



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES

Thursday, September 8, 2011

9:30 a.m.

Council Chambers

City Hall

71 Main Street West

Hamilton, Ontario

Present: Councillors B. Clark (Chair), B. Johnson (Vice Chair), M. Pearson

**Absent with
Regrets:** Councillor R. Powers – Vacation
Councillor B. Morelli – Personal

Also Present: R. Rossini, General Manager, Finance & Corporate Services
A. Zuidema, Director, Corporate Initiatives
M. Zegarac, Director Financial Planning and Policy
R. Male, Director of Financial Services
L. Friday, Director of Taxation
J. Savoia, Senior Policy Advisor
A. Grozelle, Legislative Assistant, Office of the City Clerk

THE FOLLOWING ITEMS WERE REPORTED TO COUNCIL FOR CONSIDERATION:

- 1. Plexxis (Mobile Hand Punch System) Requests for Public Hearings/Delegations at Committee Meetings by Unsolicited Vendors (CM11011) (City Wide) (Item 5.1)**

(Pearson/Johnson)

That Report CM11011, respecting Plexxis (Mobile Hand Punch System) Requests for Public Hearings/Delegations at Committee Meetings by Unsolicited Vendors, be received.

CARRIED

- 2. Three year Cost/Benefit Analysis of E-Post Tax Mailings (FCS08083(a)) (City Wide) (Item 5.2)**

(Pearson/Johnson)

That Report FCS08083(a), respecting the Three year Cost/Benefit Analysis of E-Post Tax Mailings, be received.

CARRIED

3. **Monthly Status Report of Tenders and Requests for Proposals for May 28, 2011 to August 12, 2011 (FCS11004(d)) (City Wide) (Item 5.3)**

(Pearson/Johnson)

That Report FCS11004(d), respecting Monthly Status Report of Tenders and Requests for Proposals for May 28, 2011 to August 12, 2011, be received.

CARRIED

4. **Quarterly Status Report on the use of Policy 10 - Emergency Purchasing and Policy 11 - Negotiations for the 2nd Quarter 2011 (FCS11005(a)) (City Wide) (Item 5.4)**

(Pearson/Johnson)

That Report FCS11005(a), respecting the Quarterly Status Report on the use of Policy 10 - Emergency Purchasing and Policy 11 - Negotiations for the 2nd Quarter 2011, be received.

CARRIED

5. **Bill 181 – Mandatory Retirement Legislation for Firefighters (amendment to the *Fire Protection and Prevention Act, 1997*) (HUR11010) - (City Wide) (Item 5.5)**

(Pearson/Johnson)

That Report HUR11010, respecting Bill 181 – Mandatory Retirement Legislation for Firefighters (amendment to the *Fire Protection and Prevention Act, 1997*), be received.

CARRIED

6. **Tax Appeals under Section 357 and 358 of the Municipal Act, (2001) (FCS11003(e)) (City Wide) (Item 5.6)**

(Pearson/Johnson)

(a) That Appendix “A” attached to Report FCS11003(e) respecting the “Tax Write-Offs processed under Section 357 of the Municipal Act, 2001”, in the amount of \$224,821 be approved; and,

(b) That Appendix “B” attached to Report FCS11003(e) respecting the “Tax Appeals due to a Gross or Manifest Clerical Error, Pursuant to Section 358 of the Municipal Act, 2001”, in the amount of \$135,494 be approved.

CARRIED

7. **Municipal Capital Facilities Tax Exemption By-Law (FCS11067) (City Wide) (Item 5.7)**

(Pearson/Johnson)

(a) That Report FCS11067 respecting Municipal Capital Facilities Tax Exemption By-Law be received; and

- (b) That the appropriate Municipal Capital Facilities Exemption By-law be passed.

CARRIED

8. Development Charge Reserves Status Reports, as of December 31, 2010 (FCS11066) (City Wide) (Item 5.8)

(Pearson/Johnson)

- (a) That report FCS11066 "Development Charge Reserves Status Report as of December 31, 2010" be received for information; and,
- (b) That report FCS11066 "Development Charge Reserves Status Report as of December 31, 2010" be forwarded to the Ministry of Municipal Affairs and Housing.

CARRIED

9. Hansen 8 Migration (FCS11059 / PW11057) (City Wide) (Item 8.1)

(Pearson/Johnson)

- (a) That the purchase of Hansen Information Technology software licensed products, support services and customized professional services be single sourced to Infor Global Solutions (Canada) Limited.;
- (b) That Hansen Version 8 and its future upgrades be approved as the Corporate Standard for Asset and Infrastructure Management for the following areas: Water and Wastewater Operations, Storm Water, Road Operations, Parks Traffic, Cemeteries, Forestry and Horticulture for the City of Hamilton in accordance with Policy #14 of the Purchasing Policy; and,
- (c) That the General Manager of Finance and Corporate Services be authorized and directed to enter into and execute on behalf of the City of Hamilton, in a form satisfactory to the City Solicitor and with content acceptable to the General Manager of Finance and Corporate Services, the following agreements with Infor Global Solutions (Canada) Limited, and Intergraph Canada Limited, together with all necessary associated documents, to implement subsections (a) and (b) above:
 - (i) Software Licence Agreement for Hansen Version 8 and future upgrades;
 - (ii) Software Services Agreement for the provision of consulting services necessary to assist City of Hamilton staff in the migration of the existing Hansen Version 7 to Hansen Version 8 for a cost of \$1,300,000. Council approved \$1,100,000 in the 2011 Capital budget to be funded from Capital Account # 5140657627. The

additional \$200,000 will be requested for Council approval in the 2012 capital budget process;

- (iii) Leverage the current Enterprise Agreement with Intergraph Canada Limited (report FCS09035) to modify and test the interfaces between Hansen Version 8 and our GIS applications using funds in the approved capital budget as noted in subsection (ii); and,
- (iv) Annual Maintenance Agreement for software support services related to Hansen Version 8 with an escalation clause of 2% per year until December 31, 2015.

CARRIED

10. Authority to Negotiate and Place a Debenture Issue(s) (FCS11079) (City Wide) (Item 8.2)

(Pearson/Johnson)

- (a) That the General Manager, Finance & Corporate Services, be authorized to negotiate the terms and placement of a debenture issue(s) in an amount not to exceed \$80,000,000 Canadian currency;
- (b) That the General Manager, Finance and Corporate Services, be authorized to engage the services of a fiscal agent(s) 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); and,
- (c) That a By-Law be passed authorizing the debenture issue negotiated and placed in accordance with recommendation (a) above.

CARRIED

11. Amended Water Leak Adjustment Policy (FCS11071) (City Wide) (Item 8.3)

(Johnson/Clark)

That the Water Leak Adjustment Policy, approved by Council on December 12, 2007 in adopting Item 11 of Audit & Administration Committee Report 07-015, be discontinued.

CARRIED

FOR THE INFORMATION OF COMMITTEE:

(a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised that there were no changes to the agenda:

(Pearson/Johnson)

That the agenda for the September 8, 2011 meeting of the Audit, Finance & Administration Committee be approved, as presented

CARRIED

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

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

(i) June 22, 2011 (Item 3.1)

Councillor Johnson indicated that there was a correction to Item 6 of the Minutes where Councillor Pearson is listed as both the mover and seconder.

(Pearson/Johnson)

That the Minutes of the June 22, 2011 meeting of the Audit, Finance and Administration Committee be approved, as amended.

CARRIED

(d) Advisory Committee Minutes (Item 5)

(Pearson/Johnson)

That the following Advisory Committee Minutes be received:

- (i) Hamilton Status of Women Committee Minutes, May 26, 2011 (Item 5.9)
- (ii) Advisory Committee for Immigrants and Refugees Minutes, May 12, 2011 (Item 5.10)
- (iii) Lesbian, Gay, Bisexual, Transgender and Queer Advisory Committee Minutes, January 20, 2011 (Item 5.11)
- (iv) Lesbian, Gay, Bisexual, Transgender and Queer Advisory Committee Minutes, May 19, 2011 (Item 5.12)
- (v) Hamilton Mundialization Executive Committee, January 19, 2011 (Item 5.13)
- (vi) Hamilton Mundialization Executive Committee, February 16 2011 (Item 5.14)
- (vii) Hamilton Mundialization Executive Committee, March 16, 2011 (Item 5.15)

- (viii) Hamilton Mundialization Executive Committee, April 20, 2011 (Item 5.16)
CARRIED

**(e) Lesbian, Gay, Bisexual, Transgender and Queer Advisory Committee
Member Resignations (Item 5.17)**

(Pearson/Johnson)

That the resignations from the Lesbian, Gay, Bisexual, Transgender and Queer Advisory Committee, submitted by Lillian Elliott and Lisa Morris, be received.

CARRIED

(f) PUBLIC HEARINGS/DELEGATIONS (Item 6)

**(i) Withdrawal of Request to Appear – Anthony Acheampong,
respecting 801 King Street East, Hamilton (Item 6.1)**

As Mr. Acheampong matter has been resolved, he withdrew his request to appear before Committee.

(Johnson/Pearson)

That the correspondence from Mr. Anthony Acheampong, respecting 801 King Street East, Hamilton, be received.

CARRIED

**(ii) Donna Lee Macdonald, Hamilton Artists Inc., requesting a Waiver of
the \$1,489 Charged by the City for the Real Estate Assessment of 161
James Street North, Hamilton (Item 6.2)**

Donna Lee Macdonald of Hamilton Artists Inc., addressed Committee. Ms. Macdonald's comments included, but were not limited to, the following:

- Hamilton Artist Inc. would like the City to consider waiving the \$1,489 that is being charged by the City for the assessment of 161 James Street North, Hamilton.
- The property at 161 James Street North is being sold to raise additional capital funds to complete the renovation and building of the new facility at 155-159 James St. N., Hamilton.
- Hamilton Artists Inc. has incurred additional expenses to bring the property at 155-159 James Street N. into compliance with the current infrastructure code requirements.
- Believes the new facility will be an outstanding contribution to the downtown revitalization.
- Discussed the history of the Future Fund grant to Hamilton Artists Inc. \$750,000

- Indicated that they bought three buildings and then found that one building was not structurally sound
- Discussed how this led to numerous changes in their planning and they had to do several architectural designs
- Indicated that there project is only around \$60,000 over budget which is an accomplishment for such a project
- Indicated that some of the overages came from water works required by the fee
- Councillor Johnson asked for more details on the grants and fundraising done by the group
- Chair Clark requested a report describing the organizations bottom line

Committee members asked several questions highlights included but were not limited to the following

- Chair Clark asked if further financial details could be provided to the committee
- Ms. Macdonald indicated that they could provide the material later today
- Councillor Johnson asked about the assessment costs
- City staff indicated that they charged for the in-house assessment as is the policy and do not have the means to simply forgive the cost
- Councillor Johnson asked about the third building and if it was being sold.
- Ms. Macdonald indicated that it was recently sold and discussed the cost overages for the catch basins required in the courtyard area which were unexpected
- Chair Clark indicated that if Ms. Macdonald provides her organizations financial details to finance staff they will review them and bring the matter to a future meeting of the Audit Finance & Administration Committee for consideration waiving the assessment fees

(Johnson/Pearson)

That the presentation, provided by Donna Lee Macdonald, Hamilton Artists Inc., respecting a request for a Waiver of the \$1,489 Charged by the City for the Real Estate Assessment of 161 James Street North, Hamilton, be received.

CARRIED

(g) Hansen 8 Migration (FCS11059 / PW11057) (City Wide) (Item 8.1)

The Committee Clerk indicated that there was an error in the staff report which had the company listed under their former name of Hansen Information

Technologies – Canada Inc. the Clerk indicated that the companies current name is Infor Global Solutions (Canada) Limited. Committee members agreed to the amendment.

(h) Amended Water Leak Adjustment Policy (FCS11071) (City Wide) (Item 8.3)

(Pearson/Johnson)

That the amended Water Leak Adjustment Policy, attached as Appendix “A” to Report FCS11071, be approved.

The Motion was DEFEATED on the following recorded vote:

Yeas:	M. Pearson
Total:	1
Nays:	B. Clark, B Johnson
Total:	2
Absent:	B. Morelli, R. Powers
Total:	2

(Johnson/Clark)

That the Water Leak Adjustment Policy, approved by Council on December 12, 2007 in adopting Item 11 of Audit & Administration Committee Report 07-015, be discontinued.

The Motion **CARRIED** on the following recorded vote:

Yeas:	B. Clark, B Johnson
Total:	2
Nays:	M. Pearson
Total:	1
Absent:	B. Morelli, R. Powers
Total:	2

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

(i) Amendments to the Outstanding Business List (Item 11.1)

(Pearson/Johnson)

(a) Item “N” - Plexxis Mobile Hand Punch System

(b) Item “A” - E-Post Mailing for Tax Bills

(c) Item “R” - 801 King Street East, Hamilton – Property Damage– A Settlement has been reached between the City and the resident and the matter has been withdrawn by the Resident

- (d) Item "S" - 801 King Street East, Hamilton – Delegation Request submitted by Anthony Acheampong (Item "S") – A Settlement has been reached between the City and the resident and the matter has been withdrawn by the Resident
- (e) Item "E" - On-Line Municipal Services and Fees (Transferred to GIC in June through report CM11009/FCS11056)

CARRIED

(h) PRIVATE AND CONFIDENTIAL (Item 12)

(i) Closed Session Minutes – June 22, 2011 (Item 12.1)

As the Audit, Finance and Administration Committee determined that no discussion, respecting the Closed Session Minutes of the June 22, 2011, meeting of the Audit, Finance and Administration Committee was required, the Minutes were approved in Open Session, as shown below:

(Pearson/Johnson)

- (a) That the Closed Session Minutes of the June 22, 2011, meeting of the Audit, Finance and Administration Committee be approved, as presented.
- (b) That the Closed Session Minutes of the June 22, 2011 meeting of the Audit, Finance and Administration Committee, remain confidential and restricted from public disclosure, in accordance with exemptions provided in the Municipal Freedom of Information and Protection of Privacy Act."

CARRIED

(j) AJOURNMENT (Item 13)

(Johnson/Pearson)

That, there being no further business, the Audit, Finance and Administration Committee be adjourned at 10:56 a.m.

CARRIED

Respectfully submitted,

Councillor B. Clark, Chair
Audit, Finance and Administration Committee

Andy Grozelle
Legislative Assistant
September 8, 2011