

2ND REPORT OF THE
FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE

Meeting held on December 12, 2011, commencing at 1:05 PM, in Committee Room #3, Second Floor, London City Hall.

PRESENT: Mayor J.F. Fontana (Chair), Councillors J.L. Baechler, N. Branscombe, D. Brown and P. Hubert and L. Rowe (Secretary).

ALSO PRESENT: Councillor H.L. Usher, J.A. Fielding, R.L. Fair, P. McNally, R. Armistead, J.P. Barber, G. Barrett, G. Belch, I. Collins, A. Dunbar, J.M. Fleming, E. Gamble, A. Hagan, G.T. Hopcroft, L. Karlovcec, V. McAlea Major, M. McErlain, D. Mounteer, L. Palarchio, C. Resendes and B. Warner.

I. DISCLOSURES OF PECUNIARY INTEREST

1. None are disclosed.

II. SCHEDULED ITEMS

2. That the verbal update from D. Harvey, Executive Director, and S. Ferley, Artistic Director, Grand Theatre, with respect to the attached matters pertaining to the activities of the Grand Theatre, **BE RECEIVED**.
3. Tax Division Agenda

Recommendation: That the recommendations in the Tax Adjustment Agenda dated December 12, 2011, including the attached additional page, **BE APPROVED**; it being noted that at the public hearing associated with this matter there were no members of the public in attendance before the Finance and Administrative Services Committee to speak to the recommendations contained in the Tax Division Agenda.

III. CONSENT ITEMS

4. 2011 Operating Budget Status - Third Quarter Report

Recommendation: That, on the recommendation of the City Treasurer, Chief Financial Officer, the following actions be taken with respect to the 2011 Operating Budget Status – 3rd Quarter Report for the General, Water and Wastewater Budgets:

- a) the 2011 Operating Budget Status – 3rd Quarter Report for the General (Property Tax Supported refer to Appendix A), Water and Wastewater Budgets **BE RECEIVED** for information; it being noted that the Civic Administration is projecting:
 - i) a \$4.6 million in savings for the General (Property Tax Supported) budget, noting that the year-end position could fluctuate significantly based on factors beyond the control of the Civic Administration, such as Ontario Works caseload and winter maintenance;
 - ii) a \$0.1 million deficit in the Water rate supported budget; and
 - iii) a \$1.0 million in net savings in the Wastewater & Treatment rate supported budget.

it being noted that consistent with the Municipal Council's direction, the projected \$4.6 million in savings would be contributed to the Operating Budget Contingency Reserve at year end, the \$0.1 million deficit in the Water rate supported budget would be offset by a draw down from the Water Works Capital Reserve Fund, and that the \$1.0 million in net savings in the Wastewater & Treatment budget will be contributed to the Wastewater Rate Stabilization Reserve and/or the Sewer Works Reserve

Fund;

- b) the Civic Administration's contribution of \$959,433 (\$841,457 – property tax supported; \$101,331 – wastewater; and \$16,655 – water) to the Efficiency, Effectiveness, and Economy Reserve (formerly Vacancy Management Reserve) **BE RECEIVED** for information; and
- c) with respect to the 2011 Transit Area Rate surplus, if any, the Civic Administration **BE AUTHORIZED** to cancel authorized but unissued debt for transit purposes. (2011-F05-00)

5. 2011 Capital Budget Status - Third Quarter Report

Recommendation: That on the recommendation of the City Treasurer, Chief Financial Officer, the December 12, 2011 report on 2011 Capital Budget Status - Third Quarter Report **BE RECEIVED** for information. (2011F05-00)

6. City of London Community Arts Investment Program Category 1 - 2012 Award Recommendation

Recommendation: That, on the recommendation of the City Treasurer, Chief Financial Officer, the Community Arts Investment Program (CAIP) Category 1 funding for the year 2012 of \$500,000 **BE AWARDED** to the Grand Theatre, subject to annual budget approval; it being noted that the source of funding for this grant is contained in the base budget of the Culture Office. (2011-M03-00)

7. Changes to Council Policies 28(1) and 28(2) Travel and Convention and Council Members Expense Account

Recommendation: That, notwithstanding the recommendation of the City Treasurer, Chief Financial Officer, the report recommending the introduction of a by-law to amend Council policies 28(1) related to travel and business expenses and 28(2) related to the Council Members' expense account to:

- a) approve the revised Travel and Business Expense Policy, with respect to reimbursement of travel and business expenses for all elected and appointed officials as well as all City of London employees;
- b) approve the revised Council Members' Expense Account Policy, with respect to the annual sum allocated to the Members of Council for expenses incurred while acting as Members of Council; and
- c) authorize the City Treasurer, Chief Financial Officer or designate to undertake all the administrative acts that are necessary in connection with these policies,

BE REFERRED back to the Civic Administration to bring the proposed policy changes into conformance with recent policy changes pertaining to reimbursement for use of personal vehicles by Elected Officials, provide more clarity with respect to eligible expenses of a spouse and to implement approval requirements for both the Mayor and Members of Council as it relates to out-of-town business. (2011-G01-00)

8. Advisory Committee Review

Recommendation: That, on the recommendation of the City Clerk, the following actions be taken in relation to the Municipal Council's advisory committees:

- a) the recommendations contained in attached Appendix "A" and Appendix "B" **BE APPROVED**;
- b) the City Clerk **BE DIRECTED** to consult with the advisory committees which are being proposed for amalgamation (i.e. Advisory Committee on the Environment, Trees and Forests Advisory Committee, Agricultural Advisory Committee and the Environmental and Ecological Planning Advisory Committee) to obtain their input with respect to representation on the amalgamated committees, so as to ensure the appropriate level of technical and non-technical representation, and to report back at the

January 16, 2012 meeting of the Finance and Administrative Services Committee with supporting changes to:

- i) the advisory committees' terms of reference ;
 - ii) Council Policy 5(16) – Policies for Advisory Committees; and
- c) the City Clerk **BE DIRECTED** to update existing orientation materials for advisory committee members by incorporating the materials as outlined in the attached Appendix "A" and Appendix "B".
9. London Bid for Federation of Canadian Municipalities (FCM) 2013 and 2014 Sustainable Communities Conference and Trade Show

Recommendation: That, on the recommendation of the Director of Intergovernmental and Community Liaison, the Civic Administration **BE AUTHORIZED** to submit a bid for the City of London to host the Federation of Canadian Municipalities' 2013 and 2014 Sustainable Communities Conference and Trade Show. (2011-A02-02)

10. Offer from Dancor Forest City Inc. to Purchase Parts 4 and 6, Plan 33R-15731 Forest City Industrial Park

Recommendation: That, on the recommendation of the Managing Director - Corporate Assets, on the advice of the Manager Realty Services, with respect to the offer submitted by Dancor Forest City Inc. to purchase approximately 8.0 acres of land located on the northwest corner of Cheese Factory Road and Wilton Grove Road, described as Parts 4 and 6, Plan 33R-15731, as shown on Schedule "C" to this report, the following actions be taken:

- a) the offer submitted by Dancor Forest City Inc. to purchase from the City the land noted above in the amount of \$520,000.00, reflecting a price of \$65,000 per acre, **BE ACCEPTED**; and
- b) the attached proposed by-law **BE INTRODUCED** at the Municipal Council meeting to be held on January 10, 2012, to approve this transaction and to authorize the Mayor and the City Clerk to execute the Agreement of Purchase and Sale. (2011L15-02)

11. Declare Surplus and Sale of Part of Closed Old Victoria Road Road Allowance

Recommendation: That, on the recommendation of the Managing Director - Corporate Assets, on the advice of the Manager Realty Services, with respect to the City-owned closed Old Victoria Road road allowance described as Parts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18, Reference Plan 33R-18115, containing an area of approximately 1994.7 square meters (0.5 acres), as shown on Schedule "A" attached, the Civic Administration **BE AUTHORIZED** to take the following actions:

- a) declare the subject property surplus;
- b) accept the offer from Robert Donaldson and Kathleen Donaldson to purchase from the City, Parts 12, 13, 14, 17 and 18, Reference Plan 33R-18115, for a nominal sum of \$2.00, subject to the following conditions:
 - i) Parts 12, 17 and 18 being subject to an easement in favour of Union Gas Limited;
 - ii) Parts 13 and 17 being subject to an easement in favour of London Hydro;
- c) accept the offer from Atchison Machine Service Inc. to purchase from the City, Parts 1, 2, 3, 4, 9, 10, 11, 15 and 16, Reference Plan 33R-18115, for a nominal sum of \$2.00, subject to the following conditions:
 - i) Parts 15 and 16 being subject to an easement in favour of Union

Gas Limited;

- ii) Parts 2, 4, 10 and 16 being subject to an easement in favour of London Hydro;
- d) the attached proposed by-laws **BE INTRODUCED** at the Municipal Council Meeting to be held on January 10, 2012 to approve the sales and to authorize the Mayor and the City Clerk to execute the Agreements of Purchase and Sale;

it being noted that all parcels of land being disposed of will be consolidated with the abutting land owners' properties to reinstate road frontage and legal access rights as a result of the Old Victoria Road realignment; it being further noted that the Civic Administration has determined that the remnant parcels do not have any other potential use by the City. (2011-L15-01)

IV. ITEMS FOR DIRECTION

12. Resignation from the Transportation Advisory Committee

Recommendation: That the communication dated November 12, 2011, from S. Clark Bryan, resigning his appointment to the Transportation Advisory Committee **BE ACCEPTED** with regret and the Mayor **BE REQUESTED** to forward a letter of appreciation to Mr. Bryan.

V. DEFERRED MATTERS/ADDITIONAL BUSINESS

13. Light Up London Single Source

Recommendation: That, on the recommendation of General Manager - Tourism London:

- a) the proposal submitted by AVH Live Communications, P.O. Box 207, Suite 1206, 555 Richmond Street West, Toronto, ON M5V 3B1 for the Sound & Light Show presentation for the 2013 World Figure Skating Championships at their proposed price of \$597,900, HST extra **BE ACCEPTED**;
- b) the funding for this expenditure **BE APPROVED** as set out in the Source of Financing Report attached hereto as Appendix "A";
- c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this contract;
- d) the approval hereby given **BE CONDITIONAL** upon the Corporation negotiating satisfactory terms and conditions with AVH Live Communications to the satisfaction of the acting Director of Roads and Transportation and General Manager of Tourism London; and
- e) the approval hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or having a purchase order relating to the subject matter of this approval.

VI. CONFIDENTIAL

(See Confidential Appendix to the 2nd Report of the Finance and Administrative Services Committee enclosed for Members only.)

The Finance and Administrative Services Committee convened in camera from 2:00 p.m. to 2:50 p.m., after having passed a motion to do so, with respect to the following matters:

- C-1. A matter pertaining to advice that is subject to solicitor-client privilege, including communications necessary for that purpose with respect to the decommissioning of City owed lands known as the South Street Campus currently leased and occupied by London Health Sciences Centre; a proposed or pending acquisition or disposition of land by the municipality; and for the purpose of a vote for giving directions or

instructions to officers, employees or agents of the municipality or persons retained by or under a contract with the municipality.

- C-2. A matter pertaining to labour relations and employee negotiations, litigation or potential litigation, including matters before administrative tribunals, affecting the municipality, and advice that is subject to solicitor-client privilege, including communications necessary for that purpose, concerning the Application of The Corporation of the City of London for judicial review of the Award of Arbitrator Stephen Raymond dated January 24, 2011 with respect to London Civic Employees' Local Union No. 107 Group Grievance 508-06 and Policy Grievance 902-07 regarding the Equipment Operator 2 job evaluation.
- C-3. A matter pertaining to labour relations and employee negotiations, litigation or potential litigation, including matters before administrative tribunals, affecting the municipality, advice or recommendations of officers and employees of the Corporation including communications necessary for that purpose and for the purpose of providing instruction and direction to officers and employees of the Corporation.
- C-4. A matter pertaining to employee negotiations, advice or recommendations of officers and employees of the Corporation including communications necessary for that purpose and for the purpose of providing instruction and direction to officers and employees of the Corporation.

VII. ADJOURNMENT

The meeting adjourned at 2:50 p.m.