Award

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Contract Status	Ward
C13-46-22	Tender for Contractor required for Phase 1 and Phase 2 of Metal Roof Replacement at Mohawk 4 Ice Centre	01/13/2023	Not closed as of January 1, 2023	Ward 6
C15-34-22 HW	Tender for Mountain Park Avenue Reconstruction	01/16/2023	Not closed as of January 1, 2023	Ward 7
C15-74-22 TR	Tender for Installation of Traffic Signal Railway Interconnects	01/17/2023	Not closed as of January 1, 2023	All Wards
C13-06-22	Proposal for Condition Assessment of Large Diameter Pre-Stressed Concrete Cylinder Pipe (PCCP) and Metallic Watermains in the City of Hamilton	01/18/2023	Not closed as of January 1, 2023	All Wards
C15-71-22 H	Tender for Kenilworth Avenue Rockfall Drapery Mesh Installation	01/18/2023	Not closed as of January 1, 2023	Wards 3, 4, 6
C9-09-22	Tender for the Upgrade of Boiler Units at 2825 King Street East Police Station 20	01/19/2023	Not closed as of January 1, 2023	Ward 5
C13-53-22	Tender for City Hall Garage Repairs	01/19/2023	Not closed as of January 1, 2023	Ward 2

Contracts Pending Award

Contract Reference	Contract Title	Closing Date (mm/dd/yyyy)	Contract Status	Ward
C5-01-22	Proposal for Supply and Delivery of Pharmaceutical Services for Macassa and Wentworth Lodge	01/20/2023	Not closed as of January 1, 2023	Wards 7, 13
C11-65-22	Tender for Supply and Delivery of Two-Wheel Drive (2WD) and All-Wheel Drive (AWD) Electric Sport Utility Vehicles (SUV's)	01/20/2023	Not closed as of January 1, 2023	All Wards
C15-82-22 P	Tender for Victoria Park Improvements - Spray Pad and Sun Shelter	01/20/2023	Not closed as of January 1, 2023	Ward 1
C13-60-22	Tender for Roof Top Units (RTUs) Replacement at Fire Prevention Administration Building & Fire Station 4	01/25/2023	Not closed as of January 1, 2023	Wards 2, 7

*C11-37-21 was incorrectly reported as 'Awarded' to Northland Chemical Inc. in the second quarter (Report FCS22048(a)). This report reflects the corrected information as "Pending Award".

Cooperative Procurements

City Contract Reference	Contract Title	Cooperative Group	Effective Date (mm/dd/yyyy)	Vendor	Term	Estimated City Spend	Ward
C17-08-22	Next Day or Best Available Courier Services	Ontario Shared Services	11/01/2022	Purolator Courier Ltd.	3 years + 2 options	\$256,000.00	All Wards
C17-10-22	Curbside, Multi-Residential and Depot Waste Composition Studies	Stewardship Ontario and Continuous Improvement Fund	11/01/2022	AET Group Inc.	1 year	\$24,825.00	All Wards



Hamilton

CITY OF HAMILTON

Vision

To be the best place to raise a child and age successfully.

HAMILTON INDIGENOUS ADVISORY COMMITTEE Terms of Reference¹

Preamble: This document uses the format and content typically used by the City of Hamilton for its advisory committees, but this Committee's work should be understood to have vital cultural traditions and teachings at its core. These may not be obvious in this document, but they are part of this Committee's approach and philosophy and how it pursues an effective path and a meaningful future through its work. The Committee respects a whole-world view that recognizes each individual's interconnectedness and also their contributions to the collective wellbeing of the whole. Balance, harmony, peace and justice are valued concepts within this philosophy.

COMMITTEE MANDATE

The Indigenous Advisory Committee assists the City of Hamilton to honour and engage its Indigenous citizens in the pursuit of the City's vision by providing advice and/or recommendations, through the appropriate Standing Committee of Council, that enhance the wellbeing of Indigenous people and/or resolve municipal issues.

The Committee supports the City of Hamilton's Urban Indigenous Strategy and the successful and meaningful implementation of its Strategic Actions.

The Committee envisions a future where Hamilton is an inclusive and culturally-aware community, where issues of importance to Indigenous peoples living here are addressed proactively, effectively and respectfully on the municipal agenda.

COMMITTEE OBJECTIVES

- to assist the City in achieving and demonstrating progress or positive change in support of the equitable economic, social, health and overall wellbeing of Indigenous citizens;
- to provide a forum and mechanism for coordinated dialogue and consultation between and among Indigenous leaders and other stakeholders, acting as a catalyst for the

¹ The Terms of Reference for the Hamilton Indigenous Advisory Committee were approved by Council on September 22, 2014. The Selection Process and Composition sections were amended on July 10, 2015; and further amended on September 5, 2019. The committee name and terminology were revised February 23, 2022.

development of positive relationships and open, transparent dialogue between and among the City and these stakeholders; and,

- to offer input, advice and recommendations, through the Audit, Finance & Administration Committee, informed by stakeholder consultation, to support the City in determining effective municipal strategies and/or policies on issues of importance to Indigenous peoples.

COMMITTEE VALUES

In fulfilling our mandate, members of the Committee uphold the following values of collective and individual importance: trust, respect, unity, truthfulness, inclusiveness, pride and empowerment. In our collective work with the City and with Indigenous stakeholders, members of the Committee seek relationships that are sustained by mutual respect and flexibility and that lead to constructive solutions, productive outcomes and improved opportunities for Indigenous peoples. We value increased visibility and recognition of the importance of Indigenous peoples and cultures, as a means to eliminating stereotypes.

SELECTION PROCESS

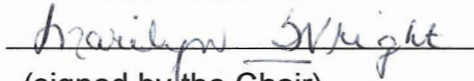
The selection process for the Indigenous Advisory Committee is to include the local Hamilton Indigenous Community, which will recommend to Council the appointment of residents from the Hamilton Indigenous community, to sit on the Hamilton Indigenous Advisory Committee.

COMPOSITION

The Advisory Committee will be comprised of seven (7) to nine (9) citizen appointees from the urban Indigenous community in Hamilton.



CITIZEN COMMITTEE REPORT

TO:	Chair and Members Audit, Finance and Administration Committee	
From:	Marilyn Wright Indigenous Advisory Committee	 (signed by the Chair)
Date:	March 23, 2023	
Re:	Revised Terms of Reference for the Indigenous Advisory Committee (IAC23001)	

Recommendation:

That the Indigenous Advisory Committee revised Terms of Reference attached as Appendix "A" to Report IAC23001 be approved.

Background:

The Indigenous Advisory Committee (IAC) was established to work in collaboration with the City of Hamilton on issues affecting the local Indigenous community. The committee's Terms of Reference was last updated in 2022 (with minor revisions to terminology) and approved by Council.

During the September 1, 2022 and February 2, 2023 meetings, the IAC reviewed its Terms of Reference and recommend the following changes:

- add a statement to the mandate that more clearly connects the work of the committee to furthering the Urban Indigenous Strategy (UIS)
- refine the composition of committee membership to representatives of the Indigenous community in Hamilton

Analysis/Rationale:

In accordance with the need for volunteer advisory committees to review their terms of reference annually, the September 2022 and February 2023 meetings incorporated a discussion of the current IAC mandate and structure.

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POLICY TITLE: Private Water Service Line Leak Wastewater Bill Adjustment Policy

POLICY NO: PP-015

LAST REVISION DATE: N/A

EFFECTIVE DATE: May 1, 2023

MANAGER REVIEWED: Kirk Weaver

TO BE REVIEWED: May 2028

MAINTENANCE RESPONSIBILITY: Financial Planning, Administration and Policy Division

I GENERAL

The City of Hamilton's Private Water Service Line Leak Wastewater Bill Adjustment Policy (Policy) provides customers who utilize City water services the opportunity to request adjustments of wastewater bills and associated fees, penalties and interest accrued, when wastewater / storm billings increase significantly, as a result of private watermain / service line leak(s), where the leak(s) are downstream of the property's water meter. An adjustment would only occur where Hamilton Water determines that the leaking water from the private watermain / service line leak(s) likely did not enter the City's sanitary sewer, storm sewer or combined sewer system.

II BACKGROUND

As outlined by the City's Waterworks By-law, the City's ownership and maintenance obligations for the water distribution system includes the public watermains and the portion of the water service line up to and including the water curb stop located at the property line. The water meter is owned and maintained by the City.

The property owner is responsible for the private watermain / service line from the water curb stop to the structure, as well as, the premise plumbing and fixtures. It is the customer's responsibility to keep their water lines and plumbing system in good working order. However, the City recognizes that water leaks do occur from time to time. Water leaks that occur downstream of a property's water meter will affect the property's water bills. Water meters may be located at the property line typically in underground chambers for some multi-residential and industrial, commercial and institutional (ICI) properties.

The Policy sets out specific eligibility criteria that a customer must meet in order to qualify for a billing adjustment due to increased wastewater / storm billings related to downstream private watermain / service line leaks. As wastewater / storm billings are based on potable water usage, the Policy aims to ensure that fundamental user fee principles related to Water/Wastewater services are maintained.

III POLICY

PURPOSE

To provide staff with the delegated authority to make decisions on bill adjustments related to private watermain / service line leaks supporting the principle of a user-pay water and wastewater / storm system. A user fee is a charge imposed by the City for the primary purpose of covering the cost of providing a service, directly raising funds from those who benefit from the public good or service being provided. The Policy recognizes that water from private watermain / service line breaks may not enter into the City's sanitary sewer, storm sewer or combined sewer system and therefore, should not be subject to wastewater treatment charges.

DEFINITIONS

For the purposes of this Policy, the following definitions apply:

abnormally high water usage: Water and wastewater / storm billing for a City of Hamilton customer where the recorded metered water consumption for the customer is two (2) or more times greater than the historical daily average consumption of that customer for the same property and for a similar time period from the previous year.

leak: An unintentional water loss caused by broken and / or malfunctioning plumbing fixtures and / or pipes within a residence or building. A leak occurs when there is a failure of the plumbing system to do what it was designed to do.

vacant: Regardless of the presence of furnishings, a vacant dwelling and / or building means the occupants have moved out with no intent to return. A newly constructed dwelling and / or building is also considered to be vacant after it is completed and before the occupants move in. A dwelling and / or building is also vacant when the occupants move out and before any new occupant moves in.

REQUIREMENTS FOR WASTEWATER / STORM BILLING ADJUSTMENTS

Under this Policy, a credit adjustment may be available up to a maximum of twelve (12) months and \$100 K to qualifying City wastewater / storm customers who experience a private watermain / service line leak when determined by the City that the water did not enter the City's sanitary sewer, storm sewer or combined sewer system. Adjustments for amounts exceeding \$100 K are to be brought forward for the consideration of the Audit, Finance and Administration (AFA) Committee.

Adjustment Amount (Credit) – The customer's wastewater / storm billings may be adjusted based on the amount of water associated with the private watermain / service line leak(s) costed at the applicable year's wastewater rates.

To qualify for such determination:

- It is the property owner's responsibility to keep the private watermain / service line and their plumbing system in good working order.

- To qualify for a service line leak adjustment, the eligible watermain / service line leak(s) must generate a minimum additional charge of at least two (2) times the average of the past twelve (12) months' bills.
- An adjustment would only occur where Hamilton Water determines that the leaking water from private watermain / service line leak(s) likely did not enter the City's sanitary sewer, storm sewer or combined sewer system.
- The customer agrees to permit City personnel to access the customer's property to conduct inspections and determine that the leakage did not enter the City's sanitary sewer, storm sewer or combined sewer system.
- Upon receipt of an abnormally high water bill, the customer has actively attempted to address the leakage in a reasonable timeframe. The claim must be accompanied by proof that the leak(s) has been repaired before an adjustment will be made (i.e. copy of invoice for materials, contractor invoice).

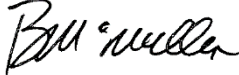
OTHER CONDITIONS / EXCLUSIONS

- Water loss due to theft, vandalism or construction damage is not eligible for relief under this Policy. Resolving these issues is the responsibility of the customer.
- Leaks associated with structures that have been left or abandoned. In accordance with the Waterworks By-law, for all long-term vacant properties, the water service should be shut off at the property line.
- Leaks on irrigation systems or irrigation lines.
- Filling of water features, fountains or fish ponds, or leaks associated with water features.
- Filling of or leaks associated with and / or general water usage associated with outdoor recreational activities such as, but not limited to, hot tubs, pools, slip-n-slides and sprinklers.
- Watering of lawns or gardens and washing or pressure-washing driveways, cars, windows or siding of any structure.
- Water loss due to theft, vandalism or construction damage.

The Customer is required to keep their water and wastewater / storm account current with payment in full or establish a payment arrangement pending consideration in order to be eligible for billing adjustments under this Policy. Any unpaid amounts under appeal will be treated in the same manner as all other unpaid accounts so that collection activity continues as per the City's Water and Wastewater / Storm Arrears Policy.



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

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 6, 2023
SUBJECT/REPORT NO:	Private Water Service Line Leak Wastewater Bill Adjustment Policy (FCS23030) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Katie Black (905) 546-2424 Ext. 6415 John Savoia (905) 546-2424 Ext. 7298
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That the Private Water Service Line Leak Wastewater Bill Adjustment Policy, effective May 1, 2023, attached as Appendix "A" to Report FCS23030, be approved;
- (b) That the subject matter respecting the development of a policy to provide staff delegated authority to make decisions on bill adjustments related to private watermain / service line leak(s), be identified as complete and removed from the Audit, Finance and Administration Committee Outstanding Business List.

EXECUTIVE SUMMARY

The Audit, Finance and Administration (AFA) Committee, at its meeting on January 19, 2023, received a presentation from Wentworth Condominium Corporation (WCC) #128 regarding watermain / service line leaks that had occurred at 860 Rymal Road East, Hamilton which resulted in significant water and wastewater / storm charges. Staff has been directed to report back to the AFA Committee on the development of policy for staff to address such circumstances in the future.

SUBJECT: Private Water Service Line Leak Wastewater Bill Adjustment Policy (FCS23030) (City Wide) – Page 2 of 5

The City of Hamilton's (City's) Private Water Service Line Leak Wastewater Billing Adjustment Policy (Policy) is submitted for Council's consideration. The Policy provides customers who utilize City water services the opportunity to request adjustments of wastewater / storm bills and associated fees, penalties and interest accrued, when wastewater / storm billings increase significantly, as a result of private watermain / service line leak(s), where the leak(s) are downstream of the property's water meter. An adjustment would only occur where Hamilton Water determines that the leaking water from private watermain / service line leaks likely did not enter the City's sanitary sewer, storm sewer or combined sewer system.

The recommended Policy attached as Appendix "A" to Report FCS23030 is premised on user fee principles. A user fee is a charge imposed by the City for the primary purpose of covering the cost of providing a service, directly raising funds from those who benefit from the public good or service being provided. The Policy recognizes that water arising from private watermain / service line breaks may not enter into the City's sanitary sewer, storm sewer or combined sewer system and, therefore, should not be subject to wastewater treatment charges.

Alternatives for Consideration – N/A

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Given the limited number of properties with the water meter located at the property line (approximately 1,300 of a total 158,000 metered accounts), it is not expected that there will be a significant impact to the City's wastewater revenues.

Staffing: No anticipated impact.

Legal: N/A

HISTORICAL BACKGROUND

As outlined by the City's Waterworks By-law, the City's ownership and maintenance obligations for the water distribution system includes the public watermains and the portion of the water service line up to and including the water curb stop located at the property line. The water meter is owned and maintained by the City.

OUR Vision: To be the best place to raise a child and age successfully.

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SUBJECT: Private Water Service Line Leak Wastewater Bill Adjustment Policy (FCS23030) (City Wide) – Page 3 of 5

The property owner is responsible for the private watermain / service line from the water curb stop to the structure, as well as, the premise plumbing and fixtures. It is the customer's responsibility to keep their water lines and plumbing system in good working order. However, The City recognizes that water leaks do occur from time to time. Water leaks that occur downstream of a property's water meter will affect the property's water bills. Water meters may be located at the property line typically in underground chambers for some multi-residential and industrial, commercial and institutional (ICI) properties (approximately 1,300 of a total 158,000 metered accounts have the water meter located at the property line).

Significant service line breaks downstream of a property's water meter have occurred in the past and resulted in a handful of appeals to the AFA Committee over the past 15 years for financial relief from the resulting high water and wastewater / storm charges.

The AFA Committee, at its meeting on January 19, 2023, received a presentation from Wentworth Condominium Corporation (WCC) #128 regarding watermain / service line leaks that had occurred at 860 Rymal Road East Hamilton which resulted in significant water and wastewater / storm charges. Staff has been directed to report back to the AFA Committee on the development of policy for staff to address such circumstances in the future.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The recommended Policy supports the principle of a user-pay water and wastewater / storm system.

RELEVANT CONSULTATION

Public Works Department – Hamilton Water Division has been consulted in the preparation of Report FCS23030.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

The recommended Policy attached as Appendix "A" to Report FCS23030 is premised on user fee principles. A user fee is a charge imposed by the City for the primary purpose of covering the cost of providing a service, directly raising funds from those who benefit from the public good or service being provided. The Policy recognizes that water arising from private watermain / service line breaks may not enter into the City's sanitary sewer, storm sewer or combined sewer system and, therefore, should not be subject to wastewater treatment charges.

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**SUBJECT: Private Water Service Line Leak Wastewater Bill Adjustment Policy
(FCS23030) (City Wide) – Page 4 of 5**

The following are qualifications for consideration of the Policy:

- It is the property owner's responsibility to keep the private watermain / service line and their plumbing system in good working order.
- To qualify for a service line leak adjustment, the eligible private watermain / service line leak must generate a minimum additional charge of at least two times the average of the past 12 months' bills.
- An adjustment would only occur where Hamilton Water determines that the leaking water from private watermain / service line leak(s) likely did not enter the City's sanitary sewer, storm sewer or combined sewer system.
- The customer agrees to permit City personnel to access the customer's property to conduct inspections and determine that the leakage did not enter the City's sanitary sewer, storm sewer or combined sewer system.
- Upon receipt of an abnormally high water bill, the customer has actively attempted to address the leakage in a reasonable timeframe. The claim must be accompanied by proof that the leak has been repaired before an adjustment will be made (i.e. copy of invoice for materials, contractor invoice).
- In the event of a qualifying leak adjustment, the credit adjustment for wastewater / storm charges is subject to a maximum of 12 months and \$100 K. Adjustments for amounts exceeding \$100 K are to be brought forward for the consideration of the AFA Committee.
- The customer's wastewater / storm billings may be adjusted based on the amount of water associated with the service line leak(s) costed at the applicable year's wastewater rates.

Adjustments on bills will not be provided where:

- Leaks associated with structures that have been left or abandoned. In accordance with the Waterworks By-law, for all long-term vacant properties, the water service should be shut off at the property line.
- Leaks on irrigation systems or irrigation lines.
- Filling of water features, fountains or fish ponds, or leaks associated with water features.
- Filling of or leaks associated with and / or general water usage associated with outdoor recreational activities such as, but not limited to, hot tubs, pools, slip-n-slides and sprinklers.
- Watering of lawns or gardens and washing or pressure-washing driveways, cars, windows or siding of any structure.
- Water loss due to theft, vandalism or construction damage.

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**SUBJECT: Private Water Service Line Leak Wastewater Bill Adjustment Policy
(FCS23030) (City Wide) – Page 5 of 5**

ALTERNATIVES FOR CONSIDERATION

N/A

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

People and Performance

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

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report FCS23030 – Private Water Service Line Leak Wastewater Bill Adjustment Policy

KB/JS/dt