



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE REPORT 20-003

**9:30 a.m.
February 20, 2020
Council Chambers
Hamilton City Hall**

Present: Councillors M. Wilson (Chair), C. Collins, B. Clark, M. Pearson, L. Ferguson, B. Johnson, A. VanderBeek and J. Partridge

Also Present: Mayor F. Eisenberger
Councillor S. Merulla

THE AUDIT, FINANCE AND ADMINISTRATION COMMITTEE PRESENTS REPORT 20-003 AND RESPECTFULLY RECOMMENDS:

1. **Redaction of Personal Information on items before Council and/or Committee (CL20002) (City Wide) (Item 7.1)**
 - (a) That Report CL20002, respecting the Redaction of Personal Information on items before Council and/or Committee, be received; and
 - (b) That staff be directed to invite Brian Beamish, the Information and Privacy Commissioner (IPC) and a representative from the Municipal Property Assessment Corporation (MPAC) to a future General Issues Committee to address concerns with current regulations which limit Ward Councillor's access to resident information.

2. **Hate Related Activities on City of Hamilton Properties (LS19031 / PW19068(b) / CM19006(b)) (City Wide) (Item 7.3)**

That Report LS19031 / PW19068(b) / CM19006(b), respecting Hate Related Activities on City of Hamilton Properties, be received.

3. **City of Hamilton Water and Wastewater / Storm Arrears Policy Minor Amendment (FCS20018) (City Wide) (Item 7.4)**

That the amended Water and Wastewater / Storm Arrears Policy as attached in Appendix "A" to Audit, Finance and Administration Report 20-003, be approved effective March 1, 2020.

4. **Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Additional Committee Members (Item 10.1)**

That staff be directed to commence a recruitment process for the selection of additional members for the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee.

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5. Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Hamilton Police Services Board Appointee (Item 10.2)

That the Citizen Committee Report from the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee, respecting the Hamilton Police Services Board Appointee, be received and no further action taken.

6. Grants Sub-Committee Report 20-001 - February 10, 2020 (Item 10.3)

(i) City Enrichment Fund 2020 Workplan (GRA19005) (City Wide) (Item 5.1)

That Report GRA19005, respecting the City Enrichment Fund 2020 Workplan, be received.

(ii) United Way Update (GRA19003) (City Wide) (Item 6.1)

That Report GRA19003, respecting the United Way Update, be received.

(iii) City Enrichment Fund Update (GRA20002) (City Wide) (Item 6.2)

That the overall 2019 City Enrichment Fund surplus (attached as Appendix "B" to Audit, Finance and Administration Committee Report 20-003, in the amount of \$82,047, be transferred to the City Enrichment Fund Reserve #112230.

7. Process for Addressing Development Charge (DC) Concerns (FCS20007) (City Wide) (Item 10.4)

That Report FCS20007, respecting the Process for Addressing Development Charge (DC) Concerns, be received.

8. Policy 11 Single Source Provider for TYMCO Sweeper DST-4 (PW20006(a)) (City Wide) (Added Item 10.5)

(a) That pursuant to the City's Procurement Policy By-Law 17-064 (Policy #11 – Non-Competitive Procurements) a single source purchase of a TYMCO Sweeper DST-4 for use on bike lanes and other smaller City streets at the approximate cost of \$310,000 be awarded to The Equipment Specialists Inc. and funded from Project ID's 4031821350 and 4031921350;

(b) That pursuant to the City's Procurement Policy By-Law 17-064 (Policy #14 – Standardization) the DST-4 Sweeper, as manufactured by TYMCO and supplied by The Equipment Specialist Inc., be added to the standardization list of Fleet Equipment and Parts; and,

(c) That the General Manager of Public Works be authorized to negotiate, enter into and execute all required documentation to give effect thereto with The Equipment Specialists Inc. in a form satisfactory to the City Solicitor.

**9. Governance Review Sub-Committee Report 20-001 - February 12, 2020
(Added Item 10.6)**

(i) Civil Marriage Solemnization (CL19012(a)) (City Wide) (Item 10.1)

- (a) That the City of Hamilton provide Civil Marriage Solemnization services as of April 6, 2020, using current resources;
- (b) That the Proposed 2020 User Fees and Charges respecting Civil Marriage Ceremony services attached as Appendix 'C' to Audit, Finance and Administration Committee Report 20-003, be approved, and included in Schedule 'A' of the By-law to Establish Certain 2020 User Fees and Charges for Services, Activities or the Use of Property;
- (c) That a By-law to Authorize Civil Marriage Solemnization Services and To Delegate the Authority to Solemnize Marriages in the City of Hamilton attached as Appendix 'B' to Governance Review Sub-Committee Report 20-001, which has been prepared in a form satisfactory to the City Solicitor, be enacted by Council; and
- (d) That staff report back to the Governance Review Sub-Committee within a one year period to provide an update on Civil Marriage Solemnization services.

(ii) Appointment of the City of Hamilton Integrity Commissioner and Lobbyist Registrar (FCS20016) (City Wide) (Item 10.2)

- (a) That Principles Integrity be appointed as the Integrity Commissioner and Lobbyist Registrar for the City of Hamilton for the remainder of the current council term with an option to renew for an additional term of council and that the Mayor and City Clerk be authorized and directed to enter into an agreement to the satisfaction of the City Solicitor; and
- (b) That the City Clerk be directed to prepare the necessary by-laws for Council approval for the appointment of Principles Integrity as the City of Hamilton Integrity Commissioner and Lobbyist Registrar; and
- (c) That the costs associated with the Integrity Commissioner and Lobbyist Registrar be funded through IC-Lobbyist Registrar (Account Number 300400).

(iii) Recording of In Camera Sessions (Referred from the January 22, 2020 Meeting of Council) (Item 11.2)

WHEREAS the Ontario Ombudsman recommends that all municipalities make audio recordings or video recordings of all meetings – both open and closed – to ensure a thorough record;

WHEREAS there are now 23 Ontario municipalities that have implemented either audio or audiovisual recordings of their closed meetings;

WHEREAS an audio or audiovisual recording of in-camera meetings provides a clear and accessible record for closed meeting investigators to review;

WHEREAS such recordings of closed meetings will assist the municipality in quickly demonstrating that Council and staff did not stray from the legislated requirements during closed meetings; and,

WHEREAS such recordings of closed meetings will provide a complete record to be used by the municipality and/or Councillors for future references as needed;

THEREFORE, BE IT RESOLVED:

That the City Manager be directed to report back to the Governance Review Sub-Committee within 90 days on the costs and policies to implement an audio recording system to be utilized for the recording of in-camera meetings; and the ways and means for the City Clerk to archive and protect such records.

10. Development Charge (DC) Section 20 Complaint Hearing (LS20009 / FCS20024) (City Wide) (Added Item 10.7)

- (a) That Development Charge (DC) Section 20 Complaint Hearing Report LS20009/ FCS20024 be received; and,
- (b) That Development Charge (DC) Section 20 Complaint Hearing Appendix "A" to Report LS20009/ FCS20024 remain confidential.

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

10. DISCUSSION ITEMS (Item 10)

- 10.5 Policy 11 Single Source Provider for TYMCO Sweeper DST-4 (PW20006(a)) (City Wide)
- 10.6 Governance Review Sub-Committee Report 20-001 - February 12, 2020
- 10.7 Development Charge (DC) Section 20 Complaint Hearing (LS20009 / FCS20024) (City Wide)

14. PRIVATE AND CONFIDENTIAL (Item 14)

14.1 Appendix "A" to Report LS20009 / FCS20024 - Development Charge (DC)
Section 20 Complaint Hearing (LS20009 / FCS20024) (City Wide)

The agenda for the February 20, 2020 Audit, Finance and Administration Committee meeting was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 3)

Councillor Clark declared an interest to Item 10.4, respecting Process for Addressing Development Charge (DC) Concerns (FCS20007), as Sergio Manchia has a business interest with his son.

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

(i) February 6, 2020 (Item 4.1)

The Minutes of the February 6, 2020 meeting of the Audit, Finance and Administration Committee were approved, as presented.

(d) DELEGATION REQUESTS (Item 6)

(i) John Stirling, respecting a \$14,400.00 Park Dedication Fee for a 1 apartment unit in a commercial building (For a future meeting) (Item 6.1)

The delegation request from John Stirling, respecting a \$14,400.00 Park Dedication Fee for a 1 apartment unit in a commercial building, was approved for a future meeting.

(e) CONSENT ITEMS (Item 7)

The following Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee Minutes, were received and referred to the In Camera portion of the meeting:

- (i) April 30, 2019 (Item 7.2(a))
- (ii) May 15, 2019 (Item 7.2(b))
- (iii) May 28, 2019 (Item 7.2(c))
- (iv) June 25, 2019 (Item 7.2(d))
- (v) July 16, 2019 (Item 7.2(e))
- (vi) August 20, 2019 (Item 7.2(f))
- (vii) August 27, 2019 (Item 7.2(g))
- (viii) September 17, 2019 (Item 7.2(h))
- (ix) October 15, 2019 (Item 7.2(i))
- (x) November 19, 2019 (Item 7.2(j))

(f) DISCUSSION ITEMS (Item 10)

(i) Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Hamilton Police Services Board Appointee (Item 10.2)

Councillor Ferguson will be officially requesting that the incorrect information found within the Citizen Committee Report from the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee, respecting the Hamilton Police Services Board Appointee be redacted.

Once received by the City Clerk, the incorrect information within Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Hamilton Police Services Board Appointee will be redacted and the agenda republished.

The Citizen Committee Report from the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee, respecting the Hamilton Police Services Board Appointee, was referred to the In Camera portion of the meeting.

For disposition of this matter, refer to Item 5.

(ii) Process for Addressing Development Charge (DC) Concerns (FCS20007) (City Wide) (Outstanding Business List Item) (Item 10.4)

That staff be directed to look at options and alternatives that are not included in Report FCS20007, respecting the Process for Addressing Development Charge (DC) Concerns, and report back to the Audit, Finance and Administration Committee with these alternatives.

For disposition of this matter, refer to Item 7.

(g) PRIVATE AND CONFIDENTIAL (Item 14)

That Committee move into Closed Session respecting Items 7.2(a) through 7.2(j), Item 10.2, and Item 14.1 Appendix 'A' to Item 10.7, pursuant to Section 8.1, Sub-sections (b), (e) and (f) of the City's Procedural By-law 18-270, and Section 239(2), Sub-sections (b), (e) and (f) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to personal matters about an identifiable individual, including municipal or local board employees; litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

(i) Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee Minutes (Items 7.2(a) through 7.2(j))

For disposition of this matter, please refer to Item (e)(i) through (e)(x).

(ii) Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee - Hamilton Police Services Board Appointee (Item 10.2)

For disposition of this matter, please refer to Item 5 and (f)(i).

(iii) Appendix "A" to Report LS20009 / FCS20024 - Development Charge (DC) Section 20 Complaint Hearing (Item 14.1)

For disposition of this matter, please refer to Item 10.

(h) GENERAL INFORMATION / OTHER BUSINESS (Item 13)

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

The following amendment to the Outstanding Business List, was approved:

(a) Item to be Removed (Item 13.1(a)):

Sergio Manchia, Urbancore Developments Inc., respecting the DC liability for the proposed self storage facility at 9 Aeropark Boulevard known as Upper James Self Storage and 54 Dundas Street, Waterdown, Waterdown Mini Storage Inc (Added Item 8.1) November 7, 2019 AF&A Agenda Item (f)(i) Item 10.4 on today's agenda
OBL Item: 19-Q

(i) ADJOURNMENT (Item 15)

There being no further business, the Audit, Finance and Administration Committee adjourned at 12:14 p.m.

Respectfully submitted,

Councillor Wilson, Chair
Audit, Finance and Administration
Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk



POLICY TITLE: City of Hamilton Water and Wastewater/Storm Arrears Policy

POSITION RESPONSIBLE FOR TASK: Senior Policy Advisor, Financial Planning, Administration and Policy Division

POLICY NO: PP-0004

LAST REVISION DATE: November 1, 2017

EFFECTIVE DATE: March 1, 2020

MANAGER REVIEWED: Tom Hewitson

TO BE REVIEWED: January 2025

MAINTENANCE RESPONSIBILITY: Financial Planning Administration and Policy Division

I GENERAL

The Water and Wastewater / Storm Arrears Policy details the account collections protocol including the timing of certain collection activities when accounts for water and / or wastewater / storm services provided by the City are unpaid and past due.

II BACKGROUND

The City has a service agreement with Alectra Utilities Corporation (Alectra) for the provision of water and wastewater / storm billing, account collection and meter reading services. The Water and Wastewater / Storm Arrears Policy is administered by Alectra pursuant to that agreement.

III POLICY

Water and Wastewater / Storm Account Collection Process

1. Invoices are issued with a due date of 24 calendar days from the invoice creation date.
2. Payments by mail will be processed as of the date the payment is received. The customer is responsible to ensure that payments are received by Alectra on or before payment deadlines.
3. Partial payment received on an account that is in arrears will be applied to penalties and interest first and then to applicable water and wastewater / storm charges. For a converged invoice (electricity service plus water and wastewater / storm services), partial payments received will be applied to electrical service payment first and then water and wastewater/storm charges.
4. A service charge shall be applied by Alectra if a payment is dishonoured by the bank for any reason.

5. All unpaid fees and charges will be charged interest at a rate of 1.5% per month starting six (6) calendar days after the due date compounded daily from the due date. This interest rate is applicable up to the point of unpaid arrears being transferred to the property tax account as outlined in Step 4 of Table 1 below.

6. If the fees and charges for the supply of water and wastewater / storm services are not paid when they become due, the City may transfer the unpaid fees and charges to the property tax account in accordance with the provisions of the *Municipal Act, 2001*. The transferred outstanding balance will be subject to interest being applied at a rate as specified by the Late Payment Charges for the Non-Payment of Taxes Bylaw 13-136, as amended.

7. Accounts that fall into arrears follow the collection protocol below. The collection protocol applies to residential, institutional, commercial and industrial water accounts and provides:
 - a. Initial invoice is issued to account holders setting out the amount due for the fees and charges for the supply of water and wastewater / storm services;
 - b. Reminders are sent to account holders and property owners of their obligation to pay fees and charges for the supply of water and wastewater / storm services;
 - c. Opportunity is provided for payment in accordance with this Policy; and
 - d. Enforcement steps are taken in accordance with this Policy when the invoice / account remains unpaid.

Table 1

Steps	Circumstance	Response	Result
1	Account outstanding 10 calendar days beyond due date	“Past Due Reminder Notice” mailed to account holder on the 10 th day	Payment of amount due or account remains outstanding
2	Account outstanding 17 calendar days beyond due date	“Final Notice” is mailed to account holder on the 19 th day (where arrears exceed notice threshold amount)	Payment of amount due or account remains outstanding
3	Account outstanding 30 or more calendar days beyond due date	“Arrears Letter” is mailed to account holder and the property owner (if different from the account holder) following the 30 th day advising of pending action if payment not received within 15 days.	Payment of amount due or account remains outstanding
4	Account outstanding 60 or more calendar days beyond due date	Outstanding amount transferred to property tax account roll. “Water Arrears Transfer to Tax Letter” is mailed to the property owner. Applicable tax account transfer fee added to each property tax account.	City water and wastewater / storm revenue secured

Customer Notifications

Reasonable efforts are undertaken by the City and Alectra to provide the following notifications:

Past Due Reminder Notice – mailed by Alectra to account holder of accounts 10 calendar days after the due date. This notice provides a reminder to the account holder of the overdue status and requests payment within 10 calendar days.

Final Notice – mailed by Alectra to account holder 19 calendar days after the due date. This notice provides notice of account overdue status and requests immediate payment.

Arrears Letter – mailed by Alectra to account holder and property owner (if different from the account holder) 30 or more calendar days after the due date. This notification advises of the past due water and/or wastewater / storm arrears and advises of a two-week period for the payment to be made. It further notifies that the outstanding amount plus an applicable administrative fee will be added to the property tax account if the arrears are unpaid.

Alectra will ensure that arrears notices, where there is an absence of an assigned tax roll number for the new property:

- 1) are sent to the purchaser (account holder);
- 2) advise the purchaser that arrears will remain on the Alectra water account;
- 3) advise the purchaser that the balance continues to accrue interest at a rate of 1.5% per month; and
- 4) advise the purchaser that balances that remain outstanding 60 or more days, plus accrued interest and an applicable administrative fee, will be immediately transferred to the property tax roll once a tax roll number has been assigned and communicated to Alectra.

Water Arrears Transfer to Tax Letter – mailed to property owner by the City's Taxation Section advising that water and / or wastewater / storm arrears, plus any accrued interest and an applicable administrative fee has been added to the tax account.

Alectra's property owner database is updated on a monthly basis with the City's Corporate Services Department's (Taxation Section) records.

Rental Properties

Where a landlord-tenant relationship exists, the protocol outlined in Table 1 is followed. Where the tenant is named as the account holder, the Past Due Reminder Notice and the Final Notice will be received by the tenant. The Arrears Letter advising of the potential transfer of arrears to the property tax roll is sent to both the account holder and the property owner.

Where a tax account transfer has occurred and if a person other than the property owner has been designated as the utility bill recipient, further utility bills may be sent to the property owner.

Condominium Water Arrears

Condominium properties are comprised of many individually assessed units, each with an assessed owner. In many cases, water supplied to a condominium property is measured and accounted for by a single bulk water meter that records water consumption for the entire property.

The water fees of a condominium corporation that remain outstanding 60 days after their due date may be transferred to the tax accounts of that corporation's individual condominium units on a pro-rata basis equal to the proportions, expressed in percentages, allocated to the units, in which the owners are to contribute to the common expenses as set out in the declaration of the condominium corporation. Additionally, the General Manager, Finance and Corporate Services, may exempt units, in whole or in part, from their proportionate share of water arrears where such units are directly supplied with metered water.

Newly Built Properties Water Arrears

To accommodate the water and wastewater / storm billing for purchasers who have taken possession of newly built properties, the City will update the water account to the purchaser's name(s) and will bill accordingly.

All newly developed properties are assessed by the Municipal Property Assessment Corporation (MPAC) which assigns an assessment roll number which the City uses for taxation purposes as the property's tax roll number. However, the assignment of a roll number may not occur until long after the transfer of title to the purchaser's name(s) has occurred.

During this period where the purchaser is receiving the water bill and a tax roll number has not yet been assigned, any unpaid water and wastewater / storm balances that remain outstanding 60 or more calendar days beyond the invoice due date will be retained by Alectra.

Alectra will ensure that arrears notices, where there is an absence of an assigned tax roll number for the new property:

- 1) are sent to the purchaser (account holder);
- 2) advise the purchaser that arrears will remain on the Alectra water account;
- 3) advise the purchaser that the balance continues to accrue interest at a rate of 1.5% per month; and
- 4) advise the purchaser that balances that remain outstanding 60 or more days, plus accrued interest and an applicable administrative fee, will be immediately transferred to the property tax roll once a tax roll number has been assigned and communicated to Alectra.

Tax Exempt Property Water Arrears

Accounts such as government, hospitals, education and not-for-profit properties may be exempt from taxes. Overdue amounts for water and wastewater / storm services owed by any exempt entities may be transferred to the tax account for the property, and / or disconnection of service for non-payment may occur. If disconnection of service for non-payment occurs, the account will be charged the applicable fee for turning the water service off / on.

Authority to Transfer Arrears to Tax Roll

Pursuant to section 398(2) of the *Municipal Act, 2001*, the municipality may add unpaid public utility fees and charges, which include water and / or wastewater / storm arrears, to the tax roll for the property to which the public utility was supplied.

Ontario Regulation No. 581/06 additionally identifies such fees or charges associated with the supply of water and sewage services as having 'priority lien status' as described in Section 1 of the *Municipal Act, 2001*, such that, when added to a property tax account because of payment default, these fees and charges:

- (a) may be collected in the same manner as taxes on the property;
- (b) may be recovered with costs as a debt due to the municipality from the assessed owner of the property at the time the fee was added to the tax account and from any subsequent owner of the property or any part of it;
- (c) are a special lien on the property in the same manner as taxes under subsection 349(3) *Act*, and
- (d) may be included in the cancellation price under Part XI of the *Act*, in the same manner as are taxes on the property, in the event that a Tax Arrears Certificate is registered on title of the property.

The City's Waterworks By-Law R84-026, as amended, also permits the collection of water and wastewater / storm arrears in the same manner as property taxes by transferring arrears amounts to the tax roll.

2019 City Enrichment Fund SUMMARY

Category	No. of Apps	2019 Total Funds Available	2019 Total Payments	Variance
Community Services Total	95	\$ 2,164,360	\$ 2,239,169	-\$ 74,809
Agriculture Total	18	\$ 143,361	\$ 133,197	\$ 10,164
Environment Total	8	\$ 146,390	\$ 85,764	\$ 60,626
Sport and Active Lifestyles Total	50	\$ 276,265	\$ 315,400	-\$ 39,135
Arts Total	88	\$ 2,770,542	\$ 2,768,742	\$ 1,800
CCH Total	69	\$ 564,972	\$ 592,173	-\$ 27,201
Total Traditional Grant Requests	328	\$ 6,065,890	\$ 6,134,445	-\$ 68,555
CEF Administration		\$ 50,000	\$ 9,812	\$ 40,188
CEF - One time Reserve Funding		108,714		\$ 108,714
2018 Returned Grants		\$ -	-\$ 1,700	\$ 1,700
Total City Enrichment Fund	328	\$ 6,224,604	\$ 6,142,557	\$ 82,047

PROPOSED 2020 USER FEES AND CHARGES

Department: Corporate Services

Division: City Clerk's

Service or Activity Provided or Use of City Property	Fee
Civil Marriage Ceremony – City Hall (HST = \$39.00)	\$339.00
Civil Marriage Ceremony – Cancellation Fee (HST = \$13.00)	\$113.00
Renewal of Vows – City Hall (HST = \$6.50)	\$ 56.50
Renewal of Vows – Cancellation Fee (HST = \$3.25)	\$ 28.25
Civil Marriage Ceremony - Witness Fee (HST = \$3.25)	\$ 28.25

*** Note: Fees include HST.**