

21ST REPORT OF THE
FINANCE AND ADMINISTRATION COMMITTEE

Meeting held on September 14, 2011, commencing at 10:00 AM, in the Council Chambers, Second Floor, London City Hall.

Committee Members: Mayor J.F. Fontana (Chair), Councillors J.P. Bryant, D.G. Henderson and P. Hubert and C. Saunders (Acting Secretary).

I. DISCLOSURES OF PECUNIARY INTEREST

Councillor Hubert discloses a pecuniary interest on Item C-3 contained in Part IV of the Agenda having to do with a matter pertaining to litigation commenced by Practical Plumbing Co. Ltd. against The Corporation of the City of London in connection with a flooding at 76 Brunswick Avenue, by indicated that he has a personal relationship with the owners of 76 Brunswick Avenue.

II. SCHEDULED ITEMS

1. The Finance and Administration Committee heard a verbal delegation from Gus Kotsiomititis, LMIEC Chair and Vice President of Commercial Banking London/St. Thomas, RBC Royal Bank; Jennifer Hollis, Project Manager, London Middlesex Immigrant Employment Council; Anne Langille, Executive Director, WIL Employment Connections; and Devin Munro, Manager, Business and Government Relations, WIL Employment Connections re London Middlesex Immigrant Employment Council Update. (See Communication #1 in Part IV - Items for Direction)
2. The Finance and Administration Committee held a public participation meeting with respect to Amendments to the Council Procedure By-law - Establishment of Investment and Economic Prosperity Committee. (See Communication #2 in Part IV - Items for Direction)
3. The Finance and Administration Committee held a public participation meeting with respect to the Business Licensing By-law - Fee Schedule Increase. (See Communication #3 in Part IV - Items for Direction)

III. CONSENT ITEMS

1. Division Manager, Fleet Services and Departmental Resources - Tender 11-77 - Manufacture & Installation of Dump Bodies with Snow Plow Equipment

Recommendation: That, on the recommendation of the Division Manager of Fleet Services and Departmental Resources:

- (a) the tender for the manufacture and installation of six (6) dump bodies, complete with snow plow equipment, submitted by Alliston Truck Equipment, 3 Marconi Court, Bolton, Ontario L7E 1H3 at their tendered price of \$314,987.88 (excluding HST), **BE ACCEPTED**;
 - (b) the funding for this purchase **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
 - (c) the Civic Administration **BE AUTHORIZED** to undertake all administrative acts which are necessary in connection with this award; and
 - (d) the approvals hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order relating to the subject matter of this approval. (2011-V04-00)
2. Division Manager, Fleet Services and Departmental Resources - Tender 11-76 - Supply & Delivery of Cab & Chassis

Recommendation: That, on the recommendation of the Division Manager of Fleet Services and Departmental Resources:

- (a) the tender for the supply and delivery of six (6) cab and chassis submitted by Carrier Truck Centers, 90 Enterprise Drive, London, Ontario N6N 1A8 at their tendered price of \$595,800.00 (excluding HST), **BE ACCEPTED**;
 - (b) the funding for this purchase **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
 - (c) the Civic Administration **BE AUTHORIZED** to undertake all administrative acts which are necessary in connection with this award; and
 - (d) the approvals hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order relating to the subject matter of this approval. (2011-V04-00)
3. City Treasurer, Chief Financial Officer - 2011 Capital Budget Status - Second Quarter Report

Recommendation: That, on the recommendation of the City Treasurer and Chief Financial Officer, the following actions be taken:

- (a) the 2011 Capital Budget Status - Second Quarter Report **BE RECEIVED** for information;
 - (b) the capital projects listed in the attached Appendix "A", worth a total of \$3,956,800 funding **BE CLOSED** and that the following actions be taken:
 - (i) Reserve fund draws released of \$1,298,890 **BE TRANSFERRED** back to the reserve funds which originally funded the projects;
 - (ii) Pay-as-you-go funding released of \$80,551 **BE TRANSFERRED** to the capital receipts account; and,
 - (iii) Debt financing released of \$2,577,358 **BE USED** to reduce authorized debt. (2011-F05-00)
4. City Treasurer, Chief Financial Officer - 2011 Operating Budget Status - Second 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 – 2nd Quarter Report, dated September 14, 2011:

- (a) the General (Property Tax Supported refer to Appendix A, attached), Water and Wastewater Budgets **BE RECEIVED** for information; it being noted that Civic Administration is projecting:
 - (i) a \$3.8 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 Civic Administration such as Ontario Works caseload and winter maintenance;
 - (ii) a \$1.2 million deficit in the Water rate supported budget; and,
 - (iii) a break even position in the Wastewater rate supported budget is anticipated.
- (b) the Civic Administration **BE AUTHORIZED** to:
 - contribute any year end savings realized in the operating budget for AODA to the AODA Reserve which will be utilized in future years for corporate costs that will be required for the implementation of the Integrated Accessibility Standards; and
 - contribute to the Unfunded Liability Reserve at 2011 year end with

operational savings from unspent personnel and contingency budgets;

- (c) the Civic Administration **BE AUTHORIZED** to contribute to/draw down from the Operating Budget Contingency Reserve to balance year end operations of the Property Tax Supported Budget should the budget be in a surplus/deficit position;
- (d) the Civic Administration **BE AUTHORIZED** to contribute to/draw down from the Water Capital Reserve Fund to balance year end operations of the Water Budget should the budget be in a surplus/deficit position;
- (e) the Civic Administration **BE AUTHORIZED** to contribute to/draw down from the Wastewater Rate Stabilization Reserve to balance year end operations of the Wastewater Budget should the budget be in a surplus/deficit position;
- (f) the Civic Administration **BE AUTHORIZED** to draw down from the Operating Budget Contingency Reserve \$9,602 to fund Tourism London's 2010 operating deficit that was identified through 2010 yearend financial statement finalization noting that the London & Middlesex Housing Corporation had an increase in their 2010 year end surplus by \$93,205 which, consistent with Council resolution was contributed to the Operating Budget Contingency Reserve; and
- (g) the Civic Administration's contribution of \$546,896 (\$493,727 – property tax supported; \$36,514 – wastewater; and \$16,655 – water) to the applicable Efficiency, Effectiveness, and Economy Reserve (formerly Vacancy Management Reserve) **BE RECEIVED** for information. (2011-F05-00)

5. Chief Administrative Officer - Creation of a Separate Eldon House Board

Recommendation: That, on the recommendation of the Chief Administrative Officer, the following actions be taken with respect to the creation of a separate Eldon House Board:

- (a) the proposed model for the establishment of a separate Eldon House Municipal Service Board **BE ENDORSED IN PRINCIPLE**; and
- (b) the Civic Administration **BE DIRECTED** to report back to the Finance and Administration Committee with respect to:
 - (i) a more detailed transition plan to put the Eldon House Municipal Service Board in place by December 31, 2012; and,
 - (ii) a review of this transitional plan through a formal public consultation process. (2011-C15-00)

6. Chief Human Resources Officer - Employee Absenteeism Update

That the Finance and Administration Committee received and noted an information report, dated September 14, 2011, from the Chief Human Resources Officer with respect to an update on employee absenteeism. (2011-H02-00)

IV. ITEMS FOR DIRECTION

1. Devin Munro, Manager, Business and Government Relations, WIL Employment Connections – London Middlesex Immigrant Employment Council

Recommendation: That the Civic Administration, London Economic Development Corporation and the Boards and Commissions **BE REQUESTED** to review ways to assist the London Middlesex Immigrant Employment Council with their mandate to provide employment opportunities for internationally trained individuals. (2011-C06-00)

2. City Clerk - Amendments to Council Procedure By-law - Establishment of Investment and Economic Prosperity Committee

Recommendation: That, on the recommendation of the City Clerk, the following actions be taken with respect to the establishment of and appointments to the Investment and Economic Prosperity Committee:

- (a) the attached proposed by-law (Appendix "A") to amend By-law No. A-38 entitled "A by-law to provide for the Rules of Order and Procedure for the Council of The Corporation of the City of London" **BE INTRODUCED** at the Municipal Council meeting on September 19, 2011 to implement the new Investment and Economic Prosperity Committee; and
- (b) the attached proposed by-law (Appendix "B") to implement a policy pertaining to the appointment of Council Members to Standing Committees of Council and to various Civic Boards and Commissions **BE INTRODUCED** at the Municipal Council meeting on September 19, 2011 to extend the term of the initial appointments of Council Members to the Investment and Economic Prosperity Committee to November 30, 2012;

it being pointed out that there were no oral submissions made at the public participation meeting held in connection with this matter. (2011-G01-00)

3. Director of Building Controls and Chief Building Official - Business Licensing By-law - Fee Schedule Increase

Recommendation: That, on the recommendation of the Director of Building Controls and Chief Building Official, the following actions **BE TAKEN**:

- (a) the attached proposed by-law (Appendix "A") to amend By-law No. L-6 entitled "A by-law to provide for the licensing and regulation of various businesses" **BE INTRODUCED** at the Council meeting on September 19, 2011 to increase business license fees by \$15 per business category; and,
- (b) the Civic Administration **BE DIRECTED** to report back on potential business license categories for inclusion in the Business Licensing By-law for the purposes of nuisance control, health and safety, quality of life issues and consumer protection;

it being pointed out that there were no oral submissions made at the public participation meeting held in connection with this matter. (2011-F17-00)

4. City Clerk - Reimbursement to Members of Council for Use of Personal Vehicles

Recommendation: That, on the recommendation of the City Clerk, the Civic Administration **BE DIRECTED** to undertake the following actions with respect to Council Members' use of personal vehicles for local city business:

- (a) to discontinue the current procedure for local travel and apply the current budgetary amount of \$22,000 evenly amongst the annual expense allocation for each Council Member, excluding the Mayor; and
- (b) amend the policy for the Council Members' annual expense allocation to provide for reimbursement of eligible local travel from those monies;

it being noted that this would allow the Council Members to use their monies for any eligible expenditure identified in the Council policy applicable to their annual expense allocation, and the associated costs could be accommodated within the existing budget. (2011-F07-00)

5. R.T. Usher, General Manager, Covent Garden Market – Reserve Fund Expenditure – Parking Equipment Replacement

Recommendation: That the Covenant Garden Market's Board of Directors **BE AUTHORIZED** to draw down on its reserve in the amount of \$250,000 to replace the parking equipment at the Covenant Garden Market. (2011-F14-00)

6. J.B. Delaney, President, Better Business Bureau of Western Ontario – Sponsorship to the Better Business Bureau for their Business Integrity Awards Program

Recommendation: That the Finance and Administration Committee received and noted correspondence from J. B. Delaney, President, Better Business Bureau of Western Ontario - Sponsorship to the Better Business Bureau for their Business Integrity Awards Program. (2011-F12-00)

V. DEFERRED MATTERS/ADDITIONAL BUSINESS

VI. CONFIDENTIAL

That the Finance and Administration Committee (FAC) passed the following a motion to go in camera from 11:25 a.m. to 12:35 p.m.:

“That the Finance and Administration Committee move in camera to consider the following:

- C-1. A matter pertaining to litigation or potential litigation affecting the municipality, personal matters about an identifiable individual and information whose disclosure could reasonably be expected to prejudice the economic interests of the Corporation or instructions to be applied to any negotiations carried on or to be carried on by or on behalf of the Corporation as it relates to a property damage claim.
- C-2. A matter pertaining to security of the property of the Corporation as it contains commercial and financial information supplied in confidence to the Corporation the disclosure of which could be reasonably expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization, 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.
- C-3. A matter pertaining to litigation commenced by Practical Plumbing Co. Ltd as against The Corporation of the City of London for contribution and indemnity for any amount that Practical Plumbing Co. Ltd. is required to pay to Joseph Ronald Norman Coursol and Laurie Elizabeth Coursol in connection with a flooding at 76 Brunswick Avenue in the City of London; advice that is subject to solicitor-client privilege, including communications necessary for that purpose regarding litigation by Practical Plumbing Co. Ltd as against The Corporation of the City of London for contribution and indemnity for any amount that Practical Plumbing Co. Ltd. is required to pay to Joseph Ronald Norman Coursol and Laurie Elizabeth Coursol in connection with a flooding at 76 Brunswick Avenue in the City of London; and for the purpose of giving directions to employees of the municipality.
- C-4. A matter pertaining to proposed or pending acquisition of land by the municipality in connection with the Springbank Drive road widening project and related expropriations; litigation or potential litigation with respect to the expropriation of temporary easement on a property located at 339 Springbank Drive, including matters before administrative tribunals, affecting the municipality or local board; advice that is subject to solicitor-client privilege, including communications necessary for that purpose, in connection with the expropriation of temporary easement on a property located at 339 Springbank Drive; and directions and instructions to officers and employees or agents of the municipality regarding settlement negotiations and conduct of litigation in connection with the expropriation of temporary easement on a property located at 339 Springbank Drive.

- C-5. A matter pertaining to personal matters, including matters involving municipal employees, reports, advice and recommendations of officers and employees of the Corporation concerning labour relations, and litigation or potential litigation, including matters before administrative tribunals, affecting the municipality.
- C-6. A matter pertaining to litigation or potential litigation affecting the municipality and advice that is subject to solicitor-client privilege, including communications necessary for that purpose, in connection with the Motion for Leave to Appeal to the Divisional Court of the interim decision of the Assessment Review Board in *Town Inn Suites v. Municipal Property Assessment Corp.* Region Nos. 9 and the City of London.
- C-7. A matter pertaining to personal matters, including matters involving municipal employees, reports, advice and recommendations of officers and employees of the Corporation concerning labour relations, and litigation or potential litigation, including matters before administrative tribunals, affecting the municipality.

VII. ADJOURNMENT

The meeting adjourned at 12:36 p.m.