



**AUDIT, FINANCE & ADMINISTRATION COMMITTEE**  
**MINUTES 16-010**  
**9:30 am**  
**Monday, June 20, 2016**  
**Council Chambers**  
**Hamilton City Hall**  
**71 Main Street West**

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

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**THE FOLLOWING ITEMS WERE REPORTED TO COUNCIL FOR CONSIDERATION:**

1. **Code of Conduct for Employees & Ethics Program Update (HUR16017) (City Wide) (Item 5.1)**

**(Collins/Pearson)**

That Schedule E: Anti-Nepotism, attached as Appendix "A" to Report HUR16017, be approved for inclusion in the Code of Conduct for Employees.

**CARRIED**

2. **Employee Attendance Report 2015 (HUR16012) (City Wide) (Item 5.2)**

**(Collins/Pearson)**

That Report HUR16012 respecting Employee Attendance Report 2015, be received.

**CARRIED**

3. **Treasurer's Write-Off of Taxes (FCS16040) (Item 5.3)**

**(Collins/Pearson)**

(a) That approval be given to write-off taxes of \$3,479.97 for 0 South Drive (Ward 13) as a result of a failed tax sale of the property;

(b) That approval be given to write-off taxes of \$4,848.84 for 0 Tollgate Drive (Ward 12) as a result of a failed tax sale of the property;

(c) That approval be given to write-off taxes up to \$44,129.33 for 411 Wilson Street (Ward 3) as a result of a failed tax sale of the property.

**CARRIED**

**4. West Harbour Initiatives Capital Budget Appropriation Transfer Policy (FCS16050) – (City Wide) (Item 5.4)**

**(Collins/Pearson)**

That delegated authority be provided to the General Manager of Public Works to approve all Capital Budget appropriation transfers within the West Harbour Initiatives Capital Budget Programs defined in Appendix “A” to Report FCS16050.

**CARRIED**

**5. 2015 Municipal Tax Competitiveness Study (FCS16053) (Item 5.5)**

**(Collins/A. Johnson)**

That Report FCS16053 respecting 2015 Municipal Tax Competitiveness Study be referred to the 2017 Budget process.

**CARRIED**

**6. 2015 Annual Energy Report on Commodity Price Hedging (FCS16025(a)) (PW16016(a)) (City Wide) (Item 5.6)**

**(Collins/Pearson)**

That Report FCS16025(a)/PW16016(a) respecting 2015 Annual Energy Report on Commodity Price Hedging, be received.

**CARRIED**

**7. Authority to Negotiate and Place a Debenture Issue(s) (FCS16048) (City Wide) (Item 8.1)**

**(Collins/VanderBeek)**

(a) That the General Manager, Finance and Corporate Services be authorized to negotiate the terms and placement of a debenture issue(s) in an amount not to exceed \$130 million Canadian currency;

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

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

**CARRIED**

**8. Ward Specific Non-Property Tax Revenues (FCS16042) (City Wide) (Item 8.2)**

**(Collins/Pearson)**

- (a) That Non-property tax revenues generated within a Ward be deposited to new Ward specific Capital projects exclusive of direct operating costs on a go forward basis from the following sources:
- (i) Existing and new license agreements for cellular towers (as identified in Appendix "A", to Report FCS16042), **as amended, to change the Ward reference for 415 Arvin Avenue from Ward 11 to Ward 10;**
  - (ii) New Easements and other Right of Ways;
  - (iii) Signage; and,
  - (iv) Other similar Ward specific non-property tax revenues deemed appropriate by the General Manager of Finance and Corporate Services;
- (b) That initiatives funded from the Ward specific non-property tax revenue sources be submitted whenever possible as Ward specific Capital projects and approved annually through the City of Hamilton Capital Budget Process.
- (c) That revenue from advertising on the watermain easement on Kenilworth Avenue be deposited to ward specific non-property tax revenue project #3301609604 effective immediately.

**Main Motion as Amended CARRIED**

**9. Rate Reserve Policies (FCS16056) (City Wide) (Item 8.3)**

**(Pearson/VanderBeek)**

That the Rate Reserves Policy, attached as Appendix "A" to Report FCS16056, be approved.

**CARRIED**

**10. Outstanding Business List (Added 11.1)**

**(Pearson/A. Johnson)**

That the following Item be referred to the Governance Review Sub-Committee:

Item "P" – Cost of Posting to Website, Respecting Disclosure of Council Expenses.

**CARRIED**

**11. Insurance Provider for the City of Hamilton Benefit Tender for Proposal Contract (C1-01-16) (HUR16018) (City Wide) (Item 12.1)**

**(Collins/B. Johnson)**

- (a) That the contents of report HUR16018 respecting the Insurance Provider for the City of Hamilton Benefit Tender Request for Proposal Contract C1-01-16 remain confidential as it contains information related to labour relations and employee negotiations;
- (b) That the Associate Executive Director of Human Resources or designate be authorized to negotiate and enter into an agreement with the Preferred Proponent for the provision of Health and Dental benefits, Life Insurance, and Long-Term Disability in a form satisfactory to the City Solicitor; and
- (c) That the Associate Executive Director of Human Resources or designate be authorized to negotiate and enter into an agreement with the Preferred Proponent for the provision of Accidental Death & Dismemberment benefits in a form satisfactory to the City Solicitor.

**CARRIED**

**FOR THE INFORMATION OF COMMITTEE:**

Prior to the arrival of Chair A. Johnson, Vice-Chair Skelly commenced the meeting and continued to chair it for the entire meeting.

**(a) CHANGES TO THE AGENDA (Item 1)**

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

**ADDED DELEGATION REQUEST**

- (i) Added as Item 4.1 – A delegation request from Larry Ciccarelli respecting Private and Confidential Item 12.2 regarding the commercial relationship between the City of Hamilton and the Ciccarelli Family.

**AMENDMENT TO STAFF RECOMMENDATION**

**8.2 Ward Specific Non-Property Tax Revenues (FCS16042) (City Wide)**

The following subsection (c) is added to the staff recommendation:

- (c) That revenue from advertising on the watermain easement on Kenilworth Avenue be deposited to ward specific non-property tax revenue project #3301609604 effective immediately.

**AMENDMENT TO THE OUTSTANDING BUSINESS LIST**

- (iii) Added as Item 11.1 - Outstanding Business List

That the following Item be referred to the Governance Review Sub-Committee:

Item "P" – Cost of Posting to Website, Respecting Disclosure of Council Expenses.

**(Pearson/Collins)**

That the agenda for the June 20, 2016 meeting be approved as amended.

**CARRIED**

**(b) DECLARATIONS OF INTEREST (Item 2)**

There were none declared.

**(c) APPROVAL OF MINUTES (Item 3)**

- (i) **June 6, 2016**

**(VanderBeek/B. Johnson)**

That the Minutes of the June 6, 2016 Audit, Finance & Administration Committee meeting be approved, as presented.

**CARRIED**

**(d) DELEGATION REQUESTS (Item 4)**

- (i) **Larry Ciccarelli respecting Item 12.2 – Private and Confidential, the commercial relationship between the City of Hamilton and the Ciccarelli Family. (Added Item 4.1)**

**(VanderBeek/Pearson)**

That the delegation request submitted by Larry Ciccarelli respecting Private and Confidential Item 12.2 regarding the commercial relationship between the City of Hamilton and the Ciccarelli Family, be approved to appear before the Audit, Finance & Administration Committee on June 20, 2016.

**CARRIED**

**(e) DELEGATIONS / PUBLIC HEARINGS (Item 6)**

- (i) **Larry Ciccarelli, respecting Private and Confidential Item 12.2 regarding, the commercial relationship between the City of Hamilton and the Ciccarelli Family. (Item 6.1)**

Mr. Ciccarelli addressed Committee and his comments included, but were not limited to, the following:

- He requested that Committee not approve the staff report;
- His father started the family business in 1960 and since then has had a great relationship with the City;
- The Company experienced problems from 2012 to 2015 when it was run by his late brother John;
- The Company was the victim of employee fraud which put a financial strain on the family and on the business;
- The employee has since been dismissed;
- The Company is now exclusively run by him and his brother;
- Requested the Company be granted an opportunity to recover from the difficulties it experienced and be given another chance.

Mr. Ciccarelli responded to questions from the Committee.

**(Pearson/A. Johnson)**

That the presentation provided by Larry Ciccarelli respecting Private and Confidential Item 12.2 regarding the commercial relationship between the City of Hamilton and the Ciccarelli Family, be received.

**CARRIED**

**(f) DISCUSSION (Item 8)**

**(i) Ward Specific Non-Property Tax Revenues (FCS16042) (City Wide) (Item 8.2)**

Councillor Pearson advised that the reference on Appendix "A" of the Report, identifying 415 Arvin Avenue as being located in Ward 11 is incorrect as it is actually in Ward 10.

**(Collins/Pearson)**

That Appendix "A" of Report FCS16042 be amended to identify 415 Arvin Avenue as being located in Ward 10.

**CARRIED**

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

**(g) PRIVATE AND CONFIDENTIAL (Item 12)**

**(Pearson/Ferguson)**

That Committee move into Closed Session at 9:50 a.m. regarding Item 12.1, Insurance provider for the City of Hamilton Benefit Tender for Proposal Contract (C1-01-16) (HUR16018)(City Wide), pursuant to Section 8.1, Sub-sections (d) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (d) of the

*Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to labour relations or employee negotiations; and

Regarding Item 12.2, Commercial Relationship Between the City of Hamilton and Ottavio Ciccarelli & Son Contracting Limited, Corporate Construction Inc. and Related Entities (LS16018/FCS16059) (City Wide), pursuant to Section 8.1, Sub-sections (e) and (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (e) and (f) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to: litigation or potential litigation, including matters before administrative tribunals, affecting the City; and, the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

**CARRIED**

Committee reconvened in Open Session at 10:27 a.m.

**(i) Insurance Provider for the City of Hamilton Benefit Tender for Proposal Contract (C1-01-16)(HUR16018)(City Wide) (Item 12.1)**

For disposition of this matter refer to Item 11.

**(ii) Commercial Relationship Between the City of Hamilton and Ottavio Ciccarelli & Son Contracting Limited, Corporate Construction Inc. and Related Entities (LS16018/FCS16058)(City Wide) (Item 12.2)**

**(Ferguson/B. Johnson)**

That Report LS16018/FCS16058) respecting Commercial Relationship Between the City of Hamilton and Ottavio Ciccarelli & Son Contracting Limited, Corporate Construction Inc. and Related Entities be referred to the next Audit, Finance and Administration Committee meeting scheduled for July 6, 2016 in order to allow the Ward Councillor to meet with staff and with Mr. Larry Ciccarelli regarding this matter.

**CARRIED**

**(h) ADJOURNMENT**

**(Pearson/Vanderbeek)**

That, there being no further business, the Audit, Finance & Administration Committee be adjourned at 10:31 a.m.

**CARRIED**

Respectfully submitted,

Councillor D. Skelly  
Vice -Chair, Audit, Finance & Administration Committee

Ida Bedioui  
Legislative Coordinator  
Office of the City Clerk