



## **Special Council Meeting Agenda**

Monday, February 4, 2019 - 5:00 – 6:00 PM

Essex Civic Centre, Committee Room C

360 Fairview Avenue West, Essex, Ontario

### **1. Roll Call**

Present:

Mayor Larry Snively

Deputy Mayor Richard Meloche

Ward 1 Councillor Joe Garon

Ward 1 Councillor Morley Bowman

Ward 2 Councillor Kim Verbeek

Ward 3 Councillor Chris Vander Doelen

Ward 3 Councillor Steve Bjorkman

Ward 4 Councillor Sherry Bondy

Also Present:

Donna Hunter, Chief Administrative Officer

Chris Nepszy, Deputy CAO/Director, Infrastructure Services

Jeffrey Morrison, Director, Corporate Services and Treasurer

Doug Sweet, Director, Community Services

Kate Giurissevich, Manager, Finance and Business Services

Jackson Tang, Assistant Manager, Business Services

Robert Auger, Clerk, Legal and Legislative Services

Shelley Brown, Deputy Clerk, Legal and Legislative Services

### **2. Declarations of Conflict of Interest**

### **3. Adoption of Published Agenda**

a) Special Council Meeting Agenda

Moved by

Seconded by

That the published agenda for the February 4, 2019 Special Council Meeting re:  
Council Discretionary Fund and Introduction to Procurement be adopted as  
presented.

#### **4. Reports from Administration**

- a) Jackson Tang, Assistant Manager, Business Services.

Presentation to Council RE: Introduction to Procurement

Moved by

Seconded by

That the PowerPoint presentation entitled "Introduction to Procurement", prepared by Jackson Tang, Assistant Manager, Business Services, be received

- b) Jeffrey Morrison, Director of Corporate Services and Treasurer

Verbal Report RE: Council Discretionary Fund

Moved by

Seconded by

That the verbal report entitled "Council Discretionary Fund", prepared by Jeffrey Morrison, Director, Corporate Services/Treasurer, be received.

#### **5. Adjournment**

Moved by

Seconded by

That the meeting be adjourned at



# Summary of Procurement By-Law 1043 Centralized Procurement



# Mission Statement



The Town of Essex is committed to providing services, facilities and infrastructure to help improve the economic, social and environmental well-being of our communities, and to deliver an outstanding life experience for present and future residents, business and visitors.



# Function of Procurement By-Law 1043



To provide guidelines for buying goods and services effectively and efficiently in a Fair, Non-Discriminatory and Transparent Process with clear explanation of the responsibilities and authorities of the involved parties, and consideration to:

- Environmental Impact
- Economic and Financial Impact
- Social Impact

# Fundamental Principles



To provide the Town of Essex with the goods and services:

- in the right Quality
- at the right Price
- in the right Quantity
- at the right Time
- from the right Source
- at the right Place
- at the low Risk



# Ontario Trade Commitments



## Two Domestic Trade Agreements:

- Canadian Free Trade Agreement (CFTA)
- Ontario-Quebec Trade and Cooperation (OQTCA), a comprehensive bi-lateral agreement with the province of Quebec (**aligns with CFTA**)

## One International Trade Agreement:

- The Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA)

# Price Summary



Bidder Name	Request for Tender Specifications	Bidder Specifications	Tender Price Including HST
Company A	iPhone 6 64 G Storage or equivalent	iPhone 6 64G Storage	\$800
Company B		iPhone 6 64G Storage	\$805
Company C		iPhone X 64G Storage	\$810

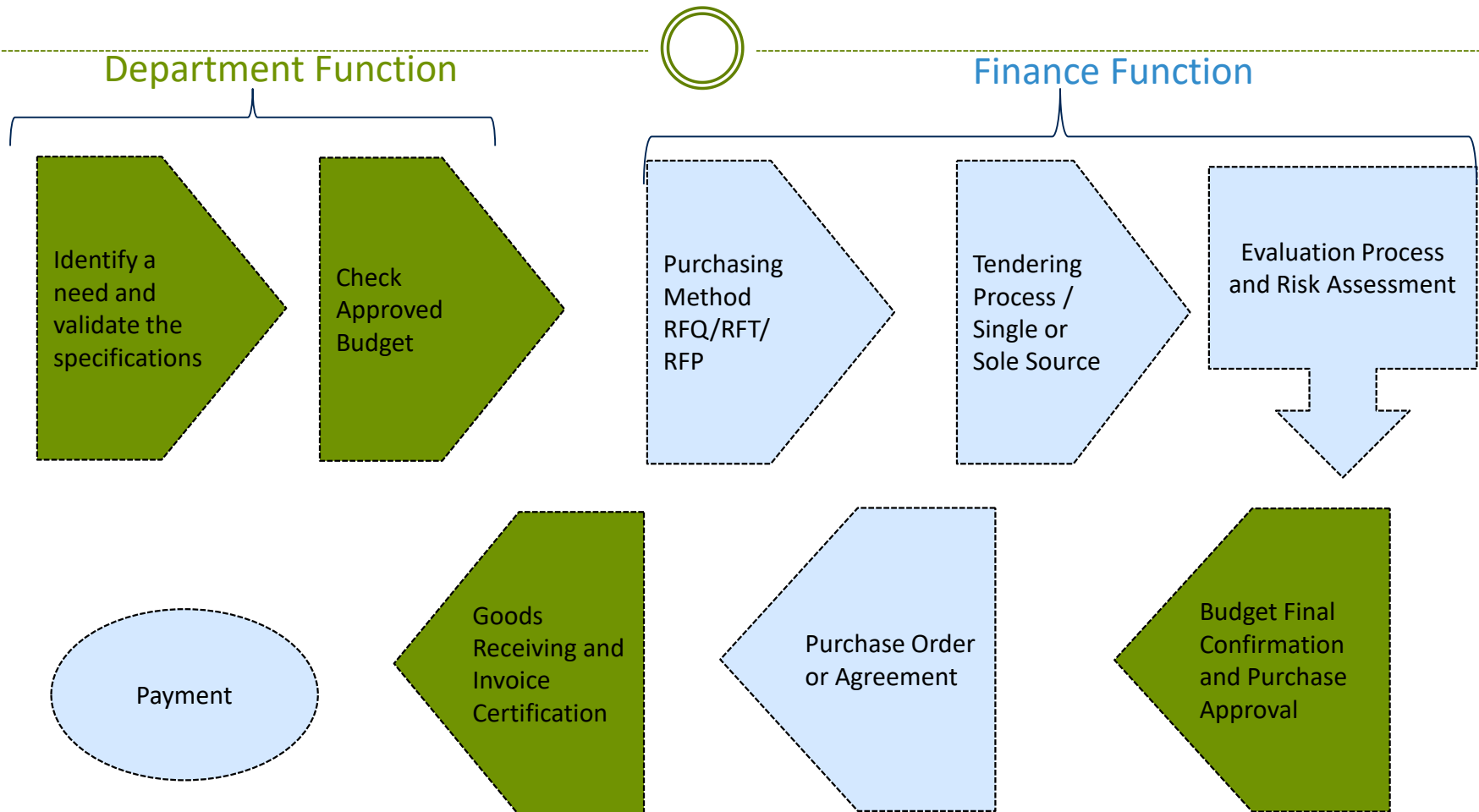


# CFTA and CETA - Thresholds



Trade Agreement	Procurement Type	Municipalities to follow
CFTA	Goods	\$100,000
	Services	\$100,000
	Construction	\$250,000
CETA	Goods	\$365,700
	Services	\$365,700
	Construction	\$9,100,000

# Procurement Process



# Procurement Methods



Procurement Method	Request for Proposal (RFP)	Request for Tender (RFT)	Request for Quotation (RFQ)	Informal, Low Value Procurement	Sole/Single Source Procurement
Definition	<p>Price is not the predominant award criteria.</p> <p>The details of the purchase are not well defined. The RFP process allows vendors to propose solutions or methods to arrive at a desired result and is for contracts.</p>	<p>Selection of vendor is made by price alone.</p> <p>A formal bid solicitation process for obtaining competitive bids for the purchase of goods and services that with adequately defined requirements for which a clear or single solution exists and for which the anticipated total acquisition cost of the purchase is expected to exceed \$50,000.</p>	<p>Selection of vendor is made by price alone.</p> <p>Same as a Request for Tender except it is used where the anticipated total acquisition cost of the purchase is not expected to exceed \$50,000.</p>	<p>Process for obtaining quote for goods and services by telephone, fax, in writing, or by any other method of communication.</p>	<p>Process for obtaining goods and services without seeking competitive pricing.</p> <p>Refer to Section 9.08 of the Procurement and Disposal of Goods and Services Policy for full details of when this process may be used.</p>

# Procurement By Law 1043- Thresholds



Estimated Value of Goods or Services	Method of Procurement	Procurement Documentation Required	Authorization Required
\$0 to \$5,000	Minimum One (written/verbal) quote at the discretion of Department Head.	None	Department Head or Designated Staff.
\$5,001 to \$15,000	Three written comparative quotes required through Informal Request for Quotation or Informal Request for Proposal.	Purchase Order	Department Head - Up to amount in Approved Budget.
<b>Purchases where requirements can be definitively specified or defined</b>			
\$15,001 to \$50,000	Request for Quotation or Request for Proposal	Purchase Order	Department Head and Treasurer or CAO
\$50,001 to 100,000	Request for Tender or Request for Proposal	Purchase Order and Contract, if applicable	Department Head and Treasurer or CAO
Greater than \$100,000 *	Request for Tender or Request for Proposal	Purchase Order and Contract, if applicable	Council based on recommendations provided by the Department Head in a Report to Council, to which the Treasurer or CAO concur.

\* In compliance with CFTA and CETA requirements.



# Procurement By Law 1043- Thresholds



Estimated Value of Goods or Services	Method of Procurement	Procurement Documentation Required	Authorization Required
<b>Purchases which meet the criteria for Sole/Single Source Procurement</b>			
\$5,001 to \$50,000	Non-competitive procurement	Purchase Order	Department Head and Treasurer or CAO
\$50,001 to \$100,000	Non-competitive procurement	Purchase Order and Contract, if applicable	Department Head and Treasurer or CAO
Greater than \$100,000 *	Non-competitive procurement	Purchase Order and Contract, if applicable	Council based on recommendations provided by the Department Head in a Report to Council, to which the Treasurer or CAO concur.

\* In compliance with CFTA and CETA requirements.

# Current Trends



- Electronic Tendering
- Group purchases with other Municipalities / Broader Public Sector organizations



## Q & A



## **Council Discretionary Fund Summary (Policy 032)**

**The Council Discretionary Fund provides members of Council with a funding mechanism to assist community organizations whose mandate furthers Council's priorities for the Community.**

### **Council's Priorities:**

1. Promote a healthy, safe and environmentally conscious community.
2. Promote healthy and active living through recreational and cultural opportunities.

### **Purpose:**

To ensure that a fair, equitable and transparent framework exists to guide the allocation of funding from the Council Discretionary fund for community purposes that benefit the community of Essex.

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### **Consideration of Grant Requests by Council Members:**

When considering grant applications, Council members must give due regard to their duty of equality by consciously thinking about the grant and how it relates to the community's overall needs and Council's priorities.

### **Application and Approval Process:**

Council members will direct the group or organization to prepare and submit a request for funding in writing to the Director of Corporate Services once they have determined that the group or organization meets the eligibility criteria.

### **Timing and Amount of Grants:**

- Grants shall be available on a calendar year basis but will not be considered by Council members until after the annual budget has been adopted by Council
- Minimum grant payable through the Council Discretionary Fund is \$100 and the maximum payable is \$1,000.
- Council members are encouraged to utilize their annual allocation from the Council Discretionary Fund fully within the calendar year. Unspent allocations will be brought into the general surplus or deficit.

### **Annual Allocations to the Fund:**

- During the budget process Council will determine the amount of funds to be allocated to the Fund.
- Funds are divided equally amongst members of Council.
- Funds will be available for distribution per the guidelines in the Policy upon final approval of the operating budget.

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### **Eligible Contributions:**

- a) A community purpose that meets the eligibility criteria of the policy;
- b) Capital works of the municipality that are for a community purpose, with the approval of:
  - i. In case of a Councillor, the Mayor or Deputy-Mayor and the CAO
  - ii. In the case of the Deputy-Mayor, the Mayor and the CAO



iii. In the case of the Mayor, the Deputy-Mayor and the CAO

- c) Community based organizations *whose primary focus is the residents of the Town of Essex.*

Groups or organizations must be located in the Town of Essex or provide evidence that the primary focus of their project or event is for residents of the Town of Essex, with the majority of participants being from the Town of Essex

Funding can only be used to support **short-term project-related costs**. Funding is not available to pay for the operating costs of core services or functions.

**Grants for multi-year projects or events:**

- Not be eligible for more than two consecutive years of funding, regardless of which Member of Council provided such funding.
- Second year of funding shall not include a municipal election year or a year beyond the current term of Council.

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**Eligible Groups or Organizations:**

- a) Community based not-for-profit, and charitable organizations or volunteer groups;
- b) Youth organizations such as Scouts, Girl Guides, Boys and Girls Clubs;
- c) Local food banks;
- d) Royal Canadian Legion and related benevolent societies or associations;
- e) Religious groups (*where it can be demonstrated that a distinct line of separation exists between the project contemplated and strictly religious activities and the project will provide a wider community benefit.*)
- f) Parent teacher associations which are formally constituted;
- g) Organizations promoting the municipality such as Chambers of Commerce, Essex Centre Business Improvement Area, etc.; or
- h) Local schools, academies and other organizations such as the Ontario Provincial Police, the Essex Fire Service, etc. (*where the applicant can demonstrate that the grant will support a new community benefit and will not be used to supplement the core services or functions of that organization.*)

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**Ineligible Groups or Organizations:**

- a) Individuals;
- b) Not-for-profit or charitable organizations operating gaming machines, games of chance or lotteries;
- c) Organizations who are not located in the Town of Essex and cannot provide evidence of a project or event specific to the Town of Essex;
- d) Political parties (*Including groups affiliated with political party or organizations with political aim*)
- e) Religious groups (*where it cannot be demonstrated that a distinct line of separation exists between the project contemplated and strictly religious activities*);
- f) Lobbying or campaigning organizations;
- g) Provincial agencies, including school boards;
- h) Organizations who have received funding in the same year under another Town of Essex funding program (*Example, Essex Community Partnership Fund, Essex Tourism Development Fund, etc.*);  
or
- i) Organizations who have outstanding debt with the Town of Essex.