

32ND REPORT OF THE
FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE

Meeting held on November 26, 2012, commencing at 1:00 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: Councillors W.J. Armstrong, J.P. Bryant, S. Orser and J.B. Swan; A. Zuidema, J.P. Barber, G. Barrett, I. Collins, A. Dunbar, J. Edward, E. Gamble, M. Hayward, G.T. Hopcroft, J. Logan, V. McAlea Major, L. Palarchio, C. Resendes, C. Saunders, B. Turcotte, M. Turner and B. Warner

I. DISCLOSURES OF PECUNIARY INTEREST

1. That it **BE NOTED** that Mayor J.F. Fontana declared a pecuniary interest in clause 15 of this Report having to do with a request for the Mayor to take a paid leave of absence.

II. CONSENT ITEMS

2. Procurement of Goods and Services Policy Revision

Recommendation: That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the revised attached proposed by-law, being a by-law to amend By-Law No. A.-6151-17, **BE INTRODUCED** at the Municipal Council meeting on December 11, 2012, to revise Schedule "C" to By-Law No. A.-6151-17 being the Procurement of Goods and Services Policy to:

- a) increase the dollar limit from \$100,000 to \$1,000,000 for Tenders that do not have an irregular result as per section 13.2 in the Procurement of Goods and Services Policy; and
- b) add section 21.8 for the City of London Regional Water Supply approval process.

3. Taxation Changes at the Time of a Reassessment

Recommendation: That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the staff report dated November 26, 2012 regarding taxation changes at the time of a reassessment **BE RECEIVED** for information.

4. 2012 Operating Budget Status - Third Quarter Report

Recommendation: 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 2012 Operating Budget Status – Third Quarter Report for the General (Property Tax Supported), Water, and Wastewater and Treatment Budgets:

- a) the 2012 Operating Budget Status – Third Quarter Report for the General Budget (Property Tax Supported refer to Appendix A), Water Budget and Wastewater and Treatment Budget **BE RECEIVED** for information; it being noted that the Civic Administration is projecting:
 - i) \$2.5 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; it being further noted that consistent with Council direction, the projected \$2.5 million in savings will be contributed to the Operating Budget Contingency Reserve at year end;

- ii) a \$0.3 million deficit in the Water Budget; it being noted that consistent with Council direction, the \$0.3 million deficit in the Water rate supported budget will be offset by a draw down from the Water Works Capital Reserve Fund; and
- iii) a breakeven position in the Wastewater and Treatment Budget;
- b) the Civic Administration **BE AUTHORIZED** to transfer \$2.0 million from the Operating Budget Contingency Reserve to the City Facilities Reserve Fund (subject to achieving the projected \$2.5 million savings reported in a), above), in order to provide a source of funding for facility-related initiatives such as the Ontario Works Decentralization capital initiative; it being noted that the Ontario Works Decentralization capital project is subject to the review and approval of a strategy report and business case by Council; and
- c) the Civic Administration's contribution of \$2,645,069 (\$2,277,566 – property tax supported; \$163,430 – wastewater; and \$204,073 – water) to the Efficiency, Effectiveness and Economy reserves in 2012 **BE RECEIVED** for information.

5. 2012 Capital Budget Status - Third Quarter Report

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

- a) the 2012 Capital Budget Status - Third Quarter Report **BE RECEIVED** for information;
- b) the capital projects listed in Appendix A to the staff report dated November 26, 2012, worth a total of \$3.5 Million, **BE CLOSED** and the following further actions be taken:
 - i) released reserve fund draws of \$1,869,732 **BE TRANSFERRED** back to the reserve funds which originally funded the projects;
 - ii) released pay-as-you-go funding of \$375,270 **BE TRANSFERRED** to the capital receipts account; and
 - iii) released debt financing of \$1,221,433 **BE USED** to reduce authorized debt.

6. Request for Write Off of *Provincial Offences Act* (POA) Accounts Receivable

Recommendation: That, on the recommendation of the Deputy City Treasurer, the Civic Administration **BE AUTHORIZED** to write off the outstanding *Provincial Offences Act* accounts receivable, included as Appendix A to the staff report dated November 26, 2012, and removed from the Integrated Court Offences Network (ICON) system in accordance with the Ministry of the Attorney General Write-Off Directive and the Civic Administration's Uncollectible Accounts Receivable Policy, and approval **BE GIVEN** to cease collection activity on these delinquent cases.

7. Request for Write Off of Miscellaneous and Dearness Home Accounts Receivable

Recommendation: That, on the recommendation of the Deputy City Treasurer, the Civic Administration **BE AUTHORIZED** to write off the outstanding Miscellaneous and Dearness accounts receivable, included as Appendix A to the staff report dated November 26, 2012, to the Allowance for Doubtful Accounts in accordance with the Uncollectible Accounts Receivable Policy.

8. Corporate Asset Management Plan and State of the Infrastructure Report

Recommendation: That, on the recommendation of the Deputy City Treasurer, on the advice of the Division Manager, Corporate Asset Management, the following actions be taken with respect to the Corporate Assets Management process:

- a) the funding for Unit 4, Corporate Asset Management Plan and State of Infrastructure Report, based on the accelerated contract price, \$112,208, HST excluded, (RFP 11-37) **BE APPROVED** as detailed in the Sources of Financing Report include in the associated staff report dated November 26, 2012;
- b) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with the purchase of Unit 4; and
- c) the approval hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or having a purchase order, or contract record relating to the subject matter of this approval.

9. Code of Conduct for Members of Municipal Council and Lobbyist Registry

Recommendation: That, on the recommendation of the City Clerk, the staff report dated November 26, 2012 providing an update on the review of the Code of Conduct for Members of Municipal Council and a lobbyist registry, as well as the attached communication dated November 26, 2012, from Councillor J.B. Swan, **BE RECEIVED** for information.

10. Communication Strategy and Business Plan Review Proposal

Recommendation: That the staff report dated November 26, 2012 regarding engaging assistance to develop a communications strategy for advising Council Members about City-related matters affecting their wards **BE RECEIVED** for information; it being noted that the engagement of Winther Consulting, for an amount not to exceed \$25,000, is in accordance with Section 15.3 of the Procurement of Goods and Services Policy and that funding for the engagement will be accommodated within the 2012 approved Operating Budget.

11. Tender 12-92 Cellular Services and Hardware

Recommendation: That, on the recommendation of the Chief Technology Officer, the following actions be taken with respect for Cellular Services & Hardware for the supply of Cell Phones, Air Cards, BlackBerrys (Hardware) and Cellular Communication Services for City of London and participating Boards and Commissions:

- a) the tender for Cellular Services and Hardware for a term of three (3) years with an option for a further two (2) additional one (1) year periods with the low overall bidder Rogers Communications Partnership (Rogers Wireless), 1 Mount Pleasant Road, Toronto, ON M4W 1G9 at their tendered annual price of \$405,585.60 (excluding HST), **BE ACCEPTED**; it being pointed out that the bid submitted by Rogers Communications Partnership (Rogers Wireless), was the lowest of 4 compliant bids received and meets the City's specifications and requirements in all areas;
- b) the Civic Administration **BE AUTHORIZED** to undertake all administrative acts which are necessary in connection with this contract; and
- c) 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.

III. SCHEDULED ITEMS

12. Tax Adjustment Agenda

Recommendation: That the recommendations contained in the Tax Adjustment Agenda dated November 26, 2012 **BE APPROVED**; it being noted that there were no members of the public in attendance to speak to the Finance and Administrative Services Committee, at the public hearing associated with the Tax Adjustment Agenda.

13. London Normal School - 165 Elmwood Avenue East

Recommendation: That, subject to a report back from the Civic Administration on a financial plan for the acquisition and capital improvements required for the adaptive re-use of the Normal School, the Civic Administration **BE DIRECTED** to proceed with "Option 1 – Acquire and Partner", for the property located at 165 Elmwood Avenue, the formal Normal School, as detailed in the staff report dated November 26, 2012; it being noted that the Finance and Administrative Services Committee heard a verbal overview from the Manager, Policy Planning and Programs and heard the attached presentation from George Sinclair with respect to this matter.

IV. ITEMS FOR DIRECTION

14. Nomination for the Queen Elizabeth II Diamond Jubilee Medal

Recommendation: That the following individuals **BE NOMINATED** to receive the Queen Elizabeth II Diamond Jubilee Medal and the City Clerk **BE DIRECTED** to contact the Council Members to seek any further nominations for consideration at the Council Meeting to be held on December 11, 2012:

- Josh Morgan
- Sarah Merritt - Old East Village
- Dan Ross
- David Broostad - Hamilton Road Business Association
- Peter Johnson
- Amit Chakma
- Howard Rundle
- Mobray Sifton
- Gene Drewlo
- Don Crich
- Jim McKinnon
- Shmuel Farhi
- John Winston
- Michelle Campbell
- Ryan Mahy

V. DEFERRED MATTERS/ADDITIONAL BUSINESS

15. Motion – Mayor – Leave of Absence

Recommendation: That the Mayor **BE REQUESTED** to take a leave of absence with pay until final disposition of the criminal charges against him;

it being noted that the Finance and Administrative Services Committee heard the attached presentation from Councillor J.L. Baechler with respect to this matter.

VI. CONFIDENTIAL

(See Confidential Appendix to the 32nd Report of the Finance and Administrative Services Committee enclosed for Members only.)

The Finance and Administrative Services Committee convened in camera from 2:48 PM to 3:19 PM after having passed a motion to do so, with respect to the following matters:

- C-1. A matter pertaining to personal matters involving identifiable individuals who are municipal employees with respect to employment related matters.
- C-2. A matter pertaining to reports, advice and recommendations of officers and employees of the Corporation, concerning labour relations and employee negotiations in regard to one of the Corporation's associations or unions and litigation or potential litigation, including matters before administrative tribunals, affecting the municipality.
- C-3. A matter pertaining to personal information about identifiable individuals including municipal employees, with respect to employment-related matters; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; advice or recommendations of officers and employees of the Corporation, including communications necessary for that purposes; and for the purpose of providing instructions and directions to officers and employees of the Corporation.
- C-4. A matter pertaining to advice and recommendations of officers and employees of the Corporation concerning labour relations and employee negotiations relating to one of the Corporation's associations or unions.
- C-5. A matter pertaining to personal matters, including information regarding identifiable individuals, including municipal employees, with respect to employment related matters, matters pertaining to litigation or potential litigation, advice or recommendations of officers and employees of the Corporation including communications necessary for that purpose.

VII. ADJOURNMENT

The meeting adjourned at 3:20 PM.