

10TH REPORT OF THE
CORPORATE SERVICES COMMITTEE

Meeting held on April 12, 2016, commencing at 12:02 PM, in the Council Chambers, Second Floor, London City Hall.

PRESENT: Deputy Mayor M. Cassidy (Chair) and Councillors J. Morgan, V. Ridley and H.L. Usher and L. Rowe (Secretary).

ABSENT: Councillor J. Zaifman.

ALSO PRESENT: Councillors J. Helmer and M. van Holst; A. Zuidema, B. Baar, J.P. Barber, A.L. Barbon, J. Braam, G. Bridge, M. Daley, A. Dunbar, J. Edmunds, J. Freeman, M. Hayward, J. Logan, D. Munteer, K. Murray, D. O'Brien, L. Palarchio, M. Ribera, M. Ruddy, J. Senese, T. Thompson and T. Wellhauser.

I. CALL TO ORDER

1. Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

II. CONSENT ITEMS

2. SS16-11 Single Source Corporate Technology Assets

That, on the recommendation of the Director, Information Technology Services and the Deputy City Treasurer, Financial Services, the following actions be taken with respect to Corporate Technology Assets:

- a) the approval hereby BE GIVEN to enter into a two (2) year Single Source contract with an optional two (2) additional, one (1) year extensions for Desktop Management Products and Services from CompuCom Canada Co., 1830 Matheson Boulevard, Unit 1, Mississauga, ON, Canada L4W 0B3 at a cost of \$250,000 in 2016; \$850,000 in 2017; \$1,250,000 in 2018 and \$900,000 in 2019; it being noted that these amounts can be accommodated within the 2016-2019 Property Tax Supported Budget;
- b) the proposed by-law attached as Appendix A to the staff report dated April 12, 2016 BE INTRODUCED at the Municipal Council meeting to be held on April 19, 2016 to:
- i) approve an Agreement with CompuCom Canada Co. (the "Supplier") and The Corporation of the City of London (the "Buyer") for the "Publicly Funded Organization Agreement" for Desktop Management Services and Products (DMSP-03); and
- ii) authorize the Mayor and the City Clerk to execute the Agreement in (a) above.
- c) the Civic Administration BE AUTHORIZED to undertake all the necessary administrative acts that are necessary in connection with this matter;
- d) approval hereby given BE CONDITIONAL upon the Corporation negotiating satisfactory prices, terms and conditions with CompuCom Canada Co. to the satisfaction of both the City Treasurer and the Director, Information Technology Services; and
- e) approval hereby given BE CONDITIONAL upon the Corporation entering into a formal contract, agreement or having a purchase order relating to the subject matter of this approval.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

3. Shamrock Subdivision - Agreement with Property Owner

That, on the recommendation of the Deputy City Treasurer, the Civic Administration BE DIRECTED to complete the Agreement dated May 14, 2012 between The Corporation of the City of London and Samuel John Shirley; it being noted that the clean-up requirements of the Agreement have been complied with by the property owner but after the two-year deadline indicated in the Agreement.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

4. 2015 Compliance Report in Accordance with the Procurement of Goods and Services Policy

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer the following actions be taken with respect to the 2015 Compliance Report in accordance with the Procurement of Goods and Services Policy:

- a) as per the Procurement of Goods and Services Policy, Section 8.11 (c), an annual report of total payments required where a supplier has invoiced the City a cumulative total value of \$100,000 or more in a calendar year, BE RECEIVED for information (attached as Appendix "A" to the staff report dated April 12, 2016);
- b) the administrative contract awards for Professional Consulting Services with an aggregate total greater than \$100,000, as per Section 15.1 (g) of the Procurement of Goods and Services Policy, decentralized from Purchasing and Supply that have been reported to the Manager of Purchasing and Supply and have been reviewed for compliance to the Procurement of Goods and Services Policy, BE RECEIVED for information (attached as Appendix "B" to the staff report dated April 12, 2016);
- c) the list of administrative contract awards for tenders with a value up to \$3,000,000 that do not have an irregular result, as per Section 13.2 of the Procurement of Goods and Services Policy, BE RECEIVED for information (attached as Appendix "C" to the staff report dated April 12, 2016); and
- d) the City Treasurer or delegate BE DELEGATED authority to at any time refer questions concerning compliance with the Procurement of Goods and Services Policy to the City's internal auditor and the City Treasurer or delegate is hereby further authorized to ratify and confirm completed awards or purchases between \$10,000 and \$50,000 where the City Treasurer or delegate is of the opinion that the awards or purchases were in the best interests of the Corporation.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

5. 2015 Operating Budget Status - Fourth Quarter Report

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to the 2015 Operating Budget Status – Fourth Quarter Report for the Property Tax Supported, Water and Wastewater and Treatment Budgets:

- a) the 2015 Operating Budget Status – Fourth Quarter Report for the Property Tax Supported (refer to Appendix A of the staff report dated April 12, 2016), Water and Wastewater and Treatment Budgets BE

RECEIVED for information; it being noted that an overview of the net corporate positions is as follows:

- i) \$3.1 million in net savings for the Property Tax Supported Budget as identified by Civic Service Areas and Boards and Commissions; it being noted that clauses 2, 3 and 4 are included in the \$3.1 million savings, the year-end savings is \$1.6 million less than projected in the 2015 Operating Budget Status – Third Quarter Report and the \$3.1 million operating surplus was contributed to the Operating Budget Contingency Reserve;
 - ii) a \$1.1 million deficit in the Water Rate Supported Budget was incurred; it being noted that the year-end deficit has remained unchanged from the 2015 Operating Budget Status – Third Quarter Report, and to balance Water's 2015 Budget a draw of \$1.1 million was taken from the Water Capital Reserve Fund;
 - iii) a \$0.6 million deficit in the Wastewater and Treatment Rate Supported Budget was incurred; it being noted that the year-end deficit is \$0.4 million more than projected in the 2015 Operating Budget Status – Third Quarter Report, and to balance the Wastewater and Treatment 2015 Budget a draw of \$0.4 million was taken from the Wastewater Rate Stabilization Reserve and \$0.2 million from the Sewage Works Reserve Fund;
- b) with respect to the Social Housing operational savings of \$145,456, the Civic Administration BE AUTHORIZED to contribute the savings to the Affordable Housing Reserve Fund which will be used to support housing initiatives and future work with the Housing Development Corporation;
 - c) with respect to the Information Technology Services (ITS) operational savings of \$2,500,000, the Civic Administration BE AUTHORIZED to contribute the savings to the ITS Reserve Fund which will be used to fund the ITS Backup Data Centre, which is a key component of the Corporation-wide Continuity and Disaster Recovery Plan; it being noted that the \$2,500,000 contribution will advance this critical portion of the project from 2020 to either 2017 or 2018;
 - d) the request to fund the 2015 London & Middlesex Housing Corporation operational deficit of \$369,450 BE APPROVED (letter attached to the staff report dated April 12, 2016); it being noted that historically surpluses have been returned to the City while deficits have been funded by the City;
 - e) the Civic Administration BE AUTHORIZED to allocate the \$3.1 million in net savings from the Property Tax Supported Budget in accordance with the Council approved Surplus/Deficit Policy as follows:
 - i) \$1.6 million to reduce authorized but unissued debt;
 - ii) \$770 thousand to the Community Investment Reserve Fund; and
 - iii) \$770 thousand to the Capital Infrastructure Gap Reserve Fund.
 - f) the Civic Administration's contribution of \$3,884,674 (\$3,053,067 – property tax supported; \$444,826 – water; and \$386,781 – wastewater) to the Efficiency, Effectiveness and Economy reserves in 2015 BE RECEIVED for information.

Note: subject to year-end financial statement audit and adjustments related to the accounting for Tangible Capital Assets (PSAB 3150)

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

6. 2015 Capital Budget Status - Fourth Quarter Report

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the 2015 Capital Budget Status - Fourth Quarter Report BE RECEIVED for information.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

III. SCHEDULED ITEMS

7. 2016 Property Assessment Update - Carla Nell, VP, Municipal & Stakeholder Relations, Municipal Property Assessment Corporation (MPAC)

That the attached presentation from Carla Nell, VP, Municipal & Stakeholder Relations, Municipal Property Assessment Corporation (MPAC), with respect to its recent activities, including the distribution of Assessment Notices during the month of April, BE RECEIVED for information.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

8. Apportionment of Taxes

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the taxes on the blocks of land described in the Schedules appended to the staff report dated April 12, 2016 BE APPORTIONED as indicated on those Schedules, pursuant to Section 356 of the Municipal Act, 2001; it being noted that there were no members of the public in attendance at the public hearing associated with this matter, to speak before the Corporate Services Committee.

Voting Record:

Motion to Approve clause 8.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

Motion to Open the public participation meeting.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

Motion to Close the public participation meeting.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

IV. ITEMS FOR DIRECTION

None.

V. DEFERRED MATTERS/ADDITIONAL BUSINESS

9. Corporate Services Committee Deferred Matters List

That the Deferred Matters List BE RECEIVED subject to the following changes:

- a) removal of Item No. 1.2; and
- b) referral of Item No. 1.3 to the Deferred Matters List of the Strategic Priorities and Policy Committee as this matter will be dealt with as part of other amendments to the Council Procedure By-law being recommended by the Governance Working Group.

Motion Passed

YEAS: M. Cassidy, J. Morgan, V. Ridley, H.L. Usher (4)

VI. CONFIDENTIAL

(See Confidential Appendix to the 10th Report of the Corporate Services Committee enclosed for Members only.)

The Corporate Services Committee convened in camera from 1:35 PM to 2:15 PM after having passed a motion to do so, with respect to the following matters:

- C-1. A matter pertaining to the purpose of instructions and directions to officers and employees of the Corporation pertaining to a lease of office space; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; reports or advice or recommendations of officers and employees of the Corporation pertaining to a proposed acquisition of land; commercial and financial information supplied in confidence pertaining to the proposed acquisition the disclosure of which could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of the Corporation, result in similar information no longer being supplied to the Corporation where it is in the public interest that similar information continue to be so supplied, and result in undue loss or gain to any person, group, committee or financial institution or agency; commercial, information relating to the proposed lease that belongs to the Corporation that has monetary value or potential monetary value; information concerning the proposed acquisition whose disclosure could reasonably be expected to prejudice the economic interests of the Corporation or its competitive position; information concerning the proposed acquisition whose disclosure could reasonably be expected to be injurious to the financial interests of the Corporation; and instructions to be applied to any negotiations carried on or to be carried on by or on behalf of the Corporation concerning the proposed lease of office space.
- C-2. A matter pertaining to labour relations and employee negotiations; personal matters, including information regarding identifiable individuals, including municipal employees, with respect to employment related matters; security of the municipal property; advice that is subject to solicitor client privilege and advice or recommendations of officers and employees of the Corporation including communications necessary for that purpose as it relates to the Procurement of Goods and Services Policy.

VII. ADJOURNMENT

The meeting adjourned at 2:17 PM.