



## Corporation of the Township of Brock

### Staff Report to the Mayor and Members of Council

**From: Sheila Strain, CPA, CGA**

**Position: Interim Director of Finance/Treasurer**

**Title / Subject: Update and Modernization of Procurement Bylaw, Policies, Procedures and Templates**

**Date of Report: May 2, 2022**

**Date of Meeting: May 9, 2022**

**Report No: 2022-FI-005**

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#### 1.0 Issue / Origin

The current Procurement By law was passed in 2014. Since then the bylaw has undergone required legal reviews with no major issues identified.

#### 2.0 Background

The Township has been working with the Region of Durham, Scugog and Uxbridge on a shared project for training on municipal procurement. This has included 2 virtual training sessions which 16 Township staff have participated in. The training was well received, however, it did highlight some of the risk of the Township's procurement practices.

#### 3.0 Analysis

Over the last few months, Township staff, Scugog, Uxbridge, and the Region of Durham have had many discussions surrounding procurement practices. It became evident we all faced similar challenges with decentralized procurement and collectively concluded we would all benefit from an updated clear and easy to read procurement bylaw and policies, detailed procurement procedures which provide guidance on a broad range of issues and circumstances, standard purchasing templates and vendor contracts.

Each of the 3 Township's do not have dedicated procurement staff, so it falls to each department to manage tenders, proposals and contracts. Procurement is an area that staff have identified the need for more training.

Brock will be the point of contact for the project, working closely with Scugog and Uxbridge, to update our bylaw based on a common form of modernized bylaw and establish an easy to use set of procedures and templates that will ensure compliance with the procurement bylaw and provide consistency of approach and documentation throughout all departments. All the documentation will be interactive and linked. This will be key for staff as they will be able to easily access all materials and be confident they are following appropriate processes. As well, training will be provided on the updated bylaw and documents.

With the expertise of the Region, LMX Law LLP, and Procurement Specialist LouAnn Birkett and our neighbouring municipalities, this undertaking will be completed in approximately 3 months (excluding training). It is expected this will be completed no later than the end of August 2022.

The Proposal from LMX Law LLP has the following deliverables:

- (1) Updated and easy to use Procurement By-law;
- (2) Procurement Procedures Manual – includes detailed procedures, guidelines and templates;
- (3) Various RFx Templates – designed for use on Bids & Tenders;
- (4) Templates User Guide;
- (5) Up to 2 hours/month (for the Group) of free after sales consultation for the 12 months following the end of the project; and
- (6) Training – for the updated procurement bylaw, procedures manual and templates.

The first step will be the updating of the procurement bylaw – this will need to be approved in principle by Council as the policies and procedures will reflect the contents of the bylaw.

LXM is not transferring ownership of intellectual property in its base materials, such as the pre-existing LXM procedures manual, templates and guides. However, the Township of Brock will be provided with a perpetual irrevocable license to the pre-existing materials for Brock's internal use and will have the unrestricted right to modify materials, and to authorize others to do so, for use by Brock for its internal purposes upon payment of the license fee.

#### **4.0 Related Policies / Procedures**

By-law Number 2551-2014-FI

#### **5.0 Financial / Budget Assessment**

Procurement is a specialized field that can present a risk to the municipality if the proper procedures and rules are not followed. The process must be fair and transparent and adhere to existing laws. With a consistent approach, both corporately and with our neighbouring municipalities, there will be an advantage for attracting bids and will help vendors who bid on multiple contracts to have similar bid document formats and requirements.

It is proposed that this project be funded from the Insurance Reserve, recognizing the importance of risk mitigation in the procurement area, for an estimated amount of \$15,000.00, which includes contingency of \$3,000.00 for training and / or specific revisions for Brock.

## **6.0 Climate Change Impacts**

Mitigating climate change impacts is recognized in procurement practices.

## **7.0 Communications**

N/A

## **8.0 Conclusion**

This is an important initiative for the Township that will bring consistency and confidence in our procurement practices.

## **9.0 Recommendation**

THAT Report 2022-FI-005, Update and Modernization of Procurement Bylaw, Policies, Procedures and Templates be received for information;

THAT Council approve the Township of Brock accepting LXM LAW LLP proposal to modernize the procurement by-laws and develop procurement procedures and templates for Brock, Scugog and Uxbridge (all working together and adopting common deliverables);

That Council approve \$15,000.00 upset limit from the Insurance Reserve to fund this project.